

PRELIMINARY OFFICIAL STATEMENT DATED AUGUST 23, 2023

NEW ISSUE

RATING: NOT RATED

In the opinion of Parker McCay P.A., Mount Laurel, New Jersey, Bond Counsel, assuming continuing compliance by the Township (as hereinafter defined) with certain tax covenants described herein, under existing law, interest on the Notes (as hereinafter defined) is not included for federal income tax purposes in the gross income of the owners thereof pursuant to Section 103 of the Internal Revenue Code of 1986, as amended ("Code"), and will not constitute a tax preference item for purposes of the alternative minimum tax imposed on individuals; however, such interest is taken into account in determining the annual adjusted financial statement income of certain corporations for the purpose of computing the alternative minimum tax imposed on such corporations. In addition, interest on the Notes and any gain from the sale thereof are not included in the gross income of owners thereof under the New Jersey Gross Income Tax Act, as presently executed and construed. See "TAX MATTERS" herein.

\$8,851,000
TOWNSHIP OF WINSLOW
County of Camden, New Jersey
BOND ANTICIPATION NOTES OF 2023, SERIES B
Consisting of:
\$5,521,150 General Capital Improvement Notes
\$3,329,850 Water/Sewer Utility Notes
(BOOK-ENTRY ONLY) (NON-CALLABLE)
COUPON: ____%
YIELD: ____%
CUSIP*: _____

Dated: Date of Delivery
Due: September 12, 2024

\$2,375,000
TOWNSHIP OF WINSLOW
County of Camden, New Jersey
BOND ANTICIPATION NOTES OF 2023, SERIES C
(BOOK-ENTRY ONLY) (NON-CALLABLE)
COUPON: ____%
YIELD: ____%
CUSIP*: _____

Dated: Date of Delivery
Due: March 29, 2024

The (i) \$8,851,000 Bond Anticipation Notes of 2023, Series B ("Series B Notes"); and (ii) \$2,375,000 Bond Anticipation Notes of 2023, Series C ("Series C Notes"; together with the Series B Notes, the "Notes"), are general obligations of the Township of Winslow, County of Camden, New Jersey (the "Township"), payable from *ad valorem* taxes levied upon all the taxable property within the Township for the payment of the Notes and the interest thereon without limitation as to rate or amount, as more fully described herein. The Series B Notes consist of: (i) \$5,521,150 principal amount of General Capital Improvement Notes; and (ii) \$3,329,850 principal amount of Water/Sewer Utility Notes.

The Notes will be issued as fully registered notes in the name of Cede & Co., as registered owner and nominee for The Depository Trust Company, New York, New York ("DTC"), which will maintain a book-entry system for recording ownership interests of DTC Participants. Individual purchases of beneficial ownership interests in the Notes may be made in book-entry form only on the records of DTC and its Participants and only in the principal amount of \$5,000, or any integral multiple of \$1,000 in excess thereof, or in such amount necessary to issue the principal amount of the Notes. Beneficial Owners of the Notes will not receive certificates representing their interests in the Notes. As long as Cede & Co. is the registered owner, as nominee of DTC, references in this Official Statement to the registered owners shall mean Cede & Co., and not the Beneficial Owners of the Notes.

Principal of and interest on the Notes will be payable by the Township or a duly designated paying agent at the date of maturity. The Notes will bear interest at the rate per annum indicated above, commencing from their date of delivery. While DTC is acting as securities depository for the Notes, the principal of and interest on the Notes will be payable by wire transfer to DTC or its nominee, which is obligated to remit such principal and interest payments to DTC Participants. DTC Participants and Indirect Participants will be responsible for remitting such principal and interest payments to the Beneficial Owners of the Notes. The Notes are not subject to redemption prior to their stated maturity date.

The Series B Notes are authorized to be issued pursuant to: (i) the Local Bond Law, Chapter 169 of the Laws of 1960 of the State of New Jersey, as amended and supplemented ("Local Bond Law"); (ii) bond ordinances 2019-13, 2019-14, 2020-11, 2020-12, 2021-14, and 2023-16 (collectively, the "Series B Bond Ordinances"), each duly and finally adopted by the Township Committee and published in accordance with the requirements of the Local Bond Law; and (iii) a Certificate of Determination and Award executed by the Chief Financial Officer of the Township on August 30, 2023.

The Series C Notes are authorized to be issued pursuant to: (i) the Local Bond Law; (ii) bond ordinance 2021-01 (the "Series C Bond Ordinance", together with the Series B Bond Ordinances, the "Bond Ordinances"), duly and finally adopted by the Township Committee and published in accordance with the requirements of the Local Bond Law; and (iii) a Certificate of Determination and Award executed by the Chief Financial Officer of the Township on August 30, 2023.

The Series B Notes are being issued by the Township to provide funds which will be used to: (i) currently refund the Township's \$7,614,000 Bond Anticipation Notes of 2022, Series B, dated September 15, 2022, maturing on September 14, 2023; (ii) temporarily finance the costs of various capital improvements and the acquisition of various capital equipment for which obligations have been authorized, but not yet issued; and (iii) pay certain costs and expenses incidental to the issuance and delivery of the Series B Notes.

The Series C Notes are being issued by the Township to provide funds which will be used to: (i) currently refund the Township's \$2,375,000 Bond Anticipation Notes of 2023, Series A, dated March 22, 2023, maturing on September 14, 2023; and (ii) pay certain costs and expenses incidental to the issuance and delivery of the Series C Notes.

This cover page contains certain information for quick reference only. It is not a summary of this issue. Investors must read the entire official statement to obtain information essential to the making of an informed investment decision.

The Notes are offered when, as and if issued and subject to prior sale, to withdrawal or modification of the offer without notice, and to the approval of legality by the law firm of Parker McCay P.A., Mount Laurel, New Jersey, Bond Counsel to the Township, and certain other conditions described herein. Certain legal matters will be passed upon for the Township by its Solicitor, Stuart A. Platt, Esquire, of The Platt Law Group, Stratford, New Jersey. Phoenix Advisors, LLC, Bordentown, New Jersey has served as Municipal Advisor to the Township in connection with the Notes. The Notes are expected to be available for delivery in definitive form through DTC in New York, New York on or about September 13, 2023.

BID PROPOSALS FOR THE NOTES WILL BE RECEIVED BY THE TOWNSHIP ON AUGUST 30, 2023 UNTIL 11:00AM ELECTRONICALLY VIA THE PARITY ELECTRONIC BID SUBMISSION SYSTEM. FOR MORE DETAILS ON HOW TO BID PLEASE VIEW THE NOTICE OF SALE POSTED AT WWW.GOVDEBT.NET.

This is a Preliminary Official Statement "deemed final" within the meaning of and with the exception of certain information permitted to be omitted by Rule 15c2-12 of the Securities and Exchange Commission. The Township will deliver a final Official Statement in compliance with Rule 15c2-12. This Preliminary 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 Notes by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale prior to registration, qualification or exemption under the securities laws of any such jurisdiction.

⁸ 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 S&P Global Market Intelligence. The CUSIP numbers listed above are being provided solely for the convenience of noteholders only at the time of issuance of the Notes and the Township 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 is subject to being changed after the issuance of the Notes 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 the Notes.

**TOWNSHIP OF WINSLOW
COUNTY OF CAMDEN, NEW JERSEY**

<u>Name</u>	<u>Title</u>
Marie D. Lawrence	Mayor
Charles Flamini	Deputy Mayor
Brandon Glikas	Committeeperson
Evelyn M. Leverett	Committeeperson
Jacquelyn Lee	Committeeperson
Charles Leps	Committeeperson
Raymond Watkins, Jr.	Committeeperson
Carlos A. Vascos	Committeeperson
John A. Wilson	Committeeperson

Administrator

Joseph Gallagher

Township Clerk

Lisa L. Dority

Chief Financial Officer

Stephen J. Dringus, Jr.

Solicitor

Stuart A. Platt, Esq.
The Platt Law Group
Stratford, New Jersey

Auditor

Bowman & Company LLP
Voorhees, New Jersey

Bond Counsel

Parker McCay P.A.
Mount Laurel, New Jersey

Municipal Advisor

Phoenix Advisors, LLC
Bordentown, New Jersey

No broker, dealer, salesperson or other person has been authorized by the Township to give any information or to make any representations with respect to the Notes 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 Township 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 Township. 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 hereunder under any circumstances shall 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 Township during normal business hours.

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 Notes in any jurisdiction in which it is unlawful for any person to make such an offer, solicitation or sale. No dealer, broker, salesperson or other person has been authorized to give any information or to make any representations other than as contained in this Official Statement. If given or made, such other information or representations must not be relied upon as having been authorized by the Township or the Underwriter.

Upon issuance, the Notes will not be registered under the Securities Act of 1933, as amended, will not be listed on any stock or other securities exchange and neither the Securities and Exchange Commission nor any other federal, State, municipal or other governmental entity will have passed upon the accuracy or adequacy of this Official Statement.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITER AND/OR PURCHASER MAY OVER ALLOT OR EFFECT TRANSACTIONS THAT STABILIZE OR MAINTAIN THE MARKET PRICE OF THE NOTES 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 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.

TABLE OF CONTENTS

	<u>Page</u>
INTRODUCTION	1
THE NOTES	1
AUTHORIZATION AND PURPOSE OF THE NOTES	2
Series B Notes	2
Series C Notes	3
BOOK-ENTRY ONLY SYSTEM	4
General	4
Discontinuation of Book-Entry Only System	6
SECURITY AND SOURCE OF PAYMENT	6
GENERAL INFORMATION REGARDING THE TOWNSHIP	6
General	6
Financial	6
CERTAIN PROVISIONS OF THE LAWS OF THE STATE OF NEW JERSEY AND THE UNITED STATES RELATING TO GENERAL OBLIGATION DEBT	7
Local Bond Law	7
Local Fiscal Affairs Law	8
The Local Budget Law	8
Miscellaneous Revenues	10
Real Estate Taxes	10
Deferral of Current Expenses	11
Budget Transfers	11
Capital Budget	11
Water/Sewer Utility Budget	11
Related Constitutional and Statutory Provisions	11
Rights and Remedies of Owners of Bonds	12
Limitation of Remedies Under Federal Bankruptcy Code	12
TAXATION	13
Procedure for Assessment and Collection of Taxes	13
Tax Appeals	14
LITIGATION	14
TAX MATTERS	14
Federal	14
New Jersey	15
Changes in Federal and State Tax Law	15
CONTINUING DISCLOSURE	16
NO DEFAULT	16
CERTAIN RISK FACTORS	16
Recent Healthcare Developments	16
Cyber Security	17
Climate Change	17
UNDERWRITING	18
Series B Notes	18
Series C Notes	18
MUNICIPAL ADVISOR	18
APPROVAL OF LEGAL PROCEEDINGS	19
LEGALITY FOR INVESTMENT	19
PREPARATION OF OFFICIAL STATEMENT	19
ADDITIONAL INFORMATION	20

APPENDIX A	CERTAIN ECONOMIC, FINANCIAL AND DEMOGRAPHIC INFORMATION REGARDING THE TOWNSHIP OF WINSLOW
APPENDIX B	FINANCIAL STATEMENTS OF THE TOWNSHIP OF WINSLOW
APPENDIX C	FORMS OF BOND COUNSEL OPINIONS
APPENDIX D	FORMS OF INFORMATION REPORTING UNDERTAKING AGREEMENTS

OFFICIAL STATEMENT

Relating to

\$8,851,000

TOWNSHIP OF WINSLOW

County of Camden, New Jersey

BOND ANTICIPATION NOTES OF 2023, SERIES B

Consisting of:

\$5,521,150 General Capital Improvements Notes

\$3,329,850 Water/Sewer Utility Notes

(BOOK-ENTRY ONLY) (NON-CALLABLE)

\$2,375,000

TOWNSHIP OF WINSLOW

County of Camden, New Jersey

BOND ANTICIPATION NOTES OF 2023, SERIES C

(BOOK-ENTRY ONLY) (NON-CALLABLE)

INTRODUCTION

This Official Statement, which includes the cover page and the appendices attached hereto, has been prepared by the Township of Winslow in the County of Camden, New Jersey (the "Township"), in connection with the sale and the issuance of its (i) \$8,851,000 Bond Anticipation Notes of 2023, Series B (the "Series B Notes"); and (ii) \$2,375,000 Bond Anticipation Notes of 2023, Series C (the "Series C Notes"; together with the Series B Notes, the "Notes"). The Series B Notes consist of: (i) \$5,521,150 principal amount of General Capital Improvement Notes; and (ii) \$3,329,850 principal amount of Water/Sewer Utility Notes. This Official Statement has been executed by and on behalf of the Township by the Chief Financial Officer and may be distributed in connection with the sale of the Notes.

THE NOTES

Each series of Notes shall be dated and shall bear interest from their date of delivery and shall mature on the date and in the amount shown on the front cover page hereof. The Notes shall bear interest, payable at maturity, at the rate shown on the front cover page hereof. Interest on the Notes shall be calculated on the basis of twelve (12) thirty (30) day months in a three hundred sixty (360) day year. The Notes are not subject to redemption prior to their stated maturity dates.

The Notes will be issued as fully registered notes in book-entry only form, if applicable, and when issued, will be registered in the name of and held by Cede & Co., as nominee of DTC. DTC will act as securities depository for the Notes. Principal of and interest on the Notes will be payable by the Township or a duly designated paying agent on the date of maturity by wire transfer of immediately available funds to DTC or its nominee. Purchases of beneficial interests in the Notes will be made in book-entry only form, without certificates, in denominations of \$5,000, or any integral multiple of \$1,000 in excess thereof, or in such amount necessary to issue the principal amount of the Notes, through book entries made on the books and records of DTC and its participants. Under certain circumstances, such beneficial interests in the Notes are exchangeable for one or more fully registered Note certificates in authorized denominations.

The Note certificates will be on deposit with DTC, if applicable. DTC will be responsible for maintaining a book-entry system for recording the interests of its participants and transfers of the interests among its participants. The participants will be responsible for maintaining records regarding the beneficial

ownership interests in the Notes on behalf of the individual purchasers. Individual purchasers of the Notes will not receive certificates representing their beneficial ownership interests in the Notes, but each book-entry owner will receive a credit balance on the books of its nominee, and this credit balance will be confirmed by an initial transaction statement stating the details of the Notes purchased. So long as DTC or its nominee, Cede & Co., is the registered owner of the Notes, payments of the principal of and interest on the Notes will be made by the Township or a duly designated paying agent directly to DTC or its nominee, Cede & Co., which will in turn remit such payments to DTC Participants, which will in turn remit such payments to the beneficial owners of the Notes. See “BOOK-ENTRY ONLY SYSTEM” herein.

AUTHORIZATION AND PURPOSE OF THE NOTES

Series B Notes

The Series B Notes are authorized to be issued pursuant to: (i) the Local Bond Law, Chapter 169 of the Laws of 1960 of the State of New Jersey, as amended and supplemented (“Local Bond Law”); (ii) bond ordinances 2019-13, 2019-14, 2020-11, 2020-12, 2021-14, and 2023-16 (collectively, the “Series B Bond Ordinances”), each duly and finally adopted by the Township Committee and published in accordance with the requirements of the Local Bond Law; and (iii) a Certificate of Determination and Award executed by the Chief Financial Officer of the Township on August 30, 2023.

The Series B Notes are being issued by the Township to provide funds which will be used to: (i) currently refund the Township’s \$7,614,000 Bond Anticipation Notes of 2022, Series B, dated September 15, 2022, maturing on September 14, 2023 (the “Prior Series B Notes”); (ii) temporarily finance the costs of various capital improvements and the acquisition of various capital equipment for which obligations have been authorized, but not yet issued; and (iii) pay certain costs and expenses incidental to the issuance and delivery of the Series B Notes. The following tables set forth certain information with respect to the Bond Ordinances authorizing the Series B Notes.

General Improvement Bond Ordinances

<u>Ordinance Number</u>	<u>Description</u>	<u>Amount Authorized</u>	<u>Prior Series B Notes Outstanding</u>	<u>Less: Available Funds</u>	<u>Amount of Notes to be Issued</u>
2019-13	Completion of Various Capital Improvements and Acquisition of Various Capital Equipment	\$3,325,000	\$3,221,400	\$100,300	\$3,121,100
2020-12	Completion of Various Capital Improvements and Acquisition of Various Capital Equipment	997,500	997,500	50,800	946,700
2023-16	Completion of Various Capital Improvements and Acquisition of Various Capital Equipment	<u>1,453,500</u>	<u>0</u>	<u>0</u>	<u>1,453,350</u>
	Total:	\$5,776,000	\$4,218,900	\$151,000	\$5,521,150

Water/Sewer Utility Bond Ordinances

<u>Ordinance Number</u>	<u>Description</u>	<u>Amount Authorized</u>	<u>Prior Series B Notes Outstanding</u>	<u>Less: Available Funds</u>	<u>Amount of Notes to be Issued</u>
2019-14	Completion of Various Utility Capital Improvements and Acquisition of Various Utility Capital Equipment	\$2,000,000	\$1,470,100	\$38,800	\$1,431,300
2020-11	Completion of Various Utility Capital Improvements and Acquisition of Various Utility Capital Equipment	1,400,000	1,400,000	26,450	1,373,550
2021-14	Completion of Various Utility Capital Improvements and Acquisition of Various Utility Capital Equipment	<u>525,000</u>	<u>525,000</u>	<u>0</u>	<u>525,000</u>
	Total:	\$3,925,000	\$3,395,100	\$65,250	\$3,329,850

Series C Notes

The Series C Notes are authorized to be issued pursuant to: (i) the Local Bond Law; (ii) bond ordinance 2021-01 (the “Series C Bond Ordinance”, together with the Series B Bond Ordinances, the “Bond Ordinances”), duly and finally adopted by the Township Committee and published in accordance with the requirements of the Local Bond Law; and (iii) a Certificate of Determination and Award executed by the Chief Financial Officer of the Township on August 30, 2023.

The Series C Notes are being issued by the Township to provide funds which will be used to: (i) currently refund the Township’s \$2,375,000 Bond Anticipation Notes of 2023, Series A, dated March 22, 2023, maturing on September 14, 2023 (the “Prior Series A Notes”); and (ii) pay certain costs and expenses incidental to the issuance and delivery of the Series C Notes. The following table sets forth certain information with respect to the Bond Ordinances authorizing the Series C Notes.

<u>Ordinance Number</u>	<u>Description</u>	<u>Amount Authorized</u>	<u>Prior Series A Notes Outstanding</u>	<u>Amount of Notes to be Issued</u>
2021-01	Completion of Various Capital Improvements and Acquisition of Various Capital Equipment	\$2,375,000	\$2,375,000	\$2,375,000
	Total:	\$2,375,000	\$2,375,000	\$2,375,000

BOOK-ENTRY ONLY SYSTEM

General

The description which follows of the procedures and recordkeeping with respect to beneficial ownership interest in the Notes, payment of principal and interest and other payments on the Notes to DTC Participants or Beneficial Owners (as such terms are defined or used herein), confirmation and transfer of beneficial ownership interests in the Notes and other related transactions by and between DTC, DTC Participants and Beneficial Owners, is based on certain information furnished by DTC to the Township. Accordingly, the Township does not make any representations concerning these matters.

DTC will act as securities depository for the Notes. The Notes will be issued as fully registered securities 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 certificate will be issued for each maturity of the Notes, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world's largest 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, 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 a 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 Notes under the DTC system must be made by or through Direct Participants, which will receive a credit for the Notes on DTC's records. The ownership interest of each actual purchaser of each Note ("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 Notes 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 the Notes, except in the event that use of the book-entry system for the Notes is discontinued.

To facilitate subsequent transfers, all Notes deposited by 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 Notes 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 Notes; DTC's records reflect only the identity of the Direct Participants to whose accounts such Notes 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.

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. Beneficial Owners of the Notes may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Notes, such as redemptions, tenders, defaults, and proposed amendments to the Note documents. Beneficial Owners of the Notes may wish to ascertain that the nominee holding the Notes for their benefit has agreed to obtain and transmit notices to Beneficial Owners, or in the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Notes within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Notes, unless authorized by a Direct Participant in accordance with DTC's procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Township 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 Notes are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments on the Notes 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 Township or agent, 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 will be the responsibility of such Participant and not of DTC nor its nominee, agent, or the Township, 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 Township or agent, disbursement of such payments to Direct Participants is the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

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

The Township may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, Note 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 Township believes to be reliable, but the Township takes no responsibility for the accuracy thereof.

Discontinuation of Book-Entry Only System

If the Township, 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 Notes at any time, the Township will attempt to locate another qualified Securities Depository. If the Township fails to find such Securities Depository, or if the Township determines, in its sole discretion, that it is in the best interest of the Township or that the interest of the Beneficial Owners might be adversely affected if the book-entry only system of transfer is continued (the Township undertakes no obligation to make an investigation to determine the occurrence of any events that would permit it to make such determination) the Township shall notify DTC of the termination of the book-entry only system.

In the event that the book-entry only system for the Notes is discontinued, the Township has provided that upon receipt of the Note certificates from DTC and the Participant information, the Township will authenticate (or cause to be authenticated) and deliver definitive Notes to the holders thereof, and the principal of and interest on the Notes will be payable and the Notes may thereafter be transferred or exchanged in the manner described in the Note certificates so provided.

SECURITY AND SOURCE OF PAYMENT

The Notes are valid and legally binding general obligations of the Township and the Township has pledged its full faith and credit for the payment of the principal of and the interest on the Notes. Unless paid from other sources, the Notes are payable from *ad valorem* taxes to be levied upon all the taxable real property within the Township without limitation as to rate or amount. However, the enforceability of rights or remedies with respect to such Notes may be limited by bankruptcy, moratorium or similar laws relating to the enforcement of creditors' rights or to the application of general principles of equity by a court of competent jurisdiction.

The Township may pledge only its own credit and taxing power in respect of the Notes, and has no power to pledge the credit or taxing power of the State of New Jersey ("State") or any other political subdivision thereof, nor shall the Notes be deemed to be obligations of said State or any other political subdivision thereof, nor shall said State or any other political subdivision thereof be liable for the payment of principal of or interest on the Notes.

GENERAL INFORMATION REGARDING THE TOWNSHIP

General

The Township is located in the County of Camden, New Jersey (the "County"). General information concerning the Township, including economic, financial, demographic and other relevant data, is set forth in Appendix "A" to this Official Statement.

Financial

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.

CERTAIN PROVISIONS OF THE LAWS OF THE STATE OF NEW JERSEY AND THE UNITED STATES RELATING TO GENERAL OBLIGATION DEBT

Local Bond Law

General – The Local Bond Law governs the issuance of bonds and notes by counties and municipalities for the financing of capital improvements. Among its provisions are the following: (i) the power and obligation to pay any and all bonds and notes issued pursuant to the Local Bond Law shall be unlimited; (ii) the county or municipality shall levy *ad valorem* taxes upon all taxable property therein for the payment of the principal of and interest on such bonds and notes without limitation as to rate or amount; (iii) generally, a down payment that is not less than five percent (5%) of the amount of debt obligations authorized must be appropriated in addition to the amount of debt obligations authorized; (iv) all non-special-assessment bonds shall mature within the period of usefulness or average period of usefulness of the improvements being financed; and (v) after issuance, all bonds and notes shall be conclusively presumed to be fully authorized and issued by all of the laws of the State, and all persons shall be estopped from questioning their sale, execution or delivery.

Debt Limits – The authorized bonded indebtedness of the Township is limited by statute, subject to the exceptions noted below, to an amount equal to three and one-half percent (3.5%) of its equalized valuation basis. The equalized valuation basis of the Township is set by statute as the average for the last three years of the equalized value of all taxable real property and improvements as annually determined by the State Board of Taxation. Certain categories of debt are permitted by statute to be deducted for purposes of computing the statutory debt limit.

Bonds, notes and long-term loans are included in the computation of debt for the statutory debt limit. The Township, including the issuance of the Notes, will not exceed its three and one-half percent (3.5%) debt limit.

Exceptions to Debt Limits - Extensions of Credit – The Township may exceed its debt limit with the approval of the State Department of Community Affairs, Division of Local Government Services, Local Finance Board (“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 Township 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 Township or substantially reduce the ability of the Township to meet its obligations or to provide essential public improvements and services, or make certain other statutory determinations, approval may be granted.

In addition, debt in excess of the statutory limit may be issued by the Township to fund certain notes, to provide for purposes in an amount not exceeding two-thirds (2/3) of the amount budgeted in such fiscal year for the retirement of outstanding obligations (exclusive of utility and assessment obligations).

Short-Term Financing – When approved by bond ordinance, the Township may issue bond anticipation notes to temporarily finance capital improvements. Such notes may not be issued in an aggregate amount exceeding that specified by the ordinance. The notes may not be issued for periods of more than one year, renewable with the final maturity occurring no later than the first day of the fifth month following the close of the tenth fiscal year next following the date of the original note. After the third year, the amount of the notes that may be renewed annually must be decreased by the minimum amount required for the first year’s principal payment for the bond issue in anticipation of which the notes are issued.

Refunding Bonds – Refunding bonds may be issued pursuant to the Local Bond Law for the purpose of paying, funding or refunding outstanding bonds, including emergency appropriations, the actuarial liabilities of a non-state administered public employee pension system and amounts owing to others for taxes levied in the local unit, or any renewals or extensions thereof, and for paying the cost of issuance of refunding bonds.

Local Fiscal Affairs Law

The Local Fiscal Affairs Law, Chapter 5 of Title 40A of the State Statutes, as amended and supplemented (“Local Fiscal Affairs Law”), governs audits, auditors, public moneys and financial statements of local governmental units, including the Township.

