

Report of Audit

on the

Financial Statements

of the

Township of Branchburg

in the

County of Somerset
New Jersey

for the

Year Ended
December 31, 2022

TOWNSHIP OF BRANCHBURG

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TOWNSHIP OF BRANCHBURG

PART I

INDEPENDENT AUDITOR'S REPORT ON
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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL
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SUPPLEMENTARY SCHEDULES – ALL FUNDS

YEAR ENDED DECEMBER 31, 2022 AND 2021



SUPLEE, CLOONEY & COMPANY

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INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and Members
of the Township Committee
Township of Branchburg
County of Somerset
Branchburg, New Jersey 08876

Report on the Audit of the Financial Statements

Adverse and Unmodified Opinions

We have audited the accompanying balance sheets - regulatory basis of the various individual funds and account group of the Township of Branchburg (the "Township"), as of and for the years ended December 31, 2022 and 2021, the related statements of operations and changes in fund balance - regulatory basis for the years then ended, and the related statement of revenues - regulatory basis and statement of expenditures - regulatory basis of the various individual funds for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the Township's regulatory financial statements as listed in the table of contents.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the "Matter Giving Rise to Adverse Opinion" paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the various individual funds and account group of the Township as of December 31, 2022 and 2021, or the results of its operations and changes in fund balance for the years then ended or the revenues or expenditures for the year ended December 31, 2022.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the regulatory financial statements referred to above present fairly, in all material respects, the regulatory basis balances sheets of the various individual funds and account group as of December 31, 2022 and 2021, the regulatory basis statement of operations and changes in fund balance for the years then ended and the regulatory basis statement of revenues and expenditures and changes in fund balance for the year ended December 31, 2022 in accordance with the basis of financial reporting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division") as described in Note 1.

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Basis for Adverse and Unmodified Opinions

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

Matter Giving Rise to Adverse Opinion

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

Responsibilities of Management for the Financial Statements

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Supplementary Information

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

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

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Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated July 17, 2023, on our consideration of the Township's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Township's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering Township's internal control over financial reporting and compliance.



CERTIFIED PUBLIC ACCOUNTANTS



REGISTERED MUNICIPAL ACCOUNTANT NO. 439

July 17, 2023



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

The Honorable Mayor and Members
of the Township Committee
Township of Branchburg
County of Somerset
Branchburg, New Jersey 08876

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the regulatory financial statements of the various individual funds and the account group of the Township of Branchburg, as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the Township's regulatory financial statements, and have issued our report thereon dated July 17, 2023. Our report disclosed that, as described in Note 1 to the financial statements, the Township of Branchburg prepares its financial statements on a basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, that demonstrates compliance with a modified accrual basis and the budget laws of the State of New Jersey, which is a comprehensive basis of accounting other than U.S. generally accepted accounting principles.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

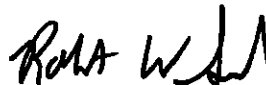
As part of obtaining reasonable assurance about whether the Township's regulatory financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct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

Purpose of This Report

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



CERTIFIED PUBLIC ACCOUNTANTS



REGISTERED MUNICIPAL ACCOUNTANT NO. 439

July 17, 2023

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CURRENT FUND

TOWNSHIP OF BRANCHBURG

CURRENT FUND

BALANCE SHEETS - REGULATORY BASIS

	REF.	BALANCE DECEMBER 31, 2022	BALANCE DECEMBER 31, 2021
<u>ASSETS</u>			
Cash	A-4	\$ 16,562,954.92	\$ 15,308,350.84
Change Fund	A-6	955.00	955.00
Due State of New Jersey - Senior Citizens and Veterans	A-7	72,404.22	77,549.06
		<u>\$ 16,636,314.14</u>	<u>\$ 15,386,854.90</u>
Receivables and Other Assets with Full Reserves:			
Delinquent Property Taxes Receivable	A-8	\$ 601,163.25	\$ 490,831.38
Tax Title Liens Receivable	A-9	17,398.87	15,319.22
Property Acquired For Taxes	A-30	1,534,100.00	1,534,100.00
Revenue Accounts Receivable	A-13	8,955.76	10,162.49
Interfunds Receivable	A-12	1,280.78	244.84
	A	<u>\$ 2,162,898.66</u>	<u>\$ 2,050,657.93</u>
Deferred Charges	A-32	\$	\$ 81,461.24
		<u>\$ 18,799,212.80</u>	<u>\$ 17,518,974.07</u>
Grant Fund:			
Cash	A-4	\$ 519,433.40	\$ 371,117.71
Grants Receivable	A-20	140,900.33	221,595.33
		<u>\$ 660,333.73</u>	<u>\$ 592,713.04</u>
		<u>\$ 19,459,546.53</u>	<u>\$ 18,111,687.11</u>

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

TOWNSHIP OF BRANCHBURG

CURRENT FUND

BALANCE SHEETS - REGULATORY BASIS

	<u>REF.</u>	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2022</u>	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2021</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Appropriation Reserves	A-3:A-14	\$ 2,599,710.87	\$ 2,771,148.56
Prepaid Taxes	A-18	500,623.96	431,444.32
Accounts Payable	A-11	602,889.12	607,176.42
Interfunds Payable	A-12	80,824.00	
County Taxes Payable	A-26	172,650.91	
School Taxes Payable	A-27		228,996.00
Reserve For:			
Sale of Municipal Assets	A-15	279,000.00	251,000.00
COVID-19 Emergency	A-10	647.50	
Tax Appeals	A-31	1,000,000.00	500,000.00
Revision of Master Plan	A-25	3,111.91	3,111.91
National Opioid Settlement - Unappropriated	A-34	11,528.61	
Municipal Tax Relief - Unappropriated	A-35	157,414.13	
Garden State Trust - Unappropriated	A-33	5,835.00	5,835.00
Construction Code DCA - Due State of NJ	A-21	26,695.30	22,017.30
Due State of New Jersey - Burial Permits	A-22	40.00	40.00
		\$ 5,440,971.31	\$ 4,820,769.51
Reserve for Receivables and Other Assets	A	2,162,898.66	2,050,657.93
Fund Balance	A-1	11,195,342.83	10,647,546.63
		\$ 18,799,212.80	\$ 17,518,974.07
Grant Fund:			
Reserve for Grants - Unappropriated	A-24	\$ 158,254.53	\$ 85,242.98
Reserve for Grants - Appropriated	A-23	450,250.52	387,458.30
Interfunds	A-29	51,828.68	0.40
Reserve for Accounts Payable	A-16		120,011.36
		\$ 660,333.73	\$ 592,713.04
		\$ 19,459,546.53	\$ 18,111,687.11

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

"A-1"

TOWNSHIP OF BRANCHBURG

CURRENT FUND

STATEMENTS OF OPERATIONS AND
CHANGE IN FUND BALANCE - REGULATORY BASIS

		YEAR ENDED DECEMBER 31, 2022	YEAR ENDED DECEMBER 31, 2021
<u>REVENUE AND OTHER INCOME REALIZED</u>	<u>REF.</u>		
Fund Balance Utilized	A-1:A-2	\$ 4,700,000.00	\$ 4,100,000.00
Miscellaneous Revenue Anticipated	A-2	5,085,929.43	5,406,648.43
Receipts From Delinquent Taxes	A-2	490,114.17	682,575.64
Receipts From Current Taxes	A-2	73,617,864.53	71,407,553.40
Non-Budget Revenue	A-2	887,354.28	647,358.49
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves	A-14	2,834,762.65	3,084,989.55
Reserved Canceled			950.84
Tax Overpayments Canceled			4,033.10
Accounts Payable Canceled			6,390.14
Interfunds Returned			1,781.88
<u>TOTAL REVENUE AND OTHER INCOME</u>		<u>\$ 87,616,025.06</u>	<u>\$ 85,342,281.47</u>
<u>EXPENDITURES</u>			
Budget and Emergency Appropriations:			
Operations Within "CAPS"	A-3	\$ 14,690,500.00	\$ 14,123,586.00
Deferred Charges and Regulatory Expenditures - Municipal	A-3	2,080,453.00	2,011,856.00
Other Operations Excluded From "CAPS":			
State and Federal Programs Off-Set by Revenue	A-3	173,848.30	305,961.02
Municipal Debt Service	A-3	1,397,730.00	1,200,000.00
Capital Improvements	A-3	1,550,000.00	1,396,903.00
Deferred Charges and Regulatory Expenditures	A-3	81,461.24	98,428.00
Open Space Tax	A-28	1,861,137.60	1,685,290.45
Added Open Space Tax	A-28	21,366.84	12,808.98
County Tax	A-26	14,808,808.02	13,557,398.20
County Share of Added Taxes	A-26	172,650.92	105,402.72
Local District School Tax	A-27	45,029,237.00	44,807,928.00
Interfund Advanced		1,035.94	
Reserve for Tax Appeals	A-31	500,000.00	
<u>TOTAL EXPENDITURES</u>		<u>\$ 82,368,228.86</u>	<u>\$ 79,305,562.37</u>
Excess in Revenue		<u>\$ 5,247,796.20</u>	<u>\$ 6,036,719.10</u>
Adjustments to Income Before Fund Balance:			
Expenditures Included Above Which are by Statute			
Deferred Charges to Budget of Succeeding Year		\$	\$ 200,000.00
Statutory Excess to Fund Balance		<u>\$ 5,247,796.20</u>	<u>\$ 6,236,719.10</u>
Fund Balance, January 1	A	<u>\$ 10,647,546.63</u>	<u>\$ 8,510,827.53</u>
		\$ 15,895,342.83	\$ 14,747,546.63
Decreased by:			
Utilization as Anticipated Revenue	A-1:A-2	<u>4,700,000.00</u>	<u>4,100,000.00</u>
Fund Balance, December 31	A	<u>\$ 11,195,342.83</u>	<u>\$ 10,647,546.63</u>

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

TOWNSHIP OF BRANCHBURG

CURRENT FUND

STATEMENT OF REVENUES - REGULATORY BASIS

YEAR ENDED DECEMBER 31, 2022

	<u>REF.</u>	<u>ANTICIPATED BUDGET</u>	<u>REALIZED</u>	<u>EXCESS OR (DEFICIT)</u>
Fund Balance Anticipated	A-1	\$ 4,700,000.00	\$ 4,700,000.00	
Miscellaneous Revenues:				
Licenses:				
Alcoholic Beverages	A-13	\$ 25,000.00	\$ 30,250.00	\$ 5,250.00
Other	A-13	26,500.00	24,939.00	(1,561.00)
Fees and Permits:				
Construction Code Official	A-13	900,000.00	852,795.00	(47,205.00)
Other	A-2	150,000.00	162,859.17	12,859.17
Municipal Court:				
Fines and Costs	A-13	149,000.00	136,739.07	(12,260.93)
Interest and Costs on Taxes	A-13	90,000.00	138,849.94	48,849.94
Energy Receipts Tax	A-13	3,017,684.00	3,017,684.00	
Garden State Trust Fund	A-13	10,807.00	10,807.00	
Hotel Tax	A-13	260,000.00	473,779.77	213,779.77
Fire Safety - Life Hazard Use Fees	A-13	60,000.00	83,378.18	23,378.18
Safe & Secure Communities	A-20	32,400.00	32,400.00	
Youth Services Grant	A-20	5,000.00	5,000.00	
Clean Communities	A-20	79,341.37	79,341.37	
Body Armor	A-20	2,247.33	2,247.33	
Drunk Driving Enforcement	A-20	9,811.49	9,811.49	
Recycling Tonnage	A-20	25,048.11	25,048.11	
<u>Total Miscellaneous Revenues</u>	A-1	\$ 4,842,839.30	\$ 5,085,929.43	\$ 243,090.13
Receipts From Delinquent Taxes	A-1:A-8	\$ 498,000.00	\$ 490,114.17	\$ (7,885.83)
Amt. to be Raised by Taxes for Support of Municipal Budget:				
Local Tax for Municipal Purposes	A-2:A-8	\$ 11,558,153.24	\$ 12,849,664.15	\$ 1,291,510.91
<u>BUDGET TOTALS</u>		\$ 21,598,992.54	\$ 23,126,707.75	\$ 1,526,715.21
Non-Budget Revenues	A-2	\$	\$ 887,354.28	\$ 887,354.28
		\$ 21,598,992.54	\$ 24,013,062.03	\$ 2,414,069.49
	<u>REF.</u>	A-3		

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

TOWNSHIP OF BRANCHBURG

CURRENT FUND

STATEMENT OF REVENUES - REGULATORY BASIS

YEAR ENDED DECEMBER 31, 2022

REF.

ANALYSIS OF REALIZED REVENUE

Allocation of Current Tax Collections:		
Revenue From Collections	A-1:A:8	\$ 73,617,864.53
Allocated to:		
County Taxes	A-8	\$ 14,981,458.94
Local District School Taxes	A-8	45,029,237.00
Municipal Open Space	A-8	<u>1,882,504.44</u>
Balance for Support of Municipal Budget Appropriations		\$ 11,724,664.15
Add: Appropriation "Reserve for Uncollected Taxes"	A-3	<u>1,625,000.00</u>
Less: Reserve for Tax Appeals	A-1:A-31	\$ <u>500,000.00</u>
Amount for Support of Municipal Budget Appropriations	A-2	\$ <u><u>12,849,664.15</u></u>
Other - Fees and Permits:		
Clerk/Registrar	A-13	\$ 3,053.72
Board of Health	A-13	52,304.00
Zoning/Planning/Adjustment	A-13	38,189.00
Fire Safety	A-13	52,572.19
Police	A-13	3,940.26
Engineering	A-13	<u>12,800.00</u>
	A-2	\$ <u><u>162,859.17</u></u>

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

TOWNSHIP OF BRANCHBURG
CURRENT FUND
STATEMENT OF REVENUES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2022

REF.

ANALYSIS OF NON-BUDGET REVENUE

Miscellaneous Revenue Not Anticipated:		
Interest on Investments	\$	182,351.04
FEMA Reimbursements		155,882.51
Cell Tower Rent		137,652.59
Comcast/Verizon Franchise Fee		98,382.60
Solar SREC		84,113.00
PILOT		80,943.54
JIF & Insurance Refunds/Proceeds		56,671.42
Scrap / Recycling & Auction Sales		27,081.35
Police Outside Admin Fee		19,981.50
Affordable Housing Fee		14,506.00
DPW Shared Services		12,000.00
Escrow Refunds		11,826.14
Escrow Interest		5,262.59
Motor Vehicle Inspection Fines		700.00
<u>Total Non-Budget Revenue</u>	A-1:A-2:A-4	\$ <u>887,354.28</u>

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

TOWNSHIP OF BRANCHBURG
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2022

	APPROPRIATIONS		EXPENDED		
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED	CANCELED
GENERAL GOVERNMENT:					
Administrative and Executive:					
Salaries and Wages	\$ 501,000.00	\$ 501,000.00	\$ 494,917.44	\$ 6,082.56	\$
Other Expenses	660,000.00	660,000.00	559,343.20	656.80	
Mayor and Council:					
Salaries and Wages	62,000.00	62,000.00	61,000.16	999.84	
Other Expenses	25,500.00	27,500.00	27,429.18	70.82	
Clerk:					
Salaries and Wages	166,000.00	166,000.00	149,531.17	16,468.83	
Other Expenses	14,200.00	14,200.00	13,562.73	637.27	
Elections:					
Salaries and Wages					
Other Expenses	6,500.00	6,500.00	5,806.52	693.48	
Financial Administration:					
Salaries and Wages	176,000.00	176,000.00	174,247.67	762.33	
Other Expenses	40,800.00	40,800.00	13,386.69	27,203.31	
Audit	45,000.00	46,000.00	45,000.00		
Assessment of Taxes:					
Salaries and Wages	217,000.00	217,000.00	213,676.44	3,323.56	
Other Expenses	175,000.00	175,000.00	127,197.73	47,802.27	
Collection of Taxes:					
Salaries and Wages	65,000.00	65,000.00	49,038.54	15,961.46	
Other Expenses	12,750.00	12,750.00	7,702.59	5,047.41	
Legal Services and Costs:					
Miscellaneous Other Expenses	250,000.00	246,000.00	129,300.65	118,699.35	
Mount Laurel Implementation	90,000.00	72,000.00	9,000.00	63,000.00	
Litigation	125,000.00	105,000.00	5,180.48	99,819.52	
Prosecutor	35,000.00	35,000.00	33,886.94	1,113.06	
Legal Settlements	60,000.00	40,000.00		40,000.00	
Engineering Services and Costs:					
Salaries and Wages	640,000.00	640,000.00	524,431.34	115,568.66	
Other Expenses	26,300.00	26,300.00	9,991.77	17,308.23	
Public Buildings and Grounds:					
Other Expenses	124,000.00	134,000.00	129,578.27	4,421.73	
Planning Board:					
Salaries and Wages	35,000.00	35,000.00	30,401.42	4,598.58	
Other Expenses	61,700.00	61,700.00	27,005.28	34,694.72	
Board of Adjustment:					
Other Expenses	27,300.00	27,300.00	20,142.89	7,157.11	
Environmental Commission:					
Other Expenses	500.00	500.00	376.00	125.00	
Historical Commission:					
Other Expenses	3,700.00	3,700.00		3,700.00	
Recycling					
Contractual	100,000.00	100,000.00	77,977.36	22,022.64	
Other Expenses	20,000.00	20,000.00	8,356.52	11,643.48	
Insurance:					
Group Insurance Plan for Employees	1,825,000.00	1,825,000.00	1,388,702.73	436,297.27	
Other Insurance Premiums	298,000.00	298,000.00	262,544.79	45,455.21	
Worker's Compensation	335,000.00	335,000.00	332,003.00	2,997.00	
Group Insurance - Opt Out	90,000.00	90,000.00	75,162.49	14,837.51	
PUBLIC SAFETY:					
Bureau of Fire Prevention:					
Salaries and Wages	140,000.00	140,000.00	133,279.58	6,720.42	
Other Expenses	6,500.00	6,500.00	2,013.20	4,486.80	
Public Fire Prevention - Fire Hydrant Services	425,000.00	425,000.00	400,032.24	24,967.76	
Aid to Volunteer Fire Companies	140,000.00	140,000.00	140,000.00		
Aid to Adjoining Fire Companies	80,400.00	80,400.00	80,400.00		
Maintenance of Fire Vehicles	65,000.00	65,000.00	36,000.00	29,000.00	
Blood Bore Pathogens:					
Other Expenses	4,500.00	4,500.00		4,500.00	
Police:					
Salaries and Wages	3,000,000.00	3,000,000.00	2,714,046.37	285,953.63	
Other Expenses	283,500.00	283,500.00	268,658.21	14,841.79	
School Crossing Guards:					
Salaries and Wages	20,000.00	22,000.00	21,625.72	374.28	
Other Expenses	2,000.00	2,000.00	95.35	1,904.65	
First Aid Organization Contribution	54,000.00	64,000.00	54,000.00		
Emergency Management Services:					
Other Expenses	7,000.00	7,000.00	1,957.03	5,042.97	

TOWNSHIP OF BRANCHBURG
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2022

	APPROPRIATIONS		EXPENDED		
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED	CANCELED
PUBLIC SAFETY (CONTINUED):					
Municipal Court:					
Salaries and Wages	\$ 190,000.00	\$ 165,000.00	\$ 153,748.20	\$ 11,251.80	\$
Other Expenses	13,400.00	54,400.00	54,299.05	100.85	
Public Defender:					
Other Expenses	5,000.00	5,000.00	2,800.00	2,200.00	
STREETS AND ROADS:					
Road Repair and Maintenance:					
Salaries and Wages	1,625,000.00	1,615,000.00	1,330,638.21	284,361.79	
Other Expenses	470,500.00	470,500.00	384,688.30	85,811.70	
Snow Removal:					
Salaries and Wages	125,000.00	125,000.00	27,552.01	97,447.99	
Other Expenses	118,000.00	116,000.00	84,628.66	51,371.34	
Street Lighting:					
Other Expenses	45,000.00	45,000.00	31,014.66	13,985.34	
HEALTH AND WELFARE:					
Board of Health:					
Salaries and Wages	185,000.00	185,000.00	161,387.11	23,612.89	
Other Expenses	30,500.00	30,500.00	13,788.71	16,711.29	
Dog Regulation:					
Other Expenses	21,000.00	21,000.00	17,550.28	3,449.72	
RECREATION AND EDUCATION:					
Board of Recreation Commissioners:					
Salaries and Wages	170,000.00	172,000.00	170,619.92	1,380.08	
Other Expenses	33,750.00	31,750.00	27,771.54	3,978.46	
UNIFORM CONSTRUCTION CODE:					
Construction Official:					
Salaries and Wages	312,000.00	312,000.00	131,378.88	180,621.12	
Other Expenses	87,060.00	87,050.00	60,486.68	26,563.32	
Sub-Code Officials:					
Salaries and Wages	80,000.00	80,000.00	73,260.76	6,739.24	
Other Expenses	12,450.00	12,450.00	1,154.80	11,295.20	
Plumbing Inspector:					
Salaries and Wages	65,000.00	65,000.00	35,341.47	29,658.53	
Other Expenses	750.00	750.00		750.00	
Electrical Sub Code:					
Salaries and Wages	50,000.00	50,000.00	35,341.63	14,658.37	
Other Expenses	500.00	500.00		500.00	
Fire Sub Code:					
Salaries and Wages	65,000.00	65,000.00	60,971.20	4,028.80	
Other Expenses	650.00	650.00		650.00	
UNCLASSIFIED:					
Municipal Services Law	25,000.00	25,000.00		25,000.00	
Electricity	92,000.00	112,000.00	104,216.21	7,783.79	
Telephone	100,000.00	100,000.00	81,095.69	18,904.31	
Water	40,000.00	40,000.00	23,233.20	16,766.80	
Natural Gas	50,000.00	50,000.00	39,403.39	10,596.61	
Gasoline	190,000.00	210,000.00	188,105.64	21,894.36	
Volunteer Incentive Program	60,000.00	60,000.00	60,000.00		
TOTAL OPERATIONS WITHIN "CAPS"	\$ 14,690,500.00	\$ 14,690,500.00	\$ 12,171,474.89	\$ 2,519,025.11	\$
DEFERRED CHARGES AND STATUTORY EXPENDITURES - MUNICIPAL - WITHIN "CAPS":					
Statutory Expenditures:					
Social Security System	\$ 592,000.00	\$ 592,000.00	\$ 561,541.72	\$ 30,458.28	\$
Police and Firemen's Retirement System of N.J.	801,114.00	801,114.00	801,114.00		
Public Employee's Retirement System	657,339.00	657,339.00	657,339.00		
Contribution to Unemployment Trust	30,000.00	30,000.00	30,000.00		
TOTAL DEFERRED CHARGES AND STATUTORY EXPENDITURES - MUNICIPAL - WITHIN "CAPS"	\$ 2,080,453.00	\$ 2,080,453.00	\$ 2,049,994.72	\$ 30,458.28	\$
TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSE WITHIN "CAPS"	\$ 16,770,953.00	\$ 16,770,953.00	\$ 14,221,469.61	\$ 2,549,483.39	\$

