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CUMBERLAND COUNTY IMPROVEMENT AUTHORITY

AUDIT REPORT

YEARS ENDED
DECEMBER 31, 2021 AND 2020

Romano, Hearing, Testa & Knorr
CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

CUMBERLAND COUNTY IMPROVEMENT AUTHORITY
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Romano, Hearing, Testa & Knorr
PROFESSIONAL ASSOCIATION

CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

INDEPENDENT AUDITORS' REPORT

Chairman and Commissioners of the
Cumberland County Improvement Authority
Millville, New Jersey

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the business-type activities of the Cumberland County Improvement Authority (the "Authority"), a component unit of the County of Cumberland, State of New Jersey, and its discretely presented component unit (Cumberland Empowerment Zone Corp.) as of and for the years ended December 31, 2021 and 2020, and the related notes to the financial statements which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, based on our audits and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of the Cumberland County Improvement Authority and the Authority's discretely presented component unit as of December 31, 2021 and 2020, and the respective changes in financial position and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, 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 Cumberland County Improvement Authority 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. The financial statements of the Authority's discretely presented component unit (Cumberland Empowerment Zone Corp.) were not audited in accordance with *Government Auditing Standards.*

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and 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.

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Responsibilities of Management for the Financial Statements (Continued)

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Cumberland County Improvement Authority'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 Cumberland County Improvement Authority'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.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of changes in the Authority's total OPEB liability and related ratios, schedule of the Authority's proportionate share of the net OPEB liability, schedule of the Authority's OPEB contributions, schedule of the Authority's proportionate share of the net pension liability and schedule of the Authority's pension contributions as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audits were conducted for the purpose of forming opinions on the financial statements that collectively comprise the Authority's basic financial statements. The accompanying supplementary schedules as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary schedules, as listed in the table of contents, are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 28, 2022 on our consideration of the Cumberland County Improvement Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Cumberland County Improvement Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Cumberland County Improvement Authority's internal control over financial reporting and compliance.

ROMANO, HEARING, TESTA & KNORR

Romano, Hearing, Testa & Knorr

Certified Public Accountants

September 28, 2022

Romano, Hearing, Testa & Knorr
PROFESSIONAL ASSOCIATION
CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

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

Chairman and Members of the
Cumberland County Improvement Authority
Millville, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the financial statements of the business-type activities of the Cumberland County Improvement Authority (the "Authority"), a component unit of the County of Cumberland, State of New Jersey, and its discretely presented component unit (Cumberland Empowerment Zone Corp.) as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated September 28, 2022. Our report includes a reference to other auditors who audited the financial statements of the Authority's discretely presented component unit (Cumberland Empowerment Zone Corp.), as described in our report on the Authority's financial statements. The financial statements of the Authority's discretely presented component unit were not audited in accordance with *Government Auditing Standards*, and accordingly, this report does not include reporting on internal control over financial reporting or compliance and other matters associated with the Authority's discretely presented component unit (Cumberland Empowerment Zone Corp.)

Report on Internal Control Over Financial Reporting

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

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

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Report on Internal Control Over Financial Reporting (Continued)

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

ROMANO, HEARING, TESTA & KNORR

Romano, Hearing, Testa & Knorr

Certified Public Accountants

September 28, 2022

REQUIRED SUPPLEMENTARY INFORMATION
PART I

THE AUTHORITY
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MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the Cumberland County Improvement Authority's (the Authority) annual financial report presents the analysis of the Authority's financial performance during the year that ended on December 31, 2021. Please read it in conjunction with the financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

Management believes the Authority's financial condition is strong. Operating revenue totaled $30.8 million which is an increase of $3.8 million or 14.2% over the prior year. Landfill Tipping Fees, the largest revenue source, accounted for $15.6 million, an increase of $.3 million or 1.8%.

- The Authority's Net Capital Assets increased by $.2 million, an increase of .1%.
- The Authority's Total Assets decreased by $3.7 million, a decrease of .8%.
- Operating expenses include cost of providing services, administrative and general, closure and postclosure costs and depreciation. The costs the Authority has control over, which are the cost of providing services and administrative and general expenses, totaled $16.3 million, a decrease of $0.7 million or 4.0%.
- Closure/Post-closure costs and depreciation expense totaled $11.1 million, a increase of $3.9 million or 26.2%. The change was primarily due to a decrease in the Closure/Post-Closure expense.

OVERVIEW OF THE FINANCIAL STATEMENTS

The Authority is a single enterprise fund even though it provides various services. The Authority's major operations are comprised of Solid Waste Operations and Other which includes economic development activities, primarily consisting of acquisition and construction projects with leasing agreements to various tenants. The Authority's Audit Report includes the required Basic Financial Statements, as described below, the Notes to Financial Statements, required supplementary information, which consists of this Management Discussion and Analysis section and required pension and other post employment benefits (OPEB) schedules, and finally, supplementary information.

REQUIRED FINANCIAL STATEMENTS

The financial statements report information about the Authority using accounting methods similar to those used by private sector companies. These statements offer short- and long-term financial information about its activities.

The ***Statements of Net Position*** includes all of the Authority's assets, deferred outflows of resources, liabilities and deferred inflows of resources and provides information about the nature and amounts of investments in resources (assets) and the obligations to Authority creditors (liabilities). The statements provide the basis for computing rate of return, evaluating the capital structure of the Authority, and assessing the liquidity and financial flexibility of the Authority.

All of the current year's revenues and expenses are accounted for in the ***Statements of Revenues, Expenses and Changes in Net Position***. These statements measure the success of the Authority's operations over the past year and can be used to determine whether the Authority has successfully recovered all its costs through its solid waste user fees and other charges. These statements also measure the Authority's profitability and credit worthiness. The other required financial statement is the ***Statement of Cash Flows***. The primary purpose of this statement is to provide information about the Authority's cash receipts and cash payments during the reporting period. This statement reports cash receipts, cash payments, and net changes in cash resulting from operations, investments and financing activities, and provides answers to such questions as "where did cash come from, what was cash used for, and what was the change in cash balance during the reporting period?"

FINANCIAL ANALYSIS OF THE AUTHORITY AS A WHOLE

One of the most important questions asked about the Authority's finances is "Is the Authority, as a whole, better off or worse off as a result of the year's activities?" The Statements of Net Position and the Statements of Revenues, Expenses and Changes in Net Position report information about the Authority's activities in a manner that will help answer this question. These two statements report the net position of the Authority, and year-over-year changes in net position. You can think of the Authority's net position – the difference between assets, deferred outflows of resources, liabilities and deferred inflows of resources – as one way to measure financial health or financial position. Over time, increases or decreases in the Authority's net position are one indicator of whether its financial health is improving or deteriorating. However, other non-financial factors such as changes in economic conditions, customer growth, and legislative mandates also need to be part of this evaluation.

The analysis below focuses on the Authority's net position (Table 1) and changes in net position (Table 2) during the year.

Table 1
Net Position
(Dollars in Thousands)

	2021	2020	2019	2021-2020 Increase/(Decrease) $	2021-2020 Increase/(Decrease) %	2020-2019 Increase/(Decrease) $	2020-2019 Increase/(Decrease) %
Current Assets - Unrestricted	$ 14,104	$ 13,938	$ 8,903	$ 166	1.2%	$ 5,035	56.6%
Current Assets - Restricted	81,122	76,727	67,511	4,395	5.7%	9,216	13.7%
Noncurrent Assets	387,861	396,139	249,836	(8,278)	-2.1%	146,303	58.6%
Total Assets	483,087	486,804	326,250	(3,717)	-0.8%	160,554	49.2%
Deferred Outflows of Resources	4,887	6,267	4,050	(1,380)	-22.0%	2,217	54.7%
Current Liabilities Payable from Unrestricted Assets	7,002	5,188	5,785	1,814	35.0%	(597)	-10.3%
Current Liabilities Payable from Restricted Assets	9,455	10,430	9,816	(975)	-9.3%	614	6.3%
Long Term Liabilities	208,134	204,318	194,410	3,816	1.9%	9,908	5.1%
Total Liabilities	224,591	219,936	210,011	4,655	2.1%	9,925	4.7%
Deferred Inflows of Resources	228,086	235,640	76,819	(7,554)	-3.2%	158,821	206.7%
Net Investment in Capital Assets	43,145	43,869	44,192	(724)	-1.7%	(323)	-0.7%
Restricted Net Position	4,858	5,455	5,979	(597)	-10.9%	(524)	-8.8%
Unrestricted Net Position	(12,706)	(11,829)	(6,701)	(877)	7.4%	(5,128)	76.5%
Total Net Position	$ 35,297	$ 37,495	$ 43,470	$ (2,198)	-5.9%	$ (5,975)	-13.7%

The increase in current assets-unrestricted is primarily the result of increases in cash, accounts receivable and lease receivables, and a decrease in other receivables.

The increase in current assets-restricted is due to an increase in cash.

The decrease in noncurrent assets is due to a decrease in lease receivable.

The decrease in deferred outflows of resources is primarily due to a decrease in deferred amount relating to pensions.

The increase in current liabilities payable from unrestricted assets is primarily due to increases in accrued liabilities and operating accounts payable.

The decrease in current liabilities payable from restricted assets is due to a decrease in construction contracts payable and an increase in loans payable.

The increase in long-term liabilities is primarily due to increases in revenue bonds payable, loan payable and accrued closure and post closure care costs, and a decrease in net pension liability.

The decrease in deferred inflows of resources is due to a decrease in deferred amounts relating to leases.

Table 2

Statement of Revenues, Expenses and Changes in Net Position

(Dollars in Thousands)

	2021	2020	2019	2021 - 2020 Increase/(Decrease) $	%	2020 - 2019 Increase/(Decrease) $	%
Operating Revenue:							
Landfill Tipping Fees	$ 15,638	$ 15,369	$ 13,958	$ 269	1.8%	$ 1,411	10.1%
Lease/Rental Income	9,733	6,861	4,432	2,872	41.9%	2,429	54.8%
Interest Income on Leases	397	296	224	101	34.1%	72	
Project Management Fee	1,011	1,185	1,204	(174)	-14.7%	(19)	-1.6%
Renewable Energy Revenue	502	225	308	277	123.1%	(83)	-26.9%
Recycle Revenue	635	307	43	328	106.8%	264	614.0%
Operating Grants	822	457	323	365	79.9%	134	41.5%
Administrative/Bond Transaction Fee	9	499	26	(490)	-98.2%	473	1819.2%
Project Income - Fleet Maintenance	285	313	508	(28)	-8.9%	(195)	-38.4%
Property Management Fee	1,030	997	931	33	3.3%	66	7.1%
Other Operating Income	743	474	181	269	56.8%	293	161.9%
Total Operating Revenue	30,805	26,983	22,138	3,822	14.2%	4,845	21.9%
Operating Expenses:							
Cost of Providing Services	12,116	12,517	12,255	(401)	-3.2%	262	2.1%
Administrative and General	4,149	4,422	3,815	(273)	-6.2%	607	15.9%
Closure and Postclosure Costs	1,833	7,327	816	(5,494)	-75.0%	6,511	797.9%
Depreciation	9,266	7,701	7,101	1,565	20.3%	600	8.4%
Total Operating Expenses	27,364	31,967	23,987	(4,603)	-14.4%	7,980	33.3%
Operating Income (Loss)	3,441	(4,984)	(1,849)	8,425	-169.0%	(3,135)	-169.6%
Non Operating Revenue (Expenses):							
Interest Income	362	479	750	(117)	-24.4%	(271)	-36.1%
Interest Expense	(5,964)	(5,041)	(2,535)	(923)	18.3%	(2,506)	98.9%
Other Non-Operating Income	1,259	1,296	1,027	(37)	-2.9%	269	26.2%
Forgivable Loans/Grants	-	(100)	(100)	100	-100.0%	-	0.0%
P.I.L.O.T. Program-Municipal	(15)	(15)	(13)	-	0.0%	(2)	15.4%
Appropriated to County	(694)	(605)	(554)	(89)	14.7%	(51)	9.2%
Debt Issue Costs Incurred	(190)	(58)	(139)	(132)	227.6%	81	-58.3%
Gain on Disposal of Assets	68	83	66	(15)		17	
Net Decrease in Fair Value of Investments	(789)	696	854	(1,485)	-213.4%	(158)	-18.5%
Total Non-Operating Revenue (Expenses)	(5,963)	(3,265)	(644)	(2,698)	82.6%	(2,621)	407.0%
Income (Loss) Before Capital Contributions and Transfers	(2,522)	(8,249)	(2,493)	5,727	-69.4%	(5,756)	230.9%
Capital Contributions	324	2,273	555	(1,949)		1,718	
Change in Net Position	(2,198)	(5,975)	(1,938)	3,777	-63.2%	(4,037)	208.3%
Net Position-Beginning	37,495	43,470	45,408	(5,975)	-13.7%	(1,938)	-4.3%
Total Net Position-Ending	$ 35,297	$ 37,495	$ 43,470	$ (2,198)	-5.9%	$(5,975)	-13.7%

Total operating revenue increased $3.8 million or 14.2% year-over-year. Landfill tipping fees revenue increased 1.8% primarily due the increase in solid waste tons received of 31,402 tons or 16.4%. Other revenue increases included lease/rental income of 41.9%, interest income on leases 34.1%, renewable energy gas revenue 123.1%, recycle revenue 106.8%, operating grants 79.9%, property management fee 3.3% and other operating income 56.8%. Revenue decreases included project management fees 14.7%, administrative/bond transaction fee 98.2%, and project income – fleet maintenance 8.9%.

As mentioned in the financial highlights, the costs the Authority has control over are the cost of providing services and administrative and general expenses. These expenses totaled $16.3 million, a decrease of $0.7 million or 4.0% which were primarily the result of decreases in salaries, professional fees, disposal fees, equipment rental, and maintenance costs. Closure and postclosure costs and depreciation expense totaled $11.1 million, a decrease of $3.9 million or 26.2%. The change was primarily due to decrease in Closure/Post-Closure expense of 75.0% netted against an increase of 20.3% related to depreciation expense. These costs are not controlled by the Authority.

The Authority's ending net position decreased $2.2 million or 5.9% primarily caused by a loss of $2.5 million due to the net result of a $3.4 million operating income reduced by non-operating expenses over revenues of $5.9 and the addition of $.3 million of capital contributions.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of December 2021, the Authority had $154.7 million invested in a broad range of capital assets. This amount represents an increase of $.2 million or .1% from the previous year. More detailed information about capital assets can be found in Note 3 to the financial statements. Total depreciation expense for the year was $9.3 million.

The following table summarizes the Authority's capital assets, net of accumulated depreciation, and changes therein, for the year ended December 31, 2021.

Table 3
Capital Assets, Net of Accumulated Depreciation
(Dollars in Thousands)

				2021-2020 Increase/(Decrease)		2020-2019 Increase/(Decrease)	
	2021	**2020**	**2019**	**$**	**%**	**$**	**%**
Land	$ 6,902	$ 6,753	$ 6,373	$ 149	2.2%	380	6.0%
Construction in Progress	22,403	28,490	17,100	(6,087)	-21.4%	11,390	66.6%
Building and Related Improvements	81,699	74,334	77,214	7,365	9.9%	(2,880)	-3.7%
Improvements Other than Buildings	37,898	39,398	37,221	(1,500)	-3.8%	2,177	5.8%
Machinery and Equipment	5,741	5,508	5,238	233	4.2%	270	5.2%
Office Equipment	68	66	22	2	3.0%	44	200.0%
Total	$ 154,711	$ 154,549	$ 143,168	$ 162	0.1%	$ 11,381	7.9%

Investment in capital assets during 2021 consisted primarily of construction in progress and other improvements to Authority facilities.

The Authority's Solid Waste and Other Operations FY 2022 capital budgets plan for investing $23.8 million in capital projects, including the following (in thousands):

	Solid Waste	Other	Total
Landfill Heavy Support Equipment	$ 1,336	$ -	$ 1,336
Budgeted Construction Projects	50	40	90
Closure/Post Closure	711	-	711
Building Improvements	90	100	190
Improvements Other	75	-	75
Office Furniture and Equipment	25	-	25
Machinery and Equipment	60	-	60
Solid Waste Construction Projects	5,281	-	5,281
Economic Development Construction Projects	-	16,060	16,060
TOTAL	$ 7,628	$ 16,200	$ 23,828

Capital projects listed above are funded through budget appropriations, renewal and replacement reserves, closure/post closure reserves, and debt or bond authorizations.

Debt Administration

At December 31, 2021, the Authority had outstanding bond issues in the amount of $148.4 million with principal payments of $5.4 million due in one year as detailed in Note 4 to the financial statements. The Authority also had outstanding loans payable in the amount of $13.8 million with principal payments of $1.7 million due in one year. (See Note 4 to the financial statements).

During 2021, the Authority issued lease revenue bonds in the amount of $7.5 million principal for the Bridgeton Fire Station Project with a fourteen-year fixed interest rate of 4% and maturities extending to 2051.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

Tipping fee revenue is projected to decrease in 2022 by 1.3% due to a decrease in tonnage received as well as the effect of inflation on deliveries of soil revenue. Recycle revenue is expected to decrease slightly in 2022 due to continued recycle market instability and processing challenges faced by the Material Recycling Facility operator. Renewable energy revenue increased 123.1% in 2021 and comparable revenue is expected for 2022. Revenues expected to increase in 2022 are lease rental income 15.3% due to additional rental properties, full-year leases, and rent increases, and management fees 3.4% due to contractual annual increases. A revenue decrease of 8.2% is expected for project management fees due to completion of projects in 2021 and duration of projects taking longer due to manufacturing delays relating to supply chain issues. When compared to the 2022 budget, economic development revenue is expected to be on target. While developing the 2023 budget, it has become necessary to increase tipping fee rates to offset the loss of tipping fee tonnage and revenue derived from soil as well as cost increases, and fund landfill closure and post closure liabilities. The Authority continues to plan incremental increases over time to minimize the impact on its customers and governmental budgets.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES (CONTINUED)

The Authority continues to augment and diversify its revenue stream with a business model that includes new landfill services, economic and redevelopment initiatives (shared service), conduit bond financing program, construction management, lease/rental agreements, and alternative energy projects. Additionally, the Authority has initiated several shared-service agreements with the municipalities and counties of Cumberland, Cape May, and Salem to expand services, increase efficiencies, and reduce operating costs.

CONTACTING THE AUTHORITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide the Authority's customers, investors, and creditors with a general overview of the Authority's finances and to demonstrate the Authority's accountability for the money it receives. If you have questions about this report, or need additional financial information, contact the Authority's President/CEO at the Cumberland County Improvement Authority, 745 Lebanon Road, Millville, NJ 08332, or e-mail info@theauthoritynj.com.

BASIC FINANCIAL STATEMENTS

EXHIBIT A

CUMBERLAND COUNTY IMPROVEMENT AUTHORITY
STATEMENTS OF NET POSITION
DECEMBER 31, 2021 AND 2020

	2021		2020	
	Authority	Component Unit - CEZC	Authority	Component Unit - CEZC
ASSETS				
CURRENT ASSETS - UNRESTRICTED:				
Cash	$ 1,134,034	$ 7,401,383	$ 917,493	$ 7,591,414
Accounts Receivable	1,589,506		1,300,842	
Loans Receivable	52,219		52,088	
Interest Receivable - Loans	42,037		42,102	81,375
Grant Funds Receivable	453,853	88,769	312,239	4,184
Other Receivables	836,672	12,599	1,340,000	
Lease Receivables	9,252,283		9,051,160	
Notes Receivable		60,417		60,417
Due from Restricted Assets	472,207		635,984	
Inventories	159,412		150,758	
Prepaid Expenses	111,871	2,046	135,193	2,157
Total Current Assets - Unrestricted	14,104,094	7,565,214	13,937,859	7,739,547
CURRENT ASSETS - RESTRICTED:				
Accounts Required by the Authority's Bond Resolutions/Loan Agreements:				
Cash	76,814,354		71,361,832	
Cash Held by Fiscal Agent	300,558		422,221	
Other Restricted Accounts:				
Cash	1,593,912		2,393,628	
Investments	2,322,647		2,446,375	
Interest Receivable	91,029		102,891	
Interfunds				
Total Current Assets - Restricted	81,122,500	-	76,726,947	-
NONCURRENT ASSETS:				
Investments - Other Restricted Accounts	17,328,863	153,544	17,347,229	153,544
Investment in Redevelopment Sites	2,112,500		2,112,500	
Lease Receivables - Noncurrent	201,047,384		209,439,050	
Loans Receivable - Noncurrent	12,351,911		12,404,131	
Mortgages Receivable		3,364,492		3,350,634
Prepaid Bond Insurance	308,571		287,258	
Capital Assets, Net	154,711,398	21,102	154,548,588	24,116
Total Noncurrent Assets	387,860,627	3,539,138	396,138,756	3,528,294
TOTAL ASSETS	483,087,221	11,104,352	486,803,562	11,267,841
DEFERRED OUTFLOWS OF RESOURCES:				
Deferred Loss on Defeasance of Debt	108,201		166,473	
Deferred Amount Relating to Pensions	3,757,466		5,007,962	
Deferred Amount Relating to OPEB	1,021,899		1,092,560	
TOTAL DEFERRED OUTFLOWS OF RESOURCES	4,887,566	-	6,266,995	-

(Continued)

The accompanying Notes to Financial Statements are an integral part of these statements.

EXHIBIT A

CUMBERLAND COUNTY IMPROVEMENT AUTHORITY
STATEMENTS OF NET POSITION
DECEMBER 31, 2021 AND 2020

	2021		2020	
	Authority	Component Unit - CEZC	Authority	Component Unit - CEZC
CURRENT LIABILITIES PAYABLE FROM UNRESTRICTED ASSETS:				
Accounts Payable - Operations	$ 2,016,566	$ 84,892	$ 1,394,084	$ 76,792
Other Payables	2,184,327		2,233,750	
Accrued Liabilities	1,296,455		139,874	
Accrued Liabilities - Pension	670,181		599,525	
Note Payable			149,500	
Customer Deposits	149,400		166,666	
Security Deposits			173,597	
Landfill Taxes Payable	185,084		49,069	
Host Community Benefit Payable	53,181		282,417	
Unearned Revenue	299,205			
Unearned Grant Revenue	148,332	563,386	-	564,493
Total Current Liabilities Payable From Unrestricted Assets	7,002,731	648,278	5,188,482	641,285
CURRENT LIABILITIES PAYABLE FROM RESTRICTED ASSETS:				
Loans Payable	1,655,530		1,311,741	
Contracts Payable - Construction	282,850		1,433,179	
Contracts Payable - Retainage	337,705		391,899	
Revenue Bonds Payable	5,385,908		5,231,908	
Accrued Interest Payable - Revenue Bonds and Loans	1,276,939		1,315,946	
Due to Unrestricted Assets	472,207		635,984	
License Agreement Escrow	43,702		109,016	
Total Current Liabilities Payable From Restricted Assets	9,454,841	-	10,429,673	-
LONG-TERM LIABILITIES:				
Revenue Bonds Payable	148,492,682		145,622,593	
Loan Payable	12,178,609	33,841	11,168,276	38,109
Accrued Closure and Postclosure Care Costs	36,016,129		34,183,516	
Accrued Liability Pension	335,091		299,763	
Net Pension Liability	6,779,248		8,937,043	
Net OPEB Obligation	4,134,487		3,901,063	
Accrued Compensated Absences	197,498		206,058	
Total Long-Term Liabilities	208,133,744	33,841	204,318,312	38,109
Total Liabilities	224,591,316	682,119	219,936,467	679,394
DEFERRED INFLOWS OF RESOURCES:				
Deferred Amount Relating to Pensions	4,247,826		3,773,634	
Deferred Amount Relating to OPEB	262,160		-	
Deferred Amount Relating to Arts & Innovation Project	3,784,375		3,784,375	
Deferred Amount Relating to Leases	219,791,624		228,081,581	
TOTAL DEFERRED INFLOWS OF RESOURCES	228,085,985	-	235,639,590	-
NET POSITION:				
Net Investment in Capital Assets	43,145,115		43,868,591	
Restricted:				
Operations	1,945,840		1,729,730	
Debt Service	2,135,500		2,037,778	
Equipment Renewal and Replacement	777,152		1,687,142	
Unrestricted (Deficit)	(12,706,121)	10,422,233	(11,828,741)	10,588,447
Total Net Position	$ 35,297,486	$ 10,422,233	$ 37,494,500	$ 10,588,447

The accompanying Notes to Financial Statements are an integral part of these statements.