Each municipality is required to cause an annual audit of its books, accounts and financial transactions to be made and completed within six months after the close of its fiscal year by either a Registered Municipal Accountant or, by agreement with the Director (“Director”) of the Division of Local Government Services (“Division”) in the Department of Community Affairs, by qualified employees of the Division.

An independent examination of the Township’s books, accounts and financial transactions must be performed annually by a Registered Municipal Accountant who is licensed by the State Board of Public Accountants. The audit, conforming to the Division’s “Requirements of Audit”, includes recommendations for improvement of the municipality’s financial procedures and must be filed with the report, together with all recommendations made. A Summary of Audit, together with recommendations, must be published in a local newspaper within 30 days of its submission. The entire annual audit report for the year ended December 31, 2021 is on file with the Chief Financial Officer and is available for review during business hours.

The Local Fiscal Affairs Law also requires that the chief financial officer of the municipality file annually with the Director a verified statement of the financial condition of the municipality as of the close of the fiscal year to be made not later than February 10 for December 31 fiscal year end municipalities and August 10 for June 30 fiscal year end municipalities. The Annual Compiled Financial Statement for the year ended December 31, 2022 is on file with the Chief Financial Officer and is available for review during normal business hours, and is available online at the Township’s website: www.winslowtownship.com.

The Local Budget Law

The Local Budget Law, Chapter 4 of Title 40A of the State, as amended and supplemented (“Local Budget Law”), governs the budgeting and appropriation of funds by local governmental units.

The Local Budget Law requires local governmental units to adopt a “cash basis” budget in such form that there will be sufficient cash collected to meet all debt service requirements, necessary operations of the local governmental units for the fiscal year and any mandatory payments required to be met during the fiscal year.

No budget shall be adopted unless the Director shall have previously certified his approval thereof.

Each local governmental unit must include in its budget an appropriation for the payment of debt service. The Director is required to examine such appropriation to determine whether it is properly set forth, in addition to determining whether all estimates of revenue contained in the budget are reasonable, accurate and correctly stated.

A statute passed in 1976, as amended (N.J.S.A. 40A:4-45.1 et seq.), commonly known as the “Cap Law”, imposed limitations on increases in municipal appropriations subject to various exceptions. On August 20, 1990, the Governor signed into law P.L. 1990, c. 89, which revised and made permanent the “Cap Law”. Since its inception, the “Cap Law” has been amended and modified several times, most recently on July 13, 2010. While the revised “Cap Law” is more restrictive on the ability of a municipality to increase its overall appropriations, it does not limit the obligation of the Township to levy *ad valorem* taxes upon all taxable real property within the Township to pay debt service on the Notes. The Cap Law provides that a municipality shall limit any increase of its budget to 2.5% or the index rate, whichever is less, over the previous year’s final appropriations subject to certain exceptions. The “index rate” is the rate of annual percentage increase in the Implicit Price Deflator for State and Local Government Purchases of Goods and Services computed by the United States, Department of Commerce. Among the exceptions to the limitations imposed by the Cap Law are capital expenditures; debt service; 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.

Additionally, legislation constituting P.L. 2010, c. 44, was adopted on July 13, 2010, which, among other things, imposes a two percent (2%) cap on the tax levy that municipalities, counties, fire districts and solid waste collection districts may impose, with very limited exceptions and subject to certain adjustments.

Exclusions from the two percent (2%) tax levy cap include: (i) increases required to be raised by taxation for capital expenditures, including debt service as defined by law; (ii) increases in pension contributions and accrued liability for pension contributions in excess of 2.0%; (iii) 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 (iv) 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. The amendments to the tax levy sections of the “Cap Law” (specifically, N.J.S.A. 40A:4-45-46) in 2010 no longer permit municipalities, counties, fire districts and solid waste collection districts to request approval from the Local Finance Board for a waiver to increase the amount to be raised by taxation in excess of the two percent (2%) cap. However, counties, municipalities, fire districts and solid waste collection districts may request, through a public question submitted to the voters, an increase in the amount to be raised by taxes above the two percent (2%) tax levy cap. Such approval must be achieved by an affirmative vote in excess of fifty percent (50%) of those voting on such public question.

In response to the outbreak of the Coronavirus (as defined and described under the heading “CERTAIN RISK FACTORS – Recent Healthcare Developments” below), the State Legislature enacted P.L. 2020, c. 74 (A3971), under which a local unit may adopt an emergency appropriation to fund certain deficits and expenditures resulting from Coronavirus 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 (10) years. Such emergency appropriation must be approved by 2/3 vote of the governing body of the local unit and be accompanied by a certification of the Chief Financial Officer stating that the resolution covers deficits and expenses incurred during the emergency response to the Coronavirus. Moreover, to the extent that such Coronavirus-related emergency appropriations exceed the cost of providing similar services under non-emergency conditions, the deferred charge to be raised in the following year’s budget is an eligible

exception to both the levy cap and the appropriations cap. 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 Coronavirus. The Township has made no appropriations for Coronavirus related deficits or expenses under this statutory provision.

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

Miscellaneous Revenues

N.J.S.A. 40A:4-26 provides that: “No miscellaneous revenues from any source shall 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 shall determine upon application by the governing body that the facts clearly warrant the expectation that such excess amount will actually be realized in cash during the fiscal year and shall certify such determination, in writing, to the local unit.” Such determination may be made by the governing body and the Chief Financial Officer in any year during which the municipality is subject to local examination.

No budget or amendment shall be adopted unless the Director has previously certified the approval of such anticipated revenues.

Real Estate Taxes

Receipts from Delinquent Taxes – Revenues are permitted by N.J.S.A. 40A:4-29 to be anticipated in the annual budget for collection of delinquent taxes of prior years. The maximum amount permitted to be anticipated is determined by applying the collection rate of the prior year’s delinquent taxes to the total amount of delinquent taxes outstanding at the beginning of the current year.

Current Year Tax Levy and Reserve for Uncollected Taxes – The current year’s taxes to be levied are determined by adding the sums of the cash required from taxes to support the municipal, school, county and special district budgets, if any, together with the amount of an appropriation required to be included in the annual municipal budget entitled “Reserve for Uncollected Taxes”, less the total of anticipated revenues. The inclusion of the “Reserve for Uncollected Taxes” appropriation in the current year’s budget protects the municipality from taxes currently unpaid. The “Reserve for Uncollected Taxes” is required to be, at a minimum, an amount sufficient to provide for the same percentage of uncollected taxes in the current year as was experienced in the immediately preceding year, the average of the previous three years in accordance with P.L. 2000, c. 126, or the previous year collection percentage after reducing the previous year levy by tax appeal judgments of the county tax board pursuant to R.S.54:3-21 et seq., or the State tax court pursuant to R.S.54:48-1 et seq. in accordance with Chapter 56 of P.L. 2010.

N.J.S.A. 40A:4-41 provides with regard to current taxes that: “Receipts from the collection of taxes levied or to be levied in the municipality, or in the case of a county for general county purposes and payable in the fiscal year, shall be anticipated in an amount which is not in excess of the percentage of taxes levied and payable during the next preceding fiscal year which was received in cash by the last day of such preceding fiscal year.”

Another provision requires that an additional amount (the “reserve for uncollected taxes”) be added to the tax levy required for all current budget appropriations and school and county taxes of the current fiscal year. The reserve requirement is calculated as follows:

$$\frac{\text{Levy Required for Current Budget, School and County Taxes}}{\text{Prior Year's Percentage of Current Tax Collections (or Lesser \%)}} = \text{Total Taxes to be Levied}$$

Deferral of Current Expenses

Emergency appropriations (i.e., those made after the adoption of the budget and determination of the tax rate for an unforeseen event or purpose) may be authorized by the governing body of the local governmental units. With minor exceptions, however, such appropriations must be included in full in the following year's budget. When such appropriations exceed three percent (3%) of the adopted operating budget, consent of the Director of Local Government Services must be obtained.

The exceptions are certain enumerated projects to cover the cost of the extraordinary expense for the repair or reconstruction of streets, roads or bridges, or other public property damaged by snow, ice, frost or flood, where such expense was not foreseen at the time of the adoption of the budget, which may be amortized over three (3) years; and tax map preparations, revision of ordinances, revaluations, master plan preparation, studies and planning necessary for the installation and construction of a sanitary sewer system, and payments of accumulated sick and vacation time which may be amortized over five (5) years.

Budget Transfers

Budget transfers provide a degree of flexibility and afford a control mechanism. Transfers between major appropriation accounts are prohibited until the last two (2) months of the year and, although subaccounts within an appropriation are not subject to the same year-end transfer restriction, they are subject to internal review and approval.

Capital Budget

In accordance with the Local Budget Law, each local unit shall prepare and adopt a capital budget, in conjunction with its annual operating budget, for any year in which it proposes to undertake a capital project. Every local unit which adopts a capital budget must also adopt a three (3) year capital program unless the local unit's population exceeds 10,000 where a six (6) year capital program is required.

Water/Sewer Utility Budget

The Township's public water/sewer utility is supported, in addition to the general taxing power upon real property, by the revenues generated by the operations of the utility. A separate budget is established for the utility. The anticipated revenues and appropriations for the utility are set forth in a budget, which is required to be balanced and to fully provide for debt service. The regulations regarding anticipation of revenue and deferral of charges apply equally to the budget of the utility. Deficits or anticipated deficits in utility operations which cannot be provided for from utility surplus, if any, are required to be raised in the "Current" or operating budget.

Related Constitutional and Statutory Provisions

In the general election of January 2, 1976, as amended by the general election of January 6, 1984, the following Article 8, Section 1, Paragraph 7, with respect to a state income tax, was added to the State Constitution:

No tax shall be levied on personal incomes of individuals, estates and trusts of this State unless the entire net receipts therefrom shall be received into the treasury, placed in a perpetual fund and be annually appropriated, pursuant to formulas established from time to time by the Legislature, to the several counties, municipalities and school districts of this State exclusively for the purpose of reducing or offsetting property taxes. In no event, however, shall a tax so levied on personal income be levied on payments received under the Federal Social Security Act, the Federal Railroad Retirement Act, or any federal law which substantially reenacts the provisions of either of those laws.

A progressive state income tax is currently in effect in the State.

The State Constitution may only be amended after: (i) approval of a proposed amendment by three-fifths (3/5) of all of the members of each house of the State Legislature and approval by a majority vote in a statewide referendum; or (ii) approval in two successive legislative years by a majority of all of the members of each house and approval by a majority vote in a statewide referendum. Amendments failing to receive voter approval may not be resubmitted for voter approval before the third succeeding general election after such disaffirmance.

Rights and Remedies of Owners of Bonds

The State Municipal Finance Commission Act, Chapter 27 of Title 52 of the State Statutes, as amended and supplemented (“Act”), provides that when it has been established, by court proceedings, that a municipality has defaulted for over sixty days in the payment of the principal of or interest on any of its outstanding bonds or notes, the Local Finance Board (which, pursuant to the Act, is constituted the Municipal Finance Commission and shall hereinafter be referred to as the “Commission”) shall take control of the fiscal affairs of the defaulting municipality.

The Act provides that the Commission shall remain in control of the municipality until all bonds or notes of the municipality that have fallen due and all bonds or notes that will fall due within one year, and the interest thereon, have been paid, funded or refunded, or the payment thereof in cash shall have been adequately provided for by a cash reserve.

The Act empowers the Commission to direct the municipality to provide for the funding or refunding of notes or bonds of the municipality and the interest thereon, which the Commission shall have found to be outstanding and unpaid and to be due or become due. The Act further authorizes the Commission to bring and maintain an appropriate proceeding for the assessment, levy or collection of taxes by the municipality for the payment of principal of or interest on such indebtedness.

Under Article 6 of the Act, while the Commission functions in the municipality, no judgment, levy, or execution against the municipality or its property for the recovery of the amount due on any bonds, notes or other obligations of the municipality in the payment of which it has defaulted, shall be enforced unless otherwise directed by Court Order. However, Article 6 of the Act also provides that upon application of any creditor made upon notice to the municipality and the Commission, a court may vacate, modify or restrict any such statutory stay contained therein.

Limitation of Remedies Under Federal Bankruptcy Code

The rights and remedies of the registered owners of the Notes are subject to the provisions of Chapter 9 of the Federal Bankruptcy Code of the United States (“Bankruptcy Code”). In general, Chapter 9 permits, under prescribed circumstances, but only after an authorization by the applicable state legislature or by a governmental officer or organization empowered by state law to give such authorization, a political subdivision of a state to file a petition for relief in a bankruptcy court of the

United States if it is insolvent or unable to meet its debts as they mature and desires to effect a plan to adjust its debts.

The State has authorized the political subdivisions thereof to file such petitions for relief under the Bankruptcy Code pursuant to and subject to Article 8 of the Act. The Act provides that such petitions may not be filed without the prior approval of the Commission and that no plan of readjustment of the municipality's debts may be filed or accepted by the petitioner without express authority from the Commission to do so.

THE ABOVE REFERENCES TO THE BANKRUPTCY CODE ARE NOT TO BE CONSTRUED AS AN INDICATION THAT THE TOWNSHIP EXPECTS TO RESORT TO THE PROVISIONS OF SUCH BANKRUPTCY CODE OR THAT, IF IT DID, SUCH ACTION WOULD BE APPROVED BY THE COMMISSION, OR THAT ANY PROPOSED PLAN WOULD INCLUDE A DILUTION OF THE SOURCE OF PAYMENT OF AND SECURITY OF THE BONDS.

THE SUMMARIES OF AND REFERENCES TO THE STATE CONSTITUTION AND OTHER STATUTORY PROVISIONS ABOVE ARE NOT AND SHOULD NOT BE CONSTRUED AS 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.

TAXATION

Procedure for Assessment and Collection of Taxes

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 results of maintaining new assessments on a like basis with established comparable properties for newly assessed or purchased properties resulting in a decrease of the assessment ratio to its present level of 77.59%. This method assures equitable treatment to like property owners. Because of the escalation of property resale values, annual adjustments could not keep pace with rising values. The last complete revaluation of property within the Township was effective for the year 2012.

Upon the filing of certified adopted budgets by the Township, the Winslow Township School District, the Winslow Township Fire District and the County, the tax rate is struck by the County Board of Taxation based on the certified amounts in each of the taxing districts for collection to fund the budgets. The statutory provision for the assessment of property, levying of taxes and the collection thereof are set forth in N.J.S.A. 54:4-1 et seq. Special taxing districts are permitted in the State for various special services rendered to the properties located within the special district.

Tax bills are due quarterly on February 1, May 1, August 1 and November 1. Installments not paid on or before the due date are subject to interest penalties of 8% per annum on the first \$1,500.00 of the delinquency and 18% per annum on any amounts in excess of \$1,500.00. These interest penalties are the maximum permitted under State Statutes. Additionally, a 6% penalty is charged on any delinquencies in excess of \$10,000.00 if not paid by the end of each year. Delinquent taxes open for one year or more are annually included in a tax sale in accordance with State Statutes. Tax liens retained by the Township are periodically assigned to the Solicitor for "in rem foreclosures" in order to acquire title to these properties.

Tax Appeals

The State statutes provide a taxpayer with remedial procedures for appealing an assessment deemed excessive. The taxpayer has a right to petition the State Board of Taxation (“Tax Board”) on or before the first day of April of the current tax year for review. The Tax Board has the authority, after a hearing, to decrease, increase 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 Tax Board, appeal may be made to the State Tax Court. State Tax Court appeals tend to take several years prior to settlement and any losses in tax collection from prior years are charged directly to operations.

LITIGATION

To the knowledge of the Township’s Solicitor, Stuart A. Platt, Esquire, of The Platt Law Group, Stratford, New Jersey (the “Solicitor”), there is no litigation of any nature now pending, restraining or enjoining the issuance or the delivery of the Notes, or the levy or the collection of any taxes to pay the principal of or the interest on the Notes, or in any manner questioning the authority or the proceedings for the issuance of the Notes or for the levy or the collection of taxes, or contesting the corporate existence or the boundaries of the Township or the title of any of the present officers. Moreover, to the knowledge of the Solicitor, no litigation is presently pending that, in the opinion of the Solicitor, would have a material adverse impact on the financial condition of the Township if adversely decided.

TAX MATTERS

Federal

In the opinion of Parker McCay P.A., Mount Laurel, New Jersey, Bond Counsel to the Township, assuming continuing compliance by the Township with the tax covenants described below, under existing law, interest on the Notes is not included for federal income tax purposes in the gross income of the owners thereof pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (“Code”), and will not constitute a tax preference item for purposes of the alternative minimum tax imposed on individuals; however, such interest is taken into account in determining the annual adjusted financial statement income of certain corporations for the purpose of computing the alternative minimum tax imposed on such corporations.

Section 884 of the Code imposes on certain foreign corporations a branch profits tax equal to thirty percent (30%) of the “dividend equivalent amount” for the taxable year. Interest on the Notes received or accrued by a foreign corporation subject to the branch profits tax may be included in computing the “dividend equivalent amount” of such corporation.

In addition, passive investment income, including interest on the Notes, may be subject to federal income taxation under Section 1375 of the Code for any S corporation that has Subchapter C earnings and profits at the close of the taxable year, if more than twenty-five percent (25%) of the gross receipts of such S corporation is passive investment income.

In rendering its opinion, Bond Counsel has relied on the Township’s covenants contained in the Certificate as to Non-Arbitrage and Other Tax Matters, that it will comply with the applicable requirements of the Code, relating to, inter alia, the use and investment of proceeds of the Notes and rebate to the United States Treasury of specified arbitrage earnings, if any, under Section 148(f) of the Code. Failure of the Township to comply with such covenants could result in the interest on the Notes

being subject to federal income tax from the date of issue. Bond Counsel has not undertaken to monitor compliance with such covenants or to advise any party as to changes in the law after the date of issuance of the Notes that may affect the tax-exempt status of the interest on the Notes.

Ownership of the Notes may result in collateral federal income tax consequences to certain taxpayers including, without limitation, certain holders of an interest in a financial asset securitization investment trust, controlled foreign corporations, property and casualty insurance companies, individual recipients of Social Security or Railroad Retirement benefits, individuals who otherwise qualify for the earned income credit, and to individuals and families that qualify for a premium assistance credit amount under Section 36B of the Code. The Code denies the earned income credit to an individual who is otherwise eligible if the aggregate amount of disqualified income of the taxpayer for the taxable year exceeds certain limits set forth in Sections 32(i) and (j) of the Code. Interest on the Notes will constitute disqualified income for this purpose. The Code also provides that the earned income credit is phased out if the modified adjusted gross income of the taxpayer exceeds certain amounts. Interest on the Notes is included in determining the modified adjusted gross income of the taxpayer. Section 36B of the Code provides that the amount of the premium assistance credit amount is in part determined by the household income. Section 36B(d) of the Code provides that household income consists of the “modified adjusted gross income” of the taxpayer and certain other individuals. “Modified adjusted gross income” means adjusted gross income increased by certain amounts, including interest received or accrued by the taxpayer which is exempt from tax, such as the interest on the Notes.

In addition, attention is called to the fact that Section 265(b)(1) of the Code eliminates the interest deduction otherwise allowable with respect to indebtedness deemed incurred by Banks, Thrift institutions and other financial institutions to purchase or to carry tax-exempt obligations acquired after August 7, 1986 other than “qualified tax-exempt obligations” as defined in Section 265(b)(3) of the Code. The Township has *not* designated the Notes as “qualified tax-exempt obligations” for the purposes of Section 265(b)(1) of the Code.

Owners of the Notes should consult their own tax advisors as to the applicability and effect on their federal income taxes of the alternative minimum tax, the branch profits tax and the tax on passive investment income of S corporations, as well as the applicability and effect of any other collateral federal income tax consequences.

New Jersey

Bond Counsel is also of the opinion that interest on the Notes and any gain from the sale thereof are not included in the gross income of the owners thereof under the New Jersey Gross Income Tax Act, as presently enacted and construed.

Changes in Federal and State Tax Law

From time to time, there are legislative proposals in the United States Congress and in the states that, if enacted, could alter or amend the Federal and State tax matters referred to above or adversely affect the market value of the Notes. It cannot be predicted whether or in what form any such proposals might be enacted or whether, if enacted, it would apply to bonds or notes issued prior to enactment. In addition, regulatory actions are from time to time announced or proposed and litigation is threatened or commenced which, if implemented or concluded in a particular manner, could adversely affect the market value of the Notes.

PROSPECTIVE PURCHASERS OF THE NOTES SHOULD CONSULT WITH THEIR OWN TAX ADVISORS REGARDING ANY FEDERAL AND STATE INCOME TAX LEGISLATION, WHETHER CURRENTLY PENDING OR PROPOSED, REGULATORY

INITIATIVES OR LITIGATION. THE OPINIONS EXPRESSED BY BOND COUNSEL ARE BASED UPON EXISTING LEGISLATION AND REGULATIONS AS INTERPRETED BY RELEVANT JUDICIAL AND REGULATORY AUTHORITIES AS OF THE DATE OF ISSUANCE AND DELIVERY OF THE NOTES AND BOND COUNSEL HAS EXPRESSED NO OPINION AS OF ANY DATE SUBSEQUENT THERETO OR WITH RESPECT TO ANY PENDING LEGISLATION, REGULATORY INITIATIVES OR LITIGATION.

CONTINUING DISCLOSURE

In accordance with the requirements of Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended (the "Rule"), the Township has undertaken to file notice of certain enumerated events, pursuant to Information Reporting Undertaking Agreements for each series of Notes, substantially in the forms set forth in Appendix "D" hereto.

Within the five years immediately preceding the date of this Official Statement, the Township previously failed to file, in accordance with the Rule, in a timely manner, under previous filing requirements, some aspects of operating data as required for the year-end December 31, 2017, 2018, 2019, and 2020. While the Township has filed its financial information and operating data in each of the past five (5) years, certain information required in some, but not all, of the Township's continuing disclosure agreements was not included in the Township's operating data. The Township appointed Phoenix Advisors, LLC in May of 2015 to serve as continuing disclosure agent.

NO DEFAULT

There is no record of default in the payment of the principal of or interest on the bonds or notes of the Township.

CERTAIN RISK FACTORS

Recent Healthcare Developments

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 new strain of coronavirus ("Coronavirus" or "COVID-19"). A national emergency was declared by the President of the United States ("President") (which has since been terminated), to provide federal intervention for the mitigation of the Coronavirus as a public health emergency and to unlock federal funds and assistance to help states and local governments manage the pandemic. On March 9, 2020, the Governor of the State of New Jersey ("Governor") issued Executive Order 103, pursuant to which the Governor declared a State of Emergency and a Public Health Emergency, thereby allowing State agencies and departments to utilize State resources to assist affected communities in response to the COVID-19 outbreak.

The federal Public Health Emergency was terminated on May 11, 2023, but the State of Emergency for the State remains in effect as of the date hereof. Other Executive Orders (some of which have since been modified or rescinded) limited various activities and undertook measures in an attempt to slow the spread of COVID-19 throughout the State. These measures, which impacted the behavior of businesses and individuals, have had any may continue to have impacts on regional, state, and local economies. See <https://covid19.nj.gov> for further detail regarding the impact of COVID-19 on the State and the Governor's various executive orders.

In an effort to provide relief to entities impacted by the COVID-19 pandemic, the American Rescue Plan Act of 2021, H.R. 1319 ("Plan") was signed into law by the President on March 12, 2021, and provided \$1.9 trillion in financial assistance to businesses, individuals and governmental entities. The Plan included different forms of financial relief, including a direct stimulus payment to certain individuals 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 also provided funding for state and local governments to recoup and offset costs related to COVID-19 and to encourage and re-establish economic development and certain infrastructure improvements.

Pursuant to the funding methodology under the Plan, the Township received \$4,043,241.60 in funding ("Plan Funds"). The deadline to obligate the funds is December 31, 2024 and to spend funds is December 31, 2026. Such funds were received in two (2) equal payments; one (1) received within 60 days of enactment of the Plan, and the balance was received no earlier than 12 months from the initial payment. Pursuant to the Plan (codified as Section 603(c) of the Social Security Act (42 U.S.C. 603(c)), Plan Funds may be utilized to: (i) respond to the public health emergency with respect to COVID-19 or its negative economic impacts, including assistance to households, small businesses, and nonprofits, or aid to impacted industries such as tourism, travel, and hospitality; (ii) respond to workers performing essential work during the COVID-19 public health emergency by providing premium pay to eligible workers of the Township that are performing such essential work, or by providing grants to eligible employers that have eligible workers who perform essential work; (iii) provide government services to the extent of the reduction in revenue due to the public health emergency relative to revenues collected in the most recent full fiscal year of the Township prior to the emergency; and (iv) make necessary investments in water, sewer or broadband infrastructure. Plan Funds may not, however, be utilized for debt service, legal settlements or judgments or financial reserves.

While the effects of COVID-19 have abated significantly in the State, the Township cannot predict, and does not predict, whether or if the Coronavirus or any similar viral disease (including any variants or sub-variants thereof) may reemerge in the future and, if such reemergence occurs, what the effects thereof may have upon global, State-wide and local economies and operations, including that of the Township.

Cyber Security

The Township relies on a complex technology environment to conduct its various operations. As a result, the Township 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 Township has invested in multiple forms of cybersecurity and operational safeguards. In addition, the Township maintains certain insurance coverage for cyberattacks and related events.

Climate Change

The State is naturally susceptible to the effects of extreme weather events and natural disasters including floods and hurricanes, which could result in negative economic impacts on communities. Such effects can be exacerbated by a longer term shift in the climate over several decades (commonly referred to as climate change), including increasing global temperatures and rising sea levels. The occurrence of such extreme weather events could damage local infrastructure that provides essential services to the Township and other municipalities in the State as well as resulting in economic impacts such as loss of ad valorem tax revenue, interruption of municipal services, and escalated recovery costs. No assurance can

be given as to whether future extreme weather events will occur that could materially adversely affect the financial condition of the Township.