TOWNSHIP OF BRANCHBURG
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2022

	<u>APPROPRIATIONS</u>		<u>EXPENDED</u>		
	<u>BUDGET</u>	<u>BUDGET AFTER MODIFICATION</u>	<u>PAID OR CHARGED</u>	<u>RESERVED</u>	<u>CANCELED</u>
<u>OPERATIONS EXCLUDED FROM "CAPS":</u>					
<u>STATE AND FEDERAL PROGRAMS OFFSET BY REVENUES:</u>					
Safe and Secure Neighborhoods:					
State Share	\$ 32,400.00	\$ 32,400.00	\$ 32,400.00	\$	
Local Share	20,000.00	20,000.00	20,000.00		
Youth Services Grant	5,000.00	5,000.00	5,000.00		
Drunk Driving Enforcement Fund	9,811.49	9,811.49	9,811.49		
Clean Communities	79,341.37	79,341.37	79,341.37		
Body Armor	2,247.33	2,247.33	2,247.33		
Recycling Tonnage	25,048.11	25,048.11	25,048.11		
TOTAL STATE AND FEDERAL PROGRAMS OFFSET BY REVENUES	\$ 173,848.30	\$ 173,848.30	\$ 173,848.30	\$	\$
<u>CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS":</u>					
Capital Improvement Fund	\$ 600,000.00	\$ 600,000.00	\$ 600,000.00	\$	
Reserve for Road Improvement	750,000.00	750,000.00	750,000.00		
Reserve for Emergency Services Equipment	100,000.00	100,000.00	49,918.95	50,081.05	
Reserve for Computer Equipment	100,000.00	100,000.00	99,853.57	146.43	
TOTAL CAPITAL IMPROVEMENTS	\$ 1,550,000.00	\$ 1,550,000.00	\$ 1,499,772.52	\$ 50,227.48	\$
<u>DEBT SERVICE:</u>					
Payment of Bond Principal	\$ 1,142,000.00	\$ 1,142,000.00	\$ 1,142,000.00	\$	
Interest on Bonds	255,730.00	255,730.00	255,730.00		
TOTAL DEBT SERVICE	\$ 1,397,730.00	\$ 1,397,730.00	\$ 1,397,730.00	\$	\$
<u>DEFERRED CHARGES-MUNICIPAL- EXCLUDED FROM "CAPS":</u>					
Deferred Charges:					
Special Emergency Authorization - 5 Years	\$ 81,461.24	\$ 81,461.24	\$ 81,461.24	\$	
	\$ 81,461.24	\$ 81,461.24	\$ 81,461.24	\$	
TOTAL DEFERRED CHARGES-MUNICIPAL- EXCLUDED FROM "CAPS"	\$ 81,461.24	\$ 81,461.24	\$ 81,461.24	\$	\$
SUBTOTAL GENERAL APPROPRIATIONS	\$ 19,973,992.54	\$ 19,973,992.54	\$ 17,374,281.67	\$ 2,599,710.87	\$
RESERVE FOR UNCOLLECTED TAXES	1,625,000.00	1,625,000.00	1,625,000.00		
TOTAL GENERAL APPROPRIATIONS	\$ 21,598,992.54	\$ 21,598,992.54	\$ 18,999,281.67	\$ 2,599,710.87	\$
	REF.	A-2:A-3	A-3	A-1:A-3	A:A-1
Reserve for Accounts Payable	A-11			\$ 602,889.12	
Grants Appropriated	A-23			173,848.30	
Deferred Charges	A-32			81,461.24	
Reserve for Uncollected Taxes	A-2			1,625,000.00	
Disbursements	A-4			17,169,109.24	
				\$ 19,662,307.90	
Less: Refunds	A-4			663,026.23	
	A-3			\$ 18,999,281.67	

TRUST FUND

"B"

TOWNSHIP OF BRANCHBURG

TRUST FUND

BALANCE SHEETS - REGULATORY BASIS

		BALANCE DECEMBER 31, 2022	BALANCE DECEMBER 31, 2021
<u>ASSETS</u>	<u>REF.</u>		
Assessment Fund:			
Cash	B-2:B-4	\$ 127,534.79	\$ 127,534.79
	B	\$ 127,534.79	\$ 127,534.79
Animal Control Fund:			
Cash	B-2	\$ 10,654.92	\$ 5,093.42
	B	\$ 10,654.92	\$ 5,093.42
Other Funds:			
Cash	B-2	\$ 9,543,981.85	\$ 8,465,301.25
Due Grant Fund	B-19	0.40	0.40
Due Sewer Operating Fund	B-6	1,115.24	1,115.24
	B	\$ 9,545,097.49	\$ 8,466,416.89
		\$ 9,683,287.20	\$ 8,599,045.10
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Assessment Fund:			
Fund Balance	B-1	\$ 127,534.79	\$ 127,534.79
	B	\$ 127,534.79	\$ 127,534.79
Animal Control Fund:			
Reserve for Prepaid Licenses	B-10	\$ 544.00	\$
Reserve for Animal Control Expenditures	B-12	10,110.92	5,093.42
	B	\$ 10,654.92	\$ 5,093.42
Other Funds:			
Due Current Fund	B-18	\$ 1,208.81	\$ 244.84
Reserves For:			
Accounts Payable	B-9	15,556.32	15,556.32
Various Deposits	B-11	844,139.51	609,541.74
Recreation Deposits	B-20	23,993.69	58,643.08
Redemption of Outside Liens	B-3	3,423.90	
Tax Sale Premiums	B-21	369,800.00	409,200.00
Law Enforcement Trust Fund	B-7	10,206.18	10,136.88
Payroll Deductions	B-8	84,828.83	76,148.93
Flexible Spending Account	B-5	14,217.67	10,306.00
Unemployment Insurance Compensation	B-16	313,099.62	280,756.74
Developers' Deposits	B-15	1,537,792.11	1,536,532.44
Open Space Deposits	B-17	4,485,543.87	3,982,063.04
COAH Deposits	B-14	1,841,286.98	1,477,286.88
	B	\$ 9,545,097.49	\$ 8,466,416.89
		\$ 9,683,287.20	\$ 8,599,045.10

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

TOWNSHIP OF BRANCHBURG

TRUST FUND

SCHEDULE OF ASSESSMENT FUND BALANCE - REGULATORY BASIS

	<u>REF.</u>	<u>YEAR 2022</u>	<u>YEAR 2021</u>
Balance, January 1	B	\$ <u>127,534.79</u>	\$ <u>127,534.79</u>
Balance, December 31	B	\$ <u>127,534.79</u>	\$ <u>127,534.79</u>

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

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GENERAL CAPITAL FUND

"C"

TOWNSHIP OF BRANCBURG

GENERAL CAPITAL FUND

BALANCE SHEETS - REGULATORY BASIS

	<u>REF.</u>	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2022</u>	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2021</u>
<u>ASSETS</u>			
Cash	C-2;C-3	\$ 7,241,173.08	\$ 7,415,128.64
Grants Receivable	C-4	257,637.33	257,637.33
Interfunds Receivable	C-15	51,756.31	
Deferred Charges to Future Taxation:			
Funded	C-5	9,760,000.00	11,840,000.00
Unfunded	C-7	2,305,000.00	860,000.00
		<u>\$ 19,615,566.72</u>	<u>\$ 20,392,765.97</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Serial Bonds Payable	C-11	\$ 9,760,000.00	\$ 11,840,000.00
Capital Improvement Fund	C-8	432,766.64	622,923.28
Improvement Authorizations:			
Funded	C-9	2,037,055.35	3,656,757.41
Unfunded	C-7;C-9	694,305.28	315,893.28
Reserve for:			
Capital Projects	C-6	180,722.83	277,596.09
Preliminary Costs	C-10	106,885.00	109,335.00
Contracts Payable	C-12	4,253,332.41	1,307,393.13
Debt Service	C-16	1,437,587.38	895,072.17
FEMA	C-14	66,123.31	14,367.00
Reserve for Grants Receivable	C-13	250,000.00	250,000.00
Fund Balance	C-1	396,788.52	1,103,428.61
		<u>\$ 19,615,566.72</u>	<u>\$ 20,392,765.97</u>

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

TOWNSHIP OF BRANCHBURG

GENERAL CAPITAL FUND

STATEMENT OF CAPITAL FUND BALANCE - REGULATORY BASIS

	<u>REF.</u>	<u>YEAR 2022</u>	<u>YEAR 2021</u>
Increased by:			
Grants With Reserves Received-Funded Improvements		\$	\$ 360,000.00
Reserves Canceled			149,436.14
Improvement Authorizations Canceled	C-9	13,359.91	46,267.63
Receipts-Aid On Funded Improvements			195,883.81
		<u>\$ 13,359.91</u>	<u>\$ 751,587.58</u>
Decreased by:			
Improvement Authorizations Financed	C-9	\$ 720,000.00	\$ 350,000.00
Increase/(Decrease)		<u>\$ (706,640.09)</u>	<u>\$ 401,587.58</u>
Balance, January 1	C	<u>\$ 1,103,428.61</u>	<u>\$ 701,841.03</u>
Balance, December 31	C	<u>\$ 396,788.52</u>	<u>\$ 1,103,428.61</u>

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

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SEWER UTILITY FUND

TOWNSHIP OF BRANCHBURG

SEWER UTILITY FUND

BALANCE SHEETS - REGULATORY BASIS

<u>ASSETS</u>	<u>REF.</u>	<u>BALANCE DECEMBER 31, 2022</u>	<u>BALANCE DECEMBER 31, 2021</u>
Operating Fund:			
Cash	D-6	\$ 5,620,680.05	\$ 4,436,612.66
Interfund Receivable	D-11	80,824.00	
		<u>\$ 5,701,504.05</u>	<u>\$ 4,436,612.66</u>
Receivables with Full Reserves:			
Sewer Use Charges Receivable	D-13	\$ 199,397.31	\$ 341,798.22
	D	<u>\$ 199,397.31</u>	<u>\$ 341,798.22</u>
<u>TOTAL OPERATING FUND</u>	D	<u>\$ 5,900,901.36</u>	<u>\$ 4,778,410.88</u>
Assessment Trust Fund:			
Cash	D-6:D-7	\$ 135,150.66	\$ 125,724.62
Assessments Receivable	D-17	33,790.54	43,216.58
<u>TOTAL ASSESSMENT TRUST FUND</u>	D	<u>\$ 168,941.20</u>	<u>\$ 168,941.20</u>
Capital Fund:			
Cash	D-6:D-8	\$ 5,235,049.30	\$ 5,122,058.45
Fixed Capital	D-25	9,403,696.57	9,403,696.57
Fixed Capital Authorized and Uncompleted	D-18	8,096,028.80	7,796,028.80
Grants Receivable	D-10		750,000.00
<u>TOTAL CAPITAL FUND</u>	D	<u>\$ 22,734,774.67</u>	<u>\$ 23,071,783.82</u>
		<u>\$ 28,804,617.23</u>	<u>\$ 28,019,135.90</u>

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

TOWNSHIP OF BRANCHBURG

SEWER UTILITY FUND

BALANCE SHEETS - REGULATORY BASIS

	<u>REF.</u>	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2022</u>	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2021</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Operating Fund:			
Liabilities:			
Appropriation Reserves	D-5:D-12	\$ 1,424,330.71	\$ 1,049,133.49
Reserve for Accounts Payable	D-14	316,216.86	224,258.87
Interfunds Payable	D-11	1,115.24	1,115.24
Due To 3rd Party	D-19	28.00	28.00
Prepaid Sewer Rents	D-20	8,084.26	9,011.37
Due Somerset/Raritan Valley Sewer Authority	D-9	1,200.00	1,200.00
		<u>\$ 1,750,975.07</u>	<u>\$ 1,284,746.97</u>
Reserve for Receivables	D	199,397.31	341,798.22
Fund Balance	D-1	<u>3,950,528.98</u>	<u>3,151,865.69</u>
<u>TOTAL OPERATING FUND</u>	D	<u>\$ 5,900,901.36</u>	<u>\$ 4,778,410.88</u>
Assessment Trust Fund:			
Reserve for Assessments and Liens	D-16	\$ 33,790.54	\$ 43,216.58
Fund Balance	D-2	<u>135,150.66</u>	<u>125,724.62</u>
<u>TOTAL ASSESSMENT TRUST FUND</u>	D	<u>\$ 168,941.20</u>	<u>\$ 168,941.20</u>
Capital Fund:			
Improvement Authorizations:			
Funded	D-28	\$ 3,250,427.20	\$ 3,283,228.00
Capital Improvement Fund	D-27	1,321,992.38	1,100,992.38
Reserve for Developers Contributions	D-15		300,000.00
Reserve for Contracts Payable	D-23	134,618.05	667,732.00
Reserve for Preliminary Costs	D-24	52,705.60	44,800.00
Reserve for I and I Study	D-22		28,493.94
Reserve for Amortization	D-26	9,403,696.57	9,403,696.57
Deferred Reserve for Amortization	D-21	8,096,028.80	7,796,028.80
		<u>\$ 22,259,468.60</u>	<u>\$ 22,624,971.69</u>
Fund Balance	D-3	<u>475,306.07</u>	<u>446,812.13</u>
<u>TOTAL CAPITAL FUND</u>	D	<u>\$ 22,734,774.67</u>	<u>\$ 23,071,783.82</u>
		<u>\$ 28,804,617.23</u>	<u>\$ 28,019,135.90</u>

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

"D-1"

TOWNSHIP OF BRANCBURG

SEWER UTILITY FUND

STATEMENTS OF OPERATIONS AND CHANGES IN FUND BALANCE - REGULATORY BASIS

	<u>REF.</u>	YEAR ENDED DECEMBER 31, <u>2022</u>	YEAR ENDED DECEMBER 31, <u>2021</u>
<u>REVENUE AND OTHER INCOME REALIZED</u>			
Fund Balance Utilized	D-1:D-4	\$ 1,600,000.00	\$ 1,600,000.00
Sewer Use Charges	D-4	3,504,494.18	3,097,571.84
Capacity Charges	D-4:D-6	809,600.00	253,200.00
Miscellaneous Revenue Not Anticipated	D-4:D-6	165,786.83	29,414.41
Other Credits to Income:			
Other Reserves Canceled			89,683.59
Unexpended Balance of Appropriation Reserves	D-12	<u>1,035,782.28</u>	<u>921,596.68</u>
<u>TOTAL INCOME</u>		<u>\$ 7,115,663.29</u>	<u>\$ 5,991,466.52</u>
<u>EXPENDITURES</u>			
Operating	D-5	\$ 4,116,000.00	\$ 4,100,000.00
Capital Improvements	D-5	501,000.00	301,000.00
Deferred Charges and Regulatory Expenditures	D-5	<u>100,000.00</u>	<u>100,000.00</u>
<u>TOTAL EXPENDITURES</u>		<u>\$ 4,717,000.00</u>	<u>\$ 4,501,000.00</u>
Excess in Revenue		\$ 2,398,663.29	\$ 1,490,466.52
Fund Balance, January 1	D	<u>3,151,865.69</u>	<u>3,261,399.17</u>
Decreased by:		\$ 5,550,528.98	\$ 4,751,865.69
Utilization as Anticipated Revenue	D-1:D-4	<u>1,600,000.00</u>	<u>1,600,000.00</u>
Fund Balance, December 31	D	<u>\$ 3,950,528.98</u>	<u>\$ 3,151,865.69</u>

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

TOWNSHIP OF BRANCHBURG

SEWER UTILITY FUND

STATEMENT OF ASSESSMENT TRUST FUND BALANCE-REGULATORY BASIS

	<u>REF.</u>	<u>YEAR 2022</u>	<u>YEAR 2021</u>
Balance, January 1	D	\$ 125,724.62	\$ 117,871.54
Increased by:			
Realized Pledged Assessments	D-16	<u>9,426.04</u>	<u>7,853.08</u>
Balance, December 31	D	\$ <u><u>135,150.66</u></u>	\$ <u><u>125,724.62</u></u>

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

TOWNSHIP OF BRANCHBURG
SEWER UTILITY CAPITAL FUND
STATEMENT OF CAPITAL FUND BALANCE-REGULATORY BASIS

	<u>REF.</u>	<u>YEAR 2022</u>	<u>YEAR 2021</u>
Balance, January 1	D	\$ 446,812.13	\$ 446,812.13
Increased by:			
Reserve for I and I - Canceled	D-22	<u>28,493.94</u>	<u></u>
Balance, December 31	D	\$ <u>475,306.07</u>	\$ <u>446,812.13</u>

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

"D-4"

TOWNSHIP OF BRANCHBURG

SEWER UTILITY FUND

STATEMENT OF REVENUES - REGULATORY BASIS

YEAR ENDED DECEMBER 31, 2022

	<u>REF.</u>	<u>ANTICIPATED</u>	<u>REALIZED</u>	<u>EXCESS</u>
Fund Balance Utilized	D-1	\$ 1,600,000.00	\$ 1,600,000.00	\$
Sewer Use Charges	D-1	3,000,000.00	3,504,494.18	504,494.18
Capacity Charges	D-1:D-6	117,000.00	809,600.00	692,600.00
<u>BUDGET TOTALS</u>		\$ 4,717,000.00	\$ 5,914,094.18	\$ 1,197,094.18
Non-Budget Revenue	D-1:D-4:D-6		165,786.83	165,786.83
<u>BUDGET TOTALS</u>	D-5	\$ 4,717,000.00	\$ 6,079,881.01	\$ 1,362,881.01
<u>ANALYSIS OF REALIZED REVENUE:</u>				
Miscellaneous:				
Interest on Sewer Charges			\$ 13,119.67	
Interest on Deposits			68,116.94	
Other - Admin Fees			84,550.22	
	D-1:D-4:D-6		\$ 165,786.83	

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

TOWNSHIP OF BRANCHBURG

SEWER UTILITY FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS

YEAR ENDED DECEMBER 31, 2022

	APPROPRIATIONS		EXPENDED	
	<u>BUDGET</u>	<u>BUDGET AFTER MODIFICATION</u>	<u>PAID OR CHARGED</u>	<u>RESERVED</u>
<u>OPERATING:</u>				
Salaries and Wages	\$ 716,000.00	\$ 716,000.00	\$ 519,533.66	\$ 196,466.34
Other Expenses	<u>3,400,000.00</u>	<u>3,400,000.00</u>	<u>2,214,653.43</u>	<u>1,185,346.57</u>
<u>TOTAL OPERATING</u>	<u>\$ 4,116,000.00</u>	<u>\$ 4,116,000.00</u>	<u>\$ 2,734,187.09</u>	<u>\$ 1,381,812.91</u>
<u>CAPITAL IMPROVEMENTS:</u>				
Capital Outlay	\$ 100,000.00	\$ 100,000.00	\$ 66,046.46	\$ 33,953.54
Capital Improvement Fund	<u>401,000.00</u>	<u>401,000.00</u>	<u>401,000.00</u>	
	<u>\$ 501,000.00</u>	<u>\$ 501,000.00</u>	<u>\$ 467,046.46</u>	<u>\$ 33,953.54</u>
<u>REGULATORY EXPENDITURES:</u>				
Regulatory Expenditures:				
Public Employee Retirement System	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00	\$
Social Security System (O.A.S.I.)	<u>50,000.00</u>	<u>50,000.00</u>	<u>41,435.74</u>	<u>8,564.26</u>
	<u>\$ 100,000.00</u>	<u>\$ 100,000.00</u>	<u>\$ 91,435.74</u>	<u>\$ 8,564.26</u>
	<u>\$ 4,717,000.00</u>	<u>\$ 4,717,000.00</u>	<u>\$ 3,292,669.29</u>	<u>\$ 1,424,330.71</u>
	<u>REF.</u>	<u>D-4</u>	<u>D-1</u>	<u>D</u>
Disbursements	D-6		\$ 3,094,720.56	
Reserve for Accounts Payable	D-14		<u>197,948.73</u>	
			<u>\$ 3,292,669.29</u>	

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

SWIM POOL UTILITY FUND

"E"

TOWNSHIP OF BRANCHBURG

SWIM POOL UTILITY FUND

BALANCE SHEETS - REGULATORY BASIS

		BALANCE DECEMBER 31, 2022	BALANCE DECEMBER 31, 2021
<u>ASSETS</u>	<u>REF.</u>		
Operating Fund:			
Cash	E-4	\$ 97,975.25	\$ 63,331.90
	E	\$ 97,975.25	\$ 63,331.90
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Operating Fund:			
Liabilities:			
Appropriation Reserves	E-3:E-6	\$ 19,358.90	\$ 37,005.43
Reserve for Accounts Payable	E-5	19,665.20	19,665.20
		\$ 19,358.90	\$ 56,670.63
Fund Balance	E-1	78,616.35	6,661.27
	E	\$ 97,975.25	\$ 63,331.90

