

**TOWNSHIP OF NORTH BRUNSWICK  
MIDDLESEX COUNTY  
NEW JERSEY**



**REPORT OF AUDIT**

**YEARS ENDED JUNE 30, 2022 and 2021**

**TOWNSHIP OF NORTH BRUNSWICK  
MIDDLESEX COUNTY, NEW JERSEY**

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MIDDLESEX COUNTY, NEW JERSEY**

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MIDDLESEX COUNTY, NEW JERSEY**

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MIDDLESEX COUNTY, NEW JERSEY**

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**TOWNSHIP OF NORTH BRUNSWICK**  
**MIDDLESEX COUNTY, NEW JERSEY**

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**PART I**  
**INDEPENDENT AUDITORS' REPORT**  
**FINANCIAL STATEMENTS**  
**YEARS ENDED JUNE 30, 2022 and**  
**2021**



## **Independent Auditors' Report**

**Honorable Mayor and Members  
of the Municipal Council  
Township of North Brunswick  
Middlesex County, New Jersey**

### **Report on the Audit of the Regulatory Basis Financial Statements**

#### ***Opinions on Regulatory Basis Financial Statements***

We have audited the regulatory basis financial statements of the various funds and the governmental fixed assets of the Township of North Brunswick, New Jersey, (the "Township") which comprise the balance sheets as of June 30, 2022 and 2021, and the related statements of operations and changes in fund balance for the years then ended, the statements of changes in fund balance, the statements of revenues and statements of expenditures for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements as listed in the table of contents.

#### ***Unmodified Opinion on Regulatory Basis of Accounting***

In our opinion, the accompanying regulatory basis financial statements present fairly, in all material respects, the regulatory basis balance sheets of the Township as of June 30, 2022 and 2021, and the regulatory basis statements of operations and changes in fund balance for the years then ended, the regulatory basis statements of changes in fund balance, the regulatory basis statements of revenues and the regulatory basis statements of expenditures for the year ended June 30, 2022 and the related notes to the financial statements, in accordance with the financial reporting provisions of the Department of Community Affairs, Division of Local Government, State of New Jersey ("Division") described in Note 3.

#### ***Adverse Opinion on U.S. Generally Accepted Accounting Principles***

In our opinion, because of the significance of the matter discussed in the Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles section of our report, the financial statements do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Township as of June 30, 2022 and 2021, or its revenues, expenditures and changes in fund balance thereof for the years then ended.

#### ***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("GAAS") 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Township, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

PKF O'CONNOR DAVIES, LLP  
20 Commerce Drive, Suite 301, Cranford, NJ 07016 | Tel: 908.272.6200 | Fax: 908.272.2416 | [www.pkfod.com](http://www.pkfod.com)

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**Honorable Mayor and Members  
of the Municipal Council  
Township of North Brunswick**

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***Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles***

As described in Note 3 of the financial statements, the financial statements are prepared by the Township on the basis of the financial reporting provisions of 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 the Division. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 3 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the financial reporting provisions of the Division. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events considered in the aggregate, that raise substantial doubt about the 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.

***Auditors' Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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, requirements prescribed by the Division, and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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



**Honorable Mayor and Members  
of the Municipal Council  
Township of North Brunswick**

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***Supplementary Information Required by the Division in Accordance with the Regulatory Basis of Accounting***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Township's basic financial statements. The information included in Schedules - Supplementary Information Required by the Division; Supplementary Data; and General Comments, collectively the "Supplementary Information", as listed in the table of contents, is presented for purposes of additional analysis as required by the Division and is not a required part of the 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 Supplementary Information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

***Report on Supplementary Information as Required by the Uniform Guidance and NJ OMB Circular 15-08***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Township's basic financial statements. The accompanying schedules of expenditures of federal awards and state financial assistance as required by the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*; and NJ OMB Circular 15-08 *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, and related notes to the schedule of federal awards and state financial assistance are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedules of expenditures of federal awards, state financial assistance, and related notes are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements, or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedules of expenditures of federal awards, state financial assistance, and related notes are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated March 31, 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 the Township's internal control over financial reporting and compliance.

*PKF O'Connor Davies, LLP*

Cranford, New Jersey  
March 31, 2023



Andrew G. Hodulik, CPA  
Registered Municipal Accountant, No. 406

## **FINANCIAL STATEMENTS**

TOWNSHIP OF NORTH BRUNSWICK  
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND AND GRANT FUND  
COMPARATIVE BALANCE SHEET - REGULATORY BASIS  
JUNE 30, 2022 AND 2021

Assets	Ref.	June 30, 2022	June 30, 2021	Liabilities	Ref.	June 30, 2022	June 30, 2021
<u>Current Fund:</u>				<u>Current Fund:</u>			
Cash.....	A-4	\$ 18,612,123.46	\$ 20,477,821.02	Accounts Payable.....	A-9	\$ 52,628.27	\$ 1,856.36
Change Fund.....	A-5	1,225.00	1,225.00	Encumbrances, Current Budget.....	A-3, A-10	798,698.52	718,134.69
Due New Jersey - Sr Citizens & Veterans Deductions.....	A-6	124,211.14	127,061.83	Appropriation Reserves.....	A-3, A-10	597,030.88	2,597,527.09
Total.....		18,737,559.60	20,606,107.85	Prepaid Taxes.....	A-7	477,512.87	457,448.80
				Tax Overpayments.....	A-11	5.78	203,148.24
				Taxes Payable.....	A-12	45,850,850.04	45,581,642.04
				Less Deferred School Taxes.....	A-12	(45,267,758.00)	(44,267,758.00)
				Filing Fees Due State of NJ.....	A-9	22,809.00	14,371.00
				Reserve, Tax Appeals.....	A-9	377,903.86	376,903.86
				Reserve, Rental Inspections.....	A-9	180.00	180.00
				Reserve, ARPA.....	A-9	-	2,168,261.44
				Reserve, Deferred Revenue.....	A-9	1,767,069.14	-
Receivable Offset by Reserves:				Total Cash Liabilities.....		4,676,930.36	7,851,715.52
Property Tax Receivables.....	A-7	720,932.89	902,910.05				
Tax Title Liens Receivables.....	A-7	164,853.58	146,891.61	Reserve for Receivables.....	A	1,420,067.15	1,584,082.34
Property Acquired for Taxes.....	A-7	534,280.68	534,280.68	Fund Balance.....	A-1	14,602,528.60	12,754,392.33
Total.....	A	1,420,067.15	1,584,082.34				
Deferred Charges:							
Emergency Authorization.....	A-19	541,899.36	-				
Total Current Fund.....		\$ 20,699,526.11	\$ 22,190,190.19	Total Current Fund.....		\$ 20,699,526.11	\$ 22,190,190.19
<u>Grant Fund:</u>				<u>Grant Fund:</u>			
Cash.....	A-4	\$ 1,318,846.97	\$ 1,089,065.67	Unappropriated Grant Reserves.....	A-15	\$ 135,673.55	\$ 72,136.10
Grant Accounts Receivable.....	A-16	2,008,545.42	1,515,152.38	Reserve for Encumbrances.....	A-17	741,827.71	1,178,714.38
				Appropriated Grant Reserves.....	A-17	2,449,891.13	1,353,367.57
Total Grant Fund.....		\$ 3,327,392.39	\$ 2,604,218.05	Total Grant Fund.....		\$ 3,327,392.39	\$ 2,604,218.05
Total.....		\$ 24,026,918.50	\$ 24,794,408.24	Total.....		\$ 24,026,918.50	\$ 24,794,408.24

See Accompanying Notes to Financial Statements

TOWNSHIP OF NORTH BRUNSWICK  
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND  
COMPARATIVE STATEMENT OF OPERATIONS AND  
CHANGES IN FUND BALANCE - REGULATORY BASIS  
FOR THE FISCAL YEARS ENDED JUNE 30, 2022 AND 2021

	<u>Ref.</u>	June 30, 2022	June 30, 2021
<u>Revenue and Other Realized Income</u>			
Surplus Anticipated.....	A-1, A-2	\$ 2,431,738.56	\$ 3,300,000.00
Miscellaneous Revenues Anticipated.....	A-2	15,092,557.12	13,842,098.38
Receipts from Current Taxes.....	A-7	150,140,329.93	147,858,104.29
Receipts from Delinquent Taxes.....	A-7	927,601.35	638,120.93
Non Budget Revenue (MRNA).....	A-8	249,782.93	392,646.96
Accounts Payable Canceled.....	A-9	928.18	31,302.81
Unexpended Balance of Appropriation Reserves.....	A-10	1,527,240.11	1,561,303.63
Statutory Excess in Animal Control Fund.....	A-4	-	6,586.73
Interfund Returned-Grants Cancelled.....	A-14	5,239.00	
Prior Year Senior Citizens & Vet Adjustment.....	A-6	167.80	
Total Revenue and Realized Income.....		170,375,584.98	167,630,163.73
<u>Expenditures</u>			
Budget Appropriations.....	A-3	52,965,813.01	51,935,458.96
Tax Collections			
County Taxes.....	A-12	21,926,550.15	19,169,922.24
Local School District Taxes.....	A-12	91,970,908.00	92,292,816.50
Less Additional School Taxes Deferred.....	A-12	(1,000,000.00)	(1,000,000.00)
Municipal Open Space Trust Fund.....	A-12	764,311.77	760,470.11
Refund of Prior Year Revenues.....	A-4	4,538.93	4,888.08
Over Payments - Adjustment.....	A-7	5,487.65	5,377.85
Total Expenditures.....		166,637,609.51	163,168,933.74
Excess in Revenues over Expenditures.....	A-1	3,737,975.47	4,461,229.99
Adjustments to Income before Surplus:			
Expenditures Included above which are by Statute Deferred to Budget in Succeeding Year.....	A-19	541,899.36	-
Statutory Excess.....	A-1	4,279,874.83	4,461,229.99
Fund Balance, Beginning of Year.....	A	12,754,392.33	11,593,162.34
Decreased by Surplus Anticipated.....	A-1, A-2	(2,431,738.56)	(3,300,000.00)
Fund Balance, End of Year.....	A	\$ 14,602,528.60	\$ 12,754,392.33

See Accompanying Notes to Financial Statements

TOWNSHIP OF NORTH BRUNSWICK  
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND  
STATEMENT OF REVENUE - REGULATORY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Ref.	Anticipated SFY 2022	N.J.S.A. 40A: 4-87	Realized	Excess (Deficit)
Surplus Anticipated.....	A-1	\$ 2,431,738.56	\$ -	\$ 2,431,738.56	\$ -
<u>Miscellaneous Revenues:</u>					
Licenses - Alcoholic Beverages.....		99,000.00		55,870.00	(43,130.00)
Licenses - Other.....		202,000.00		177,809.65	(24,190.35)
Fees & Permits.....		383,200.00		477,327.51	94,127.51
Fines & Costs - Municipal Court.....		314,526.26		392,059.00	77,532.74
Interest & Costs on Taxes.....		149,700.00		223,728.89	74,028.89
Interest on Investments and Deposits.....		225,000.00		118,678.64	(106,321.36)
Fire Prevention Fines & Fees.....		193,500.00		186,523.72	(6,976.28)
Cable Television Franchise Fee.....		97,600.00		184,711.63	87,111.63
Hotel Tax.....		142,800.00		295,142.02	152,342.02
Payments In Lieu of Taxes (PILOT)					-
Sr Citizens Housing Complex.....		299,000.00		250,925.00	(48,075.00)
Technology Center of NJ.....		1,143,000.00		1,301,572.98	158,572.98
Crescent Apartment Complex.....	0.00	74,200.00		75,989.79	1,789.79
Uniform Construction Code Fees.....		1,229,491.74		775,433.00	(454,058.74)
Shared Services Agreement - Bd. Of Education.....	0.00	370,000.00		370,710.93	710.93
Uniform Fire Safety Act.....		115,500.00		152,583.57	37,083.57
Open Space Trust Fund.....		1,254,573.74		1,254,573.74	-
General Capital Surplus.....		400,000.00		400,000.00	-
Library Contribution.....		105,000.00		82,543.60	(22,456.40)
School Soil Remediation Debt.....				1,167.30	1,167.30
Revenue Loss - ARP Funds.....		2,168,261.44		2,168,261.44	-
State Aid:					-
Energy Receipts Tax.....		4,486,969.00		4,486,969.00	-
Watershed Moratorium Aid.....		4,653.00		4,653.00	-
Sub-total.....		13,457,975.18	-	13,437,234.41	(20,740.77)
<u>Public and Private Revenues</u>		-		-	
<u>Offset with Appropriations:</u>					
Public Safety:					
Alcohol Education and Enforcement Fund.....		4,998.38		4,998.38	
Safe and Secure.....			32,400.00	32,400.00	
Bullet Proof Vests.....		9,020.00	9,526.00	18,546.00	
Body Armor Grant - State.....			3,804.49	3,804.49	
Drive Sober or Get Pulled Over.....			13,500.00	13,500.00	
Distracted Driving.....			12,250.00	12,250.00	
Pedestrian Safety, Education & Enforcement.....		15,000.00		15,000.00	
Police Camera.....		185,458.00		185,458.00	
Highway Safety Safe Corridors.....			73,761.00	73,761.00	
Community Development					
NJDOT Local Freight Impact - Corporate Road.....	0.00	365,000.00		365,000.00	
Parks Recreation & Community Service					
Municipal Alliance.....		17,664.00		17,664.00	
Senior Center Outreach Grant.....			20,500.00	20,500.00	
Senior Center Congregate Meals.....			10,000.00	10,000.00	
Senior Center Transportation Program.....			10,000.00	10,000.00	
Heritage Day (County/Federal).....			7,925.00	7,925.00	
Cablevision.....			9,200.00	9,200.00	
Public Works:					
Recycling Enhancement Grant - County 22.....			4,578.75	4,578.75	
Recycling Enhancement Grant - County 21.....	0.00	7,080.00		7,080.00	
Recycling Enhancement Grant - County 20.....	0.00	3,675.00		3,675.00	
Clean Communities.....		67,137.72		67,137.72	

TOWNSHIP OF NORTH BRUNSWICK  
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND  
 STATEMENT OF REVENUE - REGULATORY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	<u>Ref.</u>	Anticipated SFY 2022	N.J.S.A. 40A: 4-87	Realized	Excess (Deficit)
Other Grants:					
State BPU Accoustical Testing.....		\$ 250,502.85		\$ 250,502.85	
State Funding - NBCP Walkway.....		500,000.00		500,000.00	
Middlesex County DWI Checkpoint.....		4,840.00		4,840.00	
MCPO Task Force.....			\$ 15,000.00	15,000.00	
Middlesex County Helping Hands.....			2,501.52	2,501.52	
Sub-total.....		1,430,375.95	224,946.76	1,655,322.71	-
Current Fund Total Miscellaneous.....	A-1	14,888,351.13	224,946.76	15,092,557.12	\$ (20,740.77)
Local Purpose Tax.....	A- 7	33,850,000.00		34,448,649.70	598,649.70
Library Tax.....	A-7	1,729,910.31		1,729,910.31	-
Sub-total.....		35,579,910.31	-	36,178,560.01	598,649.70
Total General Revenues.....	A-1	\$ 52,900,000.00	\$ 224,946.76	\$ 53,702,855.69	\$ 577,908.93
	<u>Ref.</u>	<u>A-3</u>	<u>A-3</u>	<u>A-1</u>	
Federal & State Grants.....					
			<u>Ref.</u>		
			A-14	\$ 1,655,322.71	
Cash.....			A-4	13,437,234.41	
Total Miscellaneous Revenue.....				<u>\$ 15,092,557.12</u>	

See Accompanying Notes to Financial Statements

## MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND  
STATEMENT OF EXPENDITURES - REGULATORY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	SFY 2022 Budget		Modified Budget		Expended		Encumbered		Balance	Balance Reserved	
	Salaries	Other	Salaries	Other	Salaries	Other	Salary	Other Expenses	Canceled	Salaries	Other
General Government:											
Administration	\$ 330,000.00	\$ 27,700.00	\$ 335,000.00	\$ 27,700.00	\$ (333,608.87)	\$ (27,174.95)	\$ -	\$ (100.00)	\$ -	\$ 1,391.13	\$ 425.05
Municipal Clerk	219,000.00	25,000.00	233,000.00	28,000.00	(231,719.37)	(25,619.78)				1,280.63	2,380.22
Financial Administration	282,000.00	10,000.00	270,000.00	10,000.00	(267,394.46)	(5,973.39)		(750.63)		2,605.54	3,275.98
Audit		60,000.00	-	60,000.00				(55,000.00)			5,000.00
Information Technology	330,000.00	425,000.00	330,000.00	425,000.00	(327,748.08)	(339,763.88)		(73,319.96)		2,251.92	11,916.16
Tax Collection	53,000.00	9,000.00	27,000.00	9,000.00	(23,734.23)	(7,228.98)		(1,418.14)		3,265.77	352.88
Tax Assessment	70,000.00	134,000.00	80,000.00	84,000.00	(79,562.40)	(64,490.02)		(5,626.42)		437.60	13,883.56
Reserve for Tax Appeals		1,000.00		1,000.00		(1,000.00)					-
Legal		400,000.00		\$ 630,000.00		(534,249.58)		(54,283.92)			41,466.50
Insurance:											
Other Insurance		1,217,400.00		1,217,400.00		(1,151,407.45)					65,992.55
Employee Group Insurance		4,732,414.00		4,502,414.00		(4,431,766.08)		(693.45)			69,954.47
Health Benefit Waiver		142,000.00		140,000.00		(139,235.00)					765.00
Community Development											
Engineering	112,000.00	95,600.00	24,000.00	75,600.00	(23,745.23)	(69,776.19)		(5,362.00)		254.77	461.81
Planning	322,000.00	7,000.00	332,000.00	7,000.00	(330,531.12)	(1,107.51)		(699.66)		1,468.88	5,192.83
Zoning	76,000.00	6,000.00	76,000.00	6,000.00	(73,559.04)	(2,960.09)		(260.00)		2,440.96	2,779.91
Affordable Housing			-							-	-
Code Enforcement	170,000.00	3,300.00	170,000.00	3,300.00	(170,000.00)	(2,521.70)		(366.13)		-	412.17
Fire Safety	165,000.00	8,000.00	165,000.00	8,000.00	(163,860.65)	(4,650.28)		(2,764.40)		1,139.35	585.32
Uniform Construction Code	467,000.00	40,500.00	438,000.00	35,500.00	(434,976.55)	(20,326.88)		(520.00)		3,023.45	14,653.12
Public Safety:											
Police	14,492,000.00	357,500.00	14,492,000.00	327,500.00	(14,400,043.76)	(215,206.07)		(109,106.78)		91,956.24	3,187.15
Emergency Management	84,000.00	8,500.00	84,000.00	8,500.00	(82,899.02)	(5,017.50)		(300.97)		1,100.98	3,181.53
Volunteer Fire Departments	-	225,000.00		255,000.00		(255,000.00)				-	-
First Aid Organizations		105,000.00		105,000.00		(105,000.00)				-	-
Length of Service Award Program		55,000.00		55,000.00		(40,839.89)				-	14,160.11
Juvenile Aid		8,000.00		8,000.00		(560.10)		(7,439.90)		-	-
Municipal Court	517,000.00	24,000.00	505,000.00	14,000.00	(501,085.75)	(6,338.91)		(100.00)		3,914.25	7,561.09
Public Defender		15,000.00		15,000.00		(14,600.00)				-	400.00

## MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND  
STATEMENT OF EXPENDITURES - REGULATORY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	SFY 2022 Budget		Modified Budget		Expended		Encumbered		Balance	Balance Reserved	
	Salaries	Other	Salaries	Other	Salaries	Other	Salary	Other Expenses	Canceled	Salaries	Other
Public Works:											
Streets and Roads	\$ 515,000.00	\$ 270,000.00	\$ 528,000.00	\$ 261,000.00	\$ (518,144.23)	\$ (208,806.20)	\$ -	\$ (43,330.44)	\$ -	\$ 9,855.77	\$ 8,863.36
Sanitation	635,000.00	676,000.00	652,000.00	566,000.00	(642,412.73)	(561,562.07)		(731.22)		9,587.27	3,706.71
Solid Waste Disposal Fees		990,000.00		1,056,000.00		(940,191.88)		(91,752.80)		-	24,055.32
Recycling		840,000.00		840,000.00		(765,142.84)		(55,697.92)		-	19,159.24
Buildings and Grounds	270,000.00	245,000.00	265,000.00	215,000.00	(260,079.97)	(180,500.80)		(26,955.24)		4,920.03	7,543.96
Motor Vehicle Maintenance	275,000.00	540,000.00	307,000.00	503,000.00	(303,202.96)	(477,308.47)		(23,214.69)		3,797.04	2,476.84
Muni Service Reimbursement				-						-	-
Condominiums		69,000.00		69,000.00		1,441.74		(69,000.00)		-	1,441.74
NJDEP - Stormwater Permit	307,000.00	10,000.00	307,000.00	10,000.00	(298,035.50)	(9,000.00)				8,964.50	1,000.00
Parks Recreation & Community Services										-	-
Board of Health		109,000.00		109,000.00		(50,867.90)		(25,894.19)		-	32,237.91
Animal Control	1,000.00	90,000.00	-	90,000.00		(86,799.96)				-	3,200.04
Environmental Commission		1,300.00		1,300.00						-	1,300.00
Recreation & Community Services	390,000.00	70,000.00	394,000.00	70,000.00	(392,792.64)	(56,917.25)		(9,147.29)		1,207.36	3,935.46
Senior Services	135,000.00	55,000.00	113,000.00	55,000.00	(110,490.77)	(52,633.49)		(1,994.00)		2,509.23	372.51
Parks and Playgrounds	548,000.00	202,000.00	554,000.00	202,000.00	(552,220.16)	(172,884.94)		(23,942.80)		1,779.84	5,172.26
Education - Library		1,729,910.31		1,729,910.31		(1,729,910.31)				-	-
Unclassified										-	-
Salary Adjustments		110,000.00		-						-	-
Utilities / Facilities Costs		1,636,177.74		1,714,177.74		(1,677,272.00)		(36,056.44)		-	849.30
Contingency		100.00		100.00						-	100.00
Statutory Expenditures:										-	-
Public Employees Retirement		1,171,306.00		1,171,306.00		(1,168,633.00)				-	2,673.00
Police & Fire Retirement		3,540,736.00		3,540,736.00		(3,540,736.00)				-	-
Defined Contribution (DCRP)		15,000.00		15,000.00		(6,195.79)				-	8,804.21
Social Security		1,550,000.00		1,570,000.00		(1,569,999.62)				-	0.38
Unemployment Compensation		65,000.00		65,000.00		(65,000.00)				-	-
Interlocal Agreement- Special Law Enforcement Officers		370,000.00		370,000.00		(341,000.28)				-	28,999.72
										-	-
Matching Funds for Grants		20,000.00		20,000.00		(6,001.00)				-	13,999.00
Sub-Total Operations	20,765,000.00	22,517,444.05	20,681,000.00	22,301,444.05	(20,521,847.49)	(21,137,736.29)	-	(725,829.39)	-	159,152.51	437,878.37



MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND  
STATEMENT OF EXPENDITURES - REGULATORY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	SFY 2022 Budget		Modified Budget		Expended		Encumbered		Balance	Balance Reserved	
	Salaries	Other	Salaries	Other	Salaries	Other	Salary	Other Expenses	Canceled	Salaries	Other
<u>Public &amp; Private Programs</u>											
<u>Offset by Revenues:</u>											
Public Safety:											
Alcohol Education and Enforcement Fund	\$ -	\$ 4,998.38	\$ -	\$ 4,998.38	\$ -	\$ (4,998.38)	\$ -	\$ -	\$ -	\$ -	\$ -
Drunk Driving Enforcement Fund	-	-	-	-	-	-	-	-	-	-	-
Distracted Driving				12,250.00		(12,250.00)					
Drive Sober or Get Pulled Over				13,500.00		(13,500.00)					
Safe and Secure				32,400.00		(32,400.00)					
Bullet Proof Vests		9,020.00		18,546.00		(18,546.00)					
Body Armor Grant				3,804.49		(3,804.49)					
Click it or Ticket				-		-					
Pedestrian Safety Enforcement		15,000.00		15,000.00		(15,000.00)					
Police Camera		185,458.00		185,458.00		(185,458.00)					
Highway Safety Safe Corridors		-		73,761.00		(73,761.00)					
Parks Recreation & Community Service				-		-					
Municipal Alliance		17,664.00		17,664.00		(17,664.00)					
Senior Center Outreach Grant				20,500.00		(20,500.00)					
Senior Center Congregate Meals				10,000.00		(10,000.00)					
Senior Center Transportation Program				10,000.00		(10,000.00)					
Heritage Day (County/Federal)				7,925.00		(7,925.00)					
Cabevision				9,200.00		(9,200.00)					
MCPO Task Force		-		15,000.00		(15,000.00)					
Bristol Meyers Squibb				-		-					
Public Works:				-		-					
Recycling Tonnage Grant		-		-		-					
Recycling Enhancement Grant County 22		-		4,578.75		(4,578.75)					
Recycling Enhancement Grant County 21		7,080.00		7,080.00		(7,080.00)					
Recycling Enhancement Grant County 20		3,675.00		3,675.00		(3,675.00)					
Clean Communities		67,137.72		67,137.72		(67,137.72)					

## MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND  
STATEMENT OF EXPENDITURES - REGULATORY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	SFY 2022 Budget		Modified Budget		Expended		Encumbered		Balance	Balance Reserved	
	Salaries	Other	Salaries	Other	Salaries	Other	Salary	Other Expenses	Canceled	Salaries	Other
Community Development											
NJDOT Ridgewood (Newton to Livingston)	\$ -	\$ 365,000.00	\$ -	\$ 365,000.00	\$ -	\$ 365,000.00	\$ -	\$ -	\$ -	\$ -	\$ -
NJDOT - Evelyn Avenue						-					
Other Grants											
State Funding -NBCP Walkway		500,000.00		500,000.00		(500,000.00)					
State BPU Accoustical Testing		250,502.85		250,502.85		(250,502.85)					
Middlesex County Helping Hands		-		2,501.52		(2,501.52)					
Middlesex County DWI Checkpoint		4,840.00		4,840.00		(4,840.00)					
Public and Private Programs		1,430,375.95		1,655,322.71		(1,655,322.71)					
Total Operations	20,765,000.00	23,947,820.00	20,681,000.00	23,956,766.76	(20,521,847.49)	(22,793,059.00)	-	(725,829.39)	-	159,152.51	437,878.37
Capital Improvements:											
Capital Improvement Fund		230,000.00	-	530,000.00		(530,000.00)					
Total Capital Improvements	-	230,000.00	-	530,000.00	-	-			-		
Debt Service:											
Bond Principal		4,985,000.00		4,985,000.00		(4,985,000.00)			-		
Interest on Bonds		1,767,680.00		1,767,680.00		(1,767,673.28)			(6.72)		
Note Principal		135,000.00		135,000.00		(135,000.00)			-		
Interest on Notes		369,500.00		369,500.00		(368,473.61)			(1,026.39)		
Special Assessment - Interest	-		-	-					-		
Deferred Charges.....	-		-	2,000,000.00		(469,030.23)		(72,869.13)	(1,458,100.64)		
Unfunded Capital Ordinances.....	-		-	-						-	-
Total Debt Service	-	7,257,180.00	-	9,257,180.00	-	(7,725,177.12)		(72,869.13)	(1,459,133.75)		
Total	20,765,000.00	31,435,000.00	20,681,000.00	33,743,946.76	(20,521,847.49)	(30,518,236.12)	-	(798,698.52)	(1,459,133.75)	159,152.51	437,878.37
Reserve for Uncollected Taxes		700,000.00		700,000.00		(700,000.00)					
Total Current Fund Budget	20,765,000.00	32,135,000.00	20,681,000.00	34,443,946.76	(20,521,847.49)	(31,218,236.12)	-	(798,698.52)	(1,459,133.75)	159,152.51	437,878.37
Total Current Fund Budget	\$ 20,765,000.00	\$ 32,135,000.00	\$ 20,681,000.00	\$ 34,443,946.76	\$ (20,521,847.49)	\$ (31,218,236.12)	\$ -	\$ (798,698.52)	\$ (1,459,133.75)	\$ 159,152.51	\$ 437,878.37
Adopted Budget:											
Salaries	\$ 20,765,000.00		Cash Disbursed.....	A-4	\$ (49,907,759.90)						
Other Expenses	32,135,000.00		Reserve for Uncollected Taxes.....	A-7	(700,000.00)		\$ 798,698.52			\$ 159,152.51	
Total Adopted Budget	52,900,000.00		Reserve for Tax Appeals.....	A-9	(1,000.00)		-			437,878.37	
Budget Amendments-NJSA 40A:4-87	224,946.76		State & Federal Grants.....	A-14	(1,661,323.71)						
Emergency Authorization	2,000,000.00		Total Paid or Charged.....		\$ (52,270,083.61)		\$ 798,698.52			\$ 597,030.88	
Total Modified Budget	\$ 55,124,946.76										

A-2

See Accompanying Notes to Financial Statements

TOWNSHIP OF NORTH BRUNSWICK  
TRUST FUND

COMPARATIVE BALANCE SHEETS  
REGULATORY BASIS  
JUNE 30, 2022 AND 2021

			2022		2021
<u>ASSETS</u>		<u>Ref.</u>			
Cash.....	B-2	\$	5,673,502.46	\$	4,210,013.38
Trust Assessment - Accounts Receivable.....	B-1		71,055.00		71,055.00
Trust Other - Accounts Receivable					
Middlesex County					
CDBG - FY 2020.....	B-2				34,184.00
CDBG - FY 2021.....	B-2		29,724.05		118,714.00
CDBG - FY 2022.....	B-2		118,714.00		-
Total.....		\$	5,892,995.51	\$	4,433,966.38
<u>LIABILITIES</u>					
Trust Assessment - Reserve for Receivables.....	B-1	\$	71,055.00	\$	71,055.00
Parks and Recreation					
Due NJ - Animal License Fees.....	B-2		86.20		59.80
Due to Current Fund - Statutory Excess	B-2		-		-
Animal Control Reserves.....	B-2		45,133.60		34,580.40
Recreation Programs.....	B-2		961,642.29		798,446.72
Open Space.....	B-2		161,595.08		210,216.29
Finance					
NJ Unemployment.....	B-2		232,766.38		140,621.13
Terminal Leave.....	B-2		668,657.16		467,312.62
Tax Sale, Premium on TTL.....	B-2		1,048,700.00		419,300.00
Payroll Liabilities Payable.....	B-2, B-3		17,850.15		20,533.04

TOWNSHIP OF NORTH BRUNSWICK  
TRUST FUND

COMPARATIVE BALANCE SHEETS  
REGULATORY BASIS  
JUNE 30, 2022 AND 2021

		2022	2021
Public Safety	<u>Ref.</u>		
Forfeited Funds.....	B-2	\$ 99,394.25	\$ 98,843.80
Outside Employment.....	B-2	2,648.10	32,133.85
Uniform Fire Code.....	B-2	75,273.27	54,090.56
Municipal Court			
Public Defender.....	B-2	26,650.09	26,317.09
POAA Fines.....	B-2	678.57	550.57
Public Works - Snow Removal.....	B-2	351,306.53	345,298.84
Donations, Gifts, & Bequests.....	B-2	2,726.80	726.80
Community Development Block Grant		0.00	0.00
CDBG - FY20.....	B-2	300.00	20,761.47
CDBG - FY21.....	B-2	19,424.01	78,714.00
CDBG - FY22.....	B-2	78,714.00	
Community Development Department			
Growth Share Reserve.....	B-2	485,678.23	419,890.68
Third Party UCC Inspections.....	B-2	9.00	-
Developers' Escrow.....	B-2	1,542,706.80	1,194,513.72
Total.....		<u>\$ 5,892,995.51</u>	<u>\$ 4,433,966.38</u>

See Accompanying Notes to Financial Statements

TOWNSHIP OF NORTH BRUNSWICK  
GENERAL CAPITAL FUND

COMPARATIVE BALANCE SHEETS  
REGULATORY BASIS  
JUNE 30, 2022 AND 2021

	<u>Ref.</u>	June 30, 2022	June 30, 2021
<u>ASSETS</u>			
Cash.....	C-2	\$ 3,526,211.88	\$ 6,510,532.31
Deferred Charges to Future Taxation:			
Funded.....	C-4	58,778,250.00	63,763,250.00
Unfunded.....	C-5	34,030,750.00	24,095,750.00
Total.....		<u>\$ 96,335,211.88</u>	<u>\$ 94,369,532.31</u>
<u>LIABILITIES, RESERVES, &amp; FUND BALANCE</u>			
Outstanding Debt:			
Bond Anticipation Notes Payable.....	C-8	\$ 21,540,000.00	\$ 18,475,000.00
Serial Bonds Payable.....	C-7	58,778,250.00	63,763,250.00
Improvement Authorizations:			
Funded.....	C-6	157,121.83	268,866.60
Unfunded.....	C-6	8,368,074.05	3,401,870.93
Reserve for Encumbrances.....	C-6	5,170,703.81	5,290,650.07
Reserve to Retire Debt.....	C-10	2,052,989.57	2,693,097.29
Capital Improvement Fund.....	C-9	342.00	342.00
Fund Balance.....	C-1	267,730.62	476,455.42
Total.....		<u>\$ 96,335,211.88</u>	<u>\$ 94,369,532.31</u>
Bonds & Notes Authorized but not Issued.....	C-11	<u>\$ 12,490,750.00</u>	<u>\$ 5,620,750.00</u>

See Accompanying Notes to Financial Statements

TOWNSHIP OF NORTH BRUNSWICK  
GENERAL CAPITAL FUND

STATEMENT OF FUND BALANCE  
REGULATORY BASIS  
YEAR ENDED JUNE 30, 2022

	<u>Ref.</u>	
Balance June 30, 2021	C	\$ 476,455.42
Increased by Cash Receipts		
Premium on Sale of Notes.....	C-2	<u>191,275.20</u>
		667,730.62
Decreased by Cash Disbursements		
Surplus - Anticipated in Current Fund.....	C-2	<u>(400,000.00)</u>
Balance June 30, 2022	C	<u><u>\$ 267,730.62</u></u>

See Accompanying Notes to Financial Statements

TOWNSHIP OF NORTH BRUNSWICK  
WATER UTILITY FUND

COMPARATIVE BALANCE SHEETS  
REGULATORY BASIS  
JUNE 30, 2022 AND 2021

Assets	Ref.	June 30, 2022	June 30, 2021	Liabilities	Ref.	June 30, 2022	June 30, 2021
<u>Water Operating</u>				<u>Water Operating</u>			
Cash.....	D-6	\$ 3,239,021.35	\$ 3,365,150.34	Reserve for Encumbrances.....	D-5,D-10	\$ 470,643.35	\$ 961,657.62
		3,239,021.35	3,365,150.34	Appropriation Reserves.....	D-5,D-10	311,236.13	54,513.85
				Accounts Payable.....	D-10	-	26,114.00
Receivables with Offsetting Reserves				Water Overpayments	D-12	128,972.60	125,893.88
Water Rents Receivable.....	D-11	1,165,840.37	1,232,421.59	Accrued Interest Payable.....	D-13	355,386.26	290,258.81
		1,165,840.37	1,232,421.59	Total Liabilities.....		1,266,238.34	1,458,438.16
				Reserve for Receivables.....	Reserve	1,165,840.37	1,232,421.59
				Fund Balance.....	D-1	1,972,783.01	1,906,712.18
Total Water Operating Fund.....		\$ 4,404,861.72	\$ 4,597,571.93	Total Water Operating Fund.....		\$ 4,404,861.72	\$ 4,597,571.93
<u>Water Assessment</u>				<u>Water Assessment</u>			
Cash.....	D-6	\$ 393,726.48	\$ 417,586.70	Reserve for:			
Assessment Receivable:				Accounts Receivable.....	D-21	\$ 412.00	\$ 412.00
Accounts Receivable.....	D-20	1,221,951.83	1,374,797.86	Liens Interest & Costs.....	D-21	288.00	288.00
Liens Interest & Costs.....	D-20	288.00	288.00	Serial Bonds Payable.....	D-22	1,285,000.00	1,390,000.00
				Fund Balance.....	D-3	330,266.31	401,972.56
Total Water Assessment Fund.....		\$ 1,615,966.31	\$ 1,792,672.56	Total Water Assessment Fund.....		\$ 1,615,966.31	\$ 1,792,672.56

TOWNSHIP OF NORTH BRUNSWICK  
WATER UTILITY FUND

COMPARATIVE BALANCE SHEETS  
REGULATORY BASIS  
JUNE 30, 2022 AND 2021

Assets	Ref.	June 30, 2022	June 30, 2021	Liabilities	Ref.	June 30, 2022	June 30, 2021
<u>Water Capital</u>				<u>Water Capital</u>			
Cash.....	D-6,D-7	\$ 8,697,295.62	\$ 1,281,306.76	Serial Bonds Payable.....	D-15	\$ 9,589,642.00	\$ 11,174,975.00
				Bond Anticipation Notes.....	D-16	13,985,000.00	3,500,000.00
				NJEIT Loan Obligation.....	D-17	6,609,001.63	7,616,229.47
				Improvement Authorizations:			
Fixed Capital				Unfunded.....	D-14	9,280,834.49	7,894,392.01
Completed.....	D-8	66,090,901.32	63,082,703.38	Reserve for Encumbrances.....	D-14	2,806,451.78	4,201,092.20
Authorized not Completed.....	D-9	12,087,286.27	12,095,484.21	Reserve for Amortization.....	D-18	44,494,543.96	41,886,983.12
				Capital Improvement Fund.....	D-19	89,067.59	89,067.59
				Fund Balance.....	D-2	20,941.76	96,754.96
Total Water Capital Fund.....		<u>\$ 86,875,483.21</u>	<u>\$ 76,459,494.35</u>	Total Water Capital Fund.....		<u>\$ 86,875,483.21</u>	<u>\$ 76,459,494.35</u>
Total.....		<u>\$ 92,896,311.24</u>	<u>\$ 82,849,738.84</u>	Total.....		<u>\$ 92,896,311.24</u>	<u>\$ 82,849,738.84</u>
Bonds and Notes Authorized but Not Issued					D-23	<u>\$ 3,500,000.00</u>	<u>\$ 11,000,000.00</u>

See Accompanying Notes to Financial Statements



TOWNSHIP OF NORTH BRUNSWICK  
WATER UTILITY OPERATING FUND

STATEMENTS OF OPERATIONS AND CHANGES IN FUND BALANCE  
REGULATORY BASIS  
YEARS ENDED JUNE 30, 2022 AND 2021

	Ref.	June 30, 2022	June 30, 2021
<u>Revenue and Other Realized Income</u>			
Surplus Anticipated.....	D-4	\$ 200,000.00	\$ 330,000.00
Water Rents.....	D-4, D-12	6,934,263.84	7,440,153.53
Connection Fees.....	D-4	65,846.00	44,725.00
Miscellaneous Revenues.....	D-4	650,853.36	709,700.77
Water Utility Capital Surplus.....	D-2, D-4	200,000.00	100,000.00
Water Utility Assessment Trust Fund Interest.....	D-4	71,720.31	76,771.88
Unexpended Balance of Appropriation Reserves.....	D-10	112,499.85	103,942.97
Prior Years' Accounts Payable Canceled.....	D-10	26,114.00	21,004.54
Total Revenue and Realized Income.....		<u>8,261,297.36</u>	<u>8,826,298.69</u>
<u>Expenditures</u>			
Budget Appropriations.....	D-5	(7,995,226.53)	(7,666,683.89)
Refund of Prior Years' Revenue.....	D-6	-	(33,255.60)
Total Expenditures.....		<u>(7,995,226.53)</u>	<u>(7,699,939.49)</u>
Excess in Revenues over Expenditures/Statutory Excess.		266,070.83	1,126,359.20
Decreased by Surplus Anticipated.....	D-1	(200,000.00)	(330,000.00)
Fund Balance, Beginning of Year.....	D	<u>1,906,712.18</u>	<u>1,110,352.98</u>
Fund Balance, End of Year.....	D	<u>\$ 1,972,783.01</u>	<u>\$ 1,906,712.18</u>

( ) Denotes Deficit or Deduction  
See Accompanying Notes to Financial Statements

TOWNSHIP OF NORTH BRUNSWICK  
WATER UTILITY CAPITAL FUND

STATEMENT OF FUND BALANCE  
REGULATORY BASIS  
YEAR ENDED JUNE 30, 2022

	<u>Ref.</u>	
Balance June 30, 2021	D	\$ 96,754.96
Increased by:		
Premium on BAN Sale .....	D-6	<u>124,186.80</u>
		220,941.76
Decreased by:		
Use of Surplus in budget .....	D-1,D-6	<u>(200,000.00)</u>
Balance June 30, 2022	D	<u><u>\$ 20,941.76</u></u>

( ) Denotes Deficit or Deduction

See Accompanying Notes to Financial Statements

TOWNSHIP OF NORTH BRUNSWICK  
WATER UTILITY ASSESSMENT FUND

STATEMENT OF FUND BALANCE  
REGULATORY BASIS  
YEAR ENDED JUNE 30, 2022

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	<u>Ref.</u>		
Balance - June 30, 2021	D	\$	401,972.56
Decrease by:			
Payment to Water Operating Fund as Anticipated Revenue..	D-6		<u>71,706.25</u>
Balance - June 30, 2022	D	\$	<u><u>330,266.31</u></u>

See Accompanying Notes to Financial Statements

TOWNSHIP OF NORTH BRUNSWICK  
WATER UTILITY OPERATING FUND

STATEMENT OF REVENUES  
REGULATORY BASIS  
YEAR ENDED JUNE 30, 2022

	<u>Ref.</u>	Anticipated	Realized	Excess (Deficit)
Water Operating Surplus Anticipated	D-1	\$ 200,000.00	\$ 200,000.00	
Water Rents.....	D-1, D-6	7,306,150.00	6,934,263.84	\$ (371,886.16)
Connection Fees.....	D-1, D-6	44,000.00	65,846.00	21,846.00
Dedicated Water Utility Assessment : Interest.....	D-1, D-6	69,850.00	71,720.31	1,870.31
Miscellaneous				
Meter Fees.....	D-1, D-6	659,000.00	622,349.63	(36,650.37)
Interest on Delinquent Accounts.....	D-1, D-6	16,000.00	18,028.45	2,028.45
Other.....	D-1, D-6	5,000.00	10,475.28	5,475.28
Water Utility Capital Surplus.....	D-1, D-6	200,000.00	200,000.00	
Water Utility Operating Fund Total.....		<u>\$ 8,500,000.00</u>	<u>\$ 8,122,683.51</u>	<u>\$ (377,316.49)</u>

Ref.