UNDERWRITING

Series B Notes

The Series B Notes have been purchased from the Township at a public sale by _____ (the “Series B Notes Underwriter”) at a price of \$ _____ (the “Series B Notes Purchase Price”). The Series B Notes Purchase Price reflects the par amount of the Series B Notes plus a bid premium of \$ _____.

The Series B Notes Underwriter intends to offer the Series B Notes to the public initially at the offering yield set forth on the front cover page of this Official Statement, which may subsequently change without any requirement of prior notice. The Series B Notes Underwriter reserves the right to join with dealers and other underwriters in offering the Series B Notes to the public. The Series B Notes Underwriter may offer and sell the Series B Notes to certain dealers (including dealers depositing the Series B Notes into investment trusts) at yields higher than the public offering yield set forth on the front cover page of this Official Statement.

Series C Notes

The Series C Notes have been purchased from the Township at a public sale by _____ (the “Series C Notes Underwriter”) at a price of \$ _____ (the “Series C Notes Purchase Price”). The Series C Notes Purchase Price reflects the par amount of the Series C Notes plus a bid premium of \$ _____.

The Series C Notes Underwriter intends to offer the Series C Notes to the public initially at the offering yield set forth on the front cover page of this Official Statement, which may subsequently change without any requirement of prior notice. The Series C Notes Underwriter reserves the right to join with dealers and other underwriters in offering the Series C Notes to the public. The Series C Notes Underwriter may offer and sell the Series C Notes to certain dealers (including dealers depositing the Series C Notes into investment trusts) at yields higher than the public offering yield set forth on the front cover page of this Official Statement.

MUNICIPAL ADVISOR

Phoenix Advisors, LLC, Bordentown, New Jersey has served as municipal advisor to the Township (the “Municipal Advisor”) with respect to the issuance of the Notes. This Official Statement has been prepared with the assistance of the Municipal Advisor. Certain information set forth herein has been obtained from the Township and other sources, which are deemed reliable, but no warranty, guaranty or other representation as to the accuracy or completeness is made as to such information contained herein. There is no assurance that any of the assumptions or estimates contained herein will be realized. The Municipal Advisor is a municipal advisory firm, and is not engaged in the business of underwriting, marketing or trading municipal securities or any other negotiable instrument.

APPROVAL OF LEGAL PROCEEDINGS

Certain legal matters incident to the authorization, issuance, sale and delivery of the Notes are subject to the approval of Bond Counsel, whose approving legal opinions will be delivered with the Notes substantially in the forms set forth in Appendix "C" hereto. Certain legal matters will be passed on for the Township by the Solicitor.

Bond Counsel has not verified the accuracy, completeness or fairness of the statements contained in this Official Statement (except to the extent, if any, as stated herein) and will express no opinion relating thereto.

The various legal opinions to be delivered concurrently with the delivery of the Notes express the professional judgment of the attorneys rendering the opinions as to the legal issues explicitly addressed therein. In rendering a legal opinion, the attorney does not become an insurer or guarantor of that expression of professional judgment, of the transaction opined upon, or the future performance of parties to the transaction. Nor does the rendering of an opinion guarantee the outcome of any legal dispute that may arise out of the transaction.

LEGALITY FOR INVESTMENT

The State and all public officers, municipalities, counties, political subdivisions and public bodies, and agencies thereof, all banks, bankers, trust companies, savings and loan associations, savings banks and institutions, building and loan associations, investment companies, and other persons carrying on banking business, all insurance companies, and all executors, administrators, guardians, trustees, and other fiduciaries may legally invest any sinking funds, money or other funds belonging to them or within their control in any bonds of the Township, including the Notes, and such Notes are authorized security for any and all public deposits.

PREPARATION OF OFFICIAL STATEMENT

The Township hereby states that the descriptions and statements herein and in the Appendices attached hereto, including financial and statistical statements, are true and correct in all material respects, and it will confirm the same to the purchasers of the Notes by certificates signed by various officers and officials of the Township upon issuance and delivery of the Notes.

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

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 Township's compiled and 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".

Parker McCay P.A. has not participated in the preparation of this Official Statement, nor has such firm verified the accuracy, completeness or fairness of the information contained herein (except under the heading "TAX MATTERS") and, accordingly, will express no opinion with respect thereto.

ADDITIONAL INFORMATION

Inquiries regarding this Official Statement, including information additional to that contained herein, may be directed to Stephen J. Dringus, Jr., Chief Financial Officer, Township of Winslow, at 609-567-0700, or to the Township's Municipal Advisor, Phoenix Advisors, LLC, at 609-291-0130.

So far as any statements made in this Official Statement involve matters of opinion or estimates, whether or not expressly stated, they are set forth merely as opinions and not as representations of fact, and no representation is made that any such statements will be realized. Neither this Official Statement nor any statement, which may have been made verbally or in writing, is to be construed as a contract with, or a covenant for the benefit of, the holders of the Notes. 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 Notes made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Township since the date hereof.

All quotations from and summaries and explanations of provisions of laws of the State herein do not purport to be complete and are qualified in their entirety by reference to the official compilation thereof.

This Official Statement has been duly executed and delivered by the Chief Financial Officer of the Township for and on behalf of the Township.

TOWNSHIP OF WINSLOW IN THE COUNTY OF CAMDEN, NEW JERSEY

By: _____
STEPHEN J. DRINGUS, JR., Chief Financial Officer

Dated: August __, 2023

APPENDIX A

**CERTAIN ECONOMIC, FINANCIAL AND DEMOGRAPHIC
INFORMATION REGARDING THE TOWNSHIP OF WINSLOW**

GENERAL INFORMATION ON THE TOWNSHIP

History, Location and Area

The Township is a 57.4 square mile community at the southeastern end of Camden County ("County"). It is bordered in the County on the north by Gloucester Township, Pine Hill Borough, and Berlin Borough; on the east by Chesilhurst and Waterford; in Atlantic County on the south by Hammonton Town and Folsom Borough; and in Gloucester County on the west by Monroe Township. It straddles the Atlantic City Expressway and New Jersey State Highway Route No. 30, the White Horse Pike, which leads to the Cities of Camden, Philadelphia and Atlantic City. The Township was created and incorporated from a part of the Township of Gloucester by an act of the State Legislature on March 8, 1845. The name is derived from the village of Winslow which was named after one of the very early industries in the area, the Winslow Glass Works.

Form of Government

The Township is governed by a nine-member Township Committee, comprised of the Mayor, who is elected at large for a four-year term, and presides over meetings of the Township Committee. The other eight members of the Township Committee, two from each of four wards, are elected for three-year terms on a staggered basis. The functions of the Mayor are, among others, to see that the laws of the State and the ordinances of the Township are carried out. The functions of the Township Committee are, among others, to adopt the municipal budget and to enact ordinances to promote and secure the health, government and protection of the Township and its residents.

The day-to-day administrative duties are the responsibility of the Township Administrator, who is appointed by the Township Committee. To that end, the Township Administrator keeps the Township Committee informed as to the conduct of the Township affairs, the condition of the Township finances and the welfare and future needs of the Township.

The financial affairs of the Township are administered by the Chief Financial Officer, who reports to the Township Committee. With the Township Administrator, the Chief Financial Officer prepares and then monitors the annual municipal budget after adoption by the Township Committee.

Planning, Development and Recreational Activities

Much of the Township has been developed for residential use, although substantial sites have been developed or are available for non-residential use. There are 13,763 residential dwellings and 1,800 apartment units.

The Township is currently undergoing a period of substantial growth in ratables. This is primarily the result of the lifting of a long standing sewer moratorium, and the anticipation of implementing Planning and Zoning Board recommendations to rezone the Route 73 Corridor (among other revisions) as a "Regional Growth Area" within the million acre plus Pinelands. These zoning changes now provides for commercial zoning in addition to the existing residential zones. Along with the availability of water and sewer service within the zones, and the close proximity to the Atlantic City Expressway, the Black Horse Pike and the White Horse Pike; the zoning changes now makes the Route 73 Corridor a prime location for development.

The Township owns and maintains nineteen various parks throughout the Township which include tot lots, ballfields and picnic areas. The Township Clerk coordinates seasonal

uses of facilities which include baseball, football and soccer leagues. The Township Parks and Recreation Department consists of one Parks Superintendent and maintenance workers.

Pinelands

The legislative mandate to protect the Pinelands is set forth in the National Parks and Recreation Act of 1978 ("Pinelands Act") signed by President Carter. The Pinelands Act established the Pinelands National Reserve, encompassing parts of seven southern New Jersey counties and all or parts of fifty-six municipalities. This includes the County municipalities of Waterford Township, Winslow Township, Berlin Township, Berlin Borough and Chesilhurst Borough. Approximately seventy-five percent (75%) of the Township is in the preservation area.

The New Jersey Pinelands Commission, established in 1979 by the Pinelands Protection Act, adopted the Pinelands Comprehensive Management Plan in 1981. The Comprehensive Management Plan consists of recommendations and regulations for the protection, preservation, regulation and development of the Pinelands region.

Public Services

The Township currently has a contract with Waste Management Services for the removal of solid waste in the Township. Pick-up is provided for recyclable paper, glass and metals, which are ultimately sold to provide the Township with a small source of revenue.

The Township had its own sewerage treatment plant until May 1, 1990 which serviced a part of the Township. At that time, the Camden County Municipal Utilities Authority ("CCMUA") took over the treatment portion of the public wastewater system. The plant has a capacity of 1.65 million gallons per day (mgd) and serviced approximately 11,200 customers at August 15, 2023.

The Township operates a public water system which services part of the Township and had approximately 13,325 customers at August 15, 2023.

Emergency Medical Service

There is a consolidated service that provides emergency medical services for the entire Township.

Police

The safety and security of the residents is protected by a Chief, one Captain, four Lieutenants, seven Sergeants and sixty-eight uniformed officers. The Township's force provides twenty-four hour patrol car surveillance.

Transportation

The City of Philadelphia is easily accessible from the Township via the White Horse Pike and the Benjamin Franklin Bridge or the Atlantic City Expressway-North/South Freeway and the Walt Whitman Bridge, which span the Delaware River. This route enables Township residents to reach Center City Philadelphia in approximately thirty minutes. The New Jersey Turnpike and Interstate 295 provide a modern limited-access highway network to points in the State for Township residents. The world famous resort, Atlantic City, is approximately thirty miles away.

The Township is a suburban area within the Delaware Valley economic region, a tri-state region comprised of eleven counties in Pennsylvania, New Jersey and Delaware. The Delaware Valley Region stretches from Trenton, New Jersey south to Wilmington, Delaware and includes the Philadelphia-Camden metropolitan area. It is a major transportation hub combining one of the largest port facilities in the world with extensive rail, highway and air networks. The Delaware Valley is one of the nation's major concentrations of manufacturing and service activities.

An impetus for the development of the Township has been the Delaware River Port Authority's High Speed Transit Line, providing fast service between Lindenwold and the urban center of Camden and Philadelphia, and the extension of the line to Atlantic City.

Compensated Absences

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. Vacation days not used during the year may not be accumulated and carried forward. For additional information regarding compensated absences, see Appendix B: Excerpts from the Financial Statements of the Township, Note 11 to Financial Statements of this Official Statement.

Pension Plans

Those Township employees who are eligible for pension coverage are enrolled in one of two pension systems established by acts of the State Legislature. Benefits, contributions, means of funding and the manner of administration are determined by the State. For additional information regarding pension plans, see Appendix B: Excerpts from the Financial Statements of the Township, Note 9 to Financial Statements of this Official Statement.

Township Employees

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Permanent	170	178	164	167	169
Part-time	<u>15</u>	<u>15</u>	<u>15</u>	<u>15</u>	<u>15</u>
Total	<u>185</u>	<u>193</u>	<u>179</u>	<u>182</u>	<u>174</u>

Employee Collective Bargaining Units

<u>Collective Bargaining Units</u>	<u>Employees Represented</u>	<u>Contract Expiration Date</u>
Camden Council 10	68	Dec. 31, 2023
Winslow Township Police Officers' Association	70	Dec. 31, 2023
Winslow Township Superior Officers' Association	5	Dec. 31, 2023
WTPA Sergeants	7	Dec. 31, 2023

Township Population(1)

2020 Federal Census	39,907
2010 Federal Census	39,499
2000 Federal Census	34,611
1990 Federal Census	30,087
1980 Federal Census	20,034

Selected Census 2021 Data for the Township(1)

Median household income	\$81,122
Per capita income	\$34,142

Building, Zoning and Development Codes

The Township has established development regulations governing the size of lots for various types of construction. The land requirements are based on the type and nature of the building.

The Township building codes conform to standards of the Uniform Construction Code in the State. These codes and other municipal codes are codified as a basis for improved administration and regulation.

The Municipal Land Use Law was adopted by the Township to give the Township Zoning Board of Adjustment and Planning Board authority to regulate most land use other than family residential use. In this way, the Township is able to guide the approximate use or development of land to promote the public health, safety, morals and general welfare.

Building Permits (2)

<u>Year</u>	<u>Number of Permits</u>	<u>Value of Construction</u>
2023 (3)	1,267	\$27,553,983
2022	2,064	37,746,263
2021	2,069	45,622,396
2020	1,827	40,012,952
2019	1,972	42,591,590

(1) Source: U.S. Department of Commerce, Bureau of Census

(2) Source: Township's Construction Office

(3) Through July 31, 2023

Township Labor Force (1)

The following table discloses current labor force data for the Township, County and State.

<u>Year</u>	<u>Labor Force</u>	<u>Employed Persons</u>	<u>Unemployed Persons</u>	<u>Unemployment Rate</u>
Township				
2022	20,910	19,925	985	4.7%
2021	20,635	19,029	1,606	7.8
2020	20,506	18,370	2,136	10.4
2019	20,418	19,487	931	4.6
2018	20,082	19,061	1,021	5.1
County				
2022	270,737	259,883	10,854	4.0%
2021	266,980	248,194	18,786	7.0
2020	265,237	239,598	25,639	9.7
2019	263,859	253,460	10,399	3.9
2018	259,331	247,693	11,638	4.5
State				
2022	4,739,800	4,564,100	175,700	3.7%
2021	4,666,100	4,357,200	308,900	6.6
2020	4,650,300	4,212,400	437,900	9.4
2019	4,686,300	4,524,300	162,000	3.5
2018	4,604,800	4,420,700	184,100	4.0

**LARGEST PRIVATE SECTOR EMPLOYERS
IN CAMDEN COUNTY (2)**

<u>Name</u>	<u>Approximate Employment</u>
Cooper Health System	7,000
Virtua Health System	2,500
Campbell Soup Company	2,300
Virtua Our Lady of Lourdes Hospital	2,000
American Water	2,000
TD Bank	1,300
Jefferson Health System	1,256
Aluminum Shapes	1,000
Lockheed Martin	800

(1) Source: New Jersey Department of Labor

(2) Source: Camden County

GENERAL INFORMATION ON THE SCHOOL DISTRICT(1)

Primary and Secondary

The School District is a Type II school district functioning through a nine-member Board which is elected by the voters for staggered three-year terms.

The School District operates six elementary schools, one middle school and one high school within the Township, providing educational services for grades kindergarten through twelve and preschool handicapped students.

In 2001, the School District became a Pre-K to 12 district as a result of voter approval to dissolve the Lower Camden County Regional School District. Schools 1-4 became Pre-K to 2nd grade, Schools 5-6 became 3rd grade to 5th grade, the Middle School became 6th grade to 8th grade and the High School became 9th grade to 12th grade. Starting September 2010, Schools 1-4 became Pre-K through 3rd grade, Schools 5 and 6 became 4th grade through 6th grade, the Middle School became 7th and 8th grades, and High School remained 9th grade through 12th grade.

TOWNSHIP OF WINSLOW SCHOOL DISTRICT STUDENT ENROLLMENTS

<u>Grade</u>	<u>2021</u>	<u>2020</u>	<u>October 15,</u> <u>2019</u>	<u>2018</u>	<u>2017</u>
1/2 day Pre K	0	0	0	0	0
Full day Pre K	139	94	159	152	173
1/2 day K	0	0	0	0	0
Full day K	288	275	309	331	306
1	314	282	335	321	337
2	279	314	315	340	323
3	286	304	309	317	314
4	289	296	301	298	323
5	312	308	288	306	294
6	298	286	308	289	322
7	292	313	300	315	277
8	316	302	323	280	305
9	314	295	266	288	277
10	241	217	218	240	230
11	215	205	219	228	249
12	204	215	203	229	268
Special Ed.	<u>854</u>	<u>881</u>	<u>889</u>	<u>855</u>	<u>816</u>
Total	<u>4,641</u>	<u>4,587</u>	<u>4,742</u>	<u>4,789</u>	<u>4,814</u>

(1) Source: School District officials

PRESENT SCHOOL FACILITIES, ENROLLMENT AND CAPACITY (1)

<u>Name of School</u>	<u>Date Constructed</u>	<u>Renovations/ Additions</u>	<u>Grades</u>	<u>Oct. 15, 2021 Enrollment</u>	<u>Operational Capacity</u>
Winslow Elementary School #1	1968	2008, 1985	Pre-K-3	325	415
Winslow Elementary School #2	1968	2008, 1985	Pre-K-3	310	496
Winslow Elementary School #3	1973	2008	Pre-K-3	441	660
Winslow Elementary School #4	1977	2017, 2008, 1988	Pre-K-3	476	668
Winslow Elementary School #5	1989	2008	4-6	601	949
Winslow Elementary School #6	1993		4-6	509	900
Winslow Middle School	1970	2010, 2001	7-8	759	1,500
Winslow High School	1958	2010, 2001	9-12	<u>1,220</u>	<u>1,800</u>
Total				<u>4,641</u> (2)	<u>7,388</u>

HIGHER EDUCATION FACILITIES

Rutgers University-Camden Campus

Rutgers University-Camden ("Rutgers"), a comprehensive, publicly-supported, co-educational four-year institution accredited by the Middle States Association of Colleges and Secondary Schools and funded primarily by the State, was founded in 1950 on a 23.8 acre campus in the City of Camden. For the 2021-2022 school year, there were approximately 4,856 undergraduate students and 1,713 graduate students.

Camden County College

Fully accredited by the Middle States Association of Colleges and Secondary Schools, Camden County College ("College") is a comprehensive publicly supported, co-educational two-year institution developed under the State Department of Higher Education. It is funded in part by the Camden County Board of Commissioners who appoint an eleven (11) member Board of Trustees. The College has three distinct campuses in Blackwood, Camden and Cherry Hill – along with its satellite locations in Lakeland, Sicklerville and elsewhere throughout the County.

As of the Spring of 2023, full time enrollment was 3,204 and part-time enrollment was 8,124 for a total of 11,328.

Camden County Technical Schools

From a vocational school that opened with 400 students in 12 trade areas in 1928, Camden County Technical Schools ("CCTS") has grown to be one of the largest and most comprehensive technical schools in the nation. The district today encompasses a full range of day and evening programs at campuses in Pennsauken and Gloucester Township. Beginning in 2012, the adult programs were operated by Camden County College as part of the Camden County shared services agreement.

(1) Source: School District officials
 (2) Excludes Charter School students

For high school students, there are over 30 career programs from which to choose. For the 2020-2021 school year, 1,464 students are enrolled at the Gloucester Township Campus, and 784 at the Pennsauken Campus, including 260 Special Education Students between the two campuses. Seniors are offered the opportunity to participate in several of our school-to-career programs and are offered lifetime job placement assistance. In addition, students are offered a full-range of athletics and activities to complement their education. Through Camden County College, high school juniors and seniors at CCTS have various opportunities to earn college credit for college level work completed while in high school. Students may bank the credits earned for future enrollment at colleges and universities.

In addition to the facilities mentioned above, Stockton University, University of Pennsylvania, Temple University, LaSalle University, Villanova University, St. Joseph's University, Drexel University and Rowan University are all within a commuting distance from the Township.

CERTAIN TAX INFORMATION

TEN LARGEST REAL PROPERTY TAXPAYERS (1)

<u>Name of Taxpayer</u>	<u>Nature of Business</u>	<u>2023 Assessed Valuation</u>
Taylor Woods Apt. & Oneida Acquisition	Apartments	\$ 28,190,800
Fountains Prop Co., LLC	Life Care Facility	19,500,000
Carmax Auto Superstores, Inc.	Car Dealership	14,504,400
Kali Road 105 LLC	Apartments	13,604,500
IIP-NJ-1, LLC	Curaleaf	12,550,000
Johns Manville	Insulation	10,500,000
ARC HR5SINJ001	Supermarket Store	8,258,600
Edgewood Acres/Gardens	Apartments	6,660,000
Tamerlane	Apartments	6,283,400
F & G Winslow	Stores	6,100,000

CURRENT TAX COLLECTIONS (2)

<u>Year</u>	<u>Total Levy</u>	<u>Collected in Year of Levy</u>		<u>Outstanding Dec. 31</u>	
		<u>Amount</u>	<u>Percentage</u>	<u>Amount</u>	<u>Percentage</u>
2022 (3)	\$ 100,144,343	\$ 97,676,293	97.53%	\$ 1,893,861	1.89%
2021	97,842,725	95,451,095	97.56%	1,823,422	1.86%
2020	96,360,101	93,667,304	97.21%	2,085,445	2.16%
2019	95,348,928	92,328,385	96.83%	2,260,823	2.37%
2018	93,651,253	90,733,420	96.88%	2,099,952	2.24%

(1) Source: Township Tax Assessor

(2) Source: Annual Reports of Audit, unless otherwise indicated

(3) Information from Annual Compiled Financial Statement

DELINQUENT TAXES (1)

<u>Year</u>		<u>Outstanding</u>		<u>Collected</u>		<u>Transferred to Liens</u>	<u>Other Credits</u>	<u>Outstanding Dec. 31</u>
		<u>Jan. 1</u>	<u>Added</u>	<u>Amount</u>	<u>Percentage</u>			
2022	(2)	\$ 1,931,577	\$ -	\$ 1,804,737	93.43%	\$ 17,512	\$ 5,225	\$ 104,104
2021		2,168,717	19,250	1,994,002	91.13%	3,631	82,179	108,155
2020		2,356,010	16,948	2,266,320	95.51%	6,504	16,862	83,272
2019		2,212,575	17,888	2,095,276	93.94%	13,702	26,298	95,187
2018		2,407,840	14,398	2,156,508	89.03%	110,506	42,600	112,624

TAX TITLE LIENS (1)

<u>Year</u>		<u>Balance Jan. 1</u>	<u>Added by Sales and Transfers</u>	<u>Costs Accrued to Liens/ Adjustments</u>		<u>Foreclosures and Cancellations</u>		<u>Balance Dec. 31</u>
				<u>Adjustments</u>	<u>Collections</u>	<u>Cancellations</u>		
2022	(2)	\$ 5,484,632	\$ 495,323	\$ -	\$ 178,425	\$ -	\$ -	\$ 5,801,530
2021		5,287,196	448,064	5,663	217,779	38,513		5,484,632
2020		5,711,153	442,598	14,414	473,860	407,109		5,287,196
2019		5,478,405	552,661	31,599	351,413	99		5,711,153
2018		5,040,782	724,828	90,621	321,444	56,382		5,478,405

FORECLOSED PROPERTY (1)(3)

<u>Year</u>		<u>Balance Jan. 1</u>	<u>Added by Transfer</u>	<u>Adjustment to Assessed Valuation</u>		<u>Balance Dec. 31</u>
				<u>Valuation</u>	<u>Valuation</u>	
2022	(2)	\$ 2,193,800	\$ -	\$ -	\$ -	\$ 2,193,800
2021		2,193,800	-	-	-	2,193,800
2020		2,193,800	-	-	-	2,193,800
2019		2,193,800	-	-	-	2,193,800
2018		2,193,800	-	-	-	2,193,800

CURRENT WATER-SEWER COLLECTIONS (1)

<u>Year</u>		<u>Beginning Balance</u>	<u>Total Rents</u>	<u>Collected in Year of Billing</u>		<u>Outstanding Dec. 31</u>	
				<u>Amount</u>	<u>Percentage</u>	<u>Amount</u>	<u>Percentage</u>
2022	(2)	\$ 2,175,953	\$ 10,956,616	\$ 10,611,515	80.80%	\$ 2,518,819	19.18%
2021		1,729,005	10,687,954	10,237,857	82.45%	2,175,953	17.52%
2020		1,697,780	10,616,979	10,578,711	85.90%	1,729,005	14.04%
2019		1,598,820	10,248,551	10,119,298	85.41%	1,697,780	14.33%
2018		1,478,578	10,362,876	9,975,197	84.24%	1,598,820	13.50%

(1) Source: Annual Reports of Audit, unless otherwise indicated

(2) Information from Annual Compiled Financial Statement

(3) These amounts are reflected on the basis of assessed value in the year of acquisition in accordance with the regulation of the Division of Local Government Services.