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

TOWNSHIP OF BRANCHBURG

SWIM POOL UTILITY FUND

STATEMENTS OF OPERATIONS AND CHANGES IN FUND BALANCE - REGULATORY BASIS

	<u>REF.</u>	<u>YEAR ENDED</u> <u>DECEMBER 31,</u> <u>2022</u>	<u>YEAR ENDED</u> <u>DECEMBER 31,</u> <u>2021</u>
<u>REVENUE AND OTHER INCOME REALIZED</u>			
Pool Charges	E-1:E-4	\$ 218,007.04	\$ 216,035.00
Miscellaneous Revenue Not Anticipated	E-1:E-4	143.61	135.02
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves	E-6	<u>56,366.43</u>	<u> </u>
<u>TOTAL INCOME</u>		<u>\$ 274,517.08</u>	<u>\$ 216,170.02</u>
<u>EXPENDITURES</u>			
Operating	E-3	<u>\$ 202,562.00</u>	<u>\$ 209,508.75</u>
<u>TOTAL EXPENDITURES</u>		<u>\$ 202,562.00</u>	<u>\$ 209,508.75</u>
Excess in Revenue		\$ 71,955.08	\$ 6,661.27
Fund Balance, January 1	E	<u>6,661.27</u>	<u>0.00</u>
Fund Balance, December 31	E	<u>\$ 78,616.35</u>	<u>\$ 6,661.27</u>

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

TOWNSHIP OF BRANCHBURG

SWIM POOL UTILITY FUND

STATEMENT OF REVENUES - REGULATORY BASIS

YEAR ENDED DECEMBER 31, 2022

	<u>REF.</u>	<u>ANTICIPATED</u>	<u>REALIZED</u>	<u>EXCESS</u>
Pool Charges	E-1:E-4	\$ <u>202,562.00</u>	\$ <u>218,007.04</u>	\$ <u>15,445.04</u>
<u>BUDGET TOTALS</u>		\$ 202,562.00	\$ 218,007.04	\$ 15,445.04
Non-Budget Revenue	E-1:E-4	<u> </u>	<u>143.61</u>	<u>143.61</u>
<u>BUDGET TOTALS</u>	E-3	\$ <u>202,562.00</u>	\$ <u>218,150.65</u>	\$ <u>15,588.65</u>

ANALYSIS OF REALIZED REVENUE:

Miscellaneous:

Interest on Deposits

\$ 143.61

\$ 143.61

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

TOWNSHIP OF BRANCBURG
SWIM POOL UTILITY FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2022

	<u>APPROPRIATIONS</u>		<u>EXPENDED</u>	
	<u>BUDGET</u>	<u>BUDGET AFTER MODIFICATION</u>	<u>PAID OR CHARGED</u>	<u>RESERVED</u>
<u>OPERATING:</u>				
Salaries and Wages	\$ 100,000.00	\$ 108,000.00	\$ 107,152.07	\$ 847.93
Other Expenses	83,000.00	83,000.00	76,051.03	6,948.97
<u>TOTAL OPERATING</u>	<u>\$ 183,000.00</u>	<u>\$ 191,000.00</u>	<u>\$ 183,203.10</u>	<u>\$ 7,796.90</u>
<u>CAPITAL IMPROVEMENTS:</u>				
Purchase of Equipment & Vehicle	\$ 10,000.00	\$ 2,000.00		\$ 2,000.00
	<u>\$ 10,000.00</u>	<u>\$ 2,000.00</u>		<u>\$ 2,000.00</u>
<u>REGULATORY EXPENDITURES:</u>				
Regulatory Expenditures:				
Social Security System (O.A.S.I.)	\$ 9,562.00	\$ 9,562.00		\$ 9,562.00
	<u>\$ 9,562.00</u>	<u>\$ 9,562.00</u>		<u>\$ 9,562.00</u>
	<u>\$ 202,562.00</u>	<u>\$ 202,562.00</u>	<u>\$ 183,203.10</u>	<u>\$ 19,358.90</u>
<u>REF.</u>	E-2		E-1:E-4	E:E-1

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

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GENERAL FIXED ASSETS ACCOUNT GROUP

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TOWNSHIP OF BRANCHBURG
STATEMENT OF GENERAL FIXED ASSETS
BALANCE SHEETS - REGULATORY BASIS

	BALANCE DECEMBER <u>31, 2022</u>	BALANCE DECEMBER <u>31, 2021</u>
Fixed Assets:		
Land	\$ 24,858,966.00	\$ 24,858,966.00
Buildings	4,611,157.00	4,611,157.00
Machinery and Equipment	<u>16,868,117.73</u>	<u>16,434,160.33</u>
<u>TOTAL FIXED ASSETS</u>	<u>\$ 46,338,240.73</u>	<u>\$ 45,904,283.33</u>
 Reserve:		
Investments in General Fixed Assets	<u>\$ 46,338,240.73</u>	<u>\$ 45,904,283.33</u>

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

NOTES TO FINANCIAL STATEMENTS

TOWNSHIP OF BRANCHBURG

NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2022 AND 2021

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

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

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

B. Description of Funds

The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. GASB codification establishes three fund types and two account groups to be used by general purpose governmental units when reporting financial position and results of operations in accordance with U.S. Generally Accepted Accounting Principles (GAAP).

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Description of Funds (Continued)

The accounting policies of the Township of Branchburg conform to the accounting principles applicable to municipalities which have been prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Such principles and practices are designed primarily for determining compliance with legal provisions and budgetary restrictions and as a means of reporting on the stewardship of public officials with respect to public funds. Under this method of accounting, the financial transactions and accounts of the Township of Branchburg are organized on the basis of funds and an account group which is different from the fund structure required by GAAP. A fund or account group is an accounting entity with a separate set of self-balancing accounts established to record the financial position and results of operation of a specific governmental activity. As required by the Division of Local Government Services, the Township accounts for its financial transactions through the following individual funds and account group:

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

Trust Fund – receipts, custodianship and disbursements of funds in accordance with the purpose of which each reserve was created

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

Sewer Operating and Capital Funds – account for the operations and acquisition of capital facilities of the municipally-owned sewer utility

Swim Pool Operating Fund – accounts for the operations of the municipal owned swim pool.

General Fixed Assets Account Group – utilized to account for property, land, buildings and equipment that have been acquired by other governmental funds

C. Basis of Accounting

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

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

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

Expenditures - are recorded on the "budgetary" basis of accounting. Generally, expenditures are recorded when an amount is encumbered for goods or services through the issuance of a purchase order in conjunction with the Encumbrance Accounting System.

Outstanding encumbrances, at December 31, are reported as a cash liability in the financial statements and constitute part of the Township's regulatory Appropriation Reserve balance. Appropriation reserves covering unexpended appropriation balances are automatically created at December 31st of each year and recorded as liabilities except for amounts which may be canceled by the governing body. Appropriation reserves are available, until lapsed at the close of the succeeding year, to meet specific claims, commitments, or contracts incurred during the preceding fiscal year. Lapsed appropriation reserves are recorded as income. Appropriations for principal payments on outstanding general capital and utility bonds and notes are provided on the cash basis; interest on general capital indebtedness is on the cash basis, whereas interest on utility indebtedness is on the accrual basis.

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

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

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

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

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

Public domain ("infrastructure") general fixed assets consisting of certain improvements other than buildings, such as roads, bridges, curbs and gutters, streets and sidewalks and drainage systems are not capitalized. No depreciation has been provided on general fixed assets or reported in the financial statements.

The Township has developed a fixed assets accounting and reporting system based on an inspection and valuation prepared by an independent appraisal firm. Fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Land is stated at the assessed value contained in the Township's most recent property revaluation. Buildings are stated at the most recent insurance replacement value. General Fixed Assets that have been acquired and are utilized in a governmental fund operation are accounted for in the General Fixed Assets Account Group rather than in a governmental fund.

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

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

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

Fixed Capital - Sewer Utility

Accounting for utility fund "fixed capital" remains unchanged under the requirements of N.J.A.C. 5:30-5.6.

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

Accounting and Financial Reporting for Pensions

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

New Jersey's municipalities and counties do not follow GAAP accounting principles and, as such, do not follow GASB requirements with respect to recording the net pension liability as a liability on their balance sheets. However, N.J.A.C. 5:30 6.1(c) (2) requires municipalities to disclose GASB 68 information in the Notes to the Financial Statements. The disclosure must meet the requirements of GASB 68.

In May of 2021, the New Jersey Division of Local Government Services issued Local Finance Notice 2021-10 which allows local units to disclose the most recently available information as it relates to the New Jersey Division of Pensions & Benefits' reporting on GASB 68. As of the date of this report the information for the period ended June 30, 2022 was not available, therefore the information dated June 30, 2021 is disclosed.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

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

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

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

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

New Jersey's municipalities and counties do not follow GAAP accounting principles and, as such, do not follow GASB requirements with respect to recording the OPEB liability as a liability on their balance sheets. However, N.J.A.C. 5:30 6.1(c) (2) requires municipalities to disclose GASB 75 information in the Notes to the Financial Statements. The disclosure must meet the requirements of GASB 75.

In May of 2021, the New Jersey Division of Local Government Services issued Local Finance Notice 2021-10 which allows local units to disclose the most recently available information as it relates to the New Jersey Division of Pensions & Benefits' reporting on GASB 75. As of the date of this report the information for the period ended June 30, 2022 was not available, therefore the information dated June 30, 2021 is disclosed.

Leases

Under GAAP, lease receivables are measured at the present value of the lease payments expected to be received during the lease term. Payments are recorded as an inflow of resources in the period the payment is received. The deferred inflow of resources is recorded at the initiation of the lease in an amount equal to the initial recording of the lease receivable. The deferred inflow of resources is amortized in a systematic and rational manner over the lease term.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

Leases (Continued)

Lease liabilities represent obligations to make lease payments arising from the lease. Lease liabilities are recognized at the commencement date based on the present value of the expected lease payments over the lease term, less any lease incentives. Interest expense is recognized ratably over the contract term. The lease term may include options to extend or terminate the lease when it is reasonably certain that the option will be exercised. Payments for short-term leases with a term of 12 months or less are expensed as incurred and these leases are not included as lease liabilities or right -to-use assets on the statements of net position.

New Jersey's municipalities do not follow GAAP accounting principles and, as such, do not follow GASB requirements with respect to recording lease receivables, deferred outflows, lease liabilities or deferred inflows on their balance sheets.

D. Basic Financial Statements

The GASB codification also defines the financial statements of a governmental unit to be presented in the general purpose financial statements to be in accordance with GAAP. The Township presents the financial statements listed in the table of contents of the "Requirements of Audit and Accounting Revision of 1987" as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and which differ from the financial statements required by GAAP.

NOTE 2: CASH AND CASH EQUIVALENTS

The Township considers petty cash, change funds, cash in banks and certificates of deposit, and short-term investments with original maturities of three months or less as cash and cash equivalents. Investments are stated at cost, which approximates market.

A. Deposits

New Jersey statutes permit the deposit of public funds in institutions, which are located in New Jersey and which meet the requirements of the Governmental Unit Deposit Protection Act (GUDPA) or the State of New Jersey Cash Management Fund. GUDPA requires a bank that accepts public funds to be a public depository. A public depository is defined as a state bank, a national bank, or a savings bank, which is located in the State of New Jersey, the deposits of which are insured by the Federal Deposit Insurance Corporation. The statutes also require public depositories to maintain collateral for deposits of public funds that exceed certain insurance limits. All collateral must be deposited with the Federal Reserve Bank or a banking institution that is a member of the Federal Reserve System and has capital funds of not less than \$25,000,000.00.

Under GUDPA, 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 the deposits to the governmental until.

The Township of Branchburg had the following cash and cash equivalents at December 31, 2022:

<u>Fund</u>	<u>Cash In Bank</u>	<u>Reconciling Items</u>	<u>Total</u>
Current Fund	\$ 16,671,490.13	\$ (108,535.21)	\$ 16,562,954.92
Grant Fund	522,971.60	(3,538.20)	519,433.40
Assessment Trust Fund	127,534.79		127,534.79
Animal Control Trust Fund	10,286.92	(144.00)	10,654.92
Other Trust Fund	9,543,309.04	(672.81)	9,543,981.85
General Capital Fund	7,245,941.38	(4,768.30)	7,241,173.08
Sewer Operating Fund	5,621,071.50	(391.45)	5,620,680.05
Sewer Assessment Trust Fund	135,150.66		135,150.66
Sewer Capital Fund	5,264,792.14	(29,742.84)	5,235,049.30
Swim Pool Operating Fund	97,975.25		97,975.25
<u>Total December 31, 2022</u>	<u>\$ 45,240,523.41</u>	<u>\$ (145,935.19)</u>	<u>\$ 45,094,588.22</u>

NOTE 2: CASH AND CASH EQUIVALENTS

A. Deposits (Continued)

Custodial Credit Risk – Deposits – Custodial credit risk is the risk that in the event of a bank failure, the deposits may not be returned. The Township does not have a specific deposit for custodial credit risk other than those policies that adhere to the requirements of statute. As of December 31, 2022, based upon the coverage provided by FDIC and NJGUDPA, no amount of the bank balance was exposed to custodial credit risk. Of the cash balance in the bank, \$500,000.00 was covered by Federal Depository Insurance and \$44,740,523.41 was covered by NJGUDPA.

B. Investments

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

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

NOTE 2: CASH AND CASH EQUIVALENTS (CONTINUED)

B. Investments (Continued)

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

Based upon the limitation set forth by New Jersey Statutes 40A:55.1 and existing investment practices, the Township is generally not exposed to credit risks and interest rate risks for its investments, nor is it exposed to foreign currency risk for its deposits and investments.

NOTE 3: LONG-TERM DEBT

The Local Bond Law, Chapter 40A:2, governs the issuance of bonds to finance general municipal capital expenditures. All bonds are retired in annual installments within the regulatory period of usefulness. All bonds issued by the Township are general obligation bonds, backed by the full faith and credit of the Township.

SUMMARY OF REGULATORY DEBT CONDITION ANNUAL DEBT STATEMENT

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicates a regulatory net debt of 0.252%.

	<u>GROSS DEBT</u>	<u>DEDUCTIONS</u>	<u>NET DEBT</u>
Local School District Debt	\$ 13,585,000.00	\$ 13,585,000.00	\$
General Debt	<u>12,065,000.00</u>	<u>2,267,587.38</u>	<u>9,797,412.62</u>
	\$ <u>25,650,000.00</u>	\$ <u>15,852,587.38</u>	\$ <u>9,797,412.62</u>

NET DEBT \$9,797,412.62 DIVIDED BY EQUALIZED VALUATION BASIS PER N.J.S.A. 40A:2-2, \$3,889,931,023.33 EQUALS 0.252%.

NOTE 3: LONG-TERM DEBT (CONTINUED)

SUMMARY OF MUNICIPAL DEBT

	<u>2022</u>	<u>2021</u>	<u>2020</u>
Issued:			
Bonds and Notes:			
General	\$ <u>9,760,000.00</u>	\$ <u>11,840,000.00</u>	\$ <u>13,870,000.00</u>
Total Issued	\$ <u>9,760,000.00</u>	\$ <u>11,840,000.00</u>	\$ <u>13,870,000.00</u>
Authorized But Not Issued:			
Bonds and Notes:			
General	\$ <u>2,305,000.00</u>	\$ <u>880,000.00</u>	\$ <u>880,000.00</u>
	\$ <u>2,305,000.00</u>	\$ <u>880,000.00</u>	\$ <u>880,000.00</u>
Bonds and Notes Issued and Authorized But Not Issued	\$ <u>12,065,000.00</u>	\$ <u>12,720,000.00</u>	\$ <u>14,750,000.00</u>
Less:			
Reserve for Debt Service	\$ 1,437,587.38	\$ 895,072.17	\$
Bonds and Notes to be Paid by Open Space Trust Fund	<u>830,000.00</u>	<u>1,768,000.00</u>	<u>2,694,250.00</u>
Net Debt Issued and Authorized But Not Issued	\$ <u>9,797,412.62</u>	\$ <u>10,056,927.83</u>	\$ <u>12,056,250.00</u>

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

Equalized Valuation Basis* - December 31, 2022	\$ <u>3,889,931,023.33</u>
3-1/2 of Equalized Valuation Basis (Municipal)	\$ 136,147,585.82
Net Debt Per Annual Debt Statement	<u>9,797,412.62</u>
Remaining Borrowing Power	\$ <u>126,350,173.20</u>

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

NOTE 3: LONG-TERM DEBT (CONTINUED)

LONG-TERM DEBT

General Serial Bonds:

\$16,562,000.00 General Obligation Bonds of 2003 due in an annual installment of \$30,000.00 at a variable interest rate of 4.75%	\$30,000.00
\$8,170,000.00 Refunding Bonds of 2011 due in an annual installment of \$800,000.00 at a variable interest rate of 5.00%	800,000.00
\$10,884,000.00 General Obligation Bonds of 2019 due in annual installments of \$1,130,000.00 to \$1,300,000.00 at a variable interest rate	<u>8,930,000.00</u>
	<u>\$9,760,000.00</u>

SCHEDULE OF ANNUAL DEBT SERVICE FOR PRINCIPAL AND INTEREST FOR BONDED DEBT ISSUED AND OUTSTANDING DECEMBER 31, 2022

<u>Year</u>	<u>Principal</u>	<u>Interest</u>
2023	\$1,960,000.00	\$257,975.00
2024	1,300,000.00	182,650.00
2025	1,300,000.00	143,650.00
2026	1,300,000.00	117,650.00
2027	1,300,000.00	78,650.00
2028	1,300,000.00	39,650.00
2029	<u>1,300,000.00</u>	<u>650.00</u>
	<u>\$9,760,000.00</u>	<u>\$820,875.00</u>

At December 31, 2022 the Township has \$2,305,000.00 authorized but not issued bonds and notes.

NOTE 4: SHORT-TERM DEBT

In accordance with N.J.S.A. 40A:2-8.1, a local unit may, in anticipation of the issuance of bonds, borrow money and issue notes if the bond ordinance or subsequent resolution so provides. Any such note shall be designated as a "bond anticipation note" and shall be subject to the following provisions:

- (1) every note shall contain a recital that it is issued for a period not exceeding one year and may be renewed from time to time for additional periods, none of which shall exceed one year;
- (2) all such notes, including renewals, shall mature and be paid not later than the first day of the fifth month following the close of the tenth fiscal year next following the date of the original notes; and
- (3) no such notes shall be renewed beyond the third anniversary date of the original notes unless an amount of such notes, at least equal to the first legally payable installment of the bonds in anticipation of which those notes are issued, is paid and retired on or before each subsequent anniversary date beyond which such notes are renewed from funds other than the proceeds of obligations.

The Township had \$-0- outstanding note(s) at year end.

In accordance with N.J.S.A. 40A:4 sections 64 through 73, in any fiscal year, in anticipation of the collection of taxes for such year, whether levied in such year, or in anticipation of other revenue for such year, the Township may, by resolution, borrow money and issue its negotiable notes, each of which shall be designated by the fiscal year to which it pertains. The proceeds may be used to pay outstanding previous notes of same purpose, or for purposes provided for in the budget or for which taxes are levied or to be levied for in such year. The amount outstanding shall not exceed an amount certified as the gross borrowing power, and no such notes shall be authorized in excess of an amount certified as the net borrowing power. Tax anticipation notes may be renewed from time to time, but any note shall mature within 120 days after the beginning of the succeeding fiscal year and bear an interest rate that does not exceed 6%. The Township did not have any Tax Anticipation Notes in 2022.

NOTE 5: FUND BALANCES APPROPRIATED

Fund balances at December 31, 2022, which were appropriated and included as anticipated revenue in their own respective funds for the year ending December 31, 2023, were as follows:

Current Fund	\$5,600,000.00
Sewer Utility Fund	\$1,674,000.00
Swim Pool Utility Fund	\$ 0.00

NOTE 6: PROPERTY TAXES

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

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

	BALANCE DECEMBER 31, 2022	BALANCE DECEMBER 31, 2021
Prepaid Taxes	\$ 500,623.96	\$ 431,444.32

NOTE 7: PENSION PLANS

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

NOTE 7: PENSION PLANS (CONTINUED)

Public Employees' Retirement System (PERS) - The Public Employees' Retirement System (PERS) was established as of January 1, 1955, under the provisions of N.J.S.A. 43:15A, to provide retirement, death, disability and medical benefits to certain qualified members. The PERS is a cost-sharing multiple employer plan. Membership is mandatory for substantially, all full-time employees of the State of New Jersey or any county, municipality, school district or public agency, provided the employee is not required to be a member of another state-administered retirement system or other state pension fund or local jurisdiction's pension fund.

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

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

Vesting and Benefit Provisions

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

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

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

NOTE 7: PENSION PLANS (CONTINUED)

Funding Policy

The contribution policy is set by New Jersey State Statutes and contributions are required by active members and contributing employers. Plan members and employer contributions may be amended by State of New Jersey legislation. Effective July 2018 PERS provides for employee contributions of 7.5% of employees' annual compensation. Employers are required to contribute at an actuarially determined rate. The actuarially determined contribution includes funding for cost-of-living adjustments, noncontributory death benefits, and post-retirement medical premiums.

The contribution policy for PFRS is set by N.J.S.A. 43: 16A and requires contributions by active members and contributing employers. Plan member and employer contributions *may* be amended by State of New Jersey legislation. Employers are required to contribute at an actuarially determined rate. The annual employer contribution includes funding for basic retirement allowances, cost-of-living adjustments and noncontributory death benefits. During 2022, members contributed at a uniform rate of 10.00% of base salary.