CUMBERLAND COUNTY IMPROVEMENT AUTHORITY
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
YEARS ENDED DECEMBER 31, 2021 AND 2020

	2021		2020	
	Authority	Component Unit - CEZC	Authority	Component Unit - CEZC
OPERATING REVENUE:				
Landfill Tipping Fees	$ 15,637,744	$	$ 15,369,107	$
Lease/Rental Income	9,732,553	11,983	6,861,026	10,192
Interest Income on Leases	396,812		295,605	
Interest Income on Mortgages/Loans		151,223		125,416
Project Management Fee	1,010,668		1,185,466	
Renewable Energy Revenue	502,102		224,897	
Recycle Revenue	635,309		307,510	
Operating Grants	822,157	219,432	457,480	209,435
Project Income - Fleet Maintenance	285,166		313,108	
Administrative/ Bond Transaction Fee/ Real Estate Trans.	9,369		498,864	
Property Management Fee	1,030,457		996,625	
Other Operating Income	742,961	7,750	473,834	9,795
Total Operating Revenue	30,805,298	390,388	26,983,522	354,838
OPERATING EXPENSES:				
Cost of Providing Services	12,116,116	225,722	12,517,286	214,272
Administrative and General	4,149,051	330,880	4,421,924	276,832
Closure and Postclosure Costs	1,832,613		7,327,201	
Depreciation	9,265,817		7,700,878	
Total Operating Expenses	27,363,597	556,602	31,967,289	491,104
OPERATING INCOME (LOSS)	3,441,701	(166,214)	(4,983,767)	(136,266)
NON-OPERATING REVENUE (EXPENSES):				
Interest Income	361,641		479,436	
Interest Expense	(5,963,579)		(5,040,759)	
Net Increase (Decrease) in Fair Value of Investments	(789,430)		695,738	
Appropriated to County	(694,105)		(605,114)	
Forgivable Loans/Grants	-		(100,000)	
Debt Issue Costs Incurred	(190,019)		(58,461)	
Gain Disposal of Assets	67,862		82,941	
PILOT Program - Municipal	(14,833)		(14,833)	
Other Non-Operating Income	1,259,378		1,295,631	
Total Non-Operating Revenue (Expenses)	(5,963,085)	-	(3,265,421)	-
LOSS BEFORE CAPITAL CONTRIBUTIONS	(2,521,384)	(166,214)	(8,249,188)	(136,266)
CAPITAL CONTRIBUTIONS	324,370		2,273,428	
CHANGE IN NET POSITION	(2,197,014)	(166,214)	(5,975,760)	(136,266)
NET POSITION-BEGINNING	37,494,500	10,588,447	43,470,260	10,724,713
TOTAL NET POSITION-ENDING	$ 35,297,486	$ 10,422,233	$ 37,494,500	$ 10,588,447

The accompanying Notes to Financial Statements are an integral part of these statements.

CUMBERLAND COUNTY IMPROVEMENT AUTHORITY
COMPARATIVE STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2021 AND 2020

	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash Received from Customers and Users	$ 29,483,396	$ 26,011,866
Cash Payments to Suppliers for Goods and Services	(6,352,117)	(7,819,579)
Cash Payments for Employee Services	(8,358,875)	(8,362,035)
Other Operating Receipts and Payments	1,424,876	299,366
Net Cash Provided by Operating Activities	16,197,280	10,129,618
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:		
Appropriated to County	(694,105)	(605,114)
P.I.L.O.T. Program-Municipal	(14,833)	(14,833)
Loans/Lease Receivable	52,154	155,354
Other Non-Operating Revenue and Expenses	1,259,378	1,295,631
Net Cash Provided by Non-Capital Financing Activities	602,594	831,038
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition and Construction of Capital Assets	(10,243,850)	(19,855,912)
Proceeds from Sale of Capital Assets	67,862	82,941
Proceeds from Loan/Lease Issues	2,400,000	3,225,000
Proceeds from Bond Issue	7,495,000	3,165,000
Premiums Received on the Issuance of Debt	994,113	-
Principal Paid on Bonds/Loans	(6,660,402)	(7,171,245)
Debt Issue Costs Paid	(190,019)	(58,461)
Interest Paid on Bonds	(5,965,627)	(3,742,144)
Capital Contributions	324,370	2,273,428
Net Cash Used by Capital and Related Financing Activities	(11,778,553)	(22,081,393)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of Investment Securities	(14,569,001)	(9,780,011)
Proceeds from Sale and Maturities of Investment Securities	13,921,861	28,253,980
Interest Received on Investments	373,503	1,256,809
Net Cash Provided (Used) by Investing Activities	(273,637)	19,730,778
NET INCREASE IN CASH AND CASH EQUIVALENTS	4,747,684	8,610,041
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	75,095,174	66,485,133
CASH AND CASH EQUIVALENTS AT END OF YEAR	$ 79,842,858	$ 75,095,174

(Continued)

The accompanying Notes to Financial Statements are an integral part of these statements.

CUMBERLAND COUNTY IMPROVEMENT AUTHORITY
COMPARATIVE STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2021 AND 2020

	2021	2020
CASH AND CASH EQUIVALENTS - STATEMENT OF NET POSITION		
Cash and Cash Equivalents - Unrestricted	$ 1,134,034	$ 917,493
Accounts Required by Authority's Bond Resolutions/Loan Agreements:		
Cash and Cash Equivalents	76,814,354	71,361,832
Cash Held by Fiscal Agent	300,558	422,221
Cash and Cash Equivalents - Other Restricted Accounts	1,593,912	2,393,628
	$ 79,842,858	$ 75,095,174
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:		
Operating Income (Loss)	$ 3,441,701	$ (4,983,767)
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:		
Depreciation	9,265,817	7,700,878
Increase (Decrease) in Cash Resulting From Changes in:		
Customer Accounts Receivable	(288,664)	(385,495)
Other Receivables	503,328	(528,122)
Lease Receivables	8,190,543	(157,889,566)
Operating Grants Receivable	(141,614)	80,516
Inventories	(8,654)	(11,938)
Prepaid Expenses	23,322	(102,943)
Deferred Outflows Related to Pensions	1,250,496	(1,844,143)
Deferred Outflows Related to OPEB	70,661	(442,993)
Accounts Payable - Operations	622,482	(442,648)
Other Payables	(49,423)	-
Accrued Liabilities	1,156,581	(376,344)
Customer & Security Deposits	(190,863)	(12,914)
Landfill Taxes Payable	136,015	127,662
Host Community Benefit Payable	(229,236)	(208,501)
Unearned Revenue	320,201	273,138
License Agreement Escrow	(65,314)	109,016
Accrued Liabilities - Pension	105,984	300,707
Accrued Liabilities - OPEB	233,424	1,030,642
Accrued Compensated Absences	(8,560)	43,861
Net Pension Liability	(2,157,795)	1,544,941
Accrued Closure and Postclosure Costs	1,832,613	7,327,201
Deferred Inflows Related to Pensions	474,192	1,030,277
Deferred Inflows Related to Leases	(8,289,957)	157,790,153
Total Adjustments	12,755,579	15,113,385
Net Cash Provided by Operating Activities	$ 16,197,280	$ 10,129,618

The accompanying Notes to Financial Statements are an integral part of these statements.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Cumberland County Improvement Authority is a public body politic and corporate constituting a political subdivision of the State of New Jersey. It was established as an instrumentality exercising public and essential governmental functions under the provisions of the County Improvement Authorities Law, P.L. 1960, C.183 (N.J.S.A. 40:37A-44 et. seq.), as amended and supplemented. The Authority was established December 30, 1980 by resolution of the Board of Chosen Freeholders of the County of Cumberland.

Since its inception, the Authority’s primary responsibility has been to maintain the financial stability and operating efficiencies of the solid waste facility in a deregulated atmosphere while continuing to offer and expand the environmentally beneficial programs to its constituency. The Authority's Solid Waste Complex is the home of the Sanitary Landfill and related solid waste and recycling initiatives. In addition to its primary responsibility of operating the County's Solid Waste Facility, the Authority has become the County's designated economic and redevelopment entity and has undertaken a significant redevelopment portfolio that includes the acquisition, construction, and property management of buildings occupied by state, county, municipal, not-for-profit and commercial tenants. Other activities include a “Conduit Bond Financing Program", alternative energy projects, and Shared Services Programs including but not limited to, Fleet Maintenance, Facilities Management, Project and Construction Management, Recycling, and real estate transactions on behalf of the County and other Municipalities.

As a public body, under existing statute, the Authority is exempt from both federal and state taxes.

Financial Reporting Entity

The Authority is a component unit of the County of Cumberland as it meets the financial accountability criteria for component units set forth in Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity*, as amended by GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*, GASB Statement No. 61, *The Financial Reporting Entity: Omnibus – an Amendment of GASB Statements No. 14 and No. 34, and* GASB Statement No. 80, *Blending Requirements for Certain Component Units – an amendment of GASB Statement No. 14*. The financial statements of the County of Cumberland are not presented in accordance with generally accepted accounting principles (GAAP) and do not present the financial statements of its component units in accordance with those GASB Statements. The financial statements of the Authority would be either blended or discretely presented with those of the County reported using generally accepted accounting principles (GAAP) applicable to governmental entities.

Beginning in 2018, the Authority entered into an enhanced relationship with a not-for-profit entity, the Cumberland Empowerment Zone Corp. (CEZC), that meets the criteria to be considered a component unit. The 2021 and 2020 financial statements of the CEZC are discretely presented in the Authority’s financial statements. Discretely presented component units are reported in a separate column in the government’s financial statements to emphasize that it is legally separate from the government. The CEZC issues a financial report that includes financial statements and supplementary information. That report may be obtained by contacting, the Executive Director of the Cumberland Empowerment Zone Corp., PO Box 847, Millville, NJ 08332.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation

The accounts of the Authority are an enterprise fund. An enterprise fund is a Proprietary type fund used to account for operations (a) that are financed and operated in a manner similar to private business enterprises- where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or the change in net position is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Measurement focus is a term used to describe “which” transactions are recorded within the various financial statements. Basis of accounting refers to “when” transactions are recorded regardless of the measurement focus applied.

The accompanying financial statements are reported using the “economic resources measurement focus,” and the “accrual basis of accounting.” Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services in connection with a proprietary fund’s principal ongoing operations. The principal operating revenues of the Authority are landfill tipping fees, lease/rental income, interest income on leases, project management fees, methane gas project revenue, operating grant revenue, project income-fleet maintenance and property management fees. The Authority also recognizes recycling can school program and other recycling program revenues and bond transaction/financing fees, as operating revenue. Operating expenses include cost of providing services, administrative and general expenses, closure and postclosure costs and depreciation. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the Authority’s policy to use restricted resources first, then unrestricted resources as they are needed.

Budgets and Budgetary Accounting

The Authority must adopt an annual budget in accordance with N.J.A.C. 5:31-2. The budget must be introduced by the governing body at least 60 days prior to end of the current fiscal year, and adopted no later than the beginning of the Authority’s fiscal year. The budget is adopted on the accrual basis of accounting with provision for cash payments for bond principal. Depreciation and amortization expense are not included as budget appropriations. The Authority may make budget transfers and amendments at any time, which must be approved by resolution of the Authority and by the State of New Jersey Division of Local Government Services if the legal level line items are affected. Detailed line-item transfers not affecting the legal level line items may be made by management at any time. There are no statutory provisions that budgetary line items not be over-expended.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash, Cash Equivalents and Investments

Cash and cash equivalents include petty cash, change funds, cash in banks and all highly liquid investments with a maturity of three months or less at the time of purchase. Investments are stated at fair value.

New Jersey governmental units are required by N.J.S.A. 40A:5-14 to adopt a cash management plan and to deposit and/or invest its funds pursuant to that plan.

The governing body of the Authority has adopted a cash management plan ("the plan") and, as required, approves the plan annually. The plan includes the designation of the public depositories to be utilized by the Authority to deposit public funds.

Eligible depositories are defined in section 1 of P.L. 1970, c.236 (C. 17.9-41) and are limited to banks or trust companies having their 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 with 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 governments and their component units.

N.J.S.A. 17:9-41 et. seq., which establishes the requirements for the security of deposits of governmental units, 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).

GUDPA 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 the State of New Jersey or state or federally chartered banks, savings banks or associations located in another state with 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 of at least five percent (5%) 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 full amount of their deposits to the governmental units.

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

Accounts Receivable

The Authority has provided for doubtful accounts by the allowance method. The allowance for doubtful accounts is based upon management's estimate of potentially uncollectible accounts.

Prepaid Expenses

Prepaid expenses recorded on the financial statements represent payments made to vendors for services that will benefit periods beyond the year end.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Inventory

Inventory is stated at cost determined on a first-in, first-out basis. Inventories of recyclables on hand have no cost basis and therefore are not reflected in the Statements of Net Position.

Capital Assets

Capital assets, which consist of property, plant and equipment are stated at cost, which includes direct construction costs and other expenditures related to construction.

Capital assets are defined by the Authority as assets with an initial individual cost of $5,000 or more and an estimated useful life in excess of one year.

Construction in progress is stated at cost. Construction costs are charged to construction in progress until such time as the facility is put into operation.

Depreciation is provided on a straight-line basis over the estimated useful lives of the assets for all plant and equipment with the exception of landfill cells, which are being depreciated based upon the percentage of waste landfilled to the total projected capacity of the cell. Depreciation is provided over the following useful lives:

Buildings and Improvements	20-50 Years
Improvements Other Than Buildings:	
Infrastructure	20 Years
Landfill Cells	(See above)
Machinery and Equipment	3, 5 and 10 Years
Office Furniture and Equipment	10 Years

Bond Premiums and Discounts

Bond premiums and discounts are deferred and amortized over the life of the bonds using the interest method. Bonds payable are reported net of the applicable bond premium or discount.

Deferred Outflows and Deferred Inflows of Resources

The Statements of Net Position reports separate sections for deferred outflows of resources and deferred inflows of resources. Deferred outflows of resources, reported after Total Assets, represents a reduction of net position that applies to a future period(s) and will be recognized as an outflow of resources (expense) at that time. Deferred inflows of resources, reported after Total Liabilities, represents an acquisition of net position that applies to a future period(s) and will be recognized as an inflow of resources (revenue) at that time.

Transactions are classified as deferred outflows of resources and deferred inflows of resources only when specifically prescribed by the Governmental Accounting Standards Board (GASB) standards.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deferred Outflows and Deferred Inflows of Resources (Continued)

The Authority reports the following as deferred outflows of resources:

Defined Benefit Pension Plans – The difference between expected (actuarial) and actual experience, changes in actuarial assumptions, net difference between projected (actuarial) and actual earnings on pension plan investments, changes in the Authority's proportion of expenses and liabilities to the pension as a whole, differences between the Authority's pension contribution and its proportionate share of contributions, and the Authority's pension contributions subsequent to the pension valuation measurement date.

Deferred Loss on Defeasance of Debt – The deferred loss on defeasance of debt is recorded as a deferred outflow of resources. It is amortized over the shorter of the remaining life of the old debt or new debt based upon the interest method as a component of interest expense.

Other Post-Employment Benefits (OPEB) – The difference between expected (actuarial) and actual experience and changes in actuarial assumptions are reported as deferred outflows.

The Authority reports the following as deferred inflows of resources:

Defined Benefit Pension Plans – The difference between expected (actuarial) and actual experience, changes in actuarial assumptions, net difference between projected (actuarial) and actual earnings on pension plan investments, changes in the Authority's proportion of expenses and liabilities to the pension as a whole, differences between the Authority's pension contribution and its proportionate share of contributions, and the Authority's pension contributions subsequent to the pension valuation measurement date.

Other Post-Employment Benefits (OPEB) – The difference between expected (actuarial) and actual experience and changes in actuarial assumptions are reported as deferred inflows.

The Authority also reports the deferred amount relating to the Arts & Innovation Project and deferred amounts relating to lease revenues as deferred inflows of resources.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Public Employees' Retirement System ("PERS") and additions to/deductions from PERS's fiduciary net position have been determined on the same basis as they are reported by the plans. For this purpose, 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.

Postemployment Benefits Other than Pensions

For the year ended December 31, 2018, the Authority adopted Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for*

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Postemployment Benefits Other than Pensions (Continued)

Postemployment Benefits Other Than Pensions (GASB 75). Prior to 2018, the Authority reported postemployment benefits other than pensions in accordance with Governmental Accounting Standards Board (GASB) Statement 45, *Accounting and Financial Reporting by*

Employers for Postemployment Benefits other than Pensions. In September 2016, the Authority switched from the State Health Benefits Program (SHBP) to a self-insured plan. The Authority records its other postemployment benefits cost (expense) based on the actuarially determined amount. Required financial statement disclosures are included in Note 5.

Conduit Debt Obligations

The Authority has issued certain debt bearing its name to lower the cost of borrowing for specific governmental third parties. This debt is commonly referred to as conduit or non-commitment debt. The underlying Lease or Loan Agreements, which serve as collateral for the promise of payments by the third parties, call for payments that are equal to those required by the debt. These payments are made by the third party directly to an independent trustee who is appointed to service and administer the arrangement.

The Authority assumes no responsibility for repayment of this debt beyond the resources provided by the underlying Lease or Loan Agreements which is payable from the third party's revenues, but which is also a general obligation of the third party payable ultimately from the levy of *ad valorem* taxes on all real property in the third party's jurisdiction. As of December 31, 2021 and 2020 there were four Series of Conduit Bonds outstanding in the aggregate principal amount of $102,715,000 and $121,185,000 respectively, which are treated strictly as conduit debt obligations under Interpretation No. 2 of the Governmental Accounting Standards Board and are therefore not included in the financial statements. Note that included in the $102,715,000 outstanding as of December 31, 2021 is $25,000,000 of City of Vineland Electric Utility Bonds, Series 2009B originally issued by the Authority. In June 2019, the City of Vineland issued its Electric Utility Refunding Bonds Series 2019 and established a Revocable Escrow Account with TD Bank that provided for the economic defeasance of the City's Series 2009 Bonds. That escrow is being used by the Trustee to pay the debt service due on the Authority's Series 2009B Bonds, however, since it was a Revocable Escrow, the Authority's Bonds are still deemed outstanding.

Net Position

In accordance with the provisions of GASB Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis –for State and Local Governments*, the Authority has classified its net position into three components. These classifications are defined as follows:

Net Investment in Capital Assets - This component of net position consists of capital assets, net of accumulated depreciation, reduced, by the outstanding balances of any bonds, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt also should be included in this component of net position.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net Position (Continued)

If there are significant unspent related debt proceeds or deferred inflows of resources at year-end, the portion of the debt attributable to the unspent proceeds is not included in the calculation of net investment in capital assets. Instead, that portion of the debt or deferred inflows of resources should be included in the same net position component as the unspent amount.

Restricted - Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Authority or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

Unrestricted - This component of net position consists of net position that does not meet the definition of "restricted" or "net investment in capital assets”. This component includes net position that may be designated for specific purposes by the Board.

Grants

Contributions received from various sources as grants are recorded in the period earned. Developer financed construction is recorded in the period in which applicable construction costs are incurred. Donated assets are recorded at fair market value at the date of the gift. Grants not externally restricted and utilized to finance operations are identified as operating revenue.

Grants externally restricted for non-operating purposes are recorded as capital contributions.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions. The estimates and assumptions affect the amounts reported in the financial statements. The actual results may differ from these estimates.

Income Taxes

The Authority is exempt from income taxes pursuant to Internal Revenue Code Section 115.

Subsequent Events

Management has evaluated subsequent events through September 28, 2022, the date the financial statements were available for issue.

Reclassifications

Certain prior year financial statement information has been reclassified to conform to the current year presentation. These reclassifications have no effect on the prior year net position or change in net position.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Adoption of Accounting Pronouncements

In June 2018, the GASB issued Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period* (GASB 89). The objectives of this Statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period. This Statement establishes accounting requirements for interest cost incurred before the end of a construction period. Such interest cost includes all interest that previously was accounted for in accordance with the requirements of paragraphs 5–22 of Statement No. 62, Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements, which are superseded by this Statement. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund. This Statement also reiterates that in financial statements prepared using the current financial resources measurement focus, interest cost incurred before the end of a construction period should be recognized as an expenditure on a basis consistent with governmental fund accounting principles. The adoption of this Statement had no material impact on the Authority's financial statements.

In October 2021, the GASB issued Statement No. 98, *The Annual Comprehensive Financial Report*. This Statement establishes the term annual comprehensive financial report and its acronym ACFR. That new term and acronym replace instances of comprehensive annual financial report and its acronym in generally accepted accounting principles for state and local governments. The adoption of this Statement had no material impact on the Authority's financial statements.

Recent Accounting Pronouncements Not Yet Effective

In May 2019, the GASB issued Statement No. 91, Conduit Debt Obligations (GASB 91). The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement also requires issuers to disclose general information about their conduit debt obligations, organized by type of commitment, including the aggregate outstanding principal amount of the issuers' conduit debt obligations and a description of each type of commitment. The requirements of this Statement were originally scheduled to be effective for reporting periods beginning after December 15, 2020 but has been postponed one year by GASB 95 as a result of the COVID-19 pandemic. Management is currently evaluating the impact of the adoption of this Statement and has not yet determined the impact of this Statement on the financial statements.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Recent Accounting Pronouncements Not Yet Effective (Continued)

In January 2020, the GASB issued Statement No. 92, Omnibus 2020. The primary objectives of this Statement enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics and includes specific provisions about the following:

- The effective date of Statement No. 87, Leases, and Implementation Guide No. 2019-3, Leases, for interim financial reports.
- Reporting of intra-entity transfers of assets between a primary government employer and a component unit defined benefit pension plan or defined benefit other postemployment benefit (OPEB) plan.
- The applicability of Statements No. 73, Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68, as amended, and No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans, as amended, to reporting assets accumulated for postemployment benefits.
- The applicability of certain requirements of Statement No. 84, Fiduciary Activities, to postemployment benefit arrangements, measurement of liabilities (and assets, if any) related to asset retirement obligations (AROs) in a government acquisition.
- Reporting by public entity risk pools for amounts that are recoverable from reinsurers or excess insurers.
- Reference to nonrecurring fair value measurements of assets or liabilities in authoritative literature.
- Terminology used to refer to derivative instruments.

The requirements of Statement 92 related to the effective date of Statement 87 and Implementation Guide 2019-3, reinsurance recoveries, and terminology used to refer to derivative instruments became effective upon issuance and had no had no impact on the Authority's financial statements. However, the remaining requirements of this Statement were originally scheduled to be effective for reporting periods beginning after June 15, 2020 but has been postponed one year by GASB 95 as a result of the COVID-19 pandemic. Management is currently evaluating the impact of the adoption of this Statement on the Authority's financial statements although no impact is expected.

In March 2020, the GASB issued Statement No. 93, Replacement of Interbank Offered Rates. The primary objectives of this Statement are to address implementation issues related to GASB Statement No. 53, Accounting and Financial Reporting for Derivative Instruments, as amended. GASB 53 requires any government entity must eliminate hedge accounting when it renegotiates or changes critical terms of a hedge agreement, such as no longer relying on the London Interbank Offered Rate (LIBOR) when it ceases to exist in its current form at the end of 2021. The requirements of this Statement were originally scheduled to be effective for reporting periods beginning after December 31, 2021 but has been postponed one year by GASB 95 as a result of the COVID-19 pandemic. The Authority has no derivative instruments as they are prohibited by the State of New Jersey statutory requirements. As a result, management does not expect any impact of the adoption of this Statement on the Authority's financial statements.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Recent Accounting Pronouncements Not Yet Effective (Continued)

In March 2020, the GASB issued Statement No. 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements. The primary objectives of this Statement are to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). As used in this Statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. The requirements of this Statement are effective for reporting periods beginning after June 15, 2022. Management is currently evaluating the impact of the adoption of this Statement and has not yet determined the impact of this Statement on the financial statements.

In May 2020, the GASB issued Statement No. 96, Subscription-Based Information Technology Arrangements. The primary objectives of this Statement are to provide guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). A SBITA is defined as a contract that conveys control of the right to use another party's (a SBITA vendor's) information technology (IT) software, alone or in combination with tangible capital assets (the underlying IT assets), as specified in the contract for a period of time in an exchange or exchange like transaction. The requirements of this Statement are effective for reporting periods beginning after June 15, 2022. Management is currently evaluating the impact of the adoption of this Statement and has not yet determined the impact of this Statement on the financial statements.

In June 2020, the GASB issued Statement No. 97, Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans. The primary objectives of this Statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans. The requirements of this Statement are effective for reporting periods beginning after June 15, 2021. Management is currently evaluating the impact of the adoption of this Statement and has not yet determined the impact of this Statement on the financial statements.

In April 2022, the GASB issued Statement No. 99, Omnibus 2022. The Objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistence of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The requirements related to extension of the use of LIBOR, accounting for SNAP distributions, disclosures of nonmonetary transactions, pledges for futures revenues by pledging governments,

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Recent Accounting Pronouncements Not Yet Effective (Continued)
clarification of certain provisions in Statement 34, as amended and terminology updates related to Statement 53 and Statement 63 are effective immediately. The requirements related to leases, PPP's and SBITAs will become effective for fiscal years beginning after June 15, 2022. The requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53 will become effective for the fiscal years beginning after June 15, 2023. Management does not expect this Statement will have an impact on the financial statements.