NET ASSESSED VALUATIONS AND ANNUAL TAX RATES (1)

<u>Year</u>	<u>Net Valuation Taxable</u>	<u>Tax Rate (2)</u>				
		<u>Total Rate</u>	<u>County (3)</u>	<u>School</u>	<u>Local</u>	<u>Fire</u>
					<u>Municipal</u>	<u>District</u>
2023	\$ 2,732,389,100	\$ 3.799	\$ 0.931	\$ 1.945	\$ 0.655	\$ 0.268
2022	2,697,470,200	3.682	0.901	1.931	0.655	0.195
2021	2,675,481,007	3.640	0.902	1.911	0.640	0.187
2020	2,645,782,183	3.608	0.886	1.919	0.633	0.170
2019	2,647,263,126	3.586	0.899	1.907	0.623	0.157

RATIO OF ASSESSED VALUATION TO TRUE VALUE AND TRUE VALUE PER CAPITA (4)

<u>Year</u>	<u>Real Property Assessed Valuation</u>	<u>Percentage of True Value</u>	<u>True Value</u>	<u>True Value per Capita (5)</u>
2023	\$ 2,732,389,100	77.59%	\$ 3,521,573,785	\$ 88,245
2022	2,692,545,700	87.84%	3,065,284,267	76,811
2021	2,670,151,800	94.61%	2,822,272,276	70,721
2020	2,640,377,850	97.41%	2,710,581,922	67,922
2019	2,641,542,850	97.79%	2,701,240,260	67,688

REAL PROPERTY CLASSIFICATION (6)

<u>Year</u>	<u>Assessed Value of Land and Improvements</u>	<u>Vacant Land</u>	<u>Residential</u>	<u>Commercial</u>	<u>Industrial</u>	<u>Farm</u>	<u>Apartment</u>
2023	\$ 2,733,139,200	\$ 52,946,300	\$ 2,302,003,300	\$ 230,669,400	\$ 28,262,000	\$ 27,985,200	\$ 91,273,000
2022	2,692,545,700	51,937,100	2,288,582,700	224,662,600	28,262,000	28,159,300	70,942,000
2021	2,670,151,800	51,359,100	2,279,383,300	221,653,800	28,262,000	27,715,300	61,778,300
2020	2,640,377,850	57,659,800	2,267,936,600	202,179,350	31,662,000	28,562,200	52,377,900
2019	2,641,542,850	56,976,400	2,268,389,200	201,442,250	32,033,800	30,530,300	52,170,900

(1) Source: Township's Tax Collector

(2) Per \$100 of Assessed Valuation

(3) Includes Open Space and Library Tax

(4) Source: State of New Jersey, Department of Treasury, Division of Taxation

(5) Based on Federal Census 2020 of 39,907

(6) Source: Township Tax Assessor

**TOWNSHIP OF WINSLOW
STATEMENT OF INDEBTEDNESS (1)**

The following table summarizes the direct debt of the Township in accordance with the requirements of the Local Bond Law. The gross debt comprises short and long-term debt issued in the form of bonds, loans and debt authorized but not issued, including General, Water-Sewer Utility and debt of the School District. Deductions from gross debt to arrive at net debt include local school debt, as well as debt considered to be self-liquidating. The resulting net debt of \$13,600,576 represents 0.439% of the average of equalized valuations for the Township for the last three years, which is within the 3.5% limit imposed by N.J.S.A. 40A:2-6.

	Debt		Authorized	Gross	Deductions		Net
	Issued	Bonds/Loans/Notes			But Not Issued	School Debt	
General	\$ 13,220,576		\$ 380,000	\$ 13,600,576			\$ 13,600,576
School District				-			
Water and Sewer Utility	12,359,874		6,129,100	18,488,974		\$ 18,488,974	-
	<u>\$ 25,580,450</u>		<u>\$ 6,509,100</u>	<u>\$ 32,089,550</u>	<u>\$ -</u>	<u>\$ 18,488,974</u>	<u>\$ 13,600,576</u>

(1) As of December 31, 2022

**TOWNSHIP OF WINSLOW
DEBT RATIOS AND VALUATIONS(1)**

Average of Equalized Valuations of Real Property with Improvements for 2020, 2021 and 2022	\$	3,100,271,654
Statutory Net debt as a Percentage of the Average of Equalized Valuations of Real Property with Improvements for 2020, 2021 and 2022		0.439%
2023 Net Valuation Taxable	\$	2,732,389,100
2023 Equalized Valuation of Real Property and Taxable Personal Property Used in Communications	\$	3,521,573,785
Gross Debt (2)		
As a Percentage of 2023 Net Valuation Taxable		1.17%
As a Percentage of 2023 Equalized Valuation of Real Property and Taxable Personal Property Used in Communications		0.91%
Net Debt (2)		
As a Percentage of 2023 Net Valuation Taxable		0.50%
As a Percentage of 2023 Equalized Valuation of Real Property and Taxable Personal Property Used in Communications		0.39%
Gross Debt per Capita (3)	\$	804
Net Debt per Capita (3)	\$	341

TOWNSHIP BORROWING CAPACITY(1)

3.5% of Average (2020-22) Equalized Valuation of Real Property Including Improvements (\$3,100,271,654)	\$	108,509,508
Net Debt		<u>13,600,576</u>
Remaining Borrowing Capacity	\$	<u><u>94,908,932</u></u>

SCHOOL DISTRICT BORROWING CAPACITY (1)

4% of Average (2020-22) Equalized Valuation of Real Property Including Improvements (\$3,100,271,654)	\$	124,010,866
School District Debt		<u>-</u>
Remaining Borrowing Capacity	\$	<u><u>124,010,866</u></u>

-
- (1) As of December 31, 2022
 - (2) Excluding overlapping debt
 - (3) Based on Federal 2020 Census of 39,907

**TOWNSHIP OF WINSLOW
OVERLAPPING DEBT AS OF DECEMBER 31, 2022**

	DEBT ISSUED				
	<u>Debt Outstanding</u>	<u>Deductions</u>	<u>Statutory Net Debt Outstanding</u>	<u>Net Debt Outstanding Allocated to the Issuer</u>	<u>Debt Auth. but not Issued</u>
County of Camden(1):					
General:					
Bonds	\$ 64,387,267	\$ 22,237,615 (2)	\$ 42,149,652	\$ 3,030,560 (4)	\$ 71,990,250
Notes	42,980,000		42,980,000	3,090,262 (4)	
Loan Agreements	347,760,000		347,760,000	25,003,944 (4)	
Bonds Issued by Other Public Bodies					
Guaranteed by the County	223,550,595	223,550,595 (3)	-	-	
Township of Winslow Fire District No. 1	3,795,000		3,795,000	3,795,000	
	<u>\$ 682,472,862</u>	<u>\$ 245,788,210</u>	<u>\$ 436,684,652</u>	<u>\$ 34,919,766</u>	<u>\$ 71,990,250</u>

(1) Source: County of Camden.

(2) Includes Reserve for Payment of Bonds, Other Accounts Receivable and General Obligation Refunding Bonds.

(3) Deductible in accordance with N.J.S. 40:37A-80.

(4) Such debt is allocated as a proportion of the Issuer's share of the total 2022 Net Valuation on which County taxes are apportioned, which is 7.19%.

Camden County Municipal Utilities Authority

The Camden County Municipal Utilities Authority (“CCMUA”) is a public body corporate and politic of the State and was originally created as the Camden County Sewerage Authority (“Sewerage Authority”) by a resolution of the County adopted on December 5, 1967. The Sewerage Authority was reorganized in 1972 as a utilities authority and changed its name to the Camden County Municipal Utilities Authority pursuant to a resolution of the County adopted on April 13, 1972. The CCMUA operates under the supervision of nine commissioners who are appointed by the Board for five-year staggered terms. The County has entered into a deficiency agreement with the CCMUA (“Deficiency Agreement”) whereby the County is obligated to pay to the CCMUA any annual charges equal to any deficits in CCMUA revenues necessary to pay or provide for: (i) operation and maintenance expenses of the CCMUA’s regional sewer system, (ii) principal and interest payments on bonds and notes of the CCMUA in an aggregate principal amount not to exceed \$685,500,000, and (iii) the maintenance of reserves required under the bond resolution securing the CCMUA’s bonds and notes. The obligation of the County pursuant to the provisions of the Deficiency Agreement is a direct and general obligation of the County, and any annual charges are ultimately payable by the County from the levy of *ad valorem* taxes on all the taxable real property within the jurisdiction of the County in amounts sufficient to enable the County to meet its obligations under the Deficiency Agreement. **To date, no payments have been required to be made by the County pursuant to the Deficiency Agreement.** The County and the CCMUA may agree to amend the Deficiency Agreement at any time to increase the obligations of the County thereunder.

The CCMUA owns and operates a sewage collection and treatment system which serves all County residents connected to local sewer collection systems. The CCMUA’s system does not include the local sewage collection system of any CCMUA participant, but it owns and operates interceptor sewer lines connecting the local systems to the CCMUA’s sewage treatment facilities.

The CCMUA is required to charge and collect service charges for the use of its facilities such that revenues of the CCMUA will at all times be adequate to pay all operating and maintenance expenses, including reserves, insurance, extensions and replacements, and to pay punctually the principal of and interest on any bonds and notes of the CCMUA and to maintain reserves and sinking funds therefor as may be required by the terms of any agreements with the holders thereof.

The gross debt as of December 31, 2022 for the CCMUA was \$193,185,104 (unaudited). The County guarantees up to \$685,500,000 of debt issued by the CCMUA.

Camden County Improvement Authority

The Camden County Improvement Authority (“CCIA”) is a public body corporate and politic of the State and was created by a resolution of the County Board. The CCIA operates under the supervision of a five (5) member Board who are appointed for five (5) 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. The CCIA also issues conduit debt from time to time which is not included in the overlapping debt as there is no obligation by the taxpayers to repay the associated debt service.

The amount of debt which the County has guaranteed or for which it has a repayment obligation as of December 31, 2022 was \$373,752,238.

TOWNSHIP OF WINSLOW
SCHEDULE OF LONG TERM DEBT SERVICE(1)

Budget Year Ending Dec. 31	<u>Series 2003 - Green Acres</u>		<u>Series 2005 - G.O. Bonds</u>		<u>Series 2010 - Green Acres</u>		<u>2012 Refunding Bonds (B)</u>		<u>Balance Carried Forward</u>
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	
2023	\$ 3,293.83	\$ 32.94	\$ 35,000.00	\$ 3,718.75	\$ 10,058.00	\$ 1,445.90	\$ 450,000.00	\$ 34,950.00	\$ 538,499.42
2024			35,000.00	2,231.25	10,260.16	1,243.73	465,000.00	21,225.00	534,960.14
2025			35,000.00	743.75	10,466.39	1,037.49	475,000.00	7,125.00	529,372.63
2026					10,676.76	827.12			11,503.88
2027					10,891.37	612.52			11,503.89
2028					11,110.29	393.60			11,503.89
2029					11,333.63	170.29			11,503.92
2030									-
2031									-
2032									-
2033									-
2034									-
2035									-
2036									-
2037									-
2038									-
	<u>\$ 3,293.83</u>	<u>\$ 32.94</u>	<u>\$ 105,000.00</u>	<u>\$ 6,693.75</u>	<u>\$ 74,796.60</u>	<u>\$ 5,730.65</u>	<u>\$ 1,390,000.00</u>	<u>\$ 63,300.00</u>	<u>\$ 1,648,847.77</u>

(1) As of December 31, 2022

TOWNSHIP OF WINSLOW
SCHEDULE OF LONG TERM DEBT SERVICE(1) (CONT'D)

Budget Year Ending Dec. 31	Balance Brought Forward	<u>Series 2016 - G.O. Bonds</u>		<u>Series 2018 - G.O. Bonds</u>		<u>Series 2018 - Green Acres</u>		Balance Carried Forward
		<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	
2023	\$ 538,499.42	\$ 950,000.00	\$ 95,886.26	\$ 765,000.00	\$ 204,975.00	\$ 5,873.56	\$ 2,082.50	\$ 2,562,316.74
2024	534,960.14	950,000.00	76,886.26	785,000.00	181,725.00	5,991.61	1,964.43	2,536,527.44
2025	529,372.63	909,000.00	57,886.26	860,000.00	157,050.00	6,112.05	1,844.01	2,521,264.95
2026	11,503.88	300,000.00	39,706.26	875,000.00	131,025.00	6,234.90	1,721.16	1,365,191.20
2027	11,503.89	300,000.00	33,706.26	885,000.00	104,625.00	6,360.22	1,595.83	1,342,791.20
2028	11,503.89	300,000.00	27,706.26	900,000.00	77,850.00	6,488.06	1,468.00	1,325,016.21
2029	11,503.92	300,000.00	21,706.26	915,000.00	50,625.00	6,618.47	1,337.58	1,306,791.23
2030	-	275,000.00	15,706.26	240,000.00	33,300.00	6,751.49	1,204.55	571,962.30
2031	-	250,000.00	10,206.26	240,000.00	26,100.00	6,887.20	1,068.85	534,262.31
2032	-	245,000.00	5,206.26	240,000.00	18,900.00	7,025.63	930.41	517,062.30
2033	-			240,000.00	11,550.00	7,166.85	789.20	259,506.05
2034	-			240,000.00	3,900.00	7,310.91	645.15	251,856.06
2035	-					7,457.85	498.20	7,956.05
2036	-					7,607.75	348.29	7,956.04
2037	-					7,760.67	195.37	7,956.04
2038	-					3,938.63	39.39	3,978.02
	<u>\$ 1,648,847.77</u>	<u>\$4,779,000.00</u>	<u>\$384,602.60</u>	<u>\$ 7,185,000.00</u>	<u>\$1,001,625.00</u>	<u>\$ 105,585.85</u>	<u>\$ 17,732.92</u>	<u>\$ 15,122,394.14</u>

(1) As of December 31, 2022

TOWNSHIP OF WINSLOW
SCHEDULE OF LONG TERM DEBT SERVICE(1) (CONT'D)

Budget Year Ending Dec. 31	Balance Brought Forward	New Jersey Environmental Infrastructure Trust Loans						Balance Carried Forward
		2005		2012		2015		
		Principal	Interest	Principal	Interest	Principal	Interest	
2023	\$ 2,562,316.74	\$ 15,000.00	\$ 1,968.76	\$ 122,868.34	\$ 25,322.50	\$ 38,292.28	\$ 5,600.00	\$ 2,771,368.62
2024	2,536,527.44	15,000.00	1,312.50	127,868.34	22,322.50	38,292.28	5,100.00	2,746,423.06
2025	2,521,264.95	15,000.00	656.25	127,868.34	19,072.50	38,292.28	4,600.00	2,726,754.32
2026	1,365,191.20			132,868.34	15,822.50	38,292.28	4,100.00	1,556,274.32
2027	1,342,791.20			137,868.34	12,322.50	38,292.28	3,600.00	1,534,874.32
2028	1,325,016.21			137,868.34	10,072.50	38,292.28	3,200.00	1,514,449.33
2029	1,306,791.23			142,868.34	7,822.50	38,292.28	2,800.00	1,498,574.35
2030	571,962.30			130,187.99	5,322.50	38,292.28	2,400.00	748,165.07
2031	534,262.31			85,000.00	2,762.50	38,292.28	2,000.00	662,317.09
2032	517,062.30					38,292.28	1,600.00	556,954.58
2033	259,506.05					43,292.28	1,200.00	303,998.33
2034	251,856.06					43,292.44	600.00	295,748.50
2035	7,956.05							7,956.05
2036	7,956.04							7,956.04
2037	7,956.04							7,956.04
2038	3,978.02							3,978.02
	<u>\$ 15,122,394.14</u>	<u>\$ 45,000.00</u>	<u>\$ 3,937.51</u>	<u>\$ 1,145,266.37</u>	<u>\$ 120,842.50</u>	<u>\$ 469,507.52</u>	<u>\$ 36,800.00</u>	<u>\$ 16,943,748.04</u>

(1) As of December 31, 2022

TOWNSHIP OF WINSLOW
SCHEDULE OF LONG TERM DEBT SERVICE(1) (CONT'D)

Budget Year Ending <u>Dec. 31</u>	Balance <u>Brought Forward</u>	New Jersey Department of Environmental Protection		Grand Total	
		<u>Demolition Loan</u>		<u>Principal</u>	<u>Interest</u>
		<u>Principal</u>	<u>Interest</u>		
2023	\$ 2,771,368.62	\$ 16,800.00	N/A	\$ 2,412,186.01	\$ 375,982.61
2024	2,746,423.06	16,800.00	N/A	2,449,212.39	314,010.67
2025	2,726,754.32	16,800.00	N/A	2,493,539.06	250,015.26
2026	1,556,274.32	16,800.00	N/A	1,379,872.28	193,202.04
2027	1,534,874.32	16,800.00	N/A	1,395,212.21	156,462.11
2028	1,514,449.33			1,393,758.97	120,690.36
2029	1,498,574.35			1,414,112.72	84,461.63
2030	748,165.07			690,231.76	57,933.31
2031	662,317.09			620,179.48	42,137.61
2032	556,954.58			530,317.91	26,636.67
2033	303,998.33			290,459.13	13,539.20
2034	295,748.50			290,603.35	5,145.15
2035	7,956.05			7,457.85	498.20
2036	7,956.04			7,607.75	348.29
2037	7,956.04			7,760.67	195.37
2038	3,978.02			3,938.63	39.39
	<u>\$ 16,943,748.04</u>	<u>\$ 84,000.00</u>	<u>\$ -</u>	<u>\$ 15,386,450.17</u>	<u>\$ 1,641,297.87</u>

(1) As of December 31, 2022

TOWNSHIP OF WINSLOW
2023 MUNICIPAL BUDGET (1)

CURRENT FUND

Anticipated Revenues:	
Fund Balance	\$ 1,967,885.00
Miscellaneous Revenues:	
Local Revenues	4,467,201.92
State Aid without Offsetting Appropriations	6,405,323.34
Dedicated Uniform Construction Code Fees	855,000.00
Public and Private Programs Offset with Appropriations	3,021,444.61
Other Special Items of Revenue	2,289,360.13
Receipts from Delinquent Taxes	2,050,000.00
Amount to be Raised by Taxation for Municipal Purposes	<u>17,898,800.00</u>
Total Anticipated Revenues	<u><u>\$ 38,955,015.00</u></u>

Appropriations:	
Within CAPS:	
Operations	\$ 26,429,248.00
Deferred Charges and Statutory Expenditures	4,879,970.00
Excluded from CAPS:	
Other Operations	59,885.00
Public and Private Programs	3,023,578.36
Capital Improvements	75,000.00
Debt Service	1,749,555.64
Reserve for Uncollected Taxes	<u>2,737,778.00</u>
Total Appropriations	<u><u>\$ 38,955,015.00</u></u>

WATER-SEWER UTILITY

Anticipated Revenues:	
Fund Balance	\$ 2,600,000.00
Rents	<u>9,859,088.00</u>
Total Water-Sewer Utility Revenues	<u><u>\$ 12,459,088.00</u></u>

Appropriations:	
Operating	\$ 7,724,707.00
Debt Service	1,598,650.00
Deferred Charges and Statutory Expenditures	535,731.00
Surplus (General Budget)	<u>2,600,000.00</u>
Total Water-Sewer Utility Appropriations	<u><u>\$ 12,459,088.00</u></u>

(1) 2023 Adopted Budget

**TOWNSHIP OF WINSLOW
CAPITAL PROGRAM
PROJECTS SCHEDULED FOR THE YEARS 2023-2028**

Project Title	Estimated Total Cost	Capital Improvement Fund	Grants-in Aid and Other Funds	Bonds and Notes	
				General	Self- Liquidating
General:					
Computers	\$ 262,200.00	\$ 13,110.00		\$ 249,090.00	
Dept. of Public Works Vehicles and Equipment	1,230,000.00	61,500.00		1,168,500.00	
Improvements to Parks	662,100.00	33,105.00		628,995.00	
Police Vehicles and Equipment	1,489,200.00	74,460.00		1,414,740.00	
Improvements to Roads	850,000.00	17,500.00	\$ 500,000.00	332,500.00	
Improvements to Facilities	906,500.00	45,325.00		861,175.00	
Utility:					
Infrastructure Improvements	6,300,000.00		1,000,000.00		\$ 5,300,000.00
Acquisition of Meters	800,000.00				800,000.00
Vehicles and Equipment	750,000.00				750,000.00
Totals--All Projects	\$ 13,250,000.00	\$ 245,000.00	\$ 1,500,000.00	\$ 4,655,000.00	\$ 6,850,000.00

(1) 2023 Adopted Budget

APPENDIX B

FINANCIAL STATEMENTS OF THE TOWNSHIP OF WINSLOW

FOR THE YEAR ENDED 2022
COMPILED FINANCIAL STATEMENTS

INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

The Honorable Mayor and
Members of the Township Committee
Township of Winslow
Braddock, New Jersey 08037

Management is responsible for the accompanying financial statements of the Township of Winslow, 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 Township'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/ Michael D. Cesaro
Certified Public Accountant
Registered Municipal Accountant

Voorhees, New Jersey
March 8, 2023

**TOWNSHIP OF WINSLOW
CURRENT FUND**

Statement of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis
As of December 31, 2022

ASSETS

Cash	\$ 7,669,563
Federal and State Grants Receivable	671,162
Receivables and Other Assets with Full Reserves:	
Delinquent Property Taxes Receivable	1,997,965
Tax Title Liens Receivable	5,801,530
Property Acquired for Taxes-- Assessed Valuation	2,193,800
Revenue Accounts Receivable	14,847
Accounts Receivable-Other	132,872
Interfunds Receivable	<u>1,356</u>
	<u><u>\$ 18,483,095</u></u>

**LIABILITIES, RESERVES AND FUND
BALANCE**

Appropriation Reserves	\$ 57,213
Reserve for Encumbrances	735,298
Due County for Added and Omitted Taxes	201,614
Prepaid Taxes, Fees, Licenses and PILOTS	1,203,459
Tax Overpayments	189,709
Other Liabilities and Special Funds	13,443
Reserve for Municipal Relief Fund Aid	313,414
Reserve for Receivables and Other Assets	10,009,498
Reserve for Federal and State Grants	2,136,642
Fund Balance	<u>3,622,805</u>
	<u><u>\$ 18,483,095</u></u>

See Independent Accountant's Compilation Report and selected notes.

**TOWNSHIP OF WINSLOW
CURRENT FUND**

Statement of Operations and Changes in Fund Balance - Regulatory Basis
For the Years Ended December 31, 2022

Revenue Realized:	
Current Tax Collections	\$ 97,676,293
Delinquent Tax Collections	<u>1,983,162</u>
Total Taxes	99,659,455
Miscellaneous Revenues Anticipated	12,284,960
Nonbudget Revenues and Other Income	793,076
Fund Balance Utilized	<u>2,788,000</u>
Total Income	<u>115,525,491</u>
Expenditures and Encumbrances:	
Operating	25,766,737
Capital Improvements	293,951
Debt Service	1,533,644
Deferred Charges and Statutory Expenditures	4,587,200
County Taxes	24,481,239
Fire District Taxes	5,233,737
Local District School Purposes	52,093,744
Creation of Reserve for Interfunds	
Other Expenditures	<u>38,125</u>
Total Expenditures and Encumbrances	<u>114,028,377</u>
Excess in Revenues	1,497,115
Adjustments to Income Before Fund Balance-- expenditures Included above which are by statute deferred charges to budget of succeeding year	<u>-</u>
Statutory Excess of Fund Balance	1,497,115
Fund Balance Beginning of Year	<u>4,913,690</u>
	6,410,805
Decreased by:	
Utilized as Revenue	<u>2,788,000</u>
Fund Balance Ending of Year	<u><u>\$ 3,622,805</u></u>

See Independent Accountant's Compilation Report and selected notes.

TOWNSHIP OF WINSLOW
TRUST - OTHER FUNDS
Statement of Assets, Liabilities and Reserves - Regulatory Basis
As of December 31, 2022

ASSETS

Cash	\$ 4,942,880
Investments	11,930,862
Other Accounts Receivable	<u>80,185</u>
	<u>\$ 16,953,927</u>

LIABILITIES AND RESERVES

Other Accounts Payable	
Interfunds Payable	\$ 1,672
Reserve for Special Funds	<u>16,952,255</u>
	<u>\$ 16,953,927</u>

See Independent Accountant's Compilation Report and selected notes.

**TOWNSHIP OF WINSLOW
GENERAL CAPITAL FUND**

Statement of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis
As of December 31, 2022

ASSETS

Cash	\$ 1,074,164
Accounts Receivable	305
Deferred Charges to Future Taxation:	
Funded	6,421,676
Unfunded	<u>6,973,900</u>
	<u>\$ 14,470,045</u>

**LIABILITIES, RESERVES AND
FUND BALANCE**

Serial Bonds and Loans Payable	\$ 6,421,676
Bond Anticipation Notes	6,593,900
Improvement Authorizations:	
Funded	123,029
Unfunded	836,666
Capital Improvement Fund	1,500
Reserve for Encumbrances	459,560
Fund Balance	<u>33,714</u>
	<u>\$ 14,470,045</u>

See Independent Accountant's Compilation Report and selected notes.

**TOWNSHIP OF WINSLOW
WATER-SEWER UTILITY FUND**

Statement of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis
As of December 31, 2022

ASSETS

Operating Fund:	
Cash	\$ 2,933,480
Interfunds Receivable	800,168
Receivables with Full Reserves:	
Utility Rents	2,518,819
Utility Liens	<u>17,995</u>
Total Operating Fund	<u>6,270,462</u>
Capital Fund:	
Cash	19,328
Fixed Capital	70,876,529
Fixed Capital Authorized and Uncompleted	<u>9,495,100</u>
Total Capital Fund	<u>80,390,957</u>
	<u><u>\$ 86,661,419</u></u>

(Continued)

TOWNSHIP OF WINSLOW
WATER-SEWER UTILITY FUND
Statement of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis
As of December 31, 2022

**LIABILITIES, RESERVES AND
FUND BALANCE**

Operating Fund:	
Appropriation Reserves	\$ 15,868
Reserve for Encumbrances	299,036
Accrued Interest on Bonds, Loans and Notes	117,778
Utility Rent Overpayments	51,008
Reserve for Receivables	2,536,814
Fund Balance	<u>3,249,959</u>
Total Operating Fund	<u>6,270,462</u>
Capital Fund:	
Bonds Payable	7,305,000
Loans Payable	1,659,774
Bond Anticipation Note Payable	3,395,100
Accounts Payable	2,437
Interfunds Payable	800,168
Improvement Authorizations:	
Funded	1,984,338
Unfunded	2,144,361
Capital Improvement Fund	8,514
Contracted Encumbrances	1,027,380
Reserves for:	
Amortization	62,036,755
Fund Balance	<u>27,131</u>
Total Capital Fund	<u>80,390,957</u>
	<u><u>\$ 86,661,419</u></u>

See Independent Accountant's Compilation Report and selected notes.

