

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



**REPORT OF AUDIT**

**YEARS ENDED JUNE 30, 2023 and 2022**

**TOWNSHIP OF NORTH BRUNSWICK  
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, 2023 and 2022



## 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, 2023 and 2022, 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, 2023, 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, 2023 and 2022, 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, 2023 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 Services, 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, 2023 and 2022, 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"), requirements prescribed by the Division, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the 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.

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

Our audits were conducted for the purpose of forming opinions on the financial statements that collectively comprise the Township's basic financial statements. The information included in Part III - Supplementary Schedules – Supplementary Information Required by the Division, Part IV – Supplementary Data and Part V – General Comments, 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 20, 2024 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 20, 2024

*Robert E. Provost*

Robert Provost, CPA  
Registered Municipal Accountant, No. 582

## **FINANCIAL STATEMENTS**

TOWNSHIP OF NORTH BRUNSWICK  
CURRENT FUND

COMPARATIVE BALANCE SHEET  
REGULATORY BASIS  
JUNE 30, 2023 AND 2022

<u>ASSETS</u>	<u>Ref.</u>	<u>2023</u>	<u>2022</u>	<u>LIABILITIES</u>	<u>Ref.</u>	<u>2023</u>	<u>2022</u>
<u>Current Fund:</u>				<u>Current Fund:</u>			
Cash.....	A-4	\$ 17,432,153.43	\$ 18,612,123.46	Accounts Payable.....	A-9	\$ 29,621.16	\$ 52,628.27
Change Fund.....	A-5	1,225.00	1,225.00	Encumbrances, Current Budget.....	A-3, A-10	812,641.92	798,698.52
Due New Jersey - Sr Citizens & Veterans Deductions.....	A-6	112,990.24	124,211.14	Appropriation Reserves.....	A-3, A-10	371,317.85	597,030.88
Total.....		<u>17,546,368.67</u>	<u>18,737,559.60</u>	Prepaid Taxes.....	A-7	713,230.62	477,512.87
				Tax Overpayments.....	A-11	1.05	5.78
				School Taxes Payable.....	A-12	21,837.04	583,092.04
				Filing Fees Due State of NJ.....	A-9	15,933.00	22,809.00
				Reserve, Tax Appeals.....	A-9	378,903.86	377,903.86
				Reserve, Rental Inspections.....	A-9	180.00	180.00
				Reserve, Unearned Revenue.....			1,767,069.14
Receivable Offset by Reserves:				Total Cash Liabilities.....		2,343,666.50	4,676,930.36
Property Tax Receivables.....	A-7	644,799.14	720,932.89				
Tax Title Liens Receivables.....	A-7	189,918.18	164,853.58	Reserve for Accounts Receivable..	A	1,368,998.00	1,420,067.15
Property Acquired for Taxes.....	A-7	534,280.68	534,280.68	Fund Balance.....	A-1	<u>16,102,702.17</u>	<u>14,602,528.60</u>
Total.....	A	<u>1,368,998.00</u>	<u>1,420,067.15</u>				
Deferred Charges:							
Emergency Authorization.....	A-19	900,000.00	541,899.36				
Total Current Fund.....		<u>\$ 19,815,366.67</u>	<u>\$ 20,699,526.11</u>	Total Current Fund.....		<u>\$ 19,815,366.67</u>	<u>\$ 20,699,526.11</u>
<u>Grant Fund:</u>				<u>Grant Fund:</u>			
Cash.....	A-4	\$ 623,862.90	\$ 1,318,846.97	Unappropriated Grant Reserves.....	A-15	\$ 132,561.67	\$ 135,673.55
Grant Accounts Receivable.....	A-16	2,540,223.27	2,008,545.42	Reserve for Encumbrances.....	A-17	1,618,173.41	741,827.71
Total Grant Fund.....		<u>\$ 3,164,086.17</u>	<u>\$ 3,327,392.39</u>	Appropriated Grant Reserves.....	A-17	1,413,351.09	2,449,891.13
				Total Grant Fund.....		<u>\$ 3,164,086.17</u>	<u>\$ 3,327,392.39</u>
Total.....		<u>\$ 22,979,452.84</u>	<u>\$ 24,026,918.50</u>	Total.....		<u>\$ 22,979,452.84</u>	<u>\$ 24,026,918.50</u>

See Accompanying Notes to Financial Statements

TOWNSHIP OF NORTH BRUNSWICK  
CURRENT FUND

COMPARATIVE STATEMENT OF OPERATIONS  
AND CHANGES IN FUND BALANCE  
REGULATORY BASIS  
YEARS ENDED JUNE 30, 2023 AND 2022

	<u>Ref.</u>	<u>2023</u>	<u>2022</u>
<u>Revenue and Other Realized Income</u>			
Surplus Anticipated.....	A-1, A-2	\$ 3,100,000.00	\$ 2,431,738.56
Miscellaneous Revenue Anticipated.....	A-2	16,250,410.02	15,092,557.12
Receipts from Current Taxes.....	A-7	154,214,324.90	150,140,329.93
Receipts from Delinquent Taxes	A-7	728,069.66	927,601.35
Miscellaneous Revenues Not Anticipated .....	A-8	485,805.94	249,782.93
Accounts Payable Canceled			928.18
Unexpended Balance of Appropriation Reserves.....	A-10	664,660.59	1,527,240.11
Interfund Returned-Grants Cancelled, Net	A-14	3,502.82	5,239.00
Prior Year Senior Citizens & Vet Adjustment.....			167.80
Total Revenue and Realized Income.....		<u>175,446,773.93</u>	<u>170,375,584.98</u>
<u>Expenditures</u>			
Budget Appropriations.....	A-3	55,360,850.45	52,965,813.01
Tax Collections:			
County Taxes.....	A-12	22,590,460.60	21,926,550.15
Local School District Taxes.....	A-12	94,517,933.50	91,970,908.00
Less Additional School Taxes Deferred.....	A-12	(1,500,000.00)	(1,000,000.00)
Municipal Open Space Trust Fund.....	A-12	765,462.42	764,311.77
Refund of Prior Year Revenues.....	A-4	5,602.01	4,538.93
Over Payments - Adjustment.....	A-1	6,291.38	5,487.65
Total Expenditures.....		<u>171,746,600.36</u>	<u>166,637,609.51</u>
Excess in Revenues Over Expenditures.....	A-1	3,700,173.57	3,737,975.47
Adjustments to Income Before Surplus:			
Adjustments Included Above Which are by Statute			
Deferred to Budget in Succeeding Year.....	A-19	900,000.00	541,899.36
Fund Balance, Beginning of Year.....	A	14,602,528.60	12,754,392.33
Decreased by Surplus Anticipated.....	A-1, A-2	<u>(3,100,000.00)</u>	<u>(2,431,738.56)</u>
Fund Balance, End of Year.....	A	<u>\$ 16,102,702.17</u>	<u>\$ 14,602,528.60</u>

See Accompanying Notes to Financial Statements

TOWNSHIP OF NORTH BRUNSWICK  
CURRENT FUND

STATEMENT OF REVENUE  
REGULATORY BASIS  
YEAR ENDED JUNE 30, 2023

Ref.	Anticipated	N.J.S.A. 40A: 4-87	Realized	(Deficit) Excess
Surplus Anticipated.....	A-1 \$ 3,100,000.00		\$ 3,100,000.00	
<u>Miscellaneous Revenues:</u>				
Licenses - Alcoholic Beverages.....	55,800.00		52,980.00	\$ (2,820.00)
Licenses - Other.....	177,300.00		212,299.70	34,999.70
Fees & Permits.....	464,800.00		348,738.43	(116,061.57)
Fines & Costs - Municipal Court.....	392,000.00		400,404.19	8,404.19
Interest & Costs on Taxes.....	220,600.00		214,313.50	(6,286.50)
Interest on Investments and Deposits.....	118,305.74		120,555.70	2,249.96
Fire Prevention Fines & Fees.....	185,700.00		146,441.86	(39,258.14)
Cable Television Franchise Fee.....	184,600.00		172,723.70	(11,876.30)
Hotel Tax.....	295,100.00		340,463.00	45,363.00
Payments In Lieu of Taxes (PILOT):				
Senior Citizens Housing Complex.....	250,900.00		342,530.28	91,630.28
Technology Center of NJ.....	1,301,500.00		1,220,007.24	(81,492.76)
Crescent Apartment Complex.....	75,900.00		90,789.85	14,889.85
Uniform Construction Code Fees.....	775,000.00		920,272.80	145,272.80
Shared Services Agreement - Bd. Of Education...	370,000.00		369,737.82	(262.18)
Uniform Fire Safety Act.....	152,500.00		156,421.69	3,921.69
Open Space Trust Fund.....	1,131,590.00		1,131,590.00	
General Capital Surplus.....	300,000.00		300,000.00	
Library Contribution.....	82,500.00		100,608.41	18,108.41
School Soil Remediation Debt.....			1,147.79	1,147.79
Revenue Loss - ARP Funds.....	2,168,261.44		2,168,261.45	0.01
Unearned Revenue.....	1,767,069.14		1,767,069.14	
State Aid:				
Energy Receipts Tax.....	4,486,969.00		4,486,969.00	
Municipal Relief.....	234,057.73		234,057.94	0.21
Watershed Moratorium Aid.....	4,653.00		4,653.00	
Sub-total.....	15,195,106.05		15,303,036.49	107,930.44

Public and Private Revenues

Offset with Appropriations:

<u>Public Safety:</u>				
Alcohol Education and Enforcement Fund.....	6,159.36		6,159.36	
Drunk Driving Enforcement Fund.....		\$ 16,305.00	16,305.00	
Click it or Ticket.....		7,000.00	7,000.00	
Safe and Secure.....	32,400.00		32,400.00	
Bullet Proof Vests.....		8,708.40	8,708.40	
Body Armor Grant - State.....		4,958.53	4,958.53	
Distracted Driving.....		12,250.00	12,250.00	
<u>Parks Recreation &amp; Community Service:</u>				
Municipal Alliance.....	17,664.00		17,664.00	
DMHAS Youth Leadership-Muni- Alliance.....		5,000.00	5,000.00	
Senior Center Congregate Meals.....		10,000.00	10,000.00	
Senior Center Transportation Program.....		10,000.00	10,000.00	
Heritage Day (County/Federal).....		11,000.00	11,000.00	
Hiring and Retention Bonus Grant.....		19,000.00	19,000.00	
<u>Public Works:</u>				
Recycling Tonnage Grant.....	61,007.38	92,405.49	153,412.87	
Local Recreation Grant.....		51,980.00	51,980.00	
Clean Communities.....	68,506.81		68,506.81	

TOWNSHIP OF NORTH BRUNSWICK  
CURRENT FUND

STATEMENT OF REVENUE  
REGULATORY BASIS  
YEAR ENDED JUNE 30, 2023

	<u>Ref.</u>	<u>Anticipated</u>	<u>N.J.S.A. 40A: 4-87</u>	<u>Realized</u>	<u>(Deficit) Excess</u>
Other Grants:					
State Special Project Funding Pavilion.....		\$ 500,000.00		\$ 500,000.00	
Middlesex County DWI Checkpoint.....			\$ 5,400.00	5,400.00	
Middlesex County Helping Hands.....			7,628.56	7,628.56	
Sub-total.....		<u>685,737.55</u>	<u>261,635.98</u>	<u>947,373.53</u>	
Current Fund Total Miscellaneous.....	A-1	<u>15,880,843.60</u>	<u>261,635.98</u>	<u>16,250,410.02</u>	<u>\$ 107,930.44</u>
Local Purpose Tax.....	A-7	34,140,000.27		35,261,312.25	1,121,311.98
Library Tax.....	A-7	1,879,156.13		1,879,156.13	
Sub-total.....		<u>36,019,156.40</u>		<u>37,140,468.38</u>	<u>1,121,311.98</u>
Total General Revenues.....	A-3	<u>\$ 55,000,000.00</u>	<u>\$ 261,635.98</u>	<u>\$ 56,490,878.40</u>	<u>\$ 1,229,242.42</u>
			<u>Ref.</u>		
Federal & State Grants.....			A-14	\$ 947,373.53	
Reserve, Unearned Revenue .....			A	1,767,069.14	
Cash.....			A-4	13,535,967.35	
Total Miscellaneous Revenue.....				<u>\$ 16,250,410.02</u>	

See Accompanying Notes to Financial Statements

TOWNSHIP OF NORTH BRUNSWICK  
CURRENT FUND

STATEMENT OF EXPENDITURES  
REGULATORY BASIS  
YEAR ENDED JUNE 30, 2023

	2023 Budget		Modified Budget		Expended		Encumbered		Balance Reserved		Balance Canceled
	Salaries	Other	Salaries	Other	Salaries	Other	Salary	Other Expenses	Salaries	Other	
General Government:											
Administration.....	\$ 333,000.00	\$ 21,700.00	\$ 331,500.00	\$ 26,200.00	\$ (331,295.02)	\$ (25,312.52)		\$ (392.32)	\$ 204.98	\$ 495.16	
Municipal Clerk.....	237,000.00	25,180.00	242,000.00	28,180.00	(241,356.55)	(26,395.01)		(199.72)	643.45	1,585.27	
Financial Administration.....	306,000.00	8,700.00	264,500.00	10,200.00	(263,790.37)	(8,866.44)			709.63	1,333.56	
Audit.....		60,000.00		60,000.00				(55,000.00)		5,000.00	
Information Technology.....	266,000.00	446,500.00	276,500.00	446,500.00	(275,881.51)	(368,309.71)		(78,190.29)	618.49		
Tax Collection.....	34,000.00	6,850.00	46,000.00	8,150.00	(44,448.30)	(4,546.22)		(3,456.15)	1,551.70	147.63	
Tax Assessment.....	127,000.00	118,450.00	151,000.00	73,450.00	(150,226.08)	(24,753.08)		(9,623.80)	773.92	39,073.12	
Reserve for Tax Appeals.....		1,000.00		1,000.00		(1,000.00)					
Legal.....		510,000.00		500,000.00		(396,780.50)		(94,509.11)		8,710.39	
Insurance:											
Other Insurance.....		1,313,000.00		1,249,000.00		(1,243,425.60)				5,574.40	
Employee Group Insurance.....		4,807,500.00		4,832,500.00		(4,786,148.46)		(3,645.18)		42,706.36	
Health Benefit Waiver.....		145,000.00		120,000.00		(119,885.54)				114.46	
Community Development:											
Engineering.....	20,000.00	95,600.00	9,500.00	95,600.00	(8,371.24)	(83,981.58)		(11,617.50)	1,128.76	0.92	
Planning.....	337,000.00	4,200.00	353,000.00	4,200.00	(351,357.12)	(1,670.63)		(1,372.54)	1,642.88	1,156.83	
Zoning.....	76,000.00	5,100.00	72,000.00	5,100.00	(71,717.39)	(3,101.69)		(648.00)	282.61	1,350.31	
Affordable Housing.....											
Code Enforcement.....	175,000.00	3,300.00	175,000.00	3,300.00	(174,055.81)	(1,729.77)		(515.25)	944.19	1,054.98	
Fire Safety.....	170,000.00	8,000.00	173,000.00	7,000.00	(172,906.46)	(4,441.67)		(865.01)	93.54	1,693.32	
Uniform Construction Code.....	420,000.00	41,700.00	429,500.00	30,200.00	(428,949.90)	(27,857.61)			550.10	2,342.39	
Public Safety:											
Police.....	15,294,000.00	372,900.00	15,604,000.00	359,900.00	(15,594,399.23)	(281,639.60)		(64,866.72)	9,600.77	13,393.68	
Emergency Management.....	87,000.00	11,200.00	88,000.00	11,200.00	(86,884.65)	(8,724.48)		(1,140.00)	1,115.35	1,335.52	
Volunteer Fire Departments.....		300,000.00		300,000.00		(300,000.00)					
First Aid Organizations.....		105,000.00		105,000.00		(105,000.00)					
Length of Service Award Program.....		55,000.00		55,000.00							
Juvenile Aid.....		8,000.00		8,000.00		(4,329.93)		(43,291.11)		11,708.89	
Municipal Court.....	500,000.00	16,300.00	481,000.00	16,300.00	(480,298.79)	(13,105.12)		(730.00)	701.21	2,464.88	
Public Defender.....		15,000.00		15,000.00		(5,400.00)		(5,200.00)		4,400.00	

CURRENT FUND  
STATEMENT OF EXPENDITURES  
REGULATORY BASIS  
YEAR ENDED JUNE 30, 2023

Exhibit A-3  
Page 2 of 4

	2023 Budget		Modified Budget		Expended		Encumbered		Balance Reserved		Balance Canceled
	Salaries	Other	Salaries	Other	Salaries	Other	Salary	Other Expenses	Salaries	Other	
<b>Public Works:</b>											
Streets and Roads.....	\$ 603,000.00	\$ 262,625.00	\$ 554,000.00	\$ 225,325.00	\$ (553,800.97)	\$ (158,776.40)		\$ (59,696.27)	\$ 199.03	\$ 6,852.33	
Sanitation.....	742,000.00	466,200.00	732,000.00	472,200.00	(731,982.13)	(464,963.00)		(570.00)	17.87	6,667.00	
Solid Waste Disposal Fees.....		1,015,000.00		909,000.00		(856,558.53)		(52,441.47)			
Recycling.....		873,700.00		873,700.00		(741,916.39)		(131,746.87)		36.74	
Buildings and Grounds.....	215,000.00	219,200.00	192,000.00	222,200.00	(191,792.87)	(188,764.27)		(28,151.58)	207.13	5,284.15	
Motor Vehicle Maintenance.....	286,000.00	489,500.00	335,000.00	550,500.00	(334,110.04)	(489,550.74)		(52,568.56)	889.96	8,380.70	
Muni Service Reimbursement Condominiums.....		70,000.00		70,000.00				(64,237.69)		5,762.31	
NJDEP - Stormwater Permit.....	329,000.00	9,000.00	329,000.00	9,000.00	(327,431.15)	(9,000.00)			1,568.85		
<b>Parks Recreation &amp; Community Services:</b>											
Board of Health.....		115,100.00		105,100.00		(104,707.52)				392.48	
Animal Control.....	1,000.00	95,000.00		80,000.00		(44,096.45)				35,903.55	
Environmental Commission.....		1,100.00		1,100.00		(984.87)				115.13	
Recreation & Community Services.....	395,000.00	111,400.00	402,000.00	106,400.00	(400,342.74)	(91,628.60)		(8,043.12)	1,657.26	6,728.28	
Senior Services.....	115,000.00	61,000.00	116,000.00	83,000.00	(115,584.26)	(72,130.15)		(10,617.07)	415.74	252.78	
Parks and Playgrounds.....	518,000.00	206,800.00	554,000.00	213,800.00	(553,772.51)	(191,727.14)		(15,482.98)	227.49	6,589.88	
Education - Library.....		1,879,156.13		1,879,156.13		(1,879,156.13)					
<b>Unclassified:</b>											
Salary Adjustments.....		100,000.00									
Utilities / Facilities Costs.....		1,871,488.96		1,816,488.96		(1,774,841.31)		(10,993.13)		30,654.52	
Contingency.....		100.00		100.00						100.00	
<b>Statutory Expenditures:</b>											
Public Employees Retirement.....		1,251,000.00		1,251,000.00		(1,239,905.81)				11,094.19	
Police & Fire Retirement.....		3,970,000.00		3,970,000.00		(3,956,736.00)				13,264.00	
Defined Contribution (DCRP).....		12,000.00		9,000.00		(8,355.98)				644.02	
Social Security.....		1,570,000.00		1,612,000.00		(1,611,888.59)				111.41	
Unemployment Compensation.....		45,000.00		45,000.00		(45,000.00)					
Interlocal Agreement- Special Law Enforcement Officers		370,000.00		370,000.00		(362,628.19)				7,371.81	
Matching Funds for Grants.....		15,000.00		15,000.00		(6,616.00)				8,384.00	
<b>Subtotal Operations.....</b>	<b>21,586,000.00</b>	<b>23,584,550.09</b>	<b>21,910,500.00</b>	<b>23,260,050.09</b>	<b>(21,884,755.09)</b>	<b>(22,146,337.23)</b>		<b>(812,641.92)</b>	<b>25,744.91</b>	<b>301,070.94</b>	



CURRENT FUND  
STATEMENT OF EXPENDITURES  
REGULATORY BASIS  
YEAR ENDED JUNE 30, 2023

	2023 Budget		Modified Budget		Expended		Encumbered		Balance Reserved		Balance Canceled
	Salaries	Other	Salaries	Other	Salaries	Other	Salary	Other Expenses	Salaries	Other	
<u>Public &amp; Private Programs</u>											
<u>Offset by Revenues:</u>											
Public Safety:											
Alcohol Education and Enforcement Fund.....		\$ 6,159.36		\$ 6,159.36		\$ (6,159.36)					
Drunk Driving Enforcement Fund.....				16,305.00		(16,305.00)					
Distracted Driving.....				12,250.00		(12,250.00)					
Safe and Secure.....		32,400.00		32,400.00		(32,400.00)					
Bullet Proof Vests.....				8,708.40		(8,708.40)					
Body Armor Grant.....				4,958.53		(4,958.53)					
Click it or Ticket.....				7,000.00		(7,000.00)					
Municipal Alliance.....		17,664.00		17,664.00		(17,664.00)					
Senior Center Congregate Meals.....				10,000.00		(10,000.00)					
Senior Center Transportation Program.....				10,000.00		(10,000.00)					
Heritage Day (County/Federal).....				11,000.00		(11,000.00)					
DMHAS Youth Leadership Muni Alliance.....				5,000.00		(5,000.00)					
Hiring Retention Bonus Grant.....				19,000.00		(19,000.00)					
Public Works:											
Recycling Tonnage Grant.....		61,007.38		153,412.87		(153,412.87)					
Local Recreation Bonus Grant.....				51,980.00		(51,980.00)					
Clean Communities.....		68,506.81		68,506.81		(68,506.81)					
Other Grants:											
State Funding -NBCP Walkway.....											
State Special Project - Pavilion.....		500,000.00		500,000.00		(500,000.00)					
Middlesex County Helping Hands.....				7,628.56		(7,628.56)					
Middlesex County DWI Checkpoint.....				5,400.00		(5,400.00)					
Public and Private Programs.....		685,737.55		947,373.53		(947,373.53)					
Total Operations.....	\$ 21,586,000.00	24,270,287.64	\$ 21,910,500.00	24,207,423.62	\$ (21,884,755.09)	(23,093,710.76)		\$ (812,641.92)	\$ 25,744.91	\$ 301,070.94	

CURRENT FUND  
STATEMENT OF EXPENDITURES  
REGULATORY BASIS  
YEAR ENDED JUNE 30, 2023

	2023 Budget		Modified Budget		Expended		Encumbered		Balance Reserved		Balance
	Salaries	Other	Salaries	Other	Salaries	Other	Salary	Other Expenses	Salaries	Other	Canceled
Capital Improvements:											
Capital Improvement Fund.....		\$ 630,000.00		\$ 630,000.00		\$ (630,000.00)					
Total Capital Improvements.....		630,000.00		630,000.00		(630,000.00)					
Debt Service:											
Bond Principal.....		5,040,000.00		5,040,000.00		(5,040,000.00)					
Interest on Bonds.....		1,916,413.00		1,916,413.00		(1,916,225.83)					\$ (187.17)
Interest on Notes.....		215,400.00		215,400.00		(214,801.64)					(598.36)
Deferred Charges											
Emergency Authorization.....		541,899.36		1,541,899.36		(1,397,397.36)				\$ 44,502.00	(100,000.00)
Total Debt Service.....		7,713,712.36		8,713,712.36		(8,568,424.83)				44,502.00	(100,785.53)
Total.....	\$ 21,586,000.00	32,614,000.00	\$ 21,910,500.00	33,551,135.98	\$ (21,884,755.09)	(32,292,135.59)		\$ (812,641.92)	\$ 25,744.91	345,572.94	(100,785.53)
Reserve for Uncollected Taxes.....		800,000.00		800,000.00		(800,000.00)					
Total Current Fund Budget.....	\$ 21,586,000.00	\$ 33,414,000.00	\$ 21,910,500.00	\$ 34,351,135.98	\$ (21,884,755.09)	\$ (33,092,135.59)		\$ (812,641.92)	\$ 25,744.91	\$ 345,572.94	\$ (100,785.53)
Adopted Budget:	Ref.				Ref.						
Salaries.....		\$ 21,586,000.00			A-4	\$ (52,680,001.79)					
Other Expenses.....		33,414,000.00			A-7	(800,000.00)				\$ 25,744.91	
Total Adopted Budget.....		55,000,000.00			A-9	(1,000.00)		\$ (812,641.92)		345,572.94	
Budget Amendments-NJSA 40A:4-87.....		261,635.98			A-3	(541,899.36)					
					A-14	(953,989.53)					
Subtotal Modified Budget.....	A-2	55,261,635.98				\$ (54,976,890.68)		\$ (812,641.92)		\$ 371,317.85	
Emergency Authorization.....	A-19	1,000,000.00						A		A	
Total Modified Budget.....		\$ 56,261,635.98									

TOWNSHIP OF NORTH BRUNSWICK  
TRUST FUND

COMPARATIVE BALANCE SHEETS  
REGULATORY BASIS  
JUNE 30, 2023 AND 2022

	<u>Ref.</u>	<u>2023</u>	<u>2022</u>
<u>ASSETS</u>			
Cash.....	B-2	\$ 6,692,571.31	\$ 5,673,502.46
Trust Assessment - Accounts Receivable.....	B-1	71,055.00	71,055.00
Trust Other - Accounts Receivable			
Middlesex County:			
CDBG - 2021.....	B-2	19,724.01	29,724.05
CDBG - 2022.....	B-2	78,714.00	118,714.00
CDBG - 2023.....	B-2	118,714.00	
Total.....		<u>\$ 6,980,778.32</u>	<u>\$ 5,892,995.51</u>
<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	59.80	86.20
Animal Control Reserves.....	B-2	11,563.70	45,133.60
Recreation Programs.....	B-2	1,037,874.46	961,642.29
Open Space.....	B-2	101,941.82	161,595.08
Finance:			
NJ Unemployment.....	B-2	222,139.06	232,766.38
Terminal Leave.....	B-2	399,283.89	668,657.16
Tax Sale, Premium on TTL.....	B-2	771,000.00	1,048,700.00
Payroll Liabilities Payable.....	B-2	213,909.70	17,850.15

TOWNSHIP OF NORTH BRUNSWICK  
TRUST FUND

COMPARATIVE BALANCE SHEETS  
REGULATORY BASIS  
JUNE 30, 2023 AND 2022

	<u>Ref.</u>	<u>2023</u>	<u>2022</u>
Public Safety:			
Forfeited Funds.....	B-2	\$ 118,579.55	\$ 99,394.25
Outside Employment.....	B-2	70,723.60	2,648.10
Uniform Fire Code.....	B-2	104,694.27	75,273.27
Municipal Court:			
Public Defender.....	B-2	25,170.09	26,650.09
POAA Fines.....	B-2	960.57	678.57
Public Works - Snow Removal.....	B-2	1,397,680.12	351,306.53
Donations, Gifts, & Bequests.....	B-2	10,071.80	2,726.80
Community Development Block Grant:			
CDBG - 2020.....	B-2	1,746.90	300.00
CDBG - 2021.....	B-2	23,546.51	19,424.01
CDBG - 2022.....	B-2	78,714.00	78,714.00
CDBG - 2023.....	B-2	78,714.00	
Community Development Department:			
Growth Share Reserve.....	B-2	725,684.14	485,678.23
Third Party UCC Inspections.....	B-2	9.00	9.00
Developers' Escrow.....	B-2	1,515,656.34	1,542,706.80
Total.....		<u>\$ 6,980,778.32</u>	<u>\$ 5,892,995.51</u>

See Accompanying Notes to Financial Statements

TOWNSHIP OF NORTH BRUNSWICK  
GENERAL CAPITAL FUND

COMPARATIVE BALANCE SHEETS  
REGULATORY BASIS  
JUNE 30, 2023 AND 2022

	<u>Ref.</u>	<u>2023</u>	<u>2022</u>
<b><u>ASSETS</u></b>			
Cash.....	C-2	\$ 3,231,969.80	\$ 3,526,211.88
Deferred Charges to Future Taxation:			
Funded.....	C-4	71,793,250.00	58,778,250.00
Unfunded.....	C-5	<u>35,790,750.00</u>	<u>34,030,750.00</u>
Total.....		<u>\$ 110,815,969.80</u>	<u>\$ 96,335,211.88</u>
<b><u>LIABILITIES, RESERVES, &amp; FUND BALANCE</u></b>			
Outstanding Debt:			
Bond Anticipation Notes Payable.....	C-8	\$ 10,150,000.00	\$ 21,540,000.00
Serial Bonds Payable.....	C-7	71,793,250.00	58,778,250.00
Improvement Authorizations:			
Funded.....	C-6	180,422.70	7,121.83
Unfunded.....	C-6	15,739,701.99	8,518,074.05
Reserve for Encumbrances.....	C-6	11,344,861.85	5,170,703.81
Reserve to Retire Debt.....	C-10	1,467,752.16	2,052,989.57
Capital Improvement Fund.....	C-9	342.00	342.00
Fund Balance.....	C-1	<u>139,639.10</u>	<u>267,730.62</u>
Total.....		<u>\$ 110,815,969.80</u>	<u>\$ 96,335,211.88</u>
Bonds and Notes Authorized but Not Issued.....	C-11	<u>\$ 25,640,750.00</u>	<u>\$ 12,490,750.00</u>