D-5

( ) Denotes Deficit or Deduction

See Accompanying Notes to Financial Statements

TOWNSHIP OF NORTH BRUNSWICK  
WATER UTILITY OPERATING FUND

STATEMENT OF EXPENDITURES  
REGULATORY BASIS  
YEAR ENDED JUNE 30, 2022

	Budget		Paid/Charged	Encumbrances	Canceled	Reserved
	Original	Modified				
Operating Salaries.....	\$ 290,000.00	\$ 298,000.00	\$ (296,248.29)		\$ -	\$ 1,751.71
Operating Expenses.....	4,821,954.00	4,813,954.00	(3,533,826.23)	\$ (470,643.35)	(500,000.00)	309,484.42
Debt - Bond Principal.....	1,585,333.00	1,585,333.00	(1,585,333.00)		-	
Debt - Interest on Bonds.....	358,035.00	358,035.00	(353,355.11)		(4,679.89)	
Debt - Note Principal.....	15,000.00	15,000.00	(15,000.00)		-	
Debt - Interest on Notes.....	139,300.00	139,300.00	(139,267.09)		(32.91)	
Debt - NJEIT.....	1,220,528.00	1,220,528.00	(1,220,467.33)		(60.67)	
Water Assessment - Bond Interest.....	69,850.00	69,850.00	(69,850.00)			
Total Water Utility Operating.....	<u>\$ 8,500,000.00</u>	<u>\$ 8,500,000.00</u>	<u>\$ (7,213,347.05)</u>	<u>\$ (470,643.35)</u>	<u>\$ (504,773.47)</u>	<u>\$ 311,236.13</u>
	<u>Ref.</u>	<u>D-4</u>	<u>D-1</u>	<u>D</u>	<u>D-1</u>	<u>D</u>
Cash.....	D-6		\$ (6,466,997.25)			
Accrued Interest.....	D-13		<u>(746,349.80)</u>			
Total Paid or Charged.....			<u>\$ (7,213,347.05)</u>			

( ) Denotes deficit or deduction.

See Accompanying Notes to Financial Statements

TOWNSHIP OF NORTH BRUNSWICK  
MIDDLESEX COUNTY, NEW JERSEY

SEWER UTILITY FUND  
COMPARATIVE BALANCE SHEET - REGULATORY BASIS  
JUNE 30, 2022 AND 2021

<u>Assets</u>	<u>Ref.</u>	June 30, 2022	June 30, 2021	<u>Liabilities</u>	<u>Ref.</u>	June 30, 2022	June 30, 2021
<u>Sewer Utility Operating:</u>				<u>Sewer Utility Operating:</u>			
Cash.....	E-5	\$ 3,057,104.69	\$ 3,051,670.48	Encumbrances Payable.....	E-4,E-9	\$ 191,765.35	\$ 150,630.89
Due from Current Fund.....	E-19			Appropriation Reserves.....	E-4,E-9	256,717.33	555,245.49
				Sewer Overpayments.....	E-11	2,767.96	19,930.52
				Accounts Payable.....	E-9	-	7,738.10
		3,057,104.69	3,051,670.48	Accrued Interest Payable.....	E-12	152,675.43	195,774.02
Receivables with Offsetting Reserves:				Total Liabilities.....		603,926.07	929,319.02
Sewer Rents Receivable	E-10	986,115.32	815,338.62	Reserve for Receivables	Reserve	986,115.32	815,338.62
		986,115.32	815,338.62	Fund Balance.....	E-1	2,453,178.62	2,122,351.46
Total Sewer Operating Fund.....		\$ 4,043,220.01	\$ 3,867,009.10	Total Sewer Operating Fund.....		\$ 4,043,220.01	\$ 3,867,009.10
<u>Sewer Utility Capital:</u>				<u>Sewer Utility Capital:</u>			
Cash.....	E-5,E-6	\$ 504,196.59	\$ 759,859.67	Debt			
Fixed Capital				NJ EIT Loan Payable.....	E-13	\$ 5,146,928.16	\$ 5,492,028.85
Completed.....	E-7	34,156,262.41	33,852,203.33	Serial Bonds.....	E-17	6,955,358.00	8,380,025.00
Authorized and Uncompleted.....	E-8	13,838,356.59	11,142,415.67	Bond Anticipation Notes.....	E-18	5,450,000.00	5,500,000.00
				Improvement Authorizations:			
				Unfunded .....	E-14	7,820,712.18	6,723,142.93
				Encumbrances.....	E-14	6,017,644.16	4,419,272.49
				Reserve for:			
				Amortization.....	E-16	16,563,305.84	14,743,538.15
				Deferred Amortization.....	E-16	252,294.00	252,294.00
				Capital Improvement Fund.....	E-15	28,900.00	28,900.00
				Fund Balance.....	E-2	263,673.25	215,277.25
Total Sewer Capital Fund.....		\$ 48,498,815.59	\$ 45,754,478.67	Total Sewer Capital Fund.....		\$ 48,498,815.59	\$ 45,754,478.67
Total Sewer Utility Funds.....		\$ 52,542,035.60	\$ 49,621,487.77	Total Sewer Utility Funds.....		\$ 52,542,035.60	\$ 49,621,487.77
Bonds and Notes Authorized but Not Issued					E-19	\$ 13,626,733.00	\$ 10,626,733.00

See Accompanying Notes to Financial Statements

TOWNSHIP OF NORTH BRUNSWICK  
MIDDLESEX COUNTY, NEW JERSEY

SEWER UTILITY OPERATING FUND  
COMPARATIVE STATEMENT OF OPERATIONS AND  
CHANGES IN FUND BALANCE - REGULATORY BASIS  
FOR THE FISCAL YEARS ENDED JUNE 30, 2022 AND 2021

	<u>Ref.</u>	June 30, 2022	June 30, 2021
<u>Revenue and Other Realized Income</u>			
Fund Balance Utilized.....	E-3	\$ 440,000.00	\$ 470,000.00
Sewer Rents.....	E-3, E-11	7,363,917.56	7,699,683.83
Connection Fees.....	E-3	28,475.00	16,750.00
Miscellaneous.....	E-3	19,204.86	17,689.23
Unexpended Balance of Appropriation Reserves.....	E-9	651,669.35	383,054.90
Prior Years' Accounts Payable Canceled.....	E-9	7,738.10	
Sewer Capital Fund Balance Utilized.....		-	50,000.00
Total Revenue and Realized Income.....		8,511,004.87	8,637,177.96
Budget Appropriations.....	E-4	(7,740,177.71)	(7,296,448.72)
Excess in Revenues over Expenditures/Statutory Excess.....		770,827.16	1,340,729.24
Fund Balance, Beginning of Year.....	E	2,122,351.46	1,251,622.22
Decreased by:			
Utilized as Anticipated Surplus.....	E-3	(440,000.00)	(470,000.00)
Fund Balance, End of Year.....	E	<u>\$ 2,453,178.62</u>	<u>\$ 2,122,351.46</u>

See Accompanying Notes to Financial Statements

TOWNSHIP OF NORTH BRUNSWICK  
MIDDLESEX COUNTY, NEW JERSEY

SEWER UTILITY CAPITAL FUND  
 STATEMENT OF FUND BALANCE - REGULATORY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	<u>Ref.</u>	
Balance June 30, 2021.....	E	\$ 215,277.25
Premium on Sale of BANs .....	E-5	<u>48,396.00</u>
Balance June 30, 2022.....	E	<u><u>\$ 263,673.25</u></u>

See Accompanying Notes to Financial Statements



TOWNSHIP OF NORTH BRUNSWICK  
MIDDLESEX COUNTY, NEW JERSEY

SEWER UTILITY OPERATING FUND  
 STATEMENT OF REVENUES - REGULATORY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	<u>Ref.</u>	Anticipated	Realized	Excess (Deficit)
Operating Surplus Anticipated.....	E-1	\$ 440,000.00	\$ 440,000.00	\$ -
Sewer Rents.....	E-1, E-5,E-10	7,626,000.00	7,363,917.56	(262,082.44)
Connection Fees.....	E-1-E-5	16,500.00	28,475.00	11,975.00
Miscellaneous Revenue.....	E-1-E-5	17,500.00	19,204.86	1,704.86
Sewer Utility Operating Fund Total.....		<u>\$ 8,100,000.00</u>	<u>\$ 7,851,597.42</u>	<u>\$ (248,402.58)</u>
	<u>Ref.</u>	E-4	E-1	

See Accompanying Notes to Financial Statements

TOWNSHIP OF NORTH BRUNSWICK  
MIDDLESEX COUNTY, NEW JERSEY

SEWER UTILITY OPERATING FUND  
STATEMENT OF EXPENDITURES - REGULATORY BASIS  
FOR THE YEAR ENDED JUNE 30, 2022

	Original Budget	Modified Budget	Paid or Charged	Encumbrances	Canceled	Reserved
Operating Salaries & Wages..... \$	725,000.00	\$ 725,000.00	\$ (720,433.10)	\$ -	\$ -	\$ 4,566.90
Operating Other Expenses.....	5,018,349.00	5,018,349.00	(4,274,433.22)	(191,765.35)	(300,000.00)	252,150.43
Statutory Expenditures						
PERS Retirement.....	40,000.00	40,000.00	(10,000.00)		(30,000.00)	-
Social Security.....	50,000.00	50,000.00	(50,000.00)		-	-
Debt Service:						
Debt - Bond Principal.....	1,424,667.00	1,424,667.00	(1,424,667.00)		-	-
Debt - Bond Anticipation Notes.....	50,000.00	50,000.00	(50,000.00)		-	-
Debt - Bond Interest.....	256,000.00	256,000.00	(255,590.55)		(409.45)	-
Debt - Note Interest.....	54,045.00	54,045.00	(54,043.03)		(1.97)	-
Debt - NJ EIT .....	481,939.00	481,939.00	(452,528.13)		(29,410.87)	-
Total Sewer Utility Operating.....	\$ 8,100,000.00	\$ 8,100,000.00	\$ (7,291,695.03)	\$ (191,765.35)	\$ (359,822.29)	\$ 256,717.33
<u>Ref.</u>	E-3	E-1		E	E-1	E
Cash.....		<u>Ref.</u>				
		E-5	\$ (6,926,330.61)			
Accrued Interest.....		E-12	(365,364.42)			
Total Paid or Charged.....			<u>\$ (7,291,695.03)</u>			

( ) Denotes deficit or deduction.

See Accompanying Notes to Financial Statements

TOWNSHIP OF NORTH BRUNSWICK  
GOVERNMENTAL FIXED ASSETS

COMPARATIVE BALANCE SHEETS  
REGULATORY BASIS  
JUNE 30, 2022 AND 2021

	<u>2022</u>	<u>2021</u>
<u>ASSETS</u>		
<u>Governmental Fixed Assets:</u>		
Land	\$ 57,476,000.00	\$ 57,383,700.00
Buildings	17,936,400.00	17,728,400.00
Equipment	7,559,673.97	7,318,310.90
Vehicles	<u>8,141,437.44</u>	<u>7,123,912.82</u>
	<u>\$ 91,113,511.41</u>	<u>\$ 89,554,323.72</u>
 <u>RESERVE</u>		
Investment in Governmental Fixed Assets	<u>\$ 91,113,511.41</u>	<u>\$ 89,554,323.72</u>

See Accompanying Notes to Financial Statements

## **TOWNSHIP OF NORTH BRUNSWICK**

### **NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022 AND 2021**

#### **1. FORM OF GOVERNMENT**

The Township of North Brunswick is managed under a Mayor Council Administrator form of government. Under this plan, created by N.J.S.A. 40:69A-149 et seq., the Mayor and six Council members are elected at partisan elections for terms of four years and three years, respectively. The Township's major operations include public safety, road repair and maintenance, sanitation, fire protection, recreation and parks, health services, water and sewer, and general administrative services.

#### **2. REPORTING ENTITY**

Except as noted below, the financial statements of the Township of North Brunswick include every board, body, officer or commission supported and maintained wholly or in part by funds appropriated by the Township of North Brunswick, as required by N.J.S.A. 40A: 5-5. Accordingly, the financial statements of the Township of North Brunswick do not include the operations of the municipal library, the board of education, first aid organizations, volunteer fire companies or senior housing.

#### **3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

##### **Measurement Focus, Basis of Accounting and Basis of Presentation**

The accounting policies of the Township conform to the accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division"), which is another reporting framework other than accounting principles generally accepted in the United States of America ("GAAP"). 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 Township accounts for its financial transactions through the separate funds, which differ from the fund structure in accordance with GAAP.

The Governmental Accounting Standards Board and subsequent Codification (collectively, "GASB") is the accepted standard-setting body for establishing governmental accounting and financial reporting principles for state and local governments. The GASB establishes seven fund types and two account groups to be used by governmental units when reporting financial position and results of operations in accordance with GAAP.

GASB has issued Statement No. 14 which requires the financial reporting entity to include both the primary government and those component units for which the primary government is financially accountable. Financial accountability is defined as appointment of a voting majority of the component unit's board, and either a) the ability to impose will by the primary government, or b) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government.

However, the municipalities in the State of New Jersey do not prepare financial statements in accordance with GAAP and thus do not comply with all of the GASB pronouncements. The financial statements contained herein include only those boards, bodies, officers or commissions as required by the provisions of N.J.S.A. 40A:5-5.

## TOWNSHIP OF NORTH BRUNSWICK

### NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022 AND 2021

#### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

The Township uses funds, as required by the Division, to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial administration by segregating transactions related to certain Township functions or activities. An account group, on the other hand, is designed to provide accountability for certain assets and liabilities that are not recorded in those Funds.

The Township has the following funds and account groups:

Current Fund – Encompasses resources and expenditures for basic governmental operations. Fiscal activity of Federal and State grant programs are reflected in a segregated section of the Current Fund.

Trust Fund – The records of receipts, disbursements and custodianship of funds in accordance with the purposes for which each account was created are maintained in Trust Funds. Pursuant to the provisions of N.J.S.A. 40A: 4-39, the financial transactions of the following funds and accounts are also reported within the Trust Fund:

- Animal Control Trust Fund
- Trust Assessment Fund
- Unemployment Compensation Insurance Fund
- Developer's Escrow Fund
- Community Development Block Grant Fund
- Open Space Trust Fund
- Other Trust Funds

General Capital Fund – The receipts and expenditure records for the acquisition of general infrastructure and other capital facilities, including Federal and State Grants in aid of construction, other than those acquired through the Current Fund, as well as related long-term debt accounts.

Water Utility Fund – This fund is used to account for the revenues and expenditures for the operation of the Township's Water Utility activities and the assets and liabilities relative to such activities.

Sewer Utility Fund – This fund is used to account for the revenues and expenditures for the operation of the Township's Sewer Utility activities and the assets and liabilities relative to such activities.

Governmental Fixed Assets – These accounts reflected estimated valuations of land, buildings and certain moveable fixed assets of the Township as discussed under the caption of "Basis of Accounting".

#### **Basis of Accounting**

The Township follows the regulatory basis of accounting. Under this method of accounting, revenues, except for Federal and State Aid, are recognized when received and expenditures are recorded when incurred. The accounting principles and practices prescribed or permitted for municipalities by the Division ("regulatory basis of accounting") differ in certain respects from US GAAP applicable to local government units.

The more significant differences are as follows:

## **TOWNSHIP OF NORTH BRUNSWICK**

### **NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022 AND 2021**

#### **3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)***

##### **Property Taxes and Other Revenue**

Real property taxes are assessed locally, based upon the assessed value of the property. The tax bill includes a levy for Municipal, County, and School purposes. The bills are mailed annually in June for that calendar year's levy. Taxes are payable in four quarterly installments on February 1, May 1, August 1, and November 1. The amounts of the first and second installments are determined as one-quarter of the total tax levied against the property for the preceding year. The installment due the third and fourth quarters is determined by taking the current year levy less the amount previously charged for the first and second installments, with the remainder being divided equally. If unpaid on these dates, the amount due becomes delinquent and subject to interest at 8% per annum, or 18% on any delinquency amount in excess of \$1,500. The School levy is turned over to the Board of Education as expenditures are incurred, and the balance, if any, must be transferred as of June 30 of each fiscal year. County taxes are paid quarterly on February 15, May 15, August 15 and November 15, to the County by the Township. When unpaid taxes or any municipal lien, or part thereof, on real property, remains in arrears on April 1 in the year following the calendar year levy when the same became in arrears, the collector in the municipality shall, subject to the provisions of the New Jersey Statutes, enforce the lien by placing the property on a standard tax sale. The Township also has the option when unpaid taxes or any municipal lien, or part thereof, on real property remains in arrears on the 11th day of the 11th month in the fiscal year when the taxes or lien became in arrears, the collector in the municipality shall, subject to the provisions of the New Jersey Statutes, enforce the lien by placing property on an accelerated tax sale, provided that the sale is conducted and completed no earlier than in the last month of the fiscal year. The Township may institute annual in rem tax foreclosure proceedings to enforce the tax collection or acquisition of title to the property. In accordance with the accounting principles prescribed by the State of New Jersey, current and delinquent taxes are realized as revenue when collected. Since delinquent taxes and liens are fully reserved, no provision has been made to estimate that portion of the tax receivable and tax title liens that are uncollectible. US GAAP requires property tax revenues to be recognized in the accounting period when they become susceptible to accrual (i.e., when they are both levied and available), reduced by an allowance for doubtful accounts.

##### **Grant Revenue**

Federal and State grants, entitlements or shared revenue received for purposes normally financed through the Current Fund are recognized when anticipated in the Township budget. GAAP requires such revenue to be recognized in the accounting period when they become subject to accrual.

##### **Expenditures**

Expenditures for general and utility operations are generally recorded on the accrual basis. Unexpended appropriation balances, except for amounts which may have been canceled by the governing body or by statutory regulation, are automatically recorded as liabilities at December 31st of each year, under the title of "Appropriation Reserves".

Grant appropriations are charged upon budget adoption to create spending reserves.

Expenditures from Trust and Capital Funds are recorded upon occurrence and charged to accounts statutorily established for specific purposes.

## **TOWNSHIP OF NORTH BRUNSWICK**

### **NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022 AND 2021**

#### **3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)***

Budget appropriations for interest on General Capital Long-Term Debt is raised on the cash basis and is not accrued on the records; interest on Utility Debt is raised on the accrual basis and so recorded.

GAAP requires expenditures to be recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on general long-term debt, which should be recognized when due.

#### **Encumbrances**

As of January 1, 1986, all local units were required by Technical Accounting Directive No. 85-1, as promulgated by the Division, to maintain an encumbrance accounting system. The directive states that contractual orders outstanding at June 30th are reported as expenditures through the establishment of an encumbrance payable. Encumbrances do not constitute expenditures under GAAP.

#### **Appropriation Reserves**

Appropriation reserves are available, until lapsed at the close of the succeeding year, to meet specific claims, commitments or contracts incurred during the preceding year. Lapsed appropriation reserves are recorded as additions to income. Appropriation reserves do not exist under GAAP.

#### **Compensated Absences**

Expenditures relating to obligations for unused vested accumulated sick, vacation and compensatory pay are not recorded until paid. GAAP requires that the amount that would normally be liquidated with expendable available financial resources be recorded as an expenditure in the operating funds and the remaining obligations be recorded as a long-term obligation.

#### **Property Acquired for Taxes**

Property acquired for taxes ("Foreclosed Property") is recorded in the Current Fund at the assessed valuation during the year when such property was acquired by deed or foreclosure and is offset by a corresponding reserve account. GAAP requires such property to be recorded in the capital fixed assets at market value on the date of acquisition.

#### **Interfunds Receivable/Payable**

Interfunds Receivable in the Current Fund are generally recorded with offsetting reserves which are established by charges to operations. Collections are recognized as income in the year that the receivables are realized. Interfunds Receivable of all other funds are recorded as accrued and are not offset with reserve accounts. Interfunds Receivable of one fund are offset with Interfunds Payable of the corresponding fund. GAAP does not require the establishment of an offsetting reserve.

#### **Inventories of Supplies**

The cost of inventories for all funds are recorded as expenditures at the time individual items are purchased.

## TOWNSHIP OF NORTH BRUNSWICK

### NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022 AND 2021

#### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

##### **Governmental Fixed Assets**

###### General:

In accordance with the Administrative Code, Accounting for Governmental Fixed Assets, as promulgated by the Division, which differs in certain respects from GAAP, the Township has developed a fixed asset accounting and reporting system.

Fixed assets used in governmental operations (capital fixed assets) are accounted for in the Capital Fixed Assets. Public domain ("infrastructure") capital 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.

Acquisitions of land, buildings, machinery, equipment and other capital assets are recorded on a perpetual fixed asset record. Vehicles, furniture, equipment and other items are reflected at replacement values at time of inventory preparation. Additions to the established fixed assets are valued at cost.

Depreciation of assets is not recorded as an operating expense of the Township.

###### Utilities:

Capital acquisitions, including utility infrastructure costs of the Water and Sewer Utilities, are recorded at cost upon purchase or project completion in the Fixed Capital Account of the Utilities. The Fixed Capital Accounts are adjusted for dispositions or abandonments. The accounts include moveable fixed assets of the Utility, but are not specifically identified and are considered as duplicated in the Capital Fixed Assets. The duplication is considered as insignificant on its effect on the financial statements taken as a whole. Utility improvements that may have been constructed by developers are not recorded as additions to Fixed Capital.

Fixed Capital of the Utilities are offset by accumulations in Amortization Reserve Accounts. The accumulations represent costs of fixed assets purchased with budgeted funds or acquired by gift, as well as grants, developer contributions or liquidations of related bonded debt and other liabilities incurred upon fixed asset acquisition.

The Fixed Capital Accounts reflected herein are as recorded in the records of the Township and do not necessarily reflect the true condition of such Fixed Capital. The records consist of a control account only.

##### **Basic Financial Statements**

The GASB 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, which are required by the Division and differ from the financial statements required by GAAP. In addition, the Division requires the financial statements to be referenced to the supplementary schedules. This practice differs from GAAP.



## TOWNSHIP OF NORTH BRUNSWICK

### NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022 AND 2021

#### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

##### **Use of Estimates**

The preparation of financial statements requires management of the Township to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of accrued revenues and expenditures during the reporting period. Accordingly, actual results could differ from those estimates.

##### **Long-term debt**

The Township's Long-term debt is stated at face value. The debt is not traded and it is not practicable to determine its fair value without incurring excessive cost. Additional information pertinent to the Township's long-term debt is provided in Note 8 to the financial statements.

##### **Net Pension Liability and Pension Related Deferred Outflows of Resources and Deferred Inflows of Resources and Pension Expense**

The requirements of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date - an amendment of GASB Statement No. 68* require governmental entities to record their distributive shares of net pension liability, deferred outflows of resources, deferred inflows of resources and total pension related expense. Accounting principles applicable to municipalities, which have been prescribed by the Division, do not require the recording of these liabilities, deferrals and expenses, but do require the disclosure of these amounts. The audited financial information related to pensions is released annually by the State's Division of Pensions and Benefits and is required to be included as note disclosures in the financial statements.

##### **Other Post-Employment Benefits Other Than Pensions**

The requirements of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions (OPEB)* that is provided by other entities require governmental entities to record in their financial statements a share of the other governments net OPEB liability, deferred outflows of resources, deferred inflows of resources and total OPEB expense. Accounting principles applicable to municipalities, which have been prescribed by the Division, do not require the recording of these liabilities, deferrals and expenses, but do require the disclosure of the amounts. Since the Township does not follow generally accepted accounting principles, GASB Statement No. 75 did not result in a change in the Township's assets, liabilities and contribution requirements. However, it did result in additional note disclosures as required by the GASB Statement. See Note 10 for these disclosures. The Township maintains a sole-employer OPEB Plan. However, the Township also participates in a special funding situation with the State of New Jersey multiple-employer plan. As it relates to the State of New Jersey multiple-employer plan, the audited financial information related to OPEBs is released annually by the State's Division of Pensions and Benefits and is required to be included as note disclosures in the financial statements.

## TOWNSHIP OF NORTH BRUNSWICK

### NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022 AND 2021

#### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

##### Comparative Data

Comparative data for the prior year has been presented in the accompanying financial statements in order to provide an understanding of changes in the Township's financial position and operations. However, comparative data have not been presented in all statements because their inclusion would make certain statements unduly complex and difficult to understand.

#### 4. DEPOSITS AND INVESTMENTS

##### Deposits

New Jersey Statutes permit the deposit of public funds in institutions located in New Jersey, which are insured by the Federal Deposit Insurance Corporation ("FDIC") or any other agencies of the United States that insures deposits or the State of New Jersey Cash Management Fund (the "Fund").

Cash on deposit is partially insured by federal deposit insurance in the amount of \$250,000.00 in each depository. Balances above the federal deposit insurance amount are insured by the Governmental Unit Deposit Protection Act (GUDPA), N.J.S.A. 17:941, et seq., which insures all New Jersey governmental units' deposits in excess of the federal deposit insurance maximums.

Based on GASB criteria, the Township considers cash and cash equivalents to include petty cash, change funds, demand deposits, money market accounts, short-term investments and cash management money market mutual funds. The State of New Jersey Cash Management Fund is authorized by statute and regulations of the State Investment Council to invest in fixed income and debt securities which mature or are redeemed within one year. Twenty-five percent of the Fund may be invested in eligible securities which mature within two years provided, however, the average maturity of all investments in the Fund shall not exceed one year. Collateralization of fund investments is generally not required.

In addition, by regulation of the Division, municipalities are allowed to deposit funds in the Municipal Bond Insurance Association (MBIA) through their investment management company, the Municipal Investors Service Corporation.

In accordance with the provisions of the Governmental Unit Deposit Protection Act of New Jersey (GUDPA), public depositories are required to maintain collateral for deposits of public funds that exceed insurance limits as follows:

The market value of the collateral must equal five percent of the average daily balance of public funds or;

If the public funds deposited exceed 75 percent of the capital funds of the depository, the depository must provide collateral having a market value equal to 100 percent of the amount exceeding 75 percent.

All collateral must be deposited with the Federal Reserve Bank, The Federal Home Loan Bank Board 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.

## TOWNSHIP OF NORTH BRUNSWICK

### NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022 AND 2021

#### 4. DEPOSITS AND INVESTMENTS *(continued)*

Cash and cash equivalents have original maturities of three months or less from the date of purchase. Investments are stated at cost, which approximates fair value.

At June 30, 2022 and 2021, the book values of the deposits of the Township consisted of the following:

	<u>2022</u>	<u>2021</u>
Cash (Demand Accounts)	\$ 45,022,030.10	\$ 41,059,432.24
Change Funds (On-Hand)	<u>1,225.00</u>	<u>1,225.00</u>
Total	<u>\$ 45,023,255.10</u>	<u>\$ 41,060,657.24</u>

Based upon GASB criteria, the Township considers change fund, cash in banks, investments in certificates of deposit and State of New Jersey Cash Management Fund as cash and cash equivalents. At year-end, the book value of the Township's deposits was \$45,022,030.10 and the bank balance was \$45,266,331.34. Of the bank balance, \$250,000.00 was covered by Federal depository insurance and \$45,016,331.34 was covered under the provisions of NJGUDPA.

The Township has implemented the disclosure requirements of Governmental Accounting Standards Board Statement No. 40 "Deposits and Investment Risk Disclosures" (GASB 40) and accordingly the Township has assessed the Custodial Risk, the Concentration of Credit Risk and Interest Rate Risk of its cash and investments.

**Custodial Credit Risk - Deposits** – Custodial credit risk for deposits is the risk that in the event of a bank failure, the Township's deposits may not be returned to it. Although the Township does not have a formal deposit policy for custodial credit risk, N.J.S.A. 17:9-41 et seq. requires that governmental units shall deposit public funds in a public depositories protected from loss under the provisions of GUDPA. Public funds owned by the municipality in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings, bail funds, or funds that may pass to the municipality relative to the happening of a future condition. As of June 30, 2022 and 2021, the Township's bank balances were exposed to custodial credit risk.

**Concentration of Credit Risk** – This is the risk associated with the amount of investments that the Township has with any one issuer that exceeds 5 percent or more of its total investments. Investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments are excluded from this requirement.

**Credit Risk** – GASB 40 requires that disclosure be made as to the credit rating of all debt security investments except for obligations of the U.S. government or obligations explicitly guaranteed by the U.S. government. This is the risk that an issuer or other counterparty to an investment will not fulfill its obligation. In general, the Township does not have an investment policy regarding Credit Risk except to the extent outlined under the Township's investment policy.

## TOWNSHIP OF NORTH BRUNSWICK

### NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022 AND 2021

#### 4. DEPOSITS AND INVESTMENTS *(continued)*

Interest Rate Risk - This is the risk that changes in interest rates will adversely affect the fair value of an investment. The Township does not have a formal policy that limits investment maturities as a means of managing its exposure to fair value losses arising from interest rate fluctuations.

At June 30, 2022, the Township had the following depository accounts. All deposits are carried at cost.

<u>Depository Account</u>	<u>Bank Balance</u>
Insured - FDIC	\$ 250,000.00
Insured - NJGUDPA	<u>45,016,331.34</u>
	<u>\$ 45,266,331.34</u>

#### 5. ASSESSMENT AND COLLECTION OF PROPERTY TAXES

A taxable valuation of real property is prepared by the Tax Assessor as of October 1 in each year and filed with the County Board of Taxation by January 10 of the following year. The County Board of Taxation establishes tax rates to reflect the levy necessary for municipal, local school district, special district and county taxes.

The provisions of P.L. 1994, C. 72 changed the procedures for State fiscal year billing originally established in P.L. 1991, C. 75. Chapter 72 moves the billing calculation back on a calendar year basis, which permits tax levies to be proved more readily than before.

The formulae used to calculate tax bills under P.L. 1994, C. 72 are as follows:

The third and fourth installments, for municipal purposes, would equal one-half of an estimated annual tax levy, plus the balance of the full tax levied during the current tax year for school, county and special district purposes. The balance of the full tax for non-municipal purposes is calculated by subtracting amounts due on a preliminary basis from the full tax requirement for the tax year. The first and second installments, for municipal purposes, will be calculated on a percentage of the previous year's billing necessary to bill the amount required to collect the full tax levy, plus the non-municipal portion, which represents the amount payable to each taxing district for the period of January 1 through June 30.

Taxes become delinquent if not paid on the installment dates and become subject to interest penalties of 8% to 18% of the amount delinquent. In addition, the law now allows for, and the Township has authorized, the imposition of a penalty of 6% on delinquencies exceeding \$10,000.00 that remains unpaid at the end of a calendar year. If taxes remain delinquent on or after April 1 of the succeeding fiscal year, the delinquent amount is subject to "Tax Sale" which places a tax lien on the property, and allows the holder to enforce the tax lien by collection foreclosure. New Jersey property tax laws establish property taxes as a lien on real estate as of the first day of the fiscal year of the municipality even though the full amount due is not known.

As County, School and Special District tax requirements are certified to the County Board of Taxation on a calendar year basis and within a time frame which precludes the certification of a municipal purpose tax certification for the calendar year, the conversion to a fiscal year has necessitated that tax bills be prepared and mailed by the Tax Collector twice annually.

# TOWNSHIP OF NORTH BRUNSWICK

## NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022 AND 2021

### 5. ASSESSMENT AND COLLECTION OF PROPERTY TAXES *(continued)*

The law requires tax bills for the first and second installments to be delivered on or before October 1 of the pre-tax year, and bills for the third and fourth installments to be delivered on or before June 14.

The statutory requirement to deliver tax bills for the first and second installments by October 1 of the pre-tax year requires that these bills utilize assessed valuations from the pre-tax year. As a result, tax bills for the third and fourth installments will also include adjustments to reflect the results of changes in assessed valuations from the pre-tax year to the current tax year.

In accordance with the accounting principles prescribed by the State of New Jersey, taxes receivable and tax title liens are realized when collected. Since delinquent taxes and liens are fully reserved, no provision has been made to estimate that portion of the taxes receivable and tax title liens that are uncollectible. Receivable balances at year-end were \$720,932.89 for property taxes and \$164,853.58 for tax title liens receivables.

### 6. FIXED ASSETS

Following is a summary of changes in the Governmental Fixed Assets for the years 2022 and 2021.