TOWNSHIP OF WINSLOW
WATER-SEWER UTILITY FUND
Statement of Operations and Changes in Fund Balance - Regulatory Basis
For the Year Ended December 31, 2022

Revenue Realized:	
Fund Balance Utilized	\$ 1,890,000
Utility Rents	10,600,051
Miscellaneous	938,373
Other Credits to Income	<u>67,062</u>
 Total Income	 <u>13,495,485</u>
Expenditures:	
Operating	7,561,443
Debt Service	2,082,127
Statutory Expenditures	500,923
Other Expenditures	<u>1,890,000</u>
 Total Expenditures	 <u>12,034,493</u>
 Excess in Revenues	 1,460,992
Adjustment to Income before	
Fund Balance:	
Expenditures included above which are by Statute	
Deferred Charges to Budget of Succeeding Year	<u>-</u>
 Statutory Excess to Fund Balance	 1,460,992
 Fund Balance January 1	 <u>3,678,967</u>
	5,139,959
Decreased by:	
Utilized as Revenue	<u>1,890,000</u>
 Fund Balance December 31	 <u><u>\$ 3,249,959</u></u>

See Independent Accountant's Compilation Report and selected notes.

TOWNSHIP OF WINSLOW
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 Township of Winslow was incorporated in 1692 and is located in southeast New Jersey approximately thirty miles southeast of the City of Philadelphia. The population according to the latest census is 39,907.

The Township has a Mayor-Council form of government known as the Mayor-Council Plan A under the Optional Municipal Charter Law of 1960, popularly known as the Faulkner Act. The Mayor is separately elected to a four-year term. Members of the Township Committee are elected to four-year terms on a staggered basis. Executive and administrative responsibility rests with the Mayor, who is assisted by the Township Administrator and Township Clerk.

Measurement Focus, Basis of Accounting and Financial Statement Presentation - The financial statements of the Township 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 Township 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.

Water-Sewer Utility Operating and Capital Funds - The water-sewer utility operating and capital funds account for the operations and acquisition of capital facilities of the municipally owned water and sewer operations.

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.

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

Budgets and Budgetary Accounting - The Township must adopt an annual budget for its current and water-sewer utility funds 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 February 10 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 Township's financial statements.

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 Township 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.

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

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 Township 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 Township 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 Township's basic financial statements.

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.

Utility Fixed Assets - Property and equipment purchased by a utility fund are recorded in the utility capital account at cost and are adjusted for disposition and abandonment. The amounts shown do not represent replacement cost or current value. The reserve for amortization and deferred reserve for amortization accounts in the utility capital fund represent charges to operations for the cost of acquisition of property and equipment, improvements, and contributed capital.

Foreclosed Property - Foreclosed property is recorded in the current fund at the assessed valuation when such property was acquired and is fully reserved. Ordinarily it is the intention of the municipality to resell foreclosed property in order to recover all or a portion of the delinquent taxes or assessments and to return the property to a taxpaying basis. For this reason, the value of foreclosed property has not been included in the general fixed asset group of accounts. If such property is converted to a municipal use, it will be recorded in the general fixed asset group of accounts.

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.

Liens Sold for Other Governmental Units - Liens sold on behalf of other governmental units are not recorded on the records of the tax collector until such liens are collected. Upon their collection, such liens are recorded as a liability due to the governmental unit net of the costs of the initial sale. The related costs of sale are recognized as revenue when received.

Fund Balance - Fund balances included in the current fund and water-sewer utility operating fund represent amounts available for anticipation as revenue in future years' budgets, with certain restrictions.

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

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 Township's budget. Receivables for property taxes are recorded with offsetting reserves on the statement of assets, liabilities, reserves and fund balance of the Township's current fund; accordingly, such amounts are not recorded as revenue until collected. Other amounts that are due to the Township which are susceptible to accrual are also recorded as receivables with offsetting reserves and recorded as revenue when received.

Property Tax Revenues - Property tax revenues are collected in quarterly installments due February 1, May 1, August 1, and November 1. The amount of tax levied includes not only the amount required in support of the Township's annual budget, but also the amounts required in support of the budgets of the County of Camden, the Township of Winslow School District and the Township of Winslow Fire District No. 1. Unpaid property taxes are subject to tax sale in accordance with the statutes.

School Taxes - The Township is responsible for levying, collecting, and remitting school taxes for the Township of Winslow School District. Operations is charged for the full amount required to be raised from taxation to operate the local school district for the period from January 1 to December 31

County Taxes - The municipality is responsible for levying, collecting, and remitting county taxes for the County of Camden. 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 is charged for the amount due to the County for the year, based upon the ratables required to be certified to the County Board of Taxation by January 10 of the current year. In addition, operations 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.

Fire District Taxes - The municipality is responsible for levying, collecting, and remitting fire district taxes for the Township of Winslow Fire District No. 1. Operations is charged for the full amount required to be raised from taxation to operate the Fire District for the period from January 1 to December 31.

Reserve for Uncollected Taxes - The inclusion of the "reserve for uncollected taxes" appropriation in the Township's annual budget protects the Township from taxes not paid currently. The reserve, the minimum amount of which is determined on the percentage of collections experienced in the immediately preceding year, with certain exceptions, is required to provide assurance that cash collected in the current year will provide sufficient cash flow to meet expected obligations.

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 payments on outstanding general capital and utility bonds, loans and notes are provided on the cash basis; interest on general capital indebtedness is on the cash basis, whereas interest on utility indebtedness is on the accrual basis.

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 and utility capital funds. 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 Mayor and
Members of the Township Committee
Township of Winslow
Braddock, New Jersey 08037

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 Township of Winslow, in the County of Camden, 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 Township'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 Township of Winslow, in the County of Camden, 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 Township of Winslow, in the County of Camden, 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 Township and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our 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 Township 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.

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 Township's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Township's ability to continue as a going concern for a reasonable period of time.

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

Respectfully submitted,

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

/s/ L, Jarred Corn
Certified Public Accountant
Registered Municipal Accountant

Voorhees, New Jersey
July 28, 2022

**TOWNSHIP OF WINSLOW
CURRENT FUND**

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

	As of December 31,				
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
ASSETS					
Cash	\$ 9,359,091	\$ 8,282,704	\$ 6,377,981	\$ 10,139,015	\$ 9,002,828
Federal and State Grants Receivable	558,687	1,076,252	1,099,696	1,077,143	755,151
Receivables and Other Assets with Full Reserves:					
Delinquent Property Taxes Receivable	1,931,577	2,168,717	2,356,010	2,212,575	2,407,840
Tax Title Liens Receivable	5,484,632	5,287,196	5,711,153	5,478,406	5,040,782
Property Acquired for Taxes-- Assessed Valuation	2,193,800	2,193,800	2,193,800	2,193,800	2,193,800
Revenue Accounts Receivable	14,847	15,843	41,351	33,049	32,301
Accounts Receivable-Other	133,141	129,956	134,240	132,490	126,232
Interfunds Receivable	61,867	311,428	5,508	159,572	103,478
	<u>\$ 19,737,643</u>	<u>\$ 19,465,896</u>	<u>\$ 17,919,739</u>	<u>\$ 21,426,050</u>	<u>\$ 19,662,412</u>
LIABILITIES, RESERVES AND FUND BALANCE					
Appropriation Reserves	\$ 47,729	\$ 1,062,083	\$ 209,676	\$ 181,107	\$ 260,700
Reserve for Encumbrances	718,512	502,266	576,771	371,804	478,291
Interfunds Payable	915,580	454,951	420,050	908,061	2,446,398
Local School Tax Payable			7,913	4,182,780	7,913
Due County for Added and Omitted Taxes	124,894	232,670	109,211	43,033	43,944
Prepaid Taxes, Fees, Licenses and PILOTS	1,537,259	1,514,100	1,047,174	947,170	1,645,584
Tax Overpayments	236,691	308,306	167,850	121,876	69,469
Other Liabilities and Special Funds	14,234	17,455	11,571	10,594	7,197
Reserve for Receivables and Other Assets	9,686,724	9,976,984	10,307,822	10,072,386	9,778,201
Reserve for Federal and State Grants	1,542,331	735,840	854,878	725,007	633,974
Fund Balance	4,913,690	4,661,241	4,206,823	3,862,232	4,290,742
	<u>\$ 19,737,643</u>	<u>\$ 19,465,896</u>	<u>\$ 17,919,739</u>	<u>\$ 21,426,050</u>	<u>\$ 19,662,412</u>

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

**TOWNSHIP OF WINSLOW
CURRENT FUND**

Statements of Operations and Changes in Fund Balance - Regulatory Basis

	For the Years Ended December 31,				
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Revenue Realized:					
Current Tax Collections	\$ 95,451,095	\$ 93,667,304	\$ 92,328,385	\$ 90,733,420	\$ 88,968,783
Delinquent Tax Collections	2,211,781	2,740,181	2,446,689	2,477,953	2,290,715
Total Taxes	97,662,876	96,407,485	94,775,074	93,211,373	91,259,498
Miscellaneous Revenues Anticipated	12,587,987	12,138,593	12,654,715	11,857,659	11,847,252
Nonbudget Revenues and Other Income	1,346,887	986,314	649,191	722,978	1,278,563
Fund Balance Utilized	2,514,000	2,295,450	2,075,000	2,176,366	2,245,000
Total Income	114,111,750	111,827,842	110,153,980	107,968,376	106,630,313
Expenditures and Encumbrances:					
Operating	24,834,420	24,277,833	23,824,971	23,304,300	22,368,835
Capital Improvements	125,000	50,000	150,000	100,000	87,500
Debt Service	1,437,932	1,426,837	1,380,663	1,745,045	1,765,375
Deferred Charges and Statutory Expenditures	4,349,799	3,948,109	3,845,151	3,555,019	3,299,546
County Taxes	24,248,083	23,673,515	23,879,594	23,837,990	23,396,165
Fire District Taxes	5,002,642	4,476,729	4,136,267	3,812,489	3,626,000
Local District School Purposes	51,113,374	50,751,309	50,476,123	49,629,967	48,701,381
Creation of Reserve for Interfunds	55,881	305,919		154,557	435,205
Other Expenditures	178,170	167,723	41,620	81,152	201,553
Total Expenditures and Encumbrances	111,345,301	109,077,974	107,734,389	106,220,519	103,881,560
Excess in Revenues	2,766,449	2,749,868	2,419,591	1,747,857	2,748,753
Adjustments to Income Before Fund Balance-- expenditures Included above which are by statute deferred charges to budget of succeeding year	-	-	-	-	-
Statutory Excess of Fund Balance	2,766,449	2,749,868	2,419,591	1,747,857	2,748,753
Fund Balance Beginning of Year	4,661,241	4,206,823	3,862,232	4,290,742	3,786,989
	7,427,690	6,956,691	6,281,823	6,038,598	6,535,742
Decreased by:					
Utilized as Revenue	2,514,000	2,295,450	2,075,000	2,176,366	2,245,000
Fund Balance Ending of Year	\$ 4,913,690	\$ 4,661,241	\$ 4,206,823	\$ 3,862,232	\$ 4,290,742

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

TOWNSHIP OF WINSLOW
TRUST - OTHER FUNDS
Statements of Assets, Liabilities and Reserves - Regulatory Basis

	As of December 31,				
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
ASSETS					
Cash	\$ 4,791,986	\$ 4,307,854	\$ 3,649,033	\$ 3,458,710	\$ 2,782,242
Investments	11,657,218	11,330,665	10,928,045	10,766,635	10,973,667
Interfunds Receivable					950,833
Other Accounts Receivable	445,600	418,028	284,679	287,307	389,962
	<u>\$ 16,894,804</u>	<u>\$ 16,056,547</u>	<u>\$ 14,861,757</u>	<u>\$ 14,512,652</u>	<u>\$ 15,096,704</u>
 LIABILITIES AND RESERVES					
Other Accounts Payable				\$ 5,018	\$ 1,911
Interfunds Payable	\$ 345,413	\$ 5,986	\$ 5,508	203,935	25,413
Reserve for Special Funds	16,549,390	16,050,561	14,856,249	14,303,699	15,069,380
	<u>\$ 16,894,804</u>	<u>\$ 16,056,547</u>	<u>\$ 14,861,757</u>	<u>\$ 14,512,652</u>	<u>\$ 15,096,704</u>

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

**TOWNSHIP OF WINSLOW
GENERAL CAPITAL FUND**

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

	As of December 31,				
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
ASSETS					
Cash	\$ 1,784,820	\$ 1,382,599	\$ 3,763,747	\$ 2,048,316	\$ 958,533
Accounts Receivable	305	305	305	305	228,250
Deferred Charges to Future Taxation:					
Funded	7,610,584	8,769,056	9,907,101	10,998,728	6,113,239
Unfunded	6,697,500	4,322,500	3,325,000		4,604,725
Interfunds Receivable	150,000	150,000			87,500
	<u>\$ 16,243,209</u>	<u>\$ 14,624,460</u>	<u>\$ 16,996,153</u>	<u>\$ 13,047,349</u>	<u>\$ 11,992,247</u>
LIABILITIES, RESERVES AND FUND BALANCE					
Serial Bonds and Loans Payable	\$ 7,610,584	\$ 8,769,056	\$ 9,907,102	\$ 10,998,728	\$ 6,113,239
Bond Anticipation Notes	6,697,500	4,322,500	3,325,000		4,435,750
Improvement Authorizations:					
Funded	1,385		254,655	1,086,212	13,019
Unfunded	1,179,928	791,839	2,433,180		779,347
Interfunds Payable	874	50,540		60,585	
Capital Improvement Fund	6,500	6,500	9,000	34,000	25,000
Reserve for Encumbrances	746,438	576,297	939,271	739,879	471,784
Reserve for Payment of Debt		107,728	127,945	127,945	144,402
Fund Balance					9,706
	<u>\$ 16,243,209</u>	<u>\$ 14,624,460</u>	<u>\$ 16,996,153</u>	<u>\$ 13,047,349</u>	<u>\$ 11,992,247</u>

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

**TOWNSHIP OF WINSLOW
WATER-SEWER UTILITY FUND**

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

	As of December 31,				
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
ASSETS					
Operating Fund:					
Cash	\$ 4,019,335	\$ 4,377,865	\$ 3,387,027	\$ 2,813,022	\$ 1,825,064
Interfunds Receivable	300,168	124,372	420,050	1,066,868	1,927,924
Receivables with Full Reserves:					
Utility Rents	2,175,953	1,729,005	1,697,780	1,598,820	1,478,578
Utility Liens	17,995	17,245	51,837	52,396	50,705
Total Operating Fund	6,513,451	6,248,487	5,556,694	5,531,106	5,282,271
Capital Fund:					
Cash	800,711	1,929,356	1,814,312	893,347	552,693
Due from Grant Fund	750,000				
Fixed Capital	70,876,529	70,876,529	69,576,529	69,529,623	68,486,132
Fixed Capital Authorized and Uncompleted	7,525,000	7,000,000	6,900,000	4,946,906	2,700,000
Total Capital Fund	79,952,240	79,805,885	78,290,841	75,369,876	71,738,825
	\$ 86,465,691	\$ 86,054,372	\$ 83,847,535	\$ 80,900,982	\$ 77,021,096

TOWNSHIP OF WINSLOW
WATER-SEWER UTILITY FUND

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

	As of December 31,				
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
LIABILITIES, RESERVES AND FUND BALANCE					
Operating Fund:					
Appropriation Reserves	\$ 31,282	\$ 19,290	\$ 39,201	\$ 72,531	\$ 131,694
Reserve for Encumbrances	442,830	257,884	277,587	372,000	267,582
Accrued Interest on Bonds, Loans and Notes	123,985	136,867	159,562	171,155	116,209
Utility Rent Overpayments	42,438	42,435	30,333	28,827	25,649
Reserve for Receivables	2,193,947	1,746,250	1,749,617	1,651,216	1,529,283
Fund Balance	3,678,967	4,045,761	3,300,394	3,235,377	3,211,854
Total Operating Fund	6,513,451	6,248,487	5,556,694	5,531,106	5,282,271
Capital Fund:					
Bonds Payable	8,645,000	9,975,000	11,295,000	12,762,000	10,391,700
Loans Payable	2,088,638	2,500,541	3,255,262	3,996,440	4,718,584
Bond Anticipation Note Payable	3,425,000	3,400,000	2,000,000		2,517,174
Accounts Payable	2,437	2,437	2,437	2,437	2,437
Interfunds Payable	168	74,322		53,861	597,924
Improvement Authorizations:					
Funded	750,000			500,813	25
Unfunded	930,763	4,753,457	4,229,775	3,214,970	1,238,588
Capital Improvement Fund	8,514	8,514	8,514	8,514	8,514
Contracted Encumbrances	3,833,829	565,626	974,264	513,430	378,651
Reserves for:					
Amortization	60,267,891	58,525,988	56,451,267	54,243,089	51,810,931
Fund Balance			74,322	74,322	74,297
Total Capital Fund	79,952,240	79,805,885	78,290,841	75,369,876	71,738,825
	<u>\$ 86,465,691</u>	<u>\$ 86,054,372</u>	<u>\$83,847,535</u>	<u>\$80,900,982</u>	<u>\$77,021,096</u>

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

TOWNSHIP OF WINSLOW
WATER-SEWER UTILITY FUND

Statements of Operations and Changes in Fund Balance - Regulatory Basis

	For the Years Ended December 31,				
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Revenue Realized:					
Fund Balance Utilized	\$ 1,500,000	\$ 875,000	\$ 900,000	\$ 400,000	\$ 600,000
Utility Rents	10,237,857	10,578,711	10,119,298	9,975,197	10,116,617
Miscellaneous	778,449	780,896	656,432	236,237	790,962
Other Credits to Income	6,282	169,317	119,956	137,035	14,417
Total Income	12,522,588	12,403,924	11,795,686	10,748,469	11,521,996
Expenditures:					
Operating	7,263,009	6,750,959	6,955,685	6,650,055	6,880,000
Debt Service	2,060,469	2,329,788	2,524,781	2,538,958	2,454,147
Statutory Expenditures	1,995,200	1,315,979	1,323,514	1,086,121	1,181,515
Other Expenditures	70,704	386,831	26,689	49,812	13,374
Total Expenditures	11,389,382	10,783,557	10,830,669	10,324,946	10,529,036
Excess in Revenues	1,133,206	1,620,367	965,017	423,523	992,960
Adjustment to Income before Fund Balance:					
Expenditures included above which are by Statute					
Deferred Charges to Budget of Succeeding Year	-	-	-	-	-
Statutory Excess to Fund Balance	1,133,206	1,620,367	965,017	423,523	992,960
Fund Balance January 1	4,045,761	3,300,394	3,235,377	3,211,854	2,818,894
	5,178,967	4,920,761	4,200,394	3,635,377	3,811,854
Decreased by:					
Utilized as Revenue	1,500,000	875,000	900,000	400,000	600,000
Fund Balance December 31	\$ 3,678,967	\$ 4,045,761	\$ 3,300,394	\$ 3,235,377	\$ 3,211,854

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

TOWNSHIP OF WINSLOW
Notes to Financial Statements
For the Year Ended December 31, 2021

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of Financial Reporting Entity - The Township of Winslow was incorporated in 1692 and is located in southeast New Jersey approximately thirty miles southeast of the City of Philadelphia. The population according to the latest census is 39,907.

The Township has a Mayor-Council form of government known as the Mayor-Council Plan A under the Optional Municipal Charter Law of 1960, popularly known as the Faulkner Act. The Mayor is separately elected to a four-year term. Members of the Township Committee are elected to four-year terms on a staggered basis. Executive and administrative responsibility rests with the Mayor, who is assisted by the Township Administrator and Township Clerk.

Measurement Focus, Basis of Accounting and Financial Statement Presentation - The financial statements of the Township 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 Township 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.

Water-Sewer Utility Operating and Capital Funds - The water-sewer utility operating and capital funds account for the operations and acquisition of capital facilities of the municipally owned water and sewer operations.

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.

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

Budgets and Budgetary Accounting - The Township must adopt an annual budget for its current and water-sewer utility funds 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 February 10 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 Township's financial statements.

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 Township 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.

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

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 Township 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 Township 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 Township's basic financial statements.

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.

Utility Fixed Assets - Property and equipment purchased by a utility fund are recorded in the utility capital account at cost and are adjusted for disposition and abandonment. The amounts shown do not represent replacement cost or current value. The reserve for amortization and deferred reserve for amortization accounts in the utility capital fund represent charges to operations for the cost of acquisition of property and equipment, improvements, and contributed capital.

Foreclosed Property - Foreclosed property is recorded in the current fund at the assessed valuation when such property was acquired and is fully reserved. Ordinarily it is the intention of the municipality to resell foreclosed property in order to recover all or a portion of the delinquent taxes or assessments and to return the property to a taxpaying basis. For this reason, the value of foreclosed property has not been included in the general fixed asset group of accounts. If such property is converted to a municipal use, it will be recorded in the general fixed asset group of accounts.

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.

Liens Sold for Other Governmental Units - Liens sold on behalf of other governmental units are not recorded on the records of the tax collector until such liens are collected. Upon their collection, such liens are recorded as a liability due to the governmental unit net of the costs of the initial sale. The related costs of sale are recognized as revenue when received.

Fund Balance - Fund balances included in the current fund and water-sewer utility operating fund represent amounts available for anticipation as revenue in future years' budgets, with certain restrictions.

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

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 Township's budget. Receivables for property taxes are recorded with offsetting reserves on the statement of assets, liabilities, reserves and fund balance of the Township's current fund; accordingly, such amounts are not recorded as revenue until collected. Other amounts that are due to the Township which are susceptible to accrual are also recorded as receivables with offsetting reserves and recorded as revenue when received.

Property Tax Revenues - Property tax revenues are collected in quarterly installments due February 1, May 1, August 1, and November 1. The amount of tax levied includes not only the amount required in support of the Township's annual budget, but also the amounts required in support of the budgets of the County of Camden, the Township of Winslow School District and the Township of Winslow Fire District No. 1. Unpaid property taxes are subject to tax sale in accordance with the statutes.

School Taxes - The Township is responsible for levying, collecting, and remitting school taxes for the Township of Winslow School District. Operations is charged for the full amount required to be raised from taxation to operate the local school district for the period from January 1 to December 31

County Taxes - The municipality is responsible for levying, collecting, and remitting county taxes for the County of Camden. 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 is charged for the amount due to the County for the year, based upon the ratables required to be certified to the County Board of Taxation by January 10 of the current year. In addition, operations 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.

Fire District Taxes - The municipality is responsible for levying, collecting, and remitting fire district taxes for the Township of Winslow Fire District No. 1. Operations is charged for the full amount required to be raised from taxation to operate the Fire District for the period from January 1 to December 31.

Reserve for Uncollected Taxes - The inclusion of the "reserve for uncollected taxes" appropriation in the Township's annual budget protects the Township from taxes not paid currently. The reserve, the minimum amount of which is determined on the percentage of collections experienced in the immediately preceding year, with certain exceptions, is required to provide assurance that cash collected in the current year will provide sufficient cash flow to meet expected obligations.

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 payments on outstanding general capital and utility bonds, loans and notes are provided on the cash basis; interest on general capital indebtedness is on the cash basis, whereas interest on utility indebtedness is on the accrual basis.

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 and utility capital funds. 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 Township's deposits might not be recovered. Although the Township 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 Township's bank balances of \$21,096,173.87 were exposed to custodial credit risk as follows:

Insured by FDIC and GUDPA	\$ 17,198,098.15
Uninsured and Uncollateralized	<u>3,898,075.72</u>
Total	<u>\$ 21,096,173.87</u>

Note 3: INVESTMENTS

New Jersey municipal units are limited as to the types of investments and types of financial institutions they may invest in. N.J.S.A. 40A:5-15.1 provides a list of permissible investments that may be purchased by New Jersey municipal units. These permissible investments generally include bonds or other obligations of the United States of America or obligations guaranteed by the United States of America; government money market mutual funds; any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress; bonds or other obligations of the local unit or bonds or other obligations of school districts of which the local unit is a part or within which the school district is located; bonds or other obligations, having a maturity date not more than 397 days from the date of purchase, approved by the Division of Local Government Services in the Department of Community Affairs for investment by local units; local government investment pools; deposits with the State of New Jersey Cash Management Fund; and agreements for the purchase of fully collateralized securities with certain provisions. The Township 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 Township 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 Township has no investment policy to limit its exposure to custodial credit risk. Of the Township's \$11,657,218.18, recorded at cost, investments in treasury bonds and notes, Federal National Mortgage Association securities (FNMA), Federal Farm Credit Banks, Federal Agricultural Mortgage Corporations, Fresh Multifamily Mortgages, Private Export Funding and Federal Home Loan securities, all are uninsured and unregistered with the securities being held by the counterparty, in the name of the Township.