In June 2020, the GASB issued Statement No. 100, Accounting Changes and Error Corrections. The primary objective of this Statement is to enhance accounting and financial requirements for accounting changes and error correction to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. This Statement prescribes the accounting and financial reporting for (1) each type of accounting change and (2) error corrections. This Statement requires disclosure in notes to financial statements of descriptive information about accounting changes and error corrections, such as their nature. In addition, information about the quantitative effects on beginning balances of each accounting changes and error correction should be disclosed by reporting unit in a tabular format to reconcile beginning balances as previously reported to beginning balances as restated. The requirement of the Statement are effective for accounting changes and error corrections made in fiscal years beginning after June 15, 2023, and all reporting periods thereafter. Management is currently evaluating the impact of the adoption of this Statement and has not yet determined the impact of this Statement on the financial statements.

In June 2022, the GASB issued Statement No. 101, Compensated Absences. The primary objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. This Statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through non cash means. This Statement requires that a liability for certain types of compensated absences – including parental leave, military leave, and jury duty leave – not be recognized until the leave commences. This Statement also establishes guidance for measuring a liability for leave that has not been used, generally using an employee's pay rate as of the date of the financial statements. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter. Management is currently evaluating the impact of the adoption of this Statement and has not yet determined the impact of this Statement on the financial statements.

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

In accordance with the Authority's Solid Waste System Revenue Bond Resolution, as supplemented by the Series 2006 Solid Waste System Revenue Bond Resolution, and the Series 2015A County Guaranteed Solid Waste Revenue Refunding Bond Resolution, the Authority has established the following cash and investment accounts for the deposit of all revenues received by the Authority for the Solid Waste Facility:

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (CONTINUED)

Solid Waste System Revenue Bond Resolution (Continued)

Construction Fund - Proceeds from any source for payment of costs related to the construction, acquisition or restoration of any System Component, including grants, loans, proceeds derived from the issuance of bonds and insurance proceeds. Payments of costs related to the construction or acquisition of the Facilities Project.

Gross Revenue Fund - Transfers to the Closure/Post Closure Funds, and the Authority Revenue Fund.

Authority Revenue Fund - Balance of funds remaining in the Gross Revenue Fund after the applicable transfers have been made from that fund. Transfers to the Operating Fund, principal and interest accounts in the Bond Service Fund, Bond Reserve fund, if necessary, transfers to pay amounts due to the County pursuant to the County guarantee, if any, transfers to Renewal and Replacement Accounts, the General Fund and the Rebate Fund.

Operating Fund - Amounts necessary to meet the Operating Fund Requirement. Amounts required for operating expenses.

Bond Service Fund Account - The portion of each principal installment that would accrue during such period if each installment were deemed to accrue daily in equal amounts from the preceding installment due date.

Bond Service Fund Capitalized Interest Account - Proceeds of the Series 2006 Bonds as determined by an authorized officer of the Authority. Payment of interest on the bonds during the construction period.

Bond Reserve Fund - An amount equal to the maximum annual principal and interest payable during the current or any subsequent fiscal year on the bonds, not to exceed 10% of the proceeds of any bonds issued under the resolution. Payment of debt service on the Series 2015A Bonds or amounts needed to bring the Bond Service Accounts up to the Bond Service Requirement.

General Renewal - An amount, if any, needed to equal the system reserve requirement. Transfers to Bond Reserve Fund, if needed, to satisfy the Bond Reserve Requirement and/or reasonable and necessary expenses with respect to Systems Components for major repairs, renewals, replacements or maintenance items of a type not recurring annually or at shorter intervals.

Landfill Cell Replacement Account - Amounts as to be determined by the Authority. Subsequent phase (landfill cell) development.

Equipment Renewal and Replacement Account - Amounts to be determined by the Authority. Replacement of operating equipment.

General Fund - The amount remaining after all required transfers have been made.

Rebate Fund - An amount required to meet the Authority's rebate obligation. Rebates of arbitrage earnings to the United States Government.

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (CONTINUED)

In accordance with the Authority's 2014 County Guaranteed Facilities Acquisition Revenue Bond Resolution, the Authority has established the following cash and investment accounts for the deposit of all related revenue:

Construction Fund - Monies from any source for payment of costs related to the construction, acquisition, or restoration of the Facilities Project, including any monies received from the proceeds of insurance, and condemnation awards that are applied to the Facilities Project. Costs related to the construction or acquisition of the Facilities Project.

Revenue Fund - All amounts received by the Authority as rent by any tenant of the facilities pursuant to any lease; payments by County pursuant to County Guaranty; and any amounts received as security for the payment of a particular series of bonds. Insurance proceeds in excess of condemnation award that are not applied to the repair or replacement of the Facilities Project. Transfers to Debt Service Fund to satisfy the Bond Service Requirement.

Debt Service - The portion of each principal and interest installment to meet the Debt Service Requirement. Payment of principal and interest due on the bonds; payment of a particular series of bonds.

Sinking Fund - An amount equal to one-tenth (1/10) of the amount due and payable on or before the next succeeding twelve-month period. Sinking Fund Installments which are due and payable.

Rebate Fund - An amount required to meet the Authority's rebate obligation. Rebates of arbitrage earnings to the United States Government.

General Fund - The amount remaining after all required transfers have been made.

General Fund Cost of Issuance – The amount to pay the costs and expenses which are incurred in connection with the Bonds. Costs and expenses relative to the issuance of the Bonds.

Operating Fund - Amounts necessary to meet the Operating Fund Requirement. Amounts required for operating expenses.

In accordance with the Authority's 2015 Lease Revenue Bonds – State Office Buildings Project (Series 2015), the Authority has established the following cash and investment accounts for the deposit of all related revenue:

Construction Fund - Monies from any source for payment of costs related to the construction, acquisition or restoration of the Facilities Project, including any monies received from the proceeds of insurance, and condemnation awards that are applied to the Facilities Project. Costs related to the construction or acquisition of the Facilities Project.

Debt Service Requirement - The portion of each principal and interest installment to meet the Debt Service. Payment of principal and interest due on the bonds; payment of a particular series of Bonds.

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (CONTINUED)

2015 Lease Revenue Bonds Resolution (Continued)

Rebate Fund - An amount required to meet the Authority's rebate obligation. Rebates of arbitrage earnings to the United States Government.

General Fund - The amount remaining after all required transfers have been made.

In accordance with the Authority's 2017 Lease Revenue Bonds – City General Obligation Lease Revenue Bonds (Vineland Public Safety Building Project, Series 2017), the Authority has established the following cash and investment accounts for the deposit of all related revenue:

Acquisition Fund – Proceeds from the Series 2017 Bonds and certain other sources to be used for payment of costs related to the construction, acquisition of the Facilities Project, To the extent not otherwise utilized, moneys shall be transferred to the Debt Service Fund.

Revenue Fund - All amounts received by the Authority as lease payments pursuant to the lease agreement with the City of Vineland; certain other payments by the City pursuant to the lease agreement or Trust Indenture. Transfers to Debt Service Fund to satisfy the Debt Service Requirement.

Debt Service - The portion of each principal and interest installment to meet the Debt Service Requirement. Payment of principal and interest due on the bonds; payment of a particular series of bonds.

Debt Service Capitalized Interest – A portion of the proceeds of the Series 2017 Bonds in an amount to equal the Capitalized Interest on the Bonds. Payment of Capitalized Interest on the Series 2017 Bonds.

Operating Fund – Proceeds of the Series 2017 Bonds and any City of Vineland moneys, as may be the case, representing costs of issuance, the initial Authority Financing Fee and Authority Administrative Expenses as defined.

Proceeds Fund – Revenues paid pursuant to the Lease Agreement and not necessary to complete the Construction Project or any Additional Projects shall be transferred from the Acquisition Fund to the Proceeds fund and applied as a credit toward the City’s Lease Payment obligations.

Debt Retirement Fund – Subject to certain limitations, if on any Lease Payment Date the amount on deposit in the Debt Service Fund is less than the amount required to be in such fund, funds shall be transferred from the Debt Retirement Fund to the Debt Service Fund. If funds are available in the Debt Retirement Fund that are not required to make up any deficit in the Debt Service Fund, the amounts shall be applied to the purchase or redemption of the applicable series of Bonds.

Rebate Fund - An amount required to meet the Authority's rebate obligation. Rebates of arbitrage earnings to the United States Government.

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (CONTINUED)

In accordance with the Authority's 2018 Lease Revenue Bonds – County Guaranteed Lease Revenue Bonds (County Correctional Facility Project, Series 2018), the Authority has established the following cash and investment accounts for the deposit of all related revenue:

Acquisition Fund – Proceeds from the Series 2018 Bonds and certain other sources to be used for payment of costs related to the construction of the Project. To the extent not otherwise utilized, moneys shall be transferred to the Debt Service Fund.

Revenue Fund - All amounts, including lease payments received by the Authority from the County under the lease agreement with the County of Cumberland or pursuant to the Guaranty of the County; certain other payments by the County pursuant to the lease agreement or Trust Indenture. Transfers to Debt Service Fund to satisfy the Debt Service Requirement.

Debt Service - The portion of each principal and interest installment to meet the Debt Service Requirement. Payment of principal and interest due on the bonds; payment of a particular series of bonds.

Debt Service Capitalized Interest – A portion of the proceeds of the Series 2018 Bonds in an amount to equal the Capitalized Interest on the Bonds. Payment of Capitalized Interest on the Series 2018 Bonds.

Operating Fund – Proceeds of the Series 2018 Bonds and any County of Cumberland moneys, as may be the case, representing costs of issuance, the initial Authority Financing Fee and Authority Administrative Expenses as defined.

Proceeds Fund – Revenues paid pursuant to the Lease Agreement and Trust Indenture and not necessary to complete the Construction Project or any Additional Projects shall be transferred from the Acquisition Fund to the Proceeds fund and applied as a credit toward the County’s Lease Payment obligations.

Debt Retirement Fund – Subject to certain limitations, if on any Lease Payment Date prior to any Interest Payment Date or Principal Installment due date, the amount on deposit in the Debt Service Fund is less than the amount required to be in such fund, funds shall be transferred from the Debt Retirement Fund to the Debt Service Fund. If funds are available in the Debt Retirement Fund that are not required to make up any deficit in the Debt Service Fund, the amounts shall be applied to the purchase or redemption of the applicable series of Bonds.

Rebate Fund - An amount required to meet the Authority's rebate obligation. Rebates of arbitrage earnings to the United States Government.

In accordance with the Authority's 2019 County Guaranteed Revenue Bonds – (Authority Administration Building Project, Series 2019), the Authority has established the following cash and investment accounts for the deposit of all related revenue:

Acquisition Fund – Proceeds from the Series 2019 Bonds and certain other sources to be used for payment of costs related to the construction of the Project. To the extent not otherwise utilized, moneys shall be transferred to the Debt Service Fund.

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (CONTINUED)

2019 Lease Revenue Bonds Resolution (Continued)

Revenue Fund - All Revenues as defined in the Trust Indenture. All monies deposited in the Revenue Fund shall be held in trust for the benefit of the Holders, but shall be disbursed and applied solely for the uses and purposes set forth in the Trust Indenture.

Operating Fund – Proceeds of the Series 2019 Bonds representing costs of issuance.

Debt Service – Revenues to pay each principal and interest installment to meet the Debt Service Requirement. Any moneys paid to the Authority pursuant to the County Guaranty shall be deposited in the Debt Service Fund and applied to the payment of principal and interest due on the bonds.

In addition to the accounts required by the Bond Resolutions, the Authority has also established the following restricted accounts:

Taxes Account - An account in which the State of New Jersey mandated Sanitary Landfill Taxes and Host Community Benefit Tax are deposited and remitted to the proper authorities.

Closure and Postclosure Escrow Funds - Accounts in which a mandatory portion of the Tipping Fee is deposited per the New Jersey Department of Environmental Protection (NJDEP) requirements. May only be used for expenses with respect to the proper closure and post-closure of the landfill.

Development Account – An account established for the purpose of enabling the Authority to act as a vehicle for economic development within the County.

COMPLIANCE WITH THE RATE COVENANT CONTAINED IN THE AUTHORITY'S SOLID WASTE BOND RESOLUTION

Section 712 (2) of the Authority's Solid Waste Bond Resolution requires the Authority to estimate, compute, make and charge rates so that Authority Revenues, as defined in the Resolution, shall at least equal 110% of Bond Service, plus the amount needed, if any, for the Operating Fund to equal the Operating Fund Requirement; the Bond Reserve Fund to equal the Bond Reserve Requirement; the Renewal and Replacement Fund to equal the System Reserve Requirement; to provide the amount which is payable during the Fiscal Year to amortize any future closure costs; to provide for payment of all other charges related to the System which are payable out of such charges; to provide for any amounts required to be paid during the Fiscal Year pursuant to any Authority Agreement; to provide for payment of any additional amounts which are necessary to comply with the provisions of the Resolution and all other statutory and legal obligations of the Authority relating to the operation of the System or in the provision of Disposal Services.

Revenues are defined in the Authority's Bond Resolution to be "any funds, other than funds which have been borrowed by the Authority, which the Authority deposits in the Revenue Fund, regardless of the source thereof." For the years 2021 and 2020, Revenues as defined were sufficient to meet the rate covenant contained in Section 712 (2) of the Authority's Bond Resolution.

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (CONTINUED)

COMPLIANCE WITH THE LOAN COVENANT REQUIRED BY THE AUTHORITY'S SERIES 2017 AND 2018 BOND AGREEMENTS

Section 7.12 of the Series 2017 Bond Agreement states "the Authority shall maintain a ratio of Net Operating Income divided by the sum of: (i) interest expense on all obligations directly associated with the Pledged Property; and (ii) all regularly scheduled principal reductions under the Bond and under any other indebtedness directly associated with the Pledged Property of not less than 1.30 times (the "Debt Service Coverage Ratio Requirement").

For purposes of this Bond Agreement, Net Operating Income shall be defined as the net income received from the Pledged Property, after taxes, plus depreciation expense, plus amortization of goodwill and all other intangible assets, plus interest expense accrued on all interest-bearing obligations associated with the Pledged Property." For the year 2021 the requirement was waived by the lender. For the year 2020, the Authority met the Debt Service Coverage Ratio Requirement contained in the Series 2017 Bond Agreement.

AMOUNTS REQUIRED BY BOND RESOLUTIONS

The following cash and investment accounts are required by the Authority's Solid Waste Bond Resolutions:

	Series 2015 A Operating Fund	Series 2015 A Bond Reserve Fund	Series 2015A Debt Service Fund
Required Amount	$ 1,945,840	$ 1,958,950	$ 1,803,150
Cash and Investments	1,052,037	1,959,748	1,916,869
Surplus (Deficit)	$ (893,803) *	$ 798	$ 113,719

*Deficit is the result of timing differences – additions were made to the Operating Fund in January 2022.

The following cash and investment accounts are required by the Lease Revenue Bond Resolutions:

	Series 2014 Debt Service Fund	Series 2015 Debt Service Fund	Series 2017 Debt Service Fund
Required Amount	$ 481,560	$ 142,630	$ -
Cash and Investments	569,059	184,355	-
Surplus (Deficit)	$ 87,499	$ 41,725	$ -

ARBITRAGE RULES

The Authority is subject to certain arbitrage rules added to the Internal Revenue Code in 1969 and amended by TEFRA in 1992 and by the 1986 TRA.

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (CONTINUED)

ARBITRAGE RULES (CONTINUED)

Under these rules, interest earnings on certain investments of proceeds of the Authority's bonds are subject to the limitations imposed by the arbitrage provisions of the Internal Revenue Code. The Authority is required to rebate certain arbitrage profits on non-purpose investments at least once every five years. At December 31, 2021 and 2020, no material arbitrage profits were subject to rebate.

NOTE 3 DETAIL NOTES - ASSETS

CASH AND CASH EQUIVALENTS

At December 31, 2021 the carrying amount and bank balance of the Authority's time and demand deposits were $2,501,110 and $3,170,489, respectively. At December 31, 2020 the carrying amount and bank balance of the Authority's time and demand deposits were $3,203,715 and $3,865,284, respectively. All of the time and demand deposits were covered by either federal deposit insurance or by the Governmental Unit Deposit Protection Act (GUDPA).

Custodial Credit Risk – Custodial credit risk is the risk that, in the event of a bank failure, the Authority's deposits may not be returned to it. Although the Authority does not have a formal policy regarding custodial credit risk, as described in Note 1, 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.

Under the Act, the first $250,000 of governmental deposits in each insured depository is protected by the Federal Deposit Insurance Corporation (FDIC). The Authority's public funds in excess of the FDIC insured amounts are protected by GUDPA. As of December 31, 2021, $500,000 of the Authority's bank balance of $3,170,489 was insured and $2,670,489 was uninsured and collateralized. As of December 31, 2020, $500,000 of the Authority's bank balance of $3,865,284 was insured and $3,365,284 was uninsured and collateralized.

In addition to the bank deposits described above, as of December 31, 2021 and 2020, the Authority had $58,973,365 and $54,921,775 respectively, invested in a government money market fund which is not covered by federal deposit insurance or by GUDPA, but which invests exclusively in general obligations issued by the U.S. Government and backed by its full faith and credit and which carries a credit rating of AAA.

At December 31, 2021 and 2020 the Authority had $18,067,825 and $16,547,463 respectively, invested in the New Jersey Cash Management Fund ("the Fund") which is not covered by either federal deposit insurance or by GUDPA. The Fund is governed by regulations of the State Investment Council, who prescribe standards designed to insure the quality of investments in order to minimize risk to the Funds participants. Deposits with the New Jersey Cash Management Fund are not subject to custodial credit risk as defined above.

At December 31, 2021 and 2020 the Authority also reported Cash Held by Fiscal Agent in the amount of $300,558 and $422,221 respectively, consisting of proceeds from a term loan with a banking institution that are being held by that banking institution for expenditures to be made for the Authority's Food Specialization Project.

NOTE 3 DETAIL NOTES – ASSETS (CONTINUED)

INVESTMENTS

Custodial Credit Risk – For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Authority will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party.

Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the Authority, and are held by either the counterparty or the counterparty's trust department or agent but not in the Authority's name. All of the Authority's investments ($19,651,510 at December 31, 2021 and $19,793,604 at December 31, 2020) in U.S. Treasury obligations and agencies and other governmental agencies are held in the name of the counterparty not in the name of the Authority.

Interest Rate Risk- Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Authority does not have a formal 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 counterparty to an investment will not fulfill its obligations. N.J.S.A. 40A:5-15.1 limits the investments that the Authority may purchase in order to limit the exposure of governmental units to credit risk. The Authority's Cash Management Plan also limits its investment choices to those permitted by N.J.S.A. 40A:5-15.1.

Concentration of Credit Risk – The Authority does not place a limit on the amount that may be invested in any one issuer. All of the Authority's investments are government bonds held in various Federal Agencies, NJ State Agencies, NJ Counties or School Districts.

Fair Value Measurements – The Authority categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

As of December 31, 2021, the Authority had the following investments and maturities which are measured using Level 1 inputs.

Quality/Rating	Total Fair Value
Treasury/Agency	$ 17,555,408
AA2	246,448
A2	743,955
Other	1,105,699
Total Investments	$ 19,651,510

	Investment Maturities (in Years)			
Total	Less than 1	1-5	6-10	Greater than 10
$ 19,651,510	$ 3,322,648	$ 8,168,758	$ 5,766,322	$ 2,393,782

NOTE 3 DETAIL NOTES – ASSETS (CONTINUED)

INVESTMENTS (CONTINUED)

As of December 31, 2020, the Authority had the following investments and maturities which are measured using level 1 inputs.

Quality/Rating	Total Fair Value
Treasury/Agency	$ 17,819,427
AAA	-
AA2	244,257
A	
Total Investments	$ 19,793,604

	Investment Maturities (in Years)			
Total	Less than 1	1-5	6-10	Greater than 10
$ 19,793,604	$ 2,446,375	$ 8,706,119	$ 6,393,873	$ 2,247,237

INVESTMENTS IN REDEVELOPMENT SITES

On July 1, 2018, the Cumberland County Board of Vocational Education ("District") transferred and conveyed the ownership and operation of certain land and improvements located in the Township of Deerfield, New Jersey ("Township") to the Authority for $1 in order to advance redevelopment on behalf of the Township. The property is valued at fair market value based upon a subsequently executed agreement of sale in the amount of $2,112,500. Upon the completion of the sale, pursuant to the transfer of ownership agreement, the Authority will be entitled to 70% of the proceeds, and the District will be entitled to 30%. Closing on the sale had not yet taken place as of December 31, 2021 and 2020 and the investment of $2,112,500 is reported on the Statement of Net Position.

NOTE 3 DETAIL NOTES – ASSETS (CONTINUED)

GRANT FUNDS RECEIVABLE AND UNEARNED GRANT REVENUE

The amounts reflected in Exhibit A as grant funds receivable and unearned grant revenue consist of the following:

Name of Grant	Receivable (Unearned Revenue) Jan. 1, 2021	Earned/ Expended 2021	Received 2021	Receivable (Unearned Revenue) Dec. 31, 2021
NJDEP:				
Recycling Grants:				
REA Tax Entitlement Grant 2020	$ -	$ 162,000	$ 162,000	$ -
Clean Communities (Passed through the County of Cumberland) 2021		162,542	183,538	(20,996)
NJ LEAP Grant - FY 2020		97,406		97,406
NJ LEAP Grant - FY 2021		166,076	166,076	-
Community Foundation (Heart & Soul)		23,849	40,000	(16,151)
Wellness Grant Southern NJ Reg. Employee Ben. Funds	4,725		4,725	-
FEMA Grant	7,514	-	7,514	-
Opportunity Zone Grant	50,000	-	25,000	25,000
NJEDA Grant		13,820	125,005	(111,185)
CARES Act - SJ ED District		32,000	32,000	
Community Development Block Grant (CDBG)		458,278	376,831	81,447
USEDA Food Project Grant	250,000	-	-	250,000
	$ 312,239	$ 1,115,971	$ 1,122,689	$ 305,521

NOTE 3 DETAIL NOTES – ASSETS (CONTINUED)

LOANS RECEIVABLE

In May 2016, the Authority entered into a loan agreement in the amount of $521,556 with the Township of Deerfield for the purchase of a special emergency and fire rescue vehicle. The loan bears interest at a rate of 0.25% per annum on the unpaid principal balance. Principal payments in the amount of $52,876 will be made in ten annual payments beginning on July 1, 2017 and ending July 1, 2026. The balance at December 31, 2021 and 2020 is $262,405 and $314,494 respectively. The current portion of the receivable at December 31, 2021 is $52,219.

In 2015, the Authority adopted several resolutions with respect to the Arts & Innovation Center to be used by the Cumberland County College for its Arts & Business Innovation Campus (Project) including resolutions 1) authorizing the acquisition of the Project, 2) approving contracts with the architect to design the Project and with the general contractors to construct the Project, 3) approving entering into a Development Agreement with the Millville Urban Redevelopment Corporation (MURC). In 2016 it was determined it would be beneficial for the Project to be financed through utilizing the federal New Markets Tax Credit (NMTC). As a result, in April 2016 the Authority adopted a resolution making findings and determinations with respect to the authorization of various transactions related to the ownership, development, construction, financing and management of the Arts and Innovation Center Project and to the execution and delivery of various agreements by the Authority in connection therewith. This resolution defined the Authority's role in the transaction to be that of a Leveraged Lender authorizing the Authority to make a leveraged loan in an amount equal to $4,784,375 to Millville Arts Center Investment Fund, LLC.

The Leveraged Loan was made on May 19, 2016 and is evidenced by a Loan Agreement and a Promissory Note. Terms of the Loan call for interest only payments to be made to the Authority for the first seven (7) years of the loan at an interest rate of 75/100 of One Percent (0.75%).

Beginning in the year 2023, through the year 2036, the balance of principal and interest shall amortize on a basis of a fifty-two (52) year schedule. Beginning in 2037, the principal and interest shall amortize on the basis of a twenty (20) year schedule through the maturity date of May 18, 2056.

The leveraged loan was funded from the following sources - proceeds in the amount of $3,200,000 from the issuance of taxable Chapter 12 Bonds by the County of Cumberland for the benefit of the College; proceeds of a loan from the Cumberland Empowerment Zone Corporation (CEZC) in the principal amount of $1,000,000; a New Jersey Department of Community Affairs grant in the amount of $540,003 passed through the Holly City Development Corporation; and the Authority made a capital contribution towards the Project in the amount of $200,000 as well as an additional amount advanced in the amount $44,372. The balance of the leveraged loan receivable as of December 31, 2021 and 2020 is $4,784,375, all of which is non-current.

In March of 2018 the Authority adopted a resolution approving a project and project financing for a Food Specialization Project ("Project") located in the City of Bridgeton, New Jersey. The Authority acquired the property for the Project from the City of Bridgeton and is acting as developer for the project undertaking the design, development, financing and construction

NOTE 3 DETAIL NOTES – ASSETS (CONTINUED)

LOANS RECEIVABLE (CONTINUED)

of the Project. In May of 2018 the Authority entered into a Fund Loan Agreement with 481 Bridgeton Investment Fund, LLC. ("Borrower"). Pursuant to the agreement the Authority provided a leveraged loan in the principal amount of $7,357,350 to the Borrower related to the development of the Project. Funds for the leveraged loan were derived from the proceeds of a $7,357,350 "source loan" from a local lender. The leveraged loan has a 30-year term, maturing May 23, 2048 at an interest rate of 1.78% per annum. The Authority is to receive interest only payments for the first seven (7) years of the loan term. Beginning in the year 2025, through the year 2032, the balance of principal and interest shall amortize on a basis of a fifty (50) year amortization. Thereafter, the principal and interest shall amortize on the basis of a sixteen (16) year schedule through the maturity date of May 23, 2048. The balance of the leveraged loan receivable as of December 31, 2021 and 2020 is $7,357,350, all of which is non-current.