See Accompanying Notes to Financial Statements

TOWNSHIP OF NORTH BRUNSWICK  
GENERAL CAPITAL FUND

STATEMENT OF FUND BALANCE  
REGULATORY BASIS  
YEAR ENDED JUNE 30, 2023

	<u>Ref.</u>	
Balance June 30, 2022.....	C	\$ 267,730.62
Increased by:		
Premium on Sale of Notes.....	C-2	<u>171,908.48</u>
		439,639.10
Decreased by:		
Surplus - Anticipated in Current Fund.....	C-2	<u>(300,000.00)</u>
Balance June 30, 2023.....	C	<u>\$ 139,639.10</u>

See Accompanying Notes to Financial Statements

TOWNSHIP OF NORTH BRUNSWICK  
WATER UTILITY FUND

COMPARATIVE BALANCE SHEETS  
REGULATORY BASIS  
JUNE 30, 2023 AND 2022

		Ref.	<u>2023</u>	<u>2022</u>			Ref.	<u>2023</u>	<u>2022</u>
<u>ASSETS</u>					<u>LIABILITIES</u>				
<u>Water Operating</u>					<u>Water Operating</u>				
Cash.....	D-6	\$	<u>4,327,915.36</u>	<u>\$ 3,239,021.35</u>	Reserve for Encumbrances.....	D-5,D-10	\$	<u>420,402.07</u>	<u>\$ 470,643.35</u>
			<u>4,327,915.36</u>	<u>3,239,021.35</u>	Appropriation Reserves.....	D-5,D-10		<u>557,905.08</u>	<u>311,236.13</u>
Receivables With Offsetting Reserves					Water Overpayments	D-12		<u>195,296.05</u>	<u>128,972.60</u>
Water Rents Receivable.....	D-11		<u>405,370.13</u>	<u>1,165,840.37</u>	Accrued Interest Payable.....	D-13		<u>615,741.26</u>	<u>355,386.26</u>
			<u>405,370.13</u>	<u>1,165,840.37</u>	Total Liabilities.....			<u>1,789,344.46</u>	<u>1,266,238.34</u>
Total Water Operating Fund.....		\$	<u>4,733,285.49</u>	<u>\$ 4,404,861.72</u>	Reserve for Receivables.....	Reserve		<u>405,370.13</u>	<u>1,165,840.37</u>
					Fund Balance.....	D-1		<u>2,538,570.90</u>	<u>1,972,783.01</u>
					Total Water Operating Fund.....		\$	<u>4,733,285.49</u>	<u>\$ 4,404,861.72</u>
<u>Water Assessment</u>					<u>Water Assessment</u>				
Cash.....	D-6	\$	<u>436,948.89</u>	<u>\$ 393,726.48</u>	Reserve for:				
Assessment Receivable:					Accounts Receivable.....	D-21	\$	<u>412.00</u>	<u>\$ 412.00</u>
Accounts Receivable.....	D-20		<u>1,002,404.42</u>	<u>1,221,951.83</u>	Liens Interest & Costs.....	D-21		<u>288.00</u>	<u>288.00</u>
Liens Interest & Costs.....	D-20		<u>288.00</u>	<u>288.00</u>	Serial Bonds Payable.....	D-22		<u>1,175,000.00</u>	<u>1,285,000.00</u>
Total Water Assessment Fund.....		\$	<u>1,439,641.31</u>	<u>\$ 1,615,966.31</u>	Fund Balance.....	D-3		<u>263,941.31</u>	<u>330,266.31</u>
					Total Water Assessment Fund.....		\$	<u>1,439,641.31</u>	<u>\$ 1,615,966.31</u>

TOWNSHIP OF NORTH BRUNSWICK  
WATER UTILITY FUND

COMPARATIVE BALANCE SHEETS  
REGULATORY BASIS  
JUNE 30, 2023 AND 2022

<u>ASSETS</u>	<u>Ref.</u>	<u>2023</u>	<u>2022</u>	<u>LIABILITIES</u>	<u>Ref.</u>	<u>2023</u>	<u>2022</u>
<u>Water Capital</u>				<u>Water Capital</u>			
Cash.....	D-6,D-7	\$ 5,462,145.84	\$ 8,697,295.62	Serial Bonds Payable.....	D-15	\$ 12,262,248.00	\$ 9,589,642.00
				Bond Anticipation Notes.....	D-16	8,500,000.00	13,985,000.00
				NJEIT Loan Obligation.....	D-17	5,570,858.06	6,609,001.63
				Improvement Authorizations:			
				Funded.....	D-14	57,847.99	
Fixed Capital				Unfunded.....	D-14	8,357,711.85	9,280,834.49
Completed.....	D-8	68,320,092.95	66,090,901.32	Reserve for Encumbrances....	D-14	1,442,534.80	2,806,451.78
Authorized Not Completed.....	D-9	9,858,094.64	12,087,286.27	Reserve for Amortization.....	D-18	47,345,081.53	44,494,543.96
				Capital Improvement Fund.....	D-19	89,067.59	89,067.59
				Fund Balance.....	D-2	14,983.61	20,941.76
Total Water Capital Fund.....		<u>\$ 83,640,333.43</u>	<u>\$86,875,483.21</u>	Total Water Capital Fund.....		<u>\$ 83,640,333.43</u>	<u>\$ 86,875,483.21</u>
Total.....		<u>\$ 89,813,260.23</u>	<u>\$92,896,311.24</u>	Total.....		<u>\$ 89,813,260.23</u>	<u>\$ 92,896,311.24</u>
Bonds and Notes Authorized but Not Issued					D-23	<u>\$ 4,500,000.00</u>	<u>\$ 3,500,000.00</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, 2023 AND 2022

	<u>Ref.</u>	<u>2023</u>	<u>2022</u>
<u>Revenue and Other Realized Income</u>			
Surplus Anticipated.....	D-4	\$ 650,000.00	\$ 200,000.00
Water Rents.....	D-4, D-12	8,010,971.97	6,934,263.84
Connection Fees.....	D-4	179,125.00	65,846.00
Miscellaneous Revenues.....	D-4	740,228.39	650,853.36
Water Utility Capital Surplus.....	D-2, D-4	150,000.00	200,000.00
Water Utility Assessment Trust Fund Interest.....	D-4	66,325.63	71,720.31
Unexpended Balance of Appropriation Reserves.....	D-10	18,933.41	112,499.85
Prior Years' Accounts Payable Canceled.....	D-10		26,114.00
Total Revenue and Realized Income.....		<u>9,815,584.40</u>	<u>8,261,297.36</u>
<u>Expenditures</u>			
Budget Appropriations.....	D-5	<u>(8,599,796.51)</u>	<u>(7,995,226.53)</u>
Total Expenditures.....		<u>(8,599,796.51)</u>	<u>(7,995,226.53)</u>
Excess in Revenues over Expenditures/Statutory Excess.....		1,215,787.89	266,070.83
Decreased by Surplus Anticipated.....	D-1	(650,000.00)	(200,000.00)
Fund Balance, Beginning of Year.....	D	<u>1,972,783.01</u>	<u>1,906,712.18</u>
Fund Balance, End of Year.....	D	<u>\$ 2,538,570.90</u>	<u>\$ 1,972,783.01</u>

See Accompanying Notes to Financial Statements

TOWNSHIP OF NORTH BRUNSWICK  
WATER UTILITY CAPITAL FUND

STATEMENT OF FUND BALANCE  
REGULATORY BASIS  
YEAR ENDED JUNE 30, 2023

	<u>Ref.</u>	
Balance June 30, 2022.....	D	\$ 20,941.76
Increased by:		
Premium on BAN Sale .....	D-6	144,041.85
		<u>164,983.61</u>
Decreased by:		
Surplus Utilized.....	D-1,D-6	<u>(150,000.00)</u>
Balance June 30, 2023.....	D	<u><u>\$ 14,983.61</u></u>

See Accompanying Notes to Financial Statements

TOWNSHIP OF NORTH BRUNSWICK  
 WATER UTILITY ASSESSMENT FUND

STATEMENT OF FUND BALANCE  
 REGULATORY BASIS  
 YEAR ENDED JUNE 30, 2023

	<u>Ref.</u>		
Balance June 30, 2022.....	D	\$	330,266.31
Decrease by:			
Payment to Water Operating Fund as Anticipated Revenue.....	D-6		<u>66,325.00</u>
Balance June 30, 2023.....	D	\$	<u><u>263,941.31</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, 2023

	<u>Ref.</u>	<u>Anticipated</u>	<u>Realized</u>	<u>Excess (Deficit)</u>
Water Operating Surplus Anticipated.....	D-1	\$ 650,000.00	\$ 650,000.00	
Water Rents.....	D-1, D-6	7,021,000.00	8,010,971.97	\$ 989,971.97
Connection Fees.....	D-1, D-6	65,000.00	179,125.00	114,125.00
Dedicated Water Utility Assessment Interest.....	D-1, D-6	64,000.00	66,325.63	2,325.63
Miscellaneous:				
Meter Fees.....	D-1, D-6	622,000.00	635,599.00	13,599.00
Interest on Delinquent Accounts.....	D-1, D-6	18,000.00	97,402.59	79,402.59
Other.....	D-1, D-6	10,000.00	7,226.80	(2,773.20)
Water Utility Capital Surplus.....	D-1, D-6	<u>150,000.00</u>	<u>150,000.00</u>	
Water Utility Operating Fund Total.....		<u>\$ 8,600,000.00</u>	<u>\$ 9,796,650.99</u>	<u>\$ 1,196,650.99</u>
	<u>Ref.</u>	D-5		

See Accompanying Notes to Financial Statements

TOWNSHIP OF NORTH BRUNSWICK  
WATER UTILITY OPERATING FUND

STATEMENT OF EXPENDITURES  
REGULATORY BASIS  
YEAR ENDED JUNE 30, 2023

	Budget		Paid/Charged	Encumbrances	Reserved	Canceled
	Original	Modified				
Operating Salaries.....	\$ 295,000.00	\$ 295,000.00	\$ (290,408.72)		\$ 4,591.28	
Operating Expenses.....	4,580,301.00	4,580,301.00	(3,606,585.13)	\$ (420,402.07)	553,313.80	
Debt - Bond Principal.....	1,692,394.00	1,692,394.00	(1,692,394.00)			
Debt - Interest on Bonds.....	404,189.00	404,189.00	(404,130.23)			\$ (58.77)
Debt - Interest on Notes.....	339,056.00	339,056.00	(339,055.57)			(0.43)
Debt - NJEIT.....	1,224,900.00	1,224,900.00	(1,224,755.71)			(144.29)
Water Assessment - Bond Interest.....	64,160.00	64,160.00	(64,160.00)			
<b>Total Water Utility Operating.....</b>	<b>\$ 8,600,000.00</b>	<b>\$ 8,600,000.00</b>	<b>\$ (7,621,489.36)</b>	<b>\$ (420,402.07)</b>	<b>\$ 557,905.08</b>	<b>\$ (203.49)</b>
<u>Ref.</u>	D-4	D-1		D	D	D-1
Cash Disbursed.....	D-6		\$ (6,656,615.04)			
Accrued Interest.....	D-13		(964,874.32)			
<b>Total Paid or Charged.....</b>			<b>\$ (7,621,489.36)</b>			

See Accompanying Notes to Financial Statements

TOWNSHIP OF NORTH BRUNSWICK  
SEWER UTILITY FUND

COMPARATIVE BALANCE SHEETS  
REGULATORY BASIS  
JUNE 30, 2023 AND 2022

<u>ASSETS</u>				<u>LIABILITIES</u>			
	<u>Ref.</u>	<u>2023</u>	<u>2022</u>		<u>Ref.</u>	<u>2023</u>	<u>2022</u>
<u>Sewer Utility Operating:</u>				<u>Sewer Utility Operating:</u>			
Cash.....	E-5	\$ 3,000,091.72	\$ 3,057,104.69	Encumbrances Payable.....	E-4,E-9	\$ 165,384.29	\$ 191,765.35
Due from Sewer Capital Fund.....	E-19	1,217,000.00		Appropriation Reserves.....	E-4,E-9	863,238.99	256,717.33
				Sewer Overpayments.....	E-11	2,531.42	2,767.96
				Accounts Payable.....	E-9	2,842.87	
		<u>4,217,091.72</u>	<u>3,057,104.69</u>	Accrued Interest Payable.....	E-12	<u>310,408.58</u>	<u>152,675.43</u>
Receivables with Offsetting Reserves:				Total Liabilities.....		1,344,406.15	603,926.07
Sewer Rents Receivable.....	E-10	440,594.84	986,115.32	Reserve for Receivables	Reserve	440,594.84	986,115.32
		<u>440,594.84</u>	<u>986,115.32</u>	Fund Balance.....	E-1	<u>2,872,685.57</u>	<u>2,453,178.62</u>
Total Sewer Operating Fund.....		\$ <u>4,657,686.56</u>	\$ <u>4,043,220.01</u>	Total Sewer Operating Fund.....		\$ <u>4,657,686.56</u>	\$ <u>4,043,220.01</u>

TOWNSHIP OF NORTH BRUNSWICK  
SEWER UTILITY FUND

COMPARATIVE BALANCE SHEETS  
REGULATORY BASIS  
JUNE 30, 2023 AND 2022

<u>ASSETS</u>	<u>Ref.</u>	<u>2023</u>	<u>2022</u>	<u>LIABILITIES</u>	<u>Ref.</u>	<u>2023</u>	<u>2022</u>
<u>Sewer Utility Capital:</u>				<u>Sewer Utility Capital:</u>			
Cash.....	E-5,E-6	\$ 3,644.43	\$ 504,196.59	Due to Sewer Operating Fund.....	E-19	\$ 1,217,000.00	
Fixed Capital:				Debt			
Completed.....	E-7	38,724,389.14	34,156,262.41	NJ EIT Loan Payable.....	E-13	4,743,127.32	\$ 5,146,928.16
Authorized and Uncompleted.....	E-8	9,270,229.86	13,838,356.59	Serial Bonds.....	E-17	10,742,752.00	6,955,358.00
				Bond Anticipation Notes.....	E-18	3,000,000.00	5,450,000.00
				Improvement Authorizations:			
				Funded .....	E-14	191,371.09	
				Unfunded .....	E-14	7,618,383.54	7,820,712.18
				Encumbrances.....	E-14	1,460,474.98	6,017,644.16
				Reserve for:			
				Amortization.....	E-16	18,629,712.68	16,563,305.84
				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	114,247.82	263,673.25
Total Sewer Capital Fund.....		<u>\$ 47,998,263.43</u>	<u>\$ 48,498,815.59</u>	Total Sewer Capital Fund.....		<u>\$ 47,998,263.43</u>	<u>\$ 48,498,815.59</u>
Total Sewer Utility Funds.....		<u>\$ 52,655,949.99</u>	<u>\$ 52,542,035.60</u>	Total Sewer Utility Funds.....		<u>\$ 52,655,949.99</u>	<u>\$ 52,542,035.60</u>
Bonds and Notes Authorized but Not Issued					E-20	<u>\$ 10,626,733.00</u>	<u>\$ 13,626,733.00</u>

See Accompanying Notes to Financial Statements

TOWNSHIP OF NORTH BRUNSWICK  
SEWER UTILITY OPERATING FUND

STATEMENTS OF OPERATIONS AND CHANGES IN FUND BALANCE  
REGULATORY BASIS  
YEARS ENDED JUNE 30, 2023 AND 2022

<u>Revenue and Other Realized Income</u>	<u>Ref.</u>	<u>2023</u>	<u>2022</u>
Fund Balance Utilized.....	E-3	\$ 608,000.00	\$ 440,000.00
Sewer Rents.....	E-3, E-11	8,071,646.59	7,363,917.56
Connection Fees.....	E-3	18,000.00	28,475.00
Miscellaneous.....	E-3	82,345.48	19,204.86
Unexpended Balance of Appropriation Reserves.....	E-9	243,995.70	651,669.35
Prior Years' Accounts Payable Canceled.....			7,738.10
Sewer Capital Fund Balance Utilized.....	E-3	<u>200,000.00</u>	
Total Revenue and Realized Income.....		9,223,987.77	8,511,004.87
Budget Appropriations.....	E-4	<u>(8,196,480.82)</u>	<u>(7,740,177.71)</u>
Excess in Revenues over Expenditures/Statutory Excess.....		1,027,506.95	770,827.16
Fund Balance, Beginning of Year.....	E	2,453,178.62	2,122,351.46
Decreased by:			
Utilized as Anticipated Surplus.....	E-3	<u>(608,000.00)</u>	<u>(440,000.00)</u>
Fund Balance, End of Year.....	E	<u>\$ 2,872,685.57</u>	<u>\$ 2,453,178.62</u>

See Accompanying Notes to Financial Statements



TOWNSHIP OF NORTH BRUNSWICK  
SEWER UTILITY CAPITAL FUND

STATEMENT OF FUND BALANCE  
REGULATORY BASIS  
YEAR ENDED JUNE 30, 2023

	<u>Ref.</u>		
Balance June 30, 2022.....	E	\$	263,673.25
Increased by:			
Premium on Sale of BANs .....	E-5		50,574.57
			314,247.82
Decreased by:			
Surplus Used in Budget.....	E-1, E-5		(200,000.00)
Balance June 30, 2023.....	E	\$	114,247.82

See Accompanying Notes to Financial Statements

TOWNSHIP OF NORTH BRUNSWICK  
SEWER UTILITY OPERATING FUND

STATEMENT OF REVENUES  
REGULATORY BASIS  
YEAR ENDED JUNE 30, 2023

	<u>Ref.</u>	<u>Anticipated</u>	<u>Realized</u>	<u>Excess (Deficit)</u>
Operating Surplus Anticipated.....	E-1	\$ 608,000.00	\$ 608,000.00	
Sewer Rents.....	E-1, E-5,E-10	7,345,000.00	8,071,646.59	\$ 726,646.59
Connection Fees.....	E-1-E-5	28,000.00	18,000.00	(10,000.00)
Sewer Capital Surplus.....	E-1-E-5	200,000.00	200,000.00	
Miscellaneous Revenue.....	E-1-E-5	<u>19,000.00</u>	<u>82,345.48</u>	<u>63,345.48</u>
Sewer Utility Operating Fund Total.....		<u>\$ 8,200,000.00</u>	<u>\$ 8,979,992.07</u>	<u>\$ 779,992.07</u>
	<u>Ref.</u>	E-4	E-1	

See Accompanying Notes to Financial Statements

TOWNSHIP OF NORTH BRUNSWICK  
SEWER UTILITY OPERATING FUND

STATEMENT OF EXPENDITURES  
REGULATORY BASIS  
YEAR ENDED JUNE 30, 2023

	Original Budget	Modified Budget	Paid or Charged	Encumbrances	Reserved	Canceled
Operating Salaries & Wages.....	\$ 800,000.00	\$ 800,000.00	\$ (765,150.42)		\$ 34,849.58	
Operating Other Expenses.....	4,875,967.00	4,875,967.00	(3,892,193.30)	\$ (165,384.29)	818,389.41	
Statutory Expenditures:						
PERS Retirement.....	30,000.00	30,000.00	(20,000.00)		10,000.00	
Social Security.....	40,000.00	40,000.00	(40,000.00)			
Debt Service:						
Debt - Bond Principal.....	1,512,606.00	1,512,606.00	(1,512,606.00)			
Debt - Bond Interest.....	363,172.00	363,172.00	(363,156.91)			\$ (15.09)
Debt - Note Interest.....	120,000.00	120,000.00	(119,666.67)			(333.33)
Debt - NJ EIT .....	458,255.00	458,255.00	(455,084.24)			(3,170.76)
<b>Total Sewer Utility Operating.....</b>	<b>\$ 8,200,000.00</b>	<b>\$ 8,200,000.00</b>	<b>\$ (7,167,857.54)</b>	<b>\$ (165,384.29)</b>	<b>\$ 863,238.99</b>	<b>\$ (3,519.18)</b>
<u>Ref.</u>	E-3	E-3	Below	E	E	Below
	<u>Ref.</u>					
Modified Budget.....	E-3	\$ 8,200,000.00				
Cash Disbursed.....	E-5		\$ (6,635,848.54)			
Accrued Interest.....	E-12		(532,009.00)			
Canceled.....	Above		(3,519.18)			
	E-1	<u>\$ 8,196,480.82</u>	<u>\$ (7,167,857.54)</u>			

See Accompanying Notes to Financial Statements

TOWNSHIP OF NORTH BRUNSWICK  
GOVERNMENTAL FIXED ASSETS

COMPARATIVE BALANCE SHEETS  
REGULATORY BASIS  
JUNE 30, 2023 AND 2022

	<u>2023</u>	<u>2022</u>
<u>ASSETS</u>		
<u>Governmental Fixed Assets:</u>		
Land.....	\$ 57,176,001.00	\$ 57,476,000.00
Buildings.....	17,936,401.00	17,936,400.00
Equipment.....	7,637,917.09	7,559,673.97
Vehicles.....	<u>9,124,291.08</u>	<u>8,141,437.44</u>
	<u>\$ 91,874,610.17</u>	<u>\$ 91,113,511.41</u>
 <u>RESERVE</u>		
Investment in Governmental Fixed Assets.....	<u>\$ 91,874,610.17</u>	<u>\$ 91,113,511.41</u>

See Accompanying Notes to Financial Statements

## TOWNSHIP OF NORTH BRUNSWICK

### NOTES TO FINANCIAL STATEMENTS JUNE 30, 2023 AND 2022

#### 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. 61 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, 2023 AND 2022

#### 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.

Utility Funds – Water and Sewer Utilities are treated as separate entities. Each maintains its own Operating and Capital Funds which reflect revenue, expenditures, stewardship, acquisitions of utility infrastructure and other capital facilities, debt service, long-term debt and other related activity.

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.

## TOWNSHIP OF NORTH BRUNSWICK

### NOTES TO FINANCIAL STATEMENTS JUNE 30, 2023 AND 2022

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

The more significant differences are as follows:

##### **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, Library, County, and School purposes. The bills are mailed twice per year in January and July 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 June 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, 2023 AND 2022**

**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, 2023 AND 2022

#### 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, 2023 AND 2022**

**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, 2023 AND 2022

#### 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.

##### Recently Issued and Adopted Accounting Principle

The GASB issued Statement No. 87, "*Leases*" in June 2017. This Statement establishes standards of accounting and financial reporting for leases by lessees and lessors. The requirements of this Statement became effective for the Township's June 30, 2023 financial statements. Management has evaluated the impact of this GASB Statement on the financial statements and determined it did not have a material impact on the Township's financial statements.

In May 2020, the GASB issued Statement No. 96, "*Subscription-Based Information Technology Arrangements*". This Statement provides guidance on accounting and financial reporting for subscription-based information technology arrangements. The requirements of this Statement became effective for the Township's June 30, 2023 financial statements. Management has evaluated the impact of this GASB Statement on the financial statements and determined it did not have a material impact on the Township's financial statements.

In April 2022, the GASB issued Statement No. 99, "*Omnibus 2022*". The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The requirements of this Statement are effective for periods beginning after June 15, 2022. Management has not determined the impact of the Statement on the financial statements.

In June 2022, the GASB issued Statement No. 101, "*Compensated Absences*". The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of this Statement are effective for periods beginning after December 15, 2023, and all reporting periods thereafter. Earlier application is encouraged. Management has not determined the impact of the Statement on the financial statements.

#### 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. 17:9-41, et seq., which insures all New Jersey governmental units' deposits in excess of the federal deposit insurance maximums.

**TOWNSHIP OF NORTH BRUNSWICK**

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023 AND 2022**

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

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.

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, 2023 and 2022, the book values of the deposits of the Township consisted of the following:

	<u>2023</u>	<u>2022</u>
Cash (Demand Accounts)	\$ 41,211,303.68	\$ 45,022,030.10
Change Funds (On-Hand)	<u>1,225.00</u>	<u>1,225.00</u>
Total	<u>\$ 41,212,528.68</u>	<u>\$ 45,023,255.10</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.

**TOWNSHIP OF NORTH BRUNSWICK**

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023 AND 2022**

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

At June 30, 2023 and 2022, the Township had the following depository accounts. All deposits are carried at cost. \$253,032.32 and \$95,147.21 held in agency and payroll accounts for the years ended June 30, 2023 and 2022, respectively are not covered by GUDPA.

<u>Depository Account</u>	Bank Balance	
	June 30, 2023	June 30, 2022
FDIC Insured	\$ 250,000.00	\$ 250,000.00
GUDPA Insured	39,261,833.69	44,921,184.13
	\$ 39,511,833.69	\$ 45,171,184.13

The Township has implemented the disclosure requirements of Governmental Accounting Standards Board Statement No. 40 “*Deposits and Investment Risk Disclosures*,” 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, 2023 and 2022, none of the Township’s bank balances were considered 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. The Township does not have a formal policy with respect to Concentration of Credit Risk except to the extent outlined under the Township’s investment policy.

**Credit Risk** – GASB Statement No. 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.

**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.

## TOWNSHIP OF NORTH BRUNSWICK

### NOTES TO FINANCIAL STATEMENTS JUNE 30, 2023 AND 2022

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

##### Investments

New Jersey statutes permit the Township to purchase the following types of securities:

- Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America. This includes instruments such as Treasury Bills, Notes and Bonds
- Government money market mutual funds.
- Any federal agency or instrumentality obligation authorized by Congress that matures within 397 days from the date of purchase and has a fixed rate of interest not dependent on any index or external factors.
- Bonds or other obligations of the local unit or school districts of which the local unit is a part.
- Any other obligations with maturities not exceeding 397 days, as permitted by the Division of Investments.
- Local government investment pools, such as New Jersey CLASS, and the New Jersey Arbitrage Rebate Management Program.
- New Jersey State Cash Management Fund.
- Repurchase agreements of fully collateralized securities, subject to special conditions.

As of June 30, 2023 and 2022, the Township had no investments.

#### 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 formula 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.

**TOWNSHIP OF NORTH BRUNSWICK**

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023 AND 2022**

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

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.

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 \$644,799.14 for property taxes and \$189,918.18 for tax title liens receivables.

**6. FIXED ASSETS**

Following is a summary of changes in the Governmental Fixed Assets for the years ended June 30, 2023 and 2022.

	<u>Balance</u> <u>2022</u>		<u>Additions</u>		<u>Adjustments/ Retirements</u>		<u>Balance</u> <u>2023</u>
<u>2023</u>							
Land and Land Improvements	\$ 57,476,000.00	\$	1.00		\$ 300,000.00		\$57,176,001.00
Buildings and Building							
Improvements	17,936,400.00		1.00				17,936,401.00
Equipment and Improvements	7,559,673.97		127,219.92		48,976.80		7,637,917.09
Vehicles	8,141,437.44		1,127,211.77		144,358.13		9,124,291.08
	<u>\$ 91,113,511.41</u>	<u>\$</u>	<u>1,254,433.69</u>		<u>\$ 493,334.93</u>		<u>\$91,874,610.17</u>
	<u>Balance</u> <u>2021</u>		<u>Additions</u>		<u>Adjustments/ Retirements</u>		<u>Balance</u> <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>\$</u>	<u>2,266,303.69</u>		<u>\$ 707,116.00</u>		<u>\$91,113,511.41</u>

## TOWNSHIP OF NORTH BRUNSWICK

### NOTES TO FINANCIAL STATEMENTS JUNE 30, 2023 AND 2022

#### 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 withal 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, 2023, in the amounts of \$405,370.13 for water rents and \$440,594.84 for sewer rents, respectively.

On September 30, 2022, 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 Veolia Water North America Operating Services, LLC (the "VWNA"). The agreement transferred the responsibilities for the operation, management, maintenance, and repairs of the water system to VWNA. Under the agreement, VWNA operates, maintains and manages the System at all times on behalf of the Township in compliance withal federal, state and local laws and regulations for a fixed annual fee in the amount of \$1,635,500.00 for the period October 1, 2022 through September 30, 2023. This annual fee includes but is not limited to salaries and benefits for VWNA employees, laboratory fees for water quality sampling, preventative maintenance costs, emergency response costs, administrative and supply costs and internet and phone serve costs. This annual fee will be adjusted each October 1 during the term of the 20-year agreement in accordance with the terms defined in the agreement. 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.