As of December 31, 2021, the Township had the following investments all valued using 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 1 inputs):

<u>Investment</u>	<u>Maturities</u>	<u>Credit Rating</u>	<u>Costs</u>	<u>Fair Value</u>
Federal Farm Credit Banks	7/17/2023	Moody's Aaa	\$ 65,085.80	\$ 67,500.55
Federal Farm Credit Banks	7/17/2023	Moody's Aaa	10,013.20	10,384.70
Federal Agricultural Mortgage Corp.	12/29/2023	Moody's Aaa	59,925.00	59,640.00
Federal Agricultural Mortgage Corp.	12/29/2023	Moody's Aaa	9,987.50	9,940.00
Federal Home Loan Banks	6/10/2022	Moody's Aaa	15,082.78	15,123.60
Federal Home Loan Banks	3/28/2023	Moody's Aaa	15,084.35	15,327.15
Federal Home Loan Banks	3/28/2023	Moody's Aaa	80,449.84	81,744.80
Federal Home Loan Banks	4/20/2023	Moody's Aaa	19,950.00	19,953.80
Federal Home Loan Banks	5/5/2023	Moody's Aaa	19,991.60	19,955.20
Federal Home Loan Banks	6/9/2023	Moody's Aaa	90,529.20	91,959.30
Federal Home Loan Banks	6/9/2023	Moody's Aaa	15,088.20	15,326.55
Federal Home Loan Banks	9/8/2023	Moody's Aaa	9,996.70	9,932.10
Federal Home Loan Banks	12/8/2023	Moody's Aaa	87,783.50	89,299.30
Federal Home Loan Banks	3/8/2024	Moody's Aaa	82,950.16	81,846.40
Federal Home Loan Banks	6/14/2024	Moody's Aaa	79,631.20	83,879.20
Federal Home Loan Banks	6/14/2024	Moody's Aaa	19,907.80	20,969.80
Federal Home Loan Banks	9/13/2024	Moody's Aaa	45,438.48	47,288.70
Federal Home Loan Banks	9/13/2024	Moody's Aaa	171,493.62	178,646.20
Federal Home Loan Banks	12/20/2024	Moody's Aaa	94,905.91	95,062.70
Federal Home Loan Banks	12/20/2024	Moody's Aaa	19,980.19	20,013.20
Federal Home Loan Banks	2/12/2025	Moody's Aaa	19,984.60	20,288.80
Federal Home Loan Banks	3/14/2025	Moody's Aaa	14,941.20	15,628.20
Federal Home Loan Banks	3/14/2025	Moody's Aaa	46,665.60	46,884.60
Federal Home Loan Banks	9/12/2025	Moody's Aaa	84,332.15	91,115.75
Federal Home Loan Banks	9/12/2025	Moody's Aaa	14,882.14	16,079.25
Federal Home Loan Banks	3/10/2028	Moody's Aaa	31,332.28	32,624.40
Federal Home Loan Banks	3/10/2028	Moody's Aaa	156,278.47	157,684.60
Federal Home Loan Banks	6/9/2028	Moody's Aaa	143,815.38	160,275.75
Federal Home Loan Banks	6/9/2028	Moody's Aaa	29,767.79	33,160.50
Federal Home Loan Banks	9/8/2028	Moody's Aaa	14,786.36	16,647.00
Federal Home Loan Banks	9/8/2028	Moody's Aaa	9,857.57	11,098.00
Federal Home Loan Mortgage Corp. MTN	7/25/2022	Moody's Aaa	39,909.60	39,978.40
Federal Home Loan Mortgage Corp. MTN	7/25/2022	Moody's Aaa	9,977.40	9,994.60
Federal Home Loan Mortgage Corp. MTN	4/20/2023	Moody's Aaa	94,762.50	94,780.55
Federal Home Loan Mortgage Corp. MTN	5/5/2023	Moody's Aaa	94,960.10	94,787.20
Federal Home Loan Mortgage Corp. MTN	6/26/2023	Moody's Aaa	104,693.40	104,494.95
Federal Home Loan Mortgage Corp. MTN	6/26/2023	Moody's Aaa	19,941.60	19,903.80
Federal Home Loan Mortgage Corp. MTN	8/24/2023	Moody's Aaa	19,979.60	19,870.20
Federal Home Loan Mortgage Corp. MTN	8/24/2023	Moody's Aaa	99,898.00	99,351.00
Federal Home Loan Mortgage Corp. MTN	10/16/2023	Moody's Aaa	14,944.05	14,851.65
Federal Home Loan Mortgage Corp. MTN	11/6/2023	Moody's Aaa	19,982.00	19,823.00
Federal Home Loan Mortgage Corp. MTN	11/6/2023	Moody's Aaa	99,910.00	99,115.00
Federal Home Loan Mortgage Corp. MTN	2/12/2025	Moody's Aaa	94,926.85	96,371.80

Note 3: INVESTMENTS (CONT'D)

As of December 31, 2021, the Township had the following investments all valued using 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 1 inputs) (Cont'd):

<u>Investment</u>	<u>Maturities</u>	<u>Credit Rating</u>	<u>Costs</u>	<u>Fair Value</u>
FHLMC Multiclass Mtg Partner	4/25/2024	N/A	\$ 53,286.17	\$ 55,468.81
FHLMC Multiclass Mtg Partner	7/25/2024	N/A	90,924.61	93,525.30
FHLMC Multiclass Mtg Partner	8/25/2024	N/A	30,993.33	30,969.70
FHLMC Multiclass Mtg Partner	6/25/2025	N/A	65,611.91	69,038.45
FHLMC Multiclass Mtg Partner	12/25/2025	N/A	64,507.42	68,800.55
FNMA Deb	4/12/2022	Moody's Aaa	19,934.40	20,116.80
FNMA Deb	4/12/2022	Moody's Aaa	79,737.60	80,467.20
FNMA Deb	4/22/2025	Moody's Aaa	119,752.80	118,341.60
FNMA Deb	4/22/2025	Moody's Aaa	24,948.50	24,654.50
FNMA REMIC	1/25/2028	N/A	13,550.75	13,073.77
FNMA Note	9/6/2022	Moody's Aaa	39,860.80	40,300.80
FNMA Note	9/6/2022	Moody's Aaa	189,338.80	191,428.80
FNMA Note	9/12/2023	Moody's Aaa	14,938.50	15,553.20
FNMA Note	9/12/2023	Moody's Aaa	84,651.50	88,134.80
FNMA Note	7/10/2023	Moody's Aaa	99,785.00	99,455.00
FNMA Note	7/10/2023	Moody's Aaa	19,957.00	19,891.00
FNMA Note	11/27/2023	Moody's Aaa	94,891.70	94,166.85
FNMA Note	11/27/2023	Moody's Aaa	14,982.90	14,868.45
FNMA Note	1/7/2025	Moody's Aaa	74,760.75	76,356.00
FNMA Note	1/7/2025	Moody's Aaa	9,968.10	10,180.80
FNMA Note	8/25/2025	Moody's Aaa	99,532.00	97,266.00
FNMA Note	8/25/2025	Moody's Aaa	19,906.40	19,453.20
FNMA Note	6/17/2025	Moody's Aaa	124,741.25	122,506.25
FNMA Note	6/17/2025	Moody's Aaa	24,948.25	24,501.25
FNMA Note	11/7/2025	Moody's Aaa	4,982.10	4,878.40
FNMA Note	10/8/2027	Moody's Aaa	24,121.75	24,118.25
FNMA Note	10/8/2027	Moody's Aaa	96,487.00	96,473.00
U. S. Treasury Bond	2/15/2022	N/A	16,651.20	19,998.60
U. S. Treasury Bond	2/15/2022	N/A	83,256.00	99,993.00
U. S. Treasury Bond	8/15/2022	Moody's Aaa	13,604.69	10,429.70
U. S. Treasury Bond	8/15/2022	Moody's Aaa	68,023.44	52,148.50
U. S. Treasury Bond	8/15/2023	Moody's Aaa	6,567.97	5,454.70
U. S. Treasury Bond	8/15/2023	Moody's Aaa	52,543.75	43,637.60
U. S. Treasury Note	5/15/2022	Moody's Aaa	38,579.89	40,234.40
U. S. Treasury Note	5/15/2022	Moody's Aaa	62,863.08	65,380.90
U. S. Treasury Note	6/30/2022	Moody's Aaa	10,182.03	10,093.00
U. S. Treasury Note	6/30/2022	Moody's Aaa	56,001.17	55,511.50
U. S. Treasury Note	8/15/2022	Moody's Aaa	24,963.87	25,214.00
U. S. Treasury Note	8/15/2022	Moody's Aaa	39,942.19	40,342.40
U. S. Treasury Note	8/31/2022	Moody's Aaa	65,116.80	65,680.55
U. S. Treasury Note	8/31/2022	Moody's Aaa	10,017.97	10,104.70
U. S. Treasury Note	10/31/2022	Moody's Aaa	20,296.09	20,269.60
U. S. Treasury Note	11/15/2022	Moody's Aaa	20,549.80	20,214.00
U. S. Treasury Note	11/15/2022	Moody's Aaa	49,256.25	50,535.00
U. S. Treasury Note	2/15/2023	Moody's Aaa	34,484.96	35,604.45
U. S. Treasury Note	2/15/2023	Moody's Aaa	138,252.34	142,417.80

Note 3: INVESTMENTS (CONT'D)

As of December 31, 2021, the Township had the following investments all valued using 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 1 inputs) (Cont'd):

<u>Investment</u>	<u>Maturities</u>	<u>Credit Rating</u>	<u>Costs</u>	<u>Fair Value</u>
U. S. Treasury Note	8/15/2023	Moody's Aaa	\$ 34,278.12	\$ 36,047.20
U. S. Treasury Note	8/31/2023	Moody's Aaa	46,392.19	45,532.80
U. S. Treasury Note	8/31/2023	Moody's Aaa	10,309.38	10,118.40
U. S. Treasury Note	9/30/2023	Moody's Aaa	10,427.73	10,381.30
U. S. Treasury Note	10/31/2023	Moody's Aaa	19,776.56	20,336.00
U. S. Treasury Note	10/31/2023	Moody's Aaa	88,994.53	91,512.00
U. S. Treasury Note	11/15/2023	Moody's Aaa	39,210.94	41,510.80
U. S. Treasury Note	2/15/2024	Moody's Aaa	10,130.47	10,415.20
U. S. Treasury Note	2/15/2024	Moody's Aaa	45,587.11	46,868.40
U. S. Treasury Note	2/29/2024	Moody's Aaa	30,071.48	31,017.30
U. S. Treasury Note	2/29/2024	Moody's Aaa	4,943.36	5,143.55
U. S. Treasury Note	2/29/2024	Moody's Aaa	4,943.36	5,143.55
U. S. Treasury Note	4/15/2024	Moody's Aaa	70,153.13	69,297.20
U. S. Treasury Note	4/15/2024	Moody's Aaa	15,032.81	14,849.40
U. S. Treasury Note	4/30/2024	Moody's Aaa	80,481.25	82,168.80
U. S. Treasury Note	4/30/2024	Moody's Aaa	15,090.24	15,406.65
U. S. Treasury Note	5/15/2024	Moody's Aaa	45,063.87	46,747.35
U. S. Treasury Note	5/15/2024	Moody's Aaa	129,564.45	135,047.90
U. S. Treasury Note	6/30/2024	Moody's Aaa	85,688.28	86,853.00
U. S. Treasury Note	6/30/2024	Moody's Aaa	5,192.97	5,109.00
U. S. Treasury Note	8/15/2024	Moody's Aaa	15,322.26	15,574.80
U. S. Treasury Note	8/15/2024	Moody's Aaa	216,194.14	218,047.20
U. S. Treasury Note	9/30/2024	Moody's Aaa	9,961.33	10,157.80
U. S. Treasury Note	11/15/2024	Moody's Aaa	5,024.22	5,183.60
U. S. Treasury Note	11/15/2024	Moody's Aaa	20,096.88	20,734.40
U. S. Treasury Note	11/30/2024	Moody's Aaa	71,197.66	72,335.20
U. S. Treasury Note	11/30/2024	Moody's Aaa	5,085.55	5,166.80
U. S. Treasury Note	2/15/2025	Moody's Aaa	48,963.67	51,500.00
U. S. Treasury Note	2/15/2025	Moody's Aaa	215,576.57	226,600.00
U. S. Treasury Note	2/28/2025	Moody's Aaa	15,200.98	15,052.80
U. S. Treasury Note	3/31/2025	Moody's Aaa	16,617.19	15,764.10
U. S. Treasury Note	4/30/2025	Moody's Aaa	124,568.95	122,226.25
U. S. Treasury Note	4/30/2025	Moody's Aaa	24,918.75	24,445.25
U. S. Treasury Note	5/15/2025	Moody's Aaa	154,441.01	160,443.60
U. S. Treasury Note	5/15/2025	Moody's Aaa	34,859.96	36,229.20
U. S. Treasury Note	5/31/2025	Moody's Aaa	29,769.14	29,181.90
U. S. Treasury Note	5/31/2025	Moody's Aaa	4,961.52	4,863.65
U. S. Treasury Note	7/31/2025	Moody's Aaa	98,054.69	97,000.00
U. S. Treasury Note	7/31/2025	Moody's Aaa	19,610.94	19,400.00
U. S. Treasury Note	8/15/2025	Moody's Aaa	318,714.27	335,182.25
U. S. Treasury Note	8/15/2025	Moody's Aaa	48,873.44	51,566.50
U. S. Treasury Note	8/31/2025	Moody's Aaa	9,989.06	9,687.10
U. S. Treasury Note	8/31/2025	Moody's Aaa	59,550.78	58,122.60
U. S. Treasury Note	9/30/2025	Moody's Aaa	24,585.94	24,209.00
U. S. Treasury Note	9/30/2025	Moody's Aaa	4,917.19	4,841.80
U. S. Treasury Note	10/31/2025	Moody's Aaa	4,869.92	4,832.60
U. S. Treasury Note	11/15/2025	Moody's Aaa	157,204.10	161,441.80

Note 3: INVESTMENTS (CONT'D)

As of December 31, 2021, the Township had the following investments all valued using 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 1 inputs) (Cont'd):

<u>Investment</u>	<u>Maturities</u>	<u>Credit Rating</u>	<u>Costs</u>	<u>Fair Value</u>
U. S. Treasury Note	11/15/2025	Moody's Aaa	\$ 36,023.83	\$ 36,454.60
U. S. Treasury Note	1/31/2026	Moody's Aaa	14,693.55	14,511.30
U. S. Treasury Note	1/31/2026	Moody's Aaa	96,224.61	100,451.10
U. S. Treasury Note	2/15/2026	Moody's Aaa	331,339.06	335,672.70
U. S. Treasury Note	2/28/2026	Moody's Aaa	157,746.09	157,893.00
U. S. Treasury Note	2/28/2026	Moody's Aaa	57,948.83	57,894.10
U. S. Treasury Note	2/15/2026	Moody's Aaa	70,047.65	71,203.30
U. S. Treasury Note	3/31/2026	Moody's Aaa	34,629.49	34,335.70
U. S. Treasury Note	3/31/2026	Moody's Aaa	4,947.07	4,905.10
U. S. Treasury Note	3/31/2026	Moody's Aaa	179,107.03	187,698.60
U. S. Treasury Note	3/31/2026	Moody's Aaa	39,801.56	41,710.80
U. S. Treasury Note	5/15/2026	Moody's Aaa	39,255.67	40,670.40
U. S. Treasury Note	5/15/2026	Moody's Aaa	69,444.92	71,173.20
U. S. Treasury Note	8/15/2026	Moody's Aaa	14,586.33	15,169.95
U. S. Treasury Note	8/15/2026	Moody's Aaa	97,398.44	101,133.00
U. S. Treasury Note	1/31/2027	Moody's Aaa	20,531.25	20,221.20
U. S. Treasury Note	1/31/2027	Moody's Aaa	10,265.63	10,110.60
U. S. Treasury Note	2/15/2027	Moody's Aaa	74,966.22	78,565.50
U. S. Treasury Note	4/30/2027	Moody's Aaa	33,811.91	33,572.70
U. S. Treasury Note	4/30/2027	Moody's Aaa	4,830.27	4,796.10
U. S. Treasury Note	5/15/2027	Moody's Aaa	167,070.12	174,139.35
U. S. Treasury Note	5/15/2027	Moody's Aaa	30,379.30	31,661.70
U. S. Treasury Note	7/31/2027	Moody's Aaa	59,681.25	56,988.60
U. S. Treasury Note	7/31/2027	Moody's Aaa	4,973.44	4,749.05
U. S. Treasury Note	8/15/2027	Moody's Aaa	133,469.33	141,612.30
U. S. Treasury Note	8/15/2027	Moody's Aaa	24,756.06	26,224.50
U. S. Treasury Note	10/31/2027	Moody's Aaa	99,007.81	95,164.00
U. S. Treasury Note	10/31/2027	Moody's Aaa	4,950.39	4,758.20
U. S. Treasury Note	11/15/2027	Moody's Aaa	269,962.31	282,835.80
U. S. Treasury Note	11/15/2027	Moody's Aaa	339,425.01	372,707.40
U. S. Treasury Note	11/15/2027	Moody's Aaa	62,296.30	68,242.20
U. S. Treasury Note	5/15/2028	Moody's Aaa	34,874.22	38,132.15
U. S. Treasury Note	2/29/2028	Moody's Aaa	130,080.08	128,111.10
U. S. Treasury Note	2/29/2028	Moody's Aaa	30,026.17	29,564.10
U. S. Treasury Note	8/15/2028	Moody's Aaa	127,223.05	141,974.30
U. S. Treasury Note	8/15/2028	Moody's Aaa	34,231.83	38,223.85
U. S. Treasury Note	11/15/2028	Moody's Aaa	137,908.98	150,055.20
U. S. Treasury Note	11/15/2028	Moody's Aaa	35,949.42	38,903.20
U. S. Treasury Note	5/15/2029	Moody's Aaa	5,348.83	5,329.10
U. S. Treasury Note	5/15/2029	Moody's Aaa	69,466.21	69,278.30
U. S. Treasury Note	8/15/2029	Moody's Aaa	19,539.46	20,289.80
U. S. Treasury Note	11/15/2029	Moody's Aaa	82,666.41	82,000.00
U. S. Treasury Note	11/15/2029	Moody's Aaa	15,463.09	15,375.00
U. S. Treasury Note	2/15/2030	Moody's Aaa	10,685.94	10,051.60
U. S. Treasury Note	2/15/2030	Moody's Aaa	48,086.72	45,232.20
U. S. Treasury Note	5/15/2030	Moody's Aaa	28,253.71	28,050.00

Note 3: INVESTMENTS (CONT'D)

As of December 31, 2021, the Township had the following investments all valued using 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 1 inputs) (Cont'd):

<u>Investment</u>	<u>Maturities</u>	<u>Credit Rating</u>	<u>Costs</u>	<u>Fair Value</u>
U. S. Treasury Note	5/15/2030	Moody's Aaa	\$ 92,812.11	\$ 93,500.00
U. S. Treasury Note	8/15/2030	Moody's Aaa	183,480.85	177,190.20
U. S. Treasury Note	8/15/2030	Moody's Aaa	53,431.65	51,291.90
U. S. Treasury Note	11/15/2030	Moody's Aaa	97,601.56	95,074.00
U. S. Treasury Note	11/15/2030	Moody's Aaa	14,640.23	14,261.10
U. S. Treasury Note	5/15/2031	Moody's Aaa	344,517.58	339,241.10
U. S. Treasury Note	5/15/2031	Moody's Aaa	66,815.04	65,822.90
Fresb Multifamily Mortgage	5/23/2023	N/A	20,559.29	20,607.11
Fresb Multifamily Mortgage	1/25/2024	N/A	29,150.56	29,423.44
Fresb Multifamily Mortgage	4/25/2024	N/A	19,214.52	19,219.38
Fresb Multifamily Mortgage	8/25/2039	N/A	35,165.65	35,227.74
Private Export Funding	11/15/2024	Moody's Aaa	39,946.80	40,730.00
Private Export Funding	11/15/2024	Moody's Aaa	9,986.70	10,182.50
			<u>\$ 11,657,218.18</u>	<u>\$ 11,894,718.70</u>

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 Township 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 Township has no investment policy that would further limit its exposure to credit risk. As of December 31, 2021, the Township's investment ratings are indicated on the prior tables.

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 Township's investment policies place no limit on the amount the Township may invest in any one issuer. As of December 31, 2021, more than 5% of the Township's investments were with the Federal Home Loan Bank, the Federal Home Loan Mortgage Corporation, and the Federal National Mortgage Association. These investments represent 12.31%, 6.12%, and 8.90%, respectively, of the Township's current fund 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:

	<u>Year Ended</u>				
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Tax Rate	<u>\$ 3.640</u>	<u>\$ 3.608</u>	<u>\$ 3.586</u>	<u>\$ 3.537</u>	<u>\$ 3.474</u>
Apportionment of Tax Rate:					
Municipal	\$.640	\$.633	\$.623	\$.613	\$.605
County	.902	.886	.899	.902	.886
Local School	1.911	1.919	1.907	1.877	1.845
Special District Rates:					
Fire District	.187	.170	.157	.145	.138

Assessed Valuation

<u>Year</u>	<u>Amount</u>
2021	\$ 2,675,481,007.00
2020	2,645,782,183.00
2019	2,647,263,126.00
2018	2,643,131,473.00
2017	2,639,796,149.00

Comparison of Tax Levies and Collections

<u>Year</u>	<u>Tax Levy</u>	<u>Collections</u>	<u>Percentage of Collections</u>
2021	\$ 97,842,725.03	\$ 95,451,094.99	97.56%
2020	96,360,101.48	93,667,304.22	97.21%
2019	95,348,927.53	92,328,384.91	96.83%
2018	93,651,252.81	90,733,419.85	96.88%
2017	92,015,943.06	88,968,782.76	96.69%

Delinquent Taxes and Tax Title Liens

<u>Year</u>	<u>Tax Title Liens</u>	<u>Delinquent Taxes</u>	<u>Total Delinquent</u>	<u>Percentage of Tax Levy</u>
2021	\$ 5,484,631.57	\$ 1,931,577.33	\$ 7,416,208.90	7.58%
2020	5,287,196.44	2,168,716.67	7,455,913.11	7.74%
2019	5,711,153.44	2,356,009.96	8,067,163.40	8.46%
2018	5,478,405.50	2,212,575.38	7,690,980.88	8.21%
2017	5,040,782.46	2,407,839.91	7,448,622.37	8.09%

Note 4: PROPERTY TAXES (CONT'D)

The following comparison is made of the number of tax title liens receivable on December 31 for the current and previous four calendar years:

<u>Year</u>	<u>Number</u>
2021	420
2020	411
2019	520
2018	495
2017	523

Note 5: PROPERTY ACQUIRED BY TAX TITLE LIEN LIQUIDATION

The value of property acquired by liquidation of tax title liens on December 31, on the basis of the last assessed valuation of such properties, for the current and previous four years was as follows:

<u>Year</u>	<u>Amount</u>
2021	\$ 2,193,800.00
2020	2,193,800.00
2019	2,193,800.00
2018	2,193,800.00
2017	2,193,800.00

Note 6: SEWER UTILITY SERVICE CHARGES

The following is a five-year comparison of sewer utility service charges (rents) for the current and previous four years:

<u>Year</u>	<u>Balance Beginning of Year</u>		<u>Levy</u>	<u>Total</u>	<u>Cash Collections</u>
	<u>Receivable</u>	<u>Liens</u>			
2021	\$ 1,729,005.16	\$ 17,244.75	\$ 10,687,953.80	\$ 12,434,203.71	\$ 10,238,084.17
2020	1,697,780.13	51,836.57	10,616,978.94	12,366,595.64	10,582,167.03
2019	1,598,820.31	52,395.33	10,248,550.62	11,899,766.26	10,130,973.05
2018	1,478,578.18	50,704.34	10,362,875.82	11,892,158.34	9,975,196.77
2017	1,656,507.18	44,559.72	9,971,409.75	11,672,476.65	10,120,859.88

Note 7: 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

<u>Year</u>	<u>Balance December 31,</u>	<u>Utilized in Budget of Succeeding Year</u>	<u>Percentage of Fund Balance Used</u>
2021	\$ 4,913,690.22	\$ 2,788,000.00	56.74%
2020	4,661,240.55	2,514,000.00	53.93%
2019	4,206,823.22	2,295,450.00	54.56%
2018	3,862,232.48	2,075,000.00	53.73%
2017	4,290,741.64	2,176,366.00	50.72%

Water-Sewer Utility Fund

<u>Year</u>	<u>Balance December 31,</u>	<u>Utilized in Budget of Succeeding Year</u>	<u>Percentage of Fund Balance Used</u>
2021	\$ 3,678,967.34	\$ 1,890,000.00	51.37%
2020	4,045,761.01	1,500,000.00	37.08%
2019	3,300,394.12	875,000.00	26.51%
2018	3,235,376.97	900,000.00	27.82%
2017	3,211,854.04	400,000.00	12.45%

Note 8: 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:

<u>Fund</u>	<u>Interfunds Receivable</u>	<u>Interfunds Payable</u>
Current	\$ 61,867.71	
Federal and State Grant		\$ 915,580.45
Trust - Animal Control		0.34
Trust - Other		345,413.13
General Capital	150,000.00	873.79
Water-Sewer Utility - Operating	300,168.49	
Water-Sewer Utility - Capital	750,000.00	168.49
Totals	<u>\$ 1,262,036.20</u>	<u>\$ 1,262,036.20</u>

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

Note 9: PENSION PLANS

In June 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. 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 Township'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 Township 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 Township, provided the employee is not required to be a member of another state-administered retirement system or other state pensions fund or local jurisdiction's pension fund. The PERS' Board of Trustees is primarily responsible for the administration of the PERS.

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

Note 9: PENSION PLANS (CONT'D)**General Information about the Pension Plans (Cont'd)****Plan Descriptions (Cont'd)**

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 9: 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.

