

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

**REGULATORY BASIS FINANCIAL STATEMENTS
AND SUPPLEMENTARY SCHEDULES
DECEMBER 31, 2023 AND 2022**

TOWNSHIP OF SOUTH BRUNSWICK
MIDDLESEX COUNTY NEW JERSEY

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

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INDEPENDENT AUDITORS' REPORT

**The Honorable Mayor and Members
of the Township Council
Township of South Brunswick**

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 South Brunswick, New Jersey ("Township"), which comprise the balance sheets as of December 31, 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 December 31, 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 December 31, 2023 and 2022, and the regulatory basis revenues, expenditures, and changes in fund balances for the years then ended, the statements of revenues and statements of expenditures for the year ended December 31, 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 1.

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 December 31, 2023 and 2022, or its revenues, expenditures and changes in fund balance thereof for the years then ended.

Basis for Opinions

We conducted our audits 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 and requirements 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

**The Honorable Mayor and Members
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Township of South Brunswick**

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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 opinion.

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

As described in Note 1 of the financial statements, the financial statements are prepared by the Township on the basis of the financial reporting provisions of the Division (regulatory basis), 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 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

Other Matter – Restatement

As described in Note 20 to the financial statements, the 2022 financial statements have been restated in order to correct a misstatement related to the accounting of a deferred charge and the emergency bonds payable in the Current Fund and the deferred charges - funded and serial bonds payable in the General Capital Fund related to the Affordable Housing settlement. Our opinion is not modified with respect to this matter.

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.

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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.

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

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Township's basic financial statements. The information included in Part II – Supplementary Information Required by the Division and Part III – Supplementary Data and Schedules – Supplementary Information Required by the Division, 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.

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Report on Supplementary Information as Required by 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 schedule of expenditures of state financial assistance, as required by the audit requirements of New Jersey OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, and related notes to the schedule of expenditures of state financial assistance are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of 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 schedule of expenditures of state financial assistance and related notes is 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 28, 2025, 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 28, 2025