LEASE RECEIVABLES AND DEFERRED INFLOWS – LEASES

The Authority leases certain buildings/properties to the State of New Jersey, County of Cumberland, City of Vineland, certain Not-for-Profit Entities and Commercial enterprises. The lease terms are as follows:

Lesee	Number of Leases	Lease Term
County of Cumberland	4	(2) Leases are for 20 years; (2) Leases are for 10 Years with (2) 5-year extensions; (1) Lease is for 40 years
State of New Jersey	6	(5) Leases are for 10 years with (2) 5-year extensions (1) Lease is for 8.75 years
City of Vineland	2	(1) Lease is for 15 years; (1) Lease is for 25 years
Not-For-Profit Organizations	3	5-6 years
Commercial Entities	2	(1) Lease is for 3 years; (1) Lease is month-to-month
Vineland Board of Education	1	5 Years

NOTE 3 DETAIL NOTES – ASSETS (CONTINUED)

LEASE RECEIVABLES AND DEFERRED INFLOWS – LEASES (CONTINUED)

For lease payments that secure the Authority's debt related to the leased property, there are no provisions for the lessee to terminate or abate lease payments prior to the end of the lease term. Deferred Inflows recognized in 2021 and 2020 were $9,731,774 and $6,908,883 respectively and the Interest portion of Lease payments received in 2021 and 2020 was $396,812 and $295,605 respectively.

The following is a summary of changes in lease receivables for the years ended December 31, 2021 and 2020.

	Balance Jan. 1, 2021	2021 Leases	2021 Reductions	Balance Dec. 31, 2021	Amounts Due Within One Year
Lease Receivables	$ 218,490,210	$ 1,441,817	$ (9,632,360)	$ 210,299,667	$ 9,252,283

	Balance Jan. 1, 2020	2020 Leases	2020 Reductions	Balance Dec. 31, 2020	Amounts Due Within One Year
Lease Receivables	$ 60,600,644	$ 164,702,190	$ (6,812,624)	$ 218,490,210	$ 9,051,160

The annual lease payments to be received by the Authority, including principal and interest, as of December 31, 2021 are as follows:

Year Ending December 31,	Future Lease Payments Principal	Interest	Total
2022	$ 9,252,283	$ 377,486	$ 9,629,769
2023	9,329,988	380,761	9,710,749
2024	9,315,843	381,546	9,697,389
2025	9,151,674	373,052	9,524,726
2026	8,348,379	357,484	8,705,863
2027-2031	42,380,398	1,813,890	44,194,288
2032-2036	38,428,710	1,652,441	40,081,151
2037-2041	25,357,356	1,130,157	26,487,513
2042-Thereafter	58,735,036	2,694,799	61,429,835
	$ 210,299,667	$ 9,161,616	$ 219,461,283

NOTE 3 DETAIL NOTES – ASSETS (CONTINUED)

PROPERTY, PLANT AND EQUIPMENT

Capital asset activity for the year ended December 31, 2021 was as follows:

	Balance Jan. 1, 2021	Additions	Reductions	Balance Dec. 31, 2021
Non-Depreciable Capital Assets:				
Land	$ 6,753,174	$ 148,900	$ -	$ 6,902,074
Construction In Progress	28,489,979	7,189,272	13,276,129	22,403,122
Total Non-Depreciable Capital Assets	35,243,153	7,338,172	13,276,129	29,305,196
Depreciable Capital Assets:				
Building and Related Improvements	103,547,637	11,900,964		115,448,601
Improvements Other than Buildings	86,873,864	1,511,738		88,385,602
Machinery And Equipment	18,255,715	1,943,088	43,187	20,155,616
Office Equipment	642,443	10,451		652,894
Total Depreciable Capital Assets	209,319,659	15,366,241	43,187	224,642,713
Less Accumulated Depreciation:				
Building and Related Improvements	29,214,034	4,535,674		33,749,708
Improvements Other than Buildings	47,476,192	3,011,792	343	50,487,641
Machinery And Equipment	12,748,359	1,708,881	43,187	14,414,053
Office Equipment	575,639	9,470		585,109
Less Accumulated Depreciation	90,014,224	9,265,817	43,530	99,236,511
Net Depreciable Capital Assets	119,305,435	6,100,424	(343)	125,406,202
Total Capital Assets, Net	$154,548,588	$13,438,596	$13,275,786	$154,711,398

NOTE 3 DETAIL NOTES – ASSETS (CONTINUED)

PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Capital asset activity for the year ended December 31, 2020 was as follows:

	Balance Jan. 1, 2020	Additions	Reductions	Balance Dec. 31, 2020
Non-Depreciable Capital Assets:				
Land	$ 6,373,174	$ 380,000	$ -	$ 6,753,174
Construction In Progress	17,100,036	15,873,152	4,483,209	28,489,979
Total Non-Depreciable Capital Assets	23,473,210	16,253,152	4,483,209	35,243,153
Depreciable Capital Assets:				
Building and Related Improvements	102,360,073	1,187,564		103,547,637
Improvements Other than Buildings	82,597,580	4,276,284		86,873,864
Machinery And Equipment	16,839,832	1,796,148	380,265	18,255,715
Office Equipment	605,566	51,874	14,997	642,443
Total Depreciable Capital Assets	202,403,051	7,311,870	395,262	209,319,659
Less Accumulated Depreciation:				
Building and Related Improvements	25,146,325	4,067,709		29,214,034
Improvements Other than Buildings	45,377,256	2,098,936		47,476,192
Machinery And Equipment	11,601,699	1,526,925	380,265	12,748,359
Office Equipment	583,328	7,308	14,997	575,639
Less Accumulated Depreciation	82,708,608	7,700,878	395,262	90,014,224
Net Depreciable Capital Assets	119,694,443	(389,008)	-	119,305,435
Total Capital Assets, Net	$143,167,653	$15,864,144	$ 4,483,209	$154,548,588

Depreciation expense for the years ended December 31, 2021 and 2020 was charged to:

	2021	2020
Solid Waste Operations	$ 4,713,049	$ 4,265,960
Other Operations	4,552,768	3,434,918
	$ 9,265,817	$7,700,878

NOTE 4 DETAIL NOTES – LIABILITIES

LONG-TERM LIABILITIES

Bonds Payable

In June 2015, the Authority issued its 2015A County Guaranteed Solid Waste Revenue Refunding Bonds (Series 2015A), in the principal amount of $14,595,000. The Bonds are secured by a pledge on the Revenues generated at the Solid Waste Facility as well as the guarantee of the County of Cumberland. The proceeds derived from the issuance and sale of the Bonds are being used to advance refund the callable portion of the Authority's 2006 Revenue Bonds (Series 2006) dated August 3, 2006 then outstanding in the aggregate principal amount $14,930,000. A portion of the proceeds of the 2015A Bonds were deposited in an irrevocable escrow fund established with the trustee for the 2006 bonds, to defease the 2006 bonds which were defeased in 2017.

The 2015A Bonds maturing on and after January 1, 2018, are subject to redemption prior to maturity at the option of the Authority, as a whole at any time or in part from time to time, on January 1, 2017, and on any date thereafter and, if in part, in such order of maturities and in such principal amount within any maturity as shall be determined by the Authority and within any maturity by lot, at a redemption price equal to 100% of the principal amount of 2015A Bonds to be redeemed, together with accrued interest to the date fixed for redemption.

The outstanding balance of the Series 2015A Bonds at December 31, 2021 consists of serial and term bonds that mature in various amounts ranging from $1,610,000 in 2022 to $1,930,000 in 2026 with interest rates ranging from 3.00% to 5.00%. The outstanding balance of the Series 2015A Bonds at December 31, 2021 and 2020 is $8,870,000 and $10,405,000 respectively.

In May 2014, the Authority issued its Lease Revenue Bonds - Board of Social Services/Employment and Training Facilities Project (Series 2014), in the principal amount of $17,955,000. The 2014 Bonds are guaranteed by the County of Cumberland, and were issued to provide for the financing of the acquisition and renovation of an existing facility which a portion will be initially leased to Cumberland County Board of Social Services (BOSS) and to finance the construction of a new facility which a portion will be initially leased to the County for use by County Office of Employment and Training, capitalized interest on Series 2014 Bonds, and costs and expenses incurred by the Authority and County in connection with the issuance and delivery of the 2014 Bonds. Lease revenues and the related lease receivables from this property are pledged to the payment of debt service on the Bonds.

The 2014 Bonds maturing on and after May 1, 2025, are subject to redemption prior to maturity at the option of the Authority, upon written consent of the County, as a whole at any time or in part from time to time, on May 1, 2024, and on any date thereafter and, if in part, in such order of maturities and in such principal amount within any maturity as shall be determined by the Authority and within any maturity by lot, at a redemption price equal to 100% of the principal amount of 2014 Bonds to be redeemed, together with interest accrued to the redemption date.

NOTE 4 DETAIL NOTES – LIABILITIES (CONTINUED)

LONG-TERM LIABILITIES (CONTINUED)

Bonds Payable (Continued)

The outstanding balance of the Series 2014 Bonds at December 31, 2021 consists of serial and term bonds that mature in various amounts ranging from $580,000 in 2022 to $1,110,000 in 2039 with interest rates ranging from 3.00% to 5.00%. The outstanding balance of the Series 2014 Bonds at December 31, 2021 and 2020 is $14,745,000 and $15,295,000, respectively.

In July 2015, the Authority issued its 2015 Lease Revenue Bonds – State Office Buildings Project (Series 2015), in the principal amount of $3,975,000. The 2015 Bonds were issued to finance the renovation of a portion of an existing facility located at 275 N. Delsea Drive, Vineland, NJ to be utilized though a lease with the State Department of Treasury for State purposes by agencies of State government as may be determined by the State (DCF Facility) and the construction of a new facility to be located at property currently owned by the Authority at 9 West Park Avenue, Vineland, NJ, to be utilized for State purposes with the Treasury Department, by the Transportation, Motor Vehicles Commission or other State agency (MVC Facility), and costs and expenses incurred by the Authority in connection with the issuance and delivery of the Series 2015 Bonds. Lease revenues and the related lease receivables from this property are pledged to the payment of debt service on the Bonds.

The 2015 Bonds maturing on and after June 15, 2026, are subject to redemption prior to maturity at the option of the Authority, as a whole at any time or in part from time to time, on June 15, 2025, and on any date thereafter and, if in part, in such order of maturities and in such principal amount within any maturity as shall be determined by the Authority and within any maturity by lot, at a redemption price equal to 100% of the principal amount of 2015A Bonds to be redeemed, together with accrued interest to the date fixed for redemption.

The outstanding balance of the Series 2015 Bonds at December 31, 2021 consists of serial bonds that mature in various amounts ranging from $255,000 in 2022 to $395,000 in 2030 with an interest rate of 3.690%. The outstanding balance of the Series 2015 Bonds at December 31, 2021 and 2020 is $2,930,000 and $3,180,000, respectively.

In May 2017, the Authority issued indebtedness in connection with a financing involving the New Jersey Environmental Infrastructure Trust to finance a solid waste project (the “Series 2017A NJEIT Bonds” and the “Series 2017B NJEIT Bonds”). The Authority’s Series 2017A NJEIT Bonds were issued in the principal amount of $2,510,000. The outstanding balance of the Series 2017A Bonds at December 31, 2021 consists of serial maturities ranging from $105,000 in 2021 to $175,000 in 2036 with interest rates ranging from 3.00% to 5.00%. The Series 2017B NJEIT Bonds were issued in the principal amount of $7,648,515 at zero interest with annual principal payments in the amount of $388,908 through 2036. As of December 31, 2021 and 2020, $2,125,000 and $2,225,000 principal amount of the Series 2017A NJEIT Bonds remained outstanding, respectively and $5,833,613 and $6,222,521 principal amount of the Series 2017B NJEIT Bonds remained outstanding, respectively.

NOTE 4 DETAIL NOTES – LIABILITIES (CONTINUED)

LONG-TERM LIABILITIES (CONTINUED)

Bonds Payable (Continued)

In October 2017, the Authority issued Revenue Bonds (Office Building Acquisition Project), Series 2017 (Federally Taxable) in the principal amount of $12,000,000 at an interest rate of 4.950%. The proceeds from the sale of the Bond have been used to finance the acquisition of an existing industrial/office complex located at 51-71 West Park Avenue which is comprised of (a) a 32,000 square foot office building, (b) a 30,000 square foot maintenance facility, and (c) a 270,000 square foot warehouse/distribution center. The bond is a first priority mortgage pursuant to which the Authority has assigned, subject to certain reserved rights, its interest under the Lease agreements. Annual principal maturities range from $277,000 in 2021 to $912,000 in 2042. As of December 31, 2021 and 2020, the outstanding balance is $11,261,000 and $11,522,000 respectively.

In December 2017, the Authority issued its City General Obligation Lease Revenue Bonds (Vineland Public Safety Building Project), Series 2017, in the initial aggregate principal amount of $21,935,000 (the "Series 2017 Vineland Public Safety Building Bonds"), to provide funds which have been used to finance the acquisition of certain real property in the City of Vineland, County of Cumberland, New Jersey (the "City") on behalf of the City, which, together with certain real property currently owned by the City, will comprise the Project Site for the development and construction of an approximately 53,000 square foot public safety facility on the project site and the costs of equipping the Facility. Lease revenues and the related lease receivables from this property are pledged to the payment of debt service on the Bonds. The Bonds bear interest at 3.25% to 5.00%. Principal maturities range from $610,000 in 2022 to $1,410,000 in 2042. As of December 31, 2021 and 2020, the outstanding balance is $21,295,000 and $21,935,000 respectively.

In September 2018, the Authority issued its Revenue Bonds (Facilities Renovation Project), Series 2018 in the principal amount of $3,200,000 to finance various renovations and improvements to the existing industrial/office complex in the City of Vineland. The payment of the principal of and the interest on these Bonds is secured by lease payments made to the Authority by the City of Vineland. The Bonds bear interest at 4.980% to 6.950%. Principal maturities range from $175,000 in 2022 to $286,000 in 2033. As of December 31, 2021 and 2020, the outstanding balance is $2,724,000 and $2,891,000 respectively.

In December 2018, the Authority issued its County Guaranteed Lease Revenue Bonds (County Correctional Facility Project), Series 2018, in the initial aggregate principal amount of $64,990,000 to provide funds which were initially to be used to finance the acquisition of certain real property in the City of Bridgeton, County of Cumberland, New Jersey for the development and construction of a 100,000 square foot, approximately 408 bed correctional facility and a 25,000 square foot, three-story holding center and criminal courtroom facility. A portion of this project is on hold, however, Lease revenues and the related lease receivables from this project continue to be due and payable to the Authority and are pledged to the payment of debt service on the Bonds. The Bonds bear interest at 4.00% to 5.50%. Principal maturities range from $670,000 in 2022 to $3,355,000 in 2058. As of December 31, 2021 and 2020, the outstanding balance is $63,740,000 and $64,380,000.

NOTE 4 DETAIL NOTES – LIABILITIES (CONTINUED)

LONG-TERM LIABILITIES (CONTINUED)

Bonds Payable (Continued)

In April 2019 the Authority issued its Series 2019 County Guaranteed Revenue Bonds in the aggregate principal amount of $4,970,000. The Series 2019 Bonds were issued to provide funds which were used to pay: (1) the costs of acquisition of certain real property located in the Township of Deerfield, County of Cumberland, New Jersey (the “Project Site”); (2) the costs of design and construction of an approximately 15,000 square foot Authority administration building, which will be utilized to create office space for the Authority’s officers and employees (the “Facility”); (3) the completion of such other improvements and work and acquisition of equipment and materials as may be necessary or appropriate in connection with the construction of the Facility; and (4) the costs and expenses incurred by the Authority and the County in connection with the issuance and delivery of the Series 2019 Bonds (collectively, the “Project”). The Series 2019 Bonds are secured by the provisions of a guaranty of the County of Cumberland and by a lien on the pledged property. The Bonds bear interest at 3.00% to 5.00%. Principal maturities range from $90,000 in 2022 to $295,000 in 2049. As of December 31, 2021 and 2020 the outstanding balance is $4,800,000 and $4,885,000 respectively.

In April of 2020, the Authority issued its Lease Revenue Bonds (Vineland Board of Education Bus Depot Expansion Project), Series 2020, in the initial aggregate principal amount of $3,165,000 to provide funds which will be used to finance the expansion of the City of Vineland School District’s bus depot in the City of Vineland, County of Cumberland, New Jersey together with all other costs and expenses necessary for or related to the development, construction and equipping of the Bus Depot Expansion. Lease revenues and the related lease receivables from this property are pledged to the payment of debt service on the Bonds. The Bonds bear interest at 1.52%. Principal maturities range from $625,000 in 2022 to $650,000 in 2025. As of December 31, 2021 and 2020 the outstanding balance is $2,550,000 and $3,165,000 respectively.

In December of 2021, the Authority issued its City General Obligation Lease Revenue Bonds, (Bridgeton Fire Station Project) Series 2021 to finance: (1) the costs of the planning, design and construction of a new approximately 30,000 square foot Fire Station for use by the City Fire Department ("Facilities Project") to be located at 168 East Commerce Street in the City (Lot 1, Block 121) ("Project Site"); (2) all other costs and expenses necessary for or related to the development, construction and equipping of the Facilities Project; (3) capitalized interest on any bonds, notes or other debt obligations issued by the Authority to finance the costs thereof; (4) the costs of issuance with respect to the proposed financing, all as further set forth in the information submitted to the Authority in connection there with or as previously discussed among the parties (collectively, the "2021 Project"). Lease revenues and the related lease receivables from this property are pledged to the payment of debt service on the Bonds. The Bonds bear interest at 3.00% to 4.00%. Principal maturities range from $145,000 in 2023 to $400,000 in 2051. As of December 31, 2021 the outstanding balance is $7,495,000.

Loans/Notes Payable

In December 2017, the Authority (“Borrower”) secured a term loan with TD Bank, N.A.

NOTE 4 DETAIL NOTES – LIABILITIES (CONTINUED)

LONG-TERM LIABILITIES (CONTINUED)

Loans/Notes Payable (Continued)

("Lender") in the amount of $7,357,350 at a fixed interest rate of 3.86%. The loan is secured by property located at E. Broad to Willow Streets, City of Bridgeton, Cumberland County, New Jersey to be used to fund a loan from the Borrower to the Investment Fund in connection

with the NMTC Transaction and to pay costs and expenses incident to closing the Loan. Principal payments commenced in February of 2019. As of December 31, 2021 and 2020, the outstanding balance is $4,996,327 and $5,100,679 respectively.

In June 2018, the Authority entered into a Project Development and Management Agreement with the Cumberland Empowerment Zone Corp. (CEZC) for the Bridgeton Redevelopment Project and the Authority's Administration Building Projects. The CEZC loaned the Authority $1,000,000 for each of those projects with a 7-year term for the Bridgeton Redevelopment Project and a 5-year term for the Authority's Administration Building Project. The Authority repaid $1,000,000 for the Administration Building Project in 2019. The outstanding balance as of December 31, 2021 and 2020 is $1,000,000 and $1,000,000 respectively.

In July 2018, the Authority secured financing for certain equipment acquisitions (via lease/purchase agreements) in the amount of $3,000,000 related to the Compressed Natural Gas (CNG) Facility located at the Authority's Solid Waste Complex, and $700,000 related to one of the Authority's leased facilities (51-71 W. Park Avenue, Vineland, New Jersey). The $3,000,000 borrowing is for a 10-year term at 3.380% interest. Principal payments range from $284,111 in 2022 to $346,823 in 2028. The outstanding balance at December 31, 2021 and 2020 is $2,202,195 and $2,477,017 respectively. The $700,000 borrowing is for a 7-year term at 3.240% interest. Principal payments range from $99,797 in 2022 to $109,814 in 2025. The outstanding balance at December 31, 2021 and 2020 is $419,010 and $515,676 respectively.

In October 2019 the Authority secured a loan from TD Bank, NA. in the amount of $200,000 in connection with the acquisition of certain vehicles. The equipment acquired with these proceeds are used as collateral to secure the outstanding loan balance. The loan is for a 5 year term bearing interest at a rate of 2.10%. Principal payments range from $39,983 in 2022 to $41,680 in 2024. The outstanding balance at December 31, 2021 and 2020 is $122,485 and $161,645 respectively.

In April 2020, the Authority secured a loan from TD Bank, NA. in the amount of $725,000 in connection with the acquisition of certain equipment. The equipment acquired with these proceeds are used as collateral to secure the outstanding loan balance. The loan is for a 5 year term bearing interest at a rate of 1.750%. Principal payments range from $142,463 in 2022 to $150,075 in 2025. The outstanding balance at December 31, 2021 and 2020 is $584,987 and $725,000 respectively.

In October 2020 the Authority secured a loan from TD Bank, NA. in the amount of $1,650,000 in connection with the acquisition of certain equipment. The equipment acquired with these proceeds are used as collateral to secure the outstanding loan balance. The loan is for a 7 year term bearing interest at a rate of 1.450%. Principal payments range from $228,930 in 2022 to $246,014 in 2027. The outstanding balance at December 31, 2021 and 2020 is $1,424,342 and $1,650,000 respectively.

NOTE 4 DETAIL NOTES – LIABILITIES (CONTINUED)

LONG-TERM LIABILITIES (CONTINUED)

Loans/Notes Payable (Continued)

In December 2020 the Authority secured a loan from TD Bank, NA. in the amount of $850,000 in connection with the acquisition of certain equipment. The equipment acquired with these proceeds are used as collateral to secure the outstanding loan balance. The loan is for a 5 year term bearing interest at a rate of 1.430%. Principal payments range from $167,569 in 2022 to $174,862 in 2025. The outstanding balance at December 31, 2021 and 2020 is $684,793 and $850,000 respectively.

In September 2021 the Authority secured a loan from TD Bank, NA. in the amount of $2,400,000 in connection with the acquisition of certain equipment. The equipment acquired with these proceeds are used as collateral to secure the outstanding loan balance. The loan is for a 7 year term bearing interest at a rate of 2.680%. Principal payments range from $316,263 in 2022 to $370,649 in 2028. The outstanding balance at December 31, 2021 is $2,400,000.

Accrued Closure and Postclosure Care Costs

State and federal laws and regulations require the Authority to place a final cover on its Deerfield Township landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. Although closure and postclosure care costs will be paid only near or after the date the landfill stops accepting waste, the Authority reports a portion of these closure and postclosure care costs as an operating expense in each period based on landfill capacity used as of each statement of net position date.

The $36,016,129 reported as accrued closure and postclosure care costs at December 31, 2021 represents the cumulative amount reported to date based on the use of approximately 63.66% of the estimated capacity of the landfill.

The Authority will recognize the remaining $20,555,809 of the total estimated cost of closure and postclosure care of $56,571,938 as the remaining estimated capacity is filled.

These amounts are based on what it would cost to perform all closure and postclosure care in 2021. The Authority expects to close the landfill in the year 2042. Actual cost may be higher due to inflation, changes in technology, or changes in regulations.

NOTE 4 DETAIL NOTES – LIABILITIES (CONTINUED)

LONG-TERM LIABILITIES (CONTINUED)

Accrued Closure and Postclosure Care Costs (Continued)

The Authority is required by state laws and regulations to make annual contributions to a trust to finance closure and postclosure care costs. The Authority is in compliance with these requirements, and at December 31, 2021, cash and investments of $19,075,643 ($18,920,656-cost), are held for these purposes. These are reported as restricted assets on the statements of net position. The Authority expects that future inflation costs will be paid from interest earnings on these annual contributions. However, if interest earnings are inadequate or additional postclosure care requirements are determined (due to changes in technology or applicable laws or regulations, for example), these costs may need to be covered by charges to future landfill users or from future tax revenue.

The amounts reported above as accrued closure and postclosure care costs and remaining estimated cost of closure and postclosure care, percent of estimated capacity of the landfill used and the estimated date the Authority expects to close the landfill are based on the most recent report prepared by the Authority's Consulting Engineers. Based on that report the Authority reported an increase in the accrued closure postclosure cost from December 31, 2020 to 2021, and, therefore an expense for 2021 in the amount of $1,832,613. Note the expense for 2020 was $7,327,201.

Net Pension Liability

For details on the net pension liability, refer to Note 5. The Authority’s annual required contribution to the Public Employees’ Retirement System is budgeted and paid on an annual basis.

Accrued Compensated Absences

Current policy allows employees who retire from the Authority via PERS to be reimbursed for fifty percent (50%) of accrued sick leave up to a maximum of $12,000, calculated at the then current rate.