	Balance June 30, <u>2021</u>	<u>Additions</u>	<u>Adjustments/ Retirements</u>	Balance June 30, <u>2022</u>
<u>2022</u>				
Land and Land Improvements	\$ 57,383,700.00	\$ 92,300.00	\$ -	\$57,476,000.00
Buildings and Building Improvements	17,728,400.00	208,000.00		17,936,400.00
Equipment and Improvements	7,318,310.90	321,531.97	80,168.90	7,559,673.97
Vehicles	7,123,912.82	1,644,471.72	626,947.10	8,141,437.44
	<u>\$ 89,554,323.72</u>	<u>\$ 2,266,303.69</u>	<u>\$ 707,116.00</u>	<u>\$91,113,511.41</u>
	Balance June 30, <u>2020</u>	<u>Additions</u>	<u>Adjustments/ Retirements</u>	Balance June 30, <u>2021</u>
<u>2021</u>				
Land and Land Improvements	\$ 56,877,700.00	\$ 506,000.00	\$ -	\$57,383,700.00
Buildings and Building Improvements	17,648,400.00	80,000.00		17,728,400.00
Equipment and Improvements	6,074,571.87	1,243,739.03		7,318,310.90
Vehicles	6,125,855.75	998,057.07		7,123,912.82
	<u>\$ 86,726,527.62</u>	<u>\$ 2,827,796.10</u>	<u>\$ -</u>	<u>\$89,554,323.72</u>

## **TOWNSHIP OF NORTH BRUNSWICK**

### **NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022 AND 2021**

#### **7. WATER AND SEWER UTILITY AGREEMENTS**

On August 27, 2002, pursuant to the New Jersey Water Supply Public-Private Contracting Act, N.J.S.A. 58:26-19 et. seq. and other applicable law, the Township entered into a water services agreement with the Middlesex County Improvement Authority and a joint venture of American Water Services, Inc. and JJS Management Services, LLC (the "Water Operator"). The agreement transferred the responsibilities for the operation, management, maintenance and repairs of the water system to the Water Operator. Under the agreement, American Water operates, maintains and manages the System at all times on behalf of the Township in compliance with federal, state and local laws and regulations for a fixed annual fee. The Township receives the revenues generated from user charges to water and sewer customers. Such user charges are based on annual base rates established by Township ordinance. Previous to October 1, 2018, American Water was responsible for the billing and collection of such user charges. Effective October 1, 2018, the Township assumed the responsibility for the billing and collection of water and sewer customer user charges, which allows the Township to receive the systems revenues directly and is reflective of the user accounts receivables recorded in the utility funds as of June 30, 2022, in the amounts of \$1,165,840 for water rents and \$986,115 for sewer rents, respectively.

In connection with the August 27, 2002 operating agreements with the water operator and wastewater operator, the Middlesex County Improvement Authority issued \$34,805,000 Township of North Brunswick Lease Revenue Bonds (Water/Wastewater System Project) Series 2002A, dated September 15, 2002. The Bonds finally mature October 1, 2022, and carry interest rates from 2.00% to 4.75% with yields of 1.40% to 4.65%. As of the date of the Bonds, the Township and the Authority entered into a Franchise Agreement, pursuant to which the Township conveyed to the Authority the franchise to operate and a leasehold interest in the Wastewater and Water Systems.

On October 2011, the Township of North Brunswick issued \$20,105,000 General Obligations Water/Wastewater System Refunding Bonds, Series 2011A and \$400,000 General Obligation Water/Wastewater System Refunding Bonds, Series 2011B and refunded \$23,105,000 outstanding principal balance of the \$34,805,000 Township of North Brunswick Lease Revenue Bonds (Water/Wastewater System Project) Series 2002A, dated September 15, 2002, issued by the Middlesex County Improvement Authority. Interest rates on the refunding bonds ranged from 0.650% to 5.00% with yields of 0.650% to 2.61%.

# TOWNSHIP OF NORTH BRUNSWICK

## NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022 AND 2021

### 8. MUNICIPAL DEBT

The Local Bond Law governs the issuance of bonds and notes to finance general capital expenditures. All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the Township are general obligation bonds, backed by the full faith and credit of the Township. Bond anticipation notes, which are issued to temporarily finance capital projects, must be paid off within 10 years and 5 months or retired by the issuance of bonds.

The Township's debt as of December 31<sup>st</sup> is summarized as follows:

#### **Summary of Municipal Debt (Excluding Current and Operating Debt)**

	<u>Year 2022</u>	<u>Year 2021</u>
<u>Issued:</u>		
General:		
Bonds and Notes	\$ 80,318,250.00	\$ 82,238,250.00
Water Utility:		
Bonds, Notes, and Loans	31,468,643.63	23,681,204.47
Sewer Utility:		
Bonds, Notes, and Loans	17,552,286.16	19,372,053.85
	<u>129,339,179.79</u>	<u>125,291,508.32</u>
 <u>Authorized But Not Issued:</u>		
General:		
Bonds and Notes	12,490,750.00	5,620,750.00
Water Utility:		
Bonds and Notes	3,500,000.00	11,000,000.00
Sewer Utility:		
Bonds and Notes	<u>13,626,733.00</u>	<u>10,626,733.00</u>
 Total Authorized But Not Issued	 <u>29,617,483.00</u>	 <u>27,247,483.00</u>
 Total Gross Bonds and Notes Issued and Authorized but Not Issued	 <u>\$ 158,956,662.79</u>	 <u>\$ 152,538,991.32</u>

# TOWNSHIP OF NORTH BRUNSWICK

## NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022 AND 2021

### 8. MUNICIPAL DEBT (*continued*)

Summarized below are the Township's individual bond and loan issues which were outstanding as of June 30, 2022 and 2021:

#### A. Summary of Municipal Debt for Capital Projects:

	<u>2022</u>	<u>2021</u>
<b>General Capital Debt:</b>		
\$13,455,750 General Obligation Bonds of 2012 due in annual installments of \$690,000 to \$1,030,000 through August 2027, interest at 2.000% to 2.500%.	\$ 5,770,750.00	\$ 6,460,750.00
\$2,960,000 Open Space Refunding Bonds of 2012 due in annual installments of \$200,000 to \$185,000 through August 2028, interest at 4.000% to 2.750%.	1,350,000.00	1,550,000.00
\$4,745,000 General Obligation Refunding Bonds of 2015 due in annual installments of \$635,000 to \$455,000 through August 2022, interest at 2.000% to 2.500%.	455,000.00	1,245,000.00
\$15,000,000 General Improvement Bonds of 2015 due in annual installments of \$535,000 to \$1,000,000 through July 2035, interest at 2.750% to 3.500%.	11,130,000.00	11,665,000.00
\$6,530,468 Open Space Refunding Bonds of 2017 due in annual installments of \$157,588 to \$1,000,000 through August 2029, interest at 4.000%.	6,192,588.00	6,342,276.00
\$2,069,532 General Obligation Refunding Bonds of 2017 due in annual installments of \$680,312 to \$712,412 through August 2022, interest at 4.000%.	712,412.00	1,392,724.00
\$15,112,500 General Obligation Bonds of 2018 due in annual installments of \$1,000,000 to \$960,000 through July 2034, interest at 2.750% to 3.000%.	12,612,500.00	13,612,500.00
\$9,628,500 General Improvement Bonds of 2019 due in annual installments of \$230,000 to \$450,000 through July 2049, interest at 2.000% to 3.000%.	9,170,000.00	9,400,000.00
\$12,095,000 General Obligation Bonds of 2020 due in annual installments of \$710,000 to \$965,000 through July 2034, interest at 1.000% to 2.000%	11,385,000.00	12,095,000.00
\$21,540,000, General Capital Bond Anticipation Notes issued on 07/15/21 due on 07/14/22, interest 1.00%	<u>21,540,000.00</u>	<u>18,475,000.00</u>
Total General Capital Debt	<u>\$ 80,318,250.00</u>	<u>\$ 82,238,250.00</u>

Detailed information related to debt issuances are presented in the supplemental schedules included within this report.



# TOWNSHIP OF NORTH BRUNSWICK

## NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022 AND 2021

### 8. MUNICIPAL DEBT *(continued)*

#### A. Summary of Municipal Debt for Capital Projects (Cont'd.)

	<u>2022</u>	<u>2021</u>
<b>Utility Debt:</b>		
\$10,252,500, Water Refunding Bonds of 2011A due in annual installments of \$1,145,000 to \$1,202,500 through April 2023, interest at 4.000% to 5.000%.	\$ 1,202,500.00	\$ 2,347,500.00
\$1,500,000, Ordinance 5-16/6-16 due in annual installments of \$70,000 to \$100,000 through August 2032, interest at 2.000% to 3.000%.	915,000.00	985,000.00
\$1,275,000, Water Refunding Bonds of 2015 due in annual installments of \$100,000 to \$120,000 through August 2026, interest at 5.000% to 2.000%.	610,000.00	730,000.00
\$1,993,670, Water Improvement Bonds of 2015 due in annual installments of \$85,000 to \$133,670 through July 2035, interest at 2.750% to 3.500%.	1,518,670.00	1,603,670.00
\$1,621,947 Water Obligation Refunding Bonds of 2017 due in annual installments of \$30,333 to \$252,174 through August 2029, interest at 4.000%.	1,548,472.00	1,578,805.00
\$3,930,000 Water Obligation Refunding Bonds of 2020 due in annual installments of \$135,000 to \$240,000 through July 2040, interest at 1.000% to 2.125%.	3,795,000.00	3,930,000.00
\$13,985,000 Water Capital Bond Anticipation Notes issued on 07/15/21 due on 07/14/22, interest 1.00%	13,985,000.00	3,500,000.00
\$2,250,000 Water Assessment Bond due in annual installments of \$105,000 to \$150,000 through August 2031, interest at 4.500% to 5.500%.	1,285,000.00	1,390,000.00
\$9,700,000 State of NJ - Environmental Infrastructure Loan Nov. 8, 2007, interest at 4.250% to 5.000%	3,630,000.00	4,141,000.00
\$8,939,498 State of NJ - Environmental Infrastructure Loan Nov. 8, 2007, interest at 0%	2,979,001.63	3,475,229.47
\$10,252,500, Sewer Refunding Bonds of 2011A due in annual installments of \$1,095,000 to \$1,202,500 through April 2023, interest at 4.000% to 5.000%.	1,202,500.00	2,347,500.00
\$1,700,000, Ordinance 5-17/8-21 due in annual installments of \$80,000 to \$110,000 through August 2032, interest at 2.000% to 3.000%.	1,035,000.00	1,115,000.00
\$2,186,330, Sewer Improvement Bonds of 2015 due in annual installments of \$90,000 to \$146,330 through July 2035, interest at 2.750% to 3.500%	1,656,330.00	1,751,330.00
\$243,053 Sewer Obligation Refunding Bonds of 2017 due in annual installments of \$4,884 to \$37,826 through August 2029, interest at 4.000%	231,528.00	236,195.00
\$2,930,000 Sewer Obligation Refunding Bonds of 2020 due in annual installments of \$100,000 to \$180,000 through July 2040, interest at 1.000% to 2.300%	2,830,000.00	2,930,000.00
\$5,450,000 Sewer Capital Bond Anticipation Notes issued on 07/15/21 due on 07/14/22, interest 1.00%	5,450,000.00	5,500,000.00
\$570,000 State of NJ - Environmental Infrastructure Loan Nov. 4, 2004, interest at 4.250% to 5.000%	125,000.00	165,000.00
\$1,180,000 State of NJ - Environmental Infrastructure Loan June 11, 2025, interest at 3.000% to 5.000%	1,180,000.00	1,180,000.00
\$581,688 State of NJ - Environmental Infrastructure Loan Nov. 4, 2004, interest at 0%	86,747.47	117,078.85
\$5,373,267 State of NJ - Environmental Infrastructure Loan (This represents the amount of drawdown, debt payment schedule has not been established at balance sheet date)	3,755,180.69	4,029,950.00
<b>Total Utility Debt</b>	<u>\$ 49,020,929.79</u>	<u>\$ 43,055,279.32</u>

# TOWNSHIP OF NORTH BRUNSWICK

## NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022 AND 2021

### 8. MUNICIPAL DEBT (continued)

#### B. Summary of Statutory Debt Condition - Annual Debt Statement

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

<u>SFY 2022</u>	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Local School District Debt	\$ 87,920,000.00	\$ 87,920,000.00	\$ -
Water Utility and Sewer Utility Debt	66,147,662.79	66,147,662.79	-
General Debt*	96,454,000.00	22,410,577.57	74,043,422.43
	<u>\$ 250,521,662.79</u>	<u>\$ 176,478,240.36</u>	<u>\$ 74,043,422.43</u>

Net Debt \$ 74,043,422.43 Divided by Equalized Valuation Basis per N.J.S.A. 40A:2-2 as  
amended \$ 5,182,609,390.00 = 1.43%

\* Gross General Debt and Deductions includes Housing Bonds guarantee (C).

<u>SFY 2021</u>	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Local School District Debt	\$ 93,795,000.00	\$ 93,795,000.00	\$ -
Water Utility and Sewer Utility Debt	64,679,991.32	64,679,991.32	-
General Debt*	91,944,000.00	24,520,373.29	67,423,626.71
	<u>\$ 250,418,991.32</u>	<u>\$ 182,995,364.61</u>	<u>\$ 67,423,626.71</u>

Net Debt \$ 67,423,626.71 Divided by Equalized Valuation Basis per N.J.S.A. 40A:2-2 as  
amended \$ 4,830,122,835.00 = 1.40%

\* Gross General Debt and Deductions includes Housing Bonds guarantee (C).

The Township's Borrowing Power Under N.J.S.A. 40A:2-6 as Amended, at June 30, was as follows:

	<u>2022</u>	<u>2021</u>
3 1/2% of Equalized Valuation Basis Municipal	\$ 181,391,328.65	\$ 169,054,299.23
Net Debt	<u>74,043,422.43</u>	<u>67,423,626.71</u>
Remaining Borrowing Power	<u>\$ 107,347,906.22</u>	<u>\$ 101,630,672.52</u>

#### SFY 2022 Equalized Valuation Basis

2019 Equalized Valuation Basis of Real Property	\$ 4,720,618,007.00
2020 Equalized Valuation Basis of Real Property	5,189,736,128.00
2021 Equalized Valuation Basis of Real Property	5,637,474,035.00
Average Equalized Valuation	<u>\$ 5,182,609,390.00</u>

#### **School Debt Deductions**

School debt is deductible up to the extent of 4.0% of the Average Equalized Assessed Valuations of real property for the Local District.

# TOWNSHIP OF NORTH BRUNSWICK

## NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022 AND 2021

### 8. MUNICIPAL DEBT (*continued*)

#### B. Summary of Statutory Debt Condition - Annual Debt Statement (Cont'd.)

##### SFY 2021 Equalized Valuation Basis

2018 Equalized Valuation Basis of Real Property	\$	4,580,014,370.00
2019 Equalized Valuation Basis of Real Property		4,720,618,007.00
2020 Equalized Valuation Basis of Real Property		5,189,736,128.00
Average Equalized Valuation	\$	<u>4,830,122,835.00</u>

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

The calculation of "Self-Liquidating Purpose" for the Water Utility, per N.J.S.A. 40A:2-45 is as follows:

	<u>2022</u>	<u>2021</u>
Surplus and Cash Receipts from Fees, Rents or Other		
Charges for Year	\$ 8,122,683.51	\$ 8,597,777.09
Deductions:		
Operating & Maintenance Cost	4,611,954.00	4,613,934.00
Debt Service Per Water Acct.	<u>3,383,272.53</u>	<u>3,052,749.89</u>
Total Deductions	<u>7,995,226.53</u>	<u>7,666,683.89</u>
Excess in Revenue	\$ <u>127,456.98</u>	\$ <u>931,093.20</u>

The difference between the excess in revenues for debt statement purposes and the statutory cash basis for the Water Utility is as follows:

	<u>2022</u>	<u>2021</u>
Excess/(Deficit) in Revenues - Cash Basis (D-1)	\$ 266,070.83	\$ 1,022,785.11
Add: Other Operations Adjustments	<u>-</u>	<u>33,255.60</u>
	266,070.83	1,056,040.71
Less: Unexpended Balance of Appropriation Reserves	112,499.85	103,942.97
Prior Years' Accounts Payable Cancelled	<u>26,114.00</u>	<u>21,004.54</u>
Excess/(Deficit) in Revenue	\$ <u>127,456.98</u>	\$ <u>931,093.20</u>

The calculation of "Self-Liquidating Purpose" for the Sewer Utility, per N.J.S.A. 40A:2-45 is as follows:

	<u>2022</u>	<u>2021</u>
Surplus and Cash Receipts from Fees, Rents or Other		
Charges for Year	\$ 7,851,597.42	\$ 8,254,123.06
Deductions:		
Operating & Maintenance Cost	5,503,349.00	5,613,890.00
Debt Service Per Sewer Acct.	<u>2,236,828.71</u>	<u>1,682,558.72</u>
Total Deductions	<u>7,740,177.71</u>	<u>7,296,448.72</u>
Excess in Revenue	\$ <u>111,419.71</u>	\$ <u>957,674.34</u>

# TOWNSHIP OF NORTH BRUNSWICK

## NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022 AND 2021

### 8. MUNICIPAL DEBT (continued)

#### B. Summary of Statutory Debt Condition - Annual Debt Statement (Cont'd.)

The difference between the excess in revenues for debt statement purposes and the statutory cash basis for the Sewer Utility is as follows:

		<u>2022</u>	<u>2021</u>
Excess/(Deficit) in Revenues - Cash Basis (E-1)	\$	763,089.06	\$ 1,340,729.24
Less: Unexpended Balance of Appropriation Reserves		<u>651,669.35</u>	<u>383,054.90</u>
Excess/(Deficit) in Revenue	\$	<u>111,419.71</u>	<u>\$ 957,674.34</u>

#### Utility Debt Deductions

As there is an excess in revenue in both utilities, all Water Utility Debt and Sewer Utility Debt is deductible for Debt Statement purposes.

\$8,300,000 North Brunswick Taxable Guaranteed Revenue Bonds were issued by the Middlesex County Improvement Authority for the Senior Citizens Housing Project. The Bonds were dated November 1, 1994 and come due on December 1, in years 1998 through 2027. Payment, when due, of the principal and interest on the Bonds is guaranteed by the Township of North Brunswick.

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 485,000.00	\$ 310,478.13	\$ 795,478.13
2024	525,000.00	264,396.88	789,396.88
2025	575,000.00	214,209.38	789,209.38
2026	625,000.00	159,459.38	784,459.38
2027	685,000.00	99,690.63	784,690.63
2028	<u>750,000.00</u>	<u>34,218.75</u>	<u>784,218.75</u>
	<u>\$ 3,645,000.00</u>	<u>\$ 1,082,453.15</u>	<u>\$ 4,727,453.15</u>

# TOWNSHIP OF NORTH BRUNSWICK

## NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022 AND 2021

### 8. MUNICIPAL DEBT (continued)

#### Changes in Long-Term Municipal Debt

The Township's long-term debt activity for June 30, 2022 and 2021 is as follows:

	Balance, June 30, 2021	Additions	Reductions	Balance, June 30, 2022
Bonds Payable:				
General Capital Fund	\$ 63,763,250.00		\$ 4,985,000.00	\$ 58,778,250.00
Water Utility Capital Fund	11,174,975.00		1,585,333.00	9,589,642.00
Water Utility Assessment Fund	1,390,000.00		105,000.00	1,285,000.00
Sewer Utility Capital Fund	8,380,025.00		1,424,667.00	6,955,358.00
Total Bonds Payable	<u>\$ 84,708,250.00</u>	<u>\$ -</u>	<u>\$ 8,100,000.00</u>	<u>\$ 76,608,250.00</u>
Environmental Infrastructure Loans Payable:				
Sewer Utility Capital Fund	\$ 5,492,028.85		\$ 345,100.69	\$ 5,146,928.16
Water Utility Capital Fund	7,616,229.47		1,007,227.84	6,609,001.63
Total Environmental Infrastructure Loans Payable	<u>\$ 13,108,258.32</u>	<u>-</u>	<u>\$ 1,352,328.53</u>	<u>\$ 11,755,929.79</u>
Total Long-Term Debt	<u>\$ 97,816,508.32</u>	<u>\$ -</u>	<u>\$ 9,452,328.53</u>	<u>\$ 88,364,179.79</u>

	Balance, June 30, 2020	Additions	Reductions	Balance, June 30, 2021
Bonds Payable:				
General Capital Fund	\$ 56,081,750.00	\$ 12,095,000.00	\$ 4,413,500.00	\$ 63,763,250.00
Water Utility Capital Fund	8,635,091.00	3,930,000.00	1,390,116.00	11,174,975.00
Water Utility Assessment Fund	1,495,000.00		105,000.00	1,390,000.00
Sewer Utility Capital Fund	6,719,909.00	2,930,000.00	1,269,884.00	8,380,025.00
Total Bonds Payable	<u>\$ 72,931,750.00</u>	<u>\$ 18,955,000.00</u>	<u>\$ 7,178,500.00</u>	<u>\$ 84,708,250.00</u>
Environmental Infrastructure Loans Payable:				
Sewer Utility Capital Fund	\$ 5,718,646.21		\$ 226,617.36	\$ 5,492,028.85
Water Utility Capital Fund	8,596,979.26		980,749.79	7,616,229.47
Total Environmental Infrastructure Loans Payable	<u>\$ 14,315,625.47</u>	<u>-</u>	<u>\$ 1,207,367.15</u>	<u>\$ 13,108,258.32</u>
Total Long-Term Debt	<u>\$ 87,247,375.47</u>	<u>\$ 18,955,000.00</u>	<u>\$ 8,385,867.15</u>	<u>\$ 97,816,508.32</u>

# TOWNSHIP OF NORTH BRUNSWICK

## NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022 AND 2021

### 8. MUNICIPAL DEBT (continued)

A schedule of annual debt service for future principal and interest for bonded debt and environmental infrastructure loans for the Water Utility Fund is as follows:

Year	Water Utility		NJEIT Loans		Water Assessment Utility	
	Principal	Interest	Principal	Interest	Principal	Interest
2023	\$ 1,692,394.00	\$ 244,294.45	\$ 1,038,143.57	\$ 168,175.00	\$ 110,000.00	\$ 66,325.00
2024	651,787.00	201,245.21	1,053,871.14	140,875.00	115,000.00	60,418.75
2025	661,429.00	183,730.89	1,082,709.43	112,175.00	115,000.00	54,381.25
2026	679,053.00	164,005.62	1,113,187.47	81,975.00	120,000.00	48,212.50
2027	698,541.00	143,953.74	1,144,811.42	50,300.00	125,000.00	41,781.25
Subtotal	4,383,204.00	937,229.91	5,432,723.03	553,500.00	585,000.00	271,118.75
2028	591,296.00	126,094.50	1,176,278.60	17,050.00	130,000.00	34,925.00
2029	614,298.00	108,638.87			135,000.00	27,637.50
2030	642,174.00	89,590.68			140,000.00	20,075.00
2031	390,000.00	74,959.70			145,000.00	12,237.50
2032	405,000.00	65,050.33			150,000.00	4,125.00
Subtotal	2,642,768.00	464,334.08	1,176,278.60	17,050.00	700,000.00	99,000.00
2033	420,000.00	54,547.20				
2034	330,000.00	45,015.95				
2035	340,000.00	36,640.95				
2036	343,670.00	27,907.98				
2037	215,000.00	21,318.75				
Subtotal	1,648,670.00	185,430.83	-	-	-	-
2038	220,000.00	16,968.75				
2039	225,000.00	12,378.13				
2040	230,000.00	7,543.75				
2041	240,000.00	2,550.00				
2042						
Subtotal	915,000.00	39,440.63	-	-	-	-
Totals	\$ 9,589,642.00	\$ 1,626,435.45	\$ 6,609,001.63	\$ 570,550.00	\$ 1,285,000.00	\$ 370,118.75

# TOWNSHIP OF NORTH BRUNSWICK

## NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022 AND 2021

### 8. MUNICIPAL DEBT (continued)

A schedule of annual debt service for future principal and interest for bonded debt and environmental infrastructure loans for the Sewer Utility Fund and total debt, is as follows:

Year	Sewer Utility		NJEIT Loans		Total General, Water and Sewer Debt
	Principal	Interest	Principal	Interest	
2023	\$ 1,512,606.00	\$ 163,961.81	\$ 403,800.84	\$ 51,268.76	12,013,766.93
2024	343,213.00	127,304.81	407,598.66	46,293.76	9,045,454.83
2025	343,571.00	120,062.88	419,655.90	41,084.38	9,027,334.73
2026	355,947.00	112,613.14	344,769.31	36,600.00	8,811,763.67
2027	366,459.00	104,596.27	349,769.31	32,975.00	8,752,646.99
Subtotal	2,921,796.00	628,538.91	1,925,594.02	208,221.90	47,650,967.15
2028	373,704.00	96,049.26	354,769.31	29,100.00	8,428,217.30
2029	385,702.00	86,667.39	359,769.31	24,975.00	6,785,234.32
2030	397,826.00	76,371.83	359,769.31	20,725.00	6,549,769.32
2031	375,000.00	66,255.94	364,769.31	16,800.00	5,173,376.20
2032	375,000.00	56,562.19	369,769.31	13,575.00	5,105,141.83
Subtotal	1,907,232.00	381,906.61	1,808,846.55	105,175.00	32,041,738.97
2033	390,000.00	46,452.81	369,769.31	10,725.00	4,818,636.82
2034	285,000.00	37,496.56	374,769.31	7,800.00	4,606,059.32
2035	295,000.00	29,890.31	379,769.31	4,725.00	4,567,675.57
2036	306,330.00	21,817.04	288,179.66	1,575.00	2,488,404.68
2037	160,000.00	16,056.26			889,275.01
Subtotal	1,436,330.00	151,712.98	1,412,487.59	24,825.00	17,370,051.40
2038	165,000.00	12,806.26			477,150.00
2039	170,000.00	9,350.01			477,100.00
2040	175,000.00	5,684.38			476,750.00
2041	180,000.00	1,912.50			471,175.00
2042					470,375.00
Subtotal	690,000.00	29,753.15	-	-	2,372,550.00
2043					469,275.00
2044					472,800.00
2045					470,950.00
2046					468,800.00
2047					471,275.00
Subtotal	-	-	-	-	2,353,100.00
2048					468,375.00
2049					465,175.00
2050					456,750.00
2051					-
2052					-
Subtotal	-	-	-	-	1,390,300.00
Totals	\$ 6,955,358.00	\$ 1,191,911.65	\$ 5,146,928.16	\$ 338,221.90	\$ 103,178,707.52

**TOWNSHIP OF NORTH BRUNSWICK**

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022 AND 2021**

**8. MUNICIPAL DEBT (continued)**

**Bond Anticipation Notes**

Outstanding Bond Anticipation Notes are summarized as follows:

**Short-Term Debt**

	Balance, June 30, 2021	Additions	Reductions	Balance, June 30, 2022
Bond Anticipation Notes				
General Capital Fund	\$ 18,475,000.00	\$ 21,540,000.00	\$ 18,475,000.00	\$ 21,540,000.00
Water Utility Fund	3,500,000.00	13,985,000.00	3,500,000.00	13,985,000.00
Sewer Utility Fund	5,500,000.00	5,450,000.00	5,500,000.00	5,450,000.00
Total	<u>\$ 27,475,000.00</u>	<u>\$ 40,975,000.00</u>	<u>\$ 27,475,000.00</u>	<u>\$ 40,975,000.00</u>
	Balance, June 30, 2020	Additions	Reductions	Balance, June 30, 2021
Bond Anticipation Notes				
General Capital Fund	\$ 21,870,750.00	\$ 18,475,000.00	\$ 21,870,750.00	\$ 18,475,000.00
Water Utility Fund	5,930,000.00	3,500,000.00	5,930,000.00	3,500,000.00
Sewer Utility Fund	7,430,000.00	5,500,000.00	7,430,000.00	5,500,000.00
Total	<u>\$ 35,230,750.00</u>	<u>\$ 27,475,000.00</u>	<u>\$ 35,230,750.00</u>	<u>\$ 27,475,000.00</u>

**Bonds and Notes Authorized but Not Issued**

There were Bonds and Notes Authorized but Not Issued in the following amounts:

	Balance June 30, 2022	Balance June 30, 2021
General Capital Fund:		
General Improvements	<u>\$ 12,490,750.00</u>	<u>\$ 5,620,750.00</u>
Water Utility Capital Fund:		
General Improvements	<u>\$ 3,500,000.00</u>	<u>\$ 11,000,000.00</u>
Sewer Utility Capital Fund:		
General Improvements	<u>\$ 13,626,733.00</u>	<u>\$ 10,626,733.00</u>



## TOWNSHIP OF NORTH BRUNSWICK

### NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022 AND 2021

#### 9. PENSION PLANS

##### Description of Plans

The State of New Jersey, Division of Pension and Benefits (the Division) was created and exists pursuant to N.J.S.A. 52:18A to oversee and administer the pension trust and other postemployment benefit plans sponsored by the State of New Jersey (the State). According to the State of New Jersey Administrative Code, all obligations of the Systems will be assumed by the State of New Jersey should the plans terminate. Each defined benefit pension plan's designated purpose is to provide retirement, death and disability benefits to its members. The authority to amend the provision of plan rests with new legislation passed by the State of New Jersey. Pension reforms enacted pursuant to Chapter 78, P.L. 2011 included provisions creating special Pension Plan Design Committees for the Public Employees' Retirement System (PERS) and the Police and Firemen's Retirement System (PFRS), once a Target Funded Ratio (TFR) is met, that will have the discretionary authority to modify certain plan design features, including member contribution rate; formula for calculation of final compensation or final salary; fraction used to calculate a retirement allowance; age at which a member may be eligible and the benefits for service or early retirement; and benefits provided for disability retirement. The committee will also have the authority to reactivate the cost of living adjustment (COLA) on pensions. However, modifications can only be made to the extent that the resulting impact does not cause the funded ratio to drop below the TFR in any one year of a 30-year projection period. The Division issues a publicly available financial report that includes the financial statements and required supplementary information for each of the plans. This report may be accessed via the Division of Pensions and Benefits website, at [www.state.nj.us/treasury/pensions](http://www.state.nj.us/treasury/pensions), or may be obtained by writing to the Division of Pensions and Benefits, PO Box 295, Trenton, New Jersey, 08625.

##### **Public Employees' Retirement System**

The Public Employees' Retirement System ("PERS") is a cost-sharing, multiple employer defined benefit pension plan as defined in GASB Statement No. 68. The Plan is administered by The New Jersey Division of Pensions and Benefits ("Division"). The more significant aspects of the PERS Plan are as follows:

*Plan Membership and Contributing Employers* - Substantially all full-time employees of the State of New Jersey or any county, municipality, school district or public agency are enrolled in PERS, 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. Membership and contributing employers of the defined benefit pension plans consisted of the following at June 30, 2021:

	<u>2021</u>
Inactive plan members of beneficiaries currently receiving benefits	184,775
Inactive plan members entitles to but not yet receiving benefits	877
Active plan members	<u>246,776</u>
Total	<u><u>432,428</u></u>
Contributing Employers	1,683
Contributing Nonemployers	1

## TOWNSHIP OF NORTH BRUNSWICK

### NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022 AND 2021

#### 9. PENSION PLANS *(continued)*

Pursuant to the provision of Chapter 78, P.L. 2011, COLA increases were suspended for all current and future retirees of PERS.

For the year ended June 30, 2022 and 2021 the Township's total payroll for all employees was \$25,987,653 and \$23,797,695, respectively. Total PERS covered payroll was \$7,562,727 and \$7,156,515, respectively. Covered payroll refers to pensionable compensation, rather than total compensation, paid by the Township to active employees covered by the Plan.

*Specific Contribution Requirements and benefit provisions* – The contribution policy is set by N.J.S.A. 43:15A and requires contributions by active members and contributing employers. Members contribute at a uniform rate. The member contribution rate is 7.50% for 2021. Employers' contribution amounts are based on an actuarially determined rate which includes the normal cost and unfunded accrued liability.

The annual employer contributions include funding for basic retirement allowances and noncontributory death benefits. The Township's contributions to the Plan for the years ended June 30, 2022 and 2021 were \$1,178,633 and \$1,188,040, respectively. Township Contributions are due and payable on April 1<sup>st</sup> in the second fiscal period subsequent to plan year for which the contribution requirements were calculated. Township payments to PERS for the year ending June 30, 2022 consisted of the following:

	<u>2022</u>
Normal Cost	\$ 142,714
Amortization of Accrued Liability	<u>981,591</u>
Total Pension	1,124,305
NCGI Premiums	<u>54,328</u>
Total Pension & NCGI	<u>1,178,633</u>
Total PERS Payment	<u><u>\$1,178,633</u></u>

The Township recognizes liabilities to PERS and records expenditures for same in the fiscal period that bills become due.

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

The following represents the membership tiers for PERS:

<u>Tier</u>	<u>Definition</u>
1	Members who were enrolled prior to July 1, 2007.
2	Members who were eligible to enroll on or after July 1, 2007 and prior to November 2, 2008
3	Members who were eligible on or after November 2, 2008 and prior to May 22, 2010
4	Members who were eligible to enroll on or after May 22, 2010 and prior to June 28, 2011

# TOWNSHIP OF NORTH BRUNSWICK

## NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022 AND 2021

### 9. PENSION PLANS *(continued)*

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

*Pension Liabilities, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions* – The regulatory basis of accounting which is basis for the preparation of the Township's basic financial statements does not require or permit the inclusion of entity-wide, full accrual basis financial statements. Accordingly, the Township does not recognize pension liabilities for any current or prior period until the fiscal period in which such payments will become due and payable.

At June 30, 2021, the PERS reported a net pension liability of \$11,972,782,878 for its Non-State, Non-Special Funding Situation Employer Member Group. The Township's proportionate share of the net pension liability for the Non-State Employer Group that is attributable to the Township was \$11,922,536 or 0.1006418471%. At June 30, 2020, the PERS reported a liability of \$16,435,616,426 for its Non-State Employer Member Group. The Township's proportionate share of the net pension liability for the Non-State Employer Group that is attributable to the Township was \$17,709,966 or 0.1086008935%.

The following presents a summary of the proportionate share of the State of New Jersey's changes in the collective deferred outflows of resources and deferred inflows of resources attributable to the Township for the year ended June 30, 2021, if GASB Statement No. 68 was recognized:

	2021	
	Deferred Outflows of <u>Resources</u>	Deferred Inflows of <u>Resources</u>
Differences between expected and actual experience	\$ 188,034	\$ 85,351
Changes of assumptions	62,092	4,244,500
Net difference between projected and actual investment earnings on pension plan investments		3,140,709
Changes in proportion	280,920	1,454,566
Township contributions subsequent to the measurement date	1,259,833	
	<u>\$ 1,790,879</u>	<u>\$ 8,925,126</u>

# TOWNSHIP OF NORTH BRUNSWICK

## NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022 AND 2021

### 9. PENSION PLANS *(continued)*

The \$1,259,833 of deferred outflows of resources resulting from the Township's contributions subsequent to the measurement date will be recognized as a reduction to the net position liability in the year ending June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions would be recognized in pension expense as follows if GASB Statement No. 68 was recognized:

Year ended <u>June 30,</u>	<u>Amount</u>
2023	\$ (3,147,329)
2024	(2,299,915)
2025	(1,622,230)
2026	(1,292,637)
2027	<u>(31,969)</u>
Total	<u>\$ (8,394,080)</u>

*Actuarial Assumptions-* The collective 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. This actuarial valuation used the following actuarial assumptions:

Inflation rate:	
Price	2.75%
Wage	3.25%
Salary Increases:	2.00-6.00%
Through 2026	Based on years of service
Thereafter	3.00-7.00%
	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 a 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 Pub-2010 General Below-Median Income Healthy Retiree mortality table with a 91.4% adjustment for males and a 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 a 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, 2020 valuation were based on the results of an actuarial experience study for the period July 1, 2014 to June 30, 2018.

# TOWNSHIP OF NORTH BRUNSWICK

## NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022 AND 2021

### 9. PENSION PLANS (continued)

*Sensitivity of Net Pension Liability* – The following presents the net pension liability of PERS calculated using the discount rates as disclosed above as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	At 1% decrease (6.00%)	At current discount rate (7.00%)	At 1% increase (8.00%)
<u>2021</u>			
PERS	\$ <u>16,236,076</u>	\$ <u>11,992,536</u>	\$ <u>8,261,886</u>

*Plan Fiduciary Net Position* – The plan fiduciary net position for PERS, including the State of New Jersey, at June 30, 2021 was \$35,707,804,636 and \$29,045,369,302, respectively. The portion of the Plan Fiduciary Net Position that was allocable to the Local (Non-State) Group at June 30, 2021 was \$28,386,785,177.

#### *Additional Information:*

Collective balances at June 30, 2021 are as follows:

Collective deferred outflows of resources	\$ 1,164,738,169
Collective deferred inflows of resources	8,339,123,762
Collective net pension liability - Local group	11,972,782,878

Township's Proportion	0.1006418471%
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Collective pension expense for the Local Group for the measurement period ended June 30, 2021 was \$1,599,674,464. The average of the expected remaining service lives of all plan members is 5.13, 5.16, 5.21, 5.63, 5.48, 5.57, 5.72 and 6.44 years for 2021, 2020, 2019, 2018, 2017, 2016, 2015 and 2014, respectively.

#### **State Contribution Payable Dates**

Prior to July 1, 2018 valuation, it is assumed the State will make pension contributions the June 30<sup>th</sup> following the valuation date. Effective with the July 1, 2018 valuation, Chapter 83 P.L. 2017 requires the State to make pension contributions on a quarterly basis at least 25% by September 30, at least 50% by December 31, at least 75% by March 31, and at least 100% by June 30.