Scott A. Clelland

Scott A. Clelland, CPA
Registered Municipal Accountant, No. 455

FINANCIAL STATEMENTS

TOWNSHIP OF SOUTH BRUNSWICK
MIDDLESEX COUNTY, NEW JERSEY

CURRENT AND GRANT FUND
COMPARATIVE BALANCE SHEETS - REGULATORY BASIS
DECEMBER 31, 2023 AND 2022

<u>ASSETS AND DEFERRED CHARGES</u>	<u>REF.</u>	<u>DEC. 31, 2023</u>	<u>DEC. 31, 2022</u> <u>(as restated)</u>	<u>LIABILITIES, RESERVES</u> <u>AND FUND BALANCE</u>	<u>REF.</u>	<u>DEC. 31, 2023</u>	<u>DEC. 31, 2022</u> <u>(as restated)</u>
Current Fund:				Current Fund:			
Cash and Cash Equivalents - Treasurer	A-4	\$ 4,602,759.91	\$ 10,832,927.88	Liabilities			
Investments	A-5		300,000.00	Appropriation Reserves	A-3, A-12	\$ 1,201,838.77	\$ 907,384.15
				Reserve for Encumbrances	A-3, A-12, A-21	481,011.45	462,943.43
				Accounts Payable	A-16	893,056.91	1,545,280.55
				Special Emergency Notes Payable	A-24	1,310,000.00	1,245,000.00
		<u>4,602,759.91</u>	<u>11,132,927.88</u>				
				County Taxes Payable	A-19	238,278.57	
				Prepaid Taxes	A-14	2,096,034.34	2,479,808.71
Receivables and Other Assets With Offsetting Reserves:				Due to State of N.J. per Ch. 20,P.L. 1976	A-8	75,984.25	74,047.85
Taxes Receivable	A-7	818,324.08	733,687.08	Tax Overpayments	A-17	821,555.34	157,502.50
Tax Title Liens	A-9	1,068,159.14	1,051,016.44	Due to State of New Jersey	A-13	90,572.00	156,211.00
Prepaid Local School Taxes	A-20	1,285.04	1,285.00	Interfund Payable - Animal Control Trust Fund	A-6	7,963.97	
Property Acquired for Taxes (At Assessed Valuation)	A-10	771,640.00	771,640.00	Interfund Payable - Payroll Trust Fund	A-6		25.00
Revenue Accounts Receivable	A-11	42,865.31	33,957.53	Interfund Payable - Grant Fund	A-6	613,778.64	194,251.40
Interfund Receivable - Utility Operating Fund	A-6	1,326,208.07		Interfund Payable - Utility Operating Fund	A-6		314,712.79
Interfund Receivable - General Capital Fund	A-6, A-11	1,486,288.48	2,751,589.07	Interfund Payable - Other Trust Fund	A-6	226,278.69	1,574,131.42
Interfund Receivable - Animal Control Trust Fund	A-6		32,483.50	Reserve for Tax Sale Premiums	A-31	1,617,177.00	1,482,277.00
				Reserve for Various Deposits	A-15	47,735.56	48,054.33
		<u>5,514,770.12</u>	<u>5,375,658.62</u>			<u>9,721,265.49</u>	<u>10,641,630.13</u>
Deferred Charges:							
Overexpenditure of Appropriation Reserves	A-23	666,537.06	23,020.61				
Overexpenditures of Appropriations - CY	A-1, A-23	54,019.52					
Overexpenditures of Appropriations - PY	A-23	660,065.64	2,473,730.80	Reserve for Receivables	Reserve	5,514,770.12	5,375,658.62
Deficit in Operations	A-1, A-23	3,197,117.62					
Current Year Budget Emergency Appropriations	A-1, A-23	676,347.50					
Special Emergency - 5 years							
COVID-19 Ch. 74	A-22	853,598.40	1,138,131.00				
Other Special Emergencies	A-22	1,347,000.00	1,195,000.00	Fund Balance	A-1	2,336,180.16	5,321,180.16
		<u>7,454,685.74</u>	<u>4,829,882.41</u>				
Total Current Fund Assets and Deferred Charges		<u>17,572,215.77</u>	<u>21,338,468.91</u>	Total Current Fund Liabilities, Reserves and Fund Balance		<u>17,572,215.77</u>	<u>21,338,468.91</u>
Federal and State Grant Fund:				Federal and State Grant Fund:			
Grants Receivable	A-25	7,463,122.23	5,624,140.03	Reserve for State and Federal Grants:			
Interfund Receivable - Current Fund	A-26	613,778.64	194,251.40	Appropriated	A-27	7,461,249.95	5,109,735.95
Interfund Receivable - Other Trust Fund	A	51.25	51.25	Unappropriated	A-28	14,240.00	351,909.57
Deferred Charges:							
Overexpenditure of Grant			26,233.30	Reserve for Encumbrances	A-21	601,462.17	383,030.46
Total Federal and State Grant Fund Assets		<u>8,076,952.12</u>	<u>5,844,675.98</u>	Total Federal and State Grant Fund Liabilities and Reserves		<u>8,076,952.12</u>	<u>5,844,675.98</u>
Total Assets		<u>\$ 25,649,167.89</u>	<u>\$ 27,183,144.89</u>	Total Liabilities, Reserves and Fund balance		<u>\$ 25,649,167.89</u>	<u>\$ 27,183,144.89</u>

See accompanying notes to the financial statements.

CURRENT FUND
COMPARATIVE STATEMENTS OF OPERATIONS AND
CHANGES IN FUND BALANCES - REGULATORY BASIS
YEARS ENDED DECEMBER 31, 2023 AND 2022