In connection with the August 27, 2002 operating agreements with the water operator and wastewater operator, the Middlesex County Improvement Authority issued \$34,805,000.00 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 \$20,105,000.00 General Obligations Water/Wastewater System Refunding Bonds, Series 2011A and \$400,000.00 General Obligation Water/Wastewater System Refunding Bonds, Series 2011B and refunded \$23,105,000.00 outstanding principal balance of the \$34,805,000.00 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, 2023 AND 2022**

**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 June 30<sup>th</sup> is summarized as follows:

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

	2023	2022
<u>Issued:</u>		
General:		
Bonds and Notes	\$ 81,943,250.00	\$ 80,318,250.00
Water Utility:		
Bonds, Notes, and Loans	27,508,106.06	31,468,643.63
Sewer Utility:		
Bonds, Notes, and Loans	18,485,879.32	17,552,286.16
	127,937,235.38	129,339,179.79
 <u>Authorized but Not Issued:</u>		
General:		
Bonds and Notes	25,640,750.00	12,490,750.00
Water Utility:		
Bonds and Notes	4,500,000.00	3,500,000.00
Sewer Utility:		
Bonds and Notes	10,626,733.00	13,626,733.00
	40,767,483.00	29,617,483.00
Total Authorized but Not Issued		
Total Gross Bonds and Notes Issued and Authorized but Not Issued	\$ 168,704,718.38	\$ 158,956,662.79

**TOWNSHIP OF NORTH BRUNSWICK**

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023 AND 2022**

**8. MUNICIPAL DEBT (continued)**

Summarized below are the Township's individual bond and loan issues which were outstanding as of June 30, 2023 and 2022:

A. Summary of Municipal Debt for Capital Projects:

	<u>2023</u>	<u>2022</u>
<b>General Capital Debt:</b>		
\$13,455,750.00, General Obligation Bonds of 2012 due in annual installments of \$895,750.00 to \$1,030,000.00 through August 2027, interest at 2.125% to 2.500%.	\$ 4,845,750.00	\$ 5,770,750.00
\$2,960,000.00, Open Space Refunding Bonds of 2012 due in annual installments of \$185,000.00 to \$200,000.00 through August 2028, interest at 3.000% to 2.750%.	1,150,000.00	1,350,000.00
\$4,745,000.00, General Obligation Refunding Bonds of 2015, final installment in the amount of \$455,000.00 due August 15, 2022 at an interest rate at 2.000%.		455,000.00
\$15,000,000.00, General Improvement Bonds of 2015 due in annual installments of \$555,000.00 to \$1,000,000.00 through July 2035, interest at 3.000% to 3.500%.	10,580,000.00	11,130,000.00
\$6,530,468.00, Open Space Refunding Bonds of 2017 due in annual installments of \$740,000.00 to \$1,000,000.00 through August 2029, interest at 4.000%.	6,035,000.00	6,192,588.00
\$2,069,532.00, General Obligation Refunding Bonds of 2017, final installment in the amount of \$712,412.00 due August 15, 2022 at an interest rate at 4.000%.		712,412.00
\$15,112,500.00, General Obligation Bonds of 2018 due in annual installments of \$1,000,000.00 to \$960,000.00 through July 2034, interest at 2.750% to 3.000%.	11,612,500.00	12,612,500.00
\$9,628,500.00, General Improvement Bonds of 2019 due in annual installments of \$265,000.00 to \$450,000.00 through July 2049, interest at 2.000% to 3.000%.	8,935,000.00	9,170,000.00
\$12,095,000.00, General Obligation Bonds of 2020 due in annual installments of \$815,000.00 to \$965,000.00 through July 2034, interest at 1.000% to 2.000%.	10,580,000.00	11,385,000.00
\$18,055,000.00, General Obligation Bonds of 2022 due in annual installments of \$710,000 to \$1,415,000 through July 2039, interest at 5.000% to 4.000%.	18,055,000.00	
\$10,150,000.00, General Capital Bond Anticipation Notes issued on 07/13/22 due on 07/12/23, interest 4.00%.	10,150,000.00	21,540,000.00
	<u>\$ 81,943,250.00</u>	<u>\$ 80,318,250.00</u>
Total General Capital Debt	<u>\$ 81,943,250.00</u>	<u>\$ 80,318,250.00</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, 2023 AND 2022**

**8. MUNICIPAL DEBT (continued)**

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

	<u>2023</u>	<u>2022</u>
<b>Water Utility Debt:</b>		
\$10,252,500.00, Water Refunding Bonds of 2011A, final installment in the amount of \$1,202,500.00 due October 2022 at an interest rate of 5.000%.		\$ 1,202,500.00
\$1,500,000.00, Improvement Bond of 2012 due in annual installments of \$75,000.00 to \$100,000.00 through August 2032, interest at 2.125% to 3.000%.	\$ 845,000.00	915,000.00
\$1,275,000.00, Water Refunding Bonds of 2015 due in annual installments of \$125,000.00 to \$120,000.00 through August 2026, interest at 2.250% to 3.000%.	490,000.00	610,000.00
\$1,993,670.00, Water Improvement Bonds of 2015 due in annual installments of \$90,000.00 to \$133,670.00 through July 2035, interest at 3.000% to 3.500%.	1,428,670.00	1,518,670.00
\$1,621,947.00, Water Obligation Refunding Bonds of 2017 due in annual installments of \$186,787.00 to \$252,174.00 through August 2029, interest at 4.000%.	1,513,578.00	1,548,472.00
\$3,930,000.00, Water Obligation Bonds of 2020 due in annual installments of \$175,000.00 to \$240,000.00 through July 2040, interest at 1.000% to 2.125%.	3,620,000.00	3,795,000.00
\$4,365,000.00, Water Obligation Bonds of 2022 due in annual installments of \$110,000.00 to \$215,000.00 through July 2047, interest at 5.000% to 4.000%.	4,365,000.00	
\$8,500,000.00 Water Capital Bond Anticipation Notes issued on 07/13/22 due on 07/12/23, interest 4.00%	8,500,000.00	13,985,000.00
\$2,250,000.00, Water Assessment Bond due in annual installments of \$115,000.00 to \$150,000.00 through August 2031, interest at 5.250% to 5.500%.	1,175,000.00	1,285,000.00
\$5,930,000.00, General Capital Bond Anticipation Notes issued on 07/20/20 due on 07/19/21, interest 2.00%		
\$9,700,000.00, State of NJ - Environmental Infrastructure Loan issued on 11/8/2007, due in annual installments of \$559,000.00 to \$682,000.00 through August 2027, interest at 4.250%	3,097,000.00	3,630,000.00
\$8,939,498.00, State of NJ - Environmental Infrastructure Loan issued on 11/8/2007, due in semi-annual installments of \$453,692.56 and \$41,178.58 to \$494,278.60 through August 2027, interest at 0.000%.	2,473,858.06	2,979,001.63
	<u>2,473,858.06</u>	<u>2,979,001.63</u>
Total Water Utility Debt	<u>\$ 27,508,106.06</u>	<u>\$ 31,468,643.63</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, 2023 AND 2022**

**8. MUNICIPAL DEBT (continued)**

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

	<u>2023</u>	<u>2022</u>
<b>Sewer Utility Debt:</b>		
\$10,252,500.00, Sewer Refunding Bonds of 2011A, final installment in the amount of \$1,202,500.00 due October 2022 at an interest rate of 5.000%.		\$ 1,202,500.00
\$1,700,000.00, General Obligation Bond of 2012 due in annual installments of \$85,000.00 to \$110,000.00 through August 2032, interest at 2.125% to 3.000%.	\$ 955,000.00	1,035,000.00
\$2,186,330.00, Sewer Improvement Bonds of 2015 due in annual installments of \$100,000.00 to \$146,330.00 through July 2035, interest at 3.000% to 3.500%.	1,561,330.00	1,656,330.00
\$243,053.00, Sewer Obligation Refunding Bonds of 2017 due in annual installments of \$28,213.00 to \$37,826.00 through August 2029, interest at 4.000%.	226,422.00	231,528.00
\$2,930,000.00, Sewer Obligation Refunding Bonds of 2020 due in annual installments of \$130,000.00 to \$180,000.00 through July 2040, interest at 1.000% to 2.125%.	2,700,000.00	2,830,000.00
\$5,300,000.00, Sewer Obligation Bonds of 2022 due in annual installments of \$130,000.00 to \$260,000.00 through July 2047, interest at 5.000% to 4.000%.	5,300,000.00	
\$3,000,000.00, Sewer Capital Bond Anticipation Notes issued on 07/13/22 due on 07/12/23, interest 4.000%.	3,000,000.00	5,450,000.00
\$570,000.00, State of NJ - Environmental Infrastructure Loan issued on 11/4/2004 due in annual installments of \$40,000.00 to \$45,000.00 through August 2024, interest at 4.250% to 4.375%.	85,000.00	125,000.00
\$1,180,000.00, State of NJ - Environmental Infrastructure Loan issued on 6/11/2021 due in annual installments of \$65,000.00 to \$105,000.00 through August 2035, interest at 5.000% to 3.000%.	1,120,000.00	1,180,000.00
\$581,688.00, State of NJ - Environmental Infrastructure Loan issued on 11/4/2004 due in semi-annual installments of \$27,189.58 and \$639.17 to \$29,886.59 through August 2024, interest at 0.000%.	57,715.94	86,747.47
\$4,029,950.00, State of NJ - Environmental Infrastructure Loan issued on 6/11/2021 due in semi-annual installments of \$183,179.54 and \$91,589.77 to \$183,179.66 through August 2035, interest at 0.000%.	<u>3,480,411.38</u>	<u>3,755,180.69</u>
Total Sewer Utility Debt	<u>\$ 18,485,879.32</u>	<u>\$ 17,552,286.16</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, 2023 AND 2022**

**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>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Local School District Debt	\$ 81,130,000.00	\$ 81,130,000.00	
Water Utility and Sewer Utility Debt	61,120,718.38	61,120,718.38	
General Debt*	<u>110,744,000.00</u>	<u>20,747,752.16</u>	<u>\$ 89,996,247.84</u>
	<u>\$ 252,994,718.38</u>	<u>\$ 162,998,470.54</u>	<u>\$ 89,996,247.84</u>

Net Debt \$ 89,996,247.84 Divided by Equalized Valuation Basis per N.J.S.A. 40A:2-2 as amended \$ 5,689,057,155.33 = 1.58%

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

Summary of Statutory Debt Condition - Annual Debt Statement Borrowing Power Under N.J.S.A. 40A:2-6 as Amended

3 1/2 of Equalized Valuation Basis	\$ 199,117,000.44
Net Debt	<u>89,996,247.84</u>
Remaining Borrowing Power	<u>\$ 109,120,752.60</u>

Equalized Valuation Basis

2020 Equalized Valuation Basis of Real Property	\$ 5,189,736,128.00
2021 Equalized Valuation Basis of Real Property	5,637,474,035.00
2022 Equalized Valuation Basis of Real Property	6,239,961,303.00
Average Equalized Valuation	<u>\$ 5,689,057,155.33</u>

**TOWNSHIP OF NORTH BRUNSWICK**

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023 AND 2022**

**8. MUNICIPAL DEBT (continued)**

B. Summary of Statutory Debt Condition – Annual Debt Statement (Cont'd.):

**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.

Calculations of "Self-Liquidating Purposes "Water Utility and Sewer Utility Per N.J.S.A. 40A:2-45

Water Utility

Surplus and Cash Receipts from Fees, Rents or Other Charges for Year		\$	9,796,650.99
Deductions:			
Operating & Maintenance Cost	\$		4,875,301.00
Debt Service Per Water Acct.			<u>3,724,495.51</u>
			<u>8,599,796.51</u>
Excess in Revenue		\$	<u><u>1,196,854.48</u></u>

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

Excess in Revenues - Cash Basis (D-1)		\$	1,215,787.89
Less:			
Unexpended Balance of Appropriation Reserves			<u>18,933.41</u>
Excess in Revenue		\$	<u><u>1,196,854.48</u></u>

Sewer Utility

Surplus and Cash Receipts from Fees, Rents or Other Charges for Year		\$	8,979,992.07
Deductions:			
Operating & Maintenance Cost	\$		5,745,967.00
Debt Service Per Sewer Acct.			<u>2,450,513.82</u>
			<u>8,196,480.82</u>
Excess in Revenue		\$	<u><u>783,511.25</u></u>

**TOWNSHIP OF NORTH BRUNSWICK**

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023 AND 2022**

**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:

Excess in Revenues - Cash Basis (E-1)	\$	1,027,506.95
Less:		
Unexpended Balance of Appropriation Reserves		243,995.70
Excess in Revenue	\$	783,511.25

**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.

C. North Brunswick Senior Housing Bonds

\$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>
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	750,000.00	34,218.75	784,218.75
	\$ 3,160,000.00	\$ 771,975.02	\$ 3,931,975.02

**TOWNSHIP OF NORTH BRUNSWICK**

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023 AND 2022**

**8. MUNICIPAL DEBT (continued)**

**Changes in Long-Term Municipal Debt**

The Township's long-term debt activity for June 30, 2023 and 2022 is as follows:

	Balance, June 30, 2022	Additions	Reductions	Balance, June 30, 2023
Bonds Payable:				
General Capital Fund	\$ 58,778,250.00	\$ 18,055,000.00	\$ 5,040,000.00	\$ 71,793,250.00
Water Utility Capital Fund	9,589,642.00	4,365,000.00	1,692,394.00	12,262,248.00
Water Utility Assessment Fund	1,285,000.00		110,000.00	1,175,000.00
Sewer Utility Capital Fund	6,955,358.00	5,300,000.00	1,512,606.00	10,742,752.00
Total Bonds Payable	\$ 76,608,250.00	\$ 27,720,000.00	\$ 8,355,000.00	\$ 95,973,250.00
Environmental Infrastructure Loans Payable:				
Sewer Utility Capital Fund	\$ 5,146,928.16		\$ 403,800.84	\$ 4,743,127.32
Water Utility Capital Fund	6,609,001.63		1,038,143.57	5,570,858.06
Total Environmental Infrastructure Loans Payable	\$ 11,755,929.79	-	\$ 1,441,944.41	\$ 10,313,985.38
Total Long-Term Debt	\$ 88,364,179.79	\$ 27,720,000.00	\$ 9,796,944.41	\$ 106,287,235.38
	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	\$ 84,708,250.00	-	\$ 8,100,000.00	\$ 76,608,250.00
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	\$ 13,108,258.32	-	\$ 1,352,328.53	\$ 11,755,929.79
Total Long-Term Debt	\$ 97,816,508.32	-	\$ 9,452,328.53	\$ 88,364,179.79



**TOWNSHIP OF NORTH BRUNSWICK**

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023 AND 2022**

**8. MUNICIPAL DEBT (continued)**

A schedule of annual debt service for future principal and interest for general bonded debt is as follows:

<u>Year</u>	<u>General</u>		<u>Open Space</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2024	\$ 4,000,000.00	\$ 948,797.50	\$ 1,205,000.00	\$ 509,050.00
2025	4,195,000.00	915,635.00	1,190,000.00	468,025.00
2026	4,147,500.00	883,813.13	1,260,000.00	426,212.50
2027	4,195,000.00	852,735.00	1,300,000.00	382,475.00
2028	4,105,750.00	822,594.38	1,350,000.00	336,731.25
Subtotal	<u>20,643,250.00</u>	<u>4,423,575.01</u>	<u>6,305,000.00</u>	<u>2,122,493.75</u>
2029	3,755,000.00	797,827.50	1,400,000.00	287,968.75
2030	3,800,000.00	776,962.50	1,270,000.00	238,400.00
2031	3,850,000.00	750,903.75	280,000.00	210,150.00
2032	3,905,000.00	719,385.00	285,000.00	201,675.00
2033	3,890,000.00	688,192.50	290,000.00	193,050.00
Subtotal	<u>19,200,000.00</u>	<u>3,733,271.25</u>	<u>3,525,000.00</u>	<u>1,131,243.75</u>
2034	4,030,000.00	656,477.50	280,000.00	184,500.00
2035	4,095,000.00	623,925.00	305,000.00	175,725.00
2036	2,230,000.00	615,900.00	315,000.00	166,425.00
2037	1,290,000.00	651,300.00	320,000.00	156,900.00
2038	1,355,000.00	706,700.00	330,000.00	147,150.00
Subtotal	<u>13,000,000.00</u>	<u>3,254,302.50</u>	<u>1,550,000.00</u>	<u>830,700.00</u>
2039	1,415,000.00	763,300.00	340,000.00	137,100.00
2040	1,415,000.00	395,800.00	350,000.00	126,750.00
2041			355,000.00	116,175.00
2042			365,000.00	105,375.00
2043			375,000.00	94,275.00
Subtotal	<u>2,830,000.00</u>	<u>1,159,100.00</u>	<u>1,785,000.00</u>	<u>579,675.00</u>
2044			390,000.00	82,800.00
2045			400,000.00	70,950.00
2046			410,000.00	58,800.00
2047			425,000.00	46,275.00
2048			435,000.00	33,375.00
Subtotal	<u>-</u>	<u>-</u>	<u>2,060,000.00</u>	<u>292,200.00</u>
2049			445,000.00	20,175.00
2050			450,000.00	6,750.00
Subtotal	<u>-</u>	<u>-</u>	<u>895,000.00</u>	<u>26,925.00</u>
Totals	<u>\$ 55,673,250.00</u>	<u>\$ 12,570,248.76</u>	<u>\$ 16,120,000.00</u>	<u>\$ 4,983,237.50</u>

**TOWNSHIP OF NORTH BRUNSWICK**

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023 AND 2022**

**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
2024	\$ 761,787.00	\$ 383,345.21	\$ 1,053,871.14	\$ 140,875.00	\$ 115,000.00	\$ 60,418.75
2025	781,429.00	360,080.89	1,082,709.43	112,175.00	115,000.00	54,381.25
2026	799,053.00	334,355.62	1,113,187.47	81,975.00	120,000.00	48,212.50
2027	823,541.00	308,178.74	1,144,811.42	50,300.00	125,000.00	41,781.25
2028	721,296.00	283,944.50	1,176,278.60	17,050.00	130,000.00	34,925.00
Subtotal	<u>3,887,106.00</u>	<u>1,669,904.96</u>	<u>5,570,858.06</u>	<u>402,375.00</u>	<u>605,000.00</u>	<u>239,718.75</u>
2029	749,298.00	259,863.87			135,000.00	27,637.50
2030	782,174.00	233,940.68			140,000.00	20,075.00
2031	535,000.00	212,184.70			145,000.00	12,237.50
2032	555,000.00	195,650.33			150,000.00	4,125.00
2033	575,000.00	179,047.20				
Subtotal	<u>3,196,472.00</u>	<u>1,080,686.78</u>	<u>-</u>	<u>-</u>	<u>570,000.00</u>	<u>64,075.00</u>
2034	495,000.00	163,115.95				
2035	510,000.00	148,040.95				
2036	523,670.00	132,307.98				
2037	400,000.00	118,418.75				
2038	415,000.00	106,468.75				
Subtotal	<u>2,343,670.00</u>	<u>668,352.38</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
2039	430,000.00	93,878.13				
2040	445,000.00	80,643.75				
2041	455,000.00	67,050.00				
2042	215,000.00	55,900.00				
2043	215,000.00	47,300.00				
Subtotal	<u>1,760,000.00</u>	<u>344,771.88</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
2044	215,000.00	38,700.00				
2045	215,000.00	30,100.00				
2046	215,000.00	21,500.00				
2047	215,000.00	12,900.00				
2048	215,000.00	4,300.00				
Subtotal	<u>1,075,000.00</u>	<u>107,500.00</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Totals	<u>\$ 12,262,248.00</u>	<u>\$ 3,871,216.00</u>	<u>\$ 5,570,858.06</u>	<u>\$ 402,375.00</u>	<u>\$ 1,175,000.00</u>	<u>\$ 303,793.75</u>

**TOWNSHIP OF NORTH BRUNSWICK**

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023 AND 2022**

**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	
2024	\$ 473,213.00	\$ 348,404.81	\$ 407,598.66	\$ 46,293.76	\$ 10,453,654.83
2025	483,571.00	334,412.88	419,655.90	41,084.38	10,553,159.73
2026	500,947.00	319,838.14	344,769.31	36,600.00	10,416,463.67
2027	516,459.00	304,446.27	349,769.31	32,975.00	10,427,471.99
2028	533,704.00	288,149.26	354,769.31	29,100.00	10,184,292.30
<b>Subtotal</b>	<b>2,507,894.00</b>	<b>1,595,251.36</b>	<b>1,876,562.49</b>	<b>186,053.14</b>	<b>52,035,042.52</b>
2029	550,702.00	270,642.39	359,769.31	24,975.00	8,618,684.32
2030	567,826.00	251,971.83	359,769.31	20,725.00	8,461,844.32
2031	550,000.00	233,230.94	364,769.31	16,800.00	7,160,276.20
2032	560,000.00	215,462.19	369,769.31	13,575.00	7,174,641.83
2033	580,000.00	197,852.81	369,769.31	10,725.00	6,973,636.82
<b>Subtotal</b>	<b>2,808,528.00</b>	<b>1,169,160.16</b>	<b>1,823,846.55</b>	<b>86,800.00</b>	<b>38,389,083.49</b>
2034	485,000.00	181,096.56	374,769.31	7,800.00	6,857,759.32
2035	505,000.00	165,290.31	379,769.31	4,725.00	6,912,475.57
2036	526,330.00	148,617.04	288,179.66	1,575.00	4,948,004.68
2037	390,000.00	133,856.26			3,460,475.01
2038	405,000.00	121,206.26			3,586,525.01
<b>Subtotal</b>	<b>2,311,330.00</b>	<b>750,066.43</b>	<b>1,042,718.28</b>	<b>14,100.00</b>	<b>25,765,239.59</b>
2039	425,000.00	107,850.01			3,712,128.14
2040	430,000.00	93,984.38			3,337,178.13
2041	440,000.00	79,912.50			1,513,137.50
2042	260,000.00	67,600.00			1,068,875.00
2043	260,000.00	57,200.00			1,048,775.00
<b>Subtotal</b>	<b>1,815,000.00</b>	<b>406,546.89</b>	<b>-</b>	<b>-</b>	<b>10,680,093.77</b>
2044	260,000.00	46,800.00			1,033,300.00
2045	260,000.00	36,400.00			1,012,450.00
2046	260,000.00	26,000.00			991,300.00
2047	260,000.00	15,600.00			974,775.00
2048	260,000.00	5,200.00			952,875.00
<b>Subtotal</b>	<b>1,300,000.00</b>	<b>130,000.00</b>	<b>-</b>	<b>-</b>	<b>4,964,700.00</b>
2049					465,175.00
2050					456,750.00
<b>Subtotal</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>921,925.00</b>
<b>Totals</b>	<b>\$ 10,742,752.00</b>	<b>\$ 4,051,024.84</b>	<b>\$ 4,743,127.32</b>	<b>\$ 286,953.14</b>	<b>\$ 132,756,084.37</b>

**TOWNSHIP OF NORTH BRUNSWICK**

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023 AND 2022**

**8. MUNICIPAL DEBT (continued)**

**Bond Anticipation Notes**

Outstanding Bond Anticipation Notes are summarized as follows:

**Short-Term Debt**

	Balance, June 30, 2022	Additions	Reductions	Balance, June 30, 2023
Bond Anticipation Notes				
General Capital Fund	\$ 21,540,000.00	\$ 10,150,000.00	\$ 21,540,000.00	\$ 10,150,000.00
Water Utility Fund	13,985,000.00	8,500,000.00	13,985,000.00	8,500,000.00
Sewer Utility Fund	5,450,000.00	3,000,000.00	5,450,000.00	3,000,000.00
Total	<u>\$ 40,975,000.00</u>	<u>\$ 21,650,000.00</u>	<u>\$ 40,975,000.00</u>	<u>\$ 21,650,000.00</u>
	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>

**Bonds and Notes Authorized but Not Issued**

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

	Balance June 30, 2023	Balance June 30, 2022
General Capital Fund:		
General Improvements	<u>\$ 25,640,750.00</u>	<u>\$ 12,490,750.00</u>
Water Utility Capital Fund:		
General Improvements	<u>\$ 4,500,000.00</u>	<u>\$ 3,500,000.00</u>
Sewer Utility Capital Fund:		
General Improvements	<u>\$ 10,626,733.00</u>	<u>\$ 13,626,733.00</u>

**TOWNSHIP OF NORTH BRUNSWICK**

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023 AND 2022**

**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, 2022:

	<u>2022</u>
Inactive plan members of beneficiaries currently receiving benefits	187,372
Inactive plan members entitles to but not yet receiving benefits	1,782
Active plan members	239,902
 Total	 429,056
 Contributing Employers	 1,678
Contributing Nonemployers	1

**TOWNSHIP OF NORTH BRUNSWICK**

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023 AND 2022**

**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, 2023 and 2022 the Township’s total payroll for all employees was \$27,353,317.46 and \$25,987,653.37, respectively. Total PERS covered payroll was \$7,674,552.00 and \$7,562,727.00, 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 2022. 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, 2023 and 2022 were \$1,259,833.00 and \$1,178,633.00, 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, 2023 consisted of the following:

	<u>2023</u>
Normal Cost	\$ 191,886.00
Amortization of Accrued Liability	1,013,396.00
Total Pension	1,205,282.00
NCGI Premiums	54,551.00
Total Pension & NCGI	1,259,833.00
Total PERS Payment	\$ 1,259,833.00

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
5	Members who were eligible to enroll on or after June 28, 2011

**TOWNSHIP OF NORTH BRUNSWICK**

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023 AND 2022**

**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, 2022, the PERS reported a net pension liability of \$15,219,184,920.00 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 \$15,076,836.00 or 0.0999036498%. At June 30, 2021, the PERS reported a liability of \$11,972,782,878.00 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 \$11,922,536.00 or 0.1006418471%.

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, 2022, if GASB Statement No. 68 was recognized:

	2022	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 108,818.00	\$ 95,962.00
Changes of assumptions	46,713.00	2,257,599.00
Net difference between projected and actual investment earnings on pension plan investments	624,017.00	
Changes in proportion	164,607.00	1,202,914.00
Township contributions subsequent to the measurement date	1,364,112.00	
	\$ 2,308,267.00	\$ 3,556,475.00

**TOWNSHIP OF NORTH BRUNSWICK**

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023 AND 2022**

**9. PENSION PLANS (continued)**

The \$1,364,112.00 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, 2023. 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>Amount</u>
<u>June 30,</u>	
2024	\$ (1,640,481.00)
2025	(962,796.00)
2026	(633,203.00)
2027	627,466.00
2028	<u>(3,306.00)</u>
Total	<u>\$ (2,612,320.00)</u>

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

Inflation rate:	
Price	2.75%
Wage	3.25%
Salary Increases:	2.75-6.55%
	based on years of service
Investment rate of return	7.00%

Pre-retirement mortality rates were based on the Pub-2010 General Below-Median Income Employee mortality table with an 82.2% adjustment for males and 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, 2021 valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2021.



**TOWNSHIP OF NORTH BRUNSWICK**

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023 AND 2022**

**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:

<u>2022</u>	At 1% decrease (6.00%)	At current discount rate (7.00%)	At 1% increase (8.00%)
PERS	\$ <u>19,369,318.00</u>	\$ <u>15,076,836.00</u>	\$ <u>11,423,761.00</u>

*Plan Fiduciary Net Position* – The plan fiduciary net position for PERS, including the State of New Jersey, at June 30, 2022 and 2021 was \$32,568,122,309.00 and \$35,707,804,636.00, respectively. The portion of the Plan Fiduciary Net Position that was allocable to the Local (Non-State) Group at June 30, 2022 was \$25,810,084,045.00.

*Additional Information:*

Collective balances at June 30, 2022 are as follows:

Collective deferred outflows of resources	\$ 1,660,772,008.00
Collective deferred inflows of resources	3,236,303,935.00
Collective net pension liability - Local group	15,219,184,920.00

Township's Proportion	0.0999036498%
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Collective pension (benefit) for the Local Group for the measurement period ended June 30, 2022 is \$(1,032,778,934.00).

The average of the expected remaining service lives of all employees that are provided with pension through the pension plan (active and inactive employees) determined at July 1, 2022, 2021, 2020, 2019, 2018, 2017, 2016, 2015 and 2014 is 5.04, 5.13, 5.16, 5.21, 5.63, 5.48, 5.57, 5.72 and 6.44 years, 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, 2022 and 2021, were \$1,288,683,017 and \$1,207,896,120.00, respectively.

**TOWNSHIP OF NORTH BRUNSWICK**

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023 AND 2022**

**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, 2022.

	<u>2022</u>
Inactive plan members of beneficiaries currently receiving benefits	47,518
Inactive plan members entitles to but not yet reeiving benefits	60
Active plan members	42,188
 Total	 89,766
 Contributing Employers	 579
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.

For the year ended June 30, 2023 and 2022 the Township’s total payroll for all employees was \$27,353,317.46 and \$25,987,653.37, respectively. Total PFRS covered payroll was \$12,446,120.00 and \$11,647,725.00, respectively. Covered payroll refers to pensionable compensation, rather than total compensation, paid by the Township to active employees covered by the Plan.

**TOWNSHIP OF NORTH BRUNSWICK**

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023 AND 2022**

**9. PENSION PLANS (continued)**

*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. The active members contribution rate for 2022 was 10%. 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 \$3,956,736.00 and \$3,540,736.00, 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, 2023 consisted of the following:

	<u>2023</u>
Normal Cost	\$ 1,252,203.00
Amortization of Accrued Liability	<u>2,586,479.00</u>
Total Pension	3,838,682.00
NCGI Premiums	<u>118,054.00</u>
Total Pension & NCGI	<u>3,956,736.00</u>
Total PERS Payment	<u><u>\$ 3,956,736.00</u></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, 2023 AND 2022**

**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, 2022, the PFRS reported a net pension liability of \$13,483,472,009.00 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 \$34,823,800.00 or 0.30423481% which was an increase of 0.0004300553% from its proportion, measured as of June 30, 2021.

At June 30, 2021, the PFRS reported a net pension liability of \$9,364,849,587.00 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 \$22,205,551.00 or 0.3038047547%.

At June 30, 2022 and 2021, the Township’s deferred outflows of resources and deferred inflows of resources related to PFRS were from the following sources, if GASB Statement No. 68 was recognized:

	2022	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,576,218.00	\$ 2,133,431.00
Changes of assumptions	95,438.00	4,383,629.00
Net difference between projected and actual investment earnings and actual earnings on pension plan investments	3,188,837.00	
Changes in proportion	1,497,942.00	1,867,652.00
Township contributions subsequent to the measurement date	4,378,646.00	
	\$ 10,737,081.00	\$ 8,384,712.00

**TOWNSHIP OF NORTH BRUNSWICK**

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023 AND 2022**

**9. PENSION PLANS (continued)**

The \$4,378,646.00 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, 2024. 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>
2024		\$ (1,406,461.00)
2025		(1,077,220.00)
2026		(1,396,818.00)
2027		1,866,210.00
2028		(35,091.00)
Thereafter		<u>23,103.00</u>
Total		<u>\$ (2,026,277.00)</u>

*Actuarial Assumptions* - The total pension liability for the June 30, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement :

Inflation rate:	
Price	2.75%
Wage	3.25%
Salary Increases:	
Through all future years	3.25-16.25%
	Based on years of service
Investment rate of return	7.00%

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

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

**TOWNSHIP OF NORTH BRUNSWICK**

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023 AND 2022**

**9. PENSION PLANS (continued)**

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

	2022	
	Target Allocation	Long-Term Expected Real Rate of Return
U.S. Equity	27.00%	8.12%
Non-U.S. Developed Markets Equity	13.50%	8.38%
Emerging Markets Equity	5.50%	10.33%
Private Equity	13.00%	11.80%
Real Assets	3.00%	7.60%
Real Estate	8.00%	11.19%
High Yield	4.00%	4.95%
Private Credit	8.00%	8.10%
Investment Grade Credit	7.00%	3.38%
Cash Equivalents	4.00%	1.75%
U.S. Treasuries	4.00%	1.75%
Risk Mitigation Strategies	3.00%	4.91%
	100.00%	

*Discount Rate* – The discount rate used to measure the total pension liability as of June 30, 2022 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.