#### **Receivable Contributions**

The Fiduciary Net Position (FNP) includes Local employers' contributions receivable as reported in the financial statements provided by the Division of Pensions and Benefits. In determining the discount rate, the FNP at the beginning of each year does not reflect receivable contributions as those amounts are not available at the beginning of the year to pay benefits. The receivable contributions for the years ended June 30, 2021 and 2020, were \$1,207,896,120 and \$1,144,889,253, respectively.

**TOWNSHIP OF NORTH BRUNSWICK**

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022 AND 2021**

**9. PENSION PLANS (continued)**

**Police and Firemen's Retirement System**

The Police and Firemen's Retirement System ("PFRS") is a cost-sharing, multiple employer defined benefit pension plan as defined in GASB Statement No. 68. The Plan is administered by The New Jersey Division of Pensions and Benefits (Division). The more significant aspects of the PFRS Plan are as follows:

*Plan Membership and Contributing Employers-* Substantially all full-time county and municipal police and firemen and state firemen or officer employees with police powers appointed after June 30, 1944 are enrolled in PFRS. Membership and contributing employers of the defined benefit pension plans consisted of the following at June 30, 2021.

	<u>2021</u>
Inactive plan members of beneficiaries currently receiving benefits	46,571
Inactive plan members entitles to but not yet reeiving benefits	67
Active plan members	<u>42,432</u>
Total	<u><u>89,070</u></u>
Contributing Employers	581
Contributing Nonemployers	1

*Significant Legislation* - Pursuant to the provision of Chapter 78, P.L. 2011, COLA increases were suspended for all current and future retirees of PFRS.

The State Legislature adopted L. 2018, c. 55 in July 2018, which transferred management of PFRS from the New Jersey Department of Treasury, Division of Pensions and Benefits to a newly constituted twelve-member PFRS Board of Trustees. The new PFRS Board, which was established in February 2019 per the legislation, has more power and authority as compared to the former PFRS Board of Trustees. In addition to overseeing the management of PFRS, the new PFRS Board will also have the authority to direct investment decisions, to adjust current benefit levels and to change member and employer contribution rates. With regard to changes in current benefit provisions, such changes can only be made with the approval of a supermajority of eight (8) of the twelve (12) members of the new PFRS Board. Also, benefit enhancement can only be made if an independent actuary certifies that the benefit enhancements will not jeopardize the long-term viability of PFRS. Under prior law, benefit enhancements, including the reinstatement of COLA for retirees, could only be considered when the funded level of the pension fund reaches 80%. An actuarial certification was also required that the funded levels would remain at or above 80% over a 30-year period following the benefit enhancement.

In accordance with L. 2018, c. 55, the new PFRS Board will also have the authority to formulate investment policies and direct the investment activities of the PFRS. The PFRS Board has proposed regulations for adoption governing the methods, practices, and procedures for investment or reinvestments of money of PFRS.

## TOWNSHIP OF NORTH BRUNSWICK

### NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022 AND 2021

#### 9. PENSION PLANS *(continued)*

For the year ended June 30, 2022 and 2021 the Township's total payroll for all employees was \$25,987,653 and \$23,797,695, respectively. Total PFRS covered payroll was \$11,647,725 and \$10,856,260, respectively. Covered payroll refers to pensionable compensation, rather than total compensation, paid by the Township to active employees covered by the Plan.

*Specific Contribution Requirements and benefit provisions* – The contribution policy is set by N.J.S.A. 43:16A and requires contributions by active members and contributing employers. Pursuant to the provisions of Chapter 78, P.L. 2011, the active member contribution rate increased from 8.5% of annual compensation to 10% in October 2011. Employer contribution amounts are based on an actuarially determined rate. The annual employer contributions include funding for basic retirement allowances and noncontributory death benefits.

The annual employer contributions include funding for basic retirement allowances and noncontributory death benefits. The Township's contributions to the Plan for the years ended June 30, 2022 and 2021 were \$3,540,736 and \$3,956,736, respectively. Township Contributions are due and payable on April 1<sup>st</sup> in the second fiscal period subsequent to plan year for which the contribution requirements were calculated. Township payments to PFRS for the year ending June 30, 2022 consisted of the following:

	<u>2022</u>
Normal Cost	\$ 1,071,106
Amortization of Accrued Liability	<u>2,352,903</u>
Total Pension	3,424,009
NCGI Premiums	<u>116,727</u>
Total Pension & NCGI	<u>3,540,736</u>
Total PERS Payment	<u>\$ 3,540,736</u>

The Township recognizes liabilities to PFRS and records expenditures for same in the fiscal period that bills become due.

The vesting and benefit provisions are set by N.J.S.A. 43:16A. PFRS provides retirement as well as death and disability benefits. All benefits vest after ten years of service, except disability benefits which vest after four years of service.

The following represents the membership tiers for PFRS:

<u>Tier</u>	<u>Definition</u>
1	Members who were enrolled prior to May 22, 2010
2	Members who were eligible to enroll on or after May 22, 2010 and prior to June 28, 2011
3	Members who were eligible to enroll on or after June 28, 2011

# TOWNSHIP OF NORTH BRUNSWICK

## NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022 AND 2021

### 9. PENSION PLANS *(continued)*

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

*Pension Liabilities, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions* – The regulatory basis of accounting which is basis for the preparation of the Township's basic financial statements does not require or permit the inclusion of entity-wide, full accrual basis financial statements. Accordingly, the Township does not recognize pension liabilities for any current or prior period until fiscal period in which such payments will become due and payable.

At June 30, 2021, the PFRS reported a net pension liability of \$9,364,849,587 for its Non-State, Non-Special Funding Situation Employer Member Group. The Township's proportionate share of the net pension liability for the Non-State Non-Special Funding Situation Employer Member Group was \$22,205,551 or 0.3038045213% which was an increase of 0.0178155771% from its proportion, measured as of June 30, 2020.

At June 30, 2020, the PFRS reported a net pension liability of \$12,237,818,793 for its Non-State, Non-Special Funding Situation Employer Member Group. The Township's proportionate share of the net pension liability for the Non-State Non-Special Funding Situation Employer Member Group was \$41,557,559 or 0.3216200984%.

At June 30, 2021 and 2020, the Township's deferred outflow of resources and deferred inflow of resources related to PFRS were from the following sources, if GASB Statement No. 68 was recognized:

	2021	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 253,338	\$ 2,659,996
Changes of assumptions	118,158	6,654,902
Net difference between projected and actual investment earnings and actual earnings on pension plan investments		9,462,508
Changes in proportion	2,491,333	2,315,530
Township contributions subsequent to the measurement date	1,259,833	
	<u>\$ 4,122,662</u>	<u>\$ 21,092,936</u>



# TOWNSHIP OF NORTH BRUNSWICK

## NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022 AND 2021

### 9. PENSION PLANS *(continued)*

The \$1,259,833 of deferred outflows of resources resulting from the Township's contributions subsequent to the measurement date will be recognized as a reduction to the net pension liability in the year ending June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows, if GASB Statement No. 68 was recognized:

Year ended <u>June 30,</u>	<u>Amount</u>
2023	\$ (5,314,293)
2024	(4,096,817)
2025	(3,767,576)
2026	(4,087,174)
2027	(824,145)
Thereafter	<u>(140,102)</u>
Total	<u>\$ (18,230,107)</u>

*Actuarial Assumptions* - The total pension liability for the June 30, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement :

Inflation rate:	2.75%
Salary Increases:	
Through all future years	3.25-15.25%
	Based on years of service
Investment rate of return	7.00%

Pre-retirement mortality rates were based on the Pub-2010 Safety Employee mortality table with a 105.6% adjustment for males and a 102.5% adjustment for females, with future improvement from the base year of 2010 on a generational basis. For healthy annuitants, post-retirement mortality rates were based on Pub-2010 Safety Retiree Below-Median Income Weighted mortality table with a 96.7% adjustment for males and a 96.0% adjustment for females, with future improvement from the base year of 2010 on a generational basis. For beneficiaries (contingent annuitants), the Pub-2010 General Retiree Below-Median Income Weighted mortality table was used, unadjusted, and with future improvement from the base year of 2010 on a generational basis. Disability rates were based on the Pub-2010 Safety Disabled Retiree mortality table with a 152.0% adjustment for males and a 109.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2021.

# TOWNSHIP OF NORTH BRUNSWICK

## NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022 AND 2021

### 9. PENSION PLANS *(continued)*

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.

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2021) 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:

	2021	
	Target	Long-Term
	<u>Allocation</u>	<u>Expected Real</u> <u>Rate of Return</u>
U.S. Equity	27.00%	8.09%
Non-U.S. Developed Markets Equity	13.50%	8.71%
Emerging Markets 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. Treasuries	5.00%	0.95%
Risk Mitigation Strategies	3.00%	3.35%
	<u>100.00%</u>	

**Discount Rate** – The discount rate used to measure the total pension liability as of June 30, 2021 was 7.00%. 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 projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments to determine the total pension liability.

# TOWNSHIP OF NORTH BRUNSWICK

## NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022 AND 2021

### 9. PENSION PLANS *(continued)*

*Sensitivity of Net Pension Liability* – The following presents the net pension liability of PFRS calculated using the discount rates as discussed above as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	At 1% decrease (6.00%)	At current discount rate (7.00%)	At 1% increase (8.00%)
<u>2021</u>			
PFRS	\$ <u>33,718,435</u>	\$ <u>22,205,551</u>	\$ <u>12,622,319</u>

*Fiduciary Net Position* – The plan fiduciary net position for PFRS at June 30, 2021 was \$33,543,253,487.

#### *Additional Information:*

Collective Local Group balances at June 30, 2021 are as follows:

Collective deferred outflows of resources	\$ 817,271,932
Collective deferred inflows of resources	6,875,738,520
Collective net pension liability - Local group	9,364,849,587
Township's Proportion	0.3038047547%

Collective pension expense for the Local Group for the measurement period ended June 30, 2021 and 2020 was \$742,955,825. The average of the expected remaining service lives of all plan members is 6.17, 5.90, 5.92, 5.73, 5.59, 5.58 and 6.17 years for the 2021, 2020, 2019, 2018, 2017, 2016, 2015 and 2014 amounts, respectively.

#### **State Contribution Payable Dates**

Prior to July 1, 2018 valuation, it is assumed the State will make pension contributions the June 30<sup>th</sup> following the valuation date. Effective with the July 1, 2018 valuation, Chapter 83 P.L. 2017 requires the State to make pension contributions on a quarterly basis at least 25% by September 30, at least 50% by December 31, at least 75% by March 31, and at least 100% by June 30.

#### **Receivable Contributions**

The Fiduciary Net Position (FNP) includes Local employers' contributions receivable as reported in the financial statements provided by the Division of Pensions and Benefits. In determining the discount rate, the FNP at the beginning of each year does not reflect receivable contributions as those amounts are not available at the beginning of the year to pay benefits.

## TOWNSHIP OF NORTH BRUNSWICK

### NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022 AND 2021

#### 9. PENSION PLANS *(continued)*

Local contributions expected to be paid the April 1<sup>st</sup>, following the valuation are discounted by the interest rate used at the valuation date.

##### **Special Funding Situation**

The Township is responsible for the actuarially determined annual contributions to the PFRS, except where legislation was passed that legally obligates the State if certain circumstances occur.

A special funding situation exists for the Local employers of the PFRS. The State of New Jersey, as a non-employer, is required to pay the additional costs incurred by Local employers based upon the provisions of several legislative actions. The provisions of GASB Statement No. 68 define this relationship as a “special funding situation”, and the State of New Jersey is defined as a “non-employer contributing entity”.

Unaudited data provided by the PFRS indicates that the total Non-employer contributions made to the PFRS by the State for the year ended June 30, 2021 was \$178,577,000. The portion of that contribution allocated to the Township was \$542,525, or 0.3038045213%. The June 30, 2021 State special funding situation pension expense of \$228,944,734 was actuarially determined and represents the required contribution due from the State for the year. The special funding situation net pension liability under the special funding situation was reported at \$2,055,697,552 at June 30, 2021 and represents the accumulated difference between the actuarially determined annual contributions required and the actual State contributions through the valuation date. The Township’s allocated shares of the special funding situation pension expense for the year ended June 30, 2021 and its share of the special funding situation NPL at that date were \$695,545 and \$6,245,307, respectively.

Unaudited data provided by the PFRS indicates that the total Non-employer contributions made to the PFRS by the State for the year ended June 30, 2020 was \$154,309,000. The portion of that contribution allocated to the Township was \$496,289, or 0.3216200984%. The June 30, 2020 State special funding situation pension expense of \$227,263,993 was actuarially determined and represents the required contribution due from the State for the year. The special funding situation net pension liability under the special funding situation was reported at \$2,005,329,818 at June 30, 2020 and represents the accumulated difference between the actuarially determined annual contributions required and the actual State contributions through the valuation date.

The Township’s allocated shares of the special funding situation pension expense for the year ended June 30, 2020 and its share of the special funding situation NPL at that date were \$730,927 and \$6,449,544, respectively.

##### **Defined Contribution Retirement System**

The Defined Contribution Retirement Plan (“DCRP”) is a multiple employer defined contribution plan as defined in GASB Statement No. 68. The Plan is administered by The New Jersey Division of Pensions and Benefits (Division). The Division has selected Prudential Financial to manage the DCRP on its behalf. The more significant aspects of the DCRP are as follows:

## TOWNSHIP OF NORTH BRUNSWICK

### NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022 AND 2021

#### 9. PENSION PLANS *(continued)*

*Plan Membership and Contributing Employers* - Enrollment in the DCRP is required for state or local officials, elected or appointed on or after July 1, 2007; employees enrolled in PFRS or PERS on or after July 1, 2007, who earn salary in excess of established "maximum compensation" limits; employees otherwise eligible to enroll in PFRS or PERS on or after November 2, 2008, who do not earn the minimum annual salary for tier 3 enrollment but who earn salary of at least \$5,000 annually; and employees otherwise eligible to enroll in PFRS or PERS after May 21, 2010, who do not work the minimum number of hours per week required for tier 4 or tier 5 enrollment, but who earn salary of at least \$5,000 annually. At June 30, 2021, the membership of DCRP, based on the information within the Division's database, was 59,988.

*Contribution Requirement and Benefit Provisions* - State and local government employers contribute 3% of the employees' base salary. Active members contribute 5.5% of base salary.

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

The contribution policy is set by laws of the State of New Jersey and contributions are required by active members and participating employers. Plan members and employer contributions may be amended by State of New Jersey legislation, with the amount of contributions by the State of New Jersey contingent upon the annual Appropriations Act. As defined, the various retirement systems require employee contributions based on 7.20% for PERS, 10.02% for PFRS and 5.50% for DCRP of employees' base wages.

#### 10. POST-RETIREMENT HEALTH COVERAGE

##### State Health Benefit Local Government Retired Employees Plan

##### General Information about the OPEB Plan

##### Plan Description

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*;

## TOWNSHIP OF NORTH BRUNSWICK

### NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022 AND 2021

#### 10. POST-RETIREMENT HEALTH COVERAGE (*continued*)

therefore assets are accumulated to pay associated benefits. For additional information about the Plan, please refer to the State of New Jersey (the State), Division of Pensions and Benefits' (the Division) Comprehensive Annual Financial Report (CAFR), which can be found at <https://www.state.nj.us/treasury/pensions/annual-reports.shtml>.

#### **Benefits Provided**

The Plan provides medical and prescription drug coverage to retirees and their 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.

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.

**TOWNSHIP OF NORTH BRUNSWICK**

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2022 AND 2021**

**10. POST-RETIREMENT HEALTH COVERAGE *(continued)***

**Contributions**

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.

	<u>June 30, 2021</u>	<u>June 30, 2020</u>
Inactive plan members or beneficiaries currently receiving benefits	16,249	24,294
Active plan members	<u>82,906</u>	<u>72,485</u>
Total	<u>99,155</u>	<u>96,779</u>
Contributing employers	590	590
Contributing nonemployers	1	1

*Nonspecial Funding Situation* - The State of New Jersey's Total OPEB Liability for nonspecial funding situation was \$14,138,423,345 and \$12,484,309,814 at June 30, 2021 and 2020, respectively.

*Components of Net OPEB Liability* – The components of the collective net OPEB liability for Local Government Retired Employees Plan, including the State of New Jersey, is as follows:

	<u>2021</u>	<u>2020</u>
Total OPEB Liability	\$ 18,050,052,887	\$ 18,111,475,228
Plan Fiduciary Net Position	<u>50,271,652</u>	<u>164,862,282</u>
Net OPEB Liability	<u><u>\$ 17,999,781,235</u></u>	<u><u>\$ 17,946,612,946</u></u>
Plan fiduciary net position as a percentage of the total OPEB liability	0.28%	0.91%

## TOWNSHIP OF NORTH BRUNSWICK

### NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022 AND 2021

#### 10. POST-RETIREMENT HEALTH COVERAGE *(continued)*

##### *Actuarial Assumptions and Other Inputs:*

The total OPEB liability as of June 30, 2021 was determined by an actuarial valuation as of July 1, 2020, which was rolled forward to June 30, 2021. 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 increase*:	
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 Firemens' Retirement System (PFRS)	
Rate for all future years	3.25% to 15.25%
Mortality	
PERS	Pub-2010 General classification headcount weighted mortality with fully genrational mortality improvement projections from the central year using Scale MP-2021
PFRS	Pub-2010 Safety classification headcount weighted mortality with fully genrational 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.

*Health Care Trend Assumptions* – For pre-Medicare medical benefits, the trend rate is initially 5.65% and decreases to a 4.50% long-term trend rate after seven years. For post-65 medical benefits, the actual fully-insured Medicare Advantage trend rates for fiscal year 2022 through 2023 are reflected. For PPO, the trend is initially 5.74% in fiscal year 2024, increasing to 12.93% in fiscal year 2025 and decreases to 4.50% after eleven years. For HMO, the trend is initially 6.01% in fiscal year 2024, increasing to 15.23% in fiscal year 2025 and decreases to 4.5% after eleven years. For prescription drug benefits, the initial trend rate is 6.75% and decreases to a 4.50% long-term trend rate after seven years. For the Medicare Part B reimbursement, the trend rate is 5.00%.



# TOWNSHIP OF NORTH BRUNSWICK

## NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022 AND 2021

### 10. POST-RETIREMENT HEALTH COVERAGE *(continued)*

**Discount Rate** – The discount rate for June 30, 2021 2.16%. This represents the municipal bond 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 State's Net OPEB Liability to Changes in the Discount Rate** - The following presents the collective net OPEB liability of the participating employers as of June 30, 2021 and 2020, respectively, calculated using the discount rate as disclosed above as well as what the collective 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:

	1% Decrease	At Discount Rate	1% Increase
Total Net OPEB Liability - 2021	<u>\$ 21,182,289,882</u>	<u>\$ 17,999,781,235</u>	<u>\$ 15,477,574,697</u>

**Sensitivity of the State's Net OPEB Liability to Changes in the Healthcare Cost Trend Rates** - The following presents the net OPEB liability as of June 30, 2021 and 2020, respectively, 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:

	1% Decrease	At Healthcare Cost Trend Rate	1% Increase
Total Net OPEB Liability - 2021	<u>\$ 15,017,879,689</u>	<u>\$ 17,999,781,235</u>	<u>\$ 21,890,793,528</u>

**Special Funding Situation** – The State of New Jersey's Total OPEB Liability for special funding situation was \$3,861,357,890 and \$5,462,303,132 at June 30, 2021 and 2020, respectively.

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 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.

The amounts of the State's Non-employer OPEB Liability that are attributable to employees and retirees of the Township of North Brunswick was \$6,178,559 and \$23,383,519 at June 30, 2021 and 2020, respectively. These allocated liabilities represent 0.160010% and 0.428089% of the State's Total Non-employer OPEB Liability for June 30, 2021 and 2020, respectively. The OPEB expense attributed to the Township was \$(843,087) and \$(1,1164,037) at June 30, 2021 and 2020, respectively.

## **TOWNSHIP OF NORTH BRUNSWICK**

### **NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022 AND 2021**

#### **11. ACCRUED SICK AND VACATION BENEFITS**

The Township has established uniform personnel policies via employee contracts and municipal ordinances that set forth the terms under which an employee may accumulate unused benefits as follows:

Sick Leave - Sick Leave shall accumulate at the rate of one (1) day per month for the first year of service and fifteen (15) days for each subsequent year for all permanent employees and shall be cumulative from year to year without limit. Upon retirement, the employee is entitled to receive partial payment for any unused accumulated sick leave computed on the basis of final wages and subject to limitations that vary with union affiliation.

Vacations - Vacation pay for permanent employees accumulates in accordance with the approved schedules. Vacation days may be taken in year earned, but not to exceed the number of days earned at time of vacation. Earned vacation day may be accumulated up to one (1) year of current vacation credits with the exception of employees in the PBA or SOA unions who may accumulate vacation days without limit.

Any employee who has separated his/her employment may be paid the salary equivalent to accrued vacation earned, not to exceed more than one (1) year of current vacation credits earned with the exception of those employees in the PBA or SOA.

The Township maintains up-to-date records of each employee's status relating to earned and unused sick and vacation pay. It is estimated that the cost of such unpaid sick and vacation pay would approximate \$7,008,290 and \$6,463,135 at June 30, 2022 and 2021. This amount represents the current value of all accumulations and is not intended to portray amounts that would be recorded under GAAP.

The Township has not discounted the total based upon a study of utilization by employees separating from service. Neither has it excluded the accumulations of any employees based upon the likelihood that the right to receive termination payments for such accumulations will vest with the employees. The amount that the valuation reported above would be reduced under either of the methodologies permitted under GAAP has not been determined. Expenditures for payment of accrued sick and vacation benefits are recorded in the period in which payments are made as part of the current year's operating budget appropriations.

#### **12. RISK MANAGEMENT**

Lines of coverage provided by the Fund include property; boiler and machinery; equipment floater; house flooding; underground storage tanks; auto physical; blanket bond; auto liability; general liability; law enforcement liability; public official liability and worker compensation and employer liability.

## TOWNSHIP OF NORTH BRUNSWICK

### NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022 AND 2021

#### 12. RISK MANAGEMENT *(continued)*

On January 1, 2011, the Township joined the Garden State Municipal Joint Insurance Fund. This Fund provides for a pooling of self-retained risks of insurable losses, as well as cost effective excess insurance coverage. At December 31, 2021 and 2020, the Fund reported total assets of \$67,014,327 and \$63,089,500, respectively, liabilities and reserves of \$66,644,699 and \$62,738,588, respectively, which includes case reserves of \$39,523,453 and \$41,993,173, respectively, and IBNR of \$22,265,398 and \$20,424,642, respectively and net position of \$369,628 and \$350,912, respectively.

See Note 19 to the Financial Statements with respect to the Township's previous participation in the Middlesex County Joint Insurance Fund (MCJIF).

#### 13. LENGTH OF SERVICE AWARD PROGRAM (LOSAP)

The Township has authorized a Length of Service Award Program (LOSAP) pursuant to section 457 (e) of the Internal Revenue Code and P.L. 1997, C. 388 as amended by P.L. 2001, C. 272 of the Statutes of New Jersey. The program provides for fixed annual contributions to a deferred income account for volunteer firefighters and first aid and rescue squad members who meet specified service criteria. The Township sponsors the Program, which is administrated by a private contractor. The LOSAP Program is subject to an annual review in accordance with AICPA standards for attestation engagements. LOSAP review reports are available in the office of the Township Clerk during scheduled working hours.

#### 14. DEFERRED COMPENSATION

The Township has instituted a Deferred Compensation Plan pursuant to section 457 of the Internal Revenue Code and P.L. 1977, C. 381; P.L. 1978, C. 39; P.L. 1980, C. 78; and P.L. 1997, C. 116 of the Statutes of New Jersey. The Plan is an arrangement whereby a public employer may establish a plan and permit its employees to voluntarily authorize a portion of their current salary to be withheld and invested in one or more of the types of investments permitted under the governing regulations. The Township has engaged a private contractor to administer the plan.

#### 15. DEFERRED SCHOOL TAXES

Tax revenue for the Township of North Brunswick Board of Education has been collected and the liability deferred by statute. The following is a schedule of deferred taxes:

	<u>2022</u>	<u>June 30,</u> <u>2021</u>
Balance of Tax	\$ 45,850,850.04	\$ 45,581,642.05
Deferred	45,267,758.00	44,267,758.00
Payable	<u>\$ 583,092.04</u>	<u>\$ 1,313,884.05</u>

## TOWNSHIP OF NORTH BRUNSWICK

### NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022 AND 2021

#### 16. AFFORDABLE HOUSING

In accordance with the Final Judgement of Compliance and Repose filed August 19, 2016 and in order to implement provisions of the Township Housing Element/Fair Share Plan adopted June 6, 2016 (the "Plan"), the Municipality implemented a program to provide affordable housing units to low- and moderate-income household desiring to live within the Municipality. As such, the Township entered into a renewal agreement with the North Brunswick Housing Corporation to serve as the Administrative Agent to implement the provision of the Plan. The Administrative Agent is required to perform duties and responsibilities as set forth in the Rules, the Housing Rehabilitation Program Manual, and the Rent Subsidy Program, as components of the Plan including those set forth in N.J.A.C. 5:80-26.14, 15 & 18.

Funding of the program is contingent upon revenue from the statewide Non-Residential Development Fee established by P.L. 2008, c46. The Township of North Brunswick transferred \$500,000 in fiscal year 2022 to the Housing Rehabilitation Program.

Previously, on June 4, 2012, the governing body of the Township of North Brunswick authorized by resolution an agreement with the North Brunswick Housing Corporation to serve as Administrative Agent for the administration of affordable housing units within the Township of North Brunswick. The resolution also authorized the transfer of funds from the Affordable Housing Trust Fund to the North Brunswick Housing Corporation for affordability assistance in the accordance with the Townships Amended Spending Plan approved by the New Jersey Department of Community Affairs. The Township of North Brunswick transferred funds to the Housing Corporation in fiscal year 2013.

#### 17. FUND BALANCES APPROPRIATED

Fund balances at June 30, 2022 and 2021, which were appropriated and included as anticipated revenue in their own respective funds for the "Fiscal Year" ending June 30, 2022 and 2021 as follows:

	<u>FUND BALANCE JUNE 30, 2022</u>	<u>UTILIZED IN SUCCEEDING BUDGET</u>
Current Fund	\$ 14,602,528.61	\$ 4,600,000.00
Water Utility Fund	1,972,783.01	200,000.00
Sewer Utility Fund	2,122,351.46	440,000.00

	<u>FUND BALANCE JUNE 30, 2021</u>	<u>UTILIZED IN SUCCEEDING BUDGET</u>
Current Fund	\$ 12,754,392.33	\$ 4,600,000.00
Water Utility Fund	1,906,712.18	200,000.00
Sewer Utility Fund	2,122,351.46	440,000.00

## TOWNSHIP OF NORTH BRUNSWICK

### NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022 AND 2021

#### 18. GASB 77 TAX ABATEMENTS

The Township provides for long-term tax exemptions, as authorized and permitted by New Jersey State Statutes. N.J.S.A. 40A:20-1 et seq. sets forth the criteria and mechanism by which property taxes can and are abated. The exemptions provided by the Township are predominately for affordable housing projects. Taxes abated include municipal, local school and county taxes. The Township is required to remit five percent (5.00%) to the County for any payments received in lieu of taxes (PILOT payments). The Township PILOT billings in 2022 were \$0.00 and taxes in 2022 that otherwise would have been due on these long-term tax exemptions amounted to \$849,152, based upon the assessed valuations of the long-term tax exemptions properties.

#### 19. CONTINGENT LIABILITIES

##### a. Federal and State Awards

The Township participates in several federal and state financial assistance grant programs. Entitlement to the funds is generally conditioned upon compliance with terms and conditions of the grant agreements and applicable regulations, including the expenditures of funds for eligible purposes. These programs are also subject to compliance and financial audits by the grantors or their representatives. As of June 30, 2022, and the date of this report, the Township does not believe that any material liabilities will result from such audits.

##### b. Litigation

As of the date of this report, the Township had pending litigations. Management's review of the pending litigations indicates that any judgments rendered against the Township will not have a material adverse impact on the Township's financial position.

##### c. Tax Appeals

As of June 30, 2022, there were tax appeals pending before the New Jersey Tax Court of an undetermined amount. Judgments favorable to the taxpayers generally extend to two years following the year adjudicated and would also subject the Township to a liability for statutory interest on the amount.

##### d. Supplemental Insurance Assessments

Effective December 31, 2010, the Township exited the Middlesex County Joint Insurance Fund (MCJIF). During 2021, based upon its financial condition, the MCJIF issued a supplemental assessment to all current and former MCJIF members. The supplemental assessment to the Township based upon its previous participation in the MCJIF amounted to \$1,249,333.87. The terms of the supplemental assessment are being reviewed by the Township, which is expected to be over a seven-year period.

## **TOWNSHIP OF NORTH BRUNSWICK**

### **NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022 AND 2021**

#### **20. SUBSEQUENT EVENTS**

The Township has evaluated subsequent events occurring after June 30, 2022 through the date of this report, which is the date the financial statements were available to be issued. Based on this evaluation, the Township has determined the following subsequent events have occurred which requires disclosure in the financial statements:

The Township issued Bond Anticipation Notes dated July 13, 2022 with a maturity date of July 12, 2023. The BAN's were issued for \$21,650,000 with an interest rate of 4.00% and at a net interest cost (NIC) of 2.348412%.

The Township issued General Improvement Bonds of 2022, dated July 13, 2022, in the amount of \$27,720,000 with interest rates ranging from 4.000% to 5.000% and a true interest cost (TIC) of 3.605512%. The bonds were issued with serial bond maturities from 2023 through to 2047.

The Township adopted a bond ordinance 22-23 on September 6, 2022 providing for Capital Improvements, appropriating \$10,000,000 therefore and authorizing the issuance of \$9,500,000 Bonds or Notes.

The Township adopted a bond ordinance 22-24 on September 6, 2022 providing for Capital Improvements, appropriating \$2,000,000 therefore and authorizing the issuance of \$1,900,000 Bonds or Notes.

The Township adopted ordinance 22-18 on September 6, 2022 authorizing the execution of a public-private agreement with Veolia Water North American Operating Services, LLC for the operation, maintenance, management, and repair services for the municipal water system.

**TOWNSHIP OF NORTH BRUNSWICK**  
**MIDDLESEX COUNTY, NEW JERSEY**

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**PART II**  
**SINGLE AUDIT SECTION**

**Report on Internal Control Over Financial Reporting and on Compliance and Other  
Matters Based on an Audit of Financial Statements Performed in Accordance With  
Government Auditing Standards**

**Independent Auditors' Report**

**The Honorable Mayor and Members  
of the Municipal Council  
Township of North Brunswick  
County of Middlesex, New Jersey**

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and the audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division"), the regulatory basis financial statements of the various funds and governmental fixed assets of the Township of North Brunswick, Middlesex County, New Jersey (the "Township"), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements, and have issued our report thereon dated March 31, 2023, in which we expressed an adverse opinion on the conformity of the statements with accounting principles generally accepted in the United States of America due to the differences between those principles and the financial reporting provisions of the Division.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Township's internal 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 the Township's internal control.

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



**The Honorable Mayor and Members  
of the Municipal Council  
Township of North Brunswick**

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**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Township's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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.

*PKF O'Connor Davies, LLP*

Cranford, New Jersey  
March 31, 2023



Andrew G. Hodulik  
Licensed Registered Municipal Accountant, No. 406



**Report on Compliance for Each Major Federal and State Program and Report on Internal Control  
Over Compliance Required by the Uniform Guidance and NJ OMB Circular 15-08**

**Independent Auditors' Report**

**Honorable Mayor and Members  
of the Municipal Council  
Township of North Brunswick  
Middlesex County, New Jersey**

**Report on Compliance for Each Major Federal and State Program**

***Opinion on Each Major Federal and State Program***

We have audited the Township of North Brunswick, New Jersey ("Township") compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement and New Jersey State Aid/Grant Compliance Supplement* that could have a direct and material effect on each of the Township's major federal and state programs for the year ended June 30, 2022. The Township's major federal and state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Township complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended June 30, 2022.

***Basis for Opinion on Each Major Federal and State Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America ("GAAS"); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey; Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"); and New Jersey OMB Circular 15-08 *Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid*. Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Township and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a reasonable basis for our opinion on compliance for each major federal and state program. Our audit does not provide a legal determination of the Township's compliance with the compliance requirements referred to above.

***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the Township's federal and state programs.

PKF O'CONNOR DAVIES, LLP

20 Commerce Drive, Suite 301, Cranford, NJ 07016 | Tel: 908.272.6200 | Fax: 908.272.2416 | [www.pkfod.com](http://www.pkfod.com)

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**Honorable Mayor and Members  
of the Municipal Council  
Township of North Brunswick**

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***Auditors' Responsibility for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Township's compliance based on our audit. 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, *Governmental Auditing Standards*, and the Uniform Guidance and New Jersey OMB Circular 15-08 will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error; as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Non-compliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Township's compliance with the requirements of each major federal and state program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance and New Jersey OMB Circular 15-08, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 Township's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Township's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and New Jersey Circular 15-08, but not for the purpose of expressing an opinion on the effectiveness of the Township's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

***Report on Internal Control Over Compliance***

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

**Honorable Mayor and Members  
of the Municipal Council  
Township of North Brunswick**

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Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be a material weakness, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on requirements of the Uniform Guidance and NJ OMB Circular 15-08. Accordingly, this report is not suitable for any other purposes.