NOTE 4 DETAIL NOTES – LIABILITIES (CONTINUED)

LONG-TERM LIABILITIES (CONTINUED)

The following is a summary of changes in long-term liabilities for the year ended December 31, 2021:

Type of Debt:	Balance Jan. 1, 2021	Additions	Reductions	Balance Dec. 31, 2021	Amounts Due Within One Year
Revenue Bonds Payable:					
Solid Waste System					
Revenue Bonds:					
Series 2015A	$ 10,405,000	$ -	$1,535,000	$ 8,870,000	$1,610,000
Series 2017	8,447,521		488,908	7,958,613	493,908
Lease/Other Revenue Bonds:					
Series 2015	3,180,000		250,000	2,930,000	255,000
Series 2014	15,295,000		550,000	14,745,000	580,000
Capital Bank Series 2017	11,522,000		261,000	11,261,000	277,000
Vld PD Series 2017	21,935,000		640,000	21,295,000	610,000
Capital Bank Series 2018	2,891,000		167,000	2,724,000	175,000
DOC Series 2018	64,380,000		640,000	63,740,000	670,000
Series 2019 County			.		
Guaranteed-Admin. Bldg.	4,885,000		85,000	4,800,000	90,000
Vineland Bd of Ed Series 2020	3,165,000		615,000	2,550,000	625,000
Bridgeton Fire Station Series 2021		7,495,000		7,495,000	
Unamortized Debt Premium	4,748,980	994,115	233,118	5,509,977	
Total Revenue					
Bonds Payable	150,854,501	8,489,115	5,465,026	153,878,590	5,385,908
Loans Payable:					
CEZC	1,000,000			1,000,000	
Series 2017 Food					
Specialization Center	5,100,679		104,352	4,996,327	376,414
Equip. Loan-W. Park	515,676		96,666	419,010	99,797
Equip. Loan-CNG Station	2,477,017		274,822	2,202,195	284,111
Equip. Loan-2019	161,645		39,160	122,485	39,983
Equip. Loan-2020 Food Spec.	1,650,000		225,658	1,424,342	228,930
Equip. Loan-2020 Solid Waste	1,575,000		305,220	1,269,780	310,032
Equip. Loan-2020 SIM		2,400,000		2,400,000	316,263
Total Loans Payable	12,480,017	2,400,000	1,045,878	13,834,139	1,655,530
Accrued Closure and					
Postclosure Care Costs	34,183,516	1,832,613		36,016,129	
Net Pension Liability	8,937,043		2,157,795	6,779,248	
Accrued Liability-Pensions	299,763	35,328		335,091	
Net OPEB Obligation	3,901,063	233,424		4,134,487	
Accrued Comp Absences	206,058		8,560	197,498	
	$210,861,961	$12,990,480	$8,677,259	$215,175,182	$7,041,438

NOTE 4 DETAIL NOTES – LIABILITIES (CONTINUED)

LONG-TERM LIABILITIES (CONTINUED)

The following is a summary of changes in long-term liabilities for the year ended December 31, 2020:

Type of Debt:	Balance Jan. 1, 2020	Additions	Reductions	Balance Dec. 31, 2020	Amounts Due Within One Year
Revenue Bonds Payable:					
Solid Waste System					
Revenue Bonds:					
Series 2015A	$ 11,865,000	$ -	$1,460,000	$ 10,405,000	$1,535,000
Series 2017	8,936,428		488,907	8,447,521	488,908
Lease/Other Revenue Bonds:					
Series 2015	3,360,000		180,000	3,180,000	250,000
Series 2014	15,820,000		525,000	15,295,000	550,000
Capital Bank Series 2017	11,768,000		246,000	11,522,000	261,000
Vld PD Series 2017	21,935,000			21,935,000	640,000
Capital Bank Series 2018	3,050,000		159,000	2,891,000	167,000
DOC Series 2018	64,990,000		610,000	64,380,000	640,000
Series 2019 County Guaranteed-Admin. Bldg.	4,970,000		85,000	4,885,000	85,000
Vineland Bd of Ed Series 2020		3,165,000		3,165,000	615,000
Unamortized Debt Premium	4,976,821		227,841	4,748,980	
Total Revenue Bonds Payable	151,671,249	3,165,000	3,981,748	150,854,501	5,231,908
Loans Payable:					
CEZC	1,000,000			1,000,000	
Series 2017 Food Specialization Center	7,105,194		2,004,515	5,100,679	370,216
Equip. Loan-W. Park	609,307		93,631	515,676	96,665
Equip. Loan-CNG Station	2,742,854		265,837	2,477,017	274,822
Equip. Loan-2019	200,000		38,355	161,645	39,160
Equip. Loan-2020 Food Spec.		1,650,000		1,650,000	225,658
Equip. Loan-2020 Solid Waste		1,575,000		1,575,000	305,220
Total Loans Payable	11,657,355	3,225,000	2,402,338	12,480,017	1,311,741
Accrued Closure and Postclosure Care Costs	26,856,315	7,327,201		34,183,516	
Net Pension Liability	7,392,102	1,544,941		8,937,043	
Accrued Liability-Pensions	199,527	100,236		299,763	
Net OPEB Obligation	2,870,421	1,030,642		3,901,063	
Accrued Comp Absences	162,197	43,861		206,058	
	$200,809,166	$16,436,881	$6,384,086	$210,861,961	$6,543,649

NOTE 4 DETAIL NOTES – LIABILITIES (CONTINUED)

LONG-TERM LIABILITIES (CONTINUED)

The annual debt service requirements to maturity, including principal and interest, for revenue bonds and loans payable as of December 31, 2021 are as follows:

Year Ending December 31,	Solid Waste Revenue Bonds Principal	Solid Waste Revenue Bonds Interest	Lease Revenue Bonds Principal	Lease Revenue Bonds Interest	Loans Payable Principal	Loans Payable Interest
2022	$ 2,103,907	$ 420,693	$ 3,282,000	$ 5,523,122	$ 1,655,530	$ 403,048
2023	2,188,907	332,943	3,603,000	5,400,239	2,479,172	180,224
2024	2,288,907	240,694	3,749,000	5,249,320	5,790,856	346,925
2025	2,373,908	152,994	3,913,000	5,094,510	1,818,581	102,080
2026	2,448,908	80,594	3,473,000	4,943,228	676,069	73,710
2027-2031	2,654,538	197,169	18,927,000	21,683,771	1,043,282	64,325
2032-2036	2,769,538	82,369	21,858,000	18,371,883	370,649	-
2037-2041	-	-	22,643,000	13,103,898	-	-
2042-2046	-	-	15,327,000	9,233,477	-	-
2047-2050	-	-	34,765,000	10,514,675	-	-
	16,828,613	$ 1,507,456	131,540,000	$ 99,118,123	13,834,139	$ 1,170,312
Add: Unamortized Debt Premium	345,429		5,164,548			
	$ 17,174,042		$ 136,704,548		$ 13,834,139	

COMMITMENTS AND CONTINGENCIES

As of December 31, 2021 and 2020 the Authority has entered into various commitments for construction related professional services and construction contracts in its Solid Waste Operation in the amount of $1,267,629 and $3,110,245 respectively. Costs incurred on those contracts to December 31, 2021 and 2020 totaled $935,787 and $1,933,028 respectively.

As described in Note 1, the Authority has undertaken a significant redevelopment portfolio that includes acquisition, construction, and property management of buildings occupied by state, county, municipal, not-for-profit and commercial tenants. These projects are included in the Authority's Other Operations. As of December 31, 2021 and 2020 the Authority has entered into various commitments for construction related professional services and construction contracts in its Other Operations in the amount of $25,923,927 and $84,142,153 respectively. Costs incurred on those contracts to December 31, 2021 and 2020 totaled $22,515,578 and $30,260,333 respectively.

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

NOTE 5 DETAILED NOTES – RETIREMENT SYSTEM

PENSIONS

A substantial number of Authority employees participate in the Public Employees' Retirement System ("PERS"), a defined benefit pension plan, which is administered by the New Jersey Division of Pensions and Benefits ("the Division"). In addition, Authority employees may 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 and required supplementary information. That report may be obtained by obtained from:

State of New Jersey
Division of Pensions and Benefits
P.O. Box 295
Trenton, New Jersey 08625-0295
http://www.state.nj.us/treasury/pensions

Plan Descriptions

Defined Contribution Retirement Program (DCRP) – DCRP 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.

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

NOTE 5 DETAILED NOTES – RETIREMENT SYSTEM (CONTINUED)

PENSIONS (CONTINUED)

Vesting and Benefit Provisions

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 nonforfeitable. A participant's interest in that portion of his or her defined contribution retirement plan account attributable to employer contributions shall be vested and nonforfeitable 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.

Public Employees' Retirement System – The vesting and benefit provisions are set by N.J.S.A. 43:15A and 43:3B. 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 22, 2010
4	Members who were eligible to enroll on or after May 22, 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 before age 62 with 25 or more years of service credit 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 5 DETAILED NOTES – RETIREMENT SYSTEM (CONTINUED)

PENSIONS (CONTINUED)

Contributions

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 Authority 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. The number of employees participating in the DCRP for the years ended December 31, 2021, 2020 and 2019, were 12, 14 and 16, respectively. For the years ended December 31, 2021, 2020 and 2019, the Authority's contributions for covered employees were $4,297, $4,657 and $5,598, respectively.

Public Employees' Retirement System – The contribution policy for PERS is set by N.J.S.A. 15A and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2021, 2020 and 2019, the State's pension contribution was less than the actuarial determined amount.

The local employers' contribution amounts are based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PERS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets.

Covered Authority employees are required to contribute a percentage of their salary toward their pension benefits. P.L. 2011, c78, effective June 28, 2011, increased the active member contribution rate from 5.5% of annual compensation to 6.5% plus an additional 1% phased-in over 7 years beginning in July 2012. The member contribution rate was 7.50% in State fiscal year 2021 and 7.50% in State fiscal year 2020. Employee contributions were $299,638, $302,578 and $302,828 for the years ended December 31, 2021, 2020, and 2019, respectively. The payroll subject to pension for the Authority's employees covered by PERS was $3,944,189, $3,997,062 and $3,933,635 for the years ended December 31, 2021, 2020 and 2019, respectively.

The Authority is required by statute to contribute to the employee's pension benefits based on an annual actuarial calculation. The valuation is a determination of the financial condition of the retirement system. The Authority's required annual contributions to the PERS were $670,181, $599,525 and $399,054 for the years ended December 31, 2021, 2020, and 2019, respectively, and is included in the accompanying financial statements. The percentage of employer's contribution rate as a percentage of covered payroll for 2021, 2020 and 2019 was 16.99%, 15.00% and 10.14%, respectively.

NOTE 5 DETAILED NOTES – RETIREMENT SYSTEM (CONTINUED)

PENSIONS (CONTINUED)

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

At December 31, 2021 and 2020, the Authority reported a liability of $6,779,258 and $8,937,053, respectively for its proportionate share of the net pension liability. The net pension liability at December 31, 2021 and 2020 were measured as of June 30, 2021 and 2020, respectively. The total pension liability used to calculate the net pension liability on June 30, 2021 and 2020 was determined by an actuarial valuation as of July 1, 2020 and 2019, respectively. At June 30, 2021, the Authority's proportion was 0.0572258317%, which was an increase of 0.0024221168% from its proportion measured as of June 30, 2020. At June 30, 2020, the Authority's proportion was 0.0548037149%, which was an increase of 0.0137785509% from its proportion measured as of June 30, 2019.

At December 31, 2021 and 2020, respectively, the Authority reported deferred outflows and deferred inflows of resources related to pensions from the following sources:

	June 30, 2021		June 30, 2020	
	Deferred Outflow of Resources	Deferred Inflow of Resources	Deferred Outflow of Resources	Deferred Inflow of Resources
Differences between Expected and Actual Experience	$ 106,918	$ 48,531	$ 162,729	$ 31,605
Changes of Assumptions	35,306	2,413,460	289,928	3,742,029
Net Difference between Projected and Actual Earnings on Pension Plan Investments	-	1,785,835	305,476	-
Changes in Proportion and Differences between Authority Contributions and Proportionate Share of Contributions	3,280,151	-	3,950,066	-
Authority Contributions Subsequent to the Measurement Date	335,091	-	299,763	-
	$ 3,757,466	$ 4,247,826	$ 5,007,962	$ 3,773,634

NOTE 5 DETAILED NOTES – RETIREMENT SYSTEM (CONTINUED)

PENSIONS (CONTINUED)

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

Deferred outflows of resources related to pensions in the amount of $335,091 and $299,763 will be included as a reduction of the net pension liability in the year ending December 31, 2022 and 2021, respectively. This amount is based on an estimated April 1, 2022 and April 1, 2021 contractually required contribution. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending Dec 31,		Amortization
2022	$	(321,610)
2023		(229,628)
2024		(156,567)
2025		(117,692)
2026		46
	$	(825,451)

NOTE 5 DETAILED NOTES – RETIREMENT SYSTEM (CONTINUED)

PENSIONS (CONTINUED)

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

The Authority will amortize the above other deferred outflow of resources and deferred inflows of resources related to pensions over the following number of years:

	Deferred Outflow of Resources	Deferred Inflow of Resources
Differences between Expected and Actual Experience		
Year of Pension Plan Deferral:		
June 30, 2016	5.57	-
June 30, 2017	5.48	-
June 30, 2018	-	5.63
June 30, 2019	5.21	-
June 30, 2020	5.16	-
June 30, 2021	-	5.13
Changes of Assumptions		
Year of Pension Plan Deferral:		
June 30, 2016	5.57	-
June 30, 2017	-	5.48
June 30, 2018	-	5.63
June 30, 2019	-	5.21
June 30, 2020	-	5.16
June 30, 2021	5.13	-
Net Difference between Projected and Actual Earnings on Pension Plan Investments		
Year of Pension Plan Deferral:		
June 30, 2017	-	5.00
June 30, 2018	-	5.00
June 30, 2019	-	5.00
June 30, 2020	-	5.00
June 30, 2021	-	5.00

NOTE 5 DETAILED NOTES – RETIREMENT SYSTEM (CONTINUED)

PENSIONS (CONTINUED)

Actuarial Assumptions

The total pension liability for the June 30, 2021 and 2020 measurement dates were determined by actuarial valuations as of July 1, 2020 and 2019, respectively, which were rolled forward to June 30, 2021 and 2020, respectively.

These actuarial valuations used the following actuarial assumptions, applied to all periods in the measurement.

	June 30, 2021	June 30, 2020
Inflation Rate:		
Price	2.75%	2.75%
Wage	3.25%	3.25%
Salary Increases Based on Years of Service:		
Through 2026	2.00% - 6.00%	2.00% - 6.00%
Thereafter	3.00% - 7.00%	3.00% - 7.00%
Investment Rate of Return	7.00%	7.00%
Mortality Rate Table	RP-2000	RP-2000
Period of Actuarial Experience Study upon which Actuarial Assumptions were Based	July 1, 2014 - June 30, 2018	July 1, 2014 - June 30, 2018

For the June 30, 2021 and June 30, 2020 measurement date, pre-retirement mortality rates were based on the Pub-2010 General Below-Median Income Employee mortality table with an 82.2% adjustment for males and 101.4% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 General Below-Median Income Healthy Retiree mortality table with a 91.4% adjustment for males and 99.7% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability retirement rates used to value disabled retirees were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 127.7% adjustment for males and 117.2% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2019.

NOTE 5 DETAILED NOTES – RETIREMENT SYSTEM (CONTINUED)

PENSIONS (CONTINUED)

Actuarial Assumptions (Continued)

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2021 and 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 Pension and Benefits, the board of trustees and the actuaries. Best estimates of arithmetic real rates of returns for each major asset class included in PERS's target asset allocation as of June 30, 2021 and 2020 are summarized in the table below:

	June 30, 2021		June 30, 2020	
Asset Class	Target Allocation	Long-Term Expected Real Rate of Return	Target Allocation	Long-Term Expected Real Rate of Return
U.S. Equity	27.00%	8.09%	27.00%	7.71%
Non-U.S. Developed Marke	13.50%	8.71%	13.50%	8.57%
Emerging Market Equities	5.50%	10.96%	5.50%	10.23%
Private Equity	13.00%	11.30%	13.00%	11.42%
Real Estate	8.00%	9.15%	8.00%	9.56%
Real Assets	3.00%	7.40%	3.00%	9.73%
High Yield	2.00%	3.75%	2.00%	5.95%
Private Credit	8.00%	7.60%	8.00%	7.59%
Investment Grade Credit	8.00%	1.68%	8.00%	2.67%
Cash Equivalents	4.00%	0.50%	4.00%	0.50%
U.S. Treasuries	5.00%	0.95%	5.00%	1.94%
Risk Mitigation Strategies	3.00%	3.35%	3.00%	3.40%
	100.00%		100.00%	

Discount Rate

The discount rate used to measure the total pension liability was 7.00% and 7.00% as of June 30, 2021 and 2020, respectively. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be based on 78% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on these assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments to determine the total pension liability.

NOTE 5 DETAILED NOTES – RETIREMENT SYSTEM (CONTINUED)

PENSIONS (CONTINUED)

Sensitivity of the Collective Net Pension Liability to Changes in the Discount Rate

The following presents the Authority's proportionate share of the net pension liability at June 30, 2021 and 2020, respectively, calculated using the discount rate as disclosed above, as well as what the Authority'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:

	June 30, 2021		
	1% Decrease 6.00%	Current Discount Rate 7.00%	1% Increase 8.00%
Authority's Proportionate Share of the Net Pension Liability	$ 9,231,975	$ 6,779,258	$ 5,054,500

	June 30, 2020		
	1% Decrease 6.00%	Current Discount Rate 7.00%	1% Increase 8.00%
Authority's Proportionate Share of the Net Pension Liability	$ 11,250,259	$ 8,937,053	$ 7,678,131

DEFERRED COMPENSATION PLAN

The Authority offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all Authority employees, permits them to defer a portion of their salary until future years.

Participation in the plan is optional and participants elect how their salary deferrals are invested. Investment options include the following: stock funds, bond funds, and money market accounts, including various risk alternatives. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency. Investments are managed by the plan trustees under one of various pools of investment options offered by the Lincoln Financial Group Deferred Compensation Program, who is a provider of deferred compensation services in good standing with the State of New Jersey Division of Local Government Services.

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

NOTE 5 DETAILED NOTES – RETIREMENT SYSTEM (CONTINUED)

POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

General Information about the OPEB Plan

Plan Description and Benefits Provided - The self-insured plan will be administered through Southern Coastal Regional Employee Benefits Fund/PERMA. The plan provides fully paid health benefits to employees retiring with the minimum of fifteen (15) years of service with the Authority and has reached the threshold of sixty-two (62) years of age. The benefits would be available to the employee from the age of eligibility (62 years) until the employee reaches the age of sixty-five (65). At age 65, retirees can continue to participate in the plan but must contribute 100% of the premiums. The benefit provisions of the plan may be established or amended by the Board of the Authority. A separate financial report is not issued.

Employees Covered by Benefit Terms - At December 31, 2021 and 2020, the following employees were covered by the benefit terms:

	December 31, 2021	December 31, 2020
Retired Employees Receiving Benefits	1	0
Active Employees Eligible to Retire and Receive Benefits	0	0
Active Employees	55	56
Total Participants	56	56

NOTE 5 DETAILED NOTES – RETIREMENT SYSTEM (CONTINUED)

POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONTINUED)

Contributions - Contributions to pay for the health premiums of participating retirees would be paid by the Authority on a monthly basis. For the years ended December 31, 2021, there was 1 active retiree with $5,857 in current premiums paid. For the year ended December 31, 2020, there were no active employees nor current premiums . Plan members are not required to contribute to the cost of premiums upon retirement.

Net OPEB Liability

The Authority's total OPEB liability of $4,134,487 as of December 31, 2021 was measured as of December 31, 2021. The liabilities were determined by an actuarial valuation as of December 31, 2021. The Authority's total OPEB liability of $3,901,063 as of December 31, 2020 was measured as of December 31, 2020. The liabilities were determined by an actuarial valuation as of December 31, 2020.

Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

Deferred outflows of resources related to OPEB in the amount of $1,021,899 deferred inflows of resources related to OPEB in the amount of $262,160 at December 31, 2021 will be recognized in OPEB expense as follows:

2022	$ 53,768
2023	53,768
2024	53,768
2025	53,768
2026	53,768
Thereafter	490,899
	$ 759,739

NOTE 5 DETAILED NOTES – RETIREMENT SYSTEM (CONTINUED)

POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONTINUED)

Actuarial Assumptions and Other Inputs - The following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified as of December 31, 2021 and 2020 are as follows:

	December 31, 2021	December 31, 2020
Mortality Rate Table	RP-2000	RP-2000
Turnover	NJ State Pension Ultimate Withdrawal Rates	NJ State Pension Ultimate Withdrawal Rates
Assumed Retirement Age	At first eligibility after completing 15 years of service and attainment of age 62. At age 65, retirees must pay full premium to continue coverage.	At first eligibility after completing 15 years of service and attainment of age 62. At age 65, retirees must pay full premium to continue coverage.
Full Attribution Period	Service to Assumed Retirement Age	Service to Assumed Retirement Age
Discount Rate	2.06%	2.12%
CPI Increase	2.50%	2.50%
Salary Increase	2.50%	2.50%
Medical Trend	5.5% in 2021, reducing by 0.2% per year, leveling at 4.55% in 2026	5.6% in 2020, reducing by 0.1% per year, leveling at 5% in 2026
Prescription Trend	7.0% in 2021, reducing by 0.5% per year, leveling at 4.5% in 2026	9.4% in 2020, reducing by 0.5% per year to 2022 and 1.0% thereafter, leveling at 5% in 2026

The discount rate was based on the Bond Buyer 20 Index rate.

NOTE 5 DETAILED NOTES – RETIREMENT SYSTEM (CONTINUED)

POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONTINUED)

Changes in the Total OPEB Liability

The following table shows the changes in the total OPEB liability for the years ended December 31, 2021 and 2020:

	December 31, 2021		December 31, 2020	
Balance at Beginning of Year		$3,901,063		$2,870,421
Changes for the Year:				
Service Cost	$ 426,648		$ 426,648	
Interest Cost	91,686		90,340	
Change in Assumptions	(279,053)		513,654	
Benefit Payments	(5,857)		-	
Net Changes		233,424		1,030,642
Balance at End of Year		$4,134,487		$3,901,063

In the fiscal year ended December 31, 2021 and 2020, there were no changes of benefit terms.

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

	December 31, 2021		
	1% Decrease 1.06%	Current Discount Rate 2.06%	1% Increase 3.06%
Total OPEB Liability	$4,246,555	$ 4,134,487	$4,029,790

	December 31, 2020		
	1% Decrease 1.12%	Current Discount Rate 2.12%	1% Increase 3.12%
Total OPEB Liability	$3,953,116	$ 3,901,063	$3,855,324

NOTE 5 DETAILED NOTES – RETIREMENT SYSTEM (CONTINUED)

POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONTINUED)

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates - The following presents the total OPEB liability of the Authority, as well as what the Authority'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% Decrease	Health Care Cost Trend Rate	1% Increase
Total OPEB Liability	$4,007,266	$ 4,134,487	$4,280,929

	December 31, 2020		
	1% Decrease	Health Care Cost Trend Rate	1% Increase
Total OPEB Liability	$3,826,404	$ 3,901,063	$4,162,664

OPEB Expense

For the year ended December 31, 2021 and 2020, the Authority recognized OPEB expense of $572,102 and $587,649, respectively.

NOTE 6 DETAILED NOTES – NET POSITION

RESTRICTED NET POSITION

The Authority has restricted net position for the following purposes in accordance with the requirements of its Bond Resolution and laws or regulations.

	2021	2020
Solid Waste Operation:		
Operations	$ 1,945,840	$ 1,729,730
Debt Service	1,610,000	1,535,000
Equipment Renewal and Replacement	777,152	1,687,142
	4,332,992	4,951,872
Other Operations:		
Debt Service	525,500	502,778
Total Restricted	$ 4,858,492	$ 5,454,650

UNRESTRICTED NET POSITION

Designated Net Position:

Solid Waste Operations

The Solid Waste Operation's unrestricted net position-designated for subsequent year's expenditures at December 31, 2021 and 2020 consists of $744,605 and $775,967, respectively; which has been appropriated and included as anticipated revenue in the Authority's 2022 and 2021 budgets respectively.

Other Operations

The Authority has, by resolution, designated a portion of its Other Operations unrestricted net position for Replacement Reserve for Economic Development Operations. The replacement reserve fund was established to receive transfers to anticipate necessary future major repairs and capital expenditures. The amount of net position designated for replacement reserve as of December 31, 2021 and 2020 is $395,820 and $278,353, respectively.