*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:

**TOWNSHIP OF NORTH BRUNSWICK**

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023 AND 2022**

**9. PENSION PLANS (continued)**

<u>2022</u>	At 1% decrease (6.00%)	At current discount rate (7.00%)	At 1% increase (8.00%)
PFRS	<u>\$ 47,782,014.60</u>	<u>\$ 34,823,800.00</u>	<u>\$ 24,036,023.00</u>

*Fiduciary Net Position* – The plan fiduciary net position for PFRS at June 30, 2022 was \$30,708,653,410.00.

*Additional Information:*

Collective Local Group balances at June 30, 2022 are as follows:

Collective deferred outflows of resources	\$ 2,163,793,985.00
Collective deferred inflows of resources	2,805,919,493.00
Collective net pension liability - Local group	13,483,472,009.00
Township's Proportion	0.3042348100%

Collective pension expense (benefit) for the Local Group for the measurement period ended June 30, 2022 and 2021 was \$159,064,576.00 and \$(742,955,825.00) respectively. The average of the expected remaining service lives of all plan members is 6.22, 6.17, 5.90, 5.92, 5.73, 5.59, 5.58, 5.53 and 6.17 years for the 2022, 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.

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.

## TOWNSHIP OF NORTH BRUNSWICK

### NOTES TO FINANCIAL STATEMENTS JUNE 30, 2023 AND 2022

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

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, 2022 was \$253,611,000.00. The portion of that contribution allocated to the Township was \$3,956,736.00, or 0.30423481%. The June 30, 2022 State special funding situation pension expense of \$235,029,281.00 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 \$2,037,115,833.00 at June 30, 2022 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, 2022 and its share of the special funding situation NPL at that date were \$715,041.00 and \$6,197,616.00 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, 2021 was \$178,577,000.00. The portion of that contribution allocated to the Township was \$542,525.00, or 0.3038045213%. The June 30, 2021 State special funding situation pension expense of \$228,944,734.00 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 \$2,055,697,552.00 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 years ended June 30, 2021 and its share of the special funding situation NPL at that dates were \$695,545.00 and \$6,245,307.00, 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:

*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 \$5,000.00 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 \$5,000.00 annually. At June 30, 2022, the membership of DCRP, based on the information within the Division’s database, was 59,232.00.



## TOWNSHIP OF NORTH BRUNSWICK

### NOTES TO FINANCIAL STATEMENTS JUNE 30, 2023 AND 2022

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

*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.

#### 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*; 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

**TOWNSHIP OF NORTH BRUNSWICK**

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023 AND 2022**

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

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.

**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, 2022</u>	<u>June 30, 2021</u>
Inactive plan members or beneficiaries currently receiving benefits	16,440	16,249
Active plan members	84,057	82,906
 Total	 100,497	 99,155
 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 \$12,775,785,891.00 and \$14,138,423,345.00 at June 30, 2022 and 2021, 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>2022</u>	<u>2021</u>
Total OPEB Liability	\$ 16,090,925,144.00	\$ 18,050,052,887.00
Plan Fiduciary Net Position	(58,670,334.00)	50,271,652.00
 Net OPEB Liability	 \$ 16,149,595,478.00	 \$ 17,999,781,235.00
 Plan fiduciary net position as a percentage of the total OPEB liability	 -0.36%	 0.28%

TOWNSHIP OF NORTH BRUNSWICK

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023 AND 2022

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

*Actuarial Assumptions and Other Inputs:*

The total OPEB liability as of June 30, 2022 was determined by an actuarial valuation as of July 1, 2021, which was rolled forward to June 30, 2022. 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:

Salary increase\*:

Public Employees' Retirement System (PERS)

Rate for all future years 2.75% to 6.55% based on years of service

Police and Firemens' Retirement System (PFRS)

Rate for all future years 3.25% to 16.25% based on years of service

Mortality:

PERS

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

PFRS

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

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

Actuarial assumptions used in the July 1, 2021 valuation were based on the results of the PFRS and PERS experience studies prepared for July 1, 2018 to June 30, 2021.

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, 2023 AND 2022**

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

*Discount Rate* – The discount rate for June 30, 2022 was 3.54%. 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, 2022, 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 - 2022	\$ 18,720,632,230.00	\$ 16,149,595,478.00	\$14,080,955,857.00

*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, 2022, 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 - 2022	\$ 13,700,188,049.00	\$ 16,149,595,478.00	\$19,286,596,671.00

*Special Funding Situation* – The State of New Jersey’s Total OPEB Liability for special funding situation was \$3,373,809,587.00 and \$3,861,357,890.00 at June 30, 2022 and 2021, 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 \$5,540,942.00 and \$6,178,559.00 at June 30, 2022 and 2021, respectively. These allocated liabilities represent 0.164234% and 0.160010% of the State’s Total Non-employer OPEB Liability for June 30, 2022 and 2021, respectively. The OPEB expense attributed to the Township was \$(908,831.00) and \$(843,087.00) at June 30, 2022 and 2021, respectively.

## TOWNSHIP OF NORTH BRUNSWICK

### NOTES TO FINANCIAL STATEMENTS JUNE 30, 2023 AND 2022

#### 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 \$7,046,515.17 and \$7,008,290.42 at June 30, 2023 and 2022. 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.

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, 2022 and 2021, the Fund reported total assets of \$63,828,590.00 and \$67,014,327.00, respectively, liabilities and reserves of \$68,592,521.00 and \$66,644,699.00, respectively, which includes case reserves of \$42,599,601.00 and \$39,523,453.00, respectively, and IBNR of \$20,694,823.00 and \$22,265,398.00, respectively and net position (deficit) of \$(4,763,931.00) and \$369,628.00, respectively.

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

**TOWNSHIP OF NORTH BRUNSWICK**

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023 AND 2022**

**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:

	June 30,	
	<u>2023</u>	<u>2022</u>
Balance of Tax	\$ 46,789,595.04	\$ 45,850,850.04
Deferred	<u>46,767,758.00</u>	<u>45,267,758.00</u>
Payable	<u>\$ 21,837.04</u>	<u>\$ 583,092.04</u>

**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 funds to the Housing Rehabilitation Program in fiscal year 2022.

**TOWNSHIP OF NORTH BRUNSWICK**

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023 AND 2022**

**16. AFFORDABLE HOUSING (continued)**

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, 2023 and 2022, which were appropriated and included as anticipated revenue in their own respective funds for the “Fiscal Year” ending June 30, 2023 and 2022 as follows:

	FUND BALANCE <u>JUNE 30, 2023</u>		UTILIZED IN SUCCEEDING <u>BUDGET</u>
Current Fund	\$ 16,102,702.17	\$	6,595,000.00
Water Utility Fund	2,538,570.90		100,000.00
Sewer Utility Fund	2,872,685.57		100,000.00

	FUND BALANCE <u>JUNE 30, 2022</u>		UTILIZED IN SUCCEEDING <u>BUDGET</u>
Current Fund	\$ 14,602,528.60	\$	3,100,000.00
Water Utility Fund	1,972,783.01		650,000.00
Sewer Utility Fund	2,453,178.62		608,000.00

**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 2023 were \$0.00 and taxes in 2023 that otherwise would have been due on these long-term tax exemptions amounted to \$817,504.00, based upon the assessed valuations of the long-term tax exemptions properties.

**TOWNSHIP OF NORTH BRUNSWICK**

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023 AND 2022**

**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, 2023, 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, 2023, 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). Based upon the MCJIF’s financial condition, the MCJIF issued a supplemental assessment to all current and former MCJIF members, as approved by its Fund Commissioners on August 30, 2022. The supplemental assessment to the Township, based upon its previous participation in the MCJIF, which has been and will continue to be contested by the Township, amounted to \$444,375.63. The terms of the contested supplemental assessment are being reviewed by the Township, which is expected to be over a seven-year period if found to be valid.

**20. INTERFUND RECEIVABLE AND PAYABLE**

The following interfund balances remained on the balance sheet at June 30, 2023.

<u>Fund</u>	Interfund Receivable	Interfund Payable
Sewer Utility Operating Fund	\$ 1,217,000.00	
Sewer Utility Capital Fund		\$ 1,217,000.00
	\$ 1,217,000.00	\$ 1,217,000.00



**TOWNSHIP OF NORTH BRUNSWICK**

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023 AND 2022**

**20. INTERFUND RECEIVABLE AND PAYABLE *(continued)***

These interfund balances are not an indication that the respective fund cannot meet its obligation. The interfund amounts are reflective of year-end closing journals and adjustments. The balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

**21. SUBSEQUENT EVENTS**

The Township has evaluated subsequent events occurring after June 30, 2023 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 11, 2023 with a maturity date of July 10, 2024. The BAN's were issued for \$30,500,000.00 with an interest rate of 5.000%.

The Township issued Bond Anticipation Notes dated August 10, 2023 with a maturity date of August 9, 2024. The BAN's were issued for \$9,500,000.00 with an interest rate of 4.750%.

**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, 2023, 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 20, 2024, 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**

**Page 2**

**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 20, 2024

*Robert E. Provost*

Robert Provost, CPA  
Registered Municipal Accountant, No. 582



**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, 2023. 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, 2023.

***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  
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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, *Government 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 20, 2024

*Robert E. Provost*

Robert Provost, CPA  
Registered Municipal Accountant, No. 582

**SCHEDULES 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, 2023

Federal Grantor/Pass-Through Grantor/Program Title	Federal AL Number	State Account Number	Grant Period		Revised Budget	Current Year Expenditures	Passed-Through To Sub- Recipients	Cumulative Expenditures
			From	To				
U.S. Department of Housing and Urban Development								
Passed Through - 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)
Program Year 2022	14.218	Not available	7/1/2022	Completion		\$ (40,000.00)		(40,000.00)
Subtotal Community Development Block Grant Cluster						(40,000.00)		(116,402.69)
U.S. Department of Law and Public Safety								
Passed Through - State of New Jersey:								
Bulletproof Vest Grant	16.607	Not available	4/1/2021	8/31/2023	\$ 18,546.00	(11,345.86)		(18,546.00)
Bulletproof Vest Grant	16.607	Not available	4/1/2022	8/31/2024	8,708.40	(1,546.67)		(1,546.67)
Click It or Ticket	20.616	066-1160-100-XXX	1/1/2021	12/31/2021	6,000.00			(5,970.00)
Click It or Ticket	20.616	066-1160-100-XXX	1/1/2023	12/31/2023	7,000.00	(7,000.00)		(7,000.00)
Highway Safety Safe Corridors	20.600	Not available	7/1/2021	6/30/2022	73,761.00	(70,772.45)		(70,772.45)
Subtotal Department of Law and Public Safety					114,015.40	(90,664.98)		(103,835.12)
U.S. Department of Health and Human Services								
Special Programs for the Aging Cluster								
Passed Through - State of New Jersey:								
Senior Center Congregate Meals	93.044	054-7530-100-058	1/1/2021	12/31/2021	10,000.00			
Senior Center Congregate Meals	93.044	054-7530-100-058	1/1/2022	12/31/2022	10,000.00	(757.00)		(3,400.00)
Senior Center Congregate Meals	93.044	054-7530-100-058	1/1/2023	12/31/2023	10,000.00	(5,166.46)		(5,166.46)
Senior Center Transportation	93.044	054-7530-100-058	1/1/2021	12/31/2021	10,000.00			(1,635.00)
Senior Center Transportation	93.044	054-7530-100-058	1/1/2022	12/31/2022	10,000.00	(10,000.00)		(10,000.00)
Senior Center Transportation	93.044	054-7530-100-058	1/1/2023	12/31/2023	10,000.00	(5,000.00)		(5,000.00)
Senior Outreach Program	93.044	054-7530-100-058	1/1/2022	12/31/2022	20,500.00	(2,814.00)		(18,049.00)
Subtotal Aging Cluster					80,500.00	(23,737.46)		(43,250.46)
U.S. Department of the Treasury								
Passed Through - State of New Jersey:								
COVID-19 -American Rescue Plan Act - Coronavirus State and Local Fiscal Recovery Funds	21.027	022-830-100-687	7/1/2021	6/30/2023	4,336,522.88	(2,168,261.44)		(4,336,522.88)
U.S. Department of Health and Human Services								
Passed Through - State of New Jersey:								
COVID-19 - Low Income Household Water Assistance Program (LIHWAP)	93.499	022-8050-100-997	7/1/2021	6/30/2022	43,419.11	(43,419.11)		(43,419.11)
U.S. Department of Homeland Security								
Passed Through - State of New Jersey:								
Disaster Grants - Public Assistance (Presidentially Declared Disasters) - Hurricane Ida	97.036	066-1200-100-C84	7/1/2022	6/30/2023	312,953.07	(312,953.07)		(312,953.07)
Total Federal Awards					\$4,887,410.46	\$ (2,679,036.06)	\$ -	\$ (4,956,383.33)

See Notes to Schedule of Expenditures of Federal Awards

TOWNSHIP OF NORTH BRUNSWICK  
MIDDLESEX COUNTY

SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE  
YEAR ENDED JUNE 30, 2023

State Funding Department or Division Program	State Account Number	Grant Period		Award Amount	Expenditures	Cumulative Expenditures
		From	To			
Department of Community Affairs						
Passed Through Middlesex County:						
Municipal Alliance on Alcohol and Drug Abuse:	2000-475-9915120-60	1/1/2020	12/31/2020	\$ 56,852.50		\$ (32,132.50)
Municipal Alliance on Alcohol and Drug Abuse:	2000-475-9915120-60	1/1/2022	12/31/2022	22,080.00	\$ (2,750.35)	(21,992.50)
Municipal Alliance on Alcohol and Drug Abuse:	2000-475-9915120-60	1/1/2023	12/31/2023	22,080.00	(22,040.00)	(22,040.00)
Municipal Alliance DMHAS Youth Leadership Grant	Not Available	7/1/2022	3/14/2023	5,000.00	(5,000.00)	(5,000.00)
Hiring and Retention Bonus Grant	Not Available	1/1/2023	12/31/2023	19,000.00	(19,000.00)	(19,000.00)
Local Recreation Imp- Dog Fence Grant	Not Available	1/1/2023	12/31/2023	51,980.00	(51,980.00)	(51,980.00)
Subtotal Department of Community Affairs				176,992.50	(100,770.35)	(152,145.00)
Department of Environmental Protection:						
Clean Communities	042-4900-765-004	1/1/2020	12/31/2020	69,939.05	(13,305.87)	(69,939.05)
Clean Communities	042-4900-765-004	1/1/2021	12/31/2021	63,064.32	(60,568.37)	(61,919.32)
Clean Communities	042-4900-765-004	1/1/2022	12/31/2022	67,137.72	(44,752.14)	(44,752.14)
Clean Communities	042-4900-765-004	1/1/2023	12/31/2023	68,506.81	(7,037.24)	(7,037.24)
Recycling Tonnage Grant	042-4910-100-224	1/1/2020	12/31/2020	92,405.49		
Recycling Tonnage Grant	042-4910-100-224	1/1/2021	12/31/2021	66,897.39	(66,897.39)	(66,897.39)
Recycling Tonnage Grant	042-4910-100-224	1/1/2022	12/31/2022	67,137.72		
Recycling Tonnage Grant	042-4910-100-224	1/1/2023	12/31/2023	153,412.87	(153,412.87)	(153,412.87)
Recycling Enhancement Grant	Not Available	1/1/2022	12/31/2022	8,253.75	(2,268.53)	(5,848.75)
Subtotal Department of Environmental Protection				656,755.12	(348,242.41)	(409,806.76)
Department of Judiciary:						
Alcohol Education Rehabilitation Enforcement Fund	098-9735-760-001	1/1/2018	12/31/2018	3,538.69	(1,075.00)	(2,542.37)
Alcohol Education Rehabilitation Enforcement Fund	098-9735-760-001	1/1/2019	12/31/2019	3,441.93	(209.97)	(709.97)
Alcohol Education Rehabilitation Enforcement Fund	098-9735-760-001	1/1/2020	12/31/2020	3,214.99		
Alcohol Education Rehabilitation Enforcement Fund	098-9735-760-001	1/1/2021	12/31/2021	5,084.59		
Alcohol Education Rehabilitation Enforcement Fund	098-9735-760-001	1/1/2022	12/31/2022	4,998.38		
Alcohol Education Rehabilitation Enforcement Fund	098-9735-760-001	1/1/2023	12/31/2023	6,159.36		
Subtotal Department of Judiciary				26,437.94	(1,284.97)	(3,252.34)

TOWNSHIP OF NORTH BRUNSWICK  
MIDDLESEX COUNTY

SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE  
YEAR ENDED JUNE 30, 2023

State Funding Department or Division Program	State Account Number	Grant Period		Award Amount	Expenditures	Cumulative Expenditures
		From	To			
Department of Law and Public Safety:						
Police Body Armor	066-1020-718-001	1/1/2020	12/31/2020	\$ 8,138.04	\$ 2,749.96	\$ (5,388.08)
Police Body Armor	066-1020-718-001	1/1/2021	12/31/2021	6,024.45	(3,635.45)	(5,540.65)
Police Body Armor	066-1020-718-001	1/1/2022	12/31/2022	3,804.49	(3,804.49)	(3,804.49)
Police Body Armor	066-1020-718-001	1/1/2023	12/31/2023	4,958.53	(531.44)	(531.44)
Police Cameras	Not Available	1/1/2022	12/31/2022	185,458.00	(1,170.00)	(60,139.00)
Safe and Secure Neighborhoods Program	066-1020-100-232	1/1/2023	12/31/2023	32,400.00	(32,400.00)	(32,400.00)
Pedestrian Safety Grant	066-1160-100-131	1/1/2020	12/31/2020	15,000.00		(2,035.00)
Pedestrian Safety Grant	066-1160-100-131	1/1/2021	12/31/2021	15,000.00		(14,960.00)
Distracted Driving Crackdown U Text	Not Available	1/1/2023	12/31/2023	12,250.00	(12,250.00)	(12,250.00)
Subtotal Department of Law and Public Safety				283,033.51	(51,041.42)	(137,048.66)
Division of Highway Traffic Safety:						
Drunk Driving Enforcement Fund	078-6400-100-6400	1/1/2020	12/31/2020	8,494.13	(2,808.06)	(8,494.13)
Drunk Driving Enforcement Fund	078-6400-100-6400	1/1/2021	12/31/2021	8,973.72	(2,233.22)	(3,394.29)
Drunk Driving Enforcement Fund	078-6400-100-6400	1/1/2023	12/31/2023	16,305.00	(531.43)	(531.43)
Subtotal Division of Highway Traffic Safety				33,772.85	(5,572.71)	(12,419.85)
Department of Transportation Cluster:						
New Jersey Department of Transportation - Quarry Lane	078-6320-480-AM2	1/1/2019	Completion	925,000.00		(924,999.97)
New Jersey Department of Transportation - Finnegan's Lane	078-6320-480-AMW	1/1/2019	Completion	1,050,000.00		(587,986.08)
New Jersey Department of Transportation - Raider Road	078-6320-480	1/1/2020	Completion	570,200.00		(570,200.00)
New Jersey Department of Transportation - Ridge Road (Livingston to Newton)	078-6320-480	1/1/2021	Completion	555,000.00		(555,000.00)
New Jersey Department of Transportation - Evelyn Ave	078-6320-480	1/1/2022	Completion	566,900.00		
New Jersey Department of Transportation- Pedestrian/Bicycle Path	078-6320-480	1/1/2009	Completion	81,240.45		(80,420.31)
New Jersey Department of Transportation - Local Freight Impact - Corporate Road	078-6320-480	1/1/2022	Completion	365,000.00		
Subtotal Department of Transportation Cluster				4,113,340.45		(2,718,606.36)
Department of Community Affairs:						
Grants-in-Aid - Special Legislation- Pre School Property Acquisition	Not Available	1/1/2021	Completion	500,000.00		
Grants-in-Aid - Special Legislation- Community Park Walking Trails Program	Not Available	1/1/2022	Completion	500,000.00	(430,484.69)	(430,484.69)
Grants-in-Aid- Special Legislation- Pavilion	Not Available	1/1/2023	Completion	500,000.00		
Subtotal Department of Community Affairs				1,500,000.00	(430,484.69)	(430,484.69)
New Jersey Board of Public Utilities:						
Acoustical Testing Pilot Program	Not Available	1/1/2022	Completion	250,502.85		
Total State Financial Assistance				\$ 7,040,835.22	\$ (937,396.55)	\$ (3,863,763.66)

See Notes to Schedules of Expenditures of State Financial Assistance

TOWNSHIP OF NORTH BRUNSWICK  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND  
STATE FINANCIAL ASSISTANCE  
YEAR ENDED JUNE 30, 2023

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 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 3 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 agree with the amounts reported in the related federal and state financial reports.

NOTE 5: INDIRECT COST RATE

The Township has elected not to use the ten percent de minimis indirect cost rate as allowed by the Uniform Guidance.

TOWNSHIP OF NORTH BRUNSWICK  
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
 YEAR ENDED JUNE 30, 2023

**Part I – Summary of Auditors’ Results**

**Financial Statement Section**

Type of auditors’ report issued: 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 auditors' report issued on compliance for major federal programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with Section 200.516(a) of the Uniform Guidance? \_\_\_\_\_ Yes       X       No

Identification of major federal programs:

<u>Assistance Listing Number</u>	<u>Name of Federal Program or Cluster</u>
21.027	COVID-19 American Rescue Plan Act - Coronavirus State and Local Fiscal Recovery Funds

Dollar threshold used to distinguish between Type A and B programs:       \$750,000.00      

Auditee qualified as low-risk auditee? \_\_\_\_\_ Yes       X       No

TOWNSHIP OF NORTH BRUNSWICK  
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
 YEAR ENDED JUNE 30, 2023

**State Financial Assistance**

Dollar threshold used to distinguish between Type A and B programs: \$750,000.00

Auditee qualified as low-risk auditee?  X  Yes   No

Type of auditors' report issued on compliance for state major programs: Unmodified

Internal Control over major state programs:

1) Material weakness(es) identified?   Yes  X  No

2) Significant deficiency(ies) identified?   Yes  X  None reported

Any audit findings disclosed that are required to be reported in accordance with NJOMB Circular Letter 15-08?   Yes  X  No

Identification of major state programs:

GMIS Number(s)

Name of State Program or Cluster

Not Available

New Jersey Department of  
 Community Affairs - Grants-in-Aid;  
 Special Legislation

TOWNSHIP OF NORTH BRUNSWICK  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2023

**Part II – Schedule of Financial Statement Findings**

No financial statement findings noted that are required to be reported under *Government Auditing Standards*

TOWNSHIP OF NORTH BRUNSWICK  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2023

**Part III – Schedule of Federal Award and State Financial Assistance Findings and Questioned Costs**

No instances of non-compliance were noted during our audit.



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



PART III  
SUPPLEMENTARY SCHEDULES

**CURRENT FUND**

TOWNSHIP OF NORTH BRUNSWICK  
CURRENT FUND

CASH RECEIPTS AND DISBURSEMENTS - TREASURER  
YEAR ENDED JUNE 30, 2023

	<u>Ref.</u>	<u>Current</u>	<u>Grants</u>
Balance June 30, 2022.....	A	\$ 18,612,123.46	\$ 1,318,846.97
Increased by Cash Receipts:			
Petty Cash.....	A-5	1,050.00	
Interfund Transfers			
Matching Funds For Grants.....	A-18		3,113.18
Senior Citizens and Vets Deductions.....	A-6	109,845.90	
Revenue Collection			
Miscellaneous Anticipated Revenue.....	A-2	13,535,967.35	
Taxes Receivable.....	A-7	155,073,190.14	
Miscellaneous Revenue Not Anticipated.....	A-8	485,805.94	
Tax Overpayments.....	A-11	1.05	
Miscellaneous Reserves.....	A-9	81,972.00	
Unappropriated Grant Reserves.....	A-15		132,561.67
Grants Receivable.....	A-16		246,288.63
Total Cash Receipts.....		<u>169,287,832.38</u>	<u>381,963.48</u>
Decreased by Disbursements			
Petty Cash.....	A-5	(1,050.00)	
Fund Balance			
Refund of Prior Year's Revenue.....	A-1	(5,602.01)	
Budget			
Budget Appropriations.....	A-3	(52,680,001.79)	
Appropriation Reserves.....	A-10	(708,117.53)	
Appropriated Grant Reserves.....	A-17		(1,076,947.55)
Interfund Transfers			
Matching Funds for Transfer.....	A-14	(3,113.18)	
Tax Collections			
Taxes Payable.....	A-12	(116,935,111.51)	
Miscellaneous Reserves.....	A-9	(134,806.39)	
Total Cash Disbursements.....		<u>(170,467,802.41)</u>	<u>(1,076,947.55)</u>
Balance June 30, 2023.....	A	<u>\$ 17,432,153.43</u>	<u>\$ 623,862.90</u>

TOWNSHIP OF NORTH BRUNSWICK  
CURRENT FUND

PETTY CASH AND CHANGE FUNDS  
YEAR ENDED JUNE 30, 2023

	Balance June 30, 2022	Advanced	Returned	Balance June 30, 2023
Change Fund.....	\$ 1,225.00			\$ 1,225.00
Petty Cash Funds:				
Senior Center.....		\$ 200.00	\$ 200.00	
Public Works.....		200.00	200.00	
Police.....		250.00	250.00	
Purchasing.....		200.00	200.00	
Recreation.....		200.00	200.00	
Total.....	<u>\$ 1,225.00</u>	<u>\$ 1,050.00</u>	<u>\$ 1,050.00</u>	<u>\$ 1,225.00</u>
<u>Ref.</u>	A	A-4	A-4	A

TOWNSHIP OF NORTH BRUNSWICK  
CURRENT FUND

DUE FROM STATE OF NEW JERSEY  
SENIOR CITIZENS AND VETERANS DEDUCTIONS  
YEAR ENDED JUNE 30, 2023

	<u>Ref.</u>	
Balance June 30, 2022.....	A	\$ 124,211.14
Revenue - Eligible Senior Citizens and Veterans Deductions		
Original - 2023 Tax Levy.....	A-6	<u>\$ 101,125.00</u>
Total Revenue.....		<u>101,125.00</u>
		225,336.14
Decreased by:		
Cash Received from State of NJ.....	A-4	(109,845.90)
Disallowed - 2023 Taxes.....	A-6	<u>(2,500.00)</u>
		<u>(112,345.90)</u>
Balance June 30, 2023.....	A	<u><u>\$ 112,990.24</u></u>

Analysis of Realized Revenues for 2023

Senior Citizens and Veterans Deductions Allowed/Disallowed by:		
Per Tax Billings - 2023.....	A-6	\$ 101,125.00
By Collector - 2023.....	A-6	<u>(2,500.00)</u>
	A-7	<u><u>\$ 98,625.00</u></u>

TOWNSHIP OF NORTH BRUNSWICK  
CURRENT FUND

PROPERTY TAXES RECEIVABLE AND LEVY ANALYSIS  
YEAR ENDED JUNE 30, 2023

Ref.	2023 Prepaid	2023 Current	2022 Delinquent	Arrears	Tax Liens	Property Acquired for Taxes
Balance June 30, 2022.....	A \$ 1,420,067.15		\$ 716,272.19	\$ 4,660.70	\$ 164,853.58	\$ 534,280.68
<b>Levy &amp; Adjustments</b>						
Original Levy.....	154,010,812.81	\$ 154,010,812.81				
Added Omitted & Rollback.....	601,634.94	601,634.94				
Appeals & Canceled Taxes.....	296,665.86	296,665.86				
Cost & Interest on Taxes.....	864.18				864.18	
Transfers & Tax Lien Sales.....		(40,809.58)			40,809.58	
Other Adjustments - by Resolution.....	(9,112.59)	(9,112.59)				
Clean Up Costs		132.60				
<b>Revenue</b>						
Sr. Citizens & Veterans Deduction.....	A-6 (98,625.00)	(98,625.00)				
Prepays Applied.....	A-7 (478,370.23)	(478,370.23)				
Overpayments Applied.....	A-11 (1,857.87)	(5,439.81)	220.46	3,361.48		
Fund Balance	A-1, A-11 (13,254.33)	(200.00)	(13,054.33)			
Cash Receipts.....	A-4 (155,073,190.14)	\$ (713,230.62)	(153,631,889.86)	(703,438.32)	(8,022.18)	(16,609.16)
Balance June 30, 2023.....	A \$ 655,634.78	\$ (713,230.62)	\$ 644,799.14	\$ -	\$ 189,918.18	\$ 534,280.68

Analysis of 2023 Property Tax Levy.....