	<u>REF.</u>	<u>YEAR 2023</u>	<u>YEAR 2022</u>
<u>REVENUES AND OTHER INCOME</u>			
Fund Balance Utilized	A-2	\$ 2,985,000.00	\$ 4,047,000.00
Miscellaneous Revenues Anticipated	A-2	20,770,903.99	16,556,566.26
Receipts from Delinquent Taxes	A-2	575,181.70	924,068.06
Receipts from Current Taxes	A-2	219,384,227.32	214,236,389.83
Non-Budget Revenue	A-2	139,614.19	179,890.28
Other Credits to Income:			
Cancellation of Accounts Payable			12,949.90
Cancellation of Appropriated Grant Reserve Balance			18,419.69
Refund of Prior Years Expenditures	A-4	99,463.89	
Prior Year Prepaid Local School Taxes	A-20	1,285.00	
Unexpended Balance of Approp. Reserves	A-12	134,185.57	162,540.87
Interfund Loans Returned	A	32,483.50	874,210.16
Total Revenues and Other Income		<u>244,122,345.16</u>	<u>237,012,035.05</u>
<u>EXPENDITURES</u>			
Budget and Emergency Appropriations:			
Operations within CAPs	A-3	55,172,130.40	55,206,090.21
Operations Excluded from CAPS	A-3	11,413,247.26	4,552,639.72
Capital Improvements	A-3	250,000.00	25,000.00
Municipal Debt Service	A-3	4,430,005.00	4,369,317.99
Def. Charges and Statutory Expend.	A-3	2,419,218.37	1,234,532.60
County Tax	A-7, A-19	37,808,399.07	36,500,614.05
County Open Space Taxes	A-7, A-19	3,339,024.28	2,945,326.27
County Share of Added and Omitted Taxes	A-7, A-19	238,278.57	620,966.26
Local District School Tax	A-7, A-20	126,332,020.00	124,112,749.00
Special District Taxes	A-7, A-18	2,599,995.00	2,545,797.00
Municipal Open Space Taxes	A-7	1,683,730.26	1,691,759.19
Local School Tax Levy Prepaid	A-20	1,285.04	1,285.00
Refund of Prior Year Revenues			661,834.53
Interfunds Established	A	2,812,496.55	2,784,072.57
Total Expenditures		<u>248,499,829.80</u>	<u>237,446,984.39</u>

See accompanying notes to the financial statements.

CURRENT FUND
COMPARATIVE STATEMENTS OF OPERATIONS AND
CHANGES IN FUND BALANCES - REGULATORY BASIS
YEARS ENDED DECEMBER 31, 2023 AND 2022

	<u>REF.</u>	<u>YEAR 2023</u>	<u>YEAR 2022</u>
(Deficiency) in Revenues		\$ (4,377,484.64)	\$ (434,949.34)
Adjustments to Income before Fund Balance:			
Expenditures Included Above Which are by			
Statute Deferred Charges to Budgets of			
Succeeding Year -			
Overexpenditure of Appropriations	A, A-3 , A-23	54,019.52	2,410,377.61
Current Year Emergency	A-3 , A-23	676,347.50	
Special Emergency Authorization	A , A-22	450,000.00	700,000.00
		<u>1,180,367.02</u>	<u>3,110,377.61</u>
Operating (Deficit)/Statutory Excess to Fund Balance		(3,197,117.62)	2,675,428.27
Deficit in Operations to be Raised in Budgets of			
Succeeding Years	A, A-23	<u>3,197,117.62</u>	<u>-</u>
Statutory Excess to Fund Balance		-	2,675,428.27
<u>FUND BALANCE</u>			
Balance - January 1	A	<u>5,321,180.16</u>	<u>6,692,751.89</u>
		5,321,180.16	9,368,180.16
Decreased by:			
Utilization as Anticipated Revenue	A-2	<u>2,985,000.00</u>	<u>4,047,000.00</u>
Balance - December 31	A	<u>\$ 2,336,180.16</u>	<u>\$ 5,321,180.16</u>

See accompanying notes to the financial statements.

TOWNSHIP OF SOUTH BRUNSWICK
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND
STATEMENT OF REVENUES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2023