NOTE 6 DETAILED NOTES – NET POSITION (CONTINUED)

UNRESTRICTED NET POSITION (CONTINUED)

Undesignated Net Position:

Solid Waste Operations

The balance of unrestricted and undesignated net position (deficit) as of December 31, 2021 and 2020 of $(13,538,142) and $(11,503,930) respectively, is comprised of the following:

	2021	2020
Amount Related to Pensions (GASB 68 and 71)	$ (7,570,256)	$ (7,791,522)
Amount Related to OPEB (GASB 75)	(2,622,865)	(2,239,863)
Undesignated before GASB 68, 71 Pension and GASB 75 OPEB Related Items	(3,345,021)	(1,472,545)
	$ (13,538,142)	$ (11,503,930)

Other Operations

The balance of unrestricted and undesignated net position (deficit) as of December 31, 2021 and 2020 of $(308,403) and $(1,379,131) respectively, is comprised of the following:

	2021	2020
Amount Related to Pensions (GASB 68 and 71)	$ (704,634)	$ (810,491)
Amount Related to OPEB (GASB 75)	(751,883)	(568,640)
Undesignated before GASB 68, 71 Pension and GASB 75 OPEB Related Items	1,148,113	
	$ (308,404)	$ (1,379,131)

NOTE 7 INTEREST EXPENSE

Interest expense consisted of the following:

	2021	2020
Interest on Bonds and Notes	$ 6,138,425	$ 7,078,601
Add: Amortization of Deferred Loss on Defeasance of Debt	58,272	69,849
Less: Amortization of Premium on Bonds	(233,118)	(227,840)
Less: Capitalized to Construction in Progress	-	(1,879,856)
Net Interest Expense	$ 5,963,579	$ 5,040,754

NOTE 8 RISK MANAGEMENT

The Authority 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. The Authority purchases commercial insurance for Pollution Liability and Crime.

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

The Commission provides the Authority coverage for General and Automobile Liability; Workers' Compensation and Employer's Liability; and Property Damage other than Motor Vehicles, including Equipment Breakdown. Through membership in the New Jersey Counties Excess Joint Insurance Fund offered by the Commission, the Authority also has coverage for Public Officials and Employment Practices.

The Commissioner of Insurance may order additional assessments to supplement the Commission's claim, loss retention or administrative accounts to assure the payment of the Commission's obligations.

The Commission provides its own financial report for the year ended December 31, 2021, which can be obtained from:

Cumberland County Insurance Commission
790 East Commerce Street
Bridgeton, NJ 08032

Settled claims have not exceeded commercial insurance coverage in any of the past three years. In September 2016, the Authority switched to a self-insured health insurance fund, Southern Coastal Regional Employee Benefits Fund which is administered by PERMA.

NOTE 9 MAJOR CUSTOMERS - CONCENTRATION

In 2021, approximately fifty-four percent (54%) of the solid waste received by the Authority at its Solid Waste Complex was delivered by four (4) haulers. In 2020, the top four (4) haulers also delivered approximately fifty-six percent (56%).

NOTE 10 RELATED PARTY TRANSACTIONS

The Members of the Authority are appointed by the Board of Chosen Freeholders of the County of Cumberland. Accordingly, the Freeholders have the ability to influence the nature and amounts of the business done by the Authority. The Authority and the County have engaged in significant transactions with each other. These transactions include the issuance of conduit debt obligations, leasing of property, economic development activities, shared

NOTE 10 RELATED PARTY TRANSACTIONS (CONTINUED)

services for property management and project management services. In addition the County guarantees payment of debt service on certain of the Authority's debt issues.

NOTE 11 SUBSEQUENT EVENTS

In January 2022, the Authority adopted a resolution authorizing the termination of the Administrative and Managerial Services Agreement and the Property Development and Management Agreement by and between the Cumberland Empowerment Zone Corporation (CEZC) and the Authority effective December 31, 2021. As a result, barring any new agreements, the CEZC will no longer be considered a Component Unit of the Authority for financial reporting purposes.

In December 2021, the Authority adopted a resolution authorizing the issuance of County Guaranteed Lease Revenue Bonds (Technical School Facility Acquisition Project) Series 2022 in an amount up to $2,100,000. In February 2022, the Authority issued its County Guaranteed Lease Revenue Bonds, Series 2022 (Technical School Facility Acquisition Project) in the amount of $1,990,000. The Bonds are to be used to provide funding to pay the costs of acquisition of a building located in Vineland, New Jersey, pay capitalized and interest and any reserve funds as may be necessary, and to pay the costs of issuance with respect to the financing.

In March 2022, the Authority adopted a first supplemental resolution to a Bond Resolution adopted on April 23, 2014, authorizing the issuance of Refunding Bonds under said Bond Resolution and amending, supplementing and clarifying certain provisions of said Bond Resolution. In the supplemental resolution, the Authority states it wishes to authorize the issuance of its County-Guaranteed Revenue Refunding Bonds (Facilities Acquisition Project), Series 2022 (Federally Taxable), in an aggregate principal amount not-to-exceed $14,250,000, the proceeds of which will be used to advance refund all or a portion of the Authority's outstanding callable Series 2014 Bonds, pay the cost of the 2022 Refunding Program, and pay certain costs of issuance. No bonds have been issued pursuant to this Bond Resolution as of the date of this report.

In May of 2022, the Authority adopted a resolution authorizing the issuance and sale of up to $6,300,000 aggregate principal amount of the Authority's County Guaranteed Lease Revenue Bonds (State Police Barracks Project) Series 2022. The Series 2022 Bonds are to be issued to provide funds which will be used to pay for the development and construction of a new state-of-the-art barracks to serve the State Police (New Facility), completion of such other improvements and work and acquisition of equipment and materials as necessary or appropriate in connection with the construction of the New Facility, as well as capitalized interest and the costs of issuance. No bonds have been issued pursuant to this Bond Resolution as of the date of this report.

In June 2021, the Authority adopted a resolution authorizing the issuance and sale of its County-Guaranteed Subordinate Project Notes, Series 2021, in the principal amount of up to $6,000,000. The Authority has applied to New Jersey Infrastructure Bank (NJIB) for a low cost loan program related to the construction of the Side Slope Restoration/LFG Main Header Installation Project the costs of which would be funded by the Project Notes. In anticipation of permanently financing the costs of the project through the NJIB, the Authority

NOTE 11 SUBSEQUENT EVENTS (CONTINUED)

has determined to temporarily finance the costs of the project with proceeds of a short-term construction loan to be made by NJIB. The Authority closed on the construction loan in the amount of $5,635,189 in March 2022.

On May 4, 2022, the Authority sold a property located in Vineland, New Jersey for $9,750,000. The original acquisition of this property and any improvements made to the property were funded from proceeds of the issuance of the Authority's Series 2017 and Series 2018 Bonds. In anticipation of the sale of the property, the Authority, in October 2021, authorized the partial redemption of its Series 2017 and 2018 Bonds in the amount of $6,652,000. This partial redemption occurred on May 4, 2022, pursuant to a Second Supplemental Bond Agreement dated May 1, 2022.

COVID-19

The management of the Authority has evaluated its financial statements for subsequent events through the date that the financial statements were issued. As a result of the spread of the COVID-19 coronavirus in New Jersey, and globally, economic uncertainties have arisen which could negatively impact the financial position of the Authority. The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. While the impact that COVID-19 will have is currently expected to be temporary, Management does not expect the impact to be material in nature, however, as of the date of the financial statements, the related financial impact and duration cannot be reasonably estimated.

NOTE 12 DISCRETELY PRESENTED COMPONENT UNIT DISCLOSURES

The significant disclosures of the discretely presented component unit, Cumberland Empowerment Zone Corp. ("the Corporation" or "CEZC") are as follows:

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Organization and Operations - The purpose for which the Corporation is organized is to utilize and implement the benefits of the "Empowerment Zone" program created by the taxpayer relief act of 1997 of the United States government awarded to Cumberland County. The activities of the corporation may include, but are not limited to, developing a strategic vision to create economic opportunity, sustainable community development, and community-based partnerships. The corporation will help facilitate the collaboration of government, public institutions, businesses, community-based organizations, and residents of the "Empowerment Zone" to achieve a coordinated approach to neighborhood economic development.

Basis of Accounting - The financial statements of Cumberland Empowerment Zone Corp. have been prepared on the accrual basis of accounting, and accordingly reflect all significant receivables, payables, and other liabilities.

Basis of Presentation - Financial statement presentation follows the recommendations of the Financial Accounting Standards Codification ASC 958 "Financial Statements of Not-for-Profit Organizations". The Corporation is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

NOTE 12 DISCRETELY PRESENTED COMPONENT UNIT DISCLOSURES (CONTINUED)

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net Assets without Donor Restrictions - The part of net assets of a not-for-profit entity that is not subject to donor-imposed restrictions (donors include other types of contributors, including makers of certain grants).

Net Assets with Donor Restrictions - Net assets with donor restrictions of the Corporation are those whose use has been limited by donor-imposed stipulations that specifies a use for a contributed asset that is more specific than broad limits resulting from either the nature of the Corporation, the environment in which it operates, or purposes specified in its articles of incorporation or bylaws or comparable documents for an unincorporated association.

Public Support and Revenue - Grants and other contributions of cash and other assets are reported as temporarily restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Contributions of donated noncash assets are recorded at their fair values in the period received. Contributions of donated services that create or enhance nonfinancial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at their fair values in the period received. The Empowerment Zone received various non-cash donations in previous years for which a fair value has not been determined at the balance sheet date.

Income Tax - The organization is a nonprofit organization within the meaning of section 501(c) (3) of the Internal Revenue code and is not subject to income tax. The Corporation files information returns in the U.S. federal jurisdiction and the State of New Jersey. The Company is not subject to U.S. federal, state and local, or non-U.S. income tax examinations by tax authorities for years prior to 2018

The Corporation follows a recognition threshold of more-likely-than-not to be sustained upon examination by the appropriate taxing authority in its consideration of accounting for uncertainty in income taxes. Measurement of the uncertainty occurs if the recognition threshold has been met. Management believes that no uncertain income tax positions exist that have a material impact on the financial statements.

Distributions - The Corporation's bylaws and agreements stipulate, among other things, that the Corporation will not make distributions of assets or income to any of its officers or directors.

Estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts of assets and liabilities and disclosure of contingent liabilities at the date the financial statements are available for issuance and the reported amounts of revenues and expenses during the reporting period. Estimates and assumptions are based upon historical factors, current circumstances and the experience and judgment of the Company's management.

NOTE 12 DISCRETELY PRESENTED COMPONENT UNIT DISCLOSURES (CONTINUED)

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash Equivalents - For the statement of cash flows, all unrestricted investment instruments with original maturities of three months or less are cash equivalents. The Corporation deposits monies that are restricted by grant agreement or donor stipulations into a separate account. When the restriction expires, monies are transferred to the operating account for payment of related expenditures. At December 31, 2021 and 2020 restricted cash was $429,662 and $436,168, respectively.

The Corporation maintains cash balances in a financial institution located in Vineland, New Jersey. The balances at the financial institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to $250,000. The Corporation requires the banks with which it does business to provide collateral for amounts exceeding federal coverage. Cash at December 31, 2021 and 2020 exceeded the federally insured limits by $7,151,383 and $7,341,414 respectively.

Mortgages Receivable - Mortgage's receivable are carried at unpaid principal balances, less an allowance for losses. Management's periodic evaluation of the adequacy of the allowance is based on the CEZC's past loan loss experience, specific impaired loans, adverse situations that may affect the borrower's ability to repay, estimated value of any underlying collateral, and current economic conditions. Past due status is based on contractual terms. Mortgages are considered impaired if full principal or interest payments are not anticipated in accordance with the contractual terms.

The Corporation loans money to the local community. These organizations are located in Cumberland County. Realization of these receivables is dependent upon the performance of the organizations, the economic conditions within this industry, as well as the general business climate. As a result, management continually monitors its receivables. Based on historical experience, the Corporation reserves 2% of new mortgages entered into during the year. The allowance for uncollectible mortgages at December 31, 2021 and 2020 was $320,585 and $453,877, respectively. Bad debt expense for the years ended December 31, 2021 and 2020 was $166,707 and $121,492, respectively.

Property, Plant & Equipment & Depreciation - Property, plant and equipment are stated at cost. Depreciation is computed on the straight-line method over the estimated useful lives of the assets. Major replacements and betterments are capitalized. The useful lives of depreciable assets are estimated to be 10 years for office furniture and equipment. Maintenance and repairs are expensed as incurred. Depreciation Expense for the years ended December 31, 2021 and 2020 was $3,015 and $3,015, respectively. See *Note 12K.*

Revenue Recognition - In May 2014 the FASB issued ASU 2014-09 "Revenue from Contracts with Customers (Topic 606)" (commonly referred to as ASC 606) which requires

NOTE 12 DISCRETELY PRESENTED COMPONENT UNIT DISCLOSURES (CONTINUED)

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue Recognition - (Continued)

an entity to recognize revenue when (or as) goods are transferred or services are provided to customers in an amount that reflects the consideration the entity expects to be entitled to in exchange for those goods or services.

For purposes of determining when to recognize revenue, and in what amount, the Corporation applies a 5-step model: (1) identify the contract with a customer; (2) identify the performance obligations in the contract; (3) determine the transaction price; (4) allocate the transaction price to the performance obligations in the contract; and (5) recognize revenue when (or as) the Corporation satisfies a performance obligation. Each of these steps involves the use of significant judgements.

The Corporation has established an identifiable contract with their customer at the point that the contract is signed. Signing of the contractual agreement signifies both parties have agreed to the terms of the contract, and they become committed to perform their respective obligations. The obligations of the contract are clear and identifiable, with identifiable payment terms, and collectability of the contract is probable. Collections are assumed based on historical experience with each respective grantee.

The Corporation identifies all performance obligations within the contract. Typically, there are not multiple performance obligations within the contract and completion of the service is the sole obligation.

The Corporation determines the transaction prices identified within each contract. The transaction price is the fee stated on the fee schedule within the contract for services to be performed by the Corporation. The Corporation allocates the transaction price to the performance obligations within the contract. As stated, there is typically only one performance obligation for each contract. The transaction price is allocated to the project as a whole. The services provided are considered to be the sole obligation, which are performed over time. The Corporation will recognize revenue as related services are performed and the expenses are incurred.

The Corporation enters into contracts with various local non-profits to benefit the local community. Below is a description of programs entered into with grantors:

- CCSF - Grant provided for the Corporation to provide supportive family services for children and families through after school and summer camp programs. Monies received pay for salaries of administrative employees, direct service personnel, and program supplies.
- United Way - Grant provided for the Corporation to provide general operating support to middle school children in the Cumberland County area. Monies received pay for benefits for administrative employees and related program expenses.
- One Stop - Grant provided to the Corporation to cover the salary and expenses of the Career Center Coordinator, as well as health insurance telephone, travel and various other miscellaneous expenses.

NOTE 12 DISCRETELY PRESENTED COMPONENT UNIT DISCLOSURES (CONTINUED)

B. NET ASSETS WITH DONOR RESTRICTIONS

Net assets were released from donor restrictions by incurring expenses satisfying the purpose or time restrictions specified by grantors.

C. PROGRAM SERVICES/EXPENSES

Represents amounts used to carry out projects specified by contract or restricted donation. Amounts expended are specifically identified to their respective grantor contract or donation.

D. COMMITMENTS

On January 10, 2007 the Empowerment Zone entered into an agreement with the Enterprise Zone Development Corp. of Vineland and Millville, NJ. The Corporation remitted $500,000 for the sole purpose of creating a commercial loan program to promote economic development and job creation in the City of Vineland Urban Enterprise Zone. The balance as of December 31, 2021 and 2020 was $371,675 with $128,325 lent to borrowers, and is recorded in Advanced Funding – Grants and Loans on the Statement of Financial Position.

E. PROPERTY REPOSSESSED

In 2003, CEZC approved a $55,000 loan to assist Jackson in purchasing a building and starting a new salon. Jackson defaulted on the loan and CEZC advanced funds into the repossession and took ownership of the property. The Jacksons continued to use the property and paid CEZC rent, insurance, taxes, and utilities. A new lease has not been drawn up; however, the Jacksons continued making monthly payments. The CEZC will continue to hold the property until the debt is lower before transferring it back to the Jacksons. The Note Payable balance as of December 31, 2021 and 2020 was $33,841 and $38,109, respectively. The Company is owed $4,500 for the years ended December 31, 2022 through 2025, and $15,841 thereafter.

F. RIVER GROVE PROJECT

In 2012, CEZC entered into a joint venture with Gateway Community Action Agency to develop a 68-unit apartment building as part of an affordable housing project in the city of Bridgeton, NJ. Eastern Pacific Development Corporation joined the project as a development partner in 2015. The CEZC formed a non-profit entity (Cumberland Empowerment Housing Corporation) to facilitate the project. The Corporation loaned the new entity approximately $481,000 and will be paid back with interest. As of statement of financial position date, the project is not complete. The balance at December 31, 2021 and 2020 is $60,417 and $60,417, respectively.

G. JOINT VENTURES

On May 1, 2016, superseded by an agreement on June 14, 2018, the CEZC entered into an agreement with the Cumberland County Improvement Authority (CCIA, a related party) to outsource employee services to CCIA for the purpose of buying, leasing and developing real

NOTE 12 DISCRETELY PRESENTED COMPONENT UNIT DISCLOSURES (CONTINUED)

G. JOINT VENTURES (Continued)

estate: sharing resources to further economic development goals in Cumberland County and provide assistance to businesses in exchange for certain compensation. The cost of these services for December 31, 2021 and 2020 were $110,143 and $109,277, respectively.

H. MORTGAGES RECEIVABLE

Mortgages receivable consisted of the following at December 31, 2021 and 2020.

	2021	2020
Mortgage Receivable (HUD Projects)	$ 844,113	$ 1,307,213
Mortgage Receivable (2nd Generation Funds)	2,712,639	2,368,974
Mortgage Receivable (UEZ Loans)	128,325	128,324
Less: Allowance for Doubtful Accounts	(320,585)	(453,877)
	$ 3,364,492	$ 3,350,634

The above amounts represent monies due to the empowerment zone from outside organizations and are secured by capital projects. These amounts are due and payable on a monthly basis at an interest rate between 3% and 5%. Related fees and interest income are recorded as an increase in net assets in the statement of activities.

In 2006 the Empowerment Zone established a policy to provide an allowance for uncollectible mortgages at 2% of new loans issued. Prior to this date management reviewed its receivable balance on an annual basis to provide an allowance based upon their estimates of uncollectible mortgages. Management continuously monitors its receivables and at times provides an additional allowance based upon its evaluation of the receivables in comparison to the reserve established.

The 2nd generation mortgage receivable amount includes an amount due from the Cumberland County Improvement Authority (CCIA) in the amount of $1,000,000 at 3% interest rate and maturity date of June 14, 2023. The Cumberland Empowerment Zone Corp. is considered a component unit of CCIA, and therefore a related party. See Note 7.

NOTE 12 DISCRETELY PRESENTED COMPONENT UNIT DISCLOSURES (CONTINUED)

I. LIQUIDITY AND AVAILABILITY OF ASSETS

The following reflects the Cumberland Empowerment Zone Corp.'s financial assets as of the balance sheet date, reduced by amounts not available for general use because of donor-imposed restrictions within one year of the balance sheet date.

	2021	2020
Financial Assets at Year End	$7,502,752	$7,676,973
Less: Those Unavailable for General Expenditures Within One Year	429,662	436,168
Financial Assets Available to Meet Cash Needs for General Expenditures Within One Year	$7,073,090	$7,240,805

J. LITIGATION, RISKS AND UNCERTAINITIES

Landis Theater Settlement

On May 18, 2010 the CEZ made an unsecured loan to USB Landis Investment Fund, LLC in the principal amount of $750,000 to help fund the renovations of the Landis Theater in Vineland, NJ. On May 20, 2020 the Vineland Development Corporation ("VDC") sold the Landis Theater to Ghostlight Theatrical Productions. In February 2021, the VDC and CEZ came to agreement on a settlement for the outstanding note. Out of a sense of comity and joint purpose, and to obtain a release of any rights that the CEZ may have against any person or entity arising out of the original note, the VDC agreed to pay the CEZ $450,000. As part of the agreement the CEZ will seek nothing further from the VDC or any person or entity by reason of the note and will not seek or assert any interest in the Landis Theater in the future.

Covid-19 Pandemic

In January 2020, the World Health Organization declared the outbreak of the novel coronavirus (COVID-19) as a *Public Health Emergency of International Concern,* which has developed rapidly throughout 2020, with a significant number of cases. Measures taken by various governments to contain the virus has affected economic activity. As of the date of these financial statements, we are unable to determine the economic impact the virus will have on the CEZC.

NOTE 12 DISCRETELY PRESENTED COMPONENT UNIT DISCLOSURES (CONTINUED)

K. PROPERTY, PLANT AND EQUIPMENT

	Cost	Accumulated Depreciation	Book Value
Depreciable Assets			
Office Furniture & Equipment	$ 30,145	$ 9,044	$ 21,102
Total Depreciable Assets	$ 30,145	$ 9,044	$ 21,102

Depreciation Expense	Life	Depr./Amort. Expense
Office Furniture & Equipment	10 yrs.	$ 3,015
Total Depreciable Assets		$ 3,015

L. SUBSEQUENT EVENTS

The Corporation has evaluated subsequent events through June 8, 2022, the date which the financial statements were available to be issued.

On January 26, 2022 the Cumberland County Improvement Authority and the Cumberland Empowerment Zone Corporation terminated their Administrative and Managerial Services Agreement and Property Development and Management Agreement, effective January 1, 2022. Additionally, certain employees of the Cumberland County Improvement Authority shall terminate and resume full time employment with the Cumberland Empowerment Zone. The two sides also mutually released each other from any and all claims or obligations of whatever nature including but not limited to the payment of further expenses or revenues.

REQUIRED SUPPLEMENTARY INFORMATION
PART II

CUMBERLAND COUNTY IMPROVEMENT AUTHORITY
REQUIRED SUPPLEMENTARY INFORMATION - PART II
SCHEDULES OF PROPORTIONATE SHARE, EMPLOYER CONTRIBUTIONS AND NOTES
STATE OF NEW JERSEY PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS)

Schedule of Proportionate Share of Net Pension Liability at June 30 (measurement date)

	2021	2020	2019	2018	2017	2016	2015	2014	2013
Authority's Proportion of the Net Pension Liability	0.0572258317%	0.0548037149%	0.0410251640%	0.0320508100%	0.0307909211%	0.0302375415%	0.0286952278%	0.0234671743%	0.0256294937%
Authority's Proportionate Share of the Net Pension Liability	$ 6,779,258	$ 8,937,053	$ 7,392,112	$ 6,310,645	$ 7,167,634	$ 8,955,493	$ 6,441,504	$ 4,393,697	$ 4,898,305
Authority's Covered-Employee Payroll (Plan Measurement Year)	$ 4,126,964	$ 3,878,288	$ 2,613,088	$ 2,279,784	$ 2,123,576	$ 2,106,244	$ 1,928,132	$ 1,543,668	$ 1,742,508
Authority's Proportionate Share of the Net Pension Liability as a Percentage of it's Covered-Employee Payroll	164.27%	230.44%	282.89%	276.81%	337.53%	425.19%	334.08%	284.63%	281.11%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	70.33%	79.18%	56.27%	53.60%	48.10%	40.14%	47.93%	52.08%	48.72%

Schedule of Employer Contributions

	2021	2020	2019	2018	2017	2016	2015	2014	2013
Contractually Required Contribution	$ 670,181	$ 599,525	$ 399,054	$ 318,802	$ 285,245	$ 268,626	$ 246,702	$ 193,460	$ 193,113
Contributions in Relation to the Contractually Required Contribution	(670,181)	(599,525)	(399,054)	(318,802)	(285,245)	(268,626)	(246,702)	(193,460)	(193,113)
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Authority's Covered-Employee Payroll	$ 3,944,189	$ 3,997,062	$ 3,933,635	$ 2,830,522	$ 2,240,579	$ 2,109,414	$ 2,071,361	$ 1,913,595	$ 1,630,482
Contributions as a Percentage of Authority's Covered-Employee Payroll	16.99%	15.00%	10.14%	11.26%	12.73%	12.73%	11.91%	10.11%	11.84%

Notes

Changes in Benefit Terms - There were no significant changes in benefits for the July 1, 2020 and 2019 actuarial valuation.

Changes in Assumptions - In accordance with Paragraph 44 of GASB Statement No. 67 the discount rate for June 30, changed as follows:

2021	2020	2019	2018	2017	2016	2015	2014	2013
7.00%	7.00%	6.28%	5.66%	5.00%	3.98%	4.90%	5.39%	5.55%

Schedule Presentation - These schedules are presented to illustrate the requirement 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.

See accompanying independent auditors' report.

REQUIRED SUPPLEMENTARY INFORMATION
PART III

CUMBERLAND COUNTY IMPROVEMENT AUTHORITY
REQUIRED SUPPLEMENTARY INFORMATION - PART III
POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS

Schedule of Changes in the Authority's Total OPEB Liability and Related Ratios at December 31

	2021	2020	2019	2018
Total OPEB Liabiltiy				
Service Cost	$ 426,648	$ 426,648	$ 243,295	$ 243,295
Interest on Total OPEB Liability - Over Measurement Period	91,686	90,340	85,868	72,904
Benefit Payments				
Recognition of Assumption Changes	53,768	70,661	40,646	
Net Change on Total OPEB Liability	572,102	587,649	369,809	316,199
Total OPEB Liability - Beginning	3,901,063	2,870,421	1,851,045	1,534,846
Total OPEB Liabiltiy - Ending	$ 4,473,165	$ 3,458,070	$ 2,220,854	$ 1,851,045
Covered-Employee Payroll	$ 3,994,189	$ 3,997,062	$ 3,933,635	$ 2,830,522
Total OPEB Liability as a Percentage of Covered-Employee Payroll	111.99%	86.52%	56.46%	65.40%

Notes

Changes in Benefit Terms - There were no significant changes in benefits for the December 31, 2021 actuarial valuation.