Certain Township employees are also covered by the Federal Insurance Contribution Act. The Township's share of pension costs, which is based upon the annual billings received from the State, amounted to \$1,508,453.00 for 2022, \$1,469,856.00 for 2021, and \$1,374,464.00 for 2020. All contributions were equal to the required contributions for each of the three years, respectively.

NOTE 7: PENSION PLANS (CONTINUED)

Accounting and Financial Reporting for Pensions – GASB 68

The Governmental Accounting Standards Board (GASB) has issued Statement No. 68 "Accounting and Financial Reporting for Public Employees Pensions" which requires the State of New Jersey to calculate and allocate, for note disclosure purposes only, the unfunded net pension liability of Public Employees Retirement System (PERS) and the Police and Firemen's Retirement System (PFRS) of the participating municipality as of December 31, 2022. The statement does not alter the amounts of funds that must be budgeted for pension payments under existing state law.

Under accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, any unfunded net pension liability of the municipality, allocated by the State of New Jersey, is not required to be reported in the financial statements as presented and any pension contributions required to be paid are raised in that year's budget and no liability is accrued at December 31, 2022

Public Employees Retirement System (PERS)

At June 30, 2022, the State reported a net pension liability of \$9,657,934.00 for the Township's proportionate share of the total net pension liability. The total pension liability for the June 30, 2022 measurement date was determined by an actuarial valuation as of July 1, 2021, which was rolled forward to June 30, 2022. The Township's proportion of the net pension liability was based on a projection of the Township's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2022, the Township's proportion was 0.0639963733 percent, which was an increase of 0.0035976712 percent from its proportion measured as of June 30, 2021.

For the year ended June 30, 2022, the State recognized an actuarially determined pension benefit of \$556,946.00 for the Township's proportionate share of the total pension expense. The pension expense recognized in the Township's financial statements based on the April 1, 2022 billing was \$707,339.00.

NOTE 7: PENSION PLANS (CONTINUED)

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

Public Employees Retirement System (PERS) (Continued)

At June 30, 2022, the State reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Differences between expected and actual experience	\$ 69,707.00	\$ 61,471.00
Changes of assumptions	29,923.00	1,446,175.00
Net difference between projected and actual earnings on pension plan investments	399,733.00	
Changes in proportion and differences between Township contributions and proportionate share of contributions	<u>641,569.00</u>	<u>114,352.00</u>
	<u>\$ 1,140,932.00</u>	<u>\$ 1,621,998.00</u>

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

<u>Year Ended June 30,</u>	<u>Amount</u>
2023	(\$723,004.60)
2024	(316,622.60)
2025	(100,390.60)
2026	554,494.40
2027	<u>104,457.40</u>
	<u>(\$481,066.00)</u>

NOTE 7: PENSION PLANS (CONTINUED)

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

Public Employees Retirement System (PERS) (Continued)

Actuarial Assumptions

The collective total pension liability for the June 30, 2022 measurement date was determined by an actuarial valuation as of July 1, 2021, which rolled forward to June 30, 2022. These actuarial valuations used the following assumptions:

Inflation	
Price	2.75%
Wage	3.25%
Salary Increases	
Through 2026	2.75-6.55%
	Based on
	Years of Service
Investment Rate of Return	7.00%

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

The actuarial assumptions used in the July 1, 2021 valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2021.

NOTE 7: PENSION PLANS (CONTINUED)

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

Public Employees Retirement System (PERS) (Continued)

Long-Term Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2022) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return for each major assets class included in PERS's target assets allocation as of June 30, 2022 asset are summarized in the following table:

<u>Assets Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
US Equity	27.00%	8.12%
Non-U.S. Developed Market Equity	13.50%	8.38%
Emerging Market Equity	5.50%	10.33%
Private Equity	13.00%	11.80%
Real Estate	8.00%	11.19%
Real Assets	3.00%	7.60%
High Yield	4.00%	4.95%
Private Credit	8.00%	8.10%
Investment Grade Credit	7.00%	3.38%
Cash Equivalents	4.00%	1.75%
U.S. Treasury's	4.00%	1.75%
Risk Mitigation Strategies	3.00%	4.91%

Discount Rate

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2022. 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 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments in determining the total pension liability.

NOTE 7: PENSION PLANS (CONTINUED)

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

Public Employees Retirement System (PERS) (Continued)

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

The following presents the Township's proportionate share of the net pension liability of the participating employers as of June 30, 2022 respectively, calculated using the discount rate as disclosed above as well as what the Township's proportionate share of the collective net pension liability would be if it was calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	June 30, 2022		
	1% Decrease <u>6.00%</u>	At Current Discount Rate <u>7.00%</u>	1% Increase <u>8.00%</u>
Township's proportionate share of the pension liability	\$12,407,616.00	\$9,657,934.00	\$7,317,844.00

Special Funding Situation

In accordance with N.J.S.A. 43:16A-15, local participating employers are responsible for their own contributions based on actuarially determined amounts, except where legislation was passed which legally obligated the State if certain circumstances occurred. For PERS, the legislation which legally obligates the State is found in Chapter 133, P.L. 2001. This special funding situation is due to the State paying the additional normal cost related to benefit improvements from Chapter 133. Previously, this additional normal cost was paid from the Benefit Enhancement Fund (BEF). As of June 30, 2022, there is no net pension liability associated with this special funding situation as there was no accumulated difference between the annual additional normal cost under the special funding situation and the actual State contribution through the valuation date.

The amounts contributed by the State on behalf of the Township under this legislation is considered to be a special funding situation as defined by GASB Statement No. 68, and the State is treated as a nonemployer contributing entity. Since the Township does not contribute under this legislation directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to disclose in the notes to the financial statements of the Township related to this legislation.

The non-employer contributing entities' total proportionate share of the non-employer contribution that is associated with the Township as of December 31, 2022 was .0642520489%. The non-employer contributing entities' contribution and employer pension expense and related revenue for the year ended June 30, 2022 was \$20,321.00.

NOTE 7: PENSION PLANS (CONTINUED)

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

Public Employees Retirement System (PERS) (Continued)

Pension plan fiduciary net position

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

Police and Firemen's Retirement System (PFRS)

As discussed in Note 1, as of the date of this report the information for the period ended June 30, 2022, for PFRS was not available, therefore the information dated June 30, 2021 is disclosed.

At June 30, 2021, the State reported a net pension liability of \$5,024,147.00 for the Township's proportionate share of the total PFRS net pension liability. The total pension liability for the June 30, 2021 measurement date was determined by an actuarial valuation as of July 1, 2020, which was rolled forward to June 30, 2021. The Township's proportion of the net pension liability was based on a projection of the Township's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined.

At June 30, 2021, the Township's proportion was 0.0687377500 percent, which was a decrease of 0.0081311595 percent from its proportion measured as of June 30, 2020.

NOTE 7: PENSION PLANS (CONTINUED)

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

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

For the year ended June 30, 2021, the State recognized an actuarially determined pension benefit of \$993,621.00. The pension expense recognized in the Township's financial statements based on the April 1, 2021 billing was \$805,482.00.

At June 30, 2021, the State reported deferred outflows of resources and deferred inflows of resources related to PFRS from the following sources:

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Differences between expected and actual experience	\$ 57,319.00	\$ 601,841.00
Changes of assumptions	26,734.00	1,505,714.00
Net difference between projected and actual earnings on pension plan investments		2,140,952.00
Changes in proportion and differences between Township contributions and proportionate share of contributions	<u>52,972.00</u>	<u>1,208,686.00</u>
	\$ <u>137,025.00</u>	\$ <u>5,457,193.00</u>

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

Year Ended		<u>Amount</u>
<u>June 30</u>		
2022	\$	(1,564,343.80)
2023		(1,231,900.80)
2024		(1,089,863.80)
2025		(1,077,945.80)
2026		(337,955.80)
Thereafter		<u>(18,158.00)</u>
	\$	<u>(5,320,168.00)</u>

NOTE 7: PENSION PLANS (CONTINUED)

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

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

Actuarial Assumptions

The total pension liability for the June 30, 2021 measurement date was determined by an actuarial valuation as of July 1, 2020, which rolled forward to June 30, 2021. This actuarial valuation used the following assumptions:

	<u>June 30, 2021</u>
Inflation	2.75%
Salary Increases	3.25-15.25% Based on years of Service
Investment Rate of Return	7.00%

Employee mortality rates were based on the Pubs-2010 amount-weighted mortality table with a 105.6% adjustment for males and 102.5% adjustment for females. For healthy annuitants, mortality rates were based on the Pubs-2010 amount-weighted mortality table with a 96.7% adjustment for males and 96.0% adjustment for females. Disability rates were based on the PubS-2010 amount-weighted mortality table with a 152.0% adjustment for males and 109.3% adjustment for females. Mortality improvement is based on scale MP-2021.

The actuarial assumptions used in the July 1, 2020 valuation were based on the results of an actuarial experience study for the period July 1, 2013 to June 30, 2018.

NOTE 7: PENSION PLANS (CONTINUED)

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

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

Long-Term Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7.00 percent at June 30, 2021 and June 30, 2020) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return for each major asset class included in PFRS's target asset allocation as of June 30, 2021 are summarized in the following table:

<u>Assets Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
US Equity	27.00%	8.09%
Non-U.S. Developed Market Equity	13.50%	8.71%
Emerging Market Equity	5.50%	10.96%
Private Equity	13.00%	11.30%
Real Assets	3.00%	7.40%
Real Estate	8.00%	9.15%
High Yield	2.00%	3.75%
Private Credit	8.00%	7.60%
Investment Grade Credit	8.00%	1.68%
Cash Equivalents	4.00%	0.50%
U.S. Treasury's	5.00%	0.95%
Risk Mitigation Strategies	3.00%	3.35%

NOTE 7: PENSION PLANS (CONTINUED)

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

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

Discount Rate

The discount rate used to measure the total pension liability was 7.00% as of both June 30, 2021 and June 30, 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 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments to determine the total pension liability.

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

The following presents the Township's proportionate share of the net pension liability of the participating employers as of June 30, 2021 respectively, calculated using the discount rate as disclosed above as well as what the Township's proportionate share of the net pension liability would be if it was calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	June 30, 2021		
	1% Decrease <u>6.00%</u>	At Current Discount Rate <u>7.00%</u>	1% Increase <u>8.00%</u>
Township's proportionate share of the PFRS pension liability	\$7,629,010.00	\$5,024,148.00	\$2,855,880.00

NOTE 7: PENSION PLANS (CONTINUED)

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

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

Special Funding Situation

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

The non-employer contributing entities' total proportionate share of the collective net pension liability that is associated with the Township as of December 31, 2021 and 2020 is 0.0687377546% and 0.0603987021% respectively, the non-employer contributing entities' contribution for the year ended June 30, 2021 and 2020 was \$801,114 and \$707,339, respectively and the employer pension expense and related revenue for the year ended June 30, 2021 and 2020 was \$122,750 and \$111,258, respectively.

At June 30, 2021 and 2020, the State's proportionate share of the net pension liability attributable to the Township for the PFRS special funding situation is \$1,413,040.00 and \$1,445,846.00, respectively.

At June 30, 2021, the Township's and State of New Jersey's proportionate share of the PFRS net pension liability were as follows:

Township's Proportionate Share of Net Pension Liability	\$5,024,147.00
State of New Jersey Proportionate Share of Net Pension Liability Associated with the Township	<u>1,413,040.00</u>
	<u>\$6,437,187.00</u>

Pension plan fiduciary net position

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

NOTE 8: COMPENSATED ABSENCES

Under the existing policy of the Township, employees are allowed to accumulate unused sick pay over the life of their working careers which may be taken as time off at a later date. However, employees may accumulate a maximum of sixty (60) days. The Township annually appropriates the amounts that are required to be paid in that year's budget and no liability is accrued at December 31, 2022.

NOTE 9: LITIGATION

The Township is involved in several pending legal proceedings, the impact on the financial statements of which, either individually or in the aggregate, in the opinion of the Township's legal counsel would not be material.

NOTE 10: CONTINGENT LIABILITIES

The Township participates in several federal and state financial assistance grant programs. Entitlement to the funds is generally conditional upon compliance with terms and conditions of the grant agreements and applicable regulations, including the expenditures of funds for eligible purposes. These programs are subject to compliance and financial audits by the grantors or their representatives. As of December 31, 2022, the Township does not believe that any material liabilities will result from such audits.

NOTE 11: TAX APPEALS

There are several tax appeals filed with the State Tax Court of New Jersey requesting a reduction of assessments for the years 2022 and prior. Any reduction in assessed valuation will result in a refund of prior years taxes in the year of a reserve or by the issuance of refunding bonds per N.J.S.A. 40A:2-51. At December 31, 2022 the Township has a reserve balance of \$1,000,000.00.

NOTE 12: RISK MANAGEMENT

The Township is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Township maintains commercial insurance coverage covering each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the Township. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

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

<u>Year</u>	<u>Township Appropriation and Interest Earned</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2022	\$ 31,770.98	\$ 30,291.78	\$ 29,719.88	\$ 313,099.62
2021	21,794.86	37,393.97	21,134.98	280,756.74
2020	15,081.61	25,038.85	28,170.31	242,702.89

NOTE 13: INTERFUND RECEIVABLES AND PAYABLES

The following interfund balances remained on the balance sheet at December 31, 2022:

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
Current Fund	\$ 1,280.78	\$ 80,824.00
Grant Fund		51,828.68
Trust Other Fund	1,115.64	1,208.81
General Capital Fund	51,756.31	
Sewer Operating Fund	80,824.00	1,115.24
	<u>\$ 1,360.48</u>	<u>\$ 1,360.48</u>

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

NOTE 14: DEFERRED COMPENSATION PLAN

The Township offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all Township employees, permits them to defer a portion of their salaries until future years. The Township does not make any contribution to the plan. The deferred compensation is not available to employees until retirement, death, disability, termination or financial hardships.

In accordance with the requirements of the Small Business Job Protection Act of 1996 and the funding requirements of Internal Revenue Code Section 457(g), the Township's Plan was amended to require that all amounts of compensation deferred under the Plan are held for the exclusive benefits of plan participants and beneficiaries. All assets and income under the Plan are held in trust, in annuity contracts or custodial accounts.

The Plan is administered by the Variable Annuity Life Insurance Company (VALIC).

The accompanying financial statements do not include the Township's Deferred Compensation Plan activities. The Township's Deferred Compensation Plan financial statements are contained in a separate review report.

NOTE 15: ACCOUNTING AND FINANCIAL REPORTING FOR POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS – GASB 75

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

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

Plan Description and Benefits Provided

The State Health Benefit Local Government Retired Employees Plan (the Plan) is a cost-sharing multiple-employer defined benefit other postemployment benefit (OPEB) plan with a special funding situation. It covers employees of local government employers that have adopted a resolution to participate in the Plan. The Plan meets the definition of an equivalent arrangement as defined in paragraph 4 of GASB Statement No. 75, *Accounting and Financial Reporting for the Postemployment Benefits Other Than Pensions*; therefore, assets are accumulated to pay associated benefits.

The Plan provides medical and prescription drug coverage to retirees and their covered dependents of the employers. Under the provisions of Chapter 88, P.L. 1974 and Chapter 48, P.L. 1999, local government employers electing to provide postretirement medical coverage to their employees must file a resolution with the Division. Under Chapter 88, local employers elect to provide benefit coverage based on the eligibility rules and regulations promulgated by the State Health Benefits Commission. Chapter 48 allows local employers to establish their own age and service eligibility for employer paid health benefits coverage for retired employees.

NOTE 15: ACCOUNTING AND FINANCIAL REPORTING FOR POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS – GASB 75 (CONTINUED)

Plan Description and Benefits Provided (Continued)

Under Chapter 48, the employer may assume the cost of postretirement medical coverage for employees and their dependents who: 1) retired on a disability pension; or 2) retired with 25 or more years of service credit in a State or locally administered retirement system and a period of service of up to 25 years with the employer at the time of retirement as established by the employer; or 3) retired and reached the age of 65 with 25 or more years of service credit in a State or locally administered retirement system and a period of service of up to 25 years with the employer at the time of retirement as established by the employer; or 4) retired and reached age 62 with at least 15 years of service with the employer. Further, the law provides that the employer paid obligations for retiree coverage may be determined by means of a collective negotiations' agreement.

In accordance with Chapter 330, P.L. 1997, which is codified in N.J.S.A 52: 14-17.32i, the State provides medical and prescription coverage to local police officers and firefighters, who retire with 25 years of service or on a disability from an employer who does not provide postretirement medical coverage. Local employers were required to file a resolution with the Division in order for their employees to qualify for State-paid retiree health benefits coverage under Chapter 330.

The State also provides funding for retiree health benefits to survivors of local police officers and firefighters who die in the line of duty under Chapter 271, P.L.1989.

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

Contributions

The Township's contributions to the Plan for the years ended December 31, 2022, 2021, and 2019, were \$229,800.00, \$158,482.34, and \$168,850.41 respectively, which equaled the required contributions for each year.

NOTE 15: ACCOUNTING AND FINANCIAL REPORTING FOR POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS – GASB 75 (CONTINUED)

Total Net OPEB Liability

At June 30, 2021, the Plan reported a Liability of \$19,952,578.00 for the Entity's proportionate share of the collective Net OPEB liability. The total Net OPEB Liability measured as of June 30, 2021 was determined by an actuarial valuation as of June 30, 2020, which was rolled forward to June 30, 2021. The Entity's proportion of the Net OPEB Liability was based on the ratio of the plan members of an individual employer to the total members of the Plan's nonspecial funding situation during the measurement period July 1, 2020 through June 30, 2021.

At June 30, 2021, the Entity's proportion was 0.110849 percent, which was an increase of 0.026396 percent from its proportion measured as of June 30, 2020. For the year ended June 30, 2021, the State reported OPEB expense of \$860,370.00. This OPEB benefit was based on the OPEB plans June 30, 2021 measurement date. At June 30, 2021, the State reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Differences between expected and actual experience	\$447,712 .00	\$4,174,374.00
Changes of assumptions	2,870,238.00	3,526,852.00
Net difference between projected and actual earnings on OPEB plan investments	9,540.00	-
Changes in proportion	<u>6,540,608.00</u>	<u>1,441,556.00</u>
	<u>\$9,868,098.00</u>	<u>\$9,142,782.00</u>

NOTE 15: ACCOUNTING AND FINANCIAL REPORTING FOR POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS – GASB 75 (CONTINUED)

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

Year Ended	
<u>June 30,</u>	<u>Amount</u>
2022	(\$171,543.00)
2023	(173,111.00)
2024	(174,543.00)
2025	166,919.00
2026	876,433.00
Total Thereafter	<u>201,159.00</u>
	<u><u>\$725,316.00</u></u>

Actuarial Assumptions and Other Inputs

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

Inflation rate	2.50%
Salary Increases:	
Public Employees Retirement System (PERS):	
Initial fiscal year applied	
Rate through 2026	2.00% to 6.00%
Rate thereafter	3.00% to 7.00%
Police and Firemen's Retirement System (PFRS):	
Rate for all future years	3.25% to 15.25%

NOTE 15: ACCOUNTING AND FINANCIAL REPORTING FOR POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS – GASB 75 (CONTINUED)

Actuarial Assumptions and Other Inputs (Continued)

PERS	Pub-2010 General classification headcount weighted mortality with fully generational mortality improvement projections from the central year using scale MP-2021
PFRS	Pub-2010 Safety classification headcount weighted mortality with fully generational mortality improvement projections from the central year using scale MP-2021

* Salary increases are based on years of service within the respective plan.

Actuarial assumptions used in the July 1, 2020 valuation were based on the results of the PFRS and PERS experience studies prepared for July 1, 2013 to June 30, 2018 and July 1, 2014 to June 30, 2018, respectively.

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

Discount Rate

The discount rate for June 30, 2021 was 2.16%. This represents the municipal bond return rate as chosen by the State. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

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

The following presents the Net OPEB Liability associated with the Entity's as of June 30, 2021, calculated using the discount rate as disclosed above as well as what the Net OPEB Liability would be if it was calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	June 30, 2021		
	1.00% Decrease (1.16%)	At Discount Rate (2.16%)	1.00% Increase (3.16%)
Township's proportionate share of the Net OPEB Liability	\$23,480,357.00	\$19,952,578.00	\$17,156,737.00

NOTE 15: ACCOUNTING AND FINANCIAL REPORTING FOR POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS – GASB 75 (CONTINUED)

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

The following presents the total Net OPEB Liability associated with the Entity's as of June 30, 2021, calculated using the healthcare trend rate as disclosed above as well as what the Net OPEB Liability would be if it was calculated using a healthcare trend rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	June 30, 2021		
	<u>1.00% Decrease</u>	<u>Healthcare Cost Trend Rate</u>	<u>1.00% Increase</u>
Township's proportionate share of the Net OPEB Liability	\$16,647,169.00	\$19,952,578.00	\$24,265,726.005

Special Funding Situation

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

Under Chapter 330, P.L. 1997, the State shall pay the premium or periodic charges for the qualified local police and firefighter retirees and dependents equal to 80 percent of the premium or periodic charge for the category of coverage elected by the qualified retiree under the State managed care plan or a health maintenance organization participating in the program providing the lowest premium or periodic charge.

The State also provides funding for retiree health benefits to survivors of local police officers and firefighters who die in the line of duty under Chapter 271, P.L.1989.

Therefore, these employers are considered to be in a special funding situation as defined by GASB Statement No 75 and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute under this legislation directly to the plan, there is no net Net OPEB Liability, deferred outflows of resources or deferred inflows of resources to report in the financial statements of the local participating employers related to this legislation.