The Township's contractually required contribution rate for the year ended December 31, 2020 was 16.26% of the Township'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 Township's contractually required contribution to the pension plan for the year ended December 31, 2020 is \$994,702.00, and is 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 year measurement date of June 30, 2019, the Township's contractually required contribution to the pension plan for the year ended December 31, 2019 was \$855,607.00, which was paid by April 1, 2020.

Employee contributions to the Plan for the year ended December 31, 2020 were \$459,907.33.

Note 9: PENSION PLANS (CONT'D)**General Information about the Pension Plans (Cont'd)****Contributions (Cont'd)**

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 non-employer contributing entity. Since the local participating employers do not contribute under this legislation directly to the Plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to disclose in the notes to the financial statements of the local participating employers related to this legislation.

The Township's contractually required contribution rate for the year ended December 31, 2020 was 32.14% of the Township'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 Township's contractually required contribution to the pension plan for the year ended December 31, 2020 is \$2,516,225.00, and is 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 year measurement date of June 30, 2019, the Township's contractually required contribution to the pension plan for the year ended December 31, 2019 was \$2,253,727.00, which was paid by April 1, 2020. Employee contributions to the Plan for the year ended December 31, 2020 were \$784,338.50.

The amount of contractually required contribution for the State of New Jersey's proportionate share, associated with the Township, for the year ended December 31, 2020 was 4.44% of the Township'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 Township, to the pension plan for the year ended December 31, 2020 was \$347,553.00, and is 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 Township, to the pension plan for the year ended December 31, 2019 was \$290,503.00, which was paid by April 1, 2020.

Note 9: PENSION PLANS (CONT'D)**General Information about the Pension Plans (Cont'd)****Contributions (Cont'd)**

Defined Contribution Retirement Program - The contribution policy is set by N.J.S.A. 43:15C-3 and requires contributions by active members and contributing employers. In accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, Plan members are required to contribute 5.5% of their annual covered salary. In addition to the employee contributions, the Township 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 \$8,321.51, and the Township's contributions were \$6,113.73. 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 - As of December 31, 2020, the Township's proportionate share of the PERS net pension liability was \$14,827,912.00. 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 Township's proportion of the net pension liability was based on a projection of the Township's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. For the June 30, 2020 measurement date, the Township's proportion was .0909275924%, which was an increase of .0029660196% from its proportion measured as of June 30, 2019.

Pension Expense - For the year ended December 31, 2020, the Township's proportionate share of the PERS pension (benefit) expense, calculated by the Plan as of the June 30, 2020 measurement date was \$775,389.00. This (benefit) expense is not recognized by the Township because of the regulatory basis of accounting as described in note 1; however, as previously mentioned, for the year ended December 31, 2020, the Township's contribution to PERS was \$855,607.00, and was paid by April 1, 2020.

Police and Firemen's Retirement System

Pension Liability - As of December 31, 2020, the Township's and State of New Jersey's proportionate share of the PFRS net pension liability were as follows:

Township's Proportionate Share of Net Pension Liability	\$ 29,102,930.00
State of New Jersey's Proportionate Share of Net Pension Liability Associated with the Township	4,516,642.00
	<u>\$ 33,619,572.00</u>

Note 9: 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 Liability - 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 Township's proportion of the net pension liability was based on a projection of the Township's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers and the State of New Jersey, actuarially determined. For the June 30, 2020 measurement date, the Township's proportion was .2252318874%, which was an increase of .0021150318% 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 Township, was .2252318874%, which was an increase of .0021150318% from its proportion, on-behalf of the Township, measured as of June 30, 2019.

Pension Expense - For the year ended December 31, 2020, the Township's proportionate share of the PFRS pension (benefit) expense, calculated by the Plan as of the June 30, 2020 measurement date was \$2,009,561.00. This (benefit) expense is not recognized by the Township because of the regulatory basis of accounting as described in note 1; however, as previously mentioned, for the year ended December 31, 2020, the Township's contribution to PFRS was \$2,253,727.00, 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 Township, calculated by the Plan as of the June 30, 2020 measurement date, was \$4,516,642.00. This on-behalf (benefit) expense is not recognized by the Township 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 Township 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	\$ 269,992.00	\$ 293,407.00	\$ 563,399.00	\$ 52,438.00	\$ 104,447.00	\$ 156,885.00
Changes of Assumptions	481,034.00	73,237.00	554,271.00	6,208,587.00	7,802,322.00	14,010,909.00
Net Difference between Projected and Actual Earnings on Pension Plan Investments	506,830.00	1,706,441.00	2,213,271.00	-	-	-
Changes in Proportion and Differences between Township Contributions and Proportionate Share of Contributions	1,553,284.00	1,098,201.00	2,651,485.00	67,575.00	354,690.00	422,265.00
Township Contributions Subsequent to the Measurement Date	497,351.00	1,258,113.00	1,755,464.00	-	-	-
	<u>\$ 3,308,491.00</u>	<u>\$ 4,429,399.00</u>	<u>\$ 7,737,890.00</u>	<u>\$ 6,328,600.00</u>	<u>\$ 8,261,459.00</u>	<u>\$ 14,590,059.00</u>

Note 9: 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) - Deferred outflows of resources in the amounts of \$497,351.00 and \$1,258,113.00 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 Township's year end of December 31, 2020.

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

	PERS		PFRS	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
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 Township 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 9: 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,	<u>PERS</u>	<u>PFRS</u>	<u>Total</u>
2021	\$ (1,418,592.00)	\$ (2,498,262.00)	\$ (3,916,854.00)
2022	(1,258,683.00)	(1,739,882.00)	(2,998,565.00)
2023	(571,226.00)	(591,392.00)	(1,162,618.00)
2024	(204,882.00)	(68,473.00)	(273,355.00)
2025	(64,077.00)	(192,164.00)	(256,241.00)
	<u>\$ (3,517,460.00)</u>	<u>\$ (5,090,173.00)</u>	<u>\$ (8,607,633.00)</u>

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:

	<u>PERS</u>	<u>PFRS</u>
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 9: 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:

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

Note 9: 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 Township's Proportionate Share of Net Pension Liability to Changes in the Discount Rate

Public Employees' Retirement System (PERS) - The following presents the Township'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 Township'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%)
Township's Proportionate Share of the Net Pension Liability	<u>\$ 18,665,868.00</u>	<u>\$ 14,827,912.00</u>	<u>\$ 11,571,302.00</u>

Note 9: PENSION PLANS (CONT'D)**Sensitivity of Township'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 Township's annual required contribution. As such, the net pension liability as of the June 30, 2020 measurement date, for the Township 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%)
Township's Proportionate Share of the Net Pension Liability	\$ 38,700,907.00	\$ 29,102,930.00	\$ 21,131,077.00
State of New Jersey's Proportionate Share of Net Pension Liability associated with the Township	6,006,204.00	4,516,642.00	3,279,447.00
	<u>\$ 44,707,111.00</u>	<u>\$ 33,619,572.00</u>	<u>\$ 24,410,524.00</u>

Pension Plan Fiduciary Net Position

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension (benefit) expense, information about the respective fiduciary net position of the PERS and PFRS and additions to/deductions from PERS and PFRS' respective fiduciary net position have been determined on the same basis as they are reported by PERS and PFRS. Accordingly, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Note 9: 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 Township's Proportionate Share of the Net Pension Liability - Public Employees' Retirement System (PERS) (Last Eight Plan Years)

	<u>Measurement Date Ended June 30,</u>			
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Township's Proportion of the Net Pension Liability	0.0909275924%	0.0879615728%	0.0816399762%	0.0818805664%
Township's Proportionate Share of the Net Pension Liability	\$ 14,827,912.00	\$ 15,849,341.00	\$ 16,074,504.00	\$ 19,060,487.00
Township's Covered Payroll (Plan Measurement Period)	\$ 6,516,240.00	\$ 6,148,720.00	\$ 5,764,116.00	\$ 5,651,592.00
Township's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	227.55%	257.77%	278.87%	337.26%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	58.32%	56.27%	53.60%	48.10%
	<u>Measurement Date Ended June 30,</u>			
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Township's Proportion of the Net Pension Liability	0.0796272370%	0.0817046661%	0.0852249262%	0.0778575849%
Township's Proportionate Share of the Net Pension Liability	\$ 23,583,304.00	\$ 18,341,060.00	\$ 15,956,437.00	\$ 14,880,131.00
Township's Covered Payroll (Plan Measurement Period)	\$ 5,408,724.00	\$ 5,588,832.00	\$ 5,790,784.00	\$ 5,396,916.00
Township's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	436.02%	328.17%	275.55%	275.72%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	40.14%	47.93%	52.08%	48.72%

Note 9: PENSION PLANS (CONT'D)**Supplementary Pension Information (Cont'd)*****Schedule of the Township's Contributions - Public Employees' Retirement System (PERS) (Last Eight Years)***

	<u>Year Ended December 31,</u>			
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Township's Contractually Required Contribution	\$ 994,702.00	\$ 855,607.00	\$ 812,054.00	\$ 758,536.00
Township's Contribution in Relation to the Contractually Required Contribution	\$ (994,702.00)	\$ (855,607.00)	(812,054.00)	(758,536.00)
Township's Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -
Township's Covered Payroll (Calendar Year)	\$ 6,116,668.00	\$ 6,388,832.00	\$ 6,188,338.00	\$ 5,686,257.00
Township's Contributions as a Percentage of Covered Payroll	16.26%	13.39%	13.12%	13.34%
	<u>Year Ended December 31,</u>			
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Township's Contractually Required Contribution	\$ 707,397.00	\$ 702,441.00	\$ 702,582.00	\$ 586,641.00
Township's Contribution in Relation to the Contractually Required Contribution	(707,397.00)	(702,441.00)	(702,582.00)	(586,641.00)
Township's Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -
Township's Covered Payroll (Calendar Year)	\$ 5,693,315.00	\$ 5,446,289.00	\$ 5,611,263.00	\$ 5,668,469.00
Township's Contributions as a Percentage of Covered Payroll	12.43%	12.90%	12.52%	10.35%

Note 9: PENSION PLANS (CONT'D)**Supplementary Pension Information (Cont'd)*****Schedule of the Township's Proportionate Share of the Net Pension Liability - Police and Firemen's Retirement System (PFRS) (Last Eight Plan Years)***

	<u>Measurement Date Ended June 30,</u>			
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Township's Proportion of the Net Pension Liability	0.2252318874%	0.2231168556%	0.2167336757%	0.2202783436%
Township's Proportionate Share of the Net Pension Liability	\$ 29,102,930.00	\$ 27,304,636.00	\$ 29,327,639.00	\$ 34,006,718.00
State's Proportionate Share of the Net Pension Liability associated with the Township	<u>4,516,642.00</u>	<u>4,311,454.00</u>	<u>3,983,675.00</u>	<u>3,809,039.00</u>
Total	<u>\$ 33,619,572.00</u>	<u>\$ 31,616,090.00</u>	<u>\$ 33,311,314.00</u>	<u>\$ 37,815,757.00</u>
Township's Covered Payroll (Plan Measurement Period)	\$ 7,771,596.00	\$ 7,562,120.00	\$ 7,190,248.00	\$ 7,130,348.00
Township's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	374.48%	361.07%	407.88%	476.93%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	63.52%	65.00%	62.48%	58.60%
	<u>Measurement Date Ended June 30,</u>			
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Township's Proportion of the Net Pension Liability	0.2223208332%	0.2120539103%	0.2094126777%	0.2004105811%
Township's Proportionate Share of the Net Pension Liability	\$ 42,468,966.00	\$ 35,320,790.00	\$ 26,342,173.00	\$ 26,642,778.00
State's Proportionate Share of the Net Pension Liability associated with the Township	<u>3,566,340.00</u>	<u>3,097,515.00</u>	<u>2,836,609.00</u>	<u>2,483,431.00</u>
Total	<u>\$ 46,035,306.00</u>	<u>\$ 38,418,305.00</u>	<u>\$ 29,178,782.00</u>	<u>\$ 29,126,209.00</u>
Township's Covered Payroll (Plan Measurement Period)	\$ 7,071,016.00	\$ 6,727,988.00	\$ 6,511,364.00	\$ 6,088,660.00
Township's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	600.61%	524.98%	404.56%	437.58%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	52.01%	56.31%	62.41%	58.70%

Note 9: PENSION PLANS (CONT'D)**Supplementary Pension Information (Cont'd)*****Schedule of the Township's Contributions - Police and Firemen's Retirement System (PFRS) (Last Eight Years)***

	<u>Year Ended December 31,</u>			
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Township's Contractually Required Contribution	\$ 2,516,225.00	\$ 2,253,727.00	\$ 2,118,891.00	\$ 1,949,504.00
Township's Contribution in Relation to the Contractually Required Contribution	<u>(2,516,225.00)</u>	<u>(2,253,727.00)</u>	<u>(2,118,891.00)</u>	<u>(1,949,504.00)</u>
Township's Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Township's Covered Payroll (Calendar Year)	\$ 7,828,385.00	\$ 7,811,063.00	\$ 7,541,913.00	\$ 7,236,157.00
Township's Contributions as a Percentage of Covered Payroll	32.14%	28.85%	28.09%	26.94%
	<u>Year Ended December 31,</u>			
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Township's Contractually Required Contribution	\$ 1,812,672.00	\$ 1,723,682.00	\$ 1,608,434.00	\$ 1,462,151.00
Township's Contribution in Relation to the Contractually Required Contribution	<u>(1,812,672.00)</u>	<u>(1,723,682.00)</u>	<u>(1,608,434.00)</u>	<u>(1,462,151.00)</u>
Township's Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Township's Covered Payroll (Calendar Year)	\$ 7,116,013.00	\$ 7,038,120.00	\$ 6,738,213.00	\$ 6,428,328.00
Township's Contributions as a Percentage of Covered Payroll	25.47%	24.49%	23.87%	22.75%

Note 9: 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:

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
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:

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
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:

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

Note 9: 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:

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
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 10: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS

TOWNSHIP OF WINSLOW POSTEMPLOYMENT BENEFIT PLAN

Plan Description and Benefits Provided - The Township provides postretirement health care benefits through a health plan for retirees, which includes medical, dental, and prescription benefits. The single employer post-employment healthcare plan 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*. The plan covers eligible retirees who retire from public employment with at least twenty five (25) years of service or were union employees who have completed twenty (20) years of public employment and are at least sixty two (62) years old. Coverage is provided for the retirees and their eligible dependents until the employee or spouse reaches Medicare age. The Township pays sixty five (65%) percent of the premiums until Medicare age is attained. Once Medicare age is attained, the Township pays full coverage for supplemental medical coverage to Medicare and pays for full coverage of prescription and dental plans. For union employees, benefits cease once Medicare age is attained. This provision is part of a labor agreement between the Township and the Camden County Council No. 10 N.J.C.A. The Plan is administered by the Township and does not issue a separate financial report.

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	95
Inactive Employees Entitled to but Not Yet Receiving Benefit Payments	
Active Employees	181
	276

Total OPEB Liability

The Township's total OPEB liability of \$62,945,250.00 was measured as of December 31, 2021 and was determined by an actuarial valuation as of the same date.

Note 10: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)**TOWNSHIP OF WINSLOW POSTEMPLOYMENT BENEFIT PLAN (CONT'D)**

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

Inflation	N/A
Salary Increases	N/A
Discount Rate	2.25%
Healthcare Cost Trend Rates	7.00% Pre-Medicare 5.00% Post- Medicare
Retirees' Share of Benefit-Related Costs	Pursuant to Chapter 78

The discount rate was based on the S&P Municipal Bond 20 year High Grade Bond index rate.

Mortality rates were based on the RP-2014 White Collar Table projected with Scale MP 18.

An experience study was not performed on the actuarial assumptions used in the December 31, 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.

Changes in Total OPEB Liability

Balance at December 31, 2020		\$ 67,188,118.00
Changes for the Year:		
Service Cost	\$ 2,844,825.00	
Interest Cost	1,319,140.00	
Benefit Payments	(1,936,051.00)	
Changes in Assumptions	<u>(6,470,782.00)</u>	
Net Changes		<u>(4,242,868.00)</u>
Balance at December 31, 2021		<u><u>\$ 62,945,250.00</u></u>

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 1.91% at December 31, 2020 to 2.25% at December 31, 2021.

Note 10: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)**TOWNSHIP OF WINSLOW POSTEMPLOYMENT BENEFIT PLAN (CONT'D)**

Sensitivity of Total OPEB Liability to Changes in Discount Rate - The following presents the total OPEB liability of the Township, as well as what the Township'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 (1.25%)	Current Discount Rate (2.25%)	1.00% Increase (3.25%)
Total OPEB Liability	\$ 77,172,495.33	\$ 62,945,250.00	\$ 55,172,657.00

The following presents the total OPEB liability of the Township, as well as what the Township'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	\$ 51,165,630.79	\$ 62,945,250.00	\$ 78,568,161.48

OPEB (Benefit) Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB - For the year ended December 31, 2021, the Township recognized OPEB (benefit) expense of \$4,892,421.00. As of December 31, 2021, the Township 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
Changes of Assumptions	\$ 13,521,289.00	\$ 8,611,924.80
Difference Between Expected and Actual Experience	1,140,967.00	2,935,947.20
	<u>\$ 14,662,256.00</u>	<u>\$ 11,547,872.00</u>

Note 10: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)**TOWNSHIP OF WINSLOW POSTEMPLOYMENT BENEFIT PLAN (CONT'D)**

OPEB (Benefit) Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (cont'd) - 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	
<u>Dec 31,</u>	
2022	\$ 728,455.90
2023	728,455.90
2024	728,455.90
2025	728,455.90
2026	728,460.90
Thereafter	<u>(527,900.50)</u>
	<u><u>\$ 3,114,384.00</u></u>

Supplementary OPEB Information

In accordance with GASB No. 75, the following information is also presented for the Township'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 Township's Total OPEB Liability and Related Ratios (Last Four Years):

	Plan Measurement Date December 31,			
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB Liability				
Service Cost	\$ 2,844,825.00	\$ 2,143,417.00	\$ 1,593,837.00	\$ 1,883,911.00
Interest Cost	1,319,140.00	1,639,295.00	1,928,995.00	1,714,705.00
Benefit Payments	(1,936,051.00)	(1,936,051.00)	(1,831,567.00)	(1,831,567.00)
Changes in Assumptions	(6,470,782.00)	681,711.00	10,652,174.00	1,901,611.00
Changes in Actuarial Demographic Gains	-	-	-	(4,647,037.00)
Net Change in Total OPEB Liability	<u>(4,242,868.00)</u>	<u>2,528,372.00</u>	<u>12,343,439.00</u>	<u>(978,377.00)</u>
Total OPEB Liability - Beginning of Year	<u>67,188,118.00</u>	<u>64,659,746.00</u>	<u>52,316,307.00</u>	<u>53,294,684.00</u>
Total OPEB Liability - End of Year	<u><u>\$ 62,945,250.00</u></u>	<u><u>\$ 67,188,118.00</u></u>	<u><u>\$ 64,659,746.00</u></u>	<u><u>\$ 52,316,307.00</u></u>
Covered-Employee Payroll	\$ 15,769,689.84	\$ 14,334,748.32	\$ 14,821,541.22	\$ 12,035,000.00
Total OPEB Liability as a Percentage of Covered Payroll	399.15%	468.71%	436.26%	434.70%

Note 10: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)

TOWNSHIP OF WINSLOW POSTEMPLOYMENT BENEFIT PLAN (CONT'D)

Other Notes to Supplementary OPEB Information

Change in Benefit Terms

None

Changes in Assumptions

Discount Rate:

Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period. The following are the discount rates used in each period:

<u>Year</u>	<u>Percentage</u>
2021	2.25%
2020	1.91%
2019	2.49%
2018	3.64%

Mortality Rate:

Mortality rates for the December 31, 2019 actuary valuation was based on the RP-2000 Combined Mortality Table for Males and Females. For the December 31, 2020 and 2021 actuary valuation, mortality rates were based on the RP-2014 White Collar Table projected with Scale MP 18.

Note 11: COMPENSATED ABSENCES

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. Vacation days not used during the year may not be accumulated and carried forward.

The Township of Winslow compensates employees for unused sick leave upon termination or retirement. The current policy provides that employees may sell their sick time accumulated from January 1, 1987, forward for fifty percent (50%) of its value, to a maximum of twenty thousand dollars (\$20,000.00). The policy for police personnel provides that employees may sell their sick time accumulated from January 1, 1987, forward for seventy-five (75%) of its value, to a maximum of twenty thousand dollars (\$20,000.00).

The Township 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 \$3,545,733.65.

Note 12: DEFERRED COMPENSATION SALARY ACCOUNT

The Township 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 Township or its creditors. Since the Township does not have a fiduciary relationship with the Plan, the balances and activities of the Plan are not reported in the Township's financial statements.

Note 13: SANITARY LANDFILL ESCROW CLOSURE FUND

The Township previously operated a municipal landfill located in the Township. The Sanitary Landfill Facility Closure and Contingency Fund Act of 1981 was enacted to provide funding, during the life of the landfill, of costs associated with the closure of sanitary landfills. The Act requires the owner or operator of every sanitary landfill to establish an escrow account for closure and deposit, on a monthly basis, an amount equal to \$1.00 per ton of solid waste accepted for disposal. No withdrawals may be made from the fund without written approval from the State Department of Environmental Protection and Energy.

At December 31, 2021, it is estimated that the landfill has reached 70% of its holding capacity. However, the escrow closure fund balance at year-end does not necessarily represent the estimated cost of closure as of that date. The required balance of the fund merely represents the amount required to be escrowed in accordance with the statute. Actual costs associated with closure are not known.

Note 14: CAPITAL DEBT**General Debt – General Obligation Bonds, Green Acres Trust Loans, Pinelands Loans and New Jersey Environmental Infrastructure Trust Loans**

The Township's issued numerous General Obligation Bonds, Green Acres Trust Loans and Pinelands Loans with interest rates ranging from 2.00% and 5.00%. The Township has also issued five New Jersey Environmental Infrastructure Trust Loans that included no interest loans and loans with interest rates ranging from 1.080% and 5.79%. The purpose of the bonds and loans was to fund various capital projects within the Township. The proceeds from the New Jersey Environmental Infrastructure Trust Loans were to fund numerous Township's water-sewer utility system projects.

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

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 1,188,907.84	\$ 190,035.69	\$ 1,378,943.53
2023	1,201,025.39	161,366.34	1,362,391.73
2024	1,218,051.77	132,263.16	1,350,314.93
2025	1,252,378.44	101,761.50	1,354,139.94
2026	658,711.66	2,548.28	661,259.94
2027-2031	2,043,240.73	7,851.22	2,051,091.95
2032-2036	36,568.99	3,211.25	39,780.24
2037-2038	11,699.30	234.76	11,934.06
Totals	<u>\$ 7,610,584.12</u>	<u>\$ 599,272.20</u>	<u>\$ 8,209,856.32</u>

Water-Sewer Utility Debt

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 1,768,864.23	\$ 263,443.25	\$ 2,032,307.48
2023	1,211,160.62	213,341.77	1,424,502.39
2024	1,231,160.62	180,718.01	1,411,878.63
2025	1,241,160.62	147,460.27	1,388,620.89
2026	721,160.62	121,913.26	843,073.88
2027-2031	3,470,254.41	363,618.30	3,833,872.71
2032-2034	1,089,877.00	42,476.76	1,132,353.76
Totals	<u>\$ 10,733,638.12</u>	<u>\$ 1,332,971.62</u>	<u>\$ 12,066,609.74</u>

Note 14: CAPITAL DEBT (CONT'D)

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

	<u>2021</u>	<u>2020</u>	<u>2019</u>
<u>Issued</u>			
General:			
Bonds, Loans and Notes	\$ 14,308,084.12	\$ 13,091,556.36	\$ 13,232,101.56
Water-Sewer Utility:			
Bonds, Loans and Notes	14,158,638.12	15,875,541.23	16,550,261.67
Total Issued	<u>28,466,722.24</u>	<u>28,967,097.59</u>	<u>29,782,363.23</u>
<u>Authorized but not Issued</u>			
Water-Sewer Utility:			
Bonds, Loans and Notes	4,100,000.00	3,600,000.00	3,600,000.00
Total Authorized but not Issued	<u>4,100,000.00</u>	<u>3,600,000.00</u>	<u>3,600,000.00</u>
Total Issued and Authorized but not Issued	<u>32,566,722.24</u>	<u>32,567,097.59</u>	<u>33,382,363.23</u>
<u>Deductions</u>			
General:			
Reserve for Payment of Bonds		107,727.45	127,945.32
Water-Sewer Utility:			
Self-Liquidating	18,258,638.12	19,475,541.23	20,150,261.67
Total Deductions	<u>18,258,638.12</u>	<u>19,583,268.68</u>	<u>20,278,206.99</u>
Net Debt	<u>\$ 14,308,084.12</u>	<u>\$ 12,983,828.91</u>	<u>\$ 13,104,156.24</u>

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the annual debt statement and indicated a statutory net debt of 0.50%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Self-Liquidating	\$ 18,258,638.12	\$ 18,258,638.12	
General	14,308,084.12		\$ 14,308,084.12
	<u>\$ 32,566,722.24</u>	<u>\$ 18,258,638.12</u>	<u>\$ 14,308,084.12</u>

Net debt \$14,308,084.12 divided by the equalized valuation basis per N.J.S.A.40A:2-2, as amended, \$2,847,456,760.33, equals 0.50%.