*PKF O'Connor Davies, LLP*

Cranford, New Jersey  
March 31, 2023



Andrew G. Hodulik  
Registered Municipal Accountant, No. 406

**SCHEDULE OF EXPENDITURES  
OF FEDERAL AWARDS AND  
STATE FINANCIAL ASSISTANCE**

TOWNSHIP OF NORTH BRUNSWICK  
COUNTY OF MIDDLESEX  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED JUNE 30, 2022

Federal Grantor/Pass-Through Grantor/Program Title	Federal AL Number	State of NJ Account Number	Grant Period		Revised Budget	Passed-Through To Sub- Recipients	Expenditures
			From	To			
U.S. Department of Housing and Urban Development:							
Pass Thru - County of Middlesex - Community Development Block Grant Entitlement Cluster							
Program Year 2020	14.218	Not available	7/1/2020	Completion			\$ 54,672.70
Program Year 2021	14.218	Not available	7/1/2021	Completion			21,729.99
U.S. Department of Law and Public Safety							
Pass Thru - State of New Jersey							
Bulletproof Vest Grant	16.607	Not available	1/1/2020	Completion	\$ 18,546.00		7,200.14
Bulletproof Vest Grant	16.607	Not available	1/1/2021	Completion	7,246.81		7,246.81
Click It or Ticket	20.616	066-1160-100-XXX	1/1/2022	6/30/2022	6,000.00		5,970.00
Drive Sober or Get Pulled Over	20.616	066-1160-100-XXX	1/1/2022	6/30/2022	11,000.00		10,725.00
Drive Sober or Get Pulled Over	20.616	066-1160-100-XXX	1/1/2022	6/30/2022	13,500.00		13,500.00
U.S. Department of Health and Human Services							
Special Programs for the Aging Cluster							
Pass Thru - State of New Jersey							
Senior Center Congregate Meals	93.044	054-7530-100-058	7/1/2021	6/30/2022	10,000.00		2,643.00
Senior Center Congregate Meals	93.044	054-7530-100-058	7/1/2021	6/30/2022	10,000.00		
Senior Center Congregate Meals	93.044	054-7530-100-058	7/1/2021	6/30/2022	14,000.00		13,736.00
Senior Center Transportation	93.044	054-7530-100-058	7/1/2021	6/30/2022	10,000.00		0.00
Senior Center Transportation	93.044	054-7530-100-058	7/1/2021	6/30/2022	10,000.00		1,635.00
Senior Center Transportation	93.044	054-7530-100-058	7/1/2021	6/30/2022	10,000.00		2,131.00
Senior Outreach Program	93.044	054-7530-100-058	7/1/2021	6/30/2022	20,500.00		15,235.00
Senior Outreach Program	93.044	054-7530-100-058	7/1/2021	6/30/2022	10,500.00		10,500.00
U.S. Department of the Treasury:							
COVID-19 - State and Local Fiscal Recovery Funds	21.027	022-830-100-687	7/1/2021	6/30/2022			2,168,261.44
Total Federal Awards						\$ -	\$ 2,335,186.08

See Notes to Schedule of Expenditures of Federal Awards

TOWNSHIP OF NORTH BRUNSWICK  
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE  
YEAR ENDED JUNE 30, 2022

State Funding Department or Division	Program	State Account Number	Grant Period		Award Amount	Cash Received	Expenditures	Cumulative Expenditures
			From	To				
Community Affairs								
Pass Thru Middlesex County								
	Municipal Alliance on Alcohol and Drug Abuse:	2000-475-9915120-60	01-01-20	12-31-20	\$ 56,852.50			\$ 32,132.50
	Municipal Alliance on Alcohol and Drug Abuse:	2000-475-9915120-60	01-01-21	12-31-21	18,851.25	\$ 7,532.80	\$ 700.00	18,151.25
	Municipal Alliance on Alcohol and Drug Abuse:	2000-475-9915120-60	01-01-22	12-31-22	22,080.00	5,343.80	19,242.15	
Environmental Protection								
	Clean Communities	042-4900-765-004	01-01-20	12-31-20	69,939.05		27,801.87	56,633.18
	Clean Communities	042-4900-765-004	01-01-21	12-31-21	63,064.32		1,350.95	
	Recycling Tonnage Grant	042-4910-100-224	01-01-21	12-31-21	66,897.39			
	Recycling Tonnage Grant	042-4910-100-224	01-01-22	12-31-22	67,137.72			
	Recycling Enhancement Grant		01-01-22	12-31-22	7,080.00		7,080.00	7,080.00
	Recycling Enhancement Grant		01-01-22	12-31-22	8,253.75		3,580.22	3,580.22
Judiciary								
	Alcohol Ed. Rehab. Enforcement Fund	098-9735-760-001	01-01-18	12-31-18	3,538.69			1,467.37
	Alcohol Ed. Rehab. Enforcement Fund	098-9735-760-001	01-01-19	12-31-19	3,441.93			500.00
	Alcohol Ed. Rehab. Enforcement Fund	098-9735-760-001	01-01-20	12-31-20	3,214.99			
	Alcohol Ed. Rehab. Enforcement Fund	098-9735-760-001	01-01-21	12-31-21	5,084.59			
	Alcohol Ed. Rehab. Enforcement Fund	098-9735-760-001	01-01-22	12-31-22	4,998.38			
Law and Public Safety								
	Police Body Armor	066-1020-718-001	01-01-19	12-31-19	8,143.89		3,713.82	8,143.89
	Police Body Armor	066-1020-718-001	01-01-20	12-31-20	8,138.04		8,138.04	8,138.04
	Police Body Armor	066-1020-718-001	01-01-21	12-31-21	6,024.45		1,905.20	1,905.20
	Police Body Armor	066-1020-718-001	01-01-22	12-31-22	3,804.49	3,804.49		
	Police Cameras		01-01-22	12-31-22	185,458.00		58,969.00	58,969.00
	Safe and Secure Neighborhoods Program	066-1020-100-232	01-01-22	12-31-22	32,400.00		32,400.00	32,400.00
	Pedestrian Safety Grant	066-1160-100-131	01-01-20	12-31-20	15,000.00			2,035.00
	Pedestrian Safety Grant	066-1160-100-131	01-01-21	12-31-21	15,000.00			14,960.00
	Pedestrian Safety Grant	066-1160-100-131	01-01-22	12-31-22	15,000.00	15,000.00	15,000.00	15,000.00
	Distracted Driving Crackdown U Text	N/A	01-01-21	12-31-21	10,500.00	10,500.00		10,500.00
	Distracted Driving Crackdown U Text	N/A	01-01-22	12-31-22	12,250.00	12,250.00	12,250.00	12,250.00
Division of Highway Traffic Safety								
	Drunk Driving Enforcement Fund	N/A	01-01-19	12-31-19	10,885.43		2,409.41	10,885.43
	Drunk Driving Enforcement Fund	N/A	01-01-20	12-31-20	8,494.13		4,596.57	5,686.07
	Drunk Driving Enforcement Fund	N/A	01-01-21	12-31-21	8,973.72		(2,138.93)	1,161.07
Transportation								
	NJ DOT - Quarry Lane	078-6320-480-AM2	01-01-19	Completion	925,000.00	21,400.10		924,999.97
	NJ DOT - Finnegan's Lane	078-6320-480-AMW	01-01-19	Completion	1,050,000.00	262,500.00	136,592.91	587,986.08
	NJ DOT - Raider Road	078-6320-480	01-01-20	Completion	570,200.00	27,097.19		570,200.00
	NJ DOT - Ridge Road (Livingston to Newton)	078-6320-480	01-01-21	Completion	555,000.00		555,000.00	555,000.00
	NJ DOT - Evelyn Ave	078-6320-480	01-01-22	Completion	566,900.00			
	NJ DOT- Pedestrian/Bicycle Path	078-6320-480	01-01-09	Completion	81,240.45		9,932.55	80,420.31
	NJ DOT - Local Freight Impact - Corporate Rd	078-6320-480	01-01-22	Completion	365,000.00			
Grants in Aid Pre School Property Acquisition								
		N/A		Completion	500,000.00			
State - NBCP Walkway								
		N/A	01-01-22	Completion	500,000.00	375,000.00		
State BPU Accoustical Testing Grant								
		N/A	01-01-22	Completion	250,502.85	187,877.14		
Total State Financial Assistance					\$ 6,104,350.01	\$ 928,305.52	\$ 898,523.76	\$ 3,020,184.58

See Notes to Schedules of Expenditures of State Financial Assistance

per AFS sheet 1c

845,773.73  
13,914.75

TOWNSHIP OF NORTH BRUNSWICK  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL  
ASSISTANCE  
YEAR ENDED JUNE 30, 2022

NOTE 1: GENERAL

The accompanying schedules of expenditures of federal awards and state financial assistance presents the activity of all federal and state financial assistance programs of the Township of North Brunswick. The Township of North Brunswick is defined in Note 1(A) to the financial statements. To the extent identified, the federal awards and state financial assistance that passed through other governmental agencies is included on the schedules of federal awards and state financial assistance.

NOTE 2: BASIS OF ACCOUNTING

The accompanying schedules of expenditures of federal awards and state financial assistance is presented using the regulatory basis of accounting prescribed or permitted for municipalities by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which differ in certain respects from accounting principles generally accepted in the United States of America (GAAP) applicable to local government units. This basis of accounting is described in Note 1(B) to the Township's financial statements. In addition, the Township has elected not to use the 10 percent de minimis indirect cost rate allowed under Uniform Guidance and NJOMB Circular 15-08.

NOTE 3: RELATIONSHIP TO BASIC REGULATORY BASIS FINANCIAL STATEMENTS

Amounts reported in the accompanying schedules agree with amounts reported in the Township's financial statements.

NOTE 4: RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

Amounts reported in the accompanying schedule of federal awards and state financial assistance agrees with the amounts reported in the related federal and state financial reports, were required.



TOWNSHIP OF NORTH BRUNSWICK  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2022

Schedule C  
Page 1 of 3

*Section 1 - Summary of Auditors' Results*

**Financial Statements**

Type of report the auditor issued on the financial statements:

Unmodified for Regulatory Basis

Internal Control over financial reporting:

1) Material weakness(es) identified?

\_\_\_\_\_ Yes            X       No

2) Significant deficiency(ies) identified?

\_\_\_\_\_ Yes            X       None reported

Noncompliance material to basic financial  
statements noted?

\_\_\_\_\_ Yes            X       No

**Federal Awards**

Internal Control over major federal programs:

1) Material weakness(es) identified?

\_\_\_\_\_ Yes            X       No

2) Significant deficiency(ies) identified?

\_\_\_\_\_ Yes            X       None reported

Type of auditor's report issued on compliance for  
major federal programs:

Unmodified

Any audit findings disclosed that are required to be reported  
in accordance with 2 CFR 200.516(a)?

\_\_\_\_\_ Yes            X       No

Identification of major federal programs:

<u>AL Number</u>
21.027

<u>Name of Federal Program or Cluster</u>
Coronavirus COVID-19 ARPA
State and Local Fiscal Recovery

Dollar threshold used to distinguish between Type A and B programs:

\$750,000.00

Auditee qualified as low-risk auditee?

\_\_\_\_\_ Yes            X       No

Schedule C  
Page 2 of 3

TOWNSHIP OF NORTH BRUNSWICK  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2022

Schedule C  
Page 3 of 3

Section II - Financial Statement Findings

This section identifies significant deficiencies, material weaknesses, and instances of noncompliance related to the general-purpose financial statements that are required to be reported in accordance with chapter 5.18 of *Government Auditing Standards*.

Significant Deficiency(ies)/Material Weaknesses

None noted.

Noncompliances

None noted.

Section III - Federal Awards and State Financial Assistance Findings and Questioned Costs

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance, including questioned costs, related to the audit of major federal and state programs, as required by the Uniform Guidance and NJ OMB Circular 15-08.

Federal Awards and State Financial Assistance Programs:

Significant Deficiency(ies)/Material Weaknesses:

None noted.

Noncompliance:

None noted.

TOWNSHIP OF NORTH BRUNSWICK  
SUMMARY SCHEDULE OF PRIOR FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2022

Section 1 – Summary of Prior Year Findings

SUMMARY OF PRIOR YEAR FINDINGS

There were no prior year findings noted.

**TOWNSHIP OF NORTH BRUNSWICK**  
**MIDDLESEX COUNTY, NEW JERSEY**

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**PART III**  
**SUPPLEMENTARY SCHEDULES**

## **CURRENT FUND**

CURRENT FUND  
SCHEDULE OF CASH

	<u>Ref.</u>	Current	Grants
Cash Balance June 30, 2021	A	\$ 20,477,821.02	\$ 1,089,065.67
Increased by Cash Receipts			
Petty Cash.....	A-5	1,050.00	
Interfund Transfers			
Matching Funds For Grants.....	A-18		762.00
NJ Sr Citizens and Vets Deductions.....	A-6	112,755.48	
Revenue Collection			
Misc Anticipated Revenue.....	A-2	13,437,234.41	
Taxes Receivable.....	A-7	149,734,073.18	
Homestead Benefit Rebates.....	A-7	1,038,660.75	
Deferred Revenue.....	A-7	1,767,069.14	
Misc Revenue Not Anticipated.....	A-8	249,782.93	
Tax Overpayments.....	A-11	4.73	
Miscellaneous Reserves.....	A-9	81,382.00	
Unappropriated Grant Reserves.....	A-15		135,673.55
Grants Receivable.....	A-16		1,048,899.17
Total Cash Receipts.....		166,422,012.62	1,185,334.72
Decreased by Disbursements			
Petty Cash.....	A-5	(1,050.00)	
Fund Balance			
Refund of Prior Year's Revenue.....	A-1	(4,538.93)	
Refund of Tax Overpayments.....	A-11	(3,110.41)	
Budget			
Budget Appropriations.....	A-3	(49,907,759.90)	
Appropriation Reserves.....	A-10	(1,735,793.40)	
Appropriated Grant Reserves.....	A-17		(955,553.42)
Interfund Transfers			
Matching Funds for Transfer.....	A-14	(762.00)	
Tax Collections			
Taxes Payable.....	A-12	(114,392,561.92)	
Miscellaneous Reserves.....	A-9	(2,242,133.62)	
Total Cash Disbursements.....		(168,287,710.18)	(955,553.42)
Cash Balance June 30, 2022	A	\$ 18,612,123.46	\$ 1,318,846.97

CURRENT FUND  
SCHEDULE OF PETTY CASH AND CHANGE FUNDS

	Balance June 30, 2021	Advanced	Returned	Balance June 30, 2022
Change Fund.....	\$ 1,225.00	\$ -	\$ -	\$ 1,225.00
Petty Cash Funds:				
Senior Center.....	0	200.00	200.00	-
Public Works.....	0	200.00	200.00	-
Police.....	0	250.00	250.00	-
Purchasing.....	0	200.00	200.00	-
Recreation.....	0	200.00	200.00	-
Total	\$ 1,225.00	\$ 1,050.00	\$ 1,050.00	\$ 1,225.00
<u>Ref.</u>	A	A-4	A-4	A



CURRENT FUND  
SCHEDULE OF DUE FROM NJ - SENIOR CITIZENS & VETERANS DEDUCTIONS

Balance June 30, 2021	<u>Ref.</u> A	\$ 127,061.83
Revenue - Eligible Sr Citizens & Veterans Deductions		
Original SFY 2022 Tax Levy.....	A-6	\$ 109,500.00
Allowed - SFY 2022 Taxes.....	A-6	3,750.00
Prior year Sr Citizens Allowed.....	A-1	<u>167.80</u>
		<u>113,417.80</u>
		240,479.63
Decreased by:		
Cash Received from State of NJ.....	A-4	(112,755.48)
Disallowed - SFY 2022 Taxes.....	A-6	(3,513.01)
Prior year Sr Citizens Disallowed.....	A-1	<u>-</u>
		<u>(116,268.49)</u>
Balance June 30, 2022	A	<u><u>\$ 124,211.14</u></u>

Analysis of Realized Revenues for 2022

Sr. Citizen & Veterans Deductions Allowed/Disallowed by:		
Per Tax Billings - 2022	A-6	\$ 109,500.00
By Collector - 2022	A-6	<u>236.99</u>
	A-7	<u><u>\$ 109,736.99</u></u>

CURRENT FUND  
SCHEDULE OF PROPERTY TAXES RECEIVABLE AND LEVY ANALYSIS

	Ref.		FY 2023 Prepaid	FY 2022 Current	FY 2021 Delinquent	Arrears	Tax Liens	Property Acquired for Taxes
Balance June 30, 2021	A	\$	1,584,082.34		\$ 532,161.81	\$ 370,748.24	\$ 146,891.61	\$ 534,280.68
<b>Levy &amp; Adjustments</b>								
Original Levy.....			152,160,972.07	\$ 152,160,972.07				
Added Omitted & Rollback.....			525,351.34	525,351.34				
Assessor's Appeals.....			6,669.23	6,669.23				
Appeals & Canceled Taxes.....			(30,055.67)	(29,338.35)	(717.32)			
Cost & Interest on Taxes.....			3,111.57				3,111.57	
Transfers & Tax Lien Sales.....			-	(40,317.95)	(6,083.00)	(1,292.86)	47,693.81	
Municipal Liens - trf to 3rd Party Lien.....			0.50	0.50				
Other Adjustments - by Resolution.....			(639.42)	78.66	(718.08)			
Clean Up Costs.....			-	255.76				
<b>Revenue</b>								
Sr.Citizens & Vets.....	A-6		(109,904.79)	(109,736.99)	(167.80)			
Prepays Applied.....	A-7		(457,448.80)	(457,448.80)				
Overpayments Applied.....	A-1, A-11		(200,036.78)	\$ (250,008.92)	44,484.49	5,487.65		
Cash Receipts.....	A-4		(149,734,073.18)	(227,503.95)	(148,578,967.88)	(525,302.56)	(369,455.38)	(32,843.41)
Deferred Revenue.....	A-4, A-9		(1,767,069.14)		(1,767,069.14)	-		
Homestead Benefit Rebates.....	A-4		(1,038,660.75)		(1,038,660.75)			
Balance June 30, 2022	A	\$	942,298.52	\$ (477,512.87)	\$ 716,272.19	\$ 4,660.70	\$ -	\$ 164,853.58
							0.00	0.00
<b>Analysis of Property Tax Levy.....</b>								
<b>Tax Yield:</b>								
General Purpose Tax.....	Ref. A-7	\$	152,160,972.07					
Added by Tax Appeals.....	A-7	-	22,669.12					
Added Taxes.....	A-7		525,351.34					
Total Levy.....		\$	152,663,654.29					
<b>Tax Levy:</b>								
Non-Municipal Taxes.....	Ref. A-12	\$						114,661,769.92
Municipal Purpose Tax.....	A-2							33,850,000.00
Municipal Library Tax.....	A-2							1,729,910.31
Total Tax Levy.....								150,241,680.23
Added Taxes.....								2,421,974.06
Total Amount to be Raised.....		\$	152,663,654.29					
<b>Current Taxes Realized</b>								
Sr. Citizens & Veterans Deductions.....	Ref. A-6, A-7	\$	109,736.99					
Cash Receipts.....	A-7		148,578,967.88					
Prepaid Taxes Applied.....	A-7		457,448.80					
Overpayments Applied.....	A-11		(44,484.49)					
Homestead Benefits Credits.....	A-7		1,038,660.75					
Subtotal - Revenue Realized including Adjustments.....	A-1		150,140,329.93					
Deferred Revenue.....	A-7		1,767,069.14					
Reserve for Uncollected Taxes.....	A-3		700,000.00					
Total Revenue, Current Taxes.....			152,607,399.07					
Deferred Revenue.....	A-9		(1,767,069.14)					
Non-Municipal Taxes Payable.....	A-12		(114,661,769.92)					
Revenue, Local Purpose Tax.....	A-2	\$	36,178,560.01					
<b>% of Tax Levy Collected</b>								
Total Tax Revenue.....								151,907,399.07
Total Tax Levy.....								152,663,654.29
% of Tax Levy Collected.....								99.505%
<b>Delinquent Taxes Realized</b>								
Taxes Received		\$						894,757.94
Tax Title Liens Received								32,843.41
		\$						927,601.35
	A-1							

CURRENT FUND  
SCHEDULE OF NON-BUDGET REVENUE

	<u>Ref</u>	June 30, 2022	June 30, 2021
Other Miscellaneous Revenues Not Anticipated:			
NSF Fees.....		\$ 695.00	\$ 758.98
Cellular Tower Lease.....		72,231.52	70,127.70
Cellular Franchise Fee.....		-	82,963.50
Inspection Fees - State of NJ.....		600.00	1,932.00
Miscellaneous.....		8,132.67	1,994.52
Buildings - Variations.....			-
Admin Fee Sr. Ctr. & Vet Deduction.....		2,255.11	2,362.96
Collector - Lot Clean -up Fees.....		737.52	-
Church & Dwight - Lease Agreement.....			100.00
Prior Year Voided Checks.....			-
FEMA Reimbursement.....		17,025.46	
Auction - Sale of Assets.....			54,341.58
Bail Returned.....		3,695.44	500.00
Public Works			
Sanitation Bins / Automated Carts/Sr. Rev....		6,598.00	8,220.00
Refuse Container Rental.....		19,200.00	23,200.00
Police - Admin Fee, Off-Duty Police.....		118,612.21	146,145.72
Total.....	A-1, A-4	<u>\$ 249,782.93</u>	<u>\$ 392,646.96</u>

CURRENT FUND  
SCHEDULE OF CHANGES IN ACCOUNTS PAYABLE & RESERVES

	June 30, 2021	Transfer from (to) Budget	Cash Receipts	Cash Disbursements	Adjustments	June 30, 2022
<b>Accounts Payable:</b>						
Filing Fees Due State of NJ:						
Marriage Licenses.....	\$ 1,425.00	\$ -	\$ 5,052.00	\$ (5,125.00)	\$ -	\$ 1,352.00
DCA - UCC Training.....	12,846.00		76,305.00	(67,819.00)		21,332.00
EDA Pilot Payment	100.00		25.00			125.00
Total Filing Fees Due NJ.....	14,371.00		81,382.00	(72,944.00)		22,809.00
Vendor Accounts Payable.....	1,856.36	52,628.27		(928.18)	(928.18)	52,628.27
Total Payable.....	16,227.36	52,628.27	81,382.00	(73,872.18)	(928.18)	75,437.27
<b>Reserves:</b>						
Reserve for Tax Appeals.....	376,903.86	1,000.00				377,903.86
Reserve for Rental Inspections - Crescent.....	180.00					180.00
Reserve for ARPA.....	2,168,261.44		-	(2,168,261.44)		-
Reserve for Deferred Revenue - Advanced Billings..	-		1,767,069.14			1,767,069.14
Total Reserves.....	2,545,345.30	1,000.00	-	(2,168,261.44)	0	2,145,153.00
Total.....	\$ 2,561,572.66	\$ 53,628.27	\$ 81,382.00	\$ (2,242,133.62)	\$ (928.18)	\$ 2,220,590.27
<u>Ref.</u>	A	A-3, A-10	A-4, A-7	A-4	A-1	A

CURRENT FUND  
SCHEDULE OF APPROPRIATION RESERVES

	June 30, 2021 Balance			Transfers	Expended		Transferred to Accounts Payable	Balance Lapsed
	Salaries	Other	Encumbrances		Salaries	Other		
General Government:								
Administration.....	\$ 4,874.05	\$ 11,460.15	\$ 986.27		\$ (4,874.00)	\$ (7,552.52)		\$ 4,893.95
Municipal Clerk.....	821.24	9,699.29	147.00		(821.24)	(197.00)		9,649.29
Financial Administration.....	9,891.25	4,216.27				(288.50)		13,819.02
Audit.....	-	5,000.00	55,000.00			(55,000.00)		5,000.00
Information Technology.....	3,382.47		31,291.87		(3,382.47)	(24,419.89)		6,871.98
Tax Collection.....	2,131.04	1,196.25	464.00		(2,131.04)	(464.00)		1,196.25
Tax Assessment.....	655.95	29,231.54	26,599.00		(655.95)	(4,058.00)		51,772.54
Legal.....	-	50,000.00	29,250.64	\$ 85,000.00		(127,317.96)	\$ (3,600.00)	33,332.68
Insurance:								
Other Insurance .....	-	46,252.40						46,252.40
Employee Group Insurance.....	-	489,926.27		(85,000.00)		(850.79)		404,075.48
Health Benefit Waiver.....	-	5,350.00						5,350.00
Community Development								
Engineering.....	7,987.83	2,618.97	21,092.08			(8,148.08)		23,550.80
Planning.....	3,561.37	2,909.53	935.00		(3,561.37)			3,844.53
Zoning.....	1,377.16	5,227.12	19.12					6,623.40
Code Enforcement.....	4,348.96	828.45	320.90					5,498.31
Fire Safety.....	18,917.96	0.28	2,696.70		(11,389.65)	(2,372.70)		7,852.59
Uniform Construction Code.....	7,732.13	27,362.06	4,012.93		(6,345.51)	(89.41)		32,672.20
Public Safety:								
Police.....	880,527.89	44,545.40	104,372.50		(616,190.35)	(93,005.82)	(8,090.92)	312,158.70
Emergency Management.....	12,690.69	6,649.00	1,487.85			(687.85)		20,139.69
Volunteer Fire Departments.....	-	8,014.94	5,375.64			(13,203.64)		186.94
First Aid Organizations.....	-							-
Length of Service Award Program.....	-	26,944.62	38,055.38			(38,055.38)		26,944.62
Juvenile Aid.....	-	935.46	7,064.54			(6,856.36)		1,143.64
Municipal Court.....	38,253.49	30,008.41	1,648.05		(25,509.90)	(1,436.00)		42,964.05
Public Defender.....	-	5,000.00	10,000.00			(1,800.00)		13,200.00

CURRENT FUND  
SCHEDULE OF APPROPRIATION RESERVES

	June 30, 2021 Balance			Transfers	Expended		Transferred to Accounts Payable	Balance Lapsed
	Salaries	Other	Encumbrances		Salaries	Other		
Public Works:								
Streets and Roads.....	\$ 33,168.34	\$ 18,335.11	\$ 43,708.77		\$ (20,000.00)	\$ (61,060.02)		\$ 14,152.20
Sanitation.....	35,245.27	26,478.31	2,450.00		(34,663.51)			29,510.07
Solid Waste Disposal Fees.....	-	20,000.00	69,964.23			(88,722.76)		1,241.47
Recycling.....	-	76,457.05	60,878.72			(54,540.72)		82,795.05
Buildings and Grounds.....	40,563.88	300.34	37,676.20		(28,705.03)	(36,854.12)	-	12,981.27
Motor Vehicle Maintenance.....	6,403.95	21,531.68	21,282.10		(4,295.15)	(26,260.73)		18,661.85
Muni Service Reimbursement								
Condominiums.....	-	16,082.70	69,500.00			(33,186.87)	\$ (40,937.35)	11,458.48
NJDEP - Stormwater Permit.....	60,616.68	1,361.20	138.80		(60,000.00)			2,116.68
Parks Recreation & Community Services								
Board of Health.....		54,327.08				(95.00)		54,232.08
Animal Control.....	1,000.00	10,772.82						11,772.82
Environmental Commission.....	-	659.19				(375.00)		284.19
Recreation & Community Services.....	12,858.45	49,644.07	7,073.49		(12,858.45)	(6,535.83)		50,181.73
Senior Services.....	15,298.28	21,975.47	6,839.90		(5,678.00)	(7,983.30)		30,452.35
Parks and Playgrounds.....	9,175.89	38,606.12	30,419.57		(9,175.89)	(65,816.54)		3,209.15
Unclassified								
Salary Adjustments.....	-	60,000.00				(60,000.00)		-
Utilities / Facilities Costs.....	-	118,546.28	27,383.44			(56,114.43)		89,815.29
Contingency.....	-	100.00						100.00
Statutory Expenditures:								
Public Employees Retirement.....	-	3,801.83				(2,206.67)		1,595.16
DCRP.....	-	5,713.09						5,713.09
Social Security.....	-	9,971.37						9,971.37
Interlocal Agreements:								
Special Law Enforcement Officers.....	-	4,773.00						4,773.00
Matching Funds for Grants.....	-	13,229.75						13,229.75
Total Operations	\$ 1,211,484.22	\$ 1,386,042.87	\$ 718,134.69	\$ -	\$ (850,237.51)	\$ (885,555.89)	\$ (52,628.27)	\$ 1,527,240.11

	Ref.	A	A-9	A-1
Salaries.....		\$ 1,211,484.22	\$ (850,237.51)	
Other Expenses.....		1,386,042.87	(885,555.89)	
Total.....	A	<u>\$ 2,597,527.09</u>	<u>\$ (1,735,793.40)</u>	
			Ref. A-4	

CURRENT FUND  
SCHEDULE OF PROPERTY TAX OVERPAYMENTS

Balance June 30, 2021	A	\$ 203,148.24
Increased by:		
Overpayments Received in 2022.....	A-4	<u>4.73</u>
		203,152.97
Decreased by:		
Transferred to Taxes Receivable.....	A-7	200,036.78
Refund.....	A-4	<u>3,110.41</u>
		203,147.19
Balance June 30, 2022	A	<u><u>\$ 5.78</u></u>

CURRENT FUND  
SCHEDULE OF TAXES PAYABLE

	<u>Ref.</u>	June 30, 2021	Taxes Levied	Cash Disbursements	June 30, 2022
County - General.....		\$ 0.01	\$ 20,199,383.46	\$ (20,199,383.46)	\$ 0.00
County - Open Space.....			1,653,618.77	(1,653,618.77)	-
County - Added & Omitted.....		-	73,547.92	(73,547.92)	-
Local School District Taxes.....		45,581,642.04	91,970,908.00	(91,701,700.00)	45,850,850.04
Local Open Space.....		-	764,311.77	(764,311.77)	-
Sub-Total.....	A-7	45,581,642.05	114,661,769.92	(114,392,561.92)	45,850,850.04
School Taxes Deferred.....	A	(44,267,758.00)	(1,000,000.00)	-	(45,267,758.00)
Total Taxes Payable.....		<u>\$ 1,313,884.05</u>	<u>\$ 113,661,769.92</u>	<u>\$ (114,392,561.92)</u>	<u>\$ 583,092.04</u>
<u>Ref.</u>		A	A-1, A-7	A-4	A



CURRENT FUND  
NON-LOCAL TAX LEVY CALCULATION

.....County Lax Levy.....																																																																																																		
Ref.	Total	General	Open Space	Added & Omitted	Local School Taxes	Local Open Space	Library																																																																																											
Calendar Year 2021 Tax Levy.....	\$ 113,306,117.18	\$ 19,258,153.44	\$ 1,584,190.00	\$ -	\$ 91,701,700.00	\$ 762,073.74	\$ 1,729,910.31																																																																																											
1/1-6/30/2021 Levy (1/2 CY20).....	55,370,953.77	8,687,846.70	722,666.23	-	45,581,642.00	378,798.84	786,768.88																																																																																											
7/1-12/31/2021 Levy.....	57,935,163.41	10,570,306.74	861,523.77	-	46,120,058.00	383,274.90	943,141.43																																																																																											
1/1-6/30/2022 Levy (1/2 CY21).....	56,653,058.59	9,629,076.72	792,095.00	-	45,850,850.00	381,036.87	864,955.16																																																																																											
SFY 2022 Tax Levy..... A-12	<u>\$ 114,588,222.00</u>	<u>\$ 20,199,383.46</u>	<u>\$ 1,653,618.77</u>	<u>\$ -</u>	<u>\$ 91,970,908.00</u>	<u>\$ 764,311.77</u>	<u>\$ 1,808,096.59</u>																																																																																											
<table> <tr> <th></th><th colspan="2">CY 2020</th><th colspan="2">CY 2021</th><th colspan="2">CY 2022</th><th></th><th></th></tr> <tr> <th></th><th>Rate</th><th>Levy</th><th>Rate</th><th>Levy</th><th>Rate</th><th>Levy</th><th></th><th></th></tr> <tr> <td>County General Tax.....</td><td>\$ 0.689</td><td>\$ 17,375,693.40</td><td>\$ 0.759</td><td>\$ 19,258,153.44</td><td>\$ 0.795</td><td>\$ 20,240,599.65</td><td></td><td></td></tr> <tr> <td>County Open Space.....</td><td>0.058</td><td>1,445,332.46</td><td>0.063</td><td>1,584,190.00</td><td>0.067</td><td>1,709,632.91</td><td></td><td></td></tr> <tr> <td>Local School Tax.....</td><td>3.610</td><td>91,163,284.00</td><td>3.610</td><td>91,701,700.00</td><td>3.673</td><td>93,579,189.00</td><td></td><td>0.00</td></tr> <tr> <td>Municipal Open Space.....</td><td>0.030</td><td>757,597.68</td><td>0.030</td><td>762,073.74</td><td>0.030</td><td>764,332.86</td><td></td><td>0.00</td></tr> <tr> <td>Library.....</td><td>0.062</td><td>1,573,537.76</td><td>0.068</td><td>1,729,910.31</td><td>0.074</td><td>1,879,156.13</td><td></td><td>0.00</td></tr> <tr> <td>Total - Non Municipal.....</td><td>4.449</td><td>112,315,445.30</td><td>4.530</td><td>115,036,027.49</td><td>4.639</td><td>118,172,910.55</td><td></td><td></td></tr> <tr> <td>Local Purpose Municipal Tax.....</td><td>1.337</td><td>33,781,377.64</td><td>1.337</td><td>33,981,375.86</td><td>1.371</td><td>-</td><td></td><td></td></tr> <tr> <td>Total CY Tax Levy.....</td><td><u>\$ 5.786</u></td><td><u>\$ 146,096,822.94</u></td><td><u>\$ 5.867</u></td><td><u>\$ 149,017,403.35</u></td><td><u>\$ 6.010</u></td><td><u>\$ 118,172,910.55</u></td><td></td><td></td></tr> </table>										CY 2020		CY 2021		CY 2022					Rate	Levy	Rate	Levy	Rate	Levy			County General Tax.....	\$ 0.689	\$ 17,375,693.40	\$ 0.759	\$ 19,258,153.44	\$ 0.795	\$ 20,240,599.65			County Open Space.....	0.058	1,445,332.46	0.063	1,584,190.00	0.067	1,709,632.91			Local School Tax.....	3.610	91,163,284.00	3.610	91,701,700.00	3.673	93,579,189.00		0.00	Municipal Open Space.....	0.030	757,597.68	0.030	762,073.74	0.030	764,332.86		0.00	Library.....	0.062	1,573,537.76	0.068	1,729,910.31	0.074	1,879,156.13		0.00	Total - Non Municipal.....	4.449	112,315,445.30	4.530	115,036,027.49	4.639	118,172,910.55			Local Purpose Municipal Tax.....	1.337	33,781,377.64	1.337	33,981,375.86	1.371	-			Total CY Tax Levy.....	<u>\$ 5.786</u>	<u>\$ 146,096,822.94</u>	<u>\$ 5.867</u>	<u>\$ 149,017,403.35</u>	<u>\$ 6.010</u>	<u>\$ 118,172,910.55</u>		
	CY 2020		CY 2021		CY 2022																																																																																													
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Net Valuation Taxable.....		\$ 2,525,325,600.00		\$ 2,540,245,800.00		\$ 2,547,776,200.00																																																																																												

CURRENT FUND  
SCHEDULE OF INTERFUNDS

	<u>Ref.</u>	
Interfund Balance - June 30, 2021	A	\$ -
Increased by:		
Local Match Requirement		
Appropriated.....	A-3	1,661,323.71
Less Grant Revenues.....	A-2	(1,655,322.71)
Decreased by:		
Cash Disbursements.....	A-4	(762.00)
Appropriated Reserves Canceled.....	A-17	(46,133.40)
Grant Receivables Canceled.....	A-16	40,894.40
Interfund Balance (Due from Grant Fund) June 30, 2022	A	\$ -

STATE AND FEDERAL GRANT FUND  
SCHEDULE OF UNAPPROPRIATED GRANT RESERVES

Grant Name	June 30, 2021	Appropriated	Cash Receipts	June 30, 2022
<u>Fiscal Year 2022</u>				
Clean Communities.....	\$ 67,137.72	\$ 67,137.72	\$ -	\$ -
Alcohol Ed. Rehab. Enforcement Fund.....	4,998.38	4,998.38		-
<u>Fiscal Year 2023</u>				
Clean Communities.....			68,506.81	68,506.81
Recycling Tonage			61,007.38	61,007.38
Alcohol Ed. Rehab. Enforcement Fund.....	-		6,159.36	6,159.36
Total	\$ 72,136.10	\$ 72,136.10	\$ 135,673.55	\$ 135,673.55
Ref.	A	A-16	A-4	A

STATE AND FEDERAL GRANT FUND  
SCHEDULE OF GRANTS RECEIVABLE

		June 30, 2021	Budget Adopted	NJSA 40A:4-87	Cash	Unappropriated Realized	Canceled	June 30, 2022
<b>STATE GRANTS</b>								
Grants In Aide Pre School Property Acquisition.....		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State - NBSP Walkway.....	FY22		500,000.00		(375,000.00)			125,000.00
State BPU Accoustical Testing Grant.....	FY22		250,502.85		(187,877.14)			62,625.71
Community Development:								-
NJ DOT - Evelyn Avenue.....	FY21	566,900.00						566,900.00
NJ DOT - Schmidt Lane.....		-						-
NJ DOT - Quarry Lane.....	FY19	245,294.53			(21,400.10)		-	223,894.43
NJ DOT - Finnegans Lane Improvements.....	FY19	262,500.00			(262,500.00)			-
NJ DOT - Raider Road Improvements.....	FY20	202,540.12			(27,097.19)			175,442.93
NJ DOT - Local Freight Impact - Corporate Rd.....	FY22	0	365,000.00					365,000.00
NJ DOT - Ridgewood (Livingston to Newton).....	FY21	138,750.00						138,750.00
Public Safety:								
Drunk Driving Enforcement.....		-						-
Body Armor Grant - State.....	FY22	-		3,804.49	(3,804.49)			-
Distracted Driving .....	FY22	-		12,250.00	(12,250.00)			-
Distracted Driving .....	FY21	10,500.00			(10,500.00)			-
Pedestrian Safety, Education and Enforcement.....	FY22		15,000.00		(15,000.00)		-	-
Pedestrian Safety, Education and Enforcement.....	FY21	40.00				(40.00)		-
Pedestrian Safety, Education and Enforcement.....	FY20	12,965.00				(12,965.00)		-
Pedestrian Safety, Education and Enforcement.....		0.40				(0.40)		-
Highway Safety Safe Corridors.....	FY22			73,761.00				73,761.00
State Body Worn Cameras.....	FY22		185,458.00					185,458.00
Parks Recreation & Community Service		-						-
Municipal Alliance.....	FY22		17,664.00		(5,343.80)			12,320.20
Municipal Alliance.....	FY21	7,532.80			(7,532.80)			-
Municipal Alliance.....	FY20	19,481.00					(19,481.00)	-
Public Works:								
Clean Communities.....	FY22	-	67,137.72			(67,137.72)		-
Recycling Tonnage Grant.....		-						-
E-Waste.....		-						-
Municipal Court		-						-
Alcohol Education & Enforce Fund.....	FY22	-	4,998.38			(4,998.38)		-
Total - State Grants.....		\$ 1,466,503.85	\$ 1,405,760.95	\$ 89,815.49	\$ (928,305.52)	\$ (72,136.10)	\$ (32,486.40)	\$ 1,929,152.27

STATE AND FEDERAL GRANT FUND  
SCHEDULE OF GRANTS RECEIVABLE

		June 30, 2021	Budget Adopted	NJSA 40A:4-87	Cash	Unappropriated Realized	Canceled	June 30, 2022
<b>FEDERAL GRANTS</b>								
Public Safety:								
Bullet Proof Vest Grant - Federal.....	FY22	\$ -	\$ 9,020.00	\$ 9,526.00	\$ (9,972.60)	\$ -	\$ -	\$ 8,573.40
Bullet Proof Vest Grant - Federal.....	FY20	1,245.53			(1,245.53)			-
Safe and Secure.....	FY22	-		32,400.00	(32,400.00)			-
Click it or ticket.....	FY21	6,000.00			(5,970.00)			30.00
Drive Sober or Get Pulled Over.....	FY22	-		13,500.00	(13,500.00)			-
Drive Sober or Get Pulled Over.....	FY20	275.00					(275.00)	-
Parks Recreation & Community Service								-
Heritage Day (County/Federal).....	FY22	-		7,925.00	(5,944.00)			1,981.00
Heritage Day (County/Federal).....	FY21	6,000.00			(6,000.00)			-
Heritage Day (County/Federal).....	FY18	1,375.00						1,375.00
Senior Center Meal Program.....	FY22	-		10,000.00				10,000.00
Senior Center Meal Program.....	FY21	10,000.00		-				10,000.00
Senior Center Meal Program.....	FY20	264.00					(264.00)	-
Senior Center Transportation.....	FY22	-		10,000.00				10,000.00
Senior Center Transportation.....	FY21	10,000.00			(1,635.00)			8,365.00
Senior Center Transportation.....	FY20	7,869.00					(7,869.00)	-
Senior Center Outreach Grant.....	FY22	-		20,500.00	(15,235.00)			5,265.00
Senior Center Outreach Grant.....	FY21	5,620.00			(5,620.00)			-
Emergency Management		-						-
Middlesex County CARES ACT Grant.....	0.00	-						-
Total - Federal Grants.....		48,648.53	9,020.00	103,851.00	(97,522.13)	-	(8,408.00)	55,589.40
<b>Other Grants</b>								
Recycling Enhancement Grant - County.....	FY22	-	10,755.00	4,578.75	(8,350.00)			6,983.75
Middlesex County DWI Checkpoint.....	FY22	-	4,840.00		(2,420.00)			2,420.00
Middlesex Helping Hands.....	FY22	-		2,501.52	(2,501.52)			-
MPCO Task Force.....	FY22	-		15,000.00	(600.00)			14,400.00
Cablevision PEG Access.....	FY22	-		9,200.00	(9,200.00)			-
Total - Other Grants.....			15,595.00	31,280.27	(23,071.52)	-	-	23,803.75
Total - All Grants.....		\$ 1,515,152.38	\$ 1,430,375.95	\$ 224,946.76	\$ (1,048,899.17)	\$ (72,136.10)	\$ (40,894.40)	\$ 2,008,545.42
Ref.		A			A-4	A-15	A-18	A
Adopted Budget.....	A-2			\$ 1,430,375.95				
Amended (NJSA 40A:4-87).....	A-2			224,946.76				
Total.....	A-2, A-18			\$ 1,655,322.71				