**NOTE 15: ACCOUNTING AND FINANCIAL REPORTING FOR POSTEMPLOYMENT
BENEFITS OTHER THAN PENSIONS – GASB 75 (CONTINUED)**

Special Funding Situation (Continued)

At June 30, 2021, the State's proportionate share of the net OPEB liability attributable to the Township for the special funding situation is \$239,404.00.

At June 30, 2021, the Township's and State of New Jersey's proportionate share of the Net OPEB Liability were as follows:

Township's proportionate share of the Net OPEB Liability	\$19,952,578
State of New Jersey's proportionate share of Net OPEB Liability associated with the Township	<u>239,404</u>
	<u><u>\$20,191,982</u></u>

OPEB Plan Fiduciary Net Position

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

NOTE 16: SUBSEQUENT EVENTS

The Township has evaluated subsequent events occurring after the financial statement date through July 17, 2023 which is the date the financial statements were available to be issued. Based upon this evaluation, the Township has determined that no subsequent events need to be disclosed.

NOTE 17: FIXED ASSETS

Below is a summary of the General Fixed Assets Account Group for the year ended December 31, 2022:

	Balance December 31, <u>2021</u>	<u>Additions</u>	Balance December 31, <u>2022</u>
Land	\$24,858,966.00		\$24,858,966.00
Buildings	4,611,157.00		4,611,157.00
Machinery and Equipment	<u>16,434,160.33</u>	<u>\$433,957.40</u>	<u>16,868,117.73</u>
	<u>\$45,904,283.33</u>	<u>\$433,957.40</u>	<u>\$46,338,240.73</u>

NOTE 18: CELL TOWER LEASE

The Township has entered into a communication site lease agreement with Dish Wireless leasing property designated as Block 57 Lots 17, 18, and 31 on which there is an existing 160' monopole tower on the 13th day of September 2021 commencing the day following the expiration of the contingency period. The rent is paid monthly in advance starting at \$1,750 during the calendar year in which the lease commences. The monthly rent for the remainder of the initial term of this lease shall be increased effective January 1st of each year by the index rate (5%). The initial term shall be for five years. Co-tenant shall have the option of renewing this lease for four successive periods each. Effective on January 1st of each year of each renewal period, co-tenant shall pay as rent, monthly in advance, the rent due during the previous calendar year increased by the index rate.

The Township has entered into a communication site lease agreement with T-Mobile Northeast leasing property designated as Block 57 Lots 17, 18, and 31 on which there is an existing 160' monopole tower on the 31st day of December 2009 commencing the day following the expiration of the contingency period. The rent is paid monthly in advance starting at \$2,230 during the calendar year in which the lease commences. The monthly rent for the remainder of the initial term of this lease shall be increased effective January 1st of each year by the index rate (5%). The initial term shall be for five years. Co-tenant shall have the option of renewing this lease for four successive periods each. Effective on January 1st of each year of each renewal period, co-tenant shall pay as rent, monthly in advance, the rent due during the previous calendar year increased by the index rate.

NOTE 18: CELL TOWER LEASE (CONTINUED)

The Township has entered into a communication site lease agreement with New Cingular Wireless PCS leasing property designated as Block 57 Lots 17, 18, and 31 on which there is an existing 160' monopole tower on the 12th day of August 2013 commencing the day following the expiration of the contingency period. The rent is paid monthly in advance starting at \$2,300 during the calendar year in which the lease commences. The monthly rent for the remainder of the initial term of this lease shall be increased effective January 1st of each year by the index rate (5%). The initial term shall be for five years. Co-tenant shall have the option of renewing this lease for four successive periods each. Effective on January 1st of each year of each renewal period, co-tenant shall pay as rent, monthly in advance, the rent due during the previous calendar year increased by the index rate.

The Township has entered into a communication site lease agreement with New York SMSA, Limited Partnership, dba Verizon Wireless, leasing property designated as Block 57 Lots 31 on which there is an existing 160' monopole tower on the 13th day of April 2015 commencing the day following the expiration of the contingency period. The rent is paid monthly in advance starting at \$1,750 during the calendar year in which the lease commences. The monthly rent for the remainder of the initial term of this lease shall be increased effective January 1st of each year by the index rate (5%). The initial term shall be for five years. Co-tenant shall have the option of renewing this lease for four successive periods each. Effective on January 1st of each year of each renewal period, co-tenant shall pay as rent, monthly in advance, the rent due during the previous calendar year increased by the index rate.

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SUPPLEMENTARY SCHEDULES – ALL FUNDS

YEAR ENDED DECEMBER 31, 2022

TOWNSHIP OF BRANCBURG

CURRENT FUND

SCHEDULE OF CASH - COLLECTOR-TREASURER

	<u>REF.</u>	<u>CURRENT FUND</u>	<u>GRANT FUND</u>
Balance, December 31, 2021	A	\$ 15,308,350.84	\$ 371,117.71
Increased by Receipts:			
Taxes Receivable	A-8	\$ 73,615,108.91	\$
State of New Jersey-Senior Citizens and Veterans Deductions	A-7	64,482.50	
Interfunds	A-12:A-29	80,824.00	51,828.28
Tax Title Liens	A-9	2,087.81	
Appropriation Refunds	A-3	653,026.23	
Revenue Accounts Receivable	A-13	4,932,081.13	
Miscellaneous Revenue Not Anticipated	A-2	887,354.28	
Tax Overpayments	A-17	108,066.33	
Prepaid Taxes	A-18	500,623.96	
Reserve for Grants-Unappropriated	A-24		149,459.85
Grants Receivable	A-20		158,095.00
Reserve for Grants-Appropriated-Match	A-23		20,000.00
Reserve for Sale of Municipal Assets	A-15	28,000.00	
Reserve for National Oplold Settlement Unapprop	A-34	11,528.61	
Reserve for Municipal Tax Relief Unapprop.	A-35	157,414.13	
Marr./Dom. Partnership Lic. Due State of NJ	A-19	825.00	
Construction Code DCA - Due State of NJ	A-21	83,560.00	
Petty Cash	A-5	700.00	
		<u>81,125,682.89</u>	<u>379,383.13</u>
		\$ 96,434,033.73	\$ 750,500.84
Decreased by Disbursements:			
Appropriations	A-3	\$ 17,169,109.24	\$
Appropriation Reserves	A-14	521,568.83	
Interfunds	A-12	21,035.94	
Reserve for COVID Emergency	A-34	21,071.00	
Tax Overpayments	A-17	108,066.33	
Local District School Taxes Payable	A-27	45,258,233.00	
County Taxes Payable	A-26	14,808,808.03	
Municipal Open Space Taxes Payable	A-28	1,882,504.44	
Construction Code DCA - Due State of NJ	A-21	78,882.00	
Petty Cash	A-5	700.00	
Marr./Dom. Partnership Lic. Due State of NJ	A-19	1,100.00	
Reserve for Grants-Appropriated	A-23		231,067.44
		<u>79,871,078.81</u>	<u>231,067.44</u>
Balance, December 31, 2022	A	\$ <u>16,562,954.92</u>	\$ <u>519,433.40</u>

"A-5"

TOWNSHIP OF BRANCHBURG

CURRENT FUND

SCHEDULE OF PETTY CASH

<u>OFFICE</u>	<u>INCREASED</u>	<u>DECREASED</u>
Finance Department	\$ 300.00	\$ 300.00
Public Works Department	200.00	200.00
Recreation Department	200.00	200.00
	<u>700.00</u>	<u>700.00</u>
<u>REF.</u>	A-4	A-4

"A-6"

SCHEDULE OF CHANGE FUNDS

<u>OFFICE</u>	<u>BALANCE DECEMBER 31, 2021 & 2022</u>
Tax Collector	\$ 300.00
Construction Code	200.00
Township Clerk	100.00
Police Department	25.00
Recreation	50.00
Municipal Court	280.00
	<u>955.00</u>
<u>REF.</u>	A

TOWNSHIP OF BRANCHBURG

CURRENT FUND

SCHEDULE OF DUE STATE OF NEW JERSEY
FOR SENIOR CITIZENS AND VETERANS DEDUCTIONS

	<u>REF.</u>		
Balance, December 31, 2021 (Due From)	A	\$	77,549.06
Increased by:			
Senior Citizens and Veterans Deductions per Tax Billing	A-7	\$	64,750.00
Senior Citizens and Veterans Deductions Allowed by Tax Collector	A-7		<u>3,000.00</u>
			67,750.00
		\$	<u>145,299.06</u>
Decreased by:			
Received from State	A-4	\$	64,482.50
Senior Citizens and Veterans Deductions Disallowed by Collector	A-7		<u>8,412.34</u>
			72,894.84
Balance, December 31, 2022 (Due From)	A	\$	<u>72,404.22</u>

ANALYSIS OF STATE SHARE OF 2022 SENIOR
CITIZENS AND VETERANS DEDUCTIONS

Senior Citizens and Veterans Deductions Per Tax Billing	A-7	\$	64,750.00
Senior Citizens and Veterans Deductions Allowed by Collector	A-7		3,000.00
Senior Citizens and Veterans Deductions Disallowed by Collector	A-7		<u>(8,412.34)</u>
	A-8	\$	<u>59,337.66</u>

TOWNSHIP OF BRANCHBURG

CURRENT FUND

SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY

<u>YEAR</u>	<u>BALANCE DECEMBER 31, 2021</u>	<u>TAX LEVY</u>	<u>ADDED TAXES</u>	<u>COLLECTIONS</u>		<u>CANCELED</u>	<u>TRANSFERRED TO TAX TITLE LIENS</u>	<u>BALANCE DECEMBER 31, 2022</u>
				<u>2021</u>	<u>2022</u>			
Prior	\$ 490,831.38	\$	\$	\$	\$ 488,026.36	\$ 2,805.02	\$	\$
2022		73,291,598.69	965,282.48	431,444.32	73,186,420.21	33,685.93	4,167.46	601,163.25
	\$ 490,831.38	\$ 73,291,598.69	\$ 965,282.48	\$ 431,444.32	\$ 73,674,446.57	\$ 36,490.95	\$ 4,167.46	\$ 601,163.25
<u>REF.</u>	<u>A</u>			<u>A-2A-18</u>	<u>A-2</u>		<u>A-9</u>	<u>A</u>

REF.

Collector (Including Homestead Credit)
Senior Citizens and Veterans Deductions

A-4	\$ 73,615,108.91
A-7	59,337.66
	<u>\$ 73,674,446.57</u>

ANALYSIS OF 2022 PROPERTY TAX LEVY

TAX YIELD

General Property Tax
Added Taxes (54.4-63.1 et seq.)

\$	73,291,598.69
	<u>965,282.48</u>
\$	<u>74,256,881.17</u>

TAX LEVY

Local District School Tax (Abstract)
County Tax (Abstract)
County Library Tax (Abstract)
County Open Space (Abstract)

\$	45,029,237.00
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Due County for Added Taxes (54.4-63.1 et seq.)

Total County Taxes

Municipal Open Space Tax
Added Taxes

\$	14,808,808.02
	<u>172,650.92</u>

14,981,458.94

Local Tax for Municipal Purposes (Abstract)
Add: Additional Tax Levied
Local Tax for Municipal Purposes Levied

\$	1,861,137.60
	<u>21,366.84</u>

1,882,504.44

\$	11,558,153.24
	<u>805,527.55</u>

12,363,680.79

\$	<u>74,256,881.17</u>
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"A-9"

TOWNSHIP OF BRANCHBURG

CURRENT FUND

SCHEDULE OF TAX TITLE LIENS

	<u>REF.</u>	
Balance, December 31, 2021	A	\$ 15,319.22
Increased by:		
Transfer From Taxes Receivable	A-8	4,167.46
		<u>\$ 19,486.68</u>
Decreased by:		
Receipts	A-4	2,087.81
Balance, December 31, 2022	A	<u>\$ 17,398.87</u>

"A-10"

SCHEDULE OF RESERVE FOR COVID EMERGENCY

Increased by:		
Transferred from Accounts Payable	A-11	\$ 21,718.50
Decreased by:		
Disbursements	A-4	21,071.00
Balance, December 31, 2022	A	<u>\$ 647.50</u>

"A-11"

TOWNSHIP OF BRANCHBURG

CURRENT FUND

SCHEDULE OF RESERVE FOR ACCOUNTS PAYABLE

	<u>REF.</u>		
Balance, December 31, 2021	A	\$	607,176.42
Increased by:			
2022 Budget Appropriations	A-3		602,889.12
		\$	<u>1,210,065.54</u>
Decreased by:			
Transferred to Appropriation Reserves	A-14	\$	585,182.92
Transferred to Reserve for Due State - Marriage License	A-19		275.00
Transferred to Reserve for COVID Emergency	A-10		<u>21,718.50</u>
			<u>607,176.42</u>
Balance, December 31, 2022	A	\$	<u><u>602,889.12</u></u>

TOWNSHIP OF BRANCHBURG

CURRENT FUND

SCHEDULE OF INTERFUNDS

	<u>REF.</u>	<u>TOTAL</u>	<u>GRANT FUND</u>	<u>OTHER TRUST FUND</u>	<u>SEWER OPERATING FUND</u>
Balance, December 31, 2021					
Due From	A	\$ 244.84	\$	244.84	\$
Receipts	A-4	\$ 80,824.00	\$		\$ 80,824.00
Grants Appropriated	A-23	153,848.30	153,848.30		
Grants Receivable	A-20	173,848.30	173,848.30		
Disbursements	A-4	21,035.94	20,071.97	963.97	
Balance, December 31, 2022					
Due To	A	\$ 80,824.00	\$		\$ 80,824.00
Due From	A	1,280.78	71.97	1,208.81	
<u>Analysis of Balance:</u>					
Due From Trust Other Fund:					
Site Inspection Escrow				\$ 344.82	
Performance Escrow				446.05	
Review Escrow				355.05	
Flexible Spending				62.89	
Total, Net				\$ 1,208.81	

TOWNSHIP OF BRANCHBURG

CURRENT FUND

SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE

<u>ACCOUNTS</u>	<u>REF.</u>	<u>BALANCE DECEMBER 31, 2021</u>	<u>ACCRUED IN 2021</u>	<u>COLLECTED</u>	<u>BALANCE DECEMBER 31, 2022</u>
Clerk/Registrar:					
Licenses:					
Alcoholic Beverages	A-2	\$	\$ 30,250.00	\$ 30,250.00	\$
Other	A-2		24,939.00	24,939.00	
Fees and Permits	A-2		3,053.72	3,053.72	
Tax Collector:					
Interest and Costs on Taxes	A-2		138,849.94	138,849.94	
Construction Code Official	A-2		852,795.00	852,795.00	
Fire Safety:					
Fees and Permits	A-2		52,572.19	52,572.19	
Planning, Zoning, Board of Adjustments:					
Fees and Permits	A-2		38,189.00	38,189.00	
Health Department:					
Fees and Permits	A-2		52,304.00	52,304.00	
Engineering:					
Fees and Permits	A-2		12,800.00	12,800.00	
Municipal Court:					
Fines and Costs	A-2	10,162.49	135,532.34	136,739.07	8,955.76
Police:					
Fees and Permits	A-2		3,940.26	3,940.26	
Energy Receipts Tax	A-2		3,017,684.00	3,017,684.00	
Garden State Trust Fund	A-2		10,807.00	10,807.00	
Fire Safety - Life Hazard Use Fees	A-2		83,378.18	83,378.18	
Hotel Tax	A-2		473,779.77	473,779.77	
		<u>\$ 10,162.49</u>	<u>\$ 4,930,874.40</u>	<u>\$ 4,932,081.13</u>	<u>\$ 8,955.76</u>
<u>REF.</u>		A		A-4	A

TOWNSHIP OF BRANCHBURG

CURRENT FUND

SCHEDULE OF 2021 APPROPRIATION RESERVES

	BALANCE DECEMBER 31, 2021	ACCOUNTS PAYABLE	BALANCE AFTER MODIFICATION	PAID OR CHARGED	BALANCE LAPSED
<u>SALARIES AND WAGES:</u>					
Administrative and Executive	\$ 24,826.14	\$	\$ 24,826.14	\$ 7,213.40	\$ 17,612.74
Mayor and Council	284.94		284.94		284.94
Elections	300.00		300.00		300.00
Financial Administration	8,761.79		8,761.79	1,980.77	6,781.02
Assessment of Taxes	4,879.16		4,879.16	3,622.68	1,256.48
Collection of Taxes	7,957.71		7,957.71		7,957.71
Engineering Services and Costs	127,134.26		127,134.26	13,140.30	113,993.96
Planning Board	7,978.67		7,978.67		7,978.67
Fire Official	1,918.29		1,918.29	1,918.29	0.00
Police	273,741.18		273,741.18		273,741.18
School Crossing Guards	1,908.75		1,908.75		1,908.75
Municipal Court	4,088.09		4,088.09	2,973.37	1,114.72
Road Repair and Maintenance	205,592.84		205,592.84	6,611.19	198,981.65
Snow Removal	86,741.08		86,741.08		86,741.08
Board of Health	7,494.33		7,494.33	4,611.23	2,883.10
Construction Official (Code Enforcement)	33,581.90		33,581.90	8,049.19	25,532.71
Building Inspector (Sub Code)	19,484.54		19,484.54		19,484.54
Board of Recreation Commissioners	2,702.82		2,702.82	2,377.20	325.62
Plumbing Inspector	9,662.73		9,662.73		9,662.73
Electrical Sub Code	14,662.52		14,662.52		14,662.52
Fire Sub Code	3,635.20		3,635.20		3,635.20
<u>OTHER EXPENSES:</u>					
Administrative and Executive	54,887.22	103,467.17	158,364.39	65,080.59	93,283.80
Mayor and Council	8,485.31	3,899.35	12,384.66	4,328.65	8,056.01
Clerk	6,928.81		6,928.81		6,928.81
Elections	2,823.90		2,823.90		2,823.90
Financial Administration	10,273.28	6,045.52	16,318.80	5,797.83	10,520.97
Financial Administration - Audit		40,000.00	40,000.00	40,000.00	
Assessment of Taxes	1,839.98	4,771.30	6,611.28	5,228.99	1,382.29
Collection of Taxes	3,780.50	35.00	3,815.50	30.57	3,784.93
Miscellaneous	35,558.68	18,293.29	53,851.97	19,189.53	34,662.44
Mount Laurel Implementation	90,000.00		90,000.00		90,000.00
Litigation	28,994.57	38,840.97	65,835.54	8,351.64	57,483.90
Prosecutor	1.04	999.04	1,000.08		1,000.08
Engineering Services and Costs	37,274.49	453.72	37,728.21	207.88	37,520.33
Public Buildings and Grounds	485.28	18,758.25	19,243.53	17,014.60	2,228.93
Planning Board	49,708.61	2,669.95	52,378.56	509.18	51,869.38
Board of Adjustments	6,287.76	2,339.32	8,627.08	1,820.32	6,806.76
Environmental Commission	125.00		125.00		125.00
Historical Commission	3,700.00		3,700.00		3,700.00
Recycling - Contractual	26,000.00	428.14	26,428.14		26,428.14
Recycling - Other Expenses	12,471.24	3,882.15	16,353.39	330.00	16,023.39
Bureau of Fire Prevention (Fire Official)	2,727.45	1,613.85	4,341.30	1,613.85	2,727.45
Public Fire Prevention - Fire Hydrant Service	78,946.13	26,952.75	105,898.88	66,672.04	39,226.84
Maintenance of Fire Vehicles	6,248.71	10,218.09	16,466.80	10,165.39	6,301.41
Blood Borne Pathogens	3,581.06	373.00	3,954.06		3,954.06
Police	25,787.83	57,506.47	83,294.30	45,587.29	37,707.01
School Crossing Guards	1,500.00	82.80	1,582.80		1,582.80
Emergency Management Services	7,000.00		7,000.00		7,000.00
Municipal Court	4,509.12	6,889.54	11,378.66	6,101.00	5,277.66
Public Defender	3,600.00	700.00	4,300.00		4,300.00
Road Repair and Maintenance	110,978.30	118,387.42	229,365.72	94,915.13	134,450.59
Snow Removal	35,311.46	22,225.84	57,537.30		57,537.30
Street Lighting	11,121.05		11,121.05	5,351.25	5,769.80
Board of Health	11,380.90	12,765.00	24,145.90	2,675.55	21,470.35
Dog Regulation	9,556.00	2,861.00	12,417.00		12,417.00
Board of Recreation Commissioners	32,865.05	6,002.39	38,867.44	6,000.00	32,867.44
Construction Official (Code Enforcement)	280.06	757.99	1,038.05	757.99	280.06
Building Inspector (Sub Code)	32,010.69		32,010.69		32,010.69
Plumbing Inspector	570.00		570.00		570.00
Electrical Sub Code	500.00		500.00		500.00
Fire Sub Code	650.00		650.00		650.00

TOWNSHIP OF BRANCHBURG

CURRENT FUND

SCHEDULE OF 2021 APPROPRIATION RESERVES

	BALANCE DECEMBER 31, 2021	ACCOUNTS PAYABLE	BALANCE AFTER MODIFICATION	PAID OR CHARGED	BALANCE LAPSED
<u>OTHER EXPENSES (CONTINUED):</u>					
IDA Emergency	\$	\$ 21,718.50	\$ 21,718.50	\$ 21,071.00	\$ 647.50
Municipal Services Law	25,000.00		25,000.00	5,749.40	19,250.60
Electricity	29,398.36		29,398.36	5,183.94	24,214.42
Telephone	10,762.98	7,082.86	17,845.84	2,482.44	15,363.40
Water	6,689.90	1,576.05	8,265.95	2,062.28	6,203.67
Natural Gas	8,287.14		8,287.14	1,037.39	7,249.75
Gasoline	7,056.84	27,781.62	34,838.46	6,545.11	28,293.35
Volunteer Incentive Program	30,000.00		30,000.00		30,000.00
Group Insurance Plan for Employees	370,131.82		370,131.82		370,131.82
Other Insurance Premiums	62,425.66		62,425.66		62,425.66
Social Security System	11,790.46		11,790.46		11,790.46
Reserve for Road Improvement	500,000.00		500,000.00		500,000.00
Reserve for Emergency Services Equipment	53,274.06	16,824.58	70,098.64	17,210.38	52,888.26
Reserve for Computer Equipment	52,234.92		52,234.92		52,234.92
	<u>\$ 2,771,148.56</u>	<u>\$ 585,182.92</u>	<u>\$ 3,356,331.48</u>	<u>\$ 521,568.83</u>	<u>\$ 2,834,762.65</u>
REF.	A	A-11		A-4	A-1

"A-15"

TOWNSHIP OF BRANCBURG

CURRENT FUND

SCHEDULE OF RESERVE FOR SALE OF MUNICIPAL ASSETS

	<u>REF.</u>	
Balance, December 31, 2021	A	\$ 251,000.00
Increased by:		
Receipts	A-4	<u>28,000.00</u>
Balance, December 31, 2022	A	\$ <u>279,000.00</u>

"A-16"

GRANT FUND

SCHEDULE OF RESERVE FOR ACCOUNTS PAYABLE

Balance, December 31, 2021	A	\$ <u>120,011.36</u>
Decreased by:		
Transferred to Grants Appropriated	A-23	\$ <u>120,011.36</u>

"A-17"

TOWNSHIP OF BRANCHBURG

CURRENT FUND

SCHEDULE OF TAX OVERPAYMENTS

REF.