	REF.	ANTICIPATED 2023 BUDGET	REALIZED	EXCESS OR (DEFICIT)
Surplus Anticipated	A-1	\$ 2,985,000.00	\$ 2,985,000.00	
Total Surplus Anticipated		2,985,000.00	2,985,000.00	
Miscellaneous Revenues:				
Licenses:				
Alcoholic Beverages	A-11	64,300.00	61,850.00	\$ (2,450.00)
Other	A-11	43,000.00	58,391.61	15,391.61
Fees and Permits:				
Other	A-11	695,600.00	688,376.97	(7,223.03)
Fines and Costs:				
Municipal Court	A-11	327,000.00	454,767.18	127,767.18
Interest and Costs on Taxes	A-11	477,000.00	233,564.51	(243,435.49)
Interest on Investments and Deposits	A-11	20,000.00	50,266.12	30,266.12
Anticipated Utility Operating Surplus	A-11	3,000,000.00	1,999,357.45	(1,000,642.55)
Cable TV Franchise Fee	A-11	421,000.00	398,666.90	(22,333.10)
Energy Receipts Tax	A-11	4,917,930.00	4,917,929.99	(0.01)
Supplemental Energy Receipts Tax	A-11	281,706.00	281,706.00	
Watershed Moratorium Offset Aid	A-11	987.00	987.00	
Garden State Aid Trust Fund	A-11	32,942.00	32,942.00	
Municipal Relief Fund Aid	A-11	538,742.00	538,627.80	(114.20)
Uniform Construction Code Fees	A-11	2,415,000.00	1,374,654.00	(1,040,346.00)
Fire District #1 contract	A-11	145,000.00	118,304.67	(26,695.33)
Fire District #2 contract	A-11	239,000.00	257,175.58	18,175.58
Fire District #3 contract	A-11	196,000.00	171,839.70	(24,160.30)
Spotswood Contract - Data Processing	A-11	21,000.00	21,900.00	900.00
Milltown Contract - Data Processing	A-11	9,800.00	16,375.00	6,575.00
Monroe Contract - Data Processing	A-11	72,000.00	73,500.00	1,500.00
Cranbury Contract - Data Processing	A-11	30,000.00	24,600.00	(5,400.00)
Middlesex College:				
Contract - Data Processing	A-11	16,000.00	16,100.00	100.00
Interlocal Cranbury Dispatch	A-11	138,000.00	140,770.00	2,770.00
Public and Private Revenues Offset with Approp:				
Distracted Driver	A-25	14,000.00	14,000.00	
Clean Communities	A-25	100,792.66	100,792.66	
Recycling Tonnage Grant	A-25	197,631.03	197,631.03	
Click It or Ticket	A-25	7,000.00	7,000.00	
Body Armor	A-25	16,061.44	16,061.44	
Safe Corridors	A-25	7,615.00	7,615.00	
Middlesex County Recycling Grant	A-25	6,710.00	6,710.00	
NJ DOT Benson, Dillon Tyne Ct	A-25	743,718.00	743,718.00	
NJDOT New Road	A-25	556,530.00	556,530.00	
State Highway Connector Road Speed Crash Reduction	A-25	21,000.00	21,000.00	
Enhancing Local Public Health	A-25	241,713.00	241,713.00	
Freedom Trail Bikeway	A-25	680,000.00	680,000.00	
Propagation House	A-25	525,000.00	525,000.00	
Local Public Health Capacity	A-25	23,018.02	23,018.02	
Ambassador	A-25	3,679.54	3,679.54	
Office Location Public Health (OLPH)	A-25	143,722.00	143,722.00	
Drunk Driving Enforcement Fund	A-25	3,566.32	3,566.32	
PHPF	A-25	15,071.00	15,071.00	
Municipal Alliance	A-25	4,881.25	4,881.25	
Cops in Shops	A-25	2,585.00	2,585.00	

See accompanying notes to the financial statements.

TOWNSHIP OF SOUTH BRUNSWICK
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND
STATEMENT OF REVENUES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2023