STATE AND FEDERAL GRANT FUND  
SCHEDULE OF APPROPRIATED GRANT RESERVES

		June 30, 2021	June 30, 2021	Budget	NJSA	Paid		June 30, 2022	
			Encumbrances	Adopted	40A:4-87	or	Canceled	Encumbrances	June 30, 2022
		June 30, 2021				Charged			
<b>STATE GRANTS</b>									
Community Development:									0.00
NJ DOT - Pedestrian/Bicycle Path.....	FY09	\$ -	\$ 10,752.69	\$ -	\$ -	\$ (9,932.55)	\$ -	\$ (820.14)	\$ 0.00
NJ DOT - Evelyn Ave.....	FY21	566,900.00							566,900.00
NJ DOT - RidgeRoad (Livingston to Newton).....	FY21	-	555,000.00			(555,000.00)			-
NJ DOT - Local Freight Impact - Corporate Rd.....	FY22	-		365,000.00					365,000.00
NJ DOT - Finnegans Lane.....	FY19	-	598,606.83			(136,592.91)		(462,013.92)	-
Public Safety:									
Drunk Driving Enforcement Fund.....	FY21	5,673.72				2,138.93			7,812.65
Drunk Driving Enforcement Fund.....	FY20	6,789.13	615.50			(4,596.57)			2,808.06
Drunk Driving Enforcement Fund.....	FY19	2,409.41	-			(2,409.41)			-
Body Armor Grant - State.....	FY22				3,804.49			(3,804.49)	0.00
Body Armor Grant - State.....	FY21	6,024.45				(1,905.20)		(4,119.25)	0.00
Body Armor Grant - State.....	FY20	-	8,138.04			(8,138.04)			-
Body Armor Grant - State.....	FY19	-	3,713.82			(3,713.82)			-
Police Camera.....	FY22	-		185,458.00		(58,969.00)		(126,489.00)	0.00
Safe & Secure.....	FY22	-			32,400.00	(32,400.00)			-
Pedestrian Safety, Education and Enforcement.....	FY22	-		15,000.00		(15,000.00)			-
Pedestrian Safety, Education and Enforcement.....	FY21	40.00					(40.00)		-
Pedestrian Safety, Education and Enforcement.....	FY20	12,965.00					(12,965.00)		-
Pedestrian Safety, Education and Enforcement.....	FY19	0.40					(0.40)		(0.00)
Distracted Driving Crackdown U Text.....	FY22	-			12,250.00	(12,250.00)			-
Parks Recreation & Community Service									
Clean Communities.....	FY21	63,064.32				(1,350.95)		(28,864.19)	32,849.18
Clean Communities.....	FY20	41,107.74				(27,801.87)		(11,474.76)	1,831.11
Municipal Alliance.....	FY22	-	-	22,080.00		(19,242.15)		(2,587.85)	250.00
Municipal Alliance.....	FY21	-	700.00			(700.00)			-
Municipal Alliance.....	FY20	24,720.00					(24,720.00)		-

STATE AND FEDERAL GRANT FUND  
SCHEDULE OF APPROPRIATED GRANT RESERVES

		June 30, 2021	June 30, 2021	Budget	NJSA	Paid		June 30, 2022	
		June 30, 2021	Encumbrances	Adopted	40A:4-87	or Charged	Canceled	Encumbrances	June 30, 2022
<hr/>									
Public Works:									-
Recycling Tonnage Grant.....	FY22	\$ -	\$ -	\$ 67,137.72	\$ -	\$ -	\$ -	\$ (16,784.43)	\$ 50,353.29
Recycling Tonnage Grant.....	FY21	66,897.39		-					66,897.39
Recycling Enhancement Grant - County.....	FY22	-		3,675.00	4,578.75	(3,580.22)		(2,268.53)	2,405.00
Recycling Enhancement Grant - County.....	FY21	-		7,080.00		(7,080.00)			-
Municipal Court									
Alcohol Education Enforcement.....	FY22			4,998.38					4,998.38
Alcohol Education Enforcement.....	FY21	5,084.59							5,084.59
Alcohol Education Enforcement.....	FY20	3,214.99							3,214.99
Alcohol Education Enforcement.....	FY19	2,941.93							2,941.93
Alcohol Education & Enforce Fund.....	FY18	2,071.32							2,071.32
Administration									-
Grants In Aide Pre-School Property.....	FY21	500,000.00							500,000.00
State - NBCP Walkway.....	FY22	-		500,000.00					500,000.00
State BPU Accoustical Testing Grant.....	FY22	-		250,502.85					250,502.85
<hr/>									
Total - State Grants.....		1,309,904.39	1,177,526.88	1,420,931.95	53,033.24	(898,523.76)	(37,725.40)	(659,226.56)	2,365,920.74
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<u>FEDERAL GRANTS</u>									
Public Safety:									0.00
Bullet Proof Vest Grant - Federal.....	FY22	\$ -		\$ 9,020.00	\$ 9,526.00	\$ (7,200.14)		\$ (9,192.20)	\$ 2,153.66
Click it or Ticket.....	FY21	30.00							30.00
Drive Sober or Get Pulled Over.....	FY22				13,500.00	(13,500.00)			-
Drive Sober or Get Pulled Over.....	FY20	275.00					(275.00)		-
Highway Safety Safe Corridors.....	FY22				73,761.00			(73,408.95)	352.05
Parks Recreation & Community Service									
Fed/County - Senior Center Congregate MealsGrant.....	FY22				10,000.00	(2,643.00)			7,357.00
Fed/County - Senior Center Congregate MealsGrant.....	FY21	10,000.00							10,000.00
Fed/County - Senior Center Congregate MealsGrant.....	FY20	264.00					(264.00)		-
Fed/County - Senior Center TransportationGrant.....	FY22				10,000.00				10,000.00
Fed/County - Senior Center TransportationGrant.....	FY21	10,000.00				(1,635.00)			8,365.00
Fed/County - Senior Center TransportationGrant.....	FY20	7,869.00					(7,869.00)		-
Fed/County - Senior Outreach Program.....	FY22				20,500.00	(15,235.00)			5,265.00
Fed/County - Senior Outreach Program.....	FY21	5,620.00				(5,620.00)			-
<hr/>									
Total - Federal Grants.....		34,058.00	-	9,020.00	137,287.00	(45,833.14)	(8,408.00)	(82,601.15)	43,522.71
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STATE AND FEDERAL GRANT FUND  
SCHEDULE OF APPROPRIATED GRANT RESERVES

		June 30, 2021		June 30, 2021		Budget.....		Paid or Charged		June 30, 2022		June 30, 2022	
		June 30, 2021	Encumbrances	Adopted	NJSA 40A:4-87				Canceled	Encumbrances		June 30, 2022	
Other/County/Local Grants:													
Cable Vision - PEG Access Programming Grant.....	FY22	\$ -	\$ -	\$ -	\$ 9,200.00	\$ (700.00)	\$ -	\$ -	\$ -	\$ 8,500.00			
County - Heritage Day.....	FY22	-			9,510.00					9,510.00			
County - Heritage Day.....	FY21	6,937.50	1,187.50			(4,675.00)				3,450.00			
Open Space - Recreation Pedestrian/Bicycle.....	FY07	12.00								12.00			
E-Waste.....	FY16	2,455.68								2,455.68			
Middlesex County DWI Checkpoint.....	FY22	-		4,840.00		(2,420.00)				2,420.00			
Middlesex County Helping Hands	FY22	-			2,501.52	(2,501.52)				-			
MCPO Task Force	FY22	-			15,000.00	(900.00)				14,100.00			
Total - Other/County/Local Grants.....		9,405.18	1,187.50	4,840.00	36,211.52	(11,196.52)	-	-	-	40,447.68			
TOTAL - ALL Grants		\$ 1,353,367.57	\$ 1,178,714.38	\$ 1,434,791.95	\$ 226,531.76	\$ (955,553.42)	\$ (46,133.40)	\$ (741,827.71)	\$ 2,449,891.13				
Ref.		A	A			A-4	A-18	A	A				
Adopted Budget.....					1,430,175.95								
Amended (NJSA 40A:4-87).....					223,531.76								
Amended (NJSA 40A:4-87) - Match.....					<u>7,416.00</u>								
Total.....				A-18	<u>\$ 1,661,123.71</u>								

STATE & FEDERAL GRANT FUND  
SCHEDULE OF INTERFUND CURRENT FUND / GRANT FUND

	<u>Ref.</u>		
Interfund Balance (Due Current Fund) June 30, 2021		\$	-
Increased by			
Local Match Requirement			
Appropriated Reserves.....	A-17	\$ 1,661,323.71	
Less Grant Revenues.....	A-16	<u>(1,655,322.71)</u>	
Total Increases.....			6,001.00
Decreased by			
Adjustments			
Appropriated Reserves Canceled.....	A-17	0.00	
Grant Receivables Canceled.....	A-16	(46,133.40)	
Cash Received from Current Fund to Grant Fund.....	A-4	40,894.40	
		<u>(762.00)</u>	
Total Decreases.....		\$	(6,001.00)
Interfund Balance (Due Current Fund) June 30, 2022	A	\$	<u><u>0.00</u></u>



CURRENT FUND  
STATEMENT OF DEFERRED CHARGES

	June 30, 2021	Added in FY22	Raised in Budget	Canceled	June 30, 2022
<u>Fiscal Year 2022</u>					
Emergency Authorization	\$ -	\$ 2,000,000.00	\$ -	\$ (1,458,100.64)	\$ 541,899.36
Total	\$ -	\$ 2,000,000.00	\$ -	\$ (1,458,100.64)	\$ 541,899.36
Ref.	A	A-13		A	A

## **TRUST FUND**

TOWNSHIP OF NORTH BRUNSWICK  
TRUST FUND

ASSESSMENTS RECEIVABLE  
YEAR ENDED JUNE 30, 2022

Description	Confirmation Date	Installments	Due Dates	Balance 06/30/21 & 06/30/22	
<u>Assessments Receivable</u>					
Georges Road / Route #1 - Water.....	12/08/81	10	12/8/1981-1990	\$	371.00
Total Assessments Receivable.....				\$	371.00
<u>Assessment Liens</u>					
Maple Meade - Sewer.....	11/12/72			\$	255.00
Maple Meade/Church Lane - Sewer.....	08/21/74				396.00
East Adams - Sewer.....	11/15/76				13,763.00
Adams Lane - Water.....	07/07/75				34,791.00
East Adams - Water.....	12/18/77				3,659.00
Linder, Evelyn & Thomas.....	06/19/78				3,666.00
Aaron Road - Section 1.....	12/03/83				1,278.00
Marigold - LaRose.....	12/28/77				2,654.00
Interest & Costs on Assessment Liens.....					10,222.00
Total Assessment Liens Receivable.....					70,684.00
Total Assessments & Assessment Liens Receivable.....				\$	71,055.00
				Ref.	B

TOWNSHIP OF NORTH BRUNSWICK  
TRUST FUND

CASH AND RESERVE ACTIVITY  
YEAR ENDED JUNE 30, 2022

	Balance June 30, 2021	Cash..... Receipts	Disbursements	Adjustments	Balance June 30, 2022
<b>Animal Control Trust Fund</b>					
Due NJ - Animal License Fees.....	\$ 59.80	\$ 2,086.80	\$ (2,060.40)		\$ 86.20
Due to Current Fund.....	-	-	-		-
Animal Control Reserves.....	34,580.40	12,298.20	(1,745.00)		45,133.60
<b>Payroll</b>					
Deductions Payable.....	19,331.46	25,984,970.48	(25,987,653.37)		16,648.57
Miscellaneous.....	1,201.58	-			1,201.58
Recreation Trust.....	798,446.72	756,256.78	(593,061.21)		961,642.29
<b>Developers' Escrow</b>					
Inspections.....	270,804.71	373,268.68	(273,403.44)		370,669.95
Technical Review.....	174,509.59	230,568.55	(185,227.60)		219,850.54
Performance Bonds.....	749,199.42	242,727.14	(39,740.25)		952,186.31
Growth Share Reserve.....	419,890.68	565,787.55	(500,000.00)		485,678.23
<b>Other Trust Funds</b>					
<b>Finance</b>					
NJ Unemployment.....	140,621.13	92,742.25	(597.00)		232,766.38
Terminal Leave.....	467,312.62	660,000.43	(458,655.89)		668,657.16
Tax Sale - Premium on TTL.....	419,300.00	954,000.00	(324,600.00)		1,048,700.00
<b>Open Space</b>					
Dedicated Tax Levy - Open Space.....	29,276.37	764,311.77	(750,000.00)		43,588.14
Tree Preservation.....	71,930.01		(49,038.53)		22,891.48
Program Income.....	109,009.91	9,785.00	(23,679.45)		95,115.46
<b>Public Safety</b>					
Forfeited Funds.....	98,843.80	1,555.45	(1,005.00)		99,394.25
Miscellaneous - Off Duty.....	32,133.85	763,174.75	(792,660.50)		2,648.10
Uniform Fire Code.....	54,090.56	23,008.00	(1,825.29)		75,273.27

TOWNSHIP OF NORTH BRUNSWICK  
TRUST FUND

CASH AND RESERVE ACTIVITY  
YEAR ENDED JUNE 30, 2022

	Balance June 30, 2021	Cash..... Receipts	Disbursements	Adjustments	Balance June 30, 2022
Municipal Court					
Public Defender.....	\$ 26,317.09	\$ 3,633.00	\$ (3,300.00)		\$ 26,650.09
POAA Fines.....	550.57	128.00			678.57
Public Works - Snow Removal.....	345,298.84	914,281.55	(908,273.86)		351,306.53
Donations, Gifts, & Bequests.....	726.80	2,000.00	-		2,726.80
Community Development Department					
FY20- Individual Housing Rehabilitation.....	20,761.47		(20,461.47)		300.00
FY20 - Due Middlesex County.....	(34,184.00)	34,184.00			-
FY21- Individual Housing Rehabilitation.....	45,000.00		(21,729.99)	\$ (3,846.00)	19,424.01
FY21 - Sr Citizen Handicap Bldg Improvement.....	33,714.00		(37,560.00)	3,846.00	-
FY21 - Due Middlesex County.....	(118,714.00)	88,989.95			(29,724.05)
FY22- Individual Housing Rehabilitation.....				50,000.00	50,000.00
FY22 - Code Enforcement.....			(40,000.00)	40,000.00	-
FY22 - Sr Citizen Handicap Bldg Improvement.....	-			16,714.00	16,714.00
FY22 - Public Library Driveup.....				12,000.00	12,000.00
FY22 - Due Middlesex County.....				(118,714.00)	(118,714.00)
Third Party UCC Inspections.....	-	9.00	-		9.00
Total - All Trust Funds.....	\$ 4,210,013.38	\$ 32,479,767.33	\$ (31,016,278.25)	\$ -	\$ 5,673,502.46
Ref.	B				B

TOWNSHIP OF NORTH BRUNSWICK  
TRUST FUND

PAYROLL LIABILITIES  
YEAR ENDED JUNE 30, 2022

	Balance June 30, 2021	.....Cash..... Receipts	Disbursements	Balance June 30, 2022
Miscellaneous.....	\$ 1,201.58			\$ 1,201.58
Federal and State Taxes				
Federal Withholding.....		3,142,020.52	(3,142,020.52)	
Social Security/Medicare.....		3,302,568.07	(3,302,568.07)	
NJ State Withholding.....	0.01	1,069,346.37	(1,069,346.37)	0.01
NJ Unemployment.....	-	81,390.25	(81,390.25)	
PA State Tax.....		3,504.68	(3,504.68)	
Pension				
Police & Fire Pension.....	7,824.19	1,370,808.63	(1,368,325.02)	10,307.80
Public Employees Pension.....	5,303.26	688,931.70	(688,414.89)	5,820.07
Deferred Compensation (IRS 457).....	0.01	530,603.06	(530,194.55)	408.52
Garnishments - Wage Attachments.....	-	48,415.36	(48,415.36)	
Union Dues.....	-	93,919.14	(93,901.14)	18.00
Employee Medical Premium Cost Sharing.....	-	722,986.68	(722,986.68)	
Voluntary Deductions.....	1.18	54,785.63	(54,785.01)	1.80
Life & Disability Insurance.....	6,202.81	74,698.64	(80,809.08)	92.37
Flexible Spending Plan.....		64,521.48	(64,521.48)	
Net Pay.....		14,736,470.27	(14,736,470.27)	
Total - Payroll Liabilities.....	19,331.46	25,984,970.48	(25,987,653.37)	16,648.57
Total - Payroll Trust Fund.....	\$ 20,533.04	\$ 25,984,970.48	\$ (25,987,653.37)	\$ 17,850.15
	B, B-2	B-2	B-2	B, B-2

## **GENERAL CAPITAL FUND**

TOWNSHIP OF NORTH BRUNSWICK  
GENERAL CAPITAL FUND

CASH  
YEAR ENDED JUNE 30, 2022

	<u>Ref.</u>		
Balance June 30, 2021.....	C	\$	6,510,532.31
Increased by Receipts:			
Capital Improvement Fund.....	C-9	\$	530,000.00
Current Fund Appropriation.....	C-5		135,000.00
Proceeds from Issuing Debt:			
Sale of Bond Anticipation Notes.....	C-8		21,540,000.00
Premium on Sale of Notes.....	C-1		191,275.20
Interest Earned - Soil Remediation.....	C-10		1,483.27
Total Receipts.....			22,397,758.47
Decreased by Disbursements:			
Redemption of Bond Anticipation Notes.....	C-8		(18,475,000.00)
Improvement Authorizations.....	C-6		(5,865,487.91)
Surplus Anticipated in Current Fund.....	C-1		(400,000.00)
Reserve to Retire Debt.....	C-10		(641,590.99)
Total Disbursements.....			(25,382,078.90)
Balance June 30, 2022.....	C	\$	3,526,211.88

Analysis of Cash Balance

Soil Remediation Account.....	\$	909,532.80
General Account.....		2,616,679.08
Total Cash.....	\$	3,526,211.88



TOWNSHIP OF NORTH BRUNSWICK  
GENERAL CAPITAL FUND

ANALYSIS OF CASH  
YEAR ENDED JUNE 30, 2022

Ord.	Description	Ref	Deferred Charges	Ordinance Balance	Reserve for Encumbrances	Notes Outstanding	Other	Cash Balance
00-27	Acquisition of Lands.....		\$ (450,000.00)		\$ 1,750.00			\$ (448,250.00)
04-05	High School/Vets Park Soil Remediation	C-10		\$ 6,999.22	130.39		\$ 439,363.80	446,493.41
09-16	Various Capital Improvements.....				(830.00)			(830.00)
10-06	Capital Items.....				15,116.42			15,116.42
15-14	Various Capital Improvements.....		(250.00)					(250.00)
16-15	Various Capital Improvements.....			372.61	5,768.59			6,141.20
17-09	Various Capital Improvements		(4,615,000.00)	314,203.78		\$ 4,615,000.00		314,203.78
18-14	Various Capital Improvements		(5,025,500.00)	104,122.50	58,249.12	5,025,000.00		161,871.62
19-23	Various Capital Improvements.....		(5,700,000.00)	48,271.00	475,802.99	5,600,000.00		424,073.99
20-06	Various Capital Improvements.....		(3,800,000.00)		69,620.00	3,800,000.00		69,620.00
20-17	Various Capital Improvements.....		(4,370,000.00)	942,454.32	1,110,046.48	2,500,000.00		182,500.80
21-13	Various Capital Improvements.....		(4,370,000.00)	1,723,315.35	2,822,106.92			175,422.27
22-08	Various Capital Improvements.....		(2,850,000.00)	2,385,457.10	612,942.90			148,400.00
22-13	Various Capital Improvements.....		(2,850,000.00)	3,000,000.00	-			150,000.00
Capital Improvement Fund.....		C-9					342.00	342.00
Reserve to Retire Debt.....		C-10					1,613,625.77	1,613,625.77
Fund Balance.....		C-1					267,730.62	267,730.62
Total.....			\$ (34,030,750.00)	\$ 8,525,195.88	\$ 5,170,703.81	\$ 21,540,000.00	\$ 2,321,062.19	\$ 3,526,211.88
		<u>Ref.</u>	C, C-5	C, C-6	C, C-6	C, C-8	C, C-1, C-9, C-10	C, C-2

TOWNSHIP OF NORTH BRUNSWICK  
GENERAL CAPITAL FUND

DEFERRED CHARGES TO FUTURE TAXATION - FUNDED  
YEAR ENDED JUNE 30, 2022

	<u>Ref.</u>	Total Funded Deferred Charges	Serial Bonds
Balance - June 30, 2021.....	C	\$ 63,763,250.00	\$ 63,763,250.00
Decreased by:			
Budget Appropriation.....	C-7	<u>(4,985,000.00)</u>	<u>(4,985,000.00)</u>
Balance - June 30, 2022.....	C	<u><u>\$ 58,778,250.00</u></u>	<u><u>\$ 58,778,250.00</u></u>

TOWNSHIP OF NORTH BRUNSWICK  
GENERAL CAPITAL FUND

DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED  
YEAR ENDED JUNE 30, 2022

Ord.	Description	Balance June 30, 2021	Authorizations	Reduced	Balance June 30, 2022	Financed by Bond Anticipation Notes	Cash Expended (Deficit)	Unfunded Balance of Improvement Authorization
00-27	Acquisition of Lands.....	\$ 450,000.00			\$ 450,000.00		\$ (450,000.00)	\$ -
15-14	Various Capital Improvements.....	250.00		\$ -	250.00			(250.00)
17-09	Various Capital Improvements...	4,750,000.00		(135,000.00)	4,615,000.00	\$ (4,615,000.00)		
18-14	Various Capital Improvements.....	5,025,500.00			5,025,500.00	(5,025,000.00)		
19-23	Various Capital Improvements.....	5,700,000.00			5,700,000.00	(5,600,000.00)		
20-06	Various Capital Improvements.....	3,800,000.00			3,800,000.00	(3,800,000.00)		
20-17	Various Capital Improvements.....	4,370,000.00			4,370,000.00	(2,500,000.00)		
21-13	Various Capital Improvements.....		\$ 4,370,000.00		4,370,000.00		(2,646,684.65)	(1,723,315.35)
22-08	Various Capital Improvements.....		2,850,000.00		2,850,000.00		(464,542.90)	(2,385,457.10)
22-13	Various Capital Improvements.....		2,850,000.00		2,850,000.00		-	(2,850,000.00)
Total.....		<u>\$ 24,095,750.00</u>	<u>\$ 10,070,000.00</u>	<u>\$ (135,000.00)</u>	<u>\$ 34,030,750.00</u>	<u>\$ (21,540,000.00)</u>	<u>\$ (3,561,227.55)</u>	<u>\$ (6,959,022.45)</u>
		Ref. C	C-6	C-2	C	C-8		
Unexpended Balances of Unfunded Improv. Authors.		C-6						\$ 8,368,074.05
Less: Unexpended Proceeds of Bond Anticipation Notes								
Ordinance 17-09								(314,203.78)
Ordinance 18-14								(104,122.50)
Ordinance 19-23								(48,271.00)
Ordinance 20-06								
Ordinance 20-17								(942,454.32)
								<u>\$ 6,959,022.45</u>

TOWNSHIP OF NORTH BRUNSWICK  
GENERAL CAPITAL FUND

IMPROVEMENT AUTHORIZATIONS  
YEAR ENDED JUNE 30, 2022

Ord.	Description	June 30, 2021		Encumbrance June 30, 2021	Authorized	Paid or Charged	Encumbrance June 30, 2022	June 30, 2022	
		Funded	Unfunded					Funded	Unfunded
00-27	Acquisition of Land.....	\$ -	\$ 339,005.38	\$ 5,875.48	\$ -	\$ (343,130.86)	\$ (1,750.00)	\$ -	\$ -
04-05	High School / Vets Park Soil Remediation.....			34,431.25		(27,301.64)	(130.39)	6,999.22	
09-16	Various Capital Improvements...			(830.00)			830.00	-	
10-06	Capital Items.....			15,116.42			(15,116.42)	-	
16-15	Various Capital Improvements.....	268,866.60	250.00	36,648.84		(299,624.24)	(5,768.59)	122.61	250.00
17-09	Various Capital Improvements.....		314,203.78	-				-	314,203.78
18-14	Various Capital Improvements.....		207,475.20	12,973.49		(58,077.07)	(58,249.12)	-	104,122.50
19-23	Various Capital Improvements.....		93,979.23	1,642,152.78		(1,212,058.02)	(475,802.99)	(0.00)	48,271.00
20-06	Various Capital Improvements.....			1,526,676.00		(1,457,056.00)	(69,620.00)	-	-
20-17	Various Capital Improvements.....		2,446,957.34	2,017,605.81		(2,412,062.35)	(1,110,046.48)	-	942,454.32
21-13	Various Capital Improvements.....				4,600,000.00	(54,577.73)	(2,822,106.92)	-	1,723,315.35
22-08	Various Capital Improvements.....				3,000,000.00	(1,600.00)	(612,942.90)	-	2,385,457.10
22-13	Various Capital Improvements.....				3,000,000.00			150,000.00	2,850,000.00
Total.....		\$ 268,866.60	\$ 3,401,870.93	\$ 5,290,650.07	\$ 10,600,000.00	\$ (5,865,487.91)	\$ (5,170,703.81)	\$ 157,121.83	\$ 8,368,074.05
	<u>Ref.</u>	C	C	C		C-2	C	C	C
Capital Improvement Fund.....	C-9				\$ 530,000.00				
Deferred Chgs Unfunded.....	C-5				10,070,000.00				
Total.....					<u>\$ 10,600,000.00</u>				

TOWNSHIP OF NORTH BRUNSWICK  
GENERAL CAPITAL FUND

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SERIAL BONDS PAYABLE  
YEAR ENDED JUNE 30, 2022

Purpose	Issue Date	Original Issue	Outstanding Maturities - 06/30/22		Rate	June 30, 2021	Bonds Issued	Budget Appropriation	June 30, 2022
General Obligation.....	08/08/12	\$ 13,455,750	08/01/22	\$	925,000	2.000%			
			08/01/23		920,000	2.125%			
			08/01/24		1,000,000	2.125%			
			08/01/25		1,000,000	2.250%			
			08/01/26		1,030,000	2.375%			
			08/01/27		895,750	2.500%	\$ 6,460,750	\$ (690,000)	\$ 5,770,750
Open Space Refunding .....	09/12/12	2,960,000	08/15/22		200,000	4.000%			
			08/15/23		200,000	3.000%			
			08/15/24		195,000	3.000%			
			08/15/25		195,000	2.500%			
			08/15/26		190,000	3.000%			
			08/15/27		185,000	2.750%			
			08/15/28		185,000	2.750%	1,550,000.00	(200,000.00)	1,350,000.00
General Obligation Refunding.....	06/02/15	4,745,000	08/15/22		455,000	2.000%	1,245,000.00	(790,000.00)	455,000.00

TOWNSHIP OF NORTH BRUNSWICK  
GENERAL CAPITAL FUND

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SERIAL BONDS PAYABLE  
YEAR ENDED JUNE 30, 2022

Purpose	Issue Date	Original Issue	Outstanding Maturities - 06/30/22		Rate	June 30, 2021	Bonds Issued	Budget Appropriation	June 30, 2022
General Obligation Bonds.....	07/30/15	\$ 15,000,000	07/15/22	\$ 550,000	3.000%				
			07/15/23	555,000	3.000%				
			07/15/24	600,000	3.000%				
			07/15/25	500,000	3.000%				
			07/15/26	500,000	3.000%				
			07/15/27	500,000	3.000%				
			07/15/28	1,000,000	3.000%				
			07/15/29	1,000,000	3.000%				
			07/15/30	1,000,000	3.125%				
			07/15/31	1,000,000	3.125%				
			07/15/32	925,000	3.250%				
			07/15/33	1,000,000	3.250%				
			07/15/34	1,000,000	3.375%				
			07/15/35	1,000,000	3.500%	\$ 11,665,000		\$ (535,000)	\$ 11,130,000
2017 Refunding - Open Space -2009.....	05/24/17	6,530,468	08/15/22	157,588	4.000%				
			08/15/23	740,000	4.000%				
			08/15/24	770,000	4.000%				
			08/15/25	815,000	4.000%				
			08/15/26	855,000	4.000%				
			08/15/27	905,000	4.000%				
			08/15/28	950,000	4.000%				
			08/15/29	1,000,000	4.000%	6,342,276		(149,688)	6,192,588
2017 Refunding - GO Bonds- 2009 Bonds.....	05/24/17	2,069,532	08/15/22	712,412	4.000%	1,392,724		(680,312)	712,412

TOWNSHIP OF NORTH BRUNSWICK  
GENERAL CAPITAL FUND

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SERIAL BONDS PAYABLE  
YEAR ENDED JUNE 30, 2022

Purpose	Issue Date	Original Issue	Outstanding Maturities - 06/30/22		Amount	Rate	June 30, 2021	Bonds Issued	Budget Appropriation	June 30, 2022
2018 General Obligation Bonds.....	07/24/18	\$ 15,112,500	07/15/22	\$	1,000,000	2.750%				
			07/15/23		1,000,000	2.750%				
			07/15/24		990,000	2.750%				
			07/15/25		982,500	2.750%				
			7/15/206		960,000	2.750%				
			7/15/207		960,000	2.750%				
			07/15/28		960,000	3.000%				
			07/15/29		960,000	3.000%				
			07/15/30		960,000	3.000%				
			07/15/31		960,000	3.000%				
			07/15/32		960,000	3.000%				
			07/15/33		960,000	3.000%				
			07/15/34		960,000	3.000%	\$ 13,612,500		\$ (1,000,000)	\$ 12,612,500
2019 Open Space - Pulda Farms	07/22/19	9,628,500	07/15/22		235,000	2.000%				
			07/15/23		265,000	2.000%				
			07/15/24		225,000	2.000%				
			07/15/25		250,000	2.000%				
			07/15/26		255,000	2.000%				
			07/15/27		260,000	2.000%				
			07/15/28		265,000	3.000%				
			07/15/29		270,000	3.000%				
			07/15/30		280,000	3.000%				
			07/15/31		285,000	3.000%				
			07/15/32		290,000	3.000%				
			07/15/33		280,000	3.000%				
			07/15/34		305,000	3.000%				
			07/15/35		315,000	3.000%				
			07/15/36		320,000	3.000%				
			07/15/37		330,000	3.000%				
			07/15/38		340,000	3.000%				
			07/15/39		350,000	3.000%				
			07/15/40		355,000	3.000%				
			07/15/41		365,000	3.000%				
			07/15/42		375,000	3.000%				
			07/15/43		390,000	3.000%				
			07/15/44		400,000	3.000%				
			07/15/45		410,000	3.000%				
			07/15/46		425,000	3.000%				
			07/15/47		435,000	3.000%				
			07/15/48		445,000	3.000%				
			07/15/49		450,000	3.000%	9,400,000		(230,000)	9,170,000

TOWNSHIP OF NORTH BRUNSWICK  
GENERAL CAPITAL FUND

C-7  
Page 4 of 4

SERIAL BONDS PAYABLE  
YEAR ENDED JUNE 30, 2022

Purpose	Issue Date	Original Issue	Outstanding Maturities - 06/30/22		June 30, 2021	Bonds Issued	Budget Appropriation	June 30, 2022
			Amount	Rate				
General Obligation Bonds.....	07/20/20	\$ 12,095,000	07/15/22	\$ 805,000	1.000%			
			07/15/23	815,000	1.000%			
			07/15/24	825,000	1.000%			
			07/15/25	840,000	1.000%			
			07/15/26	850,000	1.250%			
			07/15/27	860,000	1.250%			
			07/15/28	870,000	1.200%			
			07/15/29	880,000	1.300%			
			07/15/30	895,000	1.450%			
			07/15/31	910,000	1.600%			
			07/15/32	925,000	1.850%			
			07/15/33	945,000	1.900%			
			07/15/34	965,000	2.000%	\$ 12,095,000.00	\$ (710,000.00)	\$ 11,385,000.00
Total.....						\$ 63,763,250.00	\$ -	\$ (4,985,000.00) \$ 58,778,250.00
						Ref.	C	C-4 C



TOWNSHIP OF NORTH BRUNSWICK  
GENERAL CAPITAL FUND

BOND ANTICIPATION NOTES  
YEAR ENDED JUNE 30, 2022

Ord.	Description	Outstanding Maturities			Notes		BAN's Issued	BAN's Redeemed	Notes		
		Interest Rate	Issue Date	Maturity Date	Outstanding June 30, 2021	Outstanding June 30, 2022					
2017-09	Various Capital Improvements	1.00%	07/15/21	07/14/22	\$ 4,750,000.00	\$ 4,615,000.00	\$ (4,750,000.00)	\$ 4,615,000.00			
2018-14	Various Capital Improvements	1.00%	07/15/21	07/14/22	5,025,000.00	5,025,000.00	(5,025,000.00)	5,025,000.00			
2019-23	Various Capital Improvements	1.00%	07/15/21	07/14/22	5,700,000.00	5,600,000.00	(5,700,000.00)	5,600,000.00			
2020-06	Various Capital Improvements	1.00%	07/15/21	07/14/22	3,000,000.00	3,800,000.00	(3,000,000.00)	3,800,000.00			
2020-17	Various Capital Improvements	1.00%	07/15/21	07/14/22		2,500,000.00					
										-	
Total.....					\$ 18,475,000.00	\$ 21,540,000.00	\$ (18,475,000.00)	\$ 21,540,000.00			
					Ref.	C	C-2	C-2	C		

TOWNSHIP OF NORTH BRUNSWICK  
GENERAL CAPITAL FUND

CAPITAL IMPROVEMENT FUND  
YEAR ENDED JUNE 30, 2022

	<u>Ref.</u>	
Balance June 30, 2021.....	C	\$ 342.00
Increased by Receipts:		
Current Fund Budget Appropriation.....	C-2	<u>530,000.00</u>
		530,342.00
Decreased by:		
Appropriated to Fund Improvement Authorizations.....	C-6	<u>(530,000.00)</u>
Balance June 30, 2022.....	C	<u><u>\$ 342.00</u></u>

TOWNSHIP OF NORTH BRUNSWICK  
GENERAL CAPITAL FUND

RESERVE TO RETIRE DEBT  
YEAR ENDED JUNE 30, 2022

	Ordinance Number	Balance June 30, 2021	Increases Cash Receipts	Decreases Cash Disbursements	Balance June 30, 2022
<hr/>					
Reserve to Retire Debt					
High School/Vets Park Soil Remediation.....	2004-05	\$ 574,897.78	\$ 1,483.27	\$ (137,017.25)	\$ 439,363.80
Land Acquisition.....	2000-27	72,106.42			72,106.42
Land Acquisition.....	2009-22	2,046,093.09	-	(504,573.74)	1,541,519.35
Total.....		<u>\$ 2,693,097.29</u>	<u>\$ 1,483.27</u>	<u>\$ (641,590.99)</u>	<u>\$ 2,052,989.57</u>
<hr/>					
	<u>Ref.</u>	C	C-2	C-2	C
2004-05 Interest Earned - Soil Remediation.....	C-2		\$ 1,483.27		
2004-05 Payments made - Soil Remediation Expenses.....	C-2			\$ (137,017.25)	
2009-22 Bond Payment.....	C-2			(504,573.74)	
Total.....			<u>\$ 1,483.27</u>	<u>\$ (641,590.99)</u>	

TOWNSHIP OF NORTH BRUNSWICK  
GENERAL CAPITAL FUND

BONDS & NOTES AUTHORIZED BUT NOT ISSUED  
YEAR ENDED JUNE 30, 2022

Ord.	Description	Balance June 30, 2021	FY 2022 Authorizations	Notes Redeemed	Budget Appropriation	Notes Issued	Balance June 30, 2022
2000-27	Acquisition of Lands.....	\$ 450,000.00					\$ 450,000.00
2016-15	Various Capital Improvements.....	250.00					250.00
2017-09	Various Capital Improvements.....	-		\$ 4,750,000.00	\$ (135,000.00)	\$ (4,615,000.00)	-
2018-14	Various Capital Improvements.....	500.00		5,025,000.00		(5,025,000.00)	500.00
2019-23	Various Capital Improvements.....	-		5,700,000.00		(5,600,000.00)	100,000.00
2020-06	Various Capital Improvements.....	800,000.00		3,000,000.00		(3,800,000.00)	-
2020-17	Various Capital Improvements.....	4,370,000.00				(2,500,000.00)	1,870,000.00
2021-13	Various Capital Improvements.....	-	\$ 4,370,000.00				4,370,000.00
2022-08	Various Capital Improvements.....	-	2,850,000.00				2,850,000.00
2022-13	Various Capital Improvements.....		2,850,000.00				2,850,000.00
Total.....		\$ 5,620,750.00	\$ 10,070,000.00	\$ 18,475,000.00	\$ (135,000.00)	\$ (21,540,000.00)	\$ 12,490,750.00
	<u>Ref.</u>	C	C-5	C-8	A-3, C-5	C-8	C