<b>Tax Yield:</b>		Ref.	<b>Tax Levy:</b>		Ref.
General Purpose Tax.....	A-7 \$ 154,010,812.81		Non-Municipal Taxes.....	A-12	\$ 117,873,856.52
Added by Tax Appeals.....	A-7 296,665.86		Municipal Purpose Tax.....	A-2	34,140,000.27
Added Taxes.....	A-7 601,634.94		Municipal Library Tax.....	A-2	1,879,156.13
Total Levy.....	\$ 154,909,113.61		Total Tax Levy.....		153,893,012.92
			Added Taxes.....		1,016,100.69
<b>Current Taxes Realized</b>			<b>% of Tax Levy Collected</b>		
Sr. Citizens & Veterans Deductions.....	A-6, A-7 \$ 98,625.00		Total Tax Revenue.....		\$ 154,214,324.90
Cash Receipts.....	A-7 153,631,889.86		Total Tax Levy.....		154,909,113.61
Prepaid Taxes Applied.....	A-7 478,370.23		% of Tax Levy Collected.....		99.551%
Overpayments Applied.....	A-11 5,439.81		<b>Delinquent Taxes Realized</b>		
Subtotal - Revenue Realized including Adjustment.	A-1 154,214,324.90		Taxes Received.....		\$ 711,460.50
Reserve for Uncollected Taxes.....	A-3 800,000.00		Tax Title Liens Received.....		16,609.16
Total Revenue, Current Taxes.....	155,014,324.90				\$ 728,069.66
Non-Municipal Taxes Payable.....	A-12 (117,873,856.52)				
Revenue, Local Purpose Tax.....	A-2 \$ 37,140,468.38				

Ref. A-1

TOWNSHIP OF NORTH BRUNSWICK  
CURRENT FUND

MISCELLANEOUS REVENUE NOT ANTICIPATED  
YEARS ENDED JUNE 30, 2023 AND 2022

	<u>Ref</u>	<u>2023</u>	<u>2022</u>
Other Miscellaneous Revenues Not Anticipated:			
Fees.....		\$ 500.00	\$ 695.00
Cellular Tower Lease.....		150,087.00	72,231.52
Inspection Fees - State of NJ.....		6,187.67	600.00
Miscellaneous.....		14,857.84	8,132.67
LOSAP - Return of Non Vested.....		19,828.52	
Administrative Fees Senior Citizens & Veterans Deduction...		2,196.92	2,255.11
Collector - Lot Clean -up Fees.....		255.76	737.52
FEMA Reimbursement.....		25,454.51	17,025.46
Auction - Sale of Assets.....		46,273.00	
Bail Returned.....		82.00	3,695.44
Public Works:			
Sanitation Bins / Automated Carts/Sr. Rev.....		4,803.00	6,598.00
Refuse Container Rental.....		22,000.00	19,200.00
Police - Admin Fee, Off-Duty Police.....		193,279.72	118,612.21
Total.....	A-1, A-4	<u>\$ 485,805.94</u>	<u>\$ 249,782.93</u>

TOWNSHIP OF NORTH BRUNSWICK  
CURRENT FUND

ACCOUNTS PAYABLE AND RESERVES  
YEAR ENDED JUNE 30, 2023

	<u>June 30, 2022</u>	<u>Transfer from (to) Budget</u>	<u>Cash Receipts</u>	<u>Cash Disbursements</u>	<u>Adjustments</u>	<u>June 30, 2023</u>
<b>Accounts Payable:</b>						
Filing Fees Due State of NJ:						
Marriage Licenses.....	\$ 1,352.00			\$ (1,350.00)		\$ 2.00
Building Construction Training.....	21,332.00		\$ 81,972.00	(87,498.00)		15,806.00
New Jersey Economic Development Authority Pilot Payment.....	125.00					125.00
<b>Total Filing Fees Due NJ.....</b>	<b>22,809.00</b>		<b>81,972.00</b>	<b>(88,848.00)</b>		<b>15,933.00</b>
Vendor Accounts Payable.....	52,628.27	\$ 22,951.28		(45,958.39)		29,621.16
<b>Total Payable.....</b>	<b>75,437.27</b>	<b>22,951.28</b>	<b>81,972.00</b>	<b>(134,806.39)</b>		<b>45,554.16</b>
<b>Reserves:</b>						
Reserve for Tax Appeals.....	377,903.86	1,000.00				378,903.86
Reserve for Rental Inspections - Crescent..	180.00					180.00
Reserve for Unearned Revenue.....	1,767,069.14				\$ (1,767,069.14)	
<b>Total Reserves.....</b>	<b>2,145,153.00</b>	<b>1,000.00</b>			<b>(1,767,069.14)</b>	<b>379,083.86</b>
<b>Total.....</b>	<b>\$ 2,220,590.27</b>	<b>\$ 23,951.28</b>	<b>\$ 81,972.00</b>	<b>\$ (134,806.39)</b>	<b>\$ (1,767,069.14)</b>	<b>\$ 424,638.02</b>
<u>Ref.</u>	A	A-10	A-4	A-4	A-2	A



TOWNSHIP OF NORTH BRUNSWICK  
CURRENT FUND

2022 APPROPRIATION RESERVES  
YEAR ENDED JUNE 30, 2023

	June 30, 2022 Balance		Expended		Transferred to Accounts Payable	Balance Lapsed
	Salaries	Other	Salaries	Other		
<b>General Government:</b>						
Administration.....	\$ 1,391.13	\$ 525.05	\$ (1,300.00)	\$ (414.95)		\$ 201.23
Municipal Clerk.....	1,280.63	2,380.22	(1,200.00)	(50.00)		2,410.85
Financial Administration.....	2,605.54	4,026.61	(2,600.00)	(1,422.73)		2,609.42
Audit.....		60,000.00		(55,000.00)		5,000.00
Information Technology.....	2,251.92	85,236.12	(2,251.92)	(83,779.56)	\$ (49.25)	1,407.31
Tax Collection.....	3,265.77	1,771.02	(3,200.00)	(1,329.14)		507.65
Tax Assessment.....	437.60	19,509.98		(1,604.00)	(1,000.00)	17,343.58
Legal.....		95,750.42		(44,740.27)		36,010.15
<b>Insurance:</b>						
Other Insurance .....		65,992.55		(150.00)		65,842.55
Employee Group Insurance.....		70,647.92		(3,994.70)		66,653.22
Health Benefit Waiver.....		765.00				765.00
<b>Community Development:</b>						
Engineering.....	254.77	5,823.81		(3,695.00)		2,383.58
Planning.....	1,468.88	5,892.49	(1,400.00)	(689.70)		5,271.67
Zoning.....	2,440.96	3,039.91	(2,400.00)	(847.13)		2,233.74
Code Enforcement.....		778.30		(375.13)		403.17
Fire Safety.....	1,139.35	3,349.72	(1,100.00)	(2,513.53)		875.54
Uniform Construction Code.....	3,023.45	15,173.12	(3,000.00)			15,196.57
<b>Public Safety:</b>						
Police.....	91,956.24	112,293.93	(91,418.89)	(106,704.56)	(601.00)	5,525.72
Emergency Management.....	1,100.98	3,482.50		(282.97)		4,300.51
Length of Service Award Program.....		14,160.11		(5,073.31)		9,086.80
Juvenile Aid.....		7,439.90		(6,437.09)		1,002.81
Municipal Court.....	3,914.25	7,661.09	(3,900.00)	(2,954.64)		4,720.70
Public Defender.....		400.00		(200.00)		200.00

TOWNSHIP OF NORTH BRUNSWICK  
CURRENT FUND

2022 APPROPRIATION RESERVES  
YEAR ENDED JUNE 30, 2023

	June 30, 2022 Balance		Expended		Transferred to Accounts Payable	Balance Lapsed
	Salaries	Other	Salaries	Other		
Public Works:						
Streets and Roads.....	\$ 9,855.77	\$ 52,193.80	\$ (9,790.44)	\$ (50,179.82)		\$ 2,079.31
Sanitation.....	9,587.27	4,437.93	(9,535.59)	(3,721.22)		768.39
Solid Waste Disposal Fees.....		115,808.12		(91,846.30)		23,961.82
Recycling.....		74,857.16		73,306.85		148,164.01
Buildings and Grounds.....	4,920.03	34,499.20	(4,900.00)	(34,005.13)	\$ (272.39)	241.71
Motor Vehicle Maintenance.....	3,797.04	25,691.53	(3,700.00)	(3,170.17)	(7,679.98)	14,938.42
Muni Service Reimbursement						
Condominiums.....		70,441.74		(50,773.68)	(7,740.79)	11,927.27
NJDEP - Stormwater Permit.....	8,964.50	1,000.00	(8,949.49)			1,015.01
Parks Recreation & Community Services:						
Board of Health.....		58,132.10		(51,788.38)		6,343.72
Animal Control.....		3,200.04				3,200.04
Environmental Commission.....		1,300.00				1,300.00
Recreation & Community Services.....	1,207.36	13,082.75	(1,200.00)	(7,892.80)		5,197.31
Senior Services.....	2,509.23	2,366.51	(2,500.00)	(1,386.98)		988.76
Parks and Playgrounds.....	1,779.84	29,115.06	(1,687.47)	(21,718.18)		7,489.25
Unclassified:						
Utilities / Facilities Costs.....		36,905.74		(45,615.51)		6,290.23
Contingency.....		100.00				100.00
Statutory Expenditures:						
Public Employees Retirement.....		2,673.00		(2,673.00)		
DCRP.....		8,804.21				8,804.21
Social Security.....		0.38				0.38
Interlocal Agreements:						
Special Law Enforcement Officers.....		28,999.72				28,999.72
Matching Funds for Grants.....		13,999.00				13,999.00
Deferred Charges						
Emergency Authorization.....		72,869.13		61,639.00	(5,607.87)	128,900.26
Total Operations.....	<u>\$ 159,152.51</u>	<u>\$ 1,236,576.89</u>	<u>\$ (156,033.80)</u>	<u>\$ (552,083.73)</u>	<u>\$ (22,951.28)</u>	<u>\$ 664,660.59</u>
	<u>Ref.</u>				<u>A-9</u>	<u>A-1</u>
Salaries.....		\$ 159,152.51		\$ (156,033.80)		
Other Expenses.....		<u>1,236,576.89</u>		<u>(552,083.73)</u>		
Total.....	<u>A</u>	<u>\$ 1,395,729.40</u>		<u>\$ (708,117.53)</u>		
			<u>Ref.</u>	<u>A-4</u>		

TOWNSHIP OF NORTH BRUNSWICK  
CURRENT FUND

PROPERTY TAX OVERPAYMENTS  
YEAR ENDED JUNE 30, 2023

	<u>Ref</u>		
Balance June 30, 2022.....	A		\$ 5.78
Increased by:			
Overpayments Received in 2023.....	A-4	\$ 1.05	
Adjustment to Prior Year Overpayments.....	A-1	<u>1,852.09</u>	
			<u>1,853.14</u>
			1,858.92
Decreased by:			
Transferred to Taxes Receivable.....	A-7		<u>1,857.87</u>
Balance June 30, 2023.....	A		<u><u>\$ 1.05</u></u>

TOWNSHIP OF NORTH BRUNSWICK  
CURRENT FUND

TAXES PAYABLE  
YEAR ENDED JUNE 30, 2023

<u>Ref.</u>	<u>June 30, 2022</u>	<u>Taxes Levied</u>	<u>Cash Disbursements</u>	<u>June 30, 2023</u>
County - General.....		\$ 20,731,822.76	\$ (20,731,822.75)	\$ 0.01
County - Open Space.....		1,772,354.36	(1,772,354.36)	
County - Added & Omitted.....		86,283.47	(86,283.47)	
Local School District Taxes.....	\$ 45,850,850.04	94,517,933.50	(93,579,188.51)	46,789,595.03
Local Open Space.....		765,462.42	(765,462.42)	
Sub-Total.....	A-7 45,850,850.04	117,873,856.51	(116,935,111.51)	46,789,595.04
School Taxes Deferred.....	A (45,267,758.00)	(1,500,000.00)		(46,767,758.00)
Total Taxes Payable.....	<u>\$ 583,092.04</u>	<u>\$ 116,373,856.51</u>	<u>\$ (116,935,111.51)</u>	<u>\$ 21,837.04</u>
<u>Ref.</u>	A	A-1, A-7	A-4	A

TOWNSHIP OF NORTH BRUNSWICK  
CURRENT FUND

NON-LOCAL TAX LEVY CALCULATION  
YEAR ENDED JUNE 30, 2023

Ref.	.....County Lax Levy.....						
	Total	General	Open Space	Added & Omitted	Local School Taxes	Local Open Space	Library
2022 Tax Levy.....	\$ 116,293,754.42	\$ 20,240,599.65	\$ 1,709,632.91		\$ 93,579,189.00	\$ 764,332.86	\$ 1,879,156.13
Levy (1/2 of 2021).....	56,653,058.59	9,629,076.72	792,095.00		45,850,850.00	381,036.87	864,955.16
2022 Levy.....	59,640,695.83	10,611,522.93	917,537.91		47,728,339.00	383,295.99	1,014,200.98
Levy (1/2 of 2022).....	58,146,877.21	10,120,299.83	854,816.46		46,789,594.50	382,166.43	939,578.07
2023 Tax Levy..... A-12	<u>\$ 117,787,573.04</u>	<u>\$ 20,731,822.76</u>	<u>\$ 1,772,354.37</u>		<u>\$ 94,517,933.50</u>	<u>\$ 765,462.42</u>	<u>\$ 1,953,779.04</u>

	2021		2022		2023	
	Rate	Levy	Rate	Levy	Rate	Levy
County General Tax.....	\$ 0.759	\$ 19,258,153.44	\$ 0.795	\$ 20,240,599.65	\$ 0.838	\$ 21,449,528.75
County Open Space.....	0.063	1,584,190.00	0.067	1,709,632.91	0.074	1,894,328.45
Local School Tax.....	3.610	91,701,700.00	3.673	93,579,189.00	3.728	95,476,257.00
Municipal Open Space.....	0.030	762,073.74	0.030	764,332.86	0.030	768,385.95
Library.....	0.068	1,729,910.31	0.074	1,879,156.13	0.081	2,079,985.02
Total - Non Municipal.....	4.530	115,036,027.49	4.639	118,172,910.55	4.751	121,668,485.17
Local Purpose Municipal Tax.....	1.337	33,981,375.86	1.371	34,926,471.74	1.471	37,677,459.24
Total Tax Levy.....	<u>\$ 5.867</u>	<u>\$ 149,017,403.35</u>	<u>\$ 6.010</u>	<u>\$ 153,099,382.29</u>	<u>\$ 6.222</u>	<u>\$ 159,345,944.41</u>
Net Valuation Taxable.....		\$ 2,540,245,800.00		\$ 2,547,776,200.00		\$ 2,561,286,500.00

TOWNSHIP OF NORTH BRUNSWICK  
CURRENT FUND

INTERFUNDS RECEIVABLE  
YEAR ENDED JUNE 30, 2023

	<u>Ref.</u>		
Balance June 30, 2022.....	A		\$ -
Increased by:			
Local Match Requirement			
Appropriated.....	A-3	\$ 953,989.53	
Less Grant Revenues.....	A-2	<u>(947,373.53)</u>	
Cash Receipts			<u>6,616.00</u>
Decreased by:			
Cash Disbursements.....	A-4	(3,113.18)	
Appropriated Reserves Canceled.....	A-17	(37,236.32)	
Grant Receivables Canceled.....	A-16	<u>33,733.50</u>	
			<u>(6,616.00)</u>
Balance June 30, 2023.....	A		<u><u>\$ -</u></u>

STATE AND FEDERAL GRANT FUND  
UNAPPROPRIATED GRANT RESERVES  
YEAR ENDED JUNE 30, 2023

<u>Grant Name</u>	<u>June 30, 2022</u>	<u>Appropriated</u>	<u>Cash Receipts</u>	<u>June 30, 2023</u>
<u>2023</u>				
Clean Communities.....	\$ 68,506.81	\$ 68,506.81		
Recycling Tonage.....	61,007.38	61,007.39		
Alcohol Ed. Rehab. Enforcement Fund..	6,159.36	6,159.36		
<u>2024</u>				
Clean Communities.....			\$ 76,839.11	\$ 76,839.11
Alcohol Ed. Rehab. Enforcement Fund..			4,542.81	4,542.81
National Opiod Settlements.....			<u>51,179.75</u>	<u>51,179.75</u>
Total.....	<u>\$ 135,673.55</u>	<u>\$ 135,673.56</u>	<u>\$ 132,561.67</u>	<u>\$ 132,561.67</u>
<u>Ref.</u>	A	A-16	A-4	A

TOWNSHIP OF NORTH BRUNSWICK  
STATE AND FEDERAL GRANT FUND

GRANTS RECEIVABLE  
YEAR ENDED JUNE 30, 2023

	June 30, 2022	.....Budget.....		Cash Receipts	Unappropriated Realized	Canceled	June 30, 2023
		Adopted	NJSA 40A:4-87				
<b>STATE GRANTS</b>							
<b>Administration:</b>							
State - Special Project Pavilion.....		\$ 500,000.00					\$ 500,000.00
State - NBCP Walkway.....	\$ 125,000.00						125,000.00
State BPU Accoustical Testing Grant.....	62,625.71						62,625.71
<b>Transportation:</b>							
NJ DOT - Evelyn Avenue.....	566,900.00						566,900.00
NJ DOT - Quarry Lane.....	223,894.43						223,894.43
NJ DOT - Raider Road Improvements.....	175,442.93						175,442.93
NJ DOT - Local Freight Impact - Corporate Rd....	365,000.00						365,000.00
NJ DOT - Ridgewood (Livingston to Newton).....	138,750.00						138,750.00
<b>Public Safety:</b>							
Drunk Driving Enforcement.....			\$ 16,305.00	\$ (16,305.00)			
Body Armor Grant - State.....			4,958.53	(4,958.53)			
Distracted Driving .....			12,250.00				12,250.00
Highway Safety Safe Corridors.....	73,761.00						73,761.00
State Body Worn Cameras.....	185,458.00						185,458.00
<b>Parks Recreation &amp; Community Service:</b>							
Municipal Alliance.....		17,664.00		(6,013.80)			11,650.20
Municipal Alliance.....	12,320.20			(12,232.70)		\$ (87.50)	
DMHAS Youth Leadership- Muni Alliance.....			5,000.00	(5,000.00)			
Hiring and Retention Bonus Grant.....			19,000.00	(19,000.00)			
<b>Public Works:</b>							
Clean Communities.....		68,506.81			\$ (68,506.81)		
Recycling Tonnage Grant.....		61,007.38			(61,007.38)		
Recycling Tonnage Grant.....			92,405.49	(92,405.49)			
Local Recreation Imp Grant.....			51,980.00				51,980.00
<b>Municipal Court:</b>							
Alcohol Education & Enforce Fund.....		6,159.36			(6,159.36)		
<b>Total - State Grants.....</b>	<b>\$ 1,929,152.27</b>	<b>\$ 653,337.55</b>	<b>\$ 201,899.02</b>	<b>\$ (155,915.52)</b>	<b>\$ (135,673.55)</b>	<b>\$ (87.50)</b>	<b>\$ 2,492,712.27</b>

TOWNSHIP OF NORTH BRUNSWICK  
STATE AND FEDERAL GRANT FUND

GRANTS RECEIVABLE  
YEAR ENDED JUNE 30, 2023

	June 30, 2022	.....Budget.....		Cash	Unappropriated	Canceled	June 30, 2023
		Adopted	NJSA 40A:4-87	Receipts	Realized		
<b>FEDERAL GRANTS</b>							
Public Safety:							
Bullet Proof Vest Grant - Federal.....			\$ 8,708.40				\$ 8,708.40
Bullet Proof Vest Grant - Federal.....	\$ 8,573.40			\$ (7,620.80)			952.60
Bullet Proof Vest Grant - Federal.....							
Safe and Secure.....		\$ 32,400.00		(32,400.00)			
Click it or ticket.....			7,000.00				7,000.00
Click it or ticket.....	30.00					\$ (30.00)	
Drive Sober or Get Pulled Over.....							
Parks Recreation & Community Services:							
Heritage Day (County/Federal).....			11,000.00	(8,250.00)			2,750.00
Heritage Day (County/Federal).....	1,981.00			(1,981.00)			
Heritage Day (County/Federal).....	1,375.00					(1,375.00)	
Senior Center Meal Program.....			10,000.00	(3,450.00)			6,550.00
Senior Center Meal Program.....	10,000.00			(3,400.00)		(6,600.00)	
Senior Center Meal Program.....	10,000.00					(10,000.00)	
Senior Center Transportation.....			10,000.00	(2,500.00)			7,500.00
Senior Center Transportation.....	10,000.00			(10,000.00)			
Senior Center Transportation.....	8,365.00					(8,365.00)	
Senior Center Outreach Grant.....	5,265.00			(2,814.00)		(2,451.00)	
Total - Federal Grants.....	55,589.40	32,400.00	46,708.40	(72,415.80)		(28,821.00)	33,461.00
<b>OTHER GRANTS</b>							
Recycling Enhancement Grant - County.....	6,983.75			(4,578.75)		(2,405.00)	
Middlesex County DWI Checkpoint.....			5,400.00	(5,400.00)			
Middlesex County DWI Checkpoint.....	2,420.00					(2,420.00)	
Middlesex Helping Hands.....			7,628.56	(7,628.56)			
Middlesex County DRE Program.....	14,400.00			(350.00)			14,050.00
Total - Other Grants.....	23,803.75		13,028.56	(17,957.31)		(4,825.00)	14,050.00
Total - All Grants.....	\$ 2,008,545.42	\$ 685,737.55	\$ 261,635.98	\$ (246,288.63)	\$ (135,673.55)	\$ (33,733.50)	\$ 2,540,223.27
	Ref. A			A-4	A-15	A-18	A
Adopted Budget.....	A-2		\$ 685,737.55				
Amended (NJSA 40A:4-87).....	A-2		261,635.98				
Total.....	A-2, A-18		\$ 947,373.53				



TOWNSHIP OF NORTH BRUNSWICK  
STATE AND FEDERAL GRANT FUND

APPROPRIATED GRANT RESERVES  
YEAR ENDED JUNE 30, 2023

	.....Budget.....		June 30, 2022 Encumbrances	Paid or Charged	Canceled	June 30, 2023 Encumbrances	June 30, 2023
	June 30, 2022	Adopted					
<u>STATE GRANTS</u>							
Transportation:							
NJ DOT - Pedestrian/Bicycle Path.....			\$ 820.14		\$ (820.14)		
NJ DOT - Evelyn Ave.....	\$ 566,900.00					\$ (566,900.00)	
NJ DOT - Local Freight Impact - Corporate Rd.....	365,000.00					(365,000.00)	
NJ DOT - Finnegans Lane.....			462,013.92			(462,013.92)	
Public Safety:							
Drunk Driving Enforcement Fund.....		\$ 16,305.00		\$ (531.43)		(10,039.71)	\$ 5,733.86
Drunk Driving Enforcement Fund.....	7,812.65			(2,233.22)			5,579.43
Drunk Driving Enforcement Fund.....	2,808.06			(2,808.06)			
Body Armor Grant - State.....		4,958.53		(531.44)		(4,427.09)	
Body Armor Grant - State.....			3,804.49	(3,804.49)			
Body Armor Grant - State.....			4,119.25	(3,635.45)			483.80
Body Armor Grant - State.....				2,749.96			2,749.96
Police Camera.....			126,489.00	(1,170.00)		(125,319.00)	
Safe & Secure.....	\$ 32,400.00			(32,400.00)			
Pedestrian Safety, Education and Enforcement.....							
Distracted Driving Crackdown U Text.....		12,250.00		(12,250.00)			
Parks Recreation & Community Service:							
Clean Communities.....		68,506.81		(7,037.24)		(1,651.29)	59,818.28
Clean Communities.....	50,353.29		16,784.43	(44,752.14)		(7,045.00)	15,340.58
Clean Communities.....	32,849.18		28,864.19	(60,568.37)			1,145.00
Clean Communities.....	1,831.11		11,474.76	(13,305.87)			
Municipal Alliance.....		22,080.00		(22,040.00)		(40.00)	
Municipal Alliance.....	250.00		2,587.85	(2,750.35)	(87.50)		
DMHAS Youth Leadership- Municipal Alliance.....		5,000.00		(5,000.00)			
Hiring and Retention Bonus Grant.....		19,000.00		(19,000.00)			

TOWNSHIP OF NORTH BRUNSWICK  
STATE AND FEDERAL GRANT FUND

APPROPRIATED GRANT RESERVES  
YEAR ENDED JUNE 30, 2023

	.....Budget.....			June 30, 2022 Encumbrances	Paid or Charged	Canceled	June 30, 2023 Encumbrances	June 30, 2023
	June 30, 2022	Adopted	NJSA 40A:4-87					
<b>Public Works:</b>								
Recycling Tonnage Grant.....		\$ 61,007.38	\$ 92,405.49		\$ (153,412.87)			
Recycling Tonnage Grant.....	\$ 66,897.39				(66,897.39)			
Recycling Enhancement Grant - County.....	2,405.00			\$ 2,268.53	(2,268.53)	\$ (2,405.00)		
Local Recreation Imp Grant.....			51,980.00		(51,980.00)			
<b>Municipal Court:</b>								
Alcohol Education Enforcement.....		6,159.36						\$ 6,159.36
Alcohol Education Enforcement.....	4,998.38							4,998.38
Alcohol Education Enforcement.....	5,084.59							5,084.59
Alcohol Education Enforcement.....	3,214.99							3,214.99
Alcohol Education Enforcement.....	2,941.93				(209.97)			2,731.96
Alcohol Education & Enforce Fund.....	2,071.32				(1,075.00)			996.32
<b>Administration:</b>								
State Special Project Pavilion.....		500,000.00						500,000.00
State - NBCP Walkway.....	500,000.00				(430,484.69)		\$ (69,515.31)	
State BPU Accoustical Testing Grant.....	250,502.85							250,502.85
Grants In Aide Pre-School Property.....	500,000.00							500,000.00
<b>Total - State Grants.....</b>	<b>2,365,920.74</b>	<b>690,153.55</b>	<b>201,899.02</b>	<b>659,226.56</b>	<b>(937,396.55)</b>	<b>(3,312.64)</b>	<b>(1,611,951.32)</b>	<b>1,364,539.36</b>
<b><u>FEDERAL GRANTS</u></b>								
<b>Public Safety:</b>								
Bullet Proof Vest Grant - Federal.....			8,708.40		(1,546.67)		(4,427.09)	2,734.64
Bullet Proof Vest Grant - Federal.....	2,153.66			9,192.20	(11,345.86)			
Click it or Ticket.....			7,000.00		(7,000.00)			
Click it or Ticket.....	30.00					(30.00)		
Drive Sober or Get Pulled Over.....								
Highway Safety Safe Corridors.....	352.05			73,408.95	(70,772.45)		(1,795.00)	1,193.55
<b>Parks Recreation &amp; Community Service:</b>								
Fed/County - Senior Center Congregate MealsGrant...			10,000.00		(5,166.46)			4,833.54
Fed/County - Senior Center Congregate MealsGrant...	7,357.00				(757.00)	(6,600.00)		
Fed/County - Senior Center Congregate MealsGrant...	10,000.00					(10,000.00)		
Fed/County - Senior Center TransportationGrant.....			10,000.00		(5,000.00)			5,000.00
Fed/County - Senior Center TransportationGrant.....	10,000.00				(10,000.00)			
Fed/County - Senior Center TransportationGrant.....	8,365.00					(8,365.00)		
Fed/County - Senior Outreach Program.....	5,265.00				(2,814.00)	(2,451.00)		
<b>Total - Federal Grants.....</b>	<b>\$ 43,522.71</b>		<b>\$ 35,708.40</b>	<b>\$ 82,601.15</b>	<b>\$ (114,402.44)</b>	<b>\$ (27,446.00)</b>	<b>\$ (6,222.09)</b>	<b>\$ 13,761.73</b>

TOWNSHIP OF NORTH BRUNSWICK  
STATE AND FEDERAL GRANT FUND

APPROPRIATED GRANT RESERVES  
YEAR ENDED JUNE 30, 2023

	June 30, 2022	Budget Adopted	NJSA 40A:4-87	June 30, 2022 Encumbrances	Paid or Charged	Canceled	June 30, 2023 Encumbrances	June 30, 2023
<u>OTHER/COUNTY/LOCAL GRANTS</u>								
Cable Vision - PEG Access Programming Grant.....	\$ 8,500.00				\$ (700.00)			\$ 7,800.00
County - Heritage Day.....			\$ 13,200.00					13,200.00
County - Heritage Day.....	9,510.00				(8,370.00)	\$ (1,140.00)		
County - Heritage Day.....	3,450.00				(3,000.00)	(450.00)		
Open Space - Recreation Pedestrian/Bicycle.....	12.00					(12.00)		
E-Waste.....	2,455.68					(2,455.68)		
Middlesex County DWI Checkpoint.....			5,400.00		(5,400.00)			
Middlesex County DWI Checkpoint.....	2,420.00					(2,420.00)		
Middlesex County Helping Hands.....			7,628.56		(7,628.56)			
Middlesex County DRE Program.....	14,100.00				(50.00)			14,050.00
<b>Total - Other/County/Local Grants.....</b>	<b>40,447.68</b>		<b>26,228.56</b>		<b>(25,148.56)</b>	<b>(6,477.68)</b>		<b>35,050.00</b>
<b>TOTAL - ALL Grants</b>	<b>\$2,449,891.13</b>	<b>\$ 690,153.55</b>	<b>\$ 263,835.98</b>	<b>\$ 741,827.71</b>	<b>\$ (1,076,947.55)</b>	<b>\$ (37,236.32)</b>	<b>\$ (1,618,173.41)</b>	<b>\$ 1,413,351.09</b>

Ref.	A		A	A-4	A-18	A	A
Adopted Budget.....		690,153.55					
Amended (NJSA 40A:4-87).....		261,635.98					
Amended (NJSA 40A:4-87) - Match.....		<u>2,200.00</u>					
<b>Total.....</b>	<b>A-18</b>	<b>\$ 953,989.53</b>					

TOWNSHIP OF NORTH BRUNSWICK  
STATE AND FEDERAL GRANT FUND

INTERFUNDS PAYABLE  
YEAR ENDED JUNE 30, 2023

	<u>Ref.</u>		
Balance June 30, 2022.....			\$ -
Increased by:			
Local Match Requirement			
Appropriated Reserves.....	A-17	\$ 953,989.53	
Less Grant Revenues.....	A-16	<u>(947,373.53)</u>	<u>6,616.00</u>
Decreased by:			
Adjustments			
Appropriated Reserves Canceled.....	A-17	(37,236.32)	
Grant Receivables Canceled.....	A-16	33,733.50	
Cash Received from Current Fund to Grant Fund.....	A-4	<u>(3,113.18)</u>	<u>(6,616.00)</u>
Balance June 30, 2023.....	A		<u><u>\$ -</u></u>