Increased by:		
Overpayments in 2022	A-4	\$ <u>108,066.33</u>
Decreased by:		
Refunded	A-4	\$ <u><u>108,066.33</u></u>

"A-18"

SCHEDULE OF PREPAID TAXES

Balance, December 31, 2021	A	\$ 431,444.32
Increased by:		
Collection of 2023 Taxes	A-4	500,623.96
		\$ <u>932,068.28</u>
Decreased by:		
Application to 2022 Taxes	A-8	<u>431,444.32</u>
Balance, December 31, 2022	A	\$ <u><u>500,623.96</u></u>

TOWNSHIP OF BRANCHBURG

CURRENT FUND

SCHEDULE OF RESERVE FOR MARRIAGE AND DOMESTIC PARTNERSHIP LICENSES
DUE STATE OF NEW JERSEY

	<u>REF.</u>		
Increased by:			
Receipts	A-4	\$ 825.00	
Prior Accounts Payable	A-11	<u>275.00</u>	
Receipts			\$ <u>1,100.00</u>
Decreased by:			
Disbursements	A-4		\$ <u><u>1,100.00</u></u>

TOWNSHIP OF BRANCHBURG

GRANT FUND

SCHEDULE OF GRANTS RECEIVABLE

	BALANCE DECEMBER 31, 2021	BUDGET APPROPRIATION	RECEIPTS	UNAPPROPRIATED APPLIED	BALANCE DECEMBER 31, 2022
Safe & Secure Communities	\$ 37,200.00	\$ 32,400.00	\$ 45,841.00	\$	23,759.00
Federal Bulletproof Vest Program	5,595.78				5,595.78
Historic Pres. Little Red Schoolhouse	53,896.72				53,896.72
Highway Safety Fund Grant	3,667.45				3,667.45
NJACCHO Covid-19	17,993.00				17,993.00
Covid Preparedness	5,615.38				5,615.38
Youth Services Grant		5,000.00	5,000.00		
Clean Communities		79,341.37	40,000.00	39,341.37	
Body Armor		2,247.33		2,247.33	
Drunk Driving Enforcement Fund		9,811.49		9,811.49	
Recycling Tonnage		25,048.11		25,048.11	
Body Worn Camera Grant	67,264.00		67,254.00		10.00
Strengthening Local Public Health Capacity	30,363.00				30,363.00
	<u>\$ 221,595.33</u>	<u>\$ 153,848.30</u>	<u>\$ 158,095.00</u>	<u>\$ 76,448.30</u>	<u>\$ 140,900.33</u>
REF.	A	A-2-A-23	A-4	A-24	A

"A-21"

TOWNSHIP OF BRANCHBURG

CURRENT FUND

SCHEDULE OF RESERVE FOR CONSTRUCTION CODE DCA - DUE STATE OF NEW JERSEY

	<u>REF.</u>	
Balance, December 31, 2021	A	\$ 22,017.30
Increased by:		
Receipts	A-4	83,560.00
		\$ <u>105,577.30</u>
Decreased by:		
Disbursements	A-4	<u>78,882.00</u>
Balance, December 31, 2022	A	\$ <u><u>26,695.30</u></u>

"A-22"

SCHEDULE OF DUE STATE OF NEW JERSEY - BURIAL PERMITS

Balance, December 31, 2021 and December 31, 2022	A	\$ <u><u>40.00</u></u>
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TOWNSHIP OF BRANCHBURG

GRANT FUND

SCHEDULE OF GRANTS APPROPRIATED

	BALANCE DECEMBER 31, 2021	BUDGET APPROPRIATION	EXPENDED	ACCOUNTS PAYABLE	BALANCE DECEMBER 31, 2022
Drunk Driving Enforcement Fund	\$ 21,123.83	\$ 9,811.49	\$ 10,396.64	\$	\$ 20,538.68
Clean Communities Program	124,905.27	79,341.37	27,098.78	(2,780.94)	179,928.80
Youth Services Grant	23,080.93	5,000.00	297.00		27,783.93
Historic Pres. Little Red Schoolhouse	56,384.66		9,200.00		47,184.66
Alcohol Education Rehabilitation	3,670.89		2,000.00		1,670.89
Recycling Tonnage Grant	111,573.76	25,048.11	84,053.28	(15,000.00)	67,568.59
Friends of Somerset County Youth	600.00				600.00
Highway Safety Fund Grant	1,010.36	2,247.33	2,019.96		1,010.36
Body Armor	5,206.46				5,433.83
Covid Preparedness	7.75				7.75
Strengthening Local Public Health Capacity	15,810.21		547.20	(58,062.42)	73,325.43
Body Worn Camera Grant	23,096.00		44,168.00	(44,168.00)	23,096.00
Safe & Secure (+ Match)	988.18	52,400.00	51,286.58		2,101.60
	<u>\$ 387,458.30</u>	<u>\$ 173,848.30</u>	<u>\$ 231,067.44</u>	<u>\$ (120,011.36)</u>	<u>\$ 450,250.52</u>
REF.	A		A-4		A
Grants		\$ 153,848.30			
Match		<u>20,000.00</u>			
		<u>\$ 173,848.30</u>			
Accounts Payable				\$ -0-	
Accounts Payable - Prior Year				<u>(120,011.36)</u>	
				<u>\$ (120,011.36)</u>	

TOWNSHIP OF BRANCHBURG

GRANT FUND

SCHEDULE OF GRANTS UNAPPROPRIATED

	BALANCE DECEMBER 31, 2021	RECEIPTS	APPLIED TO RECEIVABLE	BALANCE DECEMBER 31, 2022
A.R.P. (Covid)	\$ 8,794.68	\$ 8,794.69	\$	17,589.37
Recycling Tonnage	25,048.11	131,175.00	25,048.11	131,175.00
Youth Services		5,000.00		5,000.00
Clean Communities	39,341.37	1,113.06	39,341.37	1,113.06
Body Armor	2,247.33	3,377.10	2,247.33	3,377.10
Drunk Driving Enforcement	9,811.49		9,811.49	
	<u>\$ 85,242.98</u>	<u>\$ 149,459.85</u>	<u>\$ 76,448.30</u>	<u>\$ 158,254.53</u>
REF.	A	A-4	A-20	A

"A-25"

TOWNSHIP OF BRANCHBURG

CURRENT FUND

SCHEDULE OF RESERVE FOR REVISION OF MASTER PLAN

REF.

Balance, December 31, 2021
and December 31, 2022

A

\$ 3,111.91

"A-26"

SCHEDULE OF COUNTY TAXES PAYABLE

Increased by:

2022 Levy

Added and Omitted

A-1:A-8

\$ 14,808,808.02

A-1:A-8

172,650.92

\$ 14,981,458.94

Decreased by:

Disbursements

A-4

14,808,808.03

Balance, December 31, 2022

A

\$ 172,650.91

"A-27"

TOWNSHIP OF BRANCHBURG

CURRENT FUND

SCHEDULE OF LOCAL DISTRICT SCHOOL TAXES PAYABLE

	<u>REF.</u>	
Balance, December 31, 2021	A	\$ 228,996.00
Increased by:		
School Levy	A-1:A-8	45,029,237.00
		<u>\$ 45,258,233.00</u>
Decreased by:		
Disbursements	A-4	<u>\$ 45,258,233.00</u>

"A-28"

SCHEDULE OF MUNICIPAL OPEN SPACE TAXES PAYABLE

Increased by:		
2022 Tax Levy	A-1:A-8	\$ 1,861,137.60
Added Taxes	A-1:A-8	<u>21,366.84</u>
		<u>\$ 1,882,504.44</u>
Decreased by:		
Disbursements	A-4	<u>\$ 1,882,504.44</u>

TOWNSHIP OF BRANCHBURG

GRANT FUND

SCHEDULE OF INTERFUNDS

	<u>REF.</u>	
Balance, December 31, 2021 (Due To, Net)	A	\$ 0.40
Increased by:		
Receipts	A-4	<u>51,828.28</u>
Balance, December 31, 2022 (Due To, Net)	A	<u>\$ 51,828.68</u>
<u>Analysis of Balance:</u>		
Due To Trust-Payroll		\$ 0.40
Due To General Capital		51,756.31
Due To Current		<u>71.97</u>
		<u>\$ 51,828.68</u>

"A-30"

TOWNSHIP OF BRANCHBURG

CURRENT FUND

SCHEDULE OF PROPERTY ACQUIRED FOR TAXES
(AT ASSESSED VALUATION)

REF.

Balance, December 31, 2021
and December 31, 2022

A

\$ 1,534,100.00

"A-31"

SCHEDULE OF RESERVE FOR TAX APPEALS

Balance, December 31, 2021

A

\$ 500,000.00

Increased by:
Reserved

A-1

500,000.00

Balance, December 31, 2022

A

\$ 1,000,000.00

"A-32"

TOWNSHIP OF BRANCHBURG

CURRENT FUND

SCHEDULE OF DEFERRED CHARGES

REF.

Balance, December 31, 2021

A

\$ 81,461.24

Decreased by:
Appropriated

A-3

\$ 81,461.24

"A-33"

SCHEDULE OF RESERVE FOR GARDEN STATE TRUST - UNAPPROPRIATED

Balance, December 31, 2021
and December 31, 2022

A

\$ 5,835.00

"A-34"

TOWNSHIP OF BRANCHBURG

CURRENT FUND

SCHEDULE OF RESERVE FOR NATIONAL OPIOID SETTLEMENT UNAPPROPRIATED

REF.

Increased by:		
Receipts	A-4	\$ <u>11,528.61</u>
Balance, December 31, 2022	A	\$ <u><u>11,528.61</u></u>

"A-35"

SCHEDULE OF RESERVE FOR MUNICIPAL TAX RELIEF UNAPPROPRIATED

Increased by:		
Receipts	A-4	\$ <u>157,414.13</u>
Balance, December 31, 2022	A	\$ <u><u>157,414.13</u></u>

TOWNSHIP OF BRANCHBURG

TRUST FUND

SCHEDULE OF CASH - TREASURER

REF.	ASSESSMENT	ANIMAL CONTROL	OTHER
B	\$ 127,534.79	\$ 5,093.42	\$ 8,465,301.25
Balance, December 31, 2021			
Increased by Receipts:			
Reserve for Animal Control	\$	23,572.20	
Due State of New Jersey		1,792.80	
Prepaid Animal Licenses		544.00	
Developers' Deposits			567,447.19
Unemployment Insurance Compensation			62,062.76
Reserve for Various Trust Deposits			263,166.00
Reserve for Open Space Deposits			2,018,534.14
Reserve for Recreation Deposits			306,750.19
Reserve for Redemption of Outside Liens			186,456.37
Reserve for Tax Sale Premiums			68,100.00
Law Enforcement Trust Fund			69.30
Payroll and Deductions			10,669,059.38
Reserve for Flexible Spending Account			13,847.69
COAH Deposits			427,536.03
Due Current Fund			5,931.70
	\$ 0.00	25,909.00	14,568,959.75
	\$ 127,534.79	\$ 31,002.42	\$ 23,054,261.00
Decreased by Disbursements:			
New Jersey State Board of Health	\$	1,792.80	
Expenditures Under R.S. 4:19-15.11		18,554.70	
Reserve for Various Trust Deposits			28,568.23
Due Current Fund			4,967.73
Reserve for Developers' Deposits			566,187.52
Reserve for Recreation Deposits			341,399.58
Unemployment Insurance Compensation			29,719.88
Reserve for Flexible Spending Account			9,936.02
Reserve for Tax Sale Premiums			107,500.00
Reserve for Redemption of Outside Liens			183,032.47
Payroll and Deductions			10,660,379.48
COAH Deposits			63,534.93
Reserve for Open Space Deposits			1,515,053.31
	\$ 0.00	20,347.50	13,510,279.15
Balance, December 31, 2022	\$ 127,534.79	\$ 10,654.92	\$ 9,543,981.85

"B-3"

TOWNSHIP OF BRANCHBURG

TRUST FUND

SCHEDULE OF RESERVE FOR REDEMPTION OF OUTSIDE LIENS

	<u>REF.</u>	
Increased by:		
Receipts	B-2	\$ 186,456.37
Decreased by:		
Disbursements	B-2	<u>183,032.47</u>
Balance, December 31, 2022	B	\$ <u>3,423.90</u>

TOWNSHIP OF BRANCHBURG

TRUST FUND

ANALYSIS OF ASSESSMENT FUND CASH

BALANCE
DECEMBER
31, 2021 & 2022

Assessment Fund Balance

\$ 127,534.79
\$ 127,534.79

REF.

B

"B-5"

TOWNSHIP OF BRANCHBURG

TRUST FUND

SCHEDULE OF RESERVE FOR FLEXIBLE SPENDING

	<u>REF.</u>	
Balance, December 31, 2021	B	\$ 10,306.00
Increased by:		
Receipts	B-2	13,847.69
		<u>\$ 24,153.69</u>
Decreased by:		
Disbursements	B-2	9,936.02
		<u>9,936.02</u>
Balance, December 31, 2022	B	<u>\$ 14,217.67</u>

"B-6"

SCHEDULE OF DUE SEWER OPERATING FUND - TRUST OTHER FUND

Balance, December 31, 2021 and December 31, 2022 (Due From)	B	<u>\$ 1,115.24</u>
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"B-7"

TOWNSHIP OF BRANCHBURG

TRUST FUND

SCHEDULE OF RESERVE FOR LAW ENFORCEMENT TRUST FUND

	<u>REF.</u>	
Balance, December 31, 2021	B	\$ 10,136.88
Increased by:		
Receipts	B-2	<u>69.30</u>
Balance, December 31, 2022	B	\$ <u>10,206.18</u>

"B-8"

SCHEDULE OF RESERVE FOR PAYROLL DEDUCTIONS

Balance, December 31, 2021	B	\$ 76,148.93
Increased by:		
Receipts	B-2	<u>10,669,059.38</u>
		\$ <u>10,745,208.31</u>
Decreased by:		
Disbursements	B-2	<u>10,660,379.48</u>
Balance, December 31, 2022	B	\$ <u>84,828.83</u>

"B-9"

TOWNSHIP OF BRANCHBURG

TRUST FUND

SCHEDULE OF RESERVE FOR ACCOUNTS PAYABLE - TRUST (OPEN SPACE)

REF.

Balance, December 31, 2021
and December 31, 2022

B

\$ 15,556.32

"B-10"

TOWNSHIP OF BRANCHBURG

TRUST FUND

SCHEDULE OF PREPAID LICENSES - ANIMAL CONTROL TRUST FUND

REF.

Increased by:

Receipts

B-2

\$ 544.00

Balance, December 31, 2022

B

\$ 544.00

TOWNSHIP OF BRANCHBURG

TRUST FUND

SCHEDULE OF RESERVE FOR VARIOUS DEPOSITS

<u>ACCOUNT</u>	<u>BALANCE DECEMBER 31, 2021</u>	<u>INCREASES</u>	<u>DECREASES</u>	<u>BALANCE DECEMBER 31, 2022</u>
Developers Escrow Deposits	\$ 21,000.00	\$	\$	\$ 21,000.00
Police Emergency Response Equipment	2,043.18	20,000.00	1,790.00	20,253.18
Police Outside Employment	636.60	10,000.00	10,000.00	636.60
Municipal Alliance Program (Youth Services)	11,931.52			11,931.52
Sewer Escrow*	27,199.72			27,199.72
Parking Offense Adjudication Act (POAA)	1,390.25	26.00		1,416.25
Fire Safety Penalties	10,429.22			10,429.22
Developers' Contributions*	181,399.96			181,399.96
Fire Penalties - Equipment & Training	6,060.00			6,060.00
OEM Donation	17.57			17.57
Public Defender	8,153.34	2,030.00	3,500.00	6,683.34
Reforestation Fund	177,904.34	218,200.00		396,104.34
Baseball Turf	50,000.00	10,000.00		60,000.00
Donation for Communications	1,741.92			1,741.92
Community Gardens	13,638.89	2,910.00	620.28	15,928.61
Quiet Zone	13,002.95		12,657.95	345.00
Confiscated Vehicles	1,200.00			1,200.00
Reserve for AT&T Security Deposit	75,350.04			75,350.04
Bond & Coupon	6,442.34			6,442.34
	<u>\$ 609,541.74</u>	<u>\$ 263,166.00</u>	<u>\$ 28,568.23</u>	<u>\$ 844,139.51</u>
<u>REF.</u>	B	B-2	B-2	B

*A detailed analysis of the miscellaneous escrow deposits is on file in the office of the Township Treasurer.

"B-12"

TOWNSHIP OF BRANCHBURG

TRUST FUND

SCHEDULE OF RESERVE FOR ANIMAL CONTROL FUND EXPENDITURES

	<u>REF.</u>	
Balance, December 31, 2021	B	\$ 5,093.42
Increased by:		
Receipts	B-2	<u>23,572.20</u>
		\$ <u>28,665.62</u>
Decreased by:		
Disbursements	B-2	<u>18,554.70</u>
Balance, December 31, 2022	B	\$ <u><u>10,110.92</u></u>

DOG LICENSE FEES COLLECTED

<u>YEAR</u>	<u>AMOUNT</u>
2021	\$ 20,540.60
2020	<u>21,640.20</u>
	\$ <u><u>42,180.80</u></u>

"B-13"

TOWNSHIP OF BRANCHBURG

TRUST FUND

SCHEDULE OF DUE STATE DEPARTMENT OF HEALTH - ANIMAL CONTROL TRUST FUND

REF.

Increased by:		
State Registration Fees Collected	B-2	\$ <u>1,792.80</u>
Decreased by:		
Paid to State Department of Health	B-2	\$ <u><u>1,792.80</u></u>

"B-14"

SCHEDULE OF RESERVE FOR COAH DEPOSITS

Balance, December 31, 2021	B	\$ 1,477,286.88
Increased by:		
Receipts	B-2	<u>427,535.03</u>
		\$ <u>1,904,821.91</u>
Decreased by:		
Disbursements	B-2	<u>63,534.93</u>
Balance, December 31, 2022	B	\$ <u><u>1,841,286.98</u></u>

"B-15"

TOWNSHIP OF BRANCBURG

TRUST FUND

SCHEDULE OF DEVELOPERS' DEPOSITS

	<u>REF.</u>	
Balance, December 31, 2021	B	\$ 1,536,532.44
Increased by:		
Receipts	B-2	<u>567,447.19</u>
		\$ 2,103,979.63
Decreased by:		
Disbursements	B-2	<u>566,187.52</u>
Balance, December 31, 2022	B	\$ <u>1,537,792.11</u>
<u>Analysis of Balance:</u>		
Inspection Fee Deposits		\$ 457,259.05
Performance Bond Deposits		847,036.32
Review Escrow Deposits		<u>233,496.74</u>
		\$ <u>1,537,792.11</u>

"B-16"

TOWNSHIP OF BRANCHBURG

TRUST FUND

SCHEDULE OF UNEMPLOYMENT INSURANCE COMPENSATION

	<u>REF.</u>		
Balance, December 31, 2021	B	\$	280,756.74
Increased by:			
Interest Earned		\$	1,770.98
Appropriated			30,000.00
Contributions			<u>30,291.78</u>
	B-2		62,062.76
		\$	<u>342,819.50</u>
Decreased by:			
Disbursements	B-2		<u>29,719.88</u>
Balance, December 31, 2022	B	\$	<u><u>313,099.62</u></u>

"B-17"

SCHEDULE OF RESERVE FOR OPEN SPACE DEPOSITS

Balance, December 31, 2021	B	\$	3,982,063.04
Increased by:			
Tax Levy		\$	1,861,137.60
Tax Levy-Added			21,366.84
Other Deposits			115,643.20
Interest Earned			<u>20,386.50</u>
	B-2		2,018,534.14
		\$	<u>6,000,597.18</u>
Decreased by:			
Disbursements	B-2		<u>1,515,053.31</u>
Balance, December 31, 2022	B	\$	<u><u>4,485,543.87</u></u>

"B-18"

TOWNSHIP OF BRANCHBURG

TRUST FUND

SCHEDULE OF DUE CURRENT FUND

	<u>REF.</u>		
Balance, December 31, 2021 (Due To)	B	\$	244.84
Increased by:			
Receipts	B-2		<u>5,931.70</u>
		\$	6,176.54
Decreased by:			
Receipts	B-2		<u>4,967.73</u>
Balance, December 31, 2022 (Due To)	B	\$	<u><u>1,208.81</u></u>

Analysis of Balance:

Due To Current Fund:			
Flexible Spending		\$	62.89
Site Inspection Escrow			344.82
Performance Escrow			446.05
Review Escrow			<u>355.05</u>
		\$	<u><u>1,208.81</u></u>

"B-19"

TOWNSHIP OF BRANCHBURG

TRUST FUND

SCHEDULE OF DUE GRANT FUND

REF.