Changes in Assumptions - 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:

2021	2020	2019	2018
2.06%	2.12%	2.74%	4.10%

Schedule Presentation - These schedules are presented to illustrate the requirement 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.

See accompanying independent auditors' report.

SUPPLEMENTARY INFORMATION

SCHEDULE 1

CUMBERLAND COUNTY IMPROVEMENT AUTHORITY
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION -
NET INVESTMENT IN CAPITAL ASSETS, RESTRICTED AND UNRESTRICTED
YEARS ENDED DECEMBER 31, 2021 AND 2020

	SOLID WASTE OPERATIONS							OTHER OPERATIONS				TOTAL	
		UNRESTRICTED		RESTRICTED					UNRESTRICTED		RESTRICTED		
	INVESTMENT IN CAPITAL ASSETS	UNDESIGNATED	DESIGNATED	OPERATING RESERVE	RENEWAL AND REPLACEMENT	DEBT SERVICE	CLOSURE AND POST-CLOSURE	INVESTMENT IN CAPITAL ASSETS	UNDESIGNATED	DESIGNATED	DEBT SERVICE	2021 (MEMO)	2020 (MEMO)
OPERATING REVENUE:													
Landfill Tipping Fees	$	$ 15,637,744	$	$	$	$	$	$	$	$	$	$ 15,637,744	$ 15,369,107
Lease/Rental Income									9,732,553			9,732,553	6,861,026
Interest Income on Leases									396,812			396,812	295,605
Project Management Fee									1,010,668			1,010,668	1,185,466
Renewable Energy Revenue		502,102										502,102	224,897
Recycle Revenue		635,309										635,309	307,510
Operating Grants		294,210							527,947			822,157	457,480
Project Income - Fleet Maintenance									285,166			285,166	313,108
Administrative Fees/Bond Transaction Fees/Real Estate Transactions									9,369			9,369	498,864
Property Management Fee									1,030,457			1,030,457	996,625
Other		67,217							675,744			742,961	473,834
	-	17,136,582	-	-	-	-	-	-	13,668,716	-	-	30,805,298	26,983,522
OPERATING EXPENSES:													
Cost of Providing Services		7,663,094							4,453,022			12,116,116	12,517,286
Administrative and General		3,260,145							888,906			4,149,051	4,421,924
Closure and Postclosure Costs		1,832,613										1,832,613	7,327,201
Depreciation		4,713,049							4,552,768			9,265,817	7,700,878
	-	17,468,901	-	-	-	-	-	-	9,894,696	-	-	27,363,597	31,967,289
OPERATING INCOME (LOSS)	-	(332,319)	-	-	-	-	-	-	3,774,020	-	-	3,441,701	(4,983,767)
NON-OPERATING REVENUE (EXPENSES):													
Interest Income		4,083			671	4,449	344,266		6,958		1,214	361,641	479,436
Interest Expense		(398,983)							(5,564,596)			(5,963,579)	(5,040,759)
Other Non-Operating Income		134,090							1,125,288			1,259,378	1,295,631
Forgivable Loans/Grants		-										-	(100,000)
PILOT Program-Municipal									(14,833)			(14,833)	(14,833)
Appropriated to County		(694,105)										(694,105)	(605,114)
Debt Issue Costs Incurred		(4,505)							(185,514)			(190,019)	(58,461)
Gain on Disposal of Assets		67,862										67,862	82,941
Net Decrease in Fair Value of Investments		(789,433)							3			(789,430)	695,738
	-	(1,680,991)	-	-	671	4,449	344,266	-	(4,632,694)	-	1,214	(5,963,085)	(3,265,421)
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS		(2,013,310)	-		671	4,449	344,266		(858,674)		1,214	(2,521,384)	(8,249,188)
CONTRIBUTIONS AND TRANSFERS:													
Capital Contributions		158,294							166,076			324,370	2,273,428
Other Transfers	1,178,824	(179,196)	(31,362)	216,110	(910,661)	70,551	(344,266)	(1,902,300)	1,763,325	117,467	21,508		
INCREASE (DECREASE) IN NET POSITION	1,178,824	(2,034,212)	(31,362)	216,110	(909,990)	75,000	-	(1,902,300)	1,070,727	117,467	22,722	(2,197,014)	(5,975,760)
NET POSITION - JANUARY 1,	34,738,453	(11,503,930)	775,967	1,729,730	1,687,142	1,535,000	-	9,130,138	(1,379,131)	278,353	502,778	37,494,500	43,470,260
NET POSITION - DECEMBER 31,	$ 35,917,277	$ (13,538,142)	$ 744,605	$ 1,945,840	$ 777,152	$ 1,610,000	$ -	$ 7,227,838	$ (308,404)	$ 395,820	$ 525,500	$ 35,297,486	$ 37,494,500
UNRESTRICTED NET POSITION (DEFICIT) - UNDESIGNATED-													
Related to Pensions (GASB 68, 71)		$ (7,570,256)							$ (704,634)				
Related to OPEB (GASB 75)		(2,622,865)							(751,883)				
Before GASB 68, 71 Pension and GASB 75 OPEB Related Items		(3,345,021)							1,148,113				
		$ (13,538,142)							$ (308,404)				

CUMBERLAND COUNTY IMPROVEMENT AUTHORITY
SCHEDULE OF NET POSITION
DECEMBER 31, 2021 AND 2020

	2021			2020		
	Solid Waste Operations	Other	Total	Solid Waste Operations	Other	Total
ASSETS						
CURRENT ASSETS - UNRESTRICTED:						
Cash	$ 579,927	$ 554,107	$ 1,134,034	$ 796,744	$ 120,749	$ 917,493
Accounts Receivable	1,048,365	541,141	1,589,506	874,588	426,254	1,300,842
Loans Receivable	52,219	-	52,219	52,088	-	52,088
Interest Receivable - Loans	328	41,709	42,037	393	41,709	42,102
Grant Funds Receivable	97,406	356,447	453,853	10,259	301,980	312,239
Other Receivables	8,116	828,556	836,672	9,066	1,330,934	1,340,000
Lease Receivables		9,252,283	9,252,283		9,051,160	9,051,160
Due from Restricted Assets	472,207		472,207	635,984		635,984
Inventories	49,391	110,021	159,412	40,632	110,126	150,758
Prepaid Expenses	74,055	37,816	111,871	91,971	43,222	135,193
Total Current Assets - Unrestricted	2,382,014	11,722,080	14,104,094	2,511,725	11,426,134	13,937,859
CURRENT ASSETS - RESTRICTED:						
Accounts Required by the Authority's Bond Resolutions/Loan Agreements:						
Cash	15,620,719	61,193,635	76,814,354	15,331,849	56,029,983	71,361,832
Cash Held by Fiscal Agent		300,558	300,558		422,221	422,221
Other Restricted Accounts:						
Cash	396,151	1,197,761	1,593,912	510,968	1,882,660	2,393,628
Investments	2,322,647		2,322,647	2,446,375		2,446,375
Interest Receivable	91,029		91,029	102,891		102,891
Interfunds	5,351,680	(5,351,680)		5,136,360	(5,136,360)	
Total Current Assets - Restricted	23,782,226	57,340,274	81,122,500	23,528,443	53,198,504	76,726,947
NONCURRENT ASSETS:						
Investments - Other Restricted Accounts	16,328,863	1,000,000	17,328,863	16,347,229	1,000,000	17,347,229
Investment in Redevelopment Sites		2,112,500	2,112,500		2,112,500	2,112,500
Lease Receivables - Noncurrent		201,047,384	201,047,384		209,439,050	209,439,050
Loans Receivable - Noncurrent	210,186	12,141,725	12,351,911	262,406	12,141,725	12,404,131
Prepaid Bond Insurance	18,019	290,552	308,571	22,524	264,734	287,258
Capital Assets, Net	52,391,316	102,320,082	154,711,398	53,813,260	100,735,328	154,548,588
Total Noncurrent Assets	68,948,384	318,912,243	387,860,627	70,445,419	325,693,337	396,138,756
TOTAL ASSETS	95,112,624	387,974,597	483,087,221	96,485,587	390,317,975	486,803,562
DEFERRED OUTFLOWS OF RESOURCES:						
Deferred Loss on Defeasance of Debt	108,201		108,201	166,473		166,473
Deferred Amount Relating to Pensions	3,040,917	716,549	3,757,466	3,886,753	1,121,209	5,007,962
Deferred Amount Relating to OPEB	691,212	330,687	1,021,899	709,598	382,962	1,092,560
TOTAL DEFERRED OUTFLOWS OF RESOURCES	3,840,330	1,047,236	4,887,566	4,762,824	1,504,171	6,266,995

(Continued)

CUMBERLAND COUNTY IMPROVEMENT AUTHORITY
SCHEDULE OF NET POSITION
DECEMBER 31, 2021 AND 2020

	2021			2020		
	Solid Waste Operations	Other	Total	Solid Waste Operations	Other	Total
CURRENT LIABILITIES PAYABLE FROM UNRESTRICTED ASSETS:						
Accounts Payable - Operations	$ 1,659,283	$ 357,283	$ 2,016,566	$ 721,316	$ 672,768	$ 1,394,084
Other Payables		2,184,327	2,184,327		2,233,750	2,233,750
Accrued Liabilities	96,272	1,200,183	1,296,455	111,134	28,740	139,874
Accrued Liabilities - Pension	519,444	150,737	670,181	471,652	127,873	599,525
Customer Deposits	149,400		149,400	149,500		149,500
Security Deposits					166,666	166,666
Landfill Taxes Payable	185,084		185,084	173,597		173,597
Host Community Benefit Payable	53,181		53,181	49,069		49,069
Unearned Revenue	62,443	236,762	299,205	55,994	226,423	282,417
Unearned Grant Revenue	20,996	127,336	148,332	-		
Total Current Liabilities Payable From Unrestricted Assets	2,746,103	4,256,628	7,002,731	1,732,262	3,456,220	5,188,482
CURRENT LIABILITIES PAYABLE FROM RESTRICTED ASSETS:						
Loans Payable	310,033	1,345,497	1,655,530	305,220	1,006,521	1,311,741
Contracts Payable - Construction	301	282,549	282,850	110,946	1,322,233	1,433,179
Contracts Payable - Retainage	7,611	330,094	337,705	26,840	365,059	391,899
Revenue Bonds Payable	2,103,908	3,282,000	5,385,908	2,023,908	3,208,000	5,231,908
Accrued Interest Payable - Revenue Bonds and Loans	231,472	1,045,467	1,276,939	273,659	1,042,287	1,315,946
Due to Unrestricted Assets	472,207		472,207	635,984		635,984
License Agreement Escrow	43,702		43,702	109,016		109,016
Total Current Liabilities Payable From Restricted Assets	3,169,234	6,285,607	9,454,841	3,485,573	6,944,100	10,429,673
LONG-TERM LIABILITIES:						
Revenue Bonds Payable	15,070,134	133,422,548	148,492,682	17,320,312	128,302,281	145,622,593
Loan Payable	959,747	11,218,862	12,178,609	1,269,780	9,898,496	11,168,276
Accrued Closure and Postclosure Care Costs	36,016,129		36,016,129	34,183,516		34,183,516
Accrued Liability Pension	259,723	75,368	335,091	235,827	63,936	299,763
Net Pension Liability	6,554,486	224,762	6,779,248	8,014,019	923,024	8,937,043
Net OPEB Obligation	3,136,753	997,734	4,134,487	2,949,461	951,602	3,901,063
Accrued Compensated Absences	129,079	68,419	197,498	138,533	67,525	206,058
Total Long-Term Liabilities	62,126,051	146,007,693	208,133,744	64,111,448	140,206,864	204,318,312
Total Liabilities	68,041,388	156,549,928	224,591,316	69,329,283	150,607,184	219,936,467
DEFERRED INFLOWS OF RESOURCES:						
Deferred Amount Relating to Pensions	3,277,509	970,317	4,247,826	2,956,766	816,868	3,773,634
Deferred Amount Relating to OPEB	177,325	84,835	262,160			-
Deferred Amount Relating to Arts & Innovation Project		3,784,375	3,784,375		3,784,375	3,784,375
Deferred Amount Relating to Leases		219,791,624	219,791,624		228,081,581	228,081,581
TOTAL DEFERRED INFLOWS OF RESOURCES	3,454,834	224,631,151	228,085,985	2,956,766	232,682,824	235,639,590
NET POSITION:						
Net Investment in Capital Assets	35,917,277	7,227,838	43,145,115	34,738,453	9,130,138	43,868,591
Restricted:						
Operations	1,945,840		1,945,840	1,729,730		1,729,730
Debt Service	1,610,000	525,500	2,135,500	1,535,000	502,778	2,037,778
Equipment Renewal and Replacement	777,152		777,152	1,687,142		1,687,142
Unrestricted (Deficit)	(12,793,537)	87,416	(12,706,121)	(10,727,963)	(1,100,778)	(11,828,741)
Total Net Position	$ 27,456,732	$ 7,840,754	$ 35,297,486	$ 28,962,362	$ 8,532,138	$ 37,494,500

CUMBERLAND COUNTY IMPROVEMENT AUTHORITY
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
YEARS ENDED DECEMBER 31, 2021 AND 2020

	2021			2020		
	Solid Waste Operations	Other	Total	Solid Waste Operations	Other	Total
OPERATING REVENUE:						
Landfill Tipping Fees	$ 15,637,744	$	$ 15,637,744	$ 15,369,107	$	$ 15,369,107
Lease/Rental Income		9,732,553	9,732,553		6,861,026	6,861,026
Interest Income on Leases		396,812	396,812		295,605	295,605
Project Management Fee		1,010,668	1,010,668		1,185,466	1,185,466
Renewable Energy Revenue	502,102		502,102	224,897		224,897
Recycle Revenue	635,309		635,309	307,510		307,510
Operating Grants	294,210	527,947	822,157	344,562	112,918	457,480
Project Income - Fleet Maintenance		285,166	285,166		313,108	313,108
Admin. Fees/ Bond Transaction Fee/ Real Estate Transactions		9,369	9,369		498,864	498,864
Property Management Fee		1,030,457	1,030,457		996,625	996,625
Other Operating Income	67,217	675,744	742,961	67,054	406,780	473,834
Total Operating Revenue	17,136,582	13,668,716	30,805,298	16,313,130	10,670,392	26,983,522
OPERATING EXPENSES:						
Cost of Providing Services	7,663,094	4,453,022	12,116,116	8,319,778	4,197,508	12,517,286
Administrative and General	3,260,145	888,906	4,149,051	3,513,174	908,750	4,421,924
Closure and Postclosure Costs	1,832,613		1,832,613	7,327,201		7,327,201
Depreciation	4,713,049	4,552,768	9,265,817	4,265,960	3,434,918	7,700,878
Total Operating Expenses	17,468,901	9,894,696	27,363,597	23,426,113	8,541,176	31,967,289
OPERATING INCOME (LOSS)	(332,319)	3,774,020	3,441,701	(7,112,983)	2,129,216	(4,983,767)
NON-OPERATING REVENUE (EXPENSES):						
Interest Income	353,469	8,172	361,641	439,082	40,354	479,436
Interest Expense	(398,983)	(5,564,596)	(5,963,579)	(450,869)	(4,589,890)	(5,040,759)
Net Increase (Decrease) in Fair Value of Investments	(789,433)	3	(789,430)	733,580	(37,842)	695,738
Appropriated to County	(694,105)		(694,105)	(605,114)		(605,114)
Forgivable Loans/Grants			-	(100,000)		(100,000)
Debt Issue Costs Incurred	(4,505)	(185,514)	(190,019)	(4,505)	(53,956)	(58,461)
Gain/Loss on Disposal of Assets	67,862		67,862	82,941		82,941
PILOT Program - Municipal		(14,833)	(14,833)		(14,833)	(14,833)
Other Non-Operating Income	134,090	1,125,288	1,259,378	111,451	1,184,180	1,295,631
Total Non-Operating Revenue (Expenses)	(1,331,605)	(4,631,480)	(5,963,085)	206,566	(3,471,987)	(3,265,421)
LOSS BEFORE CAPITAL CONTRIBUTIONS	(1,663,924)	(857,460)	(2,521,384)	(6,906,417)	(1,342,771)	(8,249,188)
CAPITAL CONTRIBUTIONS	158,294	166,076	324,370	38,340	2,235,088	2,273,428
CHANGE IN NET POSITION	(1,505,630)	(691,384)	(2,197,014)	(6,868,077)	892,317	(5,975,760)
NET POSITION-BEGINNING	28,962,362	8,532,138	37,494,500	35,830,439	7,639,821	43,470,260
TOTAL NET POSITION-ENDING	$ 27,456,732	$ 7,840,754	$ 35,297,486	$ 28,962,362	$ 8,532,138	$ 37,494,500

SCHEDULE 4A

CUMBERLAND COUNTY IMPROVEMENT AUTHORITY
SCHEDULE OF REVENUES AND COSTS FUNDED BY
REVENUES COMPARED TO BUDGET - BUDGETARY BASIS
SOLID WASTE OPERATIONS
YEAR ENDED DECEMBER 31, 2021
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2020

	2021 BUDGET	2021 ACTUAL	2020 ACTUAL
REVENUE:			
Closure Postclosure Escrow Funds Utilized	$	$ 16,617	$ 21,883
User Charges and Fees	14,680,565	15,637,744	15,369,107
Recycle Revenue	679,000	635,309	307,510
Methane Gas Project Revenue	281,000	502,102	224,897
Operating Grants	315,702	294,210	344,562
Interest Income	13,000	4,609	23,334
Rental Income		29,035	24,078
Miscellaneous Revenues		172,272	154,428
Total Revenue	15,969,267	17,291,898	16,469,799
EXPENSES:			
Costs of Providing Services:			
Salaries - Supervision			
Salaries and Wages - Operations	2,222,084	2,176,871	2,215,755
Fringe Benefits	1,268,759	1,300,443	1,214,959
Consultant Services - Operations	628,556	633,191	618,808
Fuel	234,976	320,387	198,521
Equipment Maintenance Agreements	167,344	174,120	114,665
Tires	91,976	71,969	33,160
Replacement Parts	239,750	280,898	279,606
Repairs and Maintenance	166,460	143,719	205,883
Truck Wash Parts & Supplies	8,400	21,118	30,355
Tire Repair	6,000	3,594	4,483
Lawn Maintenance	45,500	35,774	45,861
Utilities	287,849	317,812	287,095
Recycle Rebate	-	11,026	12,412
Materials and Supplies	44,670	57,363	25,224
Road & Slope Maintentance	50,000	2,881	58,836
Gas Well Maintenance	75,000	32,895	
Uniforms	59,368	54,464	55,365
Landfill Parts & Supplies	55,000	53,330	69,017
Security Services	9,812	11,413	6,672
Equipment Rental	30,000	82,692	6,377
Leachate Treatment	315,690	173,596	224,094
Leachate Hauling	180,000	666,092	501,057
Pretreatment Facility - Replacement Parts	124,050	147,291	68,107
Pretreatment Facility - Repairs and Maintenance	169,413	172,763	110,390
Groundwater Sampling and Analysis	60,000	67,562	59,887
Flare	50,000	65,314	8,050
Telephone	23,036	17,986	20,237
Disposal Fees	1,240,668	274,518	904,589
REA Grant	116,620	110,559	115,556
Promotional Materials	14,500	19,433	15,701
Public Awareness & Advertising	14,000	12,490	15,115
Other Operating Costs	33,808	41,283	36,378
	8,033,289	7,554,847	7,562,215

(Continued)

SCHEDULE 4A

CUMBERLAND COUNTY IMPROVEMENT AUTHORITY
SCHEDULE OF REVENUES AND COSTS FUNDED BY
REVENUES COMPARED TO BUDGET - BUDGETARY BASIS
SOLID WASTE OPERATIONS
YEAR ENDED DECEMBER 31, 2021
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2020

	2021 BUDGET	2021 ACTUAL	2020 ACTUAL
EXPENSES (CONTINUED):			
Administrative and General Expenses:			
Salaries and Wages	$ 1,121,179	$ 1,077,577	$ 1,081,575
Fringe Benefits	547,473	556,334	508,960
Administrative Payroll Expense	11,142	10,257	12,717
Building Rent	301,757	301,756	304,306
Security	677	467	2,822
Office Supplies and Expense	32,250	37,705	27,934
Professional Services	344,600	345,569	414,916
Professional Services - Closure Related	18,000	16,617	21,883
Insurance	386,893	376,878	348,383
Travel, Conferences and Meetings	9,225	6,548	2,221
Dues and Subscriptions	7,597	3,466	5,761
Utilities	43,383	40,281	47,379
Telephone	19,688	19,949	19,510
Licenses, Permits, Penalties and Assessments	180,607	152,377	106,421
Other Administrative Expenses	137,610	148,866	127,569
Training Programs	23,850	8,859	3,093
Repairs and Maintenance	28,785	21,125	34,408
Public Awareness and Advertising	40,500	13,330	18,149
REA Grant	26,700	36,275	37,043
Public Relations	17,500		
Automotive Supplies and Expenses	6,000	11,621	4,067
Litter Abatement Program	36,300	20,797	16,116
	3,341,716	3,206,654	3,145,233
Interest Expense	522,025	486,982	554,572
OTHER COSTS FUNDED BY REVENUES:			
Principal Maturities	2,507,095	2,023,908	1,948,908
Capital Outlays	300,000	277,834	1,062,455
Reserve for Equipment Renewal and Replacement	824,600	954,938	821,396
Reserve for Operating and Maintenance	219,492	216,110	158,340
Debt Service Coverage Requirements	302,912		
Appropriated to County	694,105	694,105	605,114
Forgivable Loans/Grants			100,000
	4,848,204	4,166,895	4,696,213
TOTAL COSTS FUNDED BY REVENUES	16,745,234	15,415,378	15,958,233

(Continued)

CUMBERLAND COUNTY IMPROVEMENT AUTHORITY
SCHEDULE OF REVENUES AND COSTS FUNDED BY
REVENUES COMPARED TO BUDGET - BUDGETARY BASIS
SOLID WASTE OPERATIONS
YEAR ENDED DECEMBER 31, 2021
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2020

	2021 BUDGET	2021 ACTUAL	2020 ACTUAL
REVENUES OVER (UNDER) COSTS FUNDED BY REVENUES	$ (775,967)	$ 1,876,520	$ 511,566
Reconciliation of Budgetary Basis to Change in Net Position:			
Adjustments to Budgetary Basis:			
Interest Income not used for Operations		348,860	415,747
Capital Outlays		277,834	1,062,455
Principal Maturities		2,023,908	1,948,908
Transfers to Renewal and Replacement Reserves		954,938	821,396
Increase in Reserve for Operating and Maintenance		216,110	158,340
Increase (Decrease) in Fair Value of Investments		(789,433)	733,580
Closure Postclosure Escrow Funds Utilized		(16,617)	(21,883)
Amortization Charged to Interest Expense		87,999	103,703
Depreciation		(4,713,049)	(4,265,960)
Gain on Disposal of Assets		67,862	82,941
Closure Post Closure Expenses per GAAP		(1,832,613)	(7,327,201)
Debt Issuance Costs Incurred		(4,505)	(4,505)
Capital Contributions		158,294	38,340
OPEB - Difference of GAAP vs. Budgetary Basis		(383,003)	(408,416)
Pension Expense - Difference of GAAP vs. Budgetary Basis		221,265	(717,088)
CHANGE IN NET POSITION PER SCHEDULE 3		$ (1,505,630)	$ (6,868,077)

SCHEDULE 4B

CUMBERLAND COUNTY IMPROVEMENT AUTHORITY
SCHEDULE OF REVENUES AND COSTS FUNDED BY
REVENUES COMPARED TO BUDGET - BUDGETARY BASIS
OTHER OPERATIONS
YEAR ENDED DECEMBER 31, 2021
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2020