Note 14: CAPITAL DEBT (CONT'D)

Summary of Statutory Debt Condition - Annual Debt Statement

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

3 1/2% of Equalized Valuation Basis (Municipal)	\$ 99,660,986.61
Less: Net Debt	<u>14,308,084.12</u>
Remaining Borrowing Power	<u><u>\$ 85,352,902.49</u></u>

**Calculation of "Self-Liquidating Purpose,"
Water-Sewer Utility Per N.J.S.A. 40:2-45**

Cash Receipts from Fees, Rents, Fund Balance Anticipated, Interest and Other Investment Income, and Other Charges for the Year	\$ 12,516,137.82
Deductions:	
Operating and Maintenance Costs	\$ 9,258,209.32
Debt Service	<u>2,060,468.73</u>
Total Deductions	<u>11,318,678.05</u>
Excess in Revenue	<u><u>\$ 1,197,459.77</u></u>

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

Note 15: RISK MANAGEMENT

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

New Jersey Unemployment Compensation Insurance - The Township has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan, the Township is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The Township is billed quarterly for amounts due to the State.

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

<u>Year</u>	<u>Township/ Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2021	\$ 20,064.02	\$ 5,305.42	\$ 109,722.09
2020	31,720.88	79.91	94,963.49
2019	17,612.90	-	63,322.52

Note 15: RISK MANAGEMENT (CONT'D)

Joint Insurance Fund - The Township of Winslow is a member of the Camden County Municipal Insurance Joint Insurance Fund. The Fund provides its members with the following coverage:

Workers' Compensation and Employer's Liability
Liability other than Motor Vehicles
Property Damage other than Motor Vehicles
Motor Vehicles Liability and Damage

The following coverages are provided to the Fund's member local units by their membership in the Municipal Excess Liability Joint Insurance Fund (MEL):

Excess Workers' Compensation
Excess General Liability
Non-Owned Aircraft Liability
Excess Auto Liability
Fidelity and Performance (Blanket)
Excess Property including Boiler and Machinery
Crime including Excess Public Employee and Public Official Coverage

Environmental Impairment Liability coverage is provided to the Fund's member local units by the Fund's membership in the New Jersey Municipal Environmental Risk Management Fund.

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

The Township's agreement with the Fund provides that the Fund will be self-sustaining through member premiums and will reinsure through the Municipal Excess Liability Joint Insurance Fund, which is an insurance pool formed by all the other joint insurance funds.

For more information regarding claims, coverages and deductibles, the Fund publishes its own financial report which can be obtained from:

Camden County Municipal Joint Insurance Fund
9 Campus Drive, Suite 216
Parsippany, New Jersey 07054

Self-Insurance Plan - The Township is self-insured for employee medical, prescription and dental insurance. The Township pays the associated costs on a pay-as-you-go basis by charging its current year budgets. The plan is administered through the Township's third party administrator, Connor Strong & Buckelew. Claims for medical, prescription and dental are processed by Amerihealth, Express Scripts and Delta Dental, respectively. Stop loss insurance is purchased from Reliance Insurance for claims exceeding \$135,000.00 per employee.

Note 16: CONTINGENCIES

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

Litigation - The Township is a defendant in several legal proceedings that are in various stages of litigation. It is believed that the outcome, or exposure to the Township, from such litigation is either unknown or potential losses, if any, would not be material to the financial statements.

Note 17: CONCENTRATIONS

The Township 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 Township is subject to changes in specific flows of intergovernmental revenues based on modifications to federal and State laws and federal and State appropriations.

Note 18: SUBSEQUENT EVENTS

Tax Appeals - As of December 31, 2021, several tax appeals were on file against the Township. Based upon information provided by the tax assessor, if such appeals are not settled in favor of the Township, the estimated impact of the tax refunds could be material.

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

<u>Purpose</u>	<u>Ordinance Number</u>	<u>Authorization</u>
General Improvements		
Completion of Various Utility Capital Improvements and the Acquisition of Various Utility Capital Equipment	2022-009	\$ 2,000,000.00

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 Township’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 Township 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
FORMS OF BOND COUNSEL OPINIONS



September 13, 2023

Mayor and Township Committee
of the Township of Winslow
121 South Black Horse Pike
Mount Ephraim, New Jersey

RE: \$8,851,000 TOWNSHIP OF WINSLOW, COUNTY OF CAMDEN, NEW JERSEY, BOND ANTICIPATION NOTES OF 2023, SERIES B

Mayor and Township Committee Members:

We have served as Bond Counsel to the Township of Winslow, County of Camden, New Jersey ("Township"), in connection with the authorization, issuance, sale and delivery of the above-referenced obligations ("Notes"). The Notes consist of: (i) \$5,521,150 principal amount of General Capital Improvement Notes; and (ii) \$3,329,850 principal amount of Water/Sewer Utility Improvements.

The Notes are issued pursuant to and in accordance with: (i) the Local Bond Law, constituting Chapter 169 of the Laws of 1960 of the State of New Jersey, as amended and supplemented ("Local Bond Law"); (ii) bond ordinances 2019-13, 2019-14, 2020-11, 2020-12, 2021-14, and 2023-16, each duly and finally adopted by the Township Committee (collectively, the "Bond Ordinances"), and published in accordance with the requirements of the Local Bond Law; and (iii) a Certificate of Determination and Award executed by the Chief Financial Officer of the Township on August 30, 2023 ("Award Certificate").

The Notes are dated September 13, 2023 and mature on September 12, 2024. The Notes are issued in [registered book-entry only] form without coupons and are not subject to redemption prior to maturity. The Notes are issued to temporarily finance the costs of certain improvements described in the Bond Ordinances.

As the basis for the opinion set forth below, we have examined such matters of law as we have deemed necessary including, *inter alia*, the Constitution of the State of New Jersey, the Internal Revenue Code of 1986, as amended, ("Code"), and the Local Bond Law. We have also examined such documents, certifications and instruments as we have deemed necessary including, without limitation, the Bond Ordinances, the Award Certificate, the representations and covenants of the Township given pursuant to the Code as set forth in the Certificate as to Nonarbitrage and other Tax Matters ("Nonarbitrage Certificate"), and the other certifications, opinions and instruments listed in the closing agenda prepared in connection with the settlement for the Notes.

In rendering the following opinion, we have relied upon the authenticity, truthfulness and completeness of all documents, certifications, instruments and opinions examined including, without limiting the generality of the foregoing, the Nonarbitrage Certificate.

COUNSEL WHEN IT MATTERS.SM



Based upon and subject to the foregoing, we are of the following opinion:

1. The Notes are legal, valid and binding obligations of the Township enforceable in accordance with the terms thereof, except to the extent that enforcement thereof may be limited by bankruptcy, insolvency, moratorium or other laws or equitable principles affecting the enforcement of creditors' rights generally ("Creditors' Rights Limitations").

2. For the payment of principal of and interest on the Notes, the Township has the power and is obligated, to the extent payment is not otherwise provided, to levy *ad valorem* taxes upon all taxable real property within the Township without limitation as to rate or amount, except to the extent that enforcement thereof may be affected by Creditors' Rights Limitations.

3. Interest on the Notes is not included for federal income tax purposes in the gross income of the owners thereof pursuant to Section 103 of the Code and will not constitute a tax preference item for purposes of the alternative minimum tax imposed on individuals; however, such interest is taken into account in determining the annual adjusted financial statement income of certain corporations for the purpose of computing the alternative minimum tax imposed on such corporations.

Section 884 of the Code imposes on certain foreign corporations a branch profits tax equal to thirty percent (30%) of the "dividend equivalent amount" for the taxable year. Interest on the Notes received or accrued by a foreign corporation subject to the branch profits tax will be included in computing the "dividend equivalent amount" of such corporation.

In addition, passive investment income, including interest on the Notes, may be subject to federal income taxation under Section 1375 of the Code for any S corporation that has Subchapter C earnings and profits at the close of the taxable year if more than twenty-five percent (25%) of the gross receipts of such S corporation is passive investment income.

In rendering this opinion, we have assumed continuing compliance by the Township with the applicable requirements of the Code, including requirements relating to, inter alia, the use and investment of proceeds of the Notes and rebate to the United States Treasury of specified arbitrage earnings, if any, under Section 148(f) of the Code. Failure of the Township to comply with such covenants could result in the interest on the Notes being subject to federal income tax from the date of issue. We have not undertaken to monitor compliance with such covenants or to advise any party as to changes in the law after the date hereof that affect the tax-exempt status of the interest on the Notes.

Ownership of the Notes may result in collateral federal income tax consequences to certain taxpayers including, without limitation, certain holders of an interest in a financial asset securitization investment trust, property and casualty insurance companies, controlled foreign corporations, individual recipients of Social Security or Railroad Retirement benefits, individuals who otherwise qualify for the earned income credit, and to individuals and families that qualify for a premium assistance credit amount under Section 36B of the Code. The Code denies the earned income credit to an individual who is otherwise eligible if the aggregate amount of disqualified



income of the taxpayer for the taxable year exceeds certain limits set forth in Sections 32(i) and (j) of the Code. Interest on the Notes will constitute disqualified income for this purpose. The Code also provides that the earned income credit is phased out if the modified adjusted gross income of the taxpayer exceeds certain amounts. Interest on the Notes is included in determining the modified adjusted gross income of the taxpayer. Section 36B of the Code provides that the amount of the premium assistance credit amount is in part determined by household income. Section 36B(d) of the Code provides that household income consists of the "modified adjusted gross income" of the taxpayer and certain other individuals. "Modified adjusted gross income" means adjusted gross income increased by certain amounts, including interest received or accrued by the taxpayer which is exempt from tax, such as the interest on the Notes.

In addition, attention is called to the fact that Section 265(b)(1) of the Code eliminates the interest deduction otherwise allowable with respect to indebtedness deemed incurred by banks, thrift institutions and other financial institutions to purchase or to carry tax-exempt obligations acquired after August 7, 1986 other than "qualified tax-exempt obligations" as defined in Section 265(b)(3) of the Code. The Township has not designated the Notes as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code.

Owners of the Notes should consult their own tax advisers as to the applicability and effect on their federal income taxes of the alternative minimum tax, the branch profits tax and the tax on passive investment income of S corporations, as well as the applicability and effect of any other collateral federal income tax consequences.

4. Interest on the Notes and any gain from the sale thereof are not included in the gross income of the owners thereof under the New Jersey Gross Income Tax Act, as enacted and construed on the date hereof.

We express no opinion as to any matter not set forth in the numbered paragraphs above including, without limitation, any financial or other information which has been or may be supplied to purchasers of the Notes.

This is only an opinion letter and not a warranty or guaranty of the matters discussed above.

The opinions expressed in the numbered paragraphs above are being rendered on the basis of federal law and the laws of the State of New Jersey, as presently enacted and construed, and we assume no responsibility to advise any party as to any changes in law or fact subsequent to the date hereof.

This letter is being provided solely for the benefit of the Township and may not be relied upon by any other person, party, firm or organization without our prior written consent.

Very truly yours,



September 13, 2023

Mayor and Township Committee
of the Township of Winslow
125 South Route 73
Braddock, New Jersey

RE: \$2,375,000 TOWNSHIP OF WINSLOW, COUNTY OF CAMDEN, NEW JERSEY, BOND ANTICIPATION NOTES OF 2023, SERIES C

Mayor and Township Committee Members:

We have served as Bond Counsel to the Township of Winslow, County of Camden, New Jersey ("Township"), in connection with the authorization, issuance, sale and delivery of the above-referenced obligations ("Notes").

The Notes are authorized to be issued pursuant to: (i) the Local Bond Law, constituting Chapter 169 of the Laws of 1960 of the State of New Jersey, as amended and supplemented ("Local Bond Law"); (ii) bond ordinance 2021-01 ("Bond Ordinance"), duly and finally adopted by the Township Committee, and published in accordance with the requirements of the Local Bond Law; and (iii) a Certificate of Determination and Award executed by the Chief Financial Officer of the Township on August 30, 2023 ("Award Certificate").

The Notes are dated September 13, 2023 and mature on March 29, 2024. The Notes are issued in [registered book-entry only] form without coupons and are not subject to redemption prior to maturity. The Notes are issued to temporarily finance the costs of certain improvements described in the Bond Ordinance.

As the basis for the opinion set forth below, we have examined such matters of law as we have deemed necessary including, *inter alia*, the Constitution of the State of New Jersey, the Internal Revenue Code of 1986, as amended, ("Code"), and the Local Bond Law. We have also examined such documents, certifications and instruments as we have deemed necessary including, without limitation, the Bond Ordinance, the Award Certificate, the representations and covenants of the Township given pursuant to the Code as set forth in the Certificate as to Nonarbitrage and other Tax Matters ("Nonarbitrage Certificate"), and the other certifications, opinions and instruments listed in the closing agenda prepared in connection with the settlement for the Notes.

In rendering the following opinion, we have relied upon the authenticity, truthfulness and completeness of all documents, certifications, instruments and opinions examined.



Based upon and subject to the foregoing, we are of the following opinion:

1. The Notes are legal, valid and binding obligations of the Township enforceable in accordance with the terms thereof, except to the extent that enforcement thereof may be limited by bankruptcy, insolvency, moratorium or other laws or equitable principles affecting the enforcement of creditors' rights generally ("Creditors' Rights Limitations").

2. For the payment of principal of and interest on the Notes, the Township has the power and is obligated, to the extent payment is not otherwise provided, to levy *ad valorem* taxes upon all taxable real property within the Township without limitation as to rate or amount, except to the extent that enforcement thereof may be affected by Creditors' Rights Limitations.

3. Interest on the Notes is not included for federal income tax purposes in the gross income of the owners thereof pursuant to Section 103 of the Code and will not constitute a tax preference item for purposes of the alternative minimum tax imposed on individuals; however, such interest is taken into account in determining the annual adjusted financial statement income of certain corporations for the purpose of computing the alternative minimum tax imposed on such corporations.

Section 884 of the Code imposes on certain foreign corporations a branch profits tax equal to thirty percent (30%) of the "dividend equivalent amount" for the taxable year. Interest on the Notes received or accrued by a foreign corporation subject to the branch profits tax will be included in computing the "dividend equivalent amount" of such corporation.

In addition, passive investment income, including interest on the Notes, may be subject to federal income taxation under Section 1375 of the Code for any S corporation that has Subchapter C earnings and profits at the close of the taxable year if more than twenty-five percent (25%) of the gross receipts of such S corporation is passive investment income.

In rendering this opinion, we have assumed continuing compliance by the Township with the applicable requirements of the Code, including requirements relating to, inter alia, the use and investment of proceeds of the Notes and rebate to the United States Treasury of specified arbitrage earnings, if any, under Section 148(f) of the Code. Failure of the Township to comply with such covenants could result in the interest on the Notes being subject to federal income tax from the date of issue. We have not undertaken to monitor compliance with such covenants or to advise any party as to changes in the law after the date hereof that affect the tax-exempt status of the interest on the Notes.

Ownership of the Notes may result in collateral federal income tax consequences to certain taxpayers including, without limitation, certain holders of an interest in a financial asset securitization investment trust, property and casualty insurance companies, controlled foreign corporations, individual recipients of Social Security or Railroad Retirement benefits, individuals who otherwise qualify for the earned income credit, and to individuals and families that qualify for a premium assistance credit amount under Section 36B of the Code. The Code denies the earned income credit to an individual who is otherwise eligible if the aggregate amount of disqualified income of the taxpayer for the taxable year exceeds certain limits set forth in Sections 32(i) and (j)



of the Code. Interest on the Notes will constitute disqualified income for this purpose. The Code also provides that the earned income credit is phased out if the modified adjusted gross income of the taxpayer exceeds certain amounts. Interest on the Notes is included in determining the modified adjusted gross income of the taxpayer. Section 36B of the Code provides that the amount of the premium assistance credit amount is in part determined by household income. Section 36B(d) of the Code provides that household income consists of the "modified adjusted gross income" of the taxpayer and certain other individuals. "Modified adjusted gross income" means adjusted gross income increased by certain amounts, including interest received or accrued by the taxpayer which is exempt from tax, such as the interest on the Notes.

In addition, attention is called to the fact that Section 265(b)(1) of the Code eliminates the interest deduction otherwise allowable with respect to indebtedness deemed incurred by banks, thrift institutions and other financial institutions to purchase or to carry tax-exempt obligations acquired after August 7, 1986 other than "qualified tax-exempt obligations" as defined in Section 265(b)(3) of the Code. The Township has not designated the Notes as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code.

Owners of the Notes should consult their own tax advisers as to the applicability and effect on their federal income taxes of the alternative minimum tax, the branch profits tax and the tax on passive investment income of S corporations, as well as the applicability and effect of any other collateral federal income tax consequences.

4. Interest on the Notes and any gain from the sale thereof are not included in the gross income of the owners thereof under the New Jersey Gross Income Tax Act, as enacted and construed on the date hereof.

We express no opinion as to any matter not set forth in the numbered paragraphs above including, without limitation, any financial or other information which has been or may be supplied to purchasers of the Notes.

This is only an opinion letter and not a warranty or guaranty of the matters discussed above.

The opinions expressed in the numbered paragraphs above are being rendered on the basis of federal law and the laws of the State of New Jersey, as presently enacted and construed, and we assume no responsibility to advise any party as to any changes in law or fact subsequent to the date hereof.

This letter is being provided solely for the benefit of the Township and may not be relied upon by any other person, party, firm or organization without our prior written consent.

Very truly yours,

APPENDIX D

FORMS OF INFORMATION REPORTING UNDERTAKING AGREEMENTS

INFORMATION REPORTING UNDERTAKING AGREEMENT

ISSUER: Township of Winslow, County of Camden, New Jersey ("Issuer")

ISSUE: \$8,851,000 Bond Anticipation Notes of 2023, Series B
(Non-Callable) ("Notes")

DATED: September 13, 2023

CUSIP:

This Information Reporting Undertaking Agreement ("Agreement") is executed and delivered by the Issuer as of the date set forth below for the purpose of providing continuing disclosure with respect to the Issuer in order to comply with the provisions of Rule 15c2-12 ("Rule"), promulgated by the Securities and Exchange Commission ("Commission") pursuant to the Securities Exchange Act of 1934, as it may be amended and supplemented from time to time.

Section 1. (a) The Issuer, as an obligated person for purposes of and as defined in the Rule ("Obligated Person"), hereby agrees, in accordance with the provisions of the Rule, so long as any of the Notes are outstanding to provide or cause to be provided to the Municipal Securities Rulemaking Board ("MSRB"), through the internet facilities of the Electronic Municipal Market Access System ("EMMA")¹, or any other public or private repository or entity that shall hereafter be designated by the Commission as a repository for purposes of the Rule (each a "National Repository") and any public or private repository or entity designated by the State of New Jersey as a state information repository for purpose of the Rule ("State Repository" and together with each National Repository, the "Repository" or "Repositories"), as applicable, notice of the occurrence of any of the following listed events (each a "Listed Event" or "Listed Events") with respect to the Notes:

- i. Principal and interest payment delinquencies;
- ii. Non-payment related defaults, if material
- iii. Unscheduled draws on debt service reserves reflecting financial difficulties;
- iv. Unscheduled draws on credit enhancements reflecting financial difficulties;
- v. Substitution of credit or liquidity providers, or their failure to perform;
- vi. 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 Notes, or other material events affecting the tax status of the Notes;

¹ An internet based filing system created and maintained by the MSRB in accordance with Release No. 34-59062, of the Commission, dated December 5, 2008, pursuant to which issuers of tax-exempt bonds, including the Notes, and other filers on behalf of such issuers shall upload certain information and notices to assist underwriters in complying with the Rule and to provide the general public with access thereto.

- vii. Modifications to the rights of Noteholders, if material;
- viii. Note calls (excluding mandatory sinking fund redemptions), if material, or tender offers;
- ix. Defeasances;
- x. Release, substitution, or sale of property securing repayment of the Notes, if material;
- xi. Rating changes;
- xii. Bankruptcy, insolvency, receivership or similar event of the Issuer;
- xiii. The consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the Issuer, 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;
- xiv. Appointment of a successor or additional trustee or the change of name of a trustee, if material;
- xv. Incurrence of a financial obligation of the obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the obligated person, any of which affect security holders, if material; and
- xvi. default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the obligated person, any of which reflect financial difficulties.

(b) The Issuer shall, within ten (10) business days of the occurrence of any of the Listed Events, report the event to the MSRB, through the internet facilities of EMMA, or any other Repositories, as applicable, pursuant to the provisions of Section 1(a) hereof. In determining the materiality of a Listed Event specified in subsections (a)(ii), (vii), (viii), (x), (xiii), (xiv) and (xv) of this Section 1, the Issuer may, but shall not be required to, rely conclusively on a written opinion of counsel expert in federal securities law acceptable to the Issuer.

Section 2. The Issuer reserves the right to terminate its obligation to provide notices of Listed Events, if material, as set forth above, if and when the Issuer no longer remains an Obligated Person with respect to the Notes within the meaning of the Rule. The Issuer will provide notice of such termination to the MSRB via the internet facilities of EMMA and the State Repository, if any.

Section 3. The Issuer agrees that its undertaking pursuant to the Rule set forth in Section 1 of this Agreement is intended to be for the benefit of the holders of the Notes and shall be enforceable by such Noteholders; provided that, the Noteholder's right to enforce the

provisions of this undertaking shall be limited to a right to obtain specific enforcement of the Obligated Person's obligations hereunder.

Section 4. This Agreement shall be governed by the laws of the State of New Jersey.

IN WITNESS WHEREOF, the Issuer has executed and delivered this Agreement as of this 13th day of September, 2023.

ISSUER:

**TOWNSHIP OF WINSLOW, COUNTY OF
CAMDEN, NEW JERSEY**

By: _____
**STEPHEN J. DRINGUS, JR.,
Chief Financial Officer**

INFORMATION REPORTING UNDERTAKING AGREEMENT

ISSUER: Township of Winslow, County of Camden, New Jersey ("Issuer")

ISSUE: \$2,375,000 Bond Anticipation Notes of 2023, Series C
(Non-Callable) ("Notes")

DATED: September 13, 2023

CUSIP:

This Information Reporting Undertaking Agreement ("Agreement") is executed and delivered by the Issuer as of the date set forth below for the purpose of providing continuing disclosure with respect to the Issuer in order to comply with the provisions of Rule 15c2-12 ("Rule"), promulgated by the Securities and Exchange Commission ("Commission") pursuant to the Securities Exchange Act of 1934, as it may be amended and supplemented from time to time.

Section 1. (a) The Issuer, as an obligated person for purposes of and as defined in the Rule ("Obligated Person"), hereby agrees, in accordance with the provisions of the Rule, so long as any of the Notes are outstanding to provide or cause to be provided to the Municipal Securities Rulemaking Board ("MSRB"), through the internet facilities of the Electronic Municipal Market Access System ("EMMA")¹, or any other public or private repository or entity that shall hereafter be designated by the Commission as a repository for purposes of the Rule (each a "National Repository") and any public or private repository or entity designated by the State of New Jersey as a state information repository for purpose of the Rule ("State Repository" and together with each National Repository, the "Repository" or "Repositories"), as applicable, notice of the occurrence of any of the following listed events (each a "Listed Event" or "Listed Events") with respect to the Notes:

- i. Principal and interest payment delinquencies;
- ii. Non-payment related defaults, if material
- iii. Unscheduled draws on debt service reserves reflecting financial difficulties;
- iv. Unscheduled draws on credit enhancements reflecting financial difficulties;
- v. Substitution of credit or liquidity providers, or their failure to perform;
- vi. 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 Notes, or other material events affecting the tax status of the Notes;

¹ An internet based filing system created and maintained by the MSRB in accordance with Release No. 34-59062, of the Commission, dated December 5, 2008, pursuant to which issuers of tax-exempt bonds, including the Notes, and other filers on behalf of such issuers shall upload certain information and notices to assist underwriters in complying with the Rule and to provide the general public with access thereto.

- vii. Modifications to the rights of Noteholders, if material;
- viii. Note calls (excluding mandatory sinking fund redemptions), if material, or tender offers;
- ix. Defeasances;
- x. Release, substitution, or sale of property securing repayment of the Notes, if material;
- xi. Rating changes;
- xii. Bankruptcy, insolvency, receivership or similar event of the Issuer;
- xiii. The consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the Issuer, 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;
- xiv. Appointment of a successor or additional trustee or the change of name of a trustee, if material;
- xv. Incurrence of a financial obligation of the obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the obligated person, any of which affect security holders, if material; and
- xvi. default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the obligated person, any of which reflect financial difficulties.

(b) The Issuer shall, within ten (10) business days of the occurrence of any of the Listed Events, report the event to the MSRB, through the internet facilities of EMMA, or any other Repositories, as applicable, pursuant to the provisions of Section 1(a) hereof. In determining the materiality of a Listed Event specified in subsections (a)(ii), (vii), (viii), (x), (xiii), (xiv) and (xv) of this Section 1, the Issuer may, but shall not be required to, rely conclusively on a written opinion of counsel expert in federal securities law acceptable to the Issuer.

Section 2. The Issuer reserves the right to terminate its obligation to provide notices of Listed Events, if material, as set forth above, if and when the Issuer no longer remains an Obligated Person with respect to the Notes within the meaning of the Rule. The Issuer will provide notice of such termination to the MSRB via the internet facilities of EMMA and the State Repository, if any.

Section 3. The Issuer agrees that its undertaking pursuant to the Rule set forth in Section 1 of this Agreement is intended to be for the benefit of the holders of the Notes and shall be enforceable by such Noteholders; provided that, the Noteholder's right to enforce the

provisions of this undertaking shall be limited to a right to obtain specific enforcement of the Obligated Person's obligations hereunder.

Section 4. This Agreement shall be governed by the laws of the State of New Jersey.

IN WITNESS WHEREOF, the Issuer has executed and delivered this Agreement as of this 13th day of September, 2023.

ISSUER:

**TOWNSHIP OF WINSLOW, COUNTY OF
CAMDEN, NEW JERSEY**

By: _____
**STEPHEN J. DRINGUS, JR.,
Chief Financial Officer**