Balance, December 31, 2021
and December 31, 2022 (Due From, Net)

B

\$ 0.40

Analysis of Balance

Due From Grant Fund - Payroll

\$ 0.40

\$ 0.40

"B-20"

TOWNSHIP OF BRANCHBURG

TRUST FUND

SCHEDULE OF RESERVE FOR RECREATION DEPOSITS

	<u>REF.</u>	
Balance, December 31, 2021	B	\$ 58,643.08
Increased by:		
Receipts	B-2	<u>306,750.19</u>
		\$ <u>365,393.27</u>
Decreased by:		
Disbursements	B-2	<u>341,399.58</u>
Balance, December 31, 2022	B	\$ <u><u>23,993.69</u></u>

"B-21"

TOWNSHIP OF BRANCHBURG

TRUST FUND

SCHEDULE OF RESERVE FOR TAX SALE PREMIUMS

	<u>REF.</u>	
Balance, December 31, 2021	B	\$ 409,200.00
Increased by:		
Receipts	B-2	68,100.00
		\$ <u>477,300.00</u>
Decreased by:		
Disbursements	B-2	<u>107,500.00</u>
Balance, December 31, 2022	B	\$ <u><u>369,800.00</u></u>

TOWNSHIP OF BRANCHBURG

GENERAL CAPITAL FUND

SCHEDULE OF CASH - TREASURER

	<u>REF.</u>		
Balance, December 31, 2021	C		\$ 7,415,128.64
Increased by Receipts:			
Reserve for FEMA	C-14	\$ 51,756.31	
Capital Improvement Fund	C-8	600,000.00	
Improvement Authorization Refunds	C-9	<u>124,867.80</u>	
			<u>776,624.11</u>
			\$ 8,191,752.75
Decreased by Disbursements:			
Contracts Payable	C-12	\$ 801,950.10	
Interfunds	C-15	51,756.31	
Reserve for Capital Projects	C-6	<u>96,873.26</u>	
			<u>950,579.67</u>
Balance, December 31, 2022	C		\$ <u>7,241,173.08</u>

"C-3"

TOWNSHIP OF BRANCHBURG

GENERAL CAPITAL FUND

ANALYSIS OF CAPITAL CASH AND INVESTMENTS

	BALANCE DECEMBER 31, 2022
Capital Improvement Fund	\$ 432,766.64
Improvement Authorizations Expended	(1,610,694.72)
Grants Receivable	(257,637.33)
Interfunds Receivable	(51,756.31)
Reserve for Grants Receivable	250,000.00
Reserve for Preliminary Cost	106,885.00
Reserve for Capital Projects	180,722.83
Reserve for FEMA	66,123.31
Reserve for Contracts Payable	4,253,332.41
Fund Balance	396,788.52
Reserve for Debt Service	1,437,587.38
Improvement Authorizations Funded	2,037,055.35
	<u>\$ 7,241,173.08</u>

REF.

C

"C-4"

SCHEDULE OF GRANTS RECEIVABLE

Balance, December 31, 2021 and December 31, 2022	C	\$ <u>257,637.33</u>
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"C-5"

TOWNSHIP OF BRANCHBURG

GENERAL CAPITAL FUND

SCHEDULE OF DEFERRED CHARGES
TO FUTURE TAXATION - FUNDED

	<u>REF.</u>	
Balance, December 31, 2021	C	\$ 11,840,000.00
Decreased by:		
Bonds Paid by Budget & Open Space	C-11	<u>2,080,000.00</u>
Balance, December 31, 2022	C	\$ <u>9,760,000.00</u>

"C-6"

SCHEDULE OF RESERVE FOR CAPITAL PROJECTS

Balance, December 31, 2021	C	\$ 277,596.09
Decreased by:		
Disbursed	C-2	<u>96,873.26</u>
Balance, December 31, 2022	C	\$ <u>180,722.83</u>

Analysis of Balance:

Road Improvements		\$ <u>180,722.83</u>
		\$ <u>180,722.83</u>

TOWNSHIP OF BRANCHBURG

GENERAL CAPITAL FUND

SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION-UNFUNDED

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	BALANCE DECEMBER 31, 2021	2022 AUTHORIZATIONS	BALANCE DECEMBER 31, 2022	ANALYSIS OF BALANCE, DECEMBER 31, 2022		
					EXPENDITURES	UNEXPENDED IMPROVEMENT AUTHORIZATIONS	
2020-1400	Holland Brook Road West	\$ 880,000.00	\$	880,000.00	\$ 564,106.72	\$ 315,893.28	
2022-1434	Emergency Services Vehicle		1,425,000.00	1,425,000.00	1,046,588.00	378,412.00	
		\$ 880,000.00	\$ 1,425,000.00	\$ 2,305,000.00	\$ 1,610,694.72	\$ 694,305.28	
REF.		C	C-9	C	C-3	C-9	

"C-8"

TOWNSHIP OF BRANCHBURG

GENERAL CAPITAL FUND

SCHEDULE OF CAPITAL IMPROVEMENT FUND

	<u>REF.</u>		
Balance, December 31, 2021	C		\$ 622,923.28
Increased by:			
Improvements Canceled	C-9	\$ 9,843.36	
Budget Appropriation	C-2	<u>600,000.00</u>	
			<u>609,843.36</u>
			\$ <u>1,232,766.64</u>
Decreased by:			
Appropriated to Finance :			
Improvement Authorizations	C-9	\$ 770,000.00	
Preliminary Costs	C-10	<u>30,000.00</u>	
			<u>800,000.00</u>
Balance, December 31, 2022	C		\$ <u><u>432,766.64</u></u>

TOWNSHIP OF BRANCHBURG
GENERAL CAPITAL FUND

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

ORDINANCE NUMBER	GENERAL IMPROVEMENTS:	ORDINANCE DATE	AMOUNT	BALANCE DECEMBER 31, 2021		2022 AUTHORIZATIONS	EXPENDED	REFUNDS	AUTHORIZATIONS CANCELED	PAYABLES CANCELED	BALANCE DECEMBER 31, 2022	
				FUNDED	UNFUNDED						FUNDED	UNFUNDED
2015-1272	Kashy Road Improvements	05/11/15	\$ 885,000.00	\$	\$	\$	\$	\$	\$	\$	\$	\$
2015-1273	Stony Brook Road Reconstruction	05/11/15	600,000.00	101,237.88						154,688.89	324,274.02	
2017-1320	Holland Brook Road Section 6 Reconstruction	08/28/17	770,000.00	286,609.44							2.50	
2018-1330	Facility Improvements- Municipal Building	05/14/18	150,000.00	324,274.02							112,013.03	
2018-1331	White Oak Park Improvements	05/14/18	495,000.00	2.50						1,039.52	707,104.15	
2018-1346	Various Road Improvements	05/13/19	4,120.00	110,973.51			1,668,341.00					
2019-1347	Equipment Public Works	05/28/19	523,000.00	2,375,446.15					4,119.30			
2019-1348	Equipment Public Safety	05/28/19	122,000.00	4,119.30					3,554.12			
2019-1349	Township Facility Improvements	05/28/19	125,000.00	3,954.12			3,958.00		2,168.94			
2020-1380	Equipment-Public Safety/Emergency Services	04/27/20	350,000.00	6,127.94					13,359.91			
2020-1400	Holland Brook Road West	12/28/20	880,000.00	13,359.91	315,893.28							
2021-1416	Emergency Services Equipment	09/27/21	900,000.00	109,314.64							109,314.64	315,893.28
2022-1426	Facility Improvements	11/08/21	350,000.00	321,740.00			242,269.89	124,867.80			204,337.91	
2022-1427	Leigh Avenue Railroad Crossing	04/11/22	100,000.00			100,000.00	20,400.00				79,600.00	
2022-1428	Modular Buildings Emergency Services	05/09/22	320,000.00			320,000.00	144,188.12				320,000.00	
2022-1429	Acquisition of Emergency Equipment	05/09/22	245,000.00			245,000.00	225,000.00				100,810.88	
2022-1434	Public Works Equipment	05/09/22	225,000.00			225,000.00	1,121,588.00				17,064.00	375,412.00
2022-1435	Emergency Services vehicle	06/27/22	1,500,000.00			1,500,000.00	382,936.00				62,534.22	
2022-1436	Acquisition of Mini Pumper	07/11/22	400,000.00			400,000.00	62,465.78					
2022-1436	Facility Improvements	07/25/22	125,000.00			125,000.00						
				\$ 3,656,757.41	\$ 315,893.28	\$ 2,915,000.00	\$ 3,871,147.79	\$ 124,867.80	\$ 565,718.48	\$ 155,708.41	\$ 2,037,055.35	\$ 694,305.28
				C	C		C-12	C-2		C-12	C-C-3	C

REF.

Fund Balance
Deferred Charges To Future Taxation-Unfunded
Capital Improvement Fund

C-1 \$ 720,000.00
C-7 1,425,000.00
C-8 770,000.00
\$ 2,915,000.00

Fund Balance
Reserve for Debt Service
Capital Improvement Fund

\$ 13,359.91
\$ 542,515.21
\$ 9,843.96
\$ 565,718.48

"C-10"

TOWNSHIP OF BRANCHBURG

GENERAL CAPITAL FUND

SCHEDULE OF RESERVE FOR PRELIMINARY COSTS

	<u>REF.</u>	
Balance, December 31, 2021	C	\$ 109,335.00
Increased by:		
New Authorizations	C-8	30,000.00
		<u>\$ 139,335.00</u>
Decreased by:		
Contracts Payable	C-12	<u>32,450.00</u>
Balance, December 31, 2022	C	<u>\$ 106,885.00</u>

TOWNSHIP OF BRANCHBURG
GENERAL CAPITAL FUND
SCHEDULE OF SERIAL BONDS

<u>PURPOSE</u>	<u>DATE OF ISSUE</u>	<u>AMOUNT OF ORIGINAL ISSUE</u>	<u>OUTSTANDING</u>		<u>INTEREST RATE</u>	<u>BALANCE DECEMBER 31, 2021</u>	<u>DECREASED</u>	<u>BALANCE DECEMBER 31, 2022</u>
			<u>DATE</u>	<u>AMOUNT</u>				
General Improvement Bonds of 2003	August 15, 2003	\$ 16,562,000.00	8/15/23	\$ 30,000.00	4.75%	\$ 60,000.00	\$ 30,000.00	\$ 30,000.00
General Improvement Bonds of 2007	October 11, 2007	6,840,000.00	-----	-----		600,000.00	600,000.00	
Refunding Bonds of 2011	June 8, 2011	8,170,000.00	8/15/23	800,000.00	5.00%	1,600,000.00	800,000.00	800,000.00
General Improvement Bonds of 2019	September 5, 2019	10,884,000.00	9/1/23	1,130,000.00	3.00%			
			9/1/24	1,300,000.00	3.00%			
			9/1/25	1,300,000.00	2.00%			
			9/1/26	1,300,000.00	3.00%			
			9/1/27	1,300,000.00	3.00%			
			9/1/28	1,300,000.00	3.00%			
			9/1/29	1,300,000.00	0.05%			
						<u>9,580,000.00</u>	<u>650,000.00</u>	<u>8,930,000.00</u>
						<u>\$ 11,840,000.00</u>	<u>\$ 2,080,000.00</u>	<u>\$ 9,760,000.00</u>

REF.

C

C-5

C

"C-12"

TOWNSHIP OF BRANCHBURG

GENERAL CAPITAL FUND

SCHEDULE OF RESERVE FOR CONTRACTS PAYABLE

	<u>REF.</u>		
Balance, December 31, 2021	C	\$	1,307,393.13
Increased by:			
Improvement Authorizations	C-9	\$	3,871,147.79
Preliminary Costs Authorized	C-10		<u>32,450.00</u>
			<u>3,903,597.79</u>
		\$	<u>5,210,990.92</u>
Decreased by:			
Disbursements	C-2	\$	801,950.10
Canceled	C-9		<u>155,708.41</u>
			<u>957,658.51</u>
Balance, December 31, 2022	C	\$	<u><u>4,253,332.41</u></u>

"C-13"

TOWNSHIP OF BRANCHBURG

GENERAL CAPITAL FUND

SCHEDULE OF RESERVE FOR GRANTS RECEIVABLE

REF.

Balance, December 31, 2021
and December 31, 2022

C

\$ 250,000.00

"C-14"

SCHEDULE OF RESERVE FOR FEMA

Balance, December 31, 2021

C

\$ 14,367.00

Increased by:
Receipts

C-2

51,756.31

Balance, December 31, 2022

C

\$ 66,123.31

"C-15"

TOWNSHIP OF BRANCHBURG

GENERAL CAPITAL FUND

SCHEDULE OF INTERFUNDS

	<u>REF.</u>	
Increased by:		
Disbursements	C-2	\$ <u>51,756.31</u>
Balance, December 31, 2022	C	\$ <u><u>51,756.31</u></u>

"C-16"

SCHEDULE OF RESERVE FOR DEBT SERVICE

Balance, December 31, 2021	C	\$ 895,072.17
Increased by:		
Improvement Authorizations Canceled	C-9	<u>542,515.21</u>
Balance, December 31, 2022	C	\$ <u><u>1,437,587.38</u></u>

"C-17"

TOWNSHIP OF BRANCHBURG

GENERAL CAPITAL FUND

SCHEDULE OF BONDS AND NOTES
AUTHORIZED BUT NOT ISSUED

<u>ORDINANCE</u> <u>NUMBER</u>	<u>IMPROVEMENT DESCRIPTION</u>	<u>BALANCE</u> <u>DECEMBER 31,</u> <u>2022</u>
2020-1400	Holland Brook Road West	\$ 880,000.00
2022-1434	Emergency Services Vehicles	<u>1,425,000.00</u>
		<u>\$ 2,305,000.00</u>

TOWNSHIP OF BRANCHBURG

SEWER UTILITY FUND

SCHEDULE OF CASH - COLLECTOR-TREASURER

	<u>REF.</u>	<u>OPERATING</u>	<u>ASSESSMENT TRUST</u>	<u>CAPITAL</u>
Balance, December 31, 2021	D	\$ <u>4,436,612.66</u>	\$ <u>125,724.62</u>	\$ <u>5,122,058.45</u>
Increased by Receipts:				
Sewer Use Charges Receivable	D-13	\$ 3,495,482.81	\$	\$
Miscellaneous Revenue Not Anticipated	D-1:D-4	165,786.83		
Grants Receivable	D-10			750,000.00
Assessments Receivable	D-17		9,426.04	
Capital Improvement Fund	D-27			401,000.00
Capacity Charges	D-1:D-4	809,600.00		
Prepaid Sewer Charges	D-20	8,084.26		
		\$ <u>4,478,953.90</u>	\$ <u>9,426.04</u>	\$ <u>1,151,000.00</u>
		\$ <u>8,915,566.56</u>	\$ <u>135,150.66</u>	\$ <u>6,273,058.45</u>
Decreased by Disbursements:				
2022 Budget Appropriations	D-5	\$ 3,094,720.56	\$	\$
2021 Appropriation Reserves	D-12	119,341.95		
Contracts Payable	D-23			1,038,009.15
Interfunds	D-11	80,824.00		
		\$ <u>3,294,886.51</u>	\$	\$ <u>1,038,009.15</u>
Balance, December 31, 2022	D	\$ <u><u>5,620,680.05</u></u>	\$ <u><u>135,150.66</u></u>	\$ <u><u>5,235,049.30</u></u>

"D-7"

TOWNSHIP OF BRANCHBURG

SEWER UTILITY FUND

ANALYSIS OF ASSESSMENT FUND CASH

	<u>BALANCE DECEMBER 31, 2021</u>	<u>RECEIPTS ASSESSMENTS AND LIENS</u>	<u>BALANCE DECEMBER 31, 2022</u>
Fund Balance	\$ <u>125,724.62</u>	\$ <u>9,426.04</u>	\$ <u>135,150.66</u>
	\$ <u>125,724.62</u>	\$ <u>9,426.04</u>	\$ <u>135,150.66</u>
	D		D

"D-8"

TOWNSHIP OF BRANCHBURG

SEWER UTILITY FUND

ANALYSIS OF CAPITAL CASH

BALANCE
DECEMBER
31, 2022

Fund Balance	\$	475,306.07
Contracts Payable		134,618.05
Capital Improvement Fund		1,321,992.38
Reserve for Preliminary Costs		52,705.60
Improvement Authorizations - Funded		<u>3,250,427.20</u>
	\$	<u><u>5,235,049.30</u></u>

REF.

D

"D-9"

TOWNSHIP OF BRANCHBURG

SEWER UTILITY FUND

SCHEDULE OF DUE TO SOMERSET/RARITAN
VALLEY SEWER AUTHORITY

REF.

Balance, December 31, 2021
and December 31, 2022

D

\$ 1,200.00

"D-10"

SCHEDULE OF GRANTS RECEIVABLE

Balance, December 31, 2021

D

\$ 750,000.00

Decreased by:
Receipts

D-1

\$ 750,000.00

"D-11"

TOWNSHIP OF BRANCHBURG

SEWER UTILITY FUND

SCHEDULE OF INTERFUNDS

	<u>REF.</u>	
Balance, December 31, 2021 (Due To, Net)	D	\$ 1,115.24
Decreased by:		
Disbursements	D-6	<u>80,824.00</u>
Balance, December 31, 2022 (Due From, Net)		\$ <u>79,708.76</u>
<u>Analysis of Balance</u>		
Due To Trust-Payroll	D	\$ (1,115.24)
Due From Current Fund	D	<u>80,824.00</u>
		\$ <u>79,708.76</u>

TOWNSHIP OF BRANCHBURG

SEWER UTILITY FUND

SCHEDULE OF 2021 APPROPRIATION RESERVES

	BALANCE DECEMBER 31, 2021	ACCOUNTS PAYABLE	MODIFIED	PAID OR CHARGED	BALANCE LAPSED
Operating:					
Salaries and Wages	\$ 240,895.82	\$	240,895.82	\$ 15,348.44	\$ 225,547.38
Other Expenses	749,813.60	218,618.87	968,432.47	216,621.64	751,810.83
Capital Improvements:					
Purchase of Vehicle and Equipment	44,186.30	5,640.00	49,826.30	5,640.00	44,186.30
Regulatory Expenditures:					
Social Security (O.A.S.I.)	14,237.77		14,237.77		14,237.77
	<u>\$ 1,049,133.49</u>	<u>\$ 224,258.87</u>	<u>\$ 1,273,392.36</u>	<u>\$ 237,610.08</u>	<u>\$ 1,035,782.28</u>
REF.	D	D-14			D-1
Disbursed				\$ 119,341.95	
Accounts Payable				<u>118,268.13</u>	
				<u>\$ 237,610.08</u>	

"D-13"

TOWNSHIP OF BRANCHBURG

SEWER UTILITY FUND

SCHEDULE OF SEWER USE CHARGES RECEIVABLE

	<u>REF.</u>		
Balance, December 31, 2021	D		\$ 341,798.22
Increased by:			
Sewer Charges Levied (Net)			3,362,093.27
			<u>\$ 3,703,891.49</u>
Decreased by:			
Receipts	D-6	\$ 3,495,482.81	
Prepaid Sewer Rents	D-20	<u>9,011.37</u>	
			<u>3,504,494.18</u>
Balance, December 31, 2022	D		<u>\$ 199,397.31</u>

"D-14"

SCHEDULE OF RESERVE FOR ACCOUNTS PAYABLE - OPERATING FUND

Balance, December 31, 2021	D		\$ 224,258.87
Increased by:			
Budget Appropriations	D-5	\$ 197,948.73	
Appropriation Reserves	D-12	<u>118,268.13</u>	
			<u>316,216.86</u>
			<u>\$ 540,475.73</u>
Decreased by:			
Transfer to Appropriation Reserves	D-12		<u>224,258.87</u>
Balance, December 31, 2022	D		<u>\$ 316,216.86</u>

"D-15"

TOWNSHIP OF BRANCHBURG

SEWER UTILITY FUND

SCHEDULE OF RESERVE FOR DEVELOPERS CONTRIBUTIONS

	<u>REF.</u>	
Balance, December 31, 2021	D	\$ <u>300,000.00</u>
Decreased by:		
Improvements Authorized	D-28	\$ <u>300,000.00</u>

"D-16"

SCHEDULE OF RESERVE FOR UTILITY ASSESSMENTS

Balance, December 31, 2021	D	\$ 43,216.58
Decreased by:		
Assessments Collected	D-2	<u>9,426.04</u>
Balance, December 31, 2022	D	\$ <u>33,790.54</u>

TOWNSHIP OF BRANCHBURG

SEWER UTILITY ASSESSMENT FUND

SCHEDULE OF UTILITY ASSESSMENTS RECEIVABLE

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	DATE OF CONFIRMATION	INSTALLMENTS	DUE DATES	BALANCE DECEMBER 31, 2021	COLLECTED	BALANCE DECEMBER 31, 2022	BALANCE PLEDGED TO RESERVE
2015-1276	Sewer Department Equipment	5/11/2015	10	7/1/16-7/1/25	\$ 43,216.58	\$ 9,426.04	\$ 33,790.54	\$ 33,790.54
					\$ 43,216.58	\$ 9,426.04	\$ 33,790.54	\$ 33,790.54
		REF.			D	D-6	D	

"D-18"

TOWNSHIP OF BRANCHBURG

SEWER UTILITY CAPITAL FUND

SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	ORDINANCE DATE	BALANCE DECEMBER 31, 2021	INCREASES/ (DECREASES)	BALANCE DECEMBER 31, 2022
2006-1015/2007- 1069/2008-1097 2010-1154 2010-1155 2018-1328 2019-1369 2020-1385/2022-1421 2021-1418	Conversion of Neshanic Station Treatment Plant Purchase of Equipment Relining of Brandywine Force Main Sewer Equipment & Improvements Extension of Lines-River Road Sewer Improvements-Norton Sewer Improvements	4/24/06, 8/13/07 & 6/9/08 07/12/10 07/12/10 05/29/18 12/27/19 8/10/2020, 2/28/22 11/08/21	\$ 3,229,028.80 80,000.00 190,000.00 397,000.00 200,000.00 700,000.00 3,000,000.00	\$ 300,000.00 300,000.00	3,229,028.80 80,000.00 190,000.00 397,000.00 200,000.00 1,000,000.00 3,000,000.00
			\$ 7,796,028.80	\$ 300,000.00	\$ 8,096,028.80
			D	D-21	D

REF.