TOWNSHIP OF NORTH BRUNSWICK  
CURRENT FUND

DEFERRED CHARGES  
YEAR ENDED JUNE 30, 2023

	<u>June 30, 2022</u>	<u>Added in 2023</u>	<u>Raised in Budget</u>	<u>Canceled</u>	<u>June 30, 2023</u>
Emergency Authorization.....	<u>\$ 541,899.36</u>	<u>\$ 1,000,000.00</u>	<u>\$ 541,899.36</u>	<u>\$ 100,000.00</u>	<u>\$ 900,000.00</u>
Total.....	<u>\$ 541,899.36</u>	<u>\$ 1,000,000.00</u>	<u>\$ 541,899.36</u>	<u>\$100,000.00</u>	<u>\$900,000.00</u>
<u>Ref.</u>	A	A-3	A-3	A	A

**TRUST FUND**

TOWNSHIP OF NORTH BRUNSWICK  
TRUST FUND

ASSESSMENTS RECEIVABLE  
YEAR ENDED JUNE 30, 2023

Description	Confirmation Date	Installments	Due Dates	Balance June 30, 2022 and 2023
<u>Assessments Receivable</u>				
Georges Road / Route #1 - Water.....	12/08/81	10	12/8/1981-1990	\$ 371.00
Total Assessments Receivable.....				<u>371.00</u>
<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.....			<u>10,222.00</u>	
Total Assessment Liens Receivable.....				<u>70,684.00</u>
Total Assessments & Assessment Liens Receivable.....				<u>\$ 71,055.00</u>

Ref.            B

TOWNSHIP OF NORTH BRUNSWICK  
TRUST FUND

CASH AND RESERVE ACTIVITY  
YEAR ENDED JUNE 30, 2023

	Balance June 30, 2022	Cash.....		Balance June 30, 2023
		Receipts	Disbursements	Adjustments
<b>Animal Control Trust Fund:</b>				
Due NJ - Animal License Fees.....	\$ 86.20	\$ 2,037.00	\$ (2,063.40)	\$ 59.80
Animal Control Reserves.....	45,133.60	10,038.00	(43,607.90)	11,563.70
<b>Payroll:</b>				
Deductions Payable.....	16,648.57	27,549,377.01	(27,353,317.46)	212,708.12
Miscellaneous.....	1,201.58			1,201.58
Recreation Trust.....	961,642.29	915,948.03	(839,715.86)	1,037,874.46
<b>Developers' Escrow:</b>				
Inspections.....	370,669.95	345,021.10	(303,639.40)	412,051.65
Technical Review.....	219,850.54	232,883.73	(242,738.18)	209,996.09
Performance Bonds.....	952,186.31	168,342.16	(226,919.87)	893,608.60
Growth Share Reserve.....	485,678.23	240,005.91		725,684.14
<b>Other Trust Funds</b>				
<b>Finance:</b>				
NJ Unemployment.....	232,766.38	74,261.60	(84,888.92)	222,139.06
Terminal Leave.....	668,657.16	182,300.00	(451,673.27)	399,283.89
Tax Sale - Premium on TTL.....	1,048,700.00	509,900.00	(787,600.00)	771,000.00
<b>Open Space:</b>				
Dedicated Tax Levy - Open Space.....	43,588.14	765,462.42	(750,000.00)	59,050.56
Tree Preservation.....	22,891.48			22,891.48
Program Income.....	95,115.46	6,650.00	(81,765.68)	19,999.78
<b>Public Safety:</b>				
Forfeited Funds.....	99,394.25	56,195.61	(37,010.31)	118,579.55
Miscellaneous - Off Duty.....	2,648.10	1,117,694.00	(1,049,618.50)	70,723.60
Uniform Fire Code.....	75,273.27	32,825.00	(3,404.00)	104,694.27



TOWNSHIP OF NORTH BRUNSWICK  
TRUST FUND

CASH AND RESERVE ACTIVITY  
YEAR ENDED JUNE 30, 2023

	Balance June 30, 2022	Cash.....		Adjustments	Balance June 30, 2023
		Receipts	Disbursements		
Municipal Court:					
Public Defender.....	\$ 26,650.09	\$ 4,920.00	\$ (6,400.00)		\$ 25,170.09
POAA Fines.....	678.57	282.00			960.57
Public Works - Snow Removal.....	351,306.53	1,445,932.84	(399,559.25)		1,397,680.12
Donations, Gifts, & Bequests.....	2,726.80	7,345.00			10,071.80
Community Development Department:					
2020 - Individual Housing Rehabilitation.....	300.00	1,446.90			1,746.90
2021 - Individual Housing Rehabilitation.....	19,424.01	4,122.50			23,546.51
2021 - Due from Middlesex County.....	(29,724.05)	10,000.04			(19,724.01)
2022 - Individual Housing Rehabilitation.....	50,000.00				50,000.00
2022 - Sr Citizen Handicap Bldg Improvement..	16,714.00				16,714.00
2022 - Public Library Driveup.....	12,000.00				12,000.00
2022 - Due from Middlesex County.....	(118,714.00)	40,000.00			(78,714.00)
2023- Community Park ADA Trail Imp.....				\$ 45,000.00	45,000.00
2022 - Code Enforcement.....			(40,000.00)	40,000.00	
2022 - Sr Citizen Center ADA Improvements...				33,714.00	33,714.00
2022 - Due from Middlesex County.....				(118,714.00)	(118,714.00)
Third Party UCC Inspections.....	9.00				9.00
<b>Total - All Trust Funds.....</b>	<b>\$ 5,673,502.46</b>	<b>\$ 33,722,990.85</b>	<b>\$ (32,703,922.00)</b>	<b>\$ -</b>	<b>\$ 6,692,571.31</b>

Ref.

B

B

TOWNSHIP OF NORTH BRUNSWICK  
TRUST FUND

PAYROLL LIABILITIES  
YEAR ENDED JUNE 30, 2023

	Balance June 30, 2022	.....Cash.....		Balance June 30, 2023
		Receipts	Disbursements	
Miscellaneous.....	\$ 1,201.58			\$ 1,201.58
Federal and State Taxes:				
Federal Withholding.....		\$ 3,352,594.74	\$ (3,352,594.74)	
Social Security/Medicare.....		3,388,193.97	(3,388,193.97)	
NJ State Withholding.....	0.01	1,165,345.71	(1,165,345.71)	0.01
NJ Unemployment.....		61,960.38	(61,960.38)	
PA State Tax.....		3,669.04	(3,669.04)	
Pension:				
Police & Fire Pension.....	10,307.80	1,575,028.40	(1,451,089.16)	134,247.04
Public Employees Pension.....	5,820.07	714,977.77	(649,202.70)	71,595.14
Deferred Compensation (IRS 457).....	408.52	579,641.96	(579,518.99)	531.49
Garnishments - Wage Attachments.....		36,303.86	(36,303.86)	
Union Dues.....	18.00	93,190.51	(93,190.51)	18.00
Employee Medical Premium Cost Sharing....		776,083.37	(776,083.37)	
Voluntary Deductions.....	1.80	41,812.56	(41,812.09)	2.27
Life & Disability Insurance.....	92.37	74,370.01	(68,148.21)	6,314.17
Flexible Spending Plan.....		64,085.01	(64,085.01)	
Net Pay.....		15,622,119.72	(15,622,119.72)	
Total - Payroll Liabilities.....	<u>16,648.57</u>	<u>27,549,377.01</u>	<u>(27,353,317.46)</u>	<u>212,708.12</u>
Total - Payroll Trust Fund.....	<u>\$ 17,850.15</u>	<u>\$ 27,549,377.01</u>	<u>\$ (27,353,317.46)</u>	<u>\$ 213,909.70</u>
Ref.	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, 2023

	<u>Ref.</u>		
Balance June 30, 2022.....	C		\$ 3,526,211.88
Increased by Receipts:			
Capital Improvement Fund.....	C-9	\$ 1,100,000.00	
Proceeds from Issuing Debt:			
Sale of Bond Anticipation Notes.....	C-8	10,150,000.00	
Bond Issue.....	C-5	18,055,000.00	
Premium on Sale of Bond .....	C-5	1,085,000.00	
Premium on Sale of Notes.....	C-1	171,908.48	
Interest Earned - Soil Remediation.....	C-10	<u>837.24</u>	
Total Receipts.....			30,562,745.72
Decreased by Disbursements:			
Redemption of Bond Anticipation Notes.....	C-8	(21,540,000.00)	
Improvement Authorizations.....	C-6	(8,430,913.15)	
Surplus Anticipated in Current Fund.....	C-1	(300,000.00)	
Reserve to Retire Debt.....	C-10	<u>(586,074.65)</u>	
Total Disbursements.....			<u>(30,856,987.80)</u>
Balance June 30, 2023.....	C		<u>\$ 3,231,969.80</u>

Analysis of Cash Balance

Soil Remediation Account.....	\$ 705,885.39
General Account.....	<u>2,526,084.41</u>
Total Cash.....	<u>\$ 3,231,969.80</u>

TOWNSHIP OF NORTH BRUNSWICK  
GENERAL CAPITAL FUND

ANALYSIS OF CASH  
YEAR ENDED JUNE 30, 2023

<u>Ord.</u>	<u>Description</u>	<u>Ref</u>	<u>Deferred Charges</u>	<u>Ordinance Balance</u>	<u>Reserve for Encumbrances</u>	<u>Notes Outstanding</u>	<u>Other</u>	<u>Cash Balance</u>
00-27	Acquisition of Lands.....		\$ (450,000.00)	\$ 7.15	\$ 1,750.00			\$ (448,242.85)
04-05	High School/Vets Park Soil Remediation.....			3,999.22	26.78			4,026.00
09-16	Various Capital Improvements.....				(830.00)			(830.00)
10-06	Capital Items.....				15,116.42			15,116.42
16-15	Various Capital Improvements.....		(250.00)	3,828.09				3,578.09
17-09	Various Capital Improvements.....			157,219.39				157,219.39
18-14	Various Capital Improvements.....		(500.00)	16,126.00	94,160.87			109,786.87
19-23	Various Capital Improvements.....				53,749.88			53,749.88
20-06	Various Capital Improvements.....				69,620.00			69,620.00
20-17	Various Capital Improvements.....		(4,370,000.00)	290,305.90	423,251.58	\$ 3,300,000.00		(356,442.52)
21-13	Various Capital Improvements.....		(4,370,000.00)	160,217.31	472,665.20	3,500,000.00		(237,117.49)
22-08	Various Capital Improvements.....		(2,850,000.00)	946,776.21	1,576,799.14	500,000.00		173,575.35
22-13	Various Capital Improvements.....		(2,850,000.00)	2,146,881.50	475,353.00	2,850,000.00		2,622,234.50
22-23	Capital Improvements-Muni Complex.....		(9,500,000.00)	580,543.02	8,018,071.62			(901,385.36)
22-24	Various Capital Improvements.....		(1,900,000.00)	1,614,220.90	145,127.36			(140,651.74)
23-11	Capital Improvements-Muni Complex.....		(9,500,000.00)	10,000,000.00				500,000.00
Capital Improvement Fund.....	C-9						\$ 342.00	342.00
Reserve to Retire Debt.....	C-10						1,467,752.16	1,467,752.16
Fund Balance.....	C-1						139,639.10	139,639.10
<b>Total.....</b>			<b>\$ (35,790,750.00)</b>	<b>\$ 15,920,124.69</b>	<b>\$ 11,344,861.85</b>	<b>\$ 10,150,000.00</b>	<b>\$ 1,607,733.26</b>	<b>\$ 3,231,969.80</b>
	<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, 2023

	<u>Ref.</u>	<u>Total Funded Deferred Charges</u>	<u>Serial Bonds</u>
Balance - June 30, 2022.....	C	\$ 58,778,250.00	\$ 58,778,250.00
Increased by:			
Bond Issue.....	C-7	<u>18,055,000.00</u>	<u>18,055,000.00</u>
		76,833,250.00	76,833,250.00
Decreased by:			
Budget Appropriation.....	C-7	<u>(5,040,000.00)</u>	<u>(5,040,000.00)</u>
Balance - June 30, 2023.....	C	<u>\$ 71,793,250.00</u>	<u>\$ 71,793,250.00</u>

TOWNSHIP OF NORTH BRUNSWICK  
GENERAL CAPITAL FUND

DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED  
YEAR ENDED JUNE 30, 2023

Ord.	Description	Balance June 30, 2022	Authorizations	Bonds Issued	Balance June 30, 2023	Financed by Bond Anticipation Notes	Cash Expended (Deficit)	Unfunded Balance of Improvement Authorization
00-27	Acquisition of Lands.....	\$ 450,000.00			\$ 450,000.00		\$ (449,992.85)	\$ (7.15)
15-14	Various Capital Improvements.....							
16-15	Various Capital Improvements.....	250.00			250.00			(250.00)
17-09	Various Capital Improvements.....	4,615,000.00		\$ (4,615,000.00)				
18-14	Various Capital Improvements.....	5,025,500.00		(5,025,000.00)	500.00			(500.00)
19-23	Various Capital Improvements.....	5,700,000.00		(5,700,000.00)				
20-06	Various Capital Improvements.....	3,800,000.00		(3,800,000.00)				
20-17	Various Capital Improvements.....	4,370,000.00			4,370,000.00	\$ (3,300,000.00)	(1,070,000.00)	
21-13	Various Capital Improvements.....	4,370,000.00			4,370,000.00	(3,500,000.00)	(870,000.00)	
22-08	Various Capital Improvements.....	2,850,000.00			2,850,000.00	(500,000.00)	(2,350,000.00)	
22-13	Various Capital Improvements.....	2,850,000.00			2,850,000.00	(2,850,000.00)		
22-23	Capital Improvements-Municipal Complex.....		\$ 9,500,000.00		9,500,000.00		(8,919,456.98)	(580,543.02)
22-24	Various Capital Improvements.....		1,900,000.00		1,900,000.00		(285,779.10)	(1,614,220.90)
23-11	Capital Improvements-Municipal Complex.....		9,500,000.00		9,500,000.00			(9,500,000.00)
	<b>Total.....</b>	<b>\$ 34,030,750.00</b>	<b>\$ 20,900,000.00</b>	<b>\$ (19,140,000.00)</b>	<b>\$ 35,790,750.00</b>	<b>\$ (10,150,000.00)</b>	<b>\$ (13,945,228.93)</b>	<b>\$ (11,695,521.07)</b>

Ref. C C-6 C-2 C C-8

Improvement Authorizations - Unfunded Ref.  
C-6 \$ 15,739,701.99

Unexpended Proceeds of Bond Anticipation Notes Issued:

Bonds Issued.....	C-2		\$ 18,055,000.00			Ordinance #20-17	(290,305.90)
Reduction of Bond Issue for Premium Allocations .....	C-2		1,085,000.00			Ordinance #21-13	(160,217.31)
						Ordinance #22-08	(946,776.21)
						Ordinance #22-13	(2,146,881.50)
						Ordinance #23-11	(500,000.00)
<b>Total.....</b>			<b>\$ 19,140,000.00</b>				

Unexpended Balances of Unfunded Improvement Authorizations..... C-6 \$ 11,695,521.07

TOWNSHIP OF NORTH BRUNSWICK  
GENERAL CAPITAL FUND

IMPROVEMENT AUTHORIZATIONS  
YEAR ENDED JUNE 30, 2023

Ord.	Description	June 30, 2022		2023 Authorized	Encumbrance June 30, 2022	Paid or Charged	Encumbrance June 30, 2023	June 30, 2023		
		Funded	Unfunded					Funded	Unfunded	
00-27	Acquisition of Land.....				\$ 1,750.00	\$ 7.15	\$ (1,750.00)		\$ 7.15	
04-05	High School / Vets Park Soil Remediation.....	\$ 6,999.22			130.39	(3,103.61)	(26.78)	\$ 3,999.22		
09-16	Various Capital Improvements.....				(830.00)		830.00			
10-06	Capital Items.....				15,116.42		(15,116.42)			
16-15	Various Capital Improvements.....	122.61	\$ 250.00		5,768.59	(2,313.11)		3,578.09	250.00	
17-09	Various Capital Improvements.....		314,203.78			(156,984.39)		157,219.39		
18-14	Various Capital Improvements.....		104,122.50		58,249.12	(52,084.75)	(94,160.87)	15,626.00	500.00	
19-23	Various Capital Improvements.....		48,271.00		475,802.99	(470,324.11)	(53,749.88)			
20-06	Various Capital Improvements.....				69,620.00		(69,620.00)			
20-17	Various Capital Improvements.....		942,454.32		1,110,046.48	(1,338,943.32)	(423,251.58)		290,305.90	
21-13	Various Capital Improvements.....		1,723,315.35		2,822,106.92	(3,912,539.76)	(472,665.20)		160,217.31	
22-08	Various Capital Improvements.....		2,385,457.10		612,942.90	(474,824.65)	(1,576,799.14)		946,776.21	
22-13	Various Capital Improvements.....	150,000.00	2,850,000.00			(377,765.50)	(475,353.00)		2,146,881.50	
22-23	Capital Improvements-Muni Complex.....			\$ 10,000,000.00		(1,401,385.36)	(8,018,071.62)		580,543.02	
22-24	Various Capital Improvements.....			2,000,000.00		(240,651.74)	(145,127.36)		1,614,220.90	
23-11	Capital Improvements-Muni Complex.....			10,000,000.00					10,000,000.00	
	Total.....	<u>\$ 157,121.83</u>	<u>\$ 8,368,074.05</u>	<u>\$ 22,000,000.00</u>	<u>\$ 5,170,703.81</u>	<u>\$ (8,430,913.15)</u>	<u>\$ (11,344,861.85)</u>	<u>\$ 180,422.70</u>	<u>\$ 15,739,701.99</u>	
		Ref.	C	C		C	C-2	C	C	C
	Capital Improvement Fund.....	C-9			\$ 1,100,000.00					
	Deferred Charges Unfunded.....	C-5			20,900,000.00					
	Total.....				<u>\$ 22,000,000.00</u>					



TOWNSHIP OF NORTH BRUNSWICK  
GENERAL CAPITAL FUND

SERIAL BONDS PAYABLE  
YEAR ENDED JUNE 30, 2023

Purpose	Issue Date	Original Issue	Outstanding Maturities			June 30, 2022	Bonds Issued	Budget	
			Date	Amount	Rate			Appropriation	June 30, 2023
2012 General Obligation.....	08/08/12	\$13,455,750.00	08/01/23	\$ 920,000.00	2.125%				
			08/01/24	1,000,000.00	2.125%				
			08/01/25	1,000,000.00	2.250%				
			08/01/26	1,030,000.00	2.375%				
			08/01/27	895,750.00	2.500%	\$ 5,770,750.00		\$ (925,000.00)	\$ 4,845,750.00
2012 Open Space Refunding .....	09/12/12	2,960,000.00	08/15/23	200,000.00	3.000%				
			08/15/24	195,000.00	3.000%				
			08/15/25	195,000.00	2.500%				
			08/15/26	190,000.00	3.000%				
			08/15/27	185,000.00	2.750%				
			08/15/28	185,000.00	2.750%	1,350,000.00		(200,000.00)	1,150,000.00
General Obligation Refunding.....	06/02/15	4,745,000.00	08/15/22	455,000.00	2.000%	455,000.00		(455,000.00)	

TOWNSHIP OF NORTH BRUNSWICK  
GENERAL CAPITAL FUND

SERIAL BONDS PAYABLE  
YEAR ENDED JUNE 30, 2023

Purpose	Issue Date	Original Issue	Outstanding Maturities			June 30, 2022	Bonds Issued	Budget Appropriation	June 30, 2023
			Date	Amount	Rate				
2015 General Obligation Bonds.....	07/30/15	\$ 15,000,000.00	07/15/23	\$ 555,000.00	3.000%				
			07/15/24	600,000.00	3.000%				
			07/15/25	500,000.00	3.000%				
			07/15/26	500,000.00	3.000%				
			07/15/27	500,000.00	3.000%				
			07/15/28	1,000,000.00	3.000%				
			07/15/29	1,000,000.00	3.000%				
			07/15/30	1,000,000.00	3.125%				
			07/15/31	1,000,000.00	3.125%				
			07/15/32	925,000.00	3.250%				
			07/15/33	1,000,000.00	3.250%				
			07/15/34	1,000,000.00	3.375%				
			07/15/35	1,000,000.00	3.500%			\$ 11,130,000.00	
2017 Refunding - Open Space -2009.....	05/24/17	6,530,468.00	08/15/23	740,000.00	4.000%				
			08/15/24	770,000.00	4.000%				
			08/15/25	815,000.00	4.000%				
			08/15/26	855,000.00	4.000%				
			08/15/27	905,000.00	4.000%				
			08/15/28	950,000.00	4.000%				
			08/15/29	1,000,000.00	4.000%			6,192,588.00	
2017 Refunding - GO Bonds- 2009 Bonds.....	05/24/17	2,069,532.00	08/15/22	712,412.00	4.000%	712,412.00		(712,412.00)	

TOWNSHIP OF NORTH BRUNSWICK  
GENERAL CAPITAL FUND

SERIAL BONDS PAYABLE  
YEAR ENDED JUNE 30, 2023

Purpose	Issue Date	Original Issue	Outstanding Maturities			June 30, 2022	Bonds Issued	Budget Appropriation	June 30, 2023			
			Date	Amount	Rate							
2018 General Obligation Bonds.....	07/24/18	\$ 15,112,500.00	07/15/23	\$ 1,000,000.00	2.750%							
			07/15/24	990,000.00	2.750%							
			07/15/25	982,500.00	2.750%							
			7/15/206	960,000.00	2.750%							
			7/15/207	960,000.00	2.750%							
			07/15/28	960,000.00	3.000%							
			07/15/29	960,000.00	3.000%							
			07/15/30	960,000.00	3.000%							
			07/15/31	960,000.00	3.000%							
			07/15/32	960,000.00	3.000%							
			07/15/33	960,000.00	3.000%							
			07/15/34	960,000.00	3.000%	\$ 12,612,500.00			\$ (1,000,000.00)	\$ 11,612,500.00		
			2019 Open Space - Pulda Farms.....	07/22/19	9,628,500.00	07/15/23	265,000.00	2.000%				
						07/15/24	225,000.00	2.000%				
07/15/25	250,000.00	2.000%										
07/15/26	255,000.00	2.000%										
07/15/27	260,000.00	2.000%										
07/15/28	265,000.00	3.000%										
07/15/29	270,000.00	3.000%										
07/15/30	280,000.00	3.000%										
07/15/31	285,000.00	3.000%										
07/15/32	290,000.00	3.000%										
07/15/33	280,000.00	3.000%										
07/15/34	305,000.00	3.000%										
07/15/35	315,000.00	3.000%										
07/15/36	320,000.00	3.000%										
07/15/37	330,000.00	3.000%										
07/15/38	340,000.00	3.000%										
07/15/39	350,000.00	3.000%										
07/15/40	355,000.00	3.000%										
07/15/41	365,000.00	3.000%										
07/15/42	375,000.00	3.000%										
07/15/43	390,000.00	3.000%										
07/15/44	400,000.00	3.000%										
07/15/45	410,000.00	3.000%										
07/15/46	425,000.00	3.000%										
07/15/47	435,000.00	3.000%										
07/15/48	445,000.00	3.000%										
07/15/49	450,000.00	3.000%	9,170,000.00			(235,000.00)	8,935,000.00					

TOWNSHIP OF NORTH BRUNSWICK  
GENERAL CAPITAL FUND

SERIAL BONDS PAYABLE  
YEAR ENDED JUNE 30, 2023

Purpose	Issue Date	Original Issue	Outstanding Maturities			June 30, 2022	Bonds Issued	Budget Appropriation	June 30, 2023							
			Date	Amount	Rate											
2020 General Obligation Bonds.....	07/20/20	\$ 12,095,000.00	07/15/23	\$ 815,000.00	1.000%											
			07/15/24	825,000.00	1.000%											
			07/15/25	840,000.00	1.000%											
			07/15/26	850,000.00	1.250%											
			07/15/27	860,000.00	1.250%											
			07/15/28	870,000.00	1.200%											
			07/15/29	880,000.00	1.300%											
			07/15/30	895,000.00	1.450%											
			07/15/31	910,000.00	1.600%											
			07/15/32	925,000.00	1.850%											
			07/15/33	945,000.00	1.900%											
			07/15/34	965,000.00	2.000%											
										\$ 11,385,000.00		\$ (805,000.00)	\$ 10,580,000.00			
			2022 General Obligation Bonds .....	07/13/22	18,055,000.00					07/01/23	710,000.00	5.000%				
07/01/24	780,000.00	5.000%														
07/01/25	825,000.00	5.000%														
07/01/26	855,000.00	5.000%														
07/01/27	890,000.00	5.000%														
07/01/28	925,000.00	5.000%														
07/01/29	960,000.00	5.000%														
07/01/30	995,000.00	5.000%														
07/01/31	1,035,000.00	4.000%														
07/01/32	1,080,000.00	4.000%														
07/01/33	1,125,000.00	4.000%														
07/01/34	1,170,000.00	4.000%														
07/01/35	1,230,000.00	4.000%														
07/01/36	1,290,000.00	4.000%														
07/01/37	1,355,000.00	4.000%														
07/01/38	1,415,000.00	4.000%														
07/01/39	1,415,000.00	4.000%														
							\$ 18,055,000.00		18,055,000.00							
Total.....						\$ 58,778,250.00	\$ 18,055,000.00	\$ (5,040,000.00)	\$ 71,793,250.00							
					Ref.	C	C-4	C-4	C							

TOWNSHIP OF NORTH BRUNSWICK  
GENERAL CAPITAL FUND

BOND ANTICIPATION NOTES  
YEAR ENDED JUNE 30, 2023

Ord.	Description	Outstanding Maturities			Notes	Bond	Bond	Notes
		Interest Rate	Issue Date	Maturity Date	Outstanding June 30, 2022	Anticipation Notes Issued	Anticipation Notes Redeemed	Outstanding June 30, 2023
17-09	Various Capital Improvements.....	1.00%	07/15/21	07/14/22	\$ 4,615,000.00		\$ (4,615,000.00)	
18-14	Various Capital Improvements.....	1.00%	07/15/21	07/14/22	5,025,000.00		(5,025,000.00)	
19-23	Various Capital Improvements.....	1.00%	07/15/21	07/14/22	5,600,000.00		(5,600,000.00)	
20-06	Various Capital Improvements.....	1.00%	07/15/21	07/14/22	3,800,000.00		(3,800,000.00)	
20-17	Various Capital Improvements.....	4.00%	07/13/22	07/12/23	2,500,000.00	\$ 3,300,000.00	(2,500,000.00)	\$ 3,300,000.00
21-13	Various Capital Improvements.....	4.00%	07/13/22	07/12/23		3,500,000.00		3,500,000.00
22-08	Various Capital Improvements.....	4.00%	07/13/22	07/12/23		500,000.00		500,000.00
22-13	Municipal Complex Improvements.....	4.00%	07/13/22	07/12/23		2,850,000.00		2,850,000.00
<b>Total.....</b>					<b>\$ 21,540,000.00</b>	<b>\$ 10,150,000.00</b>	<b>\$ (21,540,000.00)</b>	<b>\$ 10,150,000.00</b>
				<u>Ref.</u>	C	C-2	C-2, C-11	C

TOWNSHIP OF NORTH BRUNSWICK  
GENERAL CAPITAL FUND

CAPITAL IMPROVEMENT FUND  
YEAR ENDED JUNE 30, 2023

	<u>Ref.</u>	
Balance June 30, 2022.....	C	\$ 342.00
Increased by:		
Current Fund Budget Appropriation.....	C-2	<u>1,100,000.00</u>
		1,100,342.00
Decreased by:		
Appropriated to Fund Improvement Authorizations.....	C-6	<u>(1,100,000.00)</u>
Balance June 30, 2023.....	C	<u><u>\$ 342.00</u></u>

TOWNSHIP OF NORTH BRUNSWICK  
GENERAL CAPITAL FUND

RESERVE TO RETIRE DEBT  
YEAR ENDED JUNE 30, 2023

	<u>Ordinance Number</u>	<u>Balance June 30, 2022</u>	<u>Cash Receipts</u>	<u>Cash Disbursements</u>	<u>Balance June 30, 2023</u>
Reserve to Retire Debt					
High School/Vets Park Soil Remediation.....	2004-05	\$ 439,363.80	\$ 837.24	\$ (204,484.65)	\$ 235,716.39
Land Acquisition.....	2000-27	72,106.42			72,106.42
Land Acquisition.....	2009-22	1,541,519.35		(381,590.00)	1,159,929.35
<b>Total Cash.....</b>		<b>\$ 2,052,989.57</b>	<b>\$ 837.24</b>	<b>\$ (586,074.65)</b>	<b>\$ 1,467,752.16</b>
	<u>Ref.</u>	C	C-2	C-2	C
2004-05 Interest Earned - Soil Remediation.....	C-2		\$ 837.24		
2004-05 Payments Made - Soil Remediation Expenses.....	C-2			\$ (204,484.65)	
2009-22 Bond Payment.....	C-2			(381,590.00)	
<b>Total.....</b>			<b>\$ 837.24</b>	<b>\$ (586,074.65)</b>	