	2021 BUDGET	2021 ACTUAL	2020 ACTUAL
REVENUE:			
Lease/Rental Income	$ 10,767,482	$ 10,129,365	$ 7,156,631
Project Management Fee	2,008,375	1,010,668	1,185,466
Admin. Fees/ Bond Transaction Fee/ Real Estate Transactions	316,000	9,369	498,864
Fuel Income (Gas & CNG)	408,240	516,639	548,572
Fleet Maintenance	500,000	285,166	313,108
Property Management Fee	1,027,999	1,030,457	996,625
Other Operating Income		600,166	406,780
Miscellaneous Income	166,836	684,227	635,608
Operating Grants	5,000	527,947	112,918
Interest Income		8,171	40,354
Total Revenue	15,199,932	14,802,175	11,894,926
EXPENSES:			
Costs of Providing Services:			
Salaries	1,333,933	1,434,105	1,329,669
Employee Benefits	821,048	850,187	813,526
Building Services	1,074,388	967,885	890,768
Repairs and Maintenance	345,000	236,069	243,504
Garage Lease	4,116	4,116	4,116
Grant Expenses	5,000	494,669	112,918
Fuel and CNG	301,000	321,332	289,256
Other Operating Expenses	136,034	74,859	70,326
	4,020,519	4,383,222	3,754,083
Administrative and General Expenses:			
Salaries	147,443	151,053	148,333
Employee Benefits	55,860	69,586	44,726
Professional Services	240,166	287,980	309,021
Property Management	189,504	185,504	185,504
Insurance	14,163	25,509	18,290
Marketing and Advertising	79,500	46,958	12,819
Sponsorships	12,500		8,050
Other Administrative Expenses	125,308	127,182	126,106
	864,444	893,772	852,849
Interest Expense	5,561,415	5,651,443	4,644,178

(Continued)

SCHEDULE 4B

CUMBERLAND COUNTY IMPROVEMENT AUTHORITY
SCHEDULE OF REVENUES AND COSTS FUNDED BY
REVENUES COMPARED TO BUDGET - BUDGETARY BASIS
OTHER OPERATIONS
YEAR ENDED DECEMBER 31, 2021
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2020

	2021 BUDGET	2021 ACTUAL	2020 ACTUAL
OTHER COSTS FUNDED BY REVENUES:			
Principal Maturities	$ 3,276,083	$ 3,948,657	$ 2,209,494
Capital Outlays	140,000	65,584	167,751
Replacement Reserve	70,284	70,284	70,284
PILOT Program - Municipal	14,833	14,833	14,833
	3,501,200	4,099,358	2,462,362
TOTAL COSTS FUNDED BY REVENUES	13,947,578	15,027,795	11,713,472
REVENUES OVER (UNDER) COSTS FUNDED BY REVENUES	$ 1,252,354	(225,620)	181,454
Reconciliation of Budgetary Basis to Change in Net Position:			
Adjustments to Budgetary Basis:			
Capital Outlays		65,584	167,751
Transfers to Renewal and Replacement Reserves		70,284	70,284
Principal Maturities		3,948,657	2,209,494
Capital Contributions		166,076	2,235,088
Debt Issue Costs Incurred		(185,514)	(53,956)
Amortization Charged to Interest Expense		86,848	54,288
Increase (Decrease) in Fair Value of Investments		3	(37,842)
OPEB - Difference of GAAP vs. Budgetary Basis		(170,793)	(184,632)
Pension Expense - Difference of GAAP vs. Budgetary Basis		105,859	(314,694)
Depreciation		(4,552,768)	(3,434,918)
CHANGE IN NET POSITION PER SCHEDULE 3		$ (691,384)	$ 892,317

SCHEDULE 4C

CUMBERLAND COUNTY IMPROVEMENT AUTHORITY
SCHEDULE OF RECONCILIATION OF BUDGETARY REVENUES AND COSTS FUNDED BY REVENUES TO CHANGE IN NET POSITION
YEARS ENDED DECEMBER 31, 2021 AND 2020

	2021	2020
Revenues Over (Under) Costs Funded By Revenues:		
Solid Waste Operations - Schedule 4A	$ 1,876,520	$ 511,566
Other Operations - Schedule 4B	(225,620)	181,454
	1,650,900	693,020
Adjustments to Budgetary Basis:		
Interest Income not used for Operations	348,860	415,747
Capital Outlays	343,418	1,230,206
Principal Maturities	5,972,565	4,158,402
Transfers to Renewal and Replacement Reserves	1,025,222	891,680
Increase (Decrease) in Fair Value of Investments	(789,430)	695,738
Increase in Reserve for Operating and Maintenance	216,110	158,340
Closure Postclosure Escrow Funds Utilized	(16,617)	(21,883)
Amortization Charged to Interest Expense	174,847	157,991
Depreciation	(9,265,817)	(7,700,878)
Gain on Disposal of Assets	67,862	82,941
Closure Post Closure Expenses per GAAP	(1,832,613)	(7,327,201)
Debt Issue Costs Incurred	(190,019)	(58,461)
OPEB - Difference of GAAP vs. Budgetary Basis	(553,796)	(593,048)
Pension Expense - Difference of GAAP vs. Budgetary Basis	327,124	(1,031,782)
Capital Contributions	324,370	2,273,428
Change in Net Position Per Exhibit B	$ (2,197,014)	$ (5,975,760)

CUMBERLAND COUNTY IMPROVEMENT AUTHORITY
SCHEDULE OF REVENUE BONDS PAYABLE
DECEMBER 31, 2021

	ORIGINAL ISSUE	DATE OF ISSUE	MATURITIES DATE	MATURITIES AMOUNT	INTEREST RATE	BALANCE JANUARY 1, 2021	PRINCIPAL ADDITIONS 2021	PRINCIPAL MATURITIES 2021	DEFEASED 2021	BALANCE DECEMBER 31, 2021
2014 County Guaranteed Facilities Acquisition Project Revenue Bonds	$ 17,955,000	5/29/2014	5/1/2022	$ 580,000	5.000%	$ 15,295,000	$ -	$ 550,000	$ -	$ 14,745,000
			5/1/2023	610,000	5.000%					
			5/1/2024	640,000	5.000%					
			5/1/2025	665,000	3.000%					
			5/1/2026	690,000	3.130%					
			5/1/2027	710,000	3.130%					
			5/1/2028	730,000	3.250%					
			5/1/2029	755,000	3.500%					
			5/1/2030	785,000	3.750%					
			5/1/2031	815,000	3.750%					
			5/1/2032	845,000	3.750%					
			5/1/2033	875,000	3.750%					
			5/1/2034	915,000	3.750%					
			5/1/2035	945,000	4.000%					
			5/1/2036	985,000	4.000%					
			5/1/2037	1,025,000	4.000%					
			5/1/2038	1,065,000	4.000%					
			5/1/2039	1,110,000	4.000%					
2015A County Guaranteed Solid Waste Revenue Refunding Bonds	14,595,000	5/29/2015	1/1/2022	1,610,000	5.000%	10,405,000		1,535,000		8,870,000
			1/1/2023	1,690,000	5.000%					
			1/1/2024	1,780,000	5.000%					
			1/1/2025	1,860,000	4.000%					
			1/1/2026	1,930,000	3.000%					
2015 Lease Revenue Bonds - State Office Buildings Project	3,975,000	8/25/2015	6/15/2022	255,000	3.690%	3,180,000		250,000		2,930,000
			6/15/2023	260,000	3.690%					
			6/15/2024	265,000	3.690%					
			6/15/2025	275,000	3.690%					
			6/15/2026	355,000	3.690%					
			6/15/2027	365,000	3.690%					
			6/15/2028	375,000	3.690%					
			6/15/2029	385,000	3.690%					
			6/15/2030	395,000	3.690%					

(Continued)

CUMBERLAND COUNTY IMPROVEMENT AUTHORITY
SCHEDULE OF REVENUE BONDS PAYABLE
DECEMBER 31, 2021

	ORIGINAL ISSUE	DATE OF ISSUE	MATURITIES DATE	MATURITIES AMOUNT	INTEREST RATE	BALANCE JANUARY 1, 2021	PRINCIPAL ADDITIONS 2021	PRINCIPAL MATURITIES 2021	DEFEASED 2021	BALANCE DECEMBER 31, 2021
2017 New Jersey Environmental Infrastructure Trust Loan	$ 2,510,000	5/25/2017	9/2/2022	$ 105,000	5.000%	$ 2,225,000	$ -	$ 100,000	$ -	$ 2,125,000
			9/2/2023	110,000	5.000%					
			9/2/2024	120,000	5.000%					
			9/2/2025	125,000	5.000%					
			9/2/2026	130,000	3.000%					
			9/2/2027	135,000	3.000%					
			9/1/2028	140,000	3.000%					
			9/1/2029	140,000	3.000%					
			9/1/2030	145,000	3.000%					
			9/1/2031	150,000	3.000%					
			9/1/2032	155,000	3.000%					
			9/1/2033	160,000	3.125%					
			9/1/2034	165,000	3.250%					
			9/1/2035	170,000	3.250%					
			9/1/2036	175,000	3.375%					
2017 New Jersey Environmental Infrastructure Fund Loan	7,648,515	5/25/2017	2022	388,908	N/A	6,222,521		388,908		5,833,613
			2023	388,908						
			2024	388,908						
			2025	388,908						
			2026	388,908						
			2027	388,908						
			2028	388,908						
			2029	388,908						
			2030	388,908						
			2031	388,908						
			2032	388,908						
			2033	388,908						
			2034	388,908						
			2035	388,908						
			2036	388,901						

(Continued)

CUMBERLAND COUNTY IMPROVEMENT AUTHORITY
SCHEDULE OF REVENUE BONDS PAYABLE
DECEMBER 31, 2021

	ORIGINAL ISSUE	DATE OF ISSUE	MATURITIES DATE	MATURITIES AMOUNT	INTEREST RATE	BALANCE JANUARY 1, 2021	PRINCIPAL ADDITIONS 2021	PRINCIPAL MATURITIES 2021	DEFEASED 2021	BALANCE DECEMBER 31, 2021
2017 Revenue Bonds	$ 12,000,000	10/4/2017	10/4/2022	277,000	4.950%	$ 11,522,000	-	$ 261,000	-	$ 11,261,000
			10/4/2023	295,000	4.950%					
			10/4/2024	312,000	4.950%					
			10/4/2025	332,000	4.950%					
			10/4/2026	352,000	4.950%					
			10/4/2027	373,000	4.950%					
			10/4/2028	396,000	4.950%					
			10/4/2029	421,000	4.950%					
			10/4/2030	446,000	4.950%					
			10/4/2031	474,000	4.950%					
			10/4/2032	503,000	4.950%					
			10/4/2033	534,000	4.950%					
			10/4/2034	567,000	4.950%					
			10/4/2035	601,000	4.950%					
			10/4/2036	638,000	4.950%					
			10/4/2037	678,000	4.950%					
			10/4/2038	719,000	4.950%					
			10/4/2039	762,000	4.950%					
			10/4/2040	810,000	4.950%					
			10/4/2041	859,000	4.950%					
			10/4/2042	912,000	4.950%					
Series 2017 City of Vineland Public Safety Project	21,935,000	12/12/2017	12/15/2022	$ 610,000	5.000%	21,935,000		640,000		21,295,000
			12/15/2023	680,000	5.000%					
			12/15/2024	715,000	5.000%					
			12/15/2025	750,000	5.000%					
			12/15/2026	785,000	5.000%					
			12/15/2027	825,000	5.000%					
			12/15/2028	865,000	4.000%					
			12/15/2029	900,000	4.000%					
			12/15/2030	935,000	4.000%					
			12/15/2031	975,000	4.000%					
			12/15/2032	1,015,000	4.000%					
			12/15/2033	1,055,000	3.250%					
			12/15/2034	1,090,000	3.250%					
			12/15/2035	1,125,000	3.250%					
			12/15/2036	1,160,000	3.250%					
			12/15/2037	1,200,000	3.250%					
			12/15/2038	1,235,000	3.375%					
			12/15/2039	1,280,000	3.375%					
			12/15/2040	1,320,000	3.375%					
			12/15/2041	1,365,000	3.375%					
			12/15/2042	1,410,000	3.375%					

(Continued)

CUMBERLAND COUNTY IMPROVEMENT AUTHORITY
SCHEDULE OF REVENUE BONDS PAYABLE
DECEMBER 31, 2021

	ORIGINAL ISSUE	DATE OF ISSUE	MATURITIES DATE	MATURITIES AMOUNT	INTEREST RATE	BALANCE JANUARY 1, 2021	PRINCIPAL ADDITIONS 2021	PRINCIPAL MATURITIES 2021	DEFEASED 2021	BALANCE DECEMBER 31, 2021
2018 Revenue Bonds	$ 3,200,000	9/15/2018	12/31/2022	175,000	4.980%	$ 2,891,000	-	$ 167,000	-	$ 2,724,000
			12/31/2023	183,000	4.980%					
			12/31/2024	192,000	4.980%					
			12/31/2025	201,000	4.980%					
			12/31/2026	211,000	4.980%					
			12/31/2027	222,000	4.980%					
			12/31/2028	231,000	4.980%					
			12/31/2029	240,000	4.980%					
			12/31/2030	249,000	6.950%					
			12/31/2031	259,000	6.950%					
			12/31/2032	275,000	6.950%					
			12/31/2033	286,000	6.950%					
2018 Revenue Bonds										
County Correctional Facility Project	64,990,000	12/13/2018	10/1/2022	670,000	5.00%	64,380,000		640,000		63,740,000
			10/1/2023	705,000	5.00%					
			10/1/2024	740,000	5.00%					
			10/1/2025	780,000	5.00%					
			10/1/2026	815,000	5.00%					
			10/1/2027	860,000	5.50%					
			10/1/2028	905,000	5.00%					
			10/1/2029	950,000	5.50%					
			10/1/2030	1,000,000	5.00%					
			10/1/2031	1,050,000	5.00%					
			10/1/2032	1,100,000	5.00%					
			10/1/2033	1,155,000	5.00%					
			10/1/2034	1,215,000	5.00%					
			10/1/2035	1,275,000	5.00%					
			10/1/2036	1,340,000	5.00%					
			10/1/2037	1,405,000	5.00%					
			10/1/2038	1,475,000	5.00%					
			10/1/2039	1,550,000	4.00%					
			10/1/2040	1,610,000	4.00%					
			10/1/2041	1,675,000	4.00%					
			10/1/2042	1,740,000	4.00%					
			10/1/2043	1,810,000	4.00%					
			10/1/2044	1,885,000	4.00%					
			10/1/2045	1,960,000	4.00%					
			10/1/2046	2,040,000	4.00%					
			10/1/2047	2,120,000	4.00%					
			10/1/2048	2,205,000	4.00%					
			10/1/2049	2,290,000	4.00%					
			10/1/2050	2,385,000	4.00%					
			10/1/2051	2,480,000	4.00%					
			10/1/2052	2,580,000	4.00%					
			10/1/2053	2,680,000	4.00%					
			10/1/2054	2,790,000	4.00%					
			10/1/2055	2,900,000	5.00%					
			10/1/2056	3,045,000	5.00%					
			10/1/2057	3,200,000	5.00%					
			10/1/2058	3,355,000	5.00%					

(Continued)

CUMBERLAND COUNTY IMPROVEMENT AUTHORITY
SCHEDULE OF REVENUE BONDS PAYABLE
DECEMBER 31, 2021

	ORIGINAL ISSUE	DATE OF ISSUE	MATURITIES DATE	MATURITIES AMOUNT	INTEREST RATE	BALANCE JANUARY 1, 2021	PRINCIPAL ADDITIONS 2021	PRINCIPAL MATURITIES 2021	DEFEASED 2021	BALANCE DECEMBER 31, 2021
2019 County Guaranteed-										
Administration Building	$ 4,970,000	4/4/2019	3/15/2022	$ 90,000	3.00%	$ 4,885,000	$ -	$ 85,000	$ -	$ 4,800,000
			3/15/2023	90,000	3.00%					
			3/15/2024	95,000	3.00%					
			3/15/2025	100,000	5.00%					
			3/15/2026	100,000	5.00%					
			3/15/2027	105,000	5.00%					
			3/15/2028	110,000	5.00%					
			3/15/2029	120,000	5.00%					
			3/15/2030	125,000	5.00%					
			3/15/2031	130,000	5.00%					
			3/15/2032	135,000	5.00%					
			3/15/2033	145,000	5.00%					
			3/15/2034	150,000	5.00%					
			3/15/2035	160,000	5.00%					
			3/15/2036	165,000	5.00%					
			3/15/2037	175,000	5.00%					
			3/15/2038	185,000	5.00%					
			3/15/2039	195,000	5.00%					
			3/15/2040	200,000	3.50%					
			3/15/2041	210,000	3.50%					
			3/15/2042	215,000	3.50%					
			3/15/2043	225,000	3.50%					
			3/15/2044	235,000	3.50%					
			3/15/2045	240,000	5.00%					
			3/15/2046	255,000	5.00%					
			3/15/2047	270,000	5.00%					
			3/15/2048	280,000	5.00%					
			3/15/2049	295,000	5.00%					
2020 Vineland Board of Education										
Bus Depot Project	3,165,000	4/28/2020	4/15/2022	625,000	1.52%	3,165,000		615,000	-	2,550,000
			4/15/2023	635,000	1.52%					
			4/15/2024	640,000	1.52%					
			4/15/2025	650,000	1.52%					

(Continued)

CUMBERLAND COUNTY IMPROVEMENT AUTHORITY
SCHEDULE OF REVENUE BONDS PAYABLE
DECEMBER 31, 2021

	ORIGINAL ISSUE	DATE OF ISSUE	MATURITIES DATE	MATURITIES AMOUNT	INTEREST RATE	BALANCE JANUARY 1, 2021	PRINCIPAL ADDITIONS 2021	PRINCIPAL MATURITIES 2021	DEFEASED 2021	BALANCE DECEMBER 31, 2021
Bridgeton Fire Station Series 2021	$ 7,495,000	12/22/2021	12/31/2023	145,000	4.00%		$ 7,495,000			$ 7,495,000
			12/31/2024	150,000	4.00%					
			12/31/2025	160,000	4.00%					
			12/31/2026	165,000	4.00%					
			12/31/2027	170,000	4.00%					
			12/31/2028	175,000	4.00%					
			12/31/2029	185,000	4.00%					
			12/31/2030	190,000	4.00%					
			12/31/2031	200,000	4.00%					
			12/31/2032	210,000	4.00%					
			12/31/2033	215,000	4.00%					
			12/31/2034	225,000	4.00%					
			12/31/2035	235,000	4.00%					
			12/31/2036	245,000	4.00%					
			12/31/2037	255,000	3.00%					
			12/31/2038	260,000	3.00%					
			12/31/2039	270,000	3.00%					
			12/31/2040	275,000	3.00%					
			12/31/2041	285,000	3.00%					
			12/31/2042	295,000	4.00%					
			12/31/2043	305,000	4.00%					
			12/31/2044	315,000	4.00%					
			12/31/2045	330,000	4.00%					
			12/31/2046	345,000	4.00%					
			12/31/2047	355,000	3.00%					
			12/31/2048	365,000	3.00%					
			12/31/2049	380,000	3.00%					
			12/31/2050	390,000	3.00%					
			12/31/2051	400,000	3.00%					
						$ 146,105,521	$ 7,495,000	$ 5,231,908	$ -	$ 148,368,613

CUMBERLAND COUNTY IMPROVEMENT AUTHORITY
SCHEDULE OF LOANS PAYABLE
DECEMBER 31, 2021

	ORIGINAL ISSUE	DATE OF ISSUE	MATURITIES DATE	MATURITIES AMOUNT	INTEREST RATE	BALANCE JANUARY 1, 2021	ISSUED 2021	PAID 2021	REFUNDED 2021	BALANCE DECEMBER 31, 2021
2017 TD Loan Payable	$ 7,357,350	12/29/2017	12/1/2022	376,414	3.860%	$ 5,100,679	$ -	$ 104,352	$ -	$ 4,996,327
			12/1/2023	169,695						
			12/1/2024	4,450,218						
CEZC	1,000,000	6/14/2018	6/14/2023	1,000,000	NA	1,000,000				1,000,000
Equipment Loan - W. Park	700,000	7/31/2018	7/31/2022	99,797	3.240%	515,676		96,666	-	419,010
			7/31/2023	103,030						
			7/31/2024	106,369						
			7/31/2025	109,814						
Equipment Loan - CNG Station	3,000,000	7/31/2018	7/31/2022	284,111	3.380%	2,477,017		274,822		2,202,195
			7/31/2023	293,714						
			7/31/2024	303,642						
			7/31/2025	313,905						
			7/31/2026	324,515						
			7/31/2027	335,485						
			7/31/2028	346,823						
Equipment Loan - 2019	200,000	10/10/2019	10/10/2022	39,983	2.100%	161,645		39,160		122,485
			10/10/2023	40,822						
			10/10/2024	41,680						
Equipment Loan - Food	1,650,000	10/30/2020	10/30/2022	228,930	1.450%	1,650,000		225,658		1,424,342
			10/30/2023	232,249						
			10/30/2024	235,617						
			10/30/2025	239,033						
			10/30/2026	242,499						
			10/30/2027	246,014						

(Continued)

CUMBERLAND COUNTY IMPROVEMENT AUTHORITY
SCHEDULE OF LOANS PAYABLE
DECEMBER 31, 2021

	ORIGINAL ISSUE	DATE OF ISSUE	MATURITIES DATE	MATURITIES AMOUNT	INTEREST RATE	BALANCE JANUARY 1, 2021	ISSUED 2021	PAID 2021	REFUNDED 2021	BALANCE DECEMBER 31, 2021
Equipment Loan - Gas Wells	$ 725,000	4/30/2020	4/30/2022	142,463	1.750%	$ 725,000		$ 140,013		$ 584,987
			4/30/2023	144,956						
			4/30/2024	147,493						
			4/30/2025	150,075						
Equipment Loan - Generators	850,000	12/18/2020	12/18/2022	167,569	1.430%	850,000		165,207		684,793
			12/18/2023	169,966						
			12/18/2024	172,396						
			12/18/2025	174,862						
TD Equipment Loan - SIM	2,400,000	9/30/2021	9/30/2022	316,263	2.680%		2,400,000			2,400,000
			9/30/2023	324,739						
			9/30/2024	333,442						
			9/30/2025	342,378						
			9/30/2026	351,554						
			9/30/2027	360,975						
			9/30/2028	370,649						
						$ 12,480,017	$ 2,400,000	$ 1,045,878	$ -	$ 13,834,139

CUMBERLAND COUNTY IMPROVEMENT AUTHORITY
SCHEDULE OF CONDUIT DEBT
DECEMBER 31, 2021

ISSUE	DATE OF ISSUE	ISSUED AMOUNT	BALANCE JANUARY 1, 2021	BONDS ISSUED 2021	PRINCIPAL MATURITIES 2021	BONDS DEFEASED 2021	BALANCE DECEMBER 31, 2021
Guaranteed by Other Governmental Entities:							
Local Unit Program Bonds - City of Vineland Electric Utility Project, Series 2009B (1)	10/1/2009	53,555,000	40,500,000		15,500,000		25,000,000
Cumberland County General Obligation Revenue Bonds Technical High School Project, Series 2019	1/16/2019	21,035,000	20,460,000		575,000		19,885,000
Cumberland County General Obligation Bonds Technical High School Project, Series 2014	10/30/2014	63,890,000	29,320,000		2,000,000		27,320,000
Cumberland County General Obligation Revenue Refunding Bonds Technical High School Project, Series 2020	7/15/2020	31,335,000	30,905,000		395,000		30,510,000
			$ 121,185,000	$ -	$ 18,470,000	$ -	$ 102,715,000

(1) In June 2019, the City of Vineland issued its Electric Utility Refunding Bonds Series 2019, and established a Revocable Escrow Account with TD Bank that provided for the economic defeasance of its Series 2009 Bonds. That escrow account is being used by the Trustee to pay the debt service due on the Series 2009B Bonds issued in the name of the Authority, however, since it was a Revocable Escrow, the Bonds are still deemed outstanding.

CUMBERLAND COUNTY IMPROVEMENT AUTHORITY
ROSTER OF OFFICIALS
AS OF DECEMBER 31, 2021

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

George M. Olivio	Chairman
Robert P. Nedohon, Jr.	Vice Chairman
Albert B. Kelly	Secretary
Dale K. Jones	Treasurer
Andre Lopez	Assistant Treasurer
Gerard Velazquez, III	President, CEO
Archer & Greiner, P.C.	Solicitor
Phoenix Advisors	Financial Advisors

CRIME POLICY/EMPLOYEE DISHONESTY

Traveler's Insurance Company

CUMBERLAND COUNTY IMPROVEMENT AUTHORITY
SCHEDULE OF FINDINGS AND RECOMMENDATIONS
YEAR ENDED DECEMBER 31, 2021

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

None Noted.

CUMBERLAND COUNTY IMPROVEMENT AUTHORITY
STATUS OF PRIOR YEAR FINDINGS AND RECOMMENDATIONS
YEAR ENDED DECEMBER 31, 2021

This section identifies the status of prior year findings related to the financial statements that are required to be reported in accordance with *Government Auditing Standards* or with audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

Finding No. 2020-001

Condition
The Authority utilizes an Escrow Agent to invest the funds contained in its DEP Landfill Closure Escrow Fund. In 2020 a portion of those funds were invested in out-of-state (non-New Jersey) governmental debt issues which are not currently permitted by N.J.S.A. 40A:5-15.1.

Current Status

This is not a finding in the current year.

Finding No. 2020-002

Condition
The Authority awarded two contracts that were exempt from bidding requirements, however, were not exempt from the pay-to-play requirements contained in N.J.S.A. 19:44A-20.4. The required political contribution certifications for those contracts were not obtained from the vendor.

Current Status

This is not a finding in the current year.