## **WATER UTILITY FUND**

TOWNSHIP OF NORTH BRUNSWICK  
WATER UTILITY OPERATING AND CAPITAL FUNDS

CASH  
YEAR ENDED JUNE 30, 2022

	<u>Ref.</u>	Operating	Capital	Assessment
Cash Balance June 30, 2021	D	\$ 3,365,150.34	\$ 1,281,306.76	\$ 417,586.70
Increased by Cash Receipts				
Premium on BAN Sale.....	D-2		124,186.80	
Revenues Collected.....	D-4	7,796,789.63		
Water Overpayments.....	D-12	128,972.60		
Bond Anticipation Notes.....	D-16		13,985,000.00	
Collector.....	D-20			152,846.03
Total Cash Receipts.....		7,925,762.23	14,109,186.80	152,846.03
Decreased by Disbursements				
Surplus to Water Operating.....	D-2		(200,000.00)	
Refund of Prior Years' Revenue.....	D-2			
Assessment Trust Fund Surplus to Operating Budget.....	D-3			(71,706.25)
Budget Appropriations.....	D-5	(6,466,997.25)		
Appropriation Reserves.....	D-10	(903,671.62)		
Accrued Interest Payable.....	D-13	(681,222.35)		
Improvement Authorizations.....	D-14		(3,008,197.94)	
Bond Anticipation Notes.....	D-16		(3,485,000.00)	
Assessment Serial Bonds.....	D-22			(105,000.00)
Total Cash Disbursements.....		(8,051,891.22)	(6,693,197.94)	(176,706.25)
Cash Balance June 30, 2022.....	D	\$ 3,239,021.35	\$ 8,697,295.62	\$ 393,726.48

TOWNSHIP OF NORTH BRUNSWICK  
WATER UTILITY CAPITAL FUND

ANALYSIS OF CASH BALANCE  
YEAR ENDED JUNE 30, 2022

	Deferred Charges	Improvement Authorizations	Reserve for Encumbrances	Other	Balance June 30, 2022
<u>Improvement Authorizations</u>					0.00
17-10 Water Distribution System.....			\$ 14,026.23		\$ 14,026.23
18-13 Water Distribution System.....		\$ 24.91	22,525.36		22,550.27
19-10 Water Distribution System.....	\$ (500,000.00)	57,847.99	68,251.90		(373,900.11)
19-21 Water Distribution System.....	-		4,605.00		4,605.00
20-07 Water Distribution System.....	-	6,722,961.59	2,197,043.29		8,920,004.88
Capital Improvement Fund.....	-			\$ 89,067.59	89,067.59
Fund Balance.....	-			20,941.76	20,941.76
Total.....	\$ (500,000.00)	\$ 6,780,834.49	\$ 2,306,451.78	\$ 110,009.35	\$ 8,697,295.62
<u>Ref.</u>	D, D-23	D, D-14	D, D-14	D, D-2, D-19	D

TOWNSHIP OF NORTH BRUNSWICK  
WATER UTILITY CAPITAL FUND

FIXED CAPITAL  
YEAR ENDED JUNE 30, 2022

	<u>Ref.</u>	
Balance - June 30, 2021.....	D	\$ 63,082,703.38
Increased by:		
Transfer from Fixed Capital Authorized but not Completed.....	D-9	<u>3,008,197.94</u>
Balance - June 30, 2022.....	D	<u><u>\$ 66,090,901.32</u></u>

WATER UTILITY CAPITAL FUND

FIXED CAPITAL AUTHORIZED BUT NOT COMPLETED  
YEAR ENDED JUNE 30, 2022

Ord.	Improvement Description	Balance June 30, 2021	Improvement Authorizations	Transfer to Fixed Capital	Balance June 30, 2022
17-10	Water Distribution System.....	\$ 54,374.98	\$ -	\$ 40,348.75	\$ 14,026.23
18-13	Water Distribution System.....	101,592.67		79,042.40	22,550.27
19-10	Water Distribution System.....	1,340,519.55		1,214,419.66	126,099.89
19-21	Water Distribution System.....	604,605.00		600,000.00	4,605.00
20-07	Water Distribution System.....	9,994,392.01		1,074,387.13	8,920,004.88
21-17	Water Distribution System.....		3,000,000.00		3,000,000.00
	Total.....	<u>\$ 12,095,484.21</u>	<u>\$ 3,000,000.00</u>	<u>\$ 3,008,197.94</u>	<u>\$ 12,087,286.27</u>
	<u>Ref.</u>	D	D-14	D-8	D



TOWNSHIP OF NORTH BRUNSWICK  
WATER UTILITY OPERATING FUND

APPROPRIATION RESERVES/ACCOUNTS PAYABLE  
YEAR ENDED JUNE 30, 2022

	June 30, 2021	June 30, 2021 Encumbrances	Paid or Charged	Lapsed
Operating - S & W.....	\$ 7,647.15		\$ (997.33)	\$ 6,649.82
Operating - Other Expenses.....	46,866.70	\$ 961,657.62	(902,674.29)	105,850.03
Total Water Utility Operating.....	<u>\$ 54,513.85</u>	<u>\$ 961,657.62</u>	<u>\$ (903,671.62)</u>	<u>\$ 112,499.85</u>
<u>Ref.</u>	D	D	D-6	D-1

<u>Accounts Payable Analysis</u>		<u>Ref.</u>	
Balance June 30, 2021.....		D	\$ 26,114.00
Prior Year's Payable Canceled.....		D-1	<u>(26,114.00)</u>
Balance June 30, 2022		D	<u><u>\$ -</u></u>

TOWNSHIP OF NORTH BRUNSWICK  
WATER UTILITY OPERATING FUND

WATER CHARGES AND WATER LIENS  
YEAR ENDED JUNE 30, 2022

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	<u>Ref.</u>	<u>Water Charges</u>
Balance - June 30, 2021	D	\$ 1,232,421.59
Increased by:		
Water Charges Levied	Reserve	<u>6,867,682.62</u>
		8,100,104.21
Decreased by:		
Collection - Treasurer	D-5	6,808,369.96
Over payments Applied	D-12	<u>125,893.88</u>
		6,934,263.84
Balance - June 30, 2022	D	<u><u>\$ 1,165,840.37</u></u>

TOWNSHIP OF NORTH BRUNSWICK  
WATER UTILITY OPERATING FUND

WATER OVERPAYMENTS  
YEAR ENDED JUNE 30, 2022

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	<u>Ref.</u>	
Balance - June 30, 2021	D	\$ 125,893.88
Increased by:		
Overpayments Collected	D-5	<u>128,972.60</u>
		254,866.48
Decreased by:		
Overpayments Applied	D-1, D-11	<u>125,893.88</u>
Balance - June 30, 2022	D	<u><u>\$ 128,972.60</u></u>

TOWNSHIP OF NORTH BRUNSWICK  
WATER UTILITY OPERATING AND CAPITAL FUNDS

ACCRUED INTEREST ON BONDS & NOTES  
YEAR ENDED JUNE 30, 2022

	Ref.	Total Accrued Interest	Bond Anticipation Notes	Serial Bonds	Belcourt Assessment	Environmental Infrastructure Trust
Accrued Interest June 30, 2021.....	D	\$ (290,258.81)	\$ (70,000.00)	\$ (96,079.64)	\$ (27,825.00)	\$ (96,354.17)
Cash Payments - SFY 2022.....	D-6	681,222.35	69,505.56	345,735.54	71,706.25	194,275.00
Accrued Interest June 30, 2022.....	D	355,386.26	139,461.53	103,699.21	25,954.69	86,270.83
SFY 2022 Budget Expense.....	D-5	<u>\$ 746,349.80</u>	<u>\$ 138,967.09</u>	<u>\$ 353,355.11</u>	<u>\$ 69,835.94</u>	<u>\$ 184,191.66</u>

TOWNSHIP OF NORTH BRUNSWICK  
WATER UTILITY CAPITAL FUND

IMPROVEMENT AUTHORIZATIONS  
YEAR ENDED JUNE 30, 2022

Ord.	Original Appropriation	Description	June 30, 2021 Unfunded	Encumbrances June 30, 2021	SFY 2022 Authorizations	Paid or Charged	Encumbrances June 30, 2022	June 30, 2022 Unfunded
17-10	\$ 1,000,000	Water Distribution System	\$ -	\$ 54,374.98	\$ -	\$ (40,348.75)	\$ (14,026.23)	\$ -
18-13	1,000,000	Water Distribution System	-	101,592.67		(79,042.40)	(22,525.36)	24.91
19-10	1,500,000	Water Distribution System	-	1,340,519.55		(1,214,419.66)	(68,251.90)	57,847.99
19-21	1,000,000	Water Distribution System	-	604,605.00		(600,000.00)	(4,605.00)	-
20-07	10,000,000	Water Distribution System	7,894,392.01	2,100,000.00		(1,074,387.13)	(2,197,043.29)	6,722,961.59
21-17	10,000,000	Water Distribution System		-	3,000,000.00	-	(500,000.00)	2,500,000.00
Total.....			\$ 7,894,392.01	\$ 4,201,092.20	\$ 3,000,000.00	\$ (3,008,197.94)	\$ (2,806,451.78)	\$ 9,280,834.49

Ref.

D

D

D-9

D-6

D

D

TOWNSHIP OF NORTH BRUNSWICK  
WATER UTILITY CAPITAL FUND

SERIAL BONDS PAYABLE  
YEAR ENDED JUNE 30, 2022

Purpose	Issue Date	Original Issue	.....OUTSTANDING MATURITIES.....			INTEREST EXPENSE.....			FY Budget Appropriation Interest
			June 30, 2022			Interest Cash Payments	....Accrued Interest....		
			Date	Principal	Rate		Beginning	Ending	
2011 Refunding Bond.....	12/22/11	\$ 10,252,500	04/01/23	\$ 1,202,500.00	5.000%	\$ 30,062.50	\$ (15,031.25)		\$ 15,031.25
2012 Improvement Bond..... Ordinance 5-16/6-16	08/08/12	1,500,000	08/01/22	70,000	2.000%	22,050.00	(9,479.17)	\$ 8,895.83	21,466.67
			08/01/23	75,000	2.125%	20,553.13	(8,895.83)	8,231.78	19,889.07
			08/01/24	75,000	2.125%	18,959.38	(8,231.78)	7,567.69	18,295.30
			08/01/25	75,000	2.250%	17,318.75	(7,567.69)	6,864.58	16,615.64
			08/01/26	80,000	2.375%	15,525.00	(6,864.58)	6,072.92	14,733.33
			08/01/27	80,000	2.500%	13,575.00	(6,072.92)	5,239.58	12,741.67
			08/01/28	85,000	2.500%	11,512.50	(5,239.58)	4,354.17	10,627.08
			08/01/29	90,000	2.625%	9,268.75	(4,354.17)	3,369.79	8,284.38
			08/01/30	90,000	2.750%	6,850.00	(3,369.79)	2,338.54	5,818.75
			08/01/31	95,000	2.750%	4,306.25	(2,338.54)	1,250.00	3,217.71
			08/01/32	100,000	3.000%	1,500.00	(1,250.00)		250.00
Refunding Bonds.....	06/02/15	1,275,000	08/15/22	120,000	2.00%	18,662.50	(7,448.44)	6,548.44	17,762.50
			08/15/23	125,000	2.25%	16,056.25	(6,548.44)	5,493.75	15,001.56
			08/15/24	120,000	4.00%	12,250.00	(5,493.75)	3,693.75	10,450.00
			08/15/25	125,000	5.00%	6,725.00	(3,693.75)	1,350.00	4,381.25
			08/15/26	120,000	3.00%	1,800.00	(1,350.00)		450.00

TOWNSHIP OF NORTH BRUNSWICK  
WATER UTILITY CAPITAL FUND

SERIAL BONDS PAYABLE  
YEAR ENDED JUNE 30, 2022

Purpose	Issue Date	Original Issue	.....OUTSTANDING MATURITIES.....			.....INTEREST EXPENSE.....			FY Budget Appropriation Interest
			June 30, 2022			Interest Cash Payments	....Accrued Interest....		
			Date	Principal	Rate		Beginning	Ending	
2015 Bonds.....	07/30/15	\$ 1,993,670	07/15/22	90,000	3.00%	46,259.70	(17,853.64)	16,841.14	45,247.20
			07/15/23	90,000	3.00%	43,559.70	(16,841.14)	15,828.64	42,547.20
			07/15/24	95,000	3.00%	40,784.70	(15,828.64)	14,759.89	39,715.95
			07/15/25	95,000	3.00%	37,934.70	(14,759.89)	13,691.14	36,865.95
			07/15/26	100,000	3.00%	35,009.70	(13,691.14)	12,566.14	33,884.70
			07/15/27	100,000	3.00%	32,009.70	(12,566.14)	11,441.14	30,884.70
			07/15/28	105,000	3.00%	28,934.70	(11,441.14)	10,259.89	27,753.45
			07/15/29	110,000	3.00%	25,709.70	(10,259.89)	9,022.39	24,472.20
			07/15/30	110,000	3.125%	22,340.95	(9,022.39)	7,733.33	21,051.89
			07/15/31	115,000	3.125%	18,825.33	(7,733.33)	6,385.67	17,477.68
			07/15/32	120,000	3.250%	15,078.46	(6,385.67)	4,923.17	13,615.96
			07/15/33	125,000	3.250%	11,097.21	(4,923.17)	3,399.74	9,573.77
			07/15/34	130,000	3.375%	6,872.21	(3,399.74)	1,754.42	5,226.90
			07/15/35	133,670	3.500%	2,339.23	(1,754.42)		584.81
2017 Refunding Bonds	05/24/17	1,621,947	08/15/22	34,894	4.000%	61,241.00	(23,227.08)	22,703.67	60,717.59
			08/15/23	186,787	4.000%	56,807.38	(22,703.67)	19,901.87	54,005.58
			08/15/24	191,429	4.000%	49,243.06	(19,901.87)	17,030.43	46,371.62
			08/15/25	204,053	4.000%	41,333.42	(17,030.43)	13,969.64	38,272.63
			08/15/26	213,541	4.000%	32,981.54	(13,969.64)	10,766.52	29,778.42
			08/15/27	226,296	4.000%	24,184.80	(10,766.52)	7,372.08	20,790.36
			08/15/28	239,298	4.000%	14,872.92	(7,372.08)	3,782.61	11,283.45
			08/15/29	252,174	4.000%	5,043.48	(3,782.61)		1,260.87

TOWNSHIP OF NORTH BRUNSWICK  
WATER UTILITY CAPITAL FUND

SERIAL BONDS PAYABLE  
YEAR ENDED JUNE 30, 2022

			.....INTEREST EXPENSE.....						
Purpose	Issue Date	Original Issue	.....OUTSTANDING MATURITIES.....			Interest			FY Budget
			June 30, 2022			Cash	....Accrued Interest....		Appropriation
			Date	Principal	Rate	Payments	Beginning	Ending	Interest
2020 General Obligation Bonds	07/20/20	\$ 3,930,000	7/15/2022	175,000	1.000%	66,018.76	(30,659.64)	29,857.56	65,216.68
			7/15/2023	175,000	1.000%	64,268.76	(29,857.56)	29,055.47	63,466.68
			7/15/2024	180,000	1.000%	62,493.76	(29,055.47)	28,230.47	61,668.76
			7/15/2025	180,000	1.000%	60,693.76	(28,230.47)	27,405.47	59,868.76
			7/15/2026	185,000	1.250%	58,637.51	(27,405.47)	26,345.58	57,577.61
			7/15/2027	185,000	1.250%	56,325.01	(26,345.58)	25,285.68	55,265.11
			7/15/2028	185,000	2.000%	53,318.76	(25,285.68)	23,589.85	51,622.93
			7/15/2029	190,000	2.000%	49,568.76	(23,589.85)	21,848.18	47,827.09
			7/15/2030	190,000	2.000%	45,768.76	(21,848.18)	20,106.52	44,027.09
			7/15/2031	195,000	2.000%	41,918.76	(20,106.52)	18,319.02	40,131.26
			7/15/2032	200,000	2.000%	37,968.76	(18,319.02)	16,485.68	36,135.43
			7/15/2033	205,000	2.000%	33,918.76	(16,485.68)	14,606.51	32,039.58
			7/15/2034	210,000	2.000%	29,768.76	(14,606.51)	12,681.52	27,843.77
			7/15/2035	210,000	2.000%	25,568.76	(12,681.52)	10,756.52	23,643.76
			7/15/2036	215,000	2.300%	21,318.76	(10,756.52)	8,785.68	19,347.93
			7/15/2037	220,000	2.000%	16,968.76	(8,785.68)	6,769.02	14,952.09
			7/15/2038	225,000	2.125%	12,378.13	(6,769.02)	4,577.60	10,186.72
			7/15/2039	230,000	2.125%	7,543.75	(4,577.60)	2,337.50	5,303.65
			7/15/2040	240,000	2.125%	2,550.00	(2,337.50)		212.50
			June 30, 2021 Balance.....			D	\$ 11,174,975.00		
Principal Payments.....			D-5,D-18	(1,585,333.00)					
June 30, 2022.....			D	\$ 9,589,642.00					



TOWNSHIP OF NORTH BRUNSWICK  
WATER UTILITY CAPITAL FUND

BOND ANTICIPATION NOTES  
YEAR ENDED JUNE 30, 2022

Ord.	Description	Interest Rate	Outstanding Maturities		Notes Outstanding June 30, 2021	Increase	Decrease	Notes Outstanding June 30, 2022
			Issue Date	Maturity Date				
17-10	Water Distribution System.....	1.00%	7/15/21	7/14/22	1,000,000.00	\$ 985,000.00	1,000,000.00	\$ 985,000.00
18-13	Water Distribution System.....	1.00%	7/15/21	7/14/22	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00
19-10	Water Distribution System.....	1.00%	7/15/21	7/14/22	1,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00
19-21	Water Distribution System.....	1.00%	7/15/21	7/14/22	500,000.00	1,000,000.00	500,000.00	1,000,000.00
						10,000,000.00		10,000,000.00
	Total.....				<u>\$ 3,500,000.00</u>	<u>\$ 13,985,000.00</u>	<u>\$ 3,500,000.00</u>	<u>\$ 13,985,000.00</u>
				<u>Ref.</u>	D	D-6	D-6	D
				Cash Transactions		\$ 13,985,000.00	\$ 3,485,000.00	
				Paid by Budget Appropriations	D-18	-	15,000.00	
						<u>\$ 13,985,000.00</u>	<u>\$ 3,500,000.00</u>	

Calculation of Accrued Interest

	<u>Total</u>	Issued Date	
		<u>7/22/2021</u>	<u>7/20/2022</u>
Principal Outstanding.....	\$ 3,500,000.00	\$ 13,985,000.00	
Interest Rate.....	2.00%	1.00%	
Accrued Interest at June 30, 2021 and 2022	65,722.22	131,303.61	
SFY 2020 Budget Expense.....		<u>\$ 135,386.93</u>	
Memo - Cash Interest at July 15, 2020 Maturity.....	<u>\$ 69,805.56</u>		
Memo - Cash Interest at July 14, 2022 Maturity.....		<u>\$ 139,461.53</u>	

TOWNSHIP OF NORTH BRUNSWICK  
WATER UTILITY CAPITAL FUND

NJEIT LOAN OBLIGATION  
YEAR ENDED JUNE 30, 2022

OUTSTANDING MATURITIES						.....INTEREST EXPENSE.....			
Purpose	Drawdown Date	Original Issue	Fiscal Year	Principal 8/1 Maturities	Rate	Interest Annual Cash Payments	Accrued Interest Beginning	Ending	FY Budget Appropriation Interest
Trust Loan									
Ordinance 07-20	11/8/2007	\$ 9,700,000	2023	533,000.00	5.00%	168,175.00	(86,270.83)	75,625.00	157,529.17
			2024	559,000.00	4.25%	140,875.00	(75,625.00)	64,520.83	129,770.83
			2025	589,000.00	4.50%	112,175.00	(64,520.83)	52,875.00	100,529.17
			2026	619,000.00	4.50%	81,975.00	(52,875.00)	40,604.17	69,704.17
			2027	648,000.00	4.50%	50,300.00	(40,604.17)	27,708.33	37,404.16
			2028	<u>682,000.00</u>	4.25%	17,050.00	(27,708.33)	14,208.33	3,550.00
Trust Loan June 30, 2022 Balance.....				\$ 3,630,000.00					

TOWNSHIP OF NORTH BRUNSWICK  
WATER UTILITY CAPITAL FUND

NJEIT LOAN OBLIGATION

Purpose	Drawdown Date	Original Issue	Fiscal Year	Annual	Rate	SEMI-ANNUAL PRINCIPAL	
						August 1	February 1
Fund Loan							
Ordinance 07-20	11/8/2007	\$ 8,939,498	2023	505,143.57	0.00%	444,360.66	60,782.91
			2024	494,871.14	0.00%	453,692.56	41,178.58
			2025	493,709.43	0.00%	464,068.37	29,641.06
			2026	494,187.47	0.00%	473,510.99	20,676.48
			2027	496,811.42	0.00%	482,526.56	14,284.86
			2028	494,278.60	0.00%	494,278.60	
Fund Loan June 30, 2022 Balance.....				\$	2,979,001.63		
<u>Ref.</u>							
June 30, 2021 NJEIT Loan Balance.....			D	\$	7,616,229.47		
Principal Payments.....			D-18		(1,007,227.84)		
June 30, 2022 NJEIT Loan Balance.....			D	\$	<u>6,609,001.63</u>		

TOWNSHIP OF NORTH BRUNSWICK  
WATER UTILITY CAPITAL FUND

RESERVE FOR AMORTIZATION  
YEAR ENDED JUNE 30, 2022

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	<u>Ref.</u>		
Balance June 30, 2021	D	\$	41,886,983.12
Principal Payments			
Serial Bonds.....	D-15	\$	1,585,333.00
BAN Principal.....	D-16		15,000.00
NJEIT Loan.....	D-17		<u>1,007,227.84</u>
Total Principal Payments.....			<u>2,607,560.84</u>
Balance June 30, 2022	D	\$	<u><u>44,494,543.96</u></u>

WATER UTILITY CAPITAL FUND

CAPITAL IMPROVEMENT FUND  
YEAR ENDED JUNE 30, 2022

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Balance June 30, 2022 and 2021	D	\$	<u><u>89,067.59</u></u>
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TOWNSHIP OF NORTH BRUNSWICK  
WATER UTILITY ASSESSMENT FUND

ASSESSMENTS & LIENS RECEIVABLE  
YEAR ENDED JUNE 30, 2022

Description	Ordinance Number	Confirmation Date	Annual Installments	Due Dates	Balance 06/30/21	Collected	Balance 06/30/22	Balance Pledged To	
								Assessment Bonds	Reserve
<u>Assessment Receivables</u>									
Prior Year Assessment Receivables					\$ 412.00		\$ 412.00		\$ 412.00
Water Improvement - Belcourt at Hidden Lakes Condo Assoc	07-24/11-04	10/03/11	4	12/1/11-2031	1,374,385.86	\$ 152,846.03	1,221,539.83	\$ 1,221,539.83	
Total Assessments Receivable.....					1,374,797.86	152,846.03	1,221,951.83	1,221,539.83	\$ 412.00
<u>Assessment Liens</u>									
Interest & Costs on Assessment Liens.....					288.00		288.00		288.00
Total Assessment Liens Receivable.....					288.00	-	288.00	-	288.00
Total Assessments & Assessment Liens Receivable.....					\$ 1,375,085.86	\$ 152,846.03	\$ 1,222,239.83	\$ 1,221,539.83	\$ 700.00
<u>Ref.</u>					D	D-6	D	D-22	D-21

TOWNSHIP OF NORTH BRUNSWICK  
WATER UTILITY ASSESSMENT FUND

RESERVES FOR ASSESSMENTS AND LIENS  
YEAR ENDED JUNE 30, 2022

ORD. NO.	IMPROVEMENT DESCRIPTION	BALANCE JUNE 30, 2021	COLLECTIONS	BALANCE JUNE 30, 2022
<u>ASSESSMENTS RECEIVABLE</u>				
07-24/11-04	Assessment Liens.....	\$ 412.00		\$ 412.00
	Water Improvement - Belcourt at Hidden Lake Condo Assoc.....	39,792.10	\$ 39,792.10	
	Subtotal	40,204.10	39,792.10	412.00
<u>ASSESSMENT LIENS</u>				
	Assessment Liens Interest & Cost.....	288.00		288.00
		<u>\$ 40,492.10</u>	<u>\$ 39,792.10</u>	<u>\$ 700.00</u>
<u>Ref.</u>		D	D-3	D

TOWNSHIP OF NORTH BRUNSWICK  
WATER UTILITY ASSESSMENT FUND

ASSESSMENT SERIAL BONDS PAYABLE  
YEAR ENDED JUNE 30, 2022

						.....INTEREST EXPENSE.....			
Purpose	Issue Date	Original Issue	.....OUTSTANDING MATURITIES.....			Interest Cash Payments	....Accrued Interest....		FY Budget Appropriation
			Date	Principal	Rate		Beginning	Ending	Interest
Ordinance 07-24/11-04..... Belcourt Assessment	08/10/11	\$ 2,250,000	08/15/22	\$ 110,000.00	5.250%	\$ 66,325.00	\$ (25,954.69)	\$ 23,789.06	\$ 64,159.37
			08/15/23	115,000.00	5.250%	60,418.75	(23,789.06)	21,525.00	58,154.69
			08/15/24	115,000.00	5.250%	54,381.25	(21,525.00)	19,260.94	52,117.19
			08/15/25	120,000.00	5.250%	48,212.50	(19,260.94)	16,898.44	45,850.00
			08/15/26	125,000.00	5.250%	41,781.25	(16,898.44)	14,437.50	39,320.31
			08/15/27	130,000.00	5.500%	34,925.00	(14,437.50)	11,756.25	32,243.75
			08/15/28	135,000.00	5.500%	27,637.50	(11,756.25)	8,971.88	24,853.13
			08/15/29	140,000.00	5.500%	20,075.00	(8,971.88)	6,084.38	17,187.50
			08/15/30	145,000.00	5.500%	12,237.50	(6,084.38)	3,093.75	9,246.87
			08/15/31	150,000.00	5.500%	4,125.00	(3,093.75)		1,031.25
<u>Ref.</u>									
June 30, 2021 Balance.....			D	\$ 1,390,000.00					
Principal Payments.....			D-6	<u>(105,000.00)</u>					
June 30, 2022 Balance.....			D	<u>\$ 1,285,000.00</u>					

TOWNSHIP OF NORTH BRUNSWICK  
WATER UTILITY CAPITAL FUND

BONDS AND NOTES AUTHORIZED BUT NOT ISSUED  
YEAR ENDED JUNE 30, 2022

Ord.	Description	Balance June 30, 2021	SFY 2022 Authorized	Bond Anticipation Note Issued	Balance June 30, 2022
19-10	Water Distribution System.....	\$ 500,000.00	\$ -	\$ -	\$ 500,000.00
19-21	Water Distribution System.....	500,000.00	-	(500,000.00)	-
20-07	Water Distribution System.....	10,000,000.00	-	(10,000,000.00)	-
21-17	Water Distribution System.....	-	3,000,000.00		3,000,000.00
<hr/>					
Total Bonds & Notes					
Authorized but not Issued.....		\$ 11,000,000.00	\$ 3,000,000.00	\$ (10,500,000.00)	\$ 3,500,000.00
<hr/>					
	<u>Ref.</u>	D	D-14	D-16	D



## **SEWER UTILITY FUND**

SEWER UTILITY OPERATING & CAPITAL FUNDS  
SCHEDULE OF CASH

		Operating	Capital
Cash Balance June 30, 2021.....	E	\$ 3,051,670.48	\$ 759,859.67
Increased by Cash Receipts			
Premium on BAN issue.....	E-2		48,396.00
Anticipated Revenue.....	E-3, E-10	7,391,666.90	
Sewer Overpayments.....	E-11	2,767.96	
Bond Anticipation Notes.....	E-18		5,450,000.00
Total Cash Receipts.....		7,394,434.86	5,498,396.00
Decreased by Disbursements			
Budget Appropriations.....	E-4	(6,926,330.61)	
Appropriation Reserves.....	E-9	(54,207.03)	
Accrued Interest.....	E-12	(408,463.01)	
Improvement Authorizations.....	E-14		(304,059.08)
Bond Anticipation Notes.....	E-18		(5,450,000.00)
Total Cash Disbursements.....		(7,389,000.65)	(5,754,059.08)
Cash Balance June 30, 2022.....	E	\$ 3,057,104.69	\$ 504,196.59

SEWER UTILITY CAPITAL FUND  
ANALYSIS OF CASH BALANCES

Ord.		Deferred Charges	Ordinance Balance	Reserve for Encumbrances	Other	Cash Balance
<u>Improvement Authorizations</u>						
15-15	Improvements to Sewer Distribution.....	\$ -	\$ -	\$ -	\$ -	\$ -
17-05	Improvements to Sewer Distribution.....			-		-
18-12	Improvements to Sewer Distribution.....	-		101,387.91		101,387.91
19-08	Improvements to Sewer Distribution.....	(626,733.00)	109,628.11	5,710.25		(511,394.64)
19-22	Improvements to Sewer Distribution.....	-		767,213.72		767,213.72
20-08	Improvements to Sewer Distribution.....	(10,000,000.00)	4,875,434.07	4,978,982.28		(145,583.65)
	Fund Balance.....				263,673.25	263,673.25
	Capital Improvement Fund.....				28,900.00	28,900.00
Total.....		\$ (10,626,733.00)	\$ 4,985,062.18	\$ 5,853,294.16	\$ 292,573.25	\$ 504,196.59
	<u>Ref.</u>	E-19	E-14	E-14	E-2, E-15	E, E-5

SEWER UTILITY CAPITAL FUND  
SCHEDULE OF FIXED CAPITAL

	<u>Ref.</u>	
Balance - June 30, 2021.....	E	\$ 33,852,203.33
Increased by:		
Transfer from Fixed Capital Authorized but not Completed	E-8	<u>304,059.08</u>
Balance - June 30, 2022.....	E	<u><u>\$ 34,156,262.41</u></u>

SEWER UTILITY CAPITAL FUND  
SCHEDULE OF FIXED CAPITAL AUTHORIZED BUT NOT COMPLETED

Ord. Date	Description	Balance June 30, 2021	Improvement Authorizations	Transferred to Fixed Capital	Balance June 30, 2022
15-15	Improvement to Sewer Distribution System.....	\$ 0.25	\$ -	\$ -	\$ 0.25
17-05	Improvement to Sewer Distribution System.....	-		-	-
18-12	Improvement to Sewer Distribution System.....	156,236.90		54,848.99	101,387.91
19-08	Improvement to Sewer Distribution System.....	190,796.71		75,458.35	115,338.36
19-22	Improvement to Sewer Distribution System.....	808,589.99		41,376.27	767,213.72
20-08	Improvement to Sewer Distribution System.....	9,986,791.82		132,375.47	9,854,416.35
21-18	Improvement to Sewer Distribution System.....		3,000,000.00		3,000,000.00
	Total.....	<u>\$ 11,142,415.67</u>	<u>\$ 3,000,000.00</u>	<u>\$ 304,059.08</u>	<u>\$ 13,838,356.59</u>
	<u>Ref.</u>	E	E-14	E-7	E

SEWER UTILITY OPERATING FUND  
SCHEDULE OF APPROPRIATION RESERVES

	Appropriation			
	Reserves	Encumbrances	Paid or	Balance
	June 30, 2021	June 30, 2021	Charged	Lapsed
Operating Salaries.....	\$ 14,824.41	\$ -	\$ (2,383.32)	\$ 12,441.09
Operating Expenses.....	540,421.08	150,630.89	(51,823.71)	639,228.26
Total Sewer Utility Operating.....	<u>\$ 555,245.49</u>	<u>\$ 150,630.89</u>	<u>\$ (54,207.03)</u>	<u>\$ 651,669.35</u>
	<u>Ref.</u>	E	E	E-5
				E-1

Cash Disbursements.....	<u>Ref.</u>	
Accounts Payable.....	E-5	(54,207.03)
Total Paid or Charged.....	E-9	-
		<u>\$ (54,207.03)</u>

<u>Accounts Payable Analysis</u>		
Balance June 30, 2021.....	E	\$ 7,738.10
Decreased by:		
Accounts Payable Canceled.....	E-1	(7,738.10)
Balance June 30, 2022.....	E	<u>\$ -</u>

SEWER UTILITY OPERATING FUND  
SCHEDULE OF SEWER RENTS RECEIVABLE

	<u>Ref.</u>	Sewer Rents
Balance June 30, 2021.....	E	\$ 815,338.62
Increased by:		
Sewer Rents Levied.....	Reserve	<u>7,534,694.26</u>
		8,350,032.88
Decreased by:		
Cash Receipts.....	E-3, E-5	7,343,987.04
Overpayments Applied.....	E-11	<u>19,930.52</u>
	E-1	<u>7,363,917.56</u>
Balance June 30, 2022.....	E	<u><u>\$ 986,115.32</u></u>

SCHEDULE OF SEWER OVERPAYMENTS  
SEWER UTILITY OPERATING FUND

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	<u>Ref.</u>	
Balance - June 30, 2021	E	\$ 19,930.52
Increased by:		
Overpayments Collected	E-5	<u>2,767.96</u> 22,698.48
Decreased by:		
Overpayments Applied	E-1, E-10	<u>19,930.52</u>
Balance - June 30, 2022	E	<u><u>\$ 2,767.96</u></u>

SEWER UTILITY OPERATING AND CAPITAL FUNDS  
SCHEDULE OF ACCRUED INTEREST ON BONDS & NOTES

	Ref.	Total Accrued Interest	Bond Anticipation Notes	Serial Bonds	Environmental Infrastructure Trust
Accrued Interest June 30, 2021.....	E	\$ (195,774.02)	\$ (110,000.00)	\$ (73,559.95)	\$ (12,214.07)
Cash Payments - SFY 2022.....	E-5	408,463.01	109,694.42	253,227.33	45,541.26
Accrued Interest June 30, 2022.....	E	152,675.43	54,348.61	75,923.17	22,403.65
SFY 2022 Budget Expense.....	E-4	<u>\$ 365,364.42</u>	<u>\$ 54,043.03</u>	<u>\$ 255,590.55</u>	<u>\$ 55,730.84</u>



SCHEDULE OF SEWER LOAN PAYABLE  
NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST

Purpose	Drawdown Date	Original Issue	Fiscal Year	OUTSTANDING MATURITIES June 30, 2022		INTEREST EXPENSE.....			
				Principal	Rate	Interest Annual Cash Payments	Accrued Interest Beginning	Interest Ending	FY Budget Appropriation Interest
Trust Loan									
Ordinance 97-25	11/4/2004	\$ 570,000	2022	\$ 40,000.00	5.000%	\$ 6,668.76	\$ (3,195.32)	\$ 2,361.98	\$ 5,835.42
			2023	40,000.00	5.000%	4,668.76	(2,361.98)	1,528.65	3,835.43
			2024	40,000.00	4.250%	2,818.76	(1,528.65)	820.32	2,110.43
			2025	45,000.00	4.375%	984.38	(820.32)		164.06
Ordinance 19-08	6/11/2021	1,180,000	2022			34,872.50	(9,018.75)	20,041.67	45,895.42
			2023	60,000.00	5.000%	46,600.00	(20,041.67)	18,791.67	45,350.00
			2024	65,000.00	5.000%	43,475.00	(18,791.67)	17,437.50	42,120.83
			2025	70,000.00	5.000%	40,100.00	(17,437.50)	15,979.17	38,641.67
			2026	70,000.00	5.000%	36,600.00	(15,979.17)	14,520.83	35,141.67
			2027	75,000.00	5.000%	32,975.00	(14,520.83)	12,958.33	31,412.50
			2028	80,000.00	5.000%	29,100.00	(12,958.33)	11,291.67	27,433.33
			2029	85,000.00	5.000%	24,975.00	(11,291.67)	9,520.83	23,204.17
			2030	85,000.00	5.000%	20,725.00	(9,520.83)	7,750.00	18,954.17
			2031	90,000.00	4.000%	16,800.00	(7,750.00)	6,250.00	15,300.00
			2032	95,000.00	3.000%	13,575.00	(6,250.00)	5,062.50	12,387.50
			2033	95,000.00	3.000%	10,725.00	(5,062.50)	3,875.00	9,537.50
			2034	100,000.00	3.000%	7,800.00	(3,875.00)	2,625.00	6,550.00
			2035	105,000.00	3.000%	4,725.00	(2,625.00)	1,312.50	3,412.50
			2036	105,000.00	3.000%	1,575.00	(1,312.50)	-	262.50
Trust Loan June 30, 2022 Balance.....				\$ 1,305,000.00					

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SEWER UTILITY CAPITAL FUND  
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