TOWNSHIP OF NORTH BRUNSWICK  
GENERAL CAPITAL FUND

BONDS AND NOTES AUTHORIZED BUT NOT ISSUED  
YEAR ENDED JUNE 30, 2023

Ord.	Description	Balance June 30, 2022	2023 Authorizations	Notes Redeemed	Notes Issued	Bonds Issued	Balance June 30, 2023
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.....			\$ 4,615,000.00		\$ (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.....	100,000.00		5,600,000.00		(5,700,000.00)	
2020-06	Various Capital Improvements.....			3,800,000.00		(3,800,000.00)	
2020-17	Various Capital Improvements.....	1,870,000.00		2,500,000.00	\$ (3,300,000.00)		1,070,000.00
2021-13	Various Capital Improvements.....	4,370,000.00			(3,500,000.00)		870,000.00
2022-08	Various Capital Improvements.....	2,850,000.00			(500,000.00)		2,350,000.00
2022-13	Various Capital Improvements.....	2,850,000.00			(2,850,000.00)		
2022-23	Capital Improvements-Muni Complex.....		\$ 9,500,000.00				9,500,000.00
2022-24	Various Capital Improvements.....		1,900,000.00				1,900,000.00
2023-11	Capital Improvements-Muni Complex.....		9,500,000.00				9,500,000.00
	Total.....	<u>\$ 12,490,750.00</u>	<u>\$ 20,900,000.00</u>	<u>\$ 21,540,000.00</u>	<u>\$ (10,150,000.00)</u>	<u>\$ (19,140,000.00)</u>	<u>\$ 25,640,750.00</u>
	<u>Ref.</u>	C	C-5	C-8	C-8	C-7	C



**WATER UTILITY FUND**

TOWNSHIP OF NORTH BRUNSWICK  
 WATER UTILITY OPERATING AND CAPITAL FUNDS

CASH  
 YEAR ENDED JUNE 30, 2023

	Ref.	Operating	Capital	Assessment
Balance June 30, 2022.....	D	\$ 3,239,021.35	\$ 8,697,295.62	\$ 393,726.48
Increased by Cash Receipts:				
Premium on BAN Sale.....	D-2		144,041.85	
Revenues Collected.....	D-4	9,017,678.39		
Water Overpayments.....	D-12	195,296.05		
Bond Proceeds.....	D-15		4,485,000.00	
Bond Anticipation Notes.....	D-16		8,500,000.00	
Collector.....	D-20			219,547.41
Total Cash Receipts.....		9,212,974.44	13,129,041.85	219,547.41
Decreased by Disbursements:				
Surplus to Water Operating.....	D-2		(150,000.00)	
Assessment Trust Fund Surplus to Operating Budget.....	D-3			(66,325.00)
Budget Appropriations.....	D-5	(6,656,615.04)		
Appropriation Reserves.....	D-10	(762,946.07)		
Accrued Interest Payable.....	D-13	(704,519.32)		
Improvement Authorizations.....	D-14		(2,229,191.63)	
Bond Anticipation Notes.....	D-16		(13,985,000.00)	
Assessment Serial Bonds.....	D-22			(110,000.00)
Total Cash Disbursements.....		(8,124,080.43)	(16,364,191.63)	(176,325.00)
Balance June 30, 2023.....	D	\$ 4,327,915.36	\$ 5,462,145.84	\$ 436,948.89

TOWNSHIP OF NORTH BRUNSWICK  
WATER UTILITY CAPITAL FUND

ANALYSIS OF CASH BALANCE  
YEAR ENDED JUNE 30, 2023

<u>Ord.</u>		<u>Bonds and Notes Authorized But Not Issued</u>	<u>Improvement Authorizations</u>	<u>Reserve for Encumbrances</u>	<u>Other</u>	<u>Balance June 30, 2023</u>
	<u>Improvement Authorizations</u>					
17-10	Water Distribution System.....			\$ 17.44		\$ 17.44
18-13	Water Distribution System.....			6,870.16		6,870.16
19-10	Water Distribution System.....		\$ 57,847.99			57,847.99
20-07	Water Distribution System.....	\$ (1,500,000.00)	5,883,611.85	935,647.20		5,319,259.05
21-17	Water Distribution System.....	(3,000,000.00)	2,474,100.00	500,000.00		(25,900.00)
	Capital Improvement Fund.....				\$ 89,067.59	89,067.59
	Fund Balance.....				14,983.61	14,983.61
Total.....		<u>\$ (4,500,000.00)</u>	<u>\$ 8,415,559.84</u>	<u>\$ 1,442,534.80</u>	<u>\$ 104,051.20</u>	<u>\$ 5,462,145.84</u>
	<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, 2023

	<u>Ref.</u>	
Balance June 30, 2022.....	D	\$ 66,090,901.32
Increased by:		
Transfer from Fixed Capital Authorized but not Completed.....	D-9	<u>2,229,191.63</u>
Balance June 30, 2023.....	D	<u>\$ 68,320,092.95</u>

WATER UTILITY CAPITAL FUND

FIXED CAPITAL AUTHORIZED BUT NOT COMPLETED  
YEAR ENDED JUNE 30, 2023

<u>Ord.</u>	<u>Improvement Description</u>	<u>Balance June 30, 2022</u>	<u>Transfer to Fixed Capital</u>	<u>Balance June 30, 2023</u>
17-10	Water Distribution System.....	\$ 14,026.23	\$ 14,008.79	\$ 17.44
18-13	Water Distribution System.....	22,550.27	15,680.11	6,870.16
19-10	Water Distribution System.....	126,099.89	68,251.90	57,847.99
19-21	Water Distribution System.....	4,605.00	4,605.00	
20-07	Water Distribution System.....	8,920,004.88	2,100,745.83	6,819,259.05
21-17	Water Distribution System.....	3,000,000.00	25,900.00	2,974,100.00
	Total.....	<u>\$ 12,087,286.27</u>	<u>\$2,229,191.63</u>	<u>\$ 9,858,094.64</u>
	<u>Ref.</u>	D	D-8	D

TOWNSHIP OF NORTH BRUNSWICK  
 WATER UTILITY OPERATING FUND

2022 APPROPRIATION RESERVES  
 YEAR ENDED JUNE 30, 2023

	<u>June 30, 2022</u>	<u>June 30, 2022 Encumbrances</u>	<u>Paid or Charged</u>	<u>Lapsed</u>
Operating Salaries .....	\$ 1,751.71			\$ 1,751.71
Operating Other Expenses.....	309,484.42	\$ 470,643.35	\$ (762,946.07)	17,181.70
	<hr/>	<hr/>	<hr/>	<hr/>
Total Water Utility Operating.....	<u>\$ 311,236.13</u>	<u>\$ 470,643.35</u>	<u>\$ (762,946.07)</u>	<u>\$ 18,933.41</u>
<u>Ref.</u>	D	D	D-6	D-1

TOWNSHIP OF NORTH BRUNSWICK  
 WATER UTILITY OPERATING FUND

WATER CHARGES AND WATER LIENS  
 YEAR ENDED JUNE 30, 2023

	<u>Ref.</u>		<u>Water Charges</u>
Balance June 30, 2022.....	D		\$ 1,165,840.37
Increased by:			
Water Charges Levied.....	Reserve		<u>7,250,501.73</u>
			8,416,342.10
Decreased by:			
Collection - Treasurer.....	D-4	\$ 7,881,999.37	
Over payments Applied.....	D-12	<u>128,972.60</u>	
			<u>8,010,971.97</u>
Balance June 30, 2023.....	D		<u><u>\$ 405,370.13</u></u>

TOWNSHIP OF NORTH BRUNSWICK  
 WATER UTILITY OPERATING FUND

WATER OVERPAYMENTS  
 YEAR ENDED JUNE 30, 2023

	<u>Ref.</u>		
Balance June 30, 2022.....	D	\$	128,972.60
Increased by:			
Overpayments Collected.....	D-4		<u>195,296.05</u>
			324,268.65
Decreased by:			
Overpayments Applied.....	D-1, D-11		<u>128,972.60</u>
Balance June 30, 2023.....	D	\$	<u><u>195,296.05</u></u>

TOWNSHIP OF NORTH BRUNSWICK  
WATER UTILITY OPERATING FUND

ACCRUED INTEREST ON BONDS AND NOTES  
YEAR ENDED JUNE 30, 2023

	<u>Ref.</u>	<u>Total Accrued Interest</u>	<u>Bond Anticipation Notes</u>	<u>Serial Bonds</u>	<u>Belcourt Assessment</u>	<u>Environmental Infrastructure Trust</u>
Accrued Interest June 30, 2022.....	D	\$ (355,386.26)	\$ (139,461.53)	\$ (103,699.21)	\$ (25,954.69)	\$ (86,270.83)
Cash Payments .....	D-6	704,519.32	139,461.53	330,557.79	66,325.00	168,175.00
Accrued Interest June 30, 2023.....	D	615,741.26	339,055.56	177,271.64	23,789.06	75,625.00
Budget Expense.....	D-5	<u>\$ 964,874.32</u>	<u>\$ 339,055.56</u>	<u>\$ 404,130.22</u>	<u>\$ 64,159.37</u>	<u>\$ 157,529.17</u>



TOWNSHIP OF NORTH BRUNSWICK  
 WATER UTILITY CAPITAL FUND

IMPROVEMENT AUTHORIZATIONS  
 YEAR ENDED JUNE 30, 2023

Ord.	Original Appropriation	Description	June 30, 2022 Unfunded	Encumbrances June 30, 2022	Paid or Charged	Encumbrances June 30, 2023	June 30, 2023	
							Funded	Unfunded
17-10	\$ 1,000,000	Water Distribution System.....		\$ 14,026.23	\$ (14,008.79)	\$ (17.44)		
18-13	1,000,000	Water Distribution System.....	\$ 24.91	22,525.36	(15,680.11)	(6,870.16)		
19-10	1,500,000	Water Distribution System.....	57,847.99	68,251.90	(68,251.90)		\$ 57,847.99	
19-21	1,000,000	Water Distribution System.....		4,605.00	(4,605.00)			
20-07	10,000,000	Water Distribution System.....	6,722,961.59	2,197,043.29	(2,100,745.83)	(935,647.20)		\$ 5,883,611.85
21-17	3,000,000	Water Distribution System.....	2,500,000.00	500,000.00	(25,900.00)	(500,000.00)		2,474,100.00
		Total.....	<u>\$ 9,280,834.49</u>	<u>\$ 2,806,451.78</u>	<u>\$ (2,229,191.63)</u>	<u>\$ (1,442,534.80)</u>	<u>\$ 57,847.99</u>	<u>\$ 8,357,711.85</u>
		Ref.	D	D	D-6	D	D	D

TOWNSHIP OF NORTH BRUNSWICK  
WATER UTILITY CAPITAL FUND

SERIAL BONDS PAYABLE  
YEAR ENDED JUNE 30, 2023

Purpose	Issue Date	Original Issue	Outstanding Maturities			June 30, 2022	Bonds Issued	Budget Appropriation	June 30, 2023
			Date	Principal	Rate				
2011 Refunding Bond.....	12/22/11	\$ 10,252,500.00	10/01/22	\$ 1,202,500.00	5.000%	\$ 1,202,500.00		\$ (1,202,500.00)	
2012 Improvement Bond..... Ordinance 5-16/6-16	08/08/12	1,500,000.00	08/01/23	75,000.00	2.125%				
			08/01/24	75,000.00	2.125%				
			08/01/25	75,000.00	2.250%				
			08/01/26	80,000.00	2.375%				
			08/01/27	80,000.00	2.500%				
			08/01/28	85,000.00	2.500%				
			08/01/29	90,000.00	2.625%				
			08/01/30	90,000.00	2.750%				
			08/01/31	95,000.00	2.750%				
			08/01/32	100,000.00	3.000%	915,000.00			(70,000.00)
2015 Refunding Bonds.....	06/02/15	1,275,000.00	08/15/23	125,000.00	2.250%				
			08/15/24	120,000.00	4.000%				
			08/15/25	125,000.00	5.000%				
			08/15/26	120,000.00	3.000%	610,000.00		(120,000.00)	490,000.00

TOWNSHIP OF NORTH BRUNSWICK  
WATER UTILITY CAPITAL FUND

SERIAL BONDS PAYABLE  
YEAR ENDED JUNE 30, 2023

Purpose	Issue Date	Original Issue	Outstanding Maturities			June 30, 2022	Bonds Issued	Budget Appropriation	June 30, 2023
			Date	Principal	Rate				
2015 Bonds.....	07/30/15	\$ 1,993,670.00	07/15/23	\$ 90,000.00	3.000%	\$ 1,518,670.00		\$ (90,000.00)	\$ 1,428,670.00
			07/15/24	95,000.00	3.000%				
			07/15/25	95,000.00	3.000%				
			07/15/26	100,000.00	3.000%				
			07/15/27	100,000.00	3.000%				
			07/15/28	105,000.00	3.000%				
			07/15/29	110,000.00	3.000%				
			07/15/30	110,000.00	3.125%				
			07/15/31	115,000.00	3.125%				
			07/15/32	120,000.00	3.250%				
			07/15/33	125,000.00	3.250%				
			07/15/34	130,000.00	3.375%				
			07/15/35	133,670.00	3.500%				
			2017 Refunding Bonds.....	05/24/17	1,621,947.00				
08/15/24	191,429.00	4.000%							
08/15/25	204,053.00	4.000%							
08/15/26	213,541.00	4.000%							
08/15/27	226,296.00	4.000%							
08/15/28	239,298.00	4.000%							
08/15/29	252,174.00	4.000%							

TOWNSHIP OF NORTH BRUNSWICK  
WATER UTILITY CAPITAL FUND

SERIAL BONDS PAYABLE  
YEAR ENDED JUNE 30, 2023

Purpose	Issue Date	Original Issue	Outstanding Maturities			June 30, 2022	Bonds Issued	Budget	
			Date	Principal	Rate			Appropriation	June 30, 2023
2020 General Obligation Bonds...	07/20/20	\$ 3,930,000.00	7/15/2023	\$ 175,000.00	1.000%				
			7/15/2024	180,000.00	1.000%				
			7/15/2025	180,000.00	1.000%				
			7/15/2026	185,000.00	1.250%				
			7/15/2027	185,000.00	1.250%				
			7/15/2028	185,000.00	2.000%				
			7/15/2029	190,000.00	2.000%				
			7/15/2030	190,000.00	2.000%				
			7/15/2031	195,000.00	2.000%				
			7/15/2032	200,000.00	2.000%				
			7/15/2033	205,000.00	2.000%				
			7/15/2034	210,000.00	2.000%				
			7/15/2035	210,000.00	2.000%				
			7/15/2036	215,000.00	2.300%				
			7/15/2037	220,000.00	2.000%				
			7/15/2038	225,000.00	2.125%				
			7/15/2039	230,000.00	2.125%				
			7/15/2040	240,000.00	2.125%	\$ 3,795,000.00		\$ (175,000.00)	\$ 3,620,000.00

TOWNSHIP OF NORTH BRUNSWICK  
WATER UTILITY CAPITAL FUND

SERIAL BONDS PAYABLE  
YEAR ENDED JUNE 30, 2023

Purpose	Issue Date	Original Issue	Outstanding Maturities			June 30, 2022	Bonds Issued	Budget Appropriation	June 30, 2023
			Date	Principal	Rate				
2022 General Obligation Bonds...	07/13/22	\$ 4,365,000.00	7/1/2023	\$ 110,000.00	5.000%				
			7/1/2024	120,000.00	5.000%				
			7/1/2025	120,000.00	5.000%				
			7/1/2026	125,000.00	5.000%				
			7/1/2027	130,000.00	5.000%				
			7/1/2028	135,000.00	5.000%				
			7/1/2029	140,000.00	5.000%				
			7/1/2030	145,000.00	4.000%				
			7/1/2031	150,000.00	4.000%				
			7/1/2032	155,000.00	4.000%				
			7/1/2033	165,000.00	4.000%				
			7/1/2034	170,000.00	4.000%				
			7/1/2035	180,000.00	4.000%				
			7/1/2036	185,000.00	4.000%				
			7/1/2037	195,000.00	4.000%				
			7/1/2038	205,000.00	4.000%				
			7/1/2039	215,000.00	4.000%				
			7/1/2040	215,000.00	4.000%				
			7/1/2041	215,000.00	4.000%				
			7/1/2042	215,000.00	4.000%				
			7/1/2043	215,000.00	4.000%				
7/1/2044	215,000.00	4.000%							
7/1/2045	215,000.00	4.000%							
7/1/2046	215,000.00	4.000%							
7/1/2047	215,000.00	4.000%							
						\$ 4,365,000.00		\$ 4,365,000.00	
Total.....						\$ 9,589,642.00	\$ 4,365,000.00	\$ (1,692,394.00)	\$ 12,262,248.00
						Ref. D	D-6	D-5, D-18	D

TOWNSHIP OF NORTH BRUNSWICK  
WATER UTILITY CAPITAL FUND

BOND ANTICIPATION NOTES  
YEAR ENDED JUNE 30, 2023

Ord.	Description	Interest Rate	Outstanding Maturities		Notes Outstanding June 30, 2022	Increase	Decrease	Notes Outstanding June 30, 2023	
			Issue Date	Maturity Date					
17-10	Water Distribution System.....	1.00%	7/15/21	7/14/22	\$ 985,000.00		\$ 985,000.00		
18-13	Water Distribution System.....	1.00%	7/15/21	7/14/22	1,000,000.00		1,000,000.00		
19-10	Water Distribution System.....	1.00%	7/15/21	7/14/22	1,000,000.00		1,000,000.00		
19-21	Water Distribution System.....	1.00%	7/15/21	7/14/22	1,000,000.00		1,000,000.00		
20-07	Water Distribution System.....	4.00%	7/13/22	7/12/23	10,000,000.00	\$ 8,500,000.00	10,000,000.00	\$ 8,500,000.00	
Total.....					<u>\$ 13,985,000.00</u>	<u>\$ 8,500,000.00</u>	<u>\$ 13,985,000.00</u>	<u>\$ 8,500,000.00</u>	
					<u>Ref.</u>	D	D-6	D-6	D

TOWNSHIP OF NORTH BRUNSWICK  
WATER UTILITY CAPITAL FUND

NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST LOAN OBLIGATION  
YEAR ENDED JUNE 30, 2023

Purpose	Drawdown Date	Original Issue	Outstanding Maturities			June 30, 2022	Decreased	June 30, 2023
			Date	Principal	Rate			
Trust Loan								
Ordinance 07-20.....	11/8/2007	\$9,700,000.00	8/1/2023	\$ 559,000.00	4.25%			
			8/1/2024	589,000.00	4.50%			
			8/1/2025	619,000.00	4.50%			
			8/1/2026	648,000.00	4.50%			
			8/1/2027	682,000.00	4.25%	\$ 3,630,000.00	\$ (533,000.00)	\$ 3,097,000.00
Fund Loan								
Ordinance 07-20.....	11/8/2007	8,939,498.00	8/1/2023	453,692.56	0.00%			
			2/1/2024	41,178.58	0.00%			
			8/1/2024	464,068.37	0.00%			
			2/1/2025	29,641.06	0.00%			
			8/1/2025	473,510.99	0.00%			
			2/1/2026	20,676.48	0.00%			
			8/1/2026	482,526.56	0.00%			
			2/1/2027	14,284.86	0.00%			
			8/1/2027	494,278.60	0.00%	2,979,001.63	(505,143.57)	2,473,858.06
Total.....						<u>\$ 6,609,001.63</u>	<u>\$ (1,038,143.57)</u>	<u>\$ 5,570,858.06</u>
					Ref.	D	D-18	D

TOWNSHIP OF NORTH BRUNSWICK  
WATER UTILITY CAPITAL FUND

RESERVE FOR AMORTIZATION  
YEAR ENDED JUNE 30, 2023

	<u>Ref.</u>	
Balance June 30, 2022.....	D	\$ 44,494,543.96
Principal Payments:		
Serial Bonds.....	D-15	\$ 1,692,394.00
Serial Bonds Premium.....	D-15	120,000.00
NJEIT Loan.....	D-17	<u>1,038,143.57</u>
Total Principal Payments.....		<u>2,850,537.57</u>
Balance June 30, 2023.....	D	<u><u>\$ 47,345,081.53</u></u>

WATER UTILITY CAPITAL FUND

CAPITAL IMPROVEMENT FUND  
YEAR ENDED JUNE 30, 2023

	<u>Ref.</u>	
Balance June 30, 2023 and 2022.....	D	<u><u>\$ 89,067.59</u></u>



TOWNSHIP OF NORTH BRUNSWICK  
WATER UTILITY ASSESSMENT FUND

ASSESSMENTS AND LIENS RECEIVABLE  
YEAR ENDED JUNE 30, 2023

Description	Ordinance Number	Confirmation Date	Annual Installments	Due Dates	Balance June 30, 2022	Collected	Balance June 30, 2023	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 Association.....	07-24/11-04	10/03/11	4	12/1/11-2031	1,221,539.83	\$ 219,547.41	1,001,992.42	\$ 1,001,992.42	
Total Assessments Receivable.....					1,221,951.83	219,547.41	1,002,404.42	1,001,992.42	\$ 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.....					\$ 1,222,239.83	\$ 219,547.41	\$ 1,002,692.42	\$ 1,001,992.42	\$ 700.00
				<u>Ref.</u>	D	D-6	D		

TOWNSHIP OF NORTH BRUNSWICK  
 WATER UTILITY ASSESSMENT FUND

RESERVES FOR ASSESSMENTS AND LIENS  
 YEAR ENDED JUNE 30, 2023

<u>Improvement Description</u>	<u>Balance June 30, 2022</u>	<u>Balance June 30, 2023</u>
<u>Assessment Receivables</u>		
Assessment Liens.....	\$ 412.00	\$ 412.00
Subtotal.....	412.00	412.00
<u>Assessment Liens</u>		
Assessment Liens Interest & Cost.....	288.00	288.00
	<u>\$ 700.00</u>	<u>\$ 700.00</u>
<u>Ref.</u>	D	D

TOWNSHIP OF NORTH BRUNSWICK  
 WATER UTILITY ASSESSMENT FUND

ASSESSMENT SERIAL BONDS PAYABLE  
 YEAR ENDED JUNE 30, 2023

Purpose	Issue Date	Original Issue	Date	Outstanding Maturities		June 30, 2022	Budget Appropriation	June 30, 2023
				Principal	Rate			
Ordinance 07-24/11-04..... Belcourt Assessment	08/10/11	\$ 2,250,000.00	08/15/23	\$ 115,000.00	5.250%			
			08/15/24	115,000.00	5.250%			
			08/15/25	120,000.00	5.250%			
			08/15/26	125,000.00	5.250%			
			08/15/27	130,000.00	5.500%			
			08/15/28	135,000.00	5.500%			
			08/15/29	140,000.00	5.500%			
			08/15/30	145,000.00	5.500%			
			08/15/31	150,000.00	5.500%			
						\$ 1,285,000.00	\$ (110,000.00)	\$ 1,175,000.00
						\$ 1,285,000.00	\$ (110,000.00)	\$ 1,175,000.00
Total.....								
					<u>Ref.</u>	D	D-6	D

TOWNSHIP OF NORTH BRUNSWICK  
 WATER UTILITY CAPITAL FUND

BONDS AND NOTES AUTHORIZED BUT NOT ISSUED  
 YEAR ENDED JUNE 30, 2023

Ord.	Description	Balance June 30, 2022	Notes Redeemed	Bonds	Bond Anticipation Note Issued	Balance June 30, 2023
19-10	Water Distribution System.....	\$ 500,000.00	\$ 1,000,000.00	\$ (1,500,000.00)		
20-07	Water Distribution System.....		10,000,000.00		\$ (8,500,000.00)	\$ 1,500,000.00
21-17	Water Distribution System.....	3,000,000.00				3,000,000.00
Total Bonds and Notes						
Authorized but Not Issued.....		<u>\$ 3,500,000.00</u>	<u>\$ 11,000,000.00</u>	<u>\$ (1,500,000.00)</u>	<u>\$ (8,500,000.00)</u>	<u>\$ 4,500,000.00</u>

Ref.

D

D-16

D

**SEWER UTILITY FUND**

TOWNSHIP OF NORTH BRUNSWICK  
SEWER UTILITY OPERATING AND CAPITAL FUNDS

CASH  
YEAR ENDED JUNE 30, 2023

	<u>Ref.</u>	<u>Operating</u>	<u>Capital</u>
Balance June 30, 2022.....	E	\$ 3,057,104.69	\$ 504,196.59
Increased by:			
Premium on BAN issue.....	E-2		50,574.57
Anticipated Revenue.....	E-3, E-10	8,369,224.11	
Sewer Overpayments.....	E-11	2,531.42	
Bond Anticipation Notes.....	E-18		3,000,000.00
Bond Proceeds.....	E-10		5,450,000.00
Due from Sewer Capital Fund.....	E-19		1,217,000.00
		<u>8,371,755.53</u>	<u>9,717,574.57</u>
Total Cash Receipts.....			
Decreased by:			
Sewer Capital Fund Balance.....	E-2		(200,000.00)
Due Sewer Capital Fund.....	E-19	(1,217,000.00)	
Budget Appropriations.....	E-4	(6,635,848.54)	
Appropriation Reserves.....	E-9	(201,644.11)	
Accrued Interest.....	E-12	(374,275.85)	
Improvement Authorizations.....	E-14		(4,568,126.73)
Bond Anticipation Notes.....	E-18		(5,450,000.00)
		<u>(8,428,768.50)</u>	<u>(10,218,126.73)</u>
Total Cash Disbursements.....			
Balance June 30, 2023.....	E	<u>\$ 3,000,091.72</u>	<u>\$ 3,644.43</u>

TOWNSHIP OF NORTH BRUNSWICK  
SEWER UTILITY CAPITAL FUND

ANALYSIS OF CASH  
YEAR ENDED JUNE 30, 2023

<u>Ord.</u>		<u>Deferred Charges</u>	<u>Ordinance Balance</u>	<u>Reserve for Encumbrances</u>	<u>Other</u>	<u>Cash Balance</u>
	<u>Improvement Authorizations</u>					
18-12	Improvements to Sewer Distribution.....			\$ 44,453.51		\$ 44,453.51
19-08	Improvements to Sewer Distribution.....	\$ (626,733.00)	\$ 109,628.11			(517,104.89)
19-22	Improvements to Sewer Distribution.....		191,371.09	55,158.75		246,529.84
20-08	Improvements to Sewer Distribution.....	(10,000,000.00)	4,959,257.69	1,196,512.72		(3,844,229.59)
21-18	Improvements to Sewer Distribution.....		2,549,497.74	164,350.00		2,713,847.74
	Due to Sewer Operating.....					1,217,000.00
	Fund Balance.....				\$ 114,247.82	114,247.82
	Capital Improvement Fund.....				28,900.00	28,900.00
<b>Total.....</b>		<b>\$ (10,626,733.00)</b>	<b>\$ 7,809,754.63</b>	<b>\$ 1,460,474.98</b>	<b>\$ 143,147.82</b>	<b>\$ 3,644.43</b>
	<u>Ref.</u>	E-20	E-14	E-14	E-2, E-15	E, E-5

TOWNSHIP OF NORTH BRUNSWICK  
SEWER UTILITY CAPITAL FUND

FIXED CAPITAL  
YEAR ENDED JUNE 30, 2023

	<u>Ref.</u>	
Balance - June 30, 2022.....	E	\$ 34,156,262.41
Increased by:		
Transfer from Fixed Capital Authorized but not Completed.....	E-8	<u>4,568,126.73</u>
Balance - June 30, 2023.....	E	<u>\$ 38,724,389.14</u>

SEWER UTILITY CAPITAL FUND

FIXED CAPITAL AUTHORIZED BUT NOT COMPLETED  
YEAR ENDED JUNE 30, 2023

<u>Ord.</u>	<u>Description</u>	<u>Balance June 30, 2022</u>	<u>Transferred to Fixed Capital</u>	<u>Balance June 30, 2023</u>
15-15	Improvement to Sewer Distribution System.....	\$ 0.25		\$ 0.25
18-12	Improvement to Sewer Distribution System.....	101,387.91	\$ 56,934.40	44,453.51
19-08	Improvement to Sewer Distribution System.....	115,338.36	5,710.25	109,628.11
19-22	Improvement to Sewer Distribution System.....	767,213.72	520,683.88	246,529.84
20-08	Improvement to Sewer Distribution System.....	9,854,416.35	3,698,645.94	6,155,770.41
21-18	Improvement to Sewer Distribution System.....	3,000,000.00	286,152.26	2,713,847.74
	Total.....	<u>\$ 13,838,356.59</u>	<u>\$ 4,568,126.73</u>	<u>\$ 9,270,229.86</u>
	<u>Ref.</u>	E	E-7	E



TOWNSHIP OF NORTH BRUNSWICK  
SEWER UTILITY OPERATING FUND

2022 APPROPRIATION RESERVES  
YEAR ENDED JUNE 30, 2023

	Appropriation Reserves <u>June 30, 2022</u>	Encumbrances <u>June 30, 2022</u>	Paid or Charged	Balance Lapsed
Operating Salaries.....	\$ 4,566.90			\$ 4,566.90
Operating Expenses.....	<u>252,150.43</u>	<u>\$ 191,765.35</u>	<u>\$ (204,486.98)</u>	<u>239,428.80</u>
Total Sewer Utility Operating.....	<u>\$ 256,717.33</u>	<u>\$ 191,765.35</u>	<u>\$ (204,486.98)</u>	<u>\$ 243,995.70</u>

<u>Ref.</u>	E	E	Below	E-1
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Cash Disbursements.....	<u>Ref.</u>	
June 30, 2023 Accounts Payable.....	E-5	\$ (201,644.11)
Total Paid or Charged.....	E	<u>(2,842.87)</u>
	Above	<u>\$ (204,486.98)</u>

Accounts Payable Analysis

Balance June 30, 2022.....	E	\$ -
Transfer From Appropriation Reserve.....	E-1	<u>2,842.87</u>
Balance June 30, 2023.....	E	<u>\$ 2,842.87</u>