"D-19"

TOWNSHIP OF BRANCBURG

SEWER UTILITY FUND

SCHEDULE OF DUE TO 3RD PARTY - SEWER UTILITY OPERATING FUND

REF.

Balance, December 31, 2021
and December 31, 2022

D

\$ 28.00

"D-20"

TOWNSHIP OF BRANCHBURG

SEWER UTILITY FUND

SCHEDULE OF PREPAID SEWER CHARGES

	<u>REF.</u>	
Balance, December 31, 2021	D	\$ 9,011.37
Increased by:		
Receipts	D-6	<u>8,084.26</u>
		\$ <u>17,095.63</u>
Decreased by:		
Applied to Receivable	D-13	<u>9,011.37</u>
Balance, December 31, 2022	D	\$ <u><u>8,084.26</u></u>

"D-21"

TOWNSHIP OF BRANCHBURG

SEWER UTILITY CAPITAL FUND

SCHEDULE OF DEFERRED RESERVE FOR AMORTIZATION

	<u>REF.</u>	
Balance, December 31, 2021	D	\$ 7,796,028.80
Increased by:		
New Authorization	D-18	<u>300,000.00</u>
Balance, December 31, 2022	D	<u>\$ 8,096,028.80</u>
Analysis of Balance:		
06-1015/07-1069		
& 08-1097	Conversion of Neshanic Treatment Plant	\$ 3,229,028.80
2010-1154	Purchase of Equipment	80,000.00
2010-1155	Relining of Brandywine Force Main	190,000.00
2018-1328	Sewer Equipment & Improvements	397,000.00
2019-1369	Extension of Lines-River Road	200,000.00
2020-1385 / 2022-1421	Sewer Improvements-Norton	1,000,000.00
2021-1418	Sewer Improvements	<u>3,000,000.00</u>
		<u>\$ 8,096,028.80</u>

"D-22"

SCHEDULE OF RESERVE FOR I & I STUDY

Balance, December 31, 2021	D	\$ <u>28,493.94</u>
Decreased by:		
Canceled	D-3	<u>\$ 28,493.94</u>

"D-23"

TOWNSHIP OF BRANCHBURG

SEWER UTILITY CAPITAL FUND

SCHEDULE OF RESERVE FOR CONTRACTS PAYABLE

	<u>REF.</u>	
Balance, December 31, 2021	D	\$ 667,732.00
Increased by:		
Contracts Payable	D-24:D-28	504,895.20
		<u>\$ 1,172,627.20</u>
Decreased by:		
Disbursements	D-6	1,038,009.15
		<u>1,038,009.15</u>
Balance, December 31, 2022	D	<u>\$ 134,618.05</u>

"D-24"

SCHEDULE OF RESERVE FOR PRELIMINARY COSTS

Balance, December 31, 2021	D	\$ 44,800.00
Increased by:		
Preliminary Costs Authorized	D-27	180,000.00
		<u>\$ 224,800.00</u>
Decreased by:		
Contracts Payable	D-23	172,094.40
		<u>172,094.40</u>
Balance, December 31, 2022	D	<u>\$ 52,705.60</u>

Analysis of Balance:

Preliminary Cost Resolution 2010-109	\$ 25,500.00
Preliminary Cost Resolution 2021-208	15,775.00
Preliminary Cost Resolution 2022-123	1,600.00
Preliminary Cost Resolution 2022-433	9,830.60
	<u>9,830.60</u>
	<u>\$ 52,705.60</u>

"D-25"

TOWNSHIP OF BRANCHBURG

SEWER UTILITY CAPITAL FUND

SCHEDULE OF FIXED CAPITAL

<u>ACCOUNT</u>	<u>BALANCE</u> <u>DECEMBER 31,</u> <u>2021 & 2022</u>
Neshanic Station Sewer	\$ 453,151.54
Acquisition of Land	20,000.00
North Branch Sewer	198,793.42
North Branch Sewer Extension	241,284.34
Chambers Brook Sewer	1,280,000.00
South Branch Sewer	1,400,000.00
Dichlorination	64,500.00
General Equipment	1,772,456.97
Old York and Drehook Improvements	320,000.00
Other Improvements	1,815,157.18
Purchase of Asset Management System	53,652.50
Neshanic Wastewater Plant	54,059.22
Aerial Photos & Topographic Mapping	67,247.00
Construction of Public Works Facility/Annex	865,332.46
Relining & Recon of Brandywine	70,712.00
Stony Brook Road Sewer Project	727,349.94
	<u>\$ 9,403,696.57</u>

REF.

D

"D-26"

SCHEDULE OF RESERVE FOR AMORTIZATION

Balance, December 31, 2021		
and December 31, 2022	D	<u>\$ 9,403,696.57</u>

"D-27"

TOWNSHIP OF BRANCHBURG

SEWER UTILITY CAPITAL FUND

SCHEDULE OF CAPITAL IMPROVEMENT FUND

	<u>REF.</u>	
Balance, December 31, 2021	D	\$ 1,100,992.38
Increased by:		
Budget Appropriation	D-6	<u>401,000.00</u>
		\$ <u>1,501,992.38</u>
Decreased by:		
Preliminary Costs	D-24	<u>180,000.00</u>
Balance, December 31, 2022	D	\$ <u><u>1,321,992.38</u></u>

TOWNSHIP OF BRANCHBURG

SEWER UTILITY CAPITAL FUND

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

<u>ORDINANCE</u>	<u>IMPROVEMENT DESCRIPTION</u>	<u>ORDINANCE DATE</u>	<u>AMOUNT</u>	<u>BALANCE DECEMBER 31, 2021</u>		<u>AUTHORIZATIONS</u>	<u>EXPENDED</u>	<u>BALANCE DECEMBER 31, 2022</u>	
				<u>FUNDED</u>	<u>FUNDED</u>			<u>FUNDED</u>	<u>FUNDED</u>
2006-1015/1069 & 2008-1097	Conversion of Neshanic Treatment Plant	04/24/06, 08/13/07 & 06/09/08	\$ 1,848,000.00	\$	10,000.00	\$		\$	10,000.00
2010-1154	Purchase of Equipment	07/12/10	80,000.00		11,027.00				11,027.00
2010-1155	Relining of Brandywine Force Main	07/12/10	190,000.00		3,508.00				3,508.00
2018-1328	Sewer Equipment & Improvements	05/29/18	397,000.00		1,970.20				1,970.20
2019-1369	Extension of Lines-River Road	12/27/19	200,000.00		80,485.88				80,485.88
2020-1385/2022-1421	Sewer Improvements-Norton	8/10/2020, 2/28/22	700,000.00		176,236.92	300,000.00	332,800.80	143,436.12	
2021-1418	Sewer Improvements	11/08/21	3,000,000.00		3,000,000.00			3,000,000.00	
			\$	3,283,228.00	\$	300,000.00	\$ 332,800.80	\$	3,250,427.20
				D		D-15	D-23		D
			<u>REF.</u>						

TOWNSHIP OF BRANCHBURG

SWIM POOL UTILITY FUND

SCHEDULE OF CASH

	<u>REF.</u>	
Balance, December 31, 2021	E	\$ 63,331.90
Increased by Receipts:		
Pool Charges	E-1:E-2	\$ 218,007.04
Miscellaneous Revenue Not Anticipated	E-1:E-2	143.61
		<u>\$ 218,150.65</u>
		<u>\$ 281,482.55</u>
Decreased by Disbursements:		
Budget Appropriations	E-3	\$ 183,203.10
Appropriation Reserves	E-6	304.20
		<u>\$ 183,507.30</u>
Balance, December 31, 2022	E	<u><u>\$ 97,975.25</u></u>

"E-5"

TOWNSHIP OF BRANCHBURG

SWIM POOL UTILITY FUND

SCHEDULE OF RESERVE FOR ACCOUNTS PAYABLE

	<u>REF.</u>	
Balance, December 31, 2021	E	\$ <u>19,665.20</u>
Decreased by:		
Transferred to Appropriation Reserves	E-6	\$ <u><u>19,665.20</u></u>

TOWNSHIP OF BRANCHBURG

POOL UTILITY FUND

SCHEDULE OF APPROPRIATION RESERVES

	BALANCE DECEMBER 31, 2021	ACCOUNTS PAYABLE	MODIFIED	PAID OR CHARGED	BALANCE LAPSED
	\$ 37,005.43	\$ 19,665.20	\$ 56,670.63	\$ 304.20	\$ 56,366.43
	<u>\$ 37,005.43</u>	<u>\$ 19,665.20</u>	<u>\$ 56,670.63</u>	<u>\$ 304.20</u>	<u>\$ 56,366.43</u>

Operating:
Other Expenses

REF.

E

E-5

E-4

E-1

TOWNSHIP OF BRANCHBURG

PART II

STATISTICAL DATA

LIST OF OFFICIALS

COMMENTS AND RECOMMENDATIONS

YEAR ENDED DECEMBER 31, 2022

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

	YEAR 2022		YEAR 2021	
	AMOUNT	%	AMOUNT	%
<u>REVENUE AND OTHER INCOME REALIZED</u>				
Fund Balance Utilized	\$ 4,700,000.00	5.36%	\$ 4,100,000.00	4.80%
Miscellaneous from Other Than				
Local Property Tax Levies	8,808,046.36	10.05%	9,152,152.43	10.72%
Collection of Delinquent Taxes				
and Tax Title Liens	490,114.17	0.56%	682,575.64	0.80%
Collections of Current Tax Levy	<u>73,617,864.53</u>	<u>84.03%</u>	<u>71,407,553.40</u>	<u>83.68%</u>
<u>Total Revenue</u>	<u>\$ 87,616,025.06</u>	<u>100.00%</u>	<u>\$ 85,342,281.47</u>	<u>100.00%</u>
<u>EXPENDITURES</u>				
Budget Expenditures:				
Municipal Purposes	\$ 19,973,992.54	24.25%	\$ 19,136,734.02	24.13%
County Taxes	14,981,458.94	18.19%	13,662,800.92	17.23%
Local School District Taxes	45,029,237.00	54.66%	44,807,928.00	56.50%
Municipal Open Space Taxes	1,882,504.44	2.29%	1,698,099.43	2.14%
Other Expenditures	<u>501,035.94</u>	<u>0.61%</u>		<u>0.00%</u>
<u>Total Expenditures</u>	<u>\$ 82,368,228.86</u>	<u>100.00%</u>	<u>\$ 79,305,562.37</u>	<u>100.00%</u>
Excess in Revenue	\$ 5,247,796.20		\$ 6,036,719.10	
Adjustments to Income Before Fund Balance:				
Expenditures Included Above Which are by Statute				
Deferred Charges to Budget of Succeeding Year	\$ _____		\$ 200,000.00	
Statutory Excess to Fund Balance	<u>\$ 5,247,796.20</u>		<u>\$ 6,236,719.10</u>	
Fund Balance - January 1	<u>\$ 10,647,546.63</u>		<u>\$ 8,510,827.53</u>	
	\$ 15,895,342.83		\$ 14,747,546.63	
Less: Utilization as Anticipated Revenue	<u>4,700,000.00</u>		<u>4,100,000.00</u>	
Fund Balance, December 31	<u>\$ 11,195,342.83</u>		<u>\$ 10,647,546.63</u>	

COMPARATIVE STATEMENT OF OPERATIONS AND
CHANGE IN FUND BALANCE - SEWER UTILITY OPERATING FUND

	YEAR 2022		YEAR 2021	
	AMOUNT	%	AMOUNT	%
<u>REVENUE AND OTHER INCOME REALIZED</u>				
Fund Balance Utilized	\$ 1,600,000.00	22.49%	\$ 1,600,000.00	26.70%
Collection of Sewer Use Charges	3,504,494.18	49.25%	3,097,571.84	51.70%
Miscellaneous	2,011,169.11	28.26%	1,293,894.68	21.60%
<u>Total Revenue</u>	<u>\$ 7,115,663.29</u>	<u>100.00%</u>	<u>\$ 5,991,466.52</u>	<u>100.00%</u>
<u>EXPENDITURES</u>				
Budget Expenditures:				
Operating	\$ 4,116,000.00	87.26%	\$ 4,100,000.00	91.09%
Capital Improvements	501,000.00	10.62%	301,000.00	6.69%
Deferred Charges and Statutory Expenditures	100,000.00	2.12%	100,000.00	2.22%
<u>Total Expenditures</u>	<u>\$ 4,717,000.00</u>	<u>100.00%</u>	<u>\$ 4,501,000.00</u>	<u>100.00%</u>
Excess in Revenue	\$ 2,398,663.29		\$ 1,490,466.52	
Fund Balance - January 1	3,151,865.69		3,261,399.17	
	\$ 5,550,528.98		\$ 4,751,865.69	
Less: Utilization as Anticipated Revenue	1,600,000.00		1,600,000.00	
Fund Balance, December 31	<u>\$ 3,950,528.98</u>		<u>\$ 3,151,865.69</u>	

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

	YEAR 2022		YEAR 2021	
	AMOUNT	%	AMOUNT	%
<u>REVENUE AND OTHER INCOME REALIZED</u>				
Pool Charges	\$ 218,007.04	79.41%	\$ 216,035.00	99.94%
Miscellaneous	56,510.04	20.59%	135.02	0.06%
<u>Total Revenue</u>	<u>\$ 274,517.08</u>	<u>100.00%</u>	<u>\$ 216,170.02</u>	<u>100.00%</u>
<u>EXPENDITURES</u>				
Budget Expenditures:				
Operating	\$ 202,562.00	100.00%	\$ 209,508.75	100.00%
<u>Total Expenditures</u>	<u>\$ 202,562.00</u>	<u>100.00%</u>	<u>\$ 209,508.75</u>	<u>100.00%</u>
Excess in Revenue	\$ 71,955.08		\$ 6,661.27	
Fund Balance - January 1	6,661.27			
	\$ 78,616.35		\$ 6,661.27	
Fund Balance, December 31	<u>\$ 78,616.35</u>		<u>\$ 6,661.27</u>	

COMPARATIVE SCHEDULE OF TAX RATE INFORMATION

	<u>2022</u>	<u>2021</u>	<u>2020</u>
Tax Rate	<u>\$1.973</u>	<u>\$2.114</u>	<u>\$2.143</u>
Appointment of Tax Rate:			
Municipal	\$0.311	\$0.334	\$0.338
Municipal Open Space	0.050	0.049	0.049
County	0.412	0.403	0.406
Local School	<u>1.200</u>	<u>1.328</u>	<u>1.350</u>

Assessed Valuation:

Year 2022	\$ <u>3,722,275,200.00</u>		
Year 2021		\$ <u>3,375,338,550.00</u>	
Year 2020			\$ <u>3,254,808,500.00</u>

COMPARISON OF TAX LEVIES AND COLLECTION CURRENTLY

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

<u>YEAR</u>	<u>TAX LEVY</u>	<u>CURRENTLY</u>	
		<u>CASH COLLECTIONS</u>	<u>PERCENTAGE OF COLLECTION</u>
2022	\$74,256,881.17	\$73,617,864.53	99.13%
2021	\$71,908,973.48	\$71,407,553.40	99.30%
2020	\$70,449,151.76	\$69,716,682.02	98.96%

DELINQUENT TAXES AND TAX TITLE LIENS

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

<u>DECEMBER 31, YEAR</u>		<u>AMOUNT OF TAX TITLE LIENS</u>		<u>AMOUNT OF DELINQUENT TAXES</u>		<u>TOTAL DELINQUENT</u>	<u>PERCENTAGE OF TAX LEVY</u>
2022	\$	17,398.87	\$	601,163.25	\$	618,562.12	0.83%
2021		15,319.22		490,831.38		506,150.60	0.70%
2020		10,795.26		682,575.64		693,370.90	0.98%

PROPERTY ACQUIRED BY TAX TITLE LIEN LIQUIDATION

The Township has property acquired by tax title lien liquidation at December 31, 2020, 2021 and 2022 of \$1,534,100.00.

COMPARISON OF SEWER UTILITY LEVIES

<u>YEAR</u>		<u>LEVY</u>		<u>COLLECTIONS*</u>
2022	\$	3,362,093.27	\$	3,504,494.18
2021		3,184,114.36		3,097,571.84
2020		3,167,554.22		3,187,772.06

*Includes collections of prior year levies

COMPARATIVE SCHEDULE OF FUND BALANCES

	<u>YEAR</u>	<u>BALANCE</u> <u>DECEMBER 31</u>	<u>UTILIZED IN BUDGET</u> <u>OF SUCCEEDING</u> <u>YEAR</u>
Current Fund	2022	\$ 11,195,342.83	\$ 5,600,000.00
	2021	10,647,546.63	4,700,000.00
	2020	8,510,827.53	4,100,000.00
	2019	8,728,497.93	4,500,000.00
	2018	8,778,149.33	4,500,000.00
Sewer Utility Operating Fund	2022	\$ 3,950,528.98	\$ 1,674,000.00
	2021	3,151,865.69	1,600,000.00
	2020	3,261,399.17	1,600,000.00
	2019	3,251,736.77	1,500,000.00
	2018	3,657,030.70	1,500,000.00
Swim Pool Utility Operating Fund	2022	\$ 78,616.35	\$ 0.00
	2021	6,661.27	0.00

OFFICIALS IN OFFICE AND SURETY BONDS

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

<u>NAME</u>	<u>TITLE</u>	<u>AMOUNT OF BOND</u>
James Schworn	Mayor	*
David Owens	Committee Person	*
Thomas Young	Committee Person	*
Anna Columbus	Committee Person	*
Brendon Beatrice	Committee Person	*
Gregory Bonin	Administrator	*
William Willard, Esq.	Township Attorney	*
Marguerite Schmitt	Township Clerk	*
Diane Schubach	Chief Financial Officer	\$250,000.00
Mindy D'Amico	Tax & Sewer Collector	\$275,000.00
Frances S. Kuczynski	Tax Assessor	*
Thomas Mantz	Superintendent of Public Works	*
John Tamburini	Construction Code Official	*
Douglas Ball	Township Engineer	*
James Norgalis	Health Officer	*
Joseph Olivo	Fire Official	*
Thomas Leach	Zoning Officer	*
John Voli	Recreation Director	*

*The Township is covered through the 'joint insurance fund' for various crime coverages with a limit of \$1,000,000.00 and a \$25,000.00 deductible.

All of the bonds, provided through Pennsylvania National Mutual Casualty Insurance Company, were examined and were properly executed and were in accordance with the state promulgated schedule.

COMMENTS AND RECOMMENDATIONS

GENERAL COMMENTS

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

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

Effective July 1, 2020, the bid threshold in accordance with N.J.A.C. 40A:11-3 was increased to \$44,000 by resolution of the governing body.

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

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

Sale of Properties
North Branch River Road Improvements

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

Our audit of expenditures did not reveal any individual payments, contracts or agreements in excess of the bid threshold "for the performance of any work or the furnishing or hiring of any material, supplies or services, other than those where bids had been previously sought by public advertisement or where a resolution had been previously adopted under the provisions of N.J.S.A. 40A:11-6."

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

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

- Municipal Attorney
- Tax Appeal Counsel
- Municipal Auditor
- Township Labor Counsel
- Township Bond Counsel
- Municipal Prosecutor
- Affordable Housing Consultant
- Township Physicians
- Other Consulting Services

In addition, purchases utilizing state contracts were made for the following:

- Water Rescue Equipment
- Ford F550
- Ford Escape
- Ford Explorer
- Fireproof Filing Cabinets
- Equipment
- Data Backup

COLLECTION OF INTEREST ON DELINQUENT TAXES AND ASSESSMENTS

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

The Governing Body, on January 3, 2022, adopted the following resolution pursuant to the provisions of R.S. 54:4-67 fixing the rate of delinquent taxes and assessments and on sanitary sewer service charges at 8% per annum on the first \$1,500.00 and a rate of 18% per annum on any amount in excess of \$1,500.00 becoming delinquent after the due date and if the delinquency is in excess of \$10,000.00 and remains in arrears beyond December 31st, an additional penalty of 6% shall be charged if payment of any installment is made within ten days after the date upon which the same becomes payable.

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

DELINQUENT TAXES AND TAX TITLE LIENS

The last tax sale was held on December 1, 2022 and was complete.

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

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

<u>YEAR</u>	<u>NUMBER OF LIENS</u>
2022	2
2021	3
2020	3

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

VERIFICATION OF DELINQUENT TAXES AND OTHER CHARGES

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

<u>TYPE</u>	
Information Positive Confirmation-Tax	50
Information Positive Confirmation-Utility	50
Delinquent Positive Confirmation-Tax	25
Delinquent Positive Confirmation-Utility	15

OTHER COMMENTS

Interfunds

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

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

RECOMMENDATIONS

NONE