Ord	Original	Description	June 30, 2021 Unfunded	Encumbrances 06/30/21	SFY 2022 Authorized	Paid	Encumbrances 06/30/22	June 30, 2022 Unfunded
18-12	1,000,000	Improve Sanitary Sewer System.....	\$ -	\$ 156,236.90	\$ -	\$ (54,848.99)	\$ (101,387.91)	\$ -
19-08	6,000,000	Improve Sanitary Sewer System.....	-	190,796.71		(75,458.35)	(5,710.25)	109,628.11
19-22	1,000,000	Improve Sanitary Sewer System.....	-	808,589.99		(41,376.27)	(767,213.72)	-
20-08	10,000,000	Improve Sanitary Sewer System.....	6,723,142.93	3,263,648.89		(132,375.47)	(4,978,982.28)	4,875,434.07
21-18	3,000,000	Improve Sanitary Sewer System.....			3,000,000.00		(164,350.00)	2,835,650.00
Total.....			<u>\$ 6,723,142.93</u>	<u>\$ 4,419,272.49</u>	<u>\$ 3,000,000.00</u>	<u>\$ (304,059.08)</u>	<u>\$ (6,017,644.16)</u>	<u>\$ 7,820,712.18</u>
<u>Ref.</u>			E	E	E-8	E-5	E	E

SEWER UTILITY CAPITAL FUND  
SCHEDULE OF CAPITAL IMPROVEMENT FUND

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	<u>Ref.</u>	
Balance - June 30, 2022 and June 30, 2021	E	<u>\$ 28,900.00</u>

SEWER UTILITY CAPITAL FUND  
SCHEDULE OF RESERVE FOR  
AMORTIZATION & DEFERRED AMORTIZATION

	<u>Ref.</u>	Amortization	Deferred Amortization
Balance June 30, 2021.....	E	\$ (14,743,538.15)	\$ (252,294.00)
Principal Payments.....			
NJEIT Loans Adjustment	E-13	-	
NJEIT Loans	E-13	(345,100.69)	
Bonds	E-17	(1,424,667.00)	
BANs	E-18	(50,000.00)	
		<u>(1,819,767.69)</u>	
Balance June 30, 2022.....	E	<u>\$ (16,563,305.84)</u>	<u>\$ (252,294.00)</u>

SEWER UTILITY CAPITAL FUND  
SCHEDULE OF SERIAL BONDS PAYABLE & ACCRUED INTEREST

Exhibit E-17  
Page 1 of 3

Purpose	Issue Date	Original Issue	OUTSTANDING MATURITIES			.....INTEREST EXPENSE.....			
			Date	June 30, 2022		Interest Annual Cash Payments	Accrued Interest		FY Budget Appropriation Interest
				Principal	Rate		Beginning	Ending	
2011 Refunding Bond	12/22/11	\$ 10,252,500	04/01/22	\$ 1,145,000.00	5.000%	\$ 88,750.00	\$ (29,343.75)	\$ 15,031.25	\$ 74,437.50
			04/01/23	1,202,500	5.000%	30,062.50	(15,031.25)		15,031.25
General Obligation Bond Ordinance 05-17; 08-21	08/08/12	1,700,000	08/01/21	80,000	2.000%	26,512.50	(11,380.21)	10,713.54	25,845.83
			08/01/22	80,000	2.000%	24,912.50	(10,713.54)	10,046.88	24,245.84
			08/01/23	85,000	2.125%	23,209.38	(10,046.88)	9,294.28	22,456.78
			08/01/24	85,000	2.125%	21,403.13	(9,294.28)	8,541.67	20,650.52
			08/01/25	85,000	2.250%	19,543.75	(8,541.67)	7,744.79	18,746.87
			08/01/26	90,000	2.375%	17,518.75	(7,744.79)	6,854.17	16,628.13
			08/01/27	95,000	2.500%	15,262.50	(6,854.17)	5,864.58	14,272.91
			08/01/28	95,000	2.500%	12,887.50	(5,864.58)	4,875.00	11,897.92
			08/01/29	100,000	2.625%	10,387.50	(4,875.00)	3,781.25	9,293.75
			08/01/30	105,000	2.750%	7,631.25	(3,781.25)	2,578.13	6,428.13
			08/01/31	105,000	2.750%	4,743.75	(2,578.13)	1,375.00	3,540.62
			08/01/32	110,000	3.000%	1,650.00	(1,375.00)		275.00

SEWER UTILITY CAPITAL FUND  
SCHEDULE OF SERIAL BONDS PAYABLE & ACCRUED INTEREST

Exhibit E-17  
Page 2 of 3

Purpose	Issue Date	Original Issue	OUTSTANDING MATURITIES				INTEREST EXPENSE.....			
			June 30, 2022		Principal	Rate	Interest Annual Cash Payments	Accrued Interest		FY Budget Appropriation Interest
			Date					Beginning	Ending	
2015 Bonds	07/30/15	\$ 2,186,330	07/15/21	\$	95,000.00	3.000%	\$ 53,346.55	\$ (25,103.63)	\$ 23,797.38	\$ 52,040.30
			07/15/22		95,000	3.000%	50,496.55	(23,797.38)	22,491.13	49,190.30
			07/15/23		100,000	3.000%	47,571.55	(22,491.13)	21,116.13	46,196.55
			07/15/24		100,000	3.000%	44,571.55	(21,116.13)	19,741.13	43,196.55
			07/15/25		105,000	3.000%	41,496.55	(19,741.13)	18,297.38	40,052.80
			07/15/26		110,000	3.000%	38,271.55	(18,297.38)	16,784.88	36,759.05
			07/15/27		110,000	3.000%	34,971.55	(16,784.88)	15,272.38	33,459.05
			07/15/28		115,000	3.000%	31,596.55	(15,272.38)	13,691.13	30,015.30
			07/15/29		120,000	3.000%	28,071.55	(13,691.13)	12,041.13	26,421.55
			07/15/30		125,000	3.125%	24,318.43	(12,041.13)	10,250.76	22,528.06
			07/15/31		125,000	3.125%	20,412.18	(10,250.76)	8,460.40	18,621.82
			07/15/32		130,000	3.250%	16,346.55	(8,460.40)	6,523.94	14,410.09
			07/15/33		135,000	3.250%	12,040.30	(6,523.94)	4,513.01	10,029.36
			07/15/34		140,000	3.375%	7,484.05	(4,513.01)	2,347.38	5,318.43
			07/15/35		146,330	3.500%	2,560.78	(2,347.38)		213.40
2017 Refunding	05/24/17	243,053	08/15/21		4,667	4.000%	9,354.46	(3,542.92)	3,472.92	9,284.46
			08/15/22		5,106	4.000%	9,159.00	(3,472.92)	3,396.33	9,082.41
			08/15/23		28,213	4.000%	8,492.62	(3,396.33)	2,973.14	8,069.43
			08/15/24		28,571	4.000%	7,356.94	(2,973.14)	2,544.57	6,928.37
			08/15/25		30,947	4.000%	6,166.58	(2,544.57)	2,080.37	5,702.38
			08/15/26		31,459	4.000%	4,918.46	(2,080.37)	1,608.48	4,446.57
			08/15/27		33,704	4.000%	3,615.20	(1,608.48)	1,102.92	3,109.64
			08/15/28		35,702	4.000%	2,227.08	(1,102.92)	567.39	1,691.55
			08/15/29		37,826	4.000%	756.52	(567.39)		189.13

SEWER UTILITY CAPITAL FUND  
SCHEDULE OF SERIAL BONDS PAYABLE & ACCRUED INTEREST

Exhibit E-17  
Page 3 of 3

Purpose	Issue Date	Original Issue	OUTSTANDING MATURITIES			.....INTEREST EXPENSE.....			
			June 30, 2022			Interest Annual Cash Payments	Accrued Interest		FY Budget Appropriation Interest
			Date	Principal	Rate		Beginning	Ending	
2020 General Obligation Bonds	07/21/24	3,930,000.00						\$ 4,189.43	\$ 4,189.43
			07/15/21	\$ 100,000.00	1.000%	\$ 75,263.81	\$ (4,189.43)	22,908.08	93,982.46
			07/15/22	130,000	1.000%	49,331.26	(22,908.08)	22,312.24	48,735.43
			07/15/23	130,000	1.000%	48,031.26	(22,312.24)	21,716.41	47,435.43
			07/15/24	130,000	1.000%	46,731.26	(21,716.41)	21,120.58	46,135.43
			07/15/25	135,000	1.000%	45,406.26	(21,120.58)	20,501.83	44,787.51
			07/15/26	135,000	1.250%	43,887.51	(20,501.83)	19,728.39	43,114.07
			07/15/27	135,000	1.250%	42,200.01	(19,728.39)	18,954.95	41,426.57
			07/15/28	140,000	2.000%	39,956.26	(18,954.95)	17,671.62	38,672.93
			07/15/29	140,000	2.000%	37,156.26	(17,671.62)	16,388.29	35,872.93
			07/15/30	145,000	2.000%	34,306.26	(16,388.29)	15,059.12	32,977.09
			07/15/31	145,000	2.000%	31,406.26	(15,059.12)	13,729.95	30,077.09
			07/15/32	150,000	2.000%	28,456.26	(13,729.95)	12,354.95	27,081.26
			07/15/33	150,000	2.000%	25,456.26	(12,354.95)	10,979.95	24,081.26
			07/15/34	155,000	2.000%	22,406.26	(10,979.95)	9,559.00	20,985.31
			07/15/35	160,000	2.000%	19,256.26	(9,559.00)	8,092.45	17,789.71
			07/15/36	160,000	2.300%	16,056.26	(8,092.45)	6,625.79	14,589.59
			07/15/37	165,000	2.000%	12,806.26	(6,625.79)	5,113.29	11,293.76
			07/15/38	170,000	2.125%	9,350.01	(5,113.29)	3,457.56	7,694.28
			07/15/39	175,000	2.125%	5,684.38	(3,457.56)	1,753.13	3,979.95
			07/15/40	180,000	2.125%	1,912.50	(1,753.13)		159.38

	<u>Ref.</u>	
June 30, 2021 Balance.....	E	\$ 8,380,025.00
Principal Payments.....	E-16	<u>(1,424,667.00)</u>
June 30, 2022 Balance.....	E	<u><u>\$ 6,955,358.00</u></u>



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SEWER UTILITY CAPITAL FUND  
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

Ord.	Description	June 30, 2021	SFY22 Authorized	BANs Issued	NJEIT Loans	June 30, 2022
2019-08	Improvements to Sanitary Sewerage System.....	\$ 626,733.00	\$ -	\$ -	\$ -	\$ 626,733.00
2019-22	Improvements to Sanitary Sewerage System.....	-				-
2020-08	Improvements to Sanitary Sewerage System.....	10,000,000				10,000,000.00
2021-18	Improvements to Sanitary Sewerage System.....		3,000,000.00			-
	Total Bonds & Notes Authorized but not Issued.....	<u>\$ 10,626,733.00</u>	<u>\$ 3,000,000.00</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,626,733.00</u>

Ref.

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**TOWNSHIP OF NORTH BRUNSWICK**  
**MIDDLESEX COUNTY, NEW JERSEY**

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PART IV  
SUPPLEMENTARY DATA

TOWNSHIP OF NORTH BRUNSWICK  
COMBINED BALANCE SHEETS - ALL FUNDS  
June 30, 2022

<u>ASSETS</u>	<u>CURRENT AND GRANT FUND</u>	<u>TRUST FUND</u>	<u>GENERAL CAPITAL FUND</u>	<u>WATER UTILITY FUND</u>	<u>SEWER UTILITY FUND</u>	<u>GOVERNMENTAL FIXED ASSETS</u>	<u>MEMORANDUM ONLY TOTALS</u>	
							<u>JUNE 30, 2022</u>	<u>JUNE 30, 2021</u>
Cash and Investments	\$ 19,932,195.43	\$ 5,673,502.46	\$ 3,526,211.88	\$ 12,330,043.45	\$ 3,561,900.64		\$ 45,023,853.86	\$ 41,060,657.24
Accounts Receivable:								
State & Federal Grants Receivable	2,008,545.42	148,438.05					2,156,983.47	1,668,050.38
Due from State of New Jersey	124,211.14						124,211.14	127,061.83
Taxes, Assessments, Liens & Utility Charges	885,786.47	71,055.00		2,388,080.20	986,115.32		4,331,036.99	4,543,702.73
Property Acquired for Taxes at Assessed Valuation	534,280.68						534,280.68	534,280.68
Fixed Assets - General						\$ 91,113,511.41	91,113,511.41	89,554,323.72
Fixed Capital - Utility				66,090,901.32	34,156,262.41		100,247,163.73	96,934,906.71
Fixed Capital - Authorized and Uncompleted - Utility				12,087,286.27	13,838,356.59		25,925,642.86	23,237,899.88
Deferred Charges to Future Taxation	541,899.36		92,809,000.00				93,350,899.36	87,859,000.00
	<u>\$ 24,026,918.50</u>	<u>\$ 5,892,995.51</u>	<u>\$ 96,335,211.88</u>	<u>\$ 92,896,311.24</u>	<u>\$ 52,542,634.96</u>	<u>\$ 91,113,511.41</u>	<u>\$ 362,807,583.50</u>	<u>\$ 345,519,883.17</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>CURRENT AND GRANT FUND</u>	<u>TRUST FUND</u>	<u>CAPITAL FUND</u>	<u>WATER UTILITY FUND</u>	<u>SEWER UTILITY FUND</u>	<u>GENERAL FIXED ASSETS</u>	<u>TOTALS</u>	
							<u>JUNE 30, 2022</u>	<u>JUNE 30, 2021</u>
Bonds and Notes Payable			\$ 80,318,250.00	\$ 24,859,642.00	\$ 12,405,358.00		\$ 117,583,250.00	\$ 112,183,250.00
Loans Payable				6,609,001.63	5,146,928.16		11,755,929.79	13,108,258.32
Taxes Payable	\$ 583,092.04						583,092.04	1,313,884.05
Prepaid Taxes, Assessments, Utility Charges and Licenses	477,512.87						477,512.87	457,448.80
Tax, Assessment, Lien, License and Utility Charge Overpayments	5.77	\$ 71,055.00		129,672.60	2,767.96		203,501.33	420,727.64
Appropriation Reserves	3,046,922.01			311,236.13	256,717.33		3,614,875.47	4,560,654.00
Reserve for Encumbrances/ Accounts Payable	1,593,154.50			826,029.61	344,440.78		2,763,624.89	3,530,878.86
Other Liabilities	22,809.00	86.20					22,895.20	14,430.80
Amts. Pledged to Specific Purposes	2,280,826.55	4,279,147.51	2,053,331.57	89,067.59	28,900.00		8,731,273.22	8,597,226.14
Escrow Funds		1,542,706.80					1,542,706.80	1,194,513.72
Improvement Authorizations			13,695,899.69	12,087,286.27	13,838,356.34		39,621,542.30	32,199,287.23
Investments in General Fixed Assets						\$ 91,113,511.41	91,113,511.41	89,554,323.72
Reserve for Amortization of Costs of Fixed Capital Acquired or Authorized				44,494,543.96	16,815,599.84		61,310,143.80	56,882,815.27
Reserve for Certain Assets Acquired or Receivables & Inventories	1,420,067.15			1,165,840.37	986,115.32		3,572,022.84	3,631,842.55
Fund Balance	14,602,528.61		267,730.62	2,323,991.08	2,717,451.23		19,911,701.54	17,870,342.07
	<u>\$ 24,026,918.50</u>	<u>\$ 5,892,995.51</u>	<u>\$ 96,335,211.88</u>	<u>\$ 92,896,311.24</u>	<u>\$ 52,542,634.96</u>	<u>\$ 91,113,511.41</u>	<u>\$ 362,807,583.50</u>	<u>\$ 345,519,883.17</u>

TOWNSHIP OF NORTH BRUNSWICK  
COMPARATIVE STATEMENTS OF OPERATIONS AND CHANGES IN FUND BALANCE  
REGULATORY BASIS  
CURRENT FUND  
YEARS ENDED JUNE 30, 2022 AND 2021

<u>Revenue and Other Income Realized</u>	2022		2021	
	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
Surplus Anticipated	\$ 2,431,738.56	1.97	\$ 3,300,000.00	2.23
Miscellaneous Revenues Anticipated	15,092,557.12	8.26	13,842,098.38	7.36
Receipts from Current Taxes	150,140,329.93	88.20	147,858,104.29	89.20
Other Miscellaneous Revenue	<u>2,710,959.37</u>	<u>1.57</u>	<u>2,629,961.06</u>	<u>1.21</u>
Total Income	<u>170,375,584.98</u>	<u>100.00</u>	<u>167,630,163.73</u>	<u>100.00</u>
<u>Expenditures</u>				
Budget Appropriations	52,965,813.01	31.83	51,935,458.96	31.38
Tax Collections				
County Taxes	21,926,550.15	11.75	19,169,922.25	11.55
Local School District Taxes	90,970,908.00	55.95	91,292,816.50	56.59
Municipal Open Space Trust Fund	764,311.77	0.46	760,470.11	0.48
Other Miscellaneous Expenditures	<u>10,026.58</u>	<u>0.01</u>	<u>10,265.92</u>	<u>0.00</u>
Total Expenditures	<u>166,637,609.51</u>	<u>100.00</u>	<u>163,168,933.74</u>	<u>100.00</u>
Excess in Revenue	3,737,975.47		4,461,229.99	
Adj. to Income Before Fund Balance: Expend. Included Above Which are by Statute Deferred Charges to Budget of Succeeding Years	<u>541,899.36</u>			
Statutory Excess to Fund Balance	4,279,874.83		4,461,229.99	
Fund Balance - Beginning	<u>12,754,392.33</u>		<u>11,593,162.34</u>	
	17,034,267.16		16,054,392.33	
Utilized as Anticipated Revenue	<u>(2,431,738.56)</u>		<u>(3,300,000.00)</u>	
Fund Balance - Ending	<u>\$ 14,602,528.60</u>		<u>\$ 12,754,392.33</u>	

TOWNSHIP OF NORTH BRUNSWICK  
COMPARATIVE STATEMENTS OF OPERATIONS AND CHANGES IN FUND BALANCE  
REGULATORY BASIS  
WATER UTILITY OPERATING FUND  
YEARS ENDED JUNE 30, 2022 AND 2021

	2022		2021	
<u>Revenue and Other Income Realized</u>	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
Surplus Anticipated	\$ 200,000.00	2.42	\$ 330,000.00	3.74
Water Rents	6,934,263.84	83.94	7,440,153.53	84.30
Miscellaneous Revenues	65,846.00	0.80	709,700.77	8.04
Connection Fees	650,853.36	7.88	44,725.00	0.51
Water Utility Capital Surplus	200,000.00	2.42	100,000.00	1.13
Unexpended Balance of Appropriation Reserve	112,499.85	1.36	103,942.97	1.18
Water Utility Assessment Trust Fund Interest	71,720.31	0.87	76,771.88	0.87
Prior Year's Accounts Payable Canceled	26,114.00	0.32	21,004.54	0.24
	<u>8,261,297.36</u>	<u>100.00</u>	<u>8,826,298.69</u>	<u>100.00</u>
<u>Expenditures</u>				
Budget Appropriations	7,995,226.53	100.00	7,666,683.89	99.57
Refund of Prior Year Revenue	-	0.00	33,255.60	0.43
	<u>7,995,226.53</u>	<u>100.00</u>	<u>7,699,939.49</u>	<u>100.00</u>
Total Expenditures				
Excess in Revenue	266,070.83		1,126,359.20	
Decreased by Surplus Anticipated				
Water Utility Operating Fund	(200,000.00)		(330,000.00)	
Fund Balance - Beginning	<u>1,906,712.18</u>		<u>1,110,352.98</u>	
Fund Balance - Ending	<u>\$ 1,972,783.01</u>		<u>\$ 1,906,712.18</u>	

TOWNSHIP OF NORTH BRUNSWICK  
COMPARATIVE STATEMENTS OF OPERATIONS AND CHANGE IN FUND BALANCE  
REGULATORY BASIS  
SEWER UTILITY OPERATING FUND  
YEARS ENDED JUNE 30, 2021 AND 2020

	2022		2021	
<u>Revenue and Other Income Realized</u>	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
Surplus Anticipated	\$ 440,000.00	5.17	\$ 470,000.00	5.44
Sewer Rents	7,363,917.56	86.52	7,699,683.83	89.14
Connection Fees	28,475.00	0.33	16,750.00	0.19
Miscellaneous	19,204.86	0.23	17,689.23	0.20
Unexpended Balance of Appropriation Reserve	651,669.35	7.67	383,054.90	4.43
Other	7,738.10	0.09	-	-
Sewer Capital Fund Balance Utilized		-	50,000.00	0.58
	<u>8,511,004.87</u>	<u>100.00</u>	<u>8,637,177.96</u>	<u>100.00</u>
<u>Expenditures</u>				
Budget Appropriations	<u>7,740,177.71</u>	<u>100.00</u>	<u>7,296,448.72</u>	<u>100.00</u>
	<u>7,740,177.71</u>	<u>100.00</u>	<u>7,296,448.72</u>	<u>100.00</u>
Excess in Revenue	770,827.16		1,340,729.24	
Decreased by Surplus Anticipated	(440,000.00)		(470,000.00)	
Fund Balance - Beginning	<u>2,122,351.46</u>		<u>1,251,622.22</u>	
Fund Balance - Ending	<u>\$ 2,453,178.62</u>		<u>\$ 2,122,351.46</u>	

TOWNSHIP OF NORTH BRUNSWICK  
COMPARATIVE SCHEDULE OF TAX RATE INFORMATION\*

	<u>2022</u>	<u>2021</u>	<u>2020</u>
<u>Tax Rate:</u>	<u>\$6.010</u>	<u>\$5.867</u>	<u>\$5.786</u>
<u>Apportionment of Tax Rate:</u>			
Municipal:	<u>\$1.371</u>	<u>\$1.337</u>	<u>\$1.337</u>
Municipal Open Space:	<u>\$0.030</u>	<u>\$0.030</u>	<u>\$0.030</u>
County:	<u>\$0.795</u>	<u>\$0.759</u>	<u>\$0.689</u>
County Open Space:	<u>\$0.067</u>	<u>\$0.063</u>	<u>\$0.058</u>
Local School:	<u>\$3.673</u>	<u>\$3.610</u>	<u>\$3.610</u>
Municipal Library:	<u>\$0.074</u>	<u>\$0.068</u>	<u>\$0.062</u>
<u>Net Value Taxable:</u>			
2022	<u>\$ 2,547,776,200.00</u>		
2021		<u>\$ 2,540,245,800.00</u>	
2020			<u>\$ 2,525,325,600.00</u>

\*Per Abstract of Ratables, Middlesex County, NJ

Note: Under the provisions of Chapter 73, L.1976, the County Board of Taxation estimated the amount of approved Veterans and Senior Citizens Tax Deductions for 2022 to be \$109,736.99.



#### 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>Cash Collections</u>	<u>Percentage of Collection</u>
2022	\$	152,663,654.29	\$ 151,907,399.07	99.50%
2021		148,431,090.16	147,858,104.29	99.61%
2020		145,217,096.11	144,629,983.52	99.60%

#### 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>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	\$ 164,853.58	\$ 720,932.89	\$ 885,786.47	0.58%
2021	146,891.61	902,910.05	1,049,801.66	0.71%
2020	108,139.19	546,821.43	654,960.62	0.45%

#### PROPERTY ACQUIRED BY TAX TITLE LIEN LIQUIDATION

The value of property acquired by liquidation of tax title liens on June 30, on the basis of the last assessed valuation of such properties, was as follows:

<u>Year</u>	<u>Amount</u>
2022	\$ 534,280.68
2021	534,280.68
2020	534,280.68

TOWNSHIP OF NORTH BRUNSWICK  
COMPARATIVE SCHEDULE OF FUND BALANCES

	<u>Year Ended</u>	<u>Balance</u>	Utilized in Budget of Succeeding <u>Year</u>
Current Fund	2022	\$ 14,602,528.60	\$ 3,100,000.00
	2021	12,754,392.33	2,431,738.56
	2020	11,593,162.34	3,300,000.00
	2019	11,007,330.56	3,620,000.00
	2018	8,680,734.08	3,343,830.00
Water Utility Operating Fund	2022	\$ 1,972,783.01	\$ 650,000.00
	2021	1,906,712.18	200,000.00
	2020	1,110,352.98	330,000.00
	2019	1,707,657.59	800,000.00
	2018	2,071,980.58	624,000.00
Sewer Utility Operating Fund	2022	\$ 2,453,777.98	\$ 608,000.00
	2021	2,122,351.46	440,000.00
	2020	1,251,622.22	470,000.00
	2019	1,839,012.56	775,000.00
	2018	1,685,793.59	837,000.00

TOWNSHIP OF NORTH BRUNSWICK  
OFFICIALS IN OFFICE AND SURETY BONDS

The following officials were in office as of June 30, 2022:

<u>NAME</u>	<u>TITLE</u>	<u>AMOUNT OF BOND</u>	
Francis Womack	- Mayor		
Robert Davis	- Council President		
Rajesh Mehta	- Councilperson		
Ralph Andrews	- Councilperson		
Amanda Guadagnino	- Councilperson		
Dr. William Lopez	- Councilperson		
Carlo Socio	- Councilperson		
Justine Progebin	- Business Administrator		
Cavel Gallimore	- Chief Financial Officer	\$1,000,000.00	(A)
Richard Lorentzen	- Tax Collector	\$1,000,000.00	(A)
Justine Progebin	- Purchasing Agent		
Lisa Russo	- Township Clerk		
Alaina Wysocke	- Deputy Tax Assessor		
Kim Molnar	- Court Administrator	\$1,000,000.00	(A)
Christine Heitman	- Municipal Court Judge	\$1,000,000.00	(A)
Joseph Lombardi	- Municipal Court Judge	\$1,000,000.00	(A)
Spero Kalambakas	- Municipal Court Judge		
Ron Gordon, Esq.	- Township Attorney		
Lisa Russo	- Registrar of Vital Statistics		
Lou Ann Benson	- Director of Parks and Recreation/ Community Services		
Michael Hritz	- Director of Community Development		
Eric Chaszar	- Director of Public Works		
Tom Paun	- Construction Official		
Joseph Battaglia	- Acting Chief of Police		

(A) Garden State Municipal Joint Insurance Fund

Comments related to surety bond coverages are located in the General Comment section of the report.

**TOWNSHIP OF NORTH BRUNSWICK**  
**MIDDLESEX COUNTY, NEW JERSEY**

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**PART V**  
**GENERAL COMMENTS AND**  
**ACKNOWLEDGEMENT**

TOWNSHIP OF NORTH BRUNSWICK  
GENERAL COMMENTS  
YEAR ENDED JUNE 30, 2022

An audit of the financial accounts and transactions of the Township of North Brunswick, County of Middlesex, New Jersey, for the fiscal year ended June 30, 2022, has been completed. The results of the audit are herewith set forth:

**Scope of Audit**

The audit covered the financial transactions of the Tax Collector and Treasurer, the activities of the Mayor and City Council and records of various outside departments.

Cash and investment balances were reconciled with independent certifications obtained directly from the depositories.

Revenues and receipts were established and verified as to source and amount insofar as the records permitted on a test basis.

Our audit was made in accordance with auditing standards generally accepted in the United States and in compliance with the audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey ("Division"). Therefore, our audit included the procedures noted above as well as tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

**Contracts and Agreements Required to be Advertised Per N.J.S.A. 40A:11-4:**

N.J.S.A. 40A:11-4, as amended, states "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 (N.J.S.A. 40A:11-3c), except by contract or agreement."

The Township Council 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's Counsels opinion should be sought before a commitment is made.

The bidding threshold for the period under audit is \$44,000.00 from July 1, 2021 through June 30, 2022.

Notwithstanding N.J.S.A. 40A:11-3a, P.L. 2005, Chapter 51 and N.J.S.A. 19:44A-20.5, known as the Pay to Play Law", provides that a municipality is prohibited from executing any contract in excess of \$17,500.00, on or after January 1, 2006 to a business entity that made certain reportable contributions to any municipal committee or a political party if a member of that party is in office as a member of the governing body of the municipality when the contract is awarded unless proposals or qualifications are solicited through a fair and open process.

The minutes indicate that bids were requested by public advertising for all required purchases. The minutes also 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.

TOWNSHIP OF NORTH BRUNSWICK  
GENERAL COMMENTS  
YEAR ENDED JUNE 30, 2022

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

**Purchases, Contracts or Agreements Not Required to be Advertised (N.J.S.A. 40A:11-6.1)**

N.J.S.A. 40A:11-6.1 states, "Except contracts which require the performance of professional services, all contracts or agreements which do not require public advertising for bids and the estimated cost or price exceeds fifteen percent of the bid threshold or \$6,600 from July 1, 2021 through June 30, 2022, at least two quotations as to the cost or price, whenever practicable, shall be solicited by the contracting agent, and the contract or agreement shall be made with and awarded to the lowest responsible bidder."

Reference is made to the Local Public Contract Guidelines and Local Public Contract Regulations (1977) promulgated by the New Jersey Division of Local Government Services in the Department of Community Affairs.

**Collection of Interest on Delinquent Taxes and Assessments**

N.J.S.A. 54:4-47, as amended, provides the method for authorizing interest and the maximum rate to be charged for the nonpayment of taxes or assessments on or before the date when they would become delinquent.

The governing body adopted the following resolution authorizing interest to be charged on delinquent taxes:

"Not to exceed 8% per annum on the first \$1,500 of the delinquency and 18% on any amount in excess of \$1,500."

"The City Council by resolution instructed the Tax Collector to permit a ten (10) day grace period in the collection of taxes before a charge of interest is made."

"Be it further resolved that an additional 6% penalty be charged for delinquencies in excess of \$10,000 remaining unpaid at the end of the calendar year in accordance with the amended provisions of N.J.S.A. 54:4-67."

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

**Delinquent Taxes and Tax Title Liens**

The last accelerated tax sale was held on June 23, 2022. Properties that were in bankruptcy proceedings were excluded from the sale.

The following comparison is made of the number of tax title liens receivable for the last three years:

<u>Year</u>	<u>Number of Liens</u>
2022	40
2021	33
2020	37

TOWNSHIP OF NORTH BRUNSWICK  
GENERAL COMMENTS  
YEAR ENDED JUNE 30, 2022

**Purchase Order System and Encumbrance System**

The Township's budgetary operation is on a full encumbrance system with the exception of payrolls and other direct costs. All purchases are made directly by the purchasing department or subsequently confirmed on an emergency basis. Tests of the system disclosed some exceptions as noted below. Blanket orders and other outstanding encumbrances were reviewed at the close of the year, and adjustments and cancellations were made where appropriate to reflect actual commitments outstanding for budgetary control.

**Corrective Action Plan**

In accordance with regulations promulgated by the Division of Local Government Services, all municipalities are required to prepare and submit to the Division of Local Government Services a Corrective Action Plan with regard to audit deficiencies. This plan must be approved by formal resolution of the Governing Body and submitted within 60 days from the date the audit is received.

**Cybersecurity**

As part of its overall risk management, the City reviews security measures in place relating to its Information Technology (IT), including the use of specialized assessments. With the ever increasing challenges relating to cybersecurity, each organization determines what particular assessment or combination of assessments best fits its information security strategy. We suggest management continue to assess risks related to cybersecurity along with utilization of specialized assessments, which would also include a periodic reporting mechanism to those charged with governance.

**Miscellaneous**

A separate report summarizing collections of Dog License Fees and remittances of State Registration Fees was also prepared and filed with the New Jersey Department of Health and the Division of Local Government Services.

A statutory report on the operations of the Municipal Court was prepared as part of our examination and copies were filed with the New Jersey Administrative Office of the Courts, the Division of Local Government Services, the Municipal Court and the Township Clerk.

A separate report on the operations of the Uniform Construction Code office was also prepared and filed with the New Jersey Division of Local Government Services.

Revenue and receipts were established and verified as to source and amount only insofar as the local records permitted.

In verifying expenditures, computations were tested on claims approved and paid. No attempt was made in this connection to establish proof of rendition, character or extent of services, nor quantities, nature, propriety of prices or receipt of materials, these elements being left necessarily to internal review in connection with approval of claims.

The propriety of deductions for pensions, withholding tax, social security and other purposes from individual employee salaries was not verified as part of this examination.

Activity of the State Unemployment Compensation Insurance Trust Fund, established for the accumulation of pertinent payroll deductions, municipal contributions and interest on deposits, appears in Section "B" of the report.

A copy of this report was filed with the New Jersey Division of Local Government Services. A summary or synopsis of this report was prepared for publication and filed with the Township Clerk.

TOWNSHIP OF NORTH BRUNSWICK  
GENERAL COMMENTS  
YEAR ENDED JUNE 30, 2022

**Internal Control Matters**

In planning and performing our audit of the financial statements of the Township of North Brunswick, County of Middlesex, New Jersey as of and for the fiscal year ended June 30, 2022, in accordance with auditing standards generally accepted in the United States of America, we considered the Township's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion 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 the Township's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control that might be deficiencies, significant deficiencies, or material weaknesses. Professional accounting standards define the inadequacies or shortcomings of internal controls within an organization, as follows:

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 combination of deficiencies, in internal control such that there is reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

A significant deficiency is a deficiency, or 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.

The control deficiencies reported are not considered to be significant deficiencies nor material weaknesses. In addition, as per standards, control deficiencies are not required to be reported in writing. However, control deficiencies are presented in this report as a means to inform management and those charged with governance, matters identified in review of the Township's internal controls.

These general comments do not affect our report on the financial statements of the Township of North Brunswick, dated March 31, 2023. Our comments and recommendations, which have been discussed with the appropriate members of management, are intended to improve internal control or result in other operating efficiencies.

**Control Deficiencies:**

**2022-1 Segregation of Duties – Other Offices/Departments Collecting Municipal Fees**

Conditions exist whereby the same person may collect, record and deposit cash receipts in the following offices – Tax Office, Recreation, Police, Community Development, Fire, Building Regulations and Clerk.

This condition is the result of multiple tasks performed by the same individual and the staffing levels of the respective offices.



TOWNSHIP OF NORTH BRUNSWICK  
GENERAL COMMENTS  
YEAR ENDED JUNE 30, 2022

**Investments**

During SFY 2022, the Township's funds were invested primarily in interest bearing and sweep accounts.

The Township has adopted a formal cash management plan policy in compliance with N.J.S.A. 40A:5-14 of the Local Fiscal Affairs Law, which requires that "each local unit shall adopt a cash management plan and shall deposit its funds pursuant to that plan".

**Surety Bonds**

The "List of Officials", included as part of the Supplementary Data section of this report, discloses the status of surety bond coverages in effect at June 30, 2022. A review of surety bond coverage as of June 30, 2022, disclosed compliance with requirements, as promulgated by the Local Finance Board, State of New Jersey, for the Municipal Court and Collector.

**Municipal Court**

The financial records maintained by the Municipal Court during the period were reviewed. The examination of the general account included a review to confirm deposits were properly recorded and spread by receipt category and disbursements were made to the appropriate agencies on a timely basis. There were no exceptions for turnover exceeding the 15<sup>th</sup> day of the following month for disbursements to the Township's Current Fund. Bank reconciliations were completed within acceptable time frame for both the bail and general accounts and cash bail on account was in agreement with cash bail per bank reconciliation. The examination of the bail accounts and supporting records maintained by the Municipal Court indicated that the analysis of outstanding bail was reconciled to the book balance for the period under review.

**Condition of Records - Other Officials Collecting Fees**

Our review of the records maintained for other officials collecting fees were designed to determine that minimum levels of internal controls and accountability were met, that cash receipts were deposited or turned over to the Treasurer's accounts within a 48-hour period as required by N.J.S.A. 40A:5-15, and the fees charged were in accordance with the provisions of the Township Code and that monthly financial reports are being submitted to the Finance Department timely.

The examination of the records of the various outside offices and departments indicated that for the fiscal year ended June 30, 2022, the offices were in compliance with 48-hour deposit requirement (N.J.S.A 40A: 5-15), for items tested.

**New Jersey Comptroller's Report on Sick and Vacation Leave Policies**

On July 7, 2022, the Office of the New Jersey Comptroller ("Comptroller") issued a report titled "A Review of Sick and Vacation Leave Policies in New Jersey Municipalities," in which the Comptroller reviewed the sick and vacation leave policies of 60 municipalities against laws enacted by the New Jersey State Legislature in 2007 and 2010. The results of the report found that numerous policies of the municipalities reviewed were considered as non-compliant by the Comptroller with the applicable laws. The impact of the 2007 and 2010 laws regarding leave policies and how they are incorporated and implemented into collective bargaining agreements, individual contracts and municipal codes can be complicated and difficult to implement. The Township was not included as part of the Comptroller's review, however, given the instances of non-compliance as considered in the Comptroller's report, we suggest that the Township review its current policies and practices with to ensure compliance with the applicable New Jersey State Statutes.

TOWNSHIP OF NORTH BRUNSWICK  
GENERAL COMMENTS  
YEAR ENDED JUNE 30, 2022

**Condition of Records - Collector of Revenues**

The records maintained by the Collector of Revenues were reviewed. Computerized cash receipt records were agreed to daily controls and in total monthly with no exceptions noted for items tested. No exceptions were noted in the review of computerized real estate billings and billing adjustments for real estate taxes for items tested.

**Condition of Records - Finance Office**

The financial records maintained by the Finance Department during the period were reviewed. A general ledger was maintained for each fund. Control accounts were in agreement with supporting detail for items reviewed.

**Recommendations**

None.

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**ACKNOWLEDGMENT**

During the course of our audit we received the complete cooperation of the various officials of the Township, and the courtesies extended to us were greatly appreciated.

Should any questions arise as to our comments or recommendations, please do not hesitate to contact us.

Very truly yours,

PKF O'Connor Davies

A handwritten signature in blue ink, appearing to read 'A. G. Hodulik', with a long horizontal stroke extending to the right.

Andrew G. Hodulik, CPA  
Registered Municipal Accountant, No. 406