TOWNSHIP OF NORTH BRUNSWICK  
SEWER UTILITY OPERATING FUND

SEWER RENTS RECEIVABLE  
YEAR ENDED JUNE 30, 2023

	<u>Ref.</u>		<u>Sewer Rents</u>
Balance June 30, 2022.....	E		\$ 986,115.32
Increased by:			
Sewer Rents Levied.....	Reserve		7,526,126.11
			<u>8,512,241.43</u>
Decreased by:			
Cash Receipts.....	E-3	\$ 8,068,878.63	
Overpayments Applied.....	E-11	<u>2,767.96</u>	
			<u>8,071,646.59</u>
Balance June 30, 2023.....	E		<u><u>\$ 440,594.84</u></u>

TOWNSHIP OF NORTH BRUNSWICK  
SEWER UTILITY OPERATING FUND

SEWER OVERPAYMENTS  
YEAR ENDED JUNE 30, 2023

	<u>Ref.</u>	
Balance June 30, 2022.....	E	\$ 2,767.96
Increased by:		
Overpayments Collected.....	E-5	<u>2,531.42</u>
		5,299.38
Decreased by:		
Overpayments Applied.....	E-1, E-10	<u>2,767.96</u>
Balance June 30, 2023.....	E	<u><u>\$ 2,531.42</u></u>

TOWNSHIP OF NORTH BRUNSWICK  
SEWER UTILITY OPERATING AND CAPITAL FUNDS

ACCRUED INTEREST ON BONDS AND NOTES  
YEAR ENDED JUNE 30, 2023

	<u>Ref.</u>	<u>Total Accrued Interest</u>	<u>Bond Anticipation Notes</u>	<u>Serial Bonds</u>	<u>Environmental Infrastructure Trust</u>
Accrued Interest June 30, 2022.....	E	\$ (152,675.43)	\$ (54,348.61)	\$ (75,923.17)	\$ (22,403.65)
Cash Payments.....	E-5	374,275.85	54,348.61	268,658.48	51,268.76
Accrued Interest June 30, 2023.....	E	310,408.58	119,666.67	170,421.59	20,320.32
2023 Budget Expense.....	E-4	<u>\$ 532,009.00</u>	<u>\$ 119,666.67</u>	<u>\$ 363,156.90</u>	<u>\$ 49,185.43</u>

TOWNSHIP OF NORTH BRUNSWICK  
SEWER UTILITY CAPITAL FUND

NEW JERSEY ENVIRONMENTAL LOANS PAYABLE  
YEAR ENDED JUNE 30, 2023

Purpose	Drawdown Date	Original Issue	Date	Outstanding Maturities Principal	Rate	June 30, 2022	Decreased	June 30, 2023
Trust Loan Ordinance 97-25.....	11/4/2004	\$ 570,000.00	8/1/2023 8/1/2024	\$ 40,000.00 45,000.00	4.250% 4.375%	\$ 125,000.00	\$ (40,000.00)	\$ 85,000.00
Trust Loan Ordinance 19-08.....	6/11/2021	1,180,000.00	8/1/2023 8/1/2024 8/1/2025 8/1/2026 8/1/2027 8/1/2028 8/1/2029 8/1/2030 8/1/2031 8/1/2032 8/1/2033 8/1/2034 8/1/2035	65,000.00 70,000.00 70,000.00 75,000.00 80,000.00 85,000.00 85,000.00 90,000.00 95,000.00 95,000.00 100,000.00 105,000.00 105,000.00	5.000% 5.000% 5.000% 5.000% 5.000% 5.000% 5.000% 4.000% 3.000% 3.000% 3.000% 3.000% 3.000%	1,180,000.00	(60,000.00)	1,120,000.00

TOWNSHIP OF NORTH BRUNSWICK  
SEWER UTILITY CAPITAL FUND

NEW JERSEY ENVIRONMENTAL LOANS PAYABLE  
YEAR ENDED JUNE 30, 2023

Purpose	Drawdown Date	Original Issue	Date	Outstanding Maturities Principal	Rate	June 30, 2022	Decreased	June 30, 2023
Fund Loan								
Ordinance 97-25.....	11/4/2004	\$ 581,688.00	8/1/2023	\$ 27,189.58	0.00%			
			2/1/2024	639.77	0.00%			
			8/1/2024	29,886.59	0.00%	\$ 86,747.47	\$ (29,031.53)	\$ 57,715.94
Fund Loan								
Ordinance 19-08.....	6/11/2021	4,029,950.00	8/1/2023	183,179.54	0.00%			
			2/1/2024	91,589.77	0.00%			
			8/1/2024	183,179.54	0.00%			
			2/1/2025	91,589.77	0.00%			
			8/1/2025	183,179.54	0.00%			
			2/1/2026	91,589.77	0.00%			
			8/1/2026	183,179.54	0.00%			
			2/1/2027	91,589.77	0.00%			
			8/1/2027	183,179.54	0.00%			
			2/1/2028	91,589.77	0.00%			
			8/1/2028	183,179.54	0.00%			
			2/1/2029	91,589.77	0.00%			
			8/1/2029	183,179.54	0.00%			
			2/1/2030	91,589.77	0.00%			
			8/1/2030	183,179.54	0.00%			
			2/1/2031	91,589.77	0.00%			
			8/1/2031	183,179.54	0.00%			
			2/1/2032	91,589.77	0.00%			
			8/1/2032	183,179.54	0.00%			
			2/1/2033	91,589.77	0.00%			
			8/1/2033	183,179.54	0.00%			
			2/1/2034	91,589.77	0.00%			
			8/1/2034	183,179.54	0.00%			
			2/1/2035	91,589.77	0.00%			
			8/1/2035	183,179.66	0.00%	3,755,180.69	(274,769.31)	3,480,411.38
Total .....						\$ 5,146,928.16	\$ (403,800.84)	\$ 4,743,127.32

Ref.

E

E-16

E

TOWNSHIP OF NORTH BRUNSWICK  
SEWER UTILITY CAPITAL FUND

IMPROVEMENT AUTHORIZATIONS  
YEAR ENDED JUNE 30, 2023

<u>Ord</u>	<u>Original</u>	<u>Description</u>	June 30, 2022	Encumbrances	<u>Paid</u>	Encumbrances	<u>June 30, 2023</u>	
			Unfunded	June 30, 2022		June 30, 2023	Funded	Unfunded
18-12	\$ 1,000,000.00	Improve Sanitary Sewer System.....		\$ 101,387.91	\$ (56,934.40)	\$ (44,453.51)		
19-08	6,000,000.00	Improve Sanitary Sewer System.....	\$ 109,628.11	5,710.25	(5,710.25)			\$ 109,628.11
19-22	1,000,000.00	Improve Sanitary Sewer System.....		767,213.72	(520,683.88)	(55,158.75)	\$ 191,371.09	
20-08	10,000,000.00	Improve Sanitary Sewer System.....	4,875,434.07	4,978,982.28	(3,698,645.94)	(1,196,512.72)		4,959,257.69
21-18	3,000,000.00	Improve Sanitary Sewer System.....	2,835,650.00	164,350.00	(286,152.26)	(164,350.00)		2,549,497.74
		<u>Total.....</u>	<u>\$ 7,820,712.18</u>	<u>\$ 6,017,644.16</u>	<u>\$ (4,568,126.73)</u>	<u>\$ (1,460,474.98)</u>	<u>\$ 191,371.09</u>	<u>\$ 7,618,383.54</u>
		<u>Ref.</u>	E	E	E-5	E	E	E

TOWNSHIP OF NORTH BRUNSWICK  
SEWER UTILITY CAPITAL FUND

CAPITAL IMPROVEMENT FUND  
YEAR ENDED JUNE 30, 2023

	<u>Ref.</u>	
Balance June 30, 2023 and 2022.....	E	<u>\$ 28,900.00</u>



TOWNSHIP OF NORTH BRUNSWICK  
SEWER UTILITY CAPITAL FUND

RESERVE FOR AMORTIZATION AND DEFERRED AMORTIZATION  
YEAR ENDED JUNE 30, 2023

	<u>Ref.</u>	<u>Amortization</u>	<u>Deferred Amortization</u>
Balance June 30, 2022.....	E	\$ (16,563,305.84)	\$ (252,294.00)
Principal Payments:			
NJEIT Loans.....	E-13	(403,800.84)	
Bonds.....	E-17	(1,512,606.00)	
Premium on Bonds applied to Principal.....	E-17	<u>(150,000.00)</u>	
		<u>(2,066,406.84)</u>	
Balance June 30, 2023.....	E	<u><u>\$ (18,629,712.68)</u></u>	<u><u>\$ (252,294.00)</u></u>

TOWNSHIP OF NORTH BRUNSWICK  
SEWER UTILITY CAPITAL FUND

SERIAL BONDS PAYABLE  
YEAR ENDED JUNE 30, 2023

Purpose	Issue Date	Original Issue	Outstanding Maturities			June 30, 2022	Bonds Issued	Budget Appropriation	June 30, 2023
			Date	Principal	Rate				
2011 Refunding Bond.....	12/22/11	\$ 10,252,500.00	10/01/22	\$ 1,202,500.00	5.000%	\$ 1,202,500.00		\$ (1,202,500.00)	
2012 General Obligation Bonds.....	08/08/12	1,700,000.00	08/01/23	85,000.00	2.125%				
			08/01/24	85,000.00	2.125%				
			08/01/25	85,000.00	2.250%				
			08/01/26	90,000.00	2.375%				
			08/01/27	95,000.00	2.500%				
			08/01/28	95,000.00	2.500%				
			08/01/29	100,000.00	2.625%				
			08/01/30	105,000.00	2.750%				
			08/01/31	105,000.00	2.750%				
			08/01/32	110,000.00	3.000%	1,035,000.00		(80,000.00) \$ 955,000.00	

TOWNSHIP OF NORTH BRUNSWICK  
SEWER UTILITY CAPITAL FUND

SERIAL BONDS PAYABLE  
YEAR ENDED JUNE 30, 2023

Purpose	Issue Date	Original Issue	Outstanding Maturities			June 30, 2022	Bonds Issued	Budget Appropriation	June 30, 2023
			Date	Principal	Rate				
2015 General Obligation Bonds.....	07/30/15	\$ 2,186,330.00	07/15/23	\$ 100,000.00	3.000%				
			07/15/24	100,000.00	3.000%				
			07/15/25	105,000.00	3.000%				
			07/15/26	110,000.00	3.000%				
			07/15/27	110,000.00	3.000%				
			07/15/28	115,000.00	3.000%				
			07/15/29	120,000.00	3.000%				
			07/15/30	125,000.00	3.125%				
			07/15/31	125,000.00	3.125%				
			07/15/32	130,000.00	3.250%				
			07/15/33	135,000.00	3.250%				
			07/15/34	140,000.00	3.375%				
			07/15/35	146,330.00	3.500%				
2017 Refunding Bonds.....	05/24/17	243,053.00	08/15/23	28,213.00	4.000%				
			08/15/24	28,571.00	4.000%				
			08/15/25	30,947.00	4.000%				
			08/15/26	31,459.00	4.000%				
			08/15/27	33,704.00	4.000%				
			08/15/28	35,702.00	4.000%				
			08/15/29	37,826.00	4.000%				
					231,528.00		(5,106.00)	226,422.00	

TOWNSHIP OF NORTH BRUNSWICK  
SEWER UTILITY CAPITAL FUND

SERIAL BONDS PAYABLE  
YEAR ENDED JUNE 30, 2023

Purpose	Issue Date	Original Issue	Outstanding Maturities			June 30, 2022	Bonds Issued	Budget Appropriation	June 30, 2023
			Date	Principal	Rate				
2020 General Obligation Bonds.....	07/21/20	\$ 2,930,000.00	07/15/23	\$ 130,000.00	1.000%				
			07/15/24	130,000.00	1.000%				
			07/15/25	135,000.00	1.000%				
			07/15/26	135,000.00	1.250%				
			07/15/27	135,000.00	1.250%				
			07/15/28	140,000.00	2.000%				
			07/15/29	140,000.00	2.000%				
			07/15/30	145,000.00	2.000%				
			07/15/31	145,000.00	2.000%				
			07/15/32	150,000.00	2.000%				
			07/15/33	150,000.00	2.000%				
			07/15/34	155,000.00	2.000%				
			07/15/35	160,000.00	2.000%				
			07/15/36	160,000.00	2.300%				
			07/15/37	165,000.00	2.000%				
			07/15/38	170,000.00	2.125%				
			07/15/39	175,000.00	2.125%				
			07/15/40	180,000.00	2.125%	\$ 2,830,000.00		\$ (130,000.00)	
								\$ 2,700,000.00	

TOWNSHIP OF NORTH BRUNSWICK  
SEWER UTILITY CAPITAL FUND

SERIAL BONDS PAYABLE  
YEAR ENDED JUNE 30, 2023

Purpose	Issue Date	Original Issue	Outstanding Maturities			June 30, 2022	Bonds Issued	Budget Appropriation	June 30, 2023
			Date	Principal	Rate				
2022 General Obligation Bonds .....	07/13/22	\$ 5,300,000.00	7/1/2023	\$ 130,000.00	5.000%				
			7/1/2024	140,000.00	5.000%				
			7/1/2025	145,000.00	5.000%				
			7/1/2026	150,000.00	5.000%				
			7/1/2027	160,000.00	5.000%				
			7/1/2028	165,000.00	5.000%				
			7/1/2029	170,000.00	5.000%				
			7/1/2030	175,000.00	4.000%				
			7/1/2031	185,000.00	4.000%				
			7/1/2032	190,000.00	4.000%				
			7/1/2033	200,000.00	4.000%				
			7/1/2034	210,000.00	4.000%				
			7/1/2035	220,000.00	4.000%				
			7/1/2036	230,000.00	4.000%				
			7/1/2037	240,000.00	4.000%				
			7/1/2038	255,000.00	4.000%				
			7/1/2039	255,000.00	4.000%				
			7/1/2040	260,000.00	4.000%				
			7/1/2041	260,000.00	4.000%				
			7/1/2042	260,000.00	4.000%				
			7/1/2043	260,000.00	4.000%				
			7/1/2044	260,000.00	4.000%				
			7/1/2045	260,000.00	4.000%				
			7/1/2046	260,000.00	4.000%				
			7/1/2047	260,000.00	4.000%				
						\$ 5,300,000.00		\$ 5,300,000.00	
Total .....						\$ 6,955,358.00	\$ 5,300,000.00	\$ (1,512,606.00)	\$ 10,742,752.00
					Ref.	E	E-5	E-16	E

TOWNSHIP OF NORTH BRUNSWICK  
SEWER UTILITY CAPITAL FUND

BOND ANTICIPATION NOTES  
YEAR ENDED JUNE 30, 2023

Ord.	Description	Interest Rate	Outstanding Maturities		Notes Outstanding June 30, 2022	Bond Anticipation Notes Issued	Bond Anticipation Notes Redeemed	Notes Outstanding June 30, 2023
			Issue Date	Maturity Date				
17-05	Improve Sanitary Sewer System.....	1.00%	07/15/21	07/14/22	\$ 3,450,000.00		\$ 3,450,000.00	
18-12	Improve Sanitary Sewer System.....	1.00%	07/15/21	07/14/22	1,000,000.00		1,000,000.00	
19-22	Improve Sanitary Sewer System.....	1.00%	07/15/21	07/14/22	1,000,000.00		1,000,000.00	
21-18	Improve Sanitary Sewer System.....	4.00%	07/13/22	07/12/23		\$ 3,000,000.00		\$ 3,000,000.00
Total.....					\$ 5,450,000.00	\$ 3,000,000.00	\$ 5,450,000.00	\$ 3,000,000.00
					<u>E</u>	<u>E-5</u>	<u>E-5</u>	<u>E</u>

TOWNSHIP OF NORTH BRUNSWICK  
SEWER UTILITY OPERATING AND CAPITAL FUNDS

INTERFUNDS  
YEAR ENDED JUNE 30, 2023

	Ref.	Sewer Operating Fund		Sewer Capital Fund	
		Total	Sewer Capital	Total	Sewer Operating
Balance June 30, 2022					
Due To(From).....	E	\$ -		\$ -	
Increased by:					
Cash Disbursements.....	E-5	<u>(1,271,000.00)</u>	<u>\$ (1,271,000.00)</u>		
Decreased by:					
Cash Receipts.....	E-5			<u>1,217,000.00</u>	<u>\$ 1,217,000.00</u>
Balance June 30, 2023					
(Due From).....	E	<u>\$ (1,217,000.00)</u>	<u>\$ (1,217,000.00)</u>		
Due To .....	E			<u>\$ 1,217,000.00</u>	<u>\$ 1,217,000.00</u>





**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  
 YEAR ENDED JUNE 30, 2023

ASSETS	CURRENT AND GRANT FUND	TRUST FUND	GENERAL CAPITAL FUND	WATER UTILITY FUND	SEWER UTILITY FUND	GOVERNMENTAL FIXED ASSETS	MEMORANDUM ONLY TOTALS	
							JUNE 30, 2023	JUNE 30, 2022
Cash and Investments	\$18,057,241.33	\$6,692,571.31	\$3,231,969.80	\$10,227,010.09	\$3,003,736.15		\$41,212,528.68	\$45,023,254.50
Accounts Receivable:								
State & Federal Grants Receivable	2,540,223.27	217,152.01					2,757,375.28	2,156,983.47
Due from State of New Jersey	112,990.24						112,990.24	124,211.14
Taxes, Assessments, Liens & Utility Charges	834,717.32	71,055.00		1,408,062.55	440,594.84		2,754,429.71	4,331,036.99
Interfund Receivable					1,217,000.00			
Property Acquired for Taxes at Assessed Valuation	534,280.68						534,280.68	534,280.68
Fixed Assets - General						\$91,874,610.17	91,874,610.17	91,113,511.41
Fixed Capital - Utility				68,320,092.95	38,724,389.14		107,044,482.09	100,247,163.73
Fixed Capital - Authorized and Uncompleted - Utility				9,858,094.64	9,270,229.86		19,128,324.50	25,925,642.86
Deferred Charges to Future Taxation	900,000.00		107,584,000.00				108,484,000.00	93,350,899.36
	<u>\$22,979,452.84</u>	<u>\$6,980,778.32</u>	<u>\$110,815,969.80</u>	<u>\$89,813,260.23</u>	<u>\$52,655,949.99</u>	<u>\$91,874,610.17</u>	<u>\$373,903,021.35</u>	<u>\$362,806,984.14</u>
LIABILITIES, RESERVES AND FUND BALANCE	CURRENT AND GRANT FUND	TRUST FUND	CAPITAL FUND	WATER UTILITY FUND	SEWER UTILITY FUND	GENERAL FIXED ASSETS	TOTALS	
							JUNE 30, 2023	JUNE 30, 2022
Bonds and Notes Payable			\$81,943,250.00	\$21,937,248.00	\$13,742,752.00		\$117,623,250.00	\$117,583,250.00
Loans Payable				5,570,858.06	4,743,127.32		10,313,985.38	11,755,929.79
Taxes Payable	\$21,837.04						21,837.04	583,092.04
Prepaid Taxes, Assessments, Utility Charges and Licenses	713,230.62						713,230.62	477,512.87
Tax, Assessment, Lien, License and Utility Charge Overpayments	1.05	\$71,055.00		195,996.05	2,531.42		269,583.52	203,501.33
Appropriation Reserves	1,784,668.94			557,905.08	863,238.99		3,205,813.01	3,614,875.47
Reserve for Encumbrances/ Accounts Payable	2,460,436.49			1,036,143.33	478,635.74		3,975,215.56	2,763,624.89
Other Liabilities	15,933.00	59.80					15,992.80	22,895.20
Interfund Payable						1,217,000.00		
Amts. Pledged to Specific Purposes	511,645.53	5,394,007.18	1,468,094.16	89,067.59	28,900.00		7,491,714.46	8,731,273.22
Escrow Funds		1,515,656.34					1,515,656.34	1,542,706.80
Improvement Authorizations			27,264,986.54	9,858,094.64	9,270,229.61		46,393,310.79	39,621,542.30
Investments in General Fixed Assets						\$91,874,610.17	91,874,610.17	91,113,511.41
Reserve for Amortization of Costs of Fixed Capital Acquired or Authorized				47,345,081.53	18,882,006.68		66,227,088.21	61,310,143.80
Reserve for Certain Assets Acquired or Receivables & Inventories	1,368,998.00			405,370.13	440,594.84		2,214,962.97	3,572,022.84
Fund Balance	16,102,702.17		139,639.10	2,817,495.82	2,986,933.39		22,046,770.48	19,911,102.18
	<u>\$22,979,452.84</u>	<u>\$6,980,778.32</u>	<u>\$110,815,969.80</u>	<u>\$89,813,260.23</u>	<u>\$52,655,949.99</u>	<u>\$91,874,610.17</u>	<u>\$373,903,021.35</u>	<u>\$362,806,984.14</u>

TOWNSHIP OF NORTH BRUNSWICK  
CURRENT FUND

COMPARATIVE STATEMENTS OF OPERATIONS AND CHANGES IN FUND BALANCE  
REGULATORY BASIS  
YEARS ENDED JUNE 30, 2023 AND 2022

<u>Revenue and Other Income Realized</u>	2023		2022	
	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
Surplus Anticipated	\$ 3,100,000.00	1.77	\$ 2,431,738.56	1.97
Miscellaneous Revenues Anticipated	16,250,410.02	9.26	15,092,557.12	8.26
Receipts from Current Taxes	154,214,324.90	87.90	150,140,329.93	88.20
Other Miscellaneous Revenue	1,882,039.01	1.07	2,710,959.37	1.57
 Total Income	 <u>175,446,773.93</u>	 <u>100.00</u>	 <u>170,375,584.98</u>	 <u>100.00</u>
 <u>Expenditures</u>				
Budget Appropriations	55,360,850.45	32.23	52,965,813.01	31.83
Tax Collections				
County Taxes	22,590,460.60	13.15	21,926,550.15	11.75
Local School District Taxes	93,017,933.50	54.16	90,970,908.00	55.95
Municipal Open Space Trust Fund	765,462.42	0.45	764,311.77	0.46
Other Miscellaneous Expenditures	11,893.39	0.01	10,026.58	0.01
 Total Expenditures	 <u>171,746,600.36</u>	 <u>100.00</u>	 <u>166,637,609.51</u>	 <u>100.00</u>
 Excess in Revenue	 3,700,173.57		 3,737,975.47	
Adj. to Income Before Fund Balance: Expend. Included Above Which are by Statute Deferred Charges to Budget of Succeeding Years	   <u>900,000.00</u>		   <u>541,899.36</u>	
Statutory Excess to Fund Balance	4,600,173.57		4,279,874.83	
Fund Balance - Beginning	<u>14,602,528.60</u>		<u>12,754,392.33</u>	
	19,202,702.17		17,034,267.16	
Utilized as Anticipated Revenue	<u>(3,100,000.00)</u>		<u>(2,431,738.56)</u>	
Fund Balance - Ending	<u>\$ 16,102,702.17</u>		<u>\$ 14,602,528.60</u>	

TOWNSHIP OF NORTH BRUNSWICK  
WATER UTILITY OPERATING FUND

COMPARATIVE STATEMENTS OF OPERATIONS AND CHANGES IN FUND BALANCE  
REGULATORY BASIS  
YEARS ENDED JUNE 30, 2023 AND 2022

	2023		2022	
<u>Revenue and Other Income Realized</u>	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
Surplus Anticipated	\$ 650,000.00	6.62	\$ 200,000.00	2.42
Water Rents	8,010,971.97	81.62	6,934,263.84	83.94
Miscellaneous Revenues	179,125.00	1.82	65,846.00	0.80
Connection Fees	740,228.39	7.54	650,853.36	7.88
Water Utility Capital Surplus	150,000.00	1.53	200,000.00	2.42
Unexpended Balance of Appropriation Reserve	18,933.41	0.19	112,499.85	1.36
Water Utility Assessment Trust Fund Interest	66,325.63	0.68	71,720.31	0.87
Prior Year's Accounts Payable Canceled			26,114.00	0.32
	<u>9,815,584.40</u>	<u>100.00</u>	<u>8,261,297.36</u>	<u>100.00</u>
 <u>Expenditures</u>				
Budget Appropriations	<u>8,599,796.51</u>	<u>100.00</u>	<u>7,995,226.53</u>	<u>100.00</u>
	<u>8,599,796.51</u>	<u>100.00</u>	<u>7,995,226.53</u>	<u>100.00</u>
Excess in Revenue	1,215,787.89		266,070.83	
Decreased by Surplus Anticipated Water Utility Operating Fund	(650,000.00)		(200,000.00)	
Fund Balance - Beginning	<u>1,972,783.01</u>		<u>1,906,712.18</u>	
Fund Balance - Ending	<u>\$ 2,538,570.90</u>		<u>\$ 1,972,783.01</u>	

TOWNSHIP OF NORTH BRUNSWICK  
SEWER UTILITY OPERATING FUND

COMPARATIVE STATEMENTS OF OPERATIONS AND CHANGE IN FUND BALANCE  
REGULATORY BASIS  
YEARS ENDED JUNE 30, 2023 AND 2022

	2023		2022	
	Amount	%	Amount	%
<u>Revenue and Other Income Realized</u>				
Surplus Anticipated	\$ 608,000.00	6.59	\$ 440,000.00	5.17
Sewer Rents	8,071,646.59	87.51	7,363,917.56	86.52
Connection Fees	18,000.00	0.20	28,475.00	0.33
Miscellaneous	82,345.48	0.89	19,204.86	0.23
Unexpended Balance of Appropriation Reserve	243,995.70	2.64	651,669.35	7.66
Other			7,738.10	0.09
Sewer Capital Fund Balance Utilized	200,000.00	2.17		
Total Income	9,223,987.77	100.00	8,511,004.87	100.00
<u>Expenditures</u>				
Budget Appropriations	8,196,480.82	100.00	7,740,177.71	100.00
Total Expenditures	8,196,480.82	100.00	7,740,177.71	100.00
Excess in Revenue	1,027,506.95		770,827.16	
Decreased by Surplus Anticipated	(608,000.00)		(440,000.00)	
Fund Balance - Beginning	2,453,178.62		2,122,351.46	
Fund Balance - Ending	\$ 2,872,685.57		\$ 2,453,178.62	

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

	<u>2023</u>	<u>2022</u>	<u>2021</u>
<u>Tax Rate:</u>	<u>\$6.222</u>	<u>\$6.010</u>	<u>\$5.867</u>
<u>Apportionment of Tax Rate:</u>			
Municipal:	<u>\$1.471</u>	<u>\$1.371</u>	<u>\$1.337</u>
Municipal Open Space:	<u>\$0.030</u>	<u>\$0.030</u>	<u>\$0.030</u>
County:	<u>\$0.838</u>	<u>\$0.795</u>	<u>\$0.759</u>
County Open Space:	<u>\$0.074</u>	<u>\$0.067</u>	<u>\$0.063</u>
Local School:	<u>\$3.728</u>	<u>\$3.673</u>	<u>\$3.610</u>
Municipal Library:	<u>\$0.081</u>	<u>\$0.074</u>	<u>\$0.068</u>
<u>Net Value Taxable:</u>			
2023	<u>\$ 2,561,286,500.00</u>		
2022		<u>\$ 2,547,776,200.00</u>	
2021			<u>\$ 2,540,245,800.00</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 2023 to be \$98,625.

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>
2023	\$ 154,909,113.61	\$ 154,214,324.90	99.55%
2022	152,663,654.29	151,907,399.07	99.50%
2021	148,431,090.16	147,858,104.29	99.61%

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>
2023	\$ 189,918.18	\$ 644,799.14	\$ 834,717.32	0.54%
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%

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>
2023	\$ 534,280.68
2022	534,280.68
2021	534,280.68

TOWNSHIP OF NORTH BRUNSWICK  
COMPARATIVE SCHEDULE OF FUND BALANCES

	<u>Year Ended</u>	<u>Balance</u>	<u>Utilized in Budget of Succeeding Year</u>
Current Fund	2023	\$ 16,102,702.17	\$ 6,595,000.00
	2022	14,602,528.60	3,100,000.00
	2021	12,754,392.32	2,431,738.56
	2020	11,593,162.34	3,300,000.00
	2019	11,007,330.56	3,620,000.00
Water Utility Operating Fund	2023	\$ 2,538,570.90	\$ 100,000.00
	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
Sewer Utility Operating Fund	2023	\$ 2,872,685.57	\$ 100,000.00
	2022	2,453,178.62	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



TOWNSHIP OF NORTH BRUNSWICK  
OFFICIALS IN OFFICE AND SURETY BONDS

The following officials were in office as of June 30, 2023:

<u>NAME</u>	<u>TITLE</u>	<u>AMOUNT OF BOND</u>
Francis Womack	- Mayor	
Rajesh Mehta	- Council President	
Robert Davis	- Councilperson	
Ralph Andrews	- Councilperson	
Amanda Guadagnino	- Councilperson	
Mary Hutchinson	- 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	- 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	
Steven Bloyed	- 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, 2023

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, 2023, 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, 2022 through June 30, 2023.

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, 2023

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, 2022 through June 30, 2023, 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, 2023. 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>
2023	40
2022	40
2021	33

TOWNSHIP OF NORTH BRUNSWICK  
GENERAL COMMENTS  
YEAR ENDED JUNE 30, 2023

**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. 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 Township 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, 2023

**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, 2023, 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 20, 2024. 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:**

**2023-1 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 – 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, 2023

**Investments**

During 2023, 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, 2023. A review of surety bond coverage as of June 30, 2023, 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, 2023, 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 to ensure compliance with the applicable New Jersey State Statutes.

TOWNSHIP OF NORTH BRUNSWICK  
GENERAL COMMENTS  
YEAR ENDED JUNE 30, 2023

**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, please do not hesitate to contact us.

*PKF O'Connor Davies, LLP*

Cranford, New Jersey  
March 20, 2024

*Robert E. Provost*

Robert Provost, CPA  
Registered Municipal Accountant, No. 582