	REF.	ANTICIPATED 2023 BUDGET	REALIZED	EXCESS OR (DEFICIT)
Other Special items:				
Uniform Fire Safety Act - Life Hazard Use Fees	A-11	\$ 375,000.00	\$ 373,207.66	\$ (1,792.34)
Site Leasing - Antennae	A-11	410,000.00	304,995.49	(105,004.51)
Hotel/Motel Tax	A-11	850,000.00	880,542.63	30,542.63
Reserve for Debt Service	A-6	75,000.00	75,000.00	
PILOT - South Brunswick Community Development Corp.	A-11	40,000.00	44,673.61	4,673.61
PILOT - CIL Woods	A-11	12,000.00	12,585.15	585.15
PILOT - VOA		800.00		(800.00)
PILOT- Oakwoods	A-11	43,000.00	40,520.25	(2,479.75)
School Resource Officer	A-11	620,000.00	775,922.00	155,922.00
PILOT - Car Sense	A-11	189,000.00	264,921.39	75,921.39
Interfunds Realized	A-11	2,751,589.07	2,751,589.07	
Total Miscellaneous Revenues	A-1 , A-2	22,782,690.33	20,770,903.99	(2,011,786.34)
Receipts from Delinquent Taxes	A-1 , A-2	856,000.00	575,181.70	(280,818.30)
Subtotal General Revenues		26,623,690.33	24,331,085.69	(2,292,604.64)
Amount to be Raised by Taxation for Support of Municipal Budget:				
Local Tax for Mun. Purposes	A-7	43,630,669.63	44,905,772.64	1,275,103.01
Minimum Library Tax Levy	A-7	3,681,890.19	3,681,890.19	
	A-2	47,312,559.82	48,587,662.83	1,275,103.01
Total Budget Revenues		73,936,250.15	72,918,748.52	(1,017,501.63)
Non-Budget Revenues	A-1, Below		139,614.19	139,614.19
GRAND TOTALS	REF.	\$73,936,250.15	\$ 73,058,362.71	\$ (877,887.44)
		A-3		
<u>ANALYSIS OF REALIZED REVENUES</u>				
Receipts from Delinquent Taxes:				
Cash Receipts - Taxes	A-7		\$ 543,834.36	
Cash Receipts - Tax Title Liens	A-9		31,347.34	
Delinquent Tax Collections	A-1, A-2		\$ 575,181.70	
Allocation of Current Tax Collections:				
2023 Cash Collections	A-7		\$ 216,807,598.75	
Prepaid Taxes Applied	A-7 , A-14		2,479,808.71	
State Share for Senior Citizen and Veteran Deductions	A-7 , A-8		96,819.86	
	A-1		219,384,227.32	
Allocated to:				
School, County, Open Space and Special District Taxes	A-7		172,001,447.18	
			47,382,780.14	
Add: Reserve For Uncollected Taxes	A-3		1,204,882.69	
	A-2		\$ 48,587,662.83	

See accompanying notes to the financial statements.

TOWNSHIP OF SOUTH BRUNSWICK
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND
STATEMENT OF REVENUES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2023

		ANTICIPATED		EXCESS OR
	REF.	2023 BUDGET	REALIZED	(DEFICIT)
<u>Analysis of Miscellaneous Revenue Anticipated</u>				
Revenue Accounts Receivable	A-11		\$ 14,630,020.66	
Federal and State Grants Receivable	A-25		3,314,294.26	
Realization of Prior Year Interfund Receivable	A		2,751,589.07	
Due from General Capital Fund	A-6		<u>75,000.00</u>	
	A-2		<u>\$ 20,770,903.99</u>	
<u>Analysis of Non-Budget Revenues</u>				
Assessor			\$ 1,434.75	
Code			7.00	
Clerk			264.71	
Fire			10.00	
Health			5,080.00	
Planning			425.00	
Police			35,495.70	
Public Works			8,720.00	
Recreation			300.00	
Senior Citizens			4,000.00	
Tax Collector			495.00	
Miscellaneous			11,928.44	
Legal			151.37	
Court			1,804.15	
Dog Park			4,305.00	
Insurance Refunds (JIF)			472.54	
PILOT			6,000.00	
Wellness Center Rent			28,926.00	
FEMA			6,549.74	
Other			4,067.26	
RWJ Paramedics			<u>9,625.00</u>	
	A-4		<u>130,061.66</u>	
Due From Animal Control Fund	A-6		<u>9,552.53</u>	
	Above		<u>\$ 139,614.19</u>	

See accompanying notes to the financial statements.

TOWNSHIP OF SOUTH BRUNSWICK
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2023

	2023 BUDGET	BUDGET AFTER MODIFICATION	EXPENDED			OVEREXPENDED	UNEXPENDED BALANCE CANCELLED
			PAID OR CHARGED	ENCUMBERED	RESERVED		
OPERATIONS WITHIN "CAPS"							
Mayor and Council							
Salaries and Wages	\$ 58,000.00	58,000.00	\$ 57,953.99		\$ 46.01		
Other Expenses	128,100.00	172,600.00	121,841.90	\$ 50,000.00	758.10		
General Administration							
Salaries and Wages	467,000.00	467,000.00	463,453.06		3,546.94		
Other Expenses	41,800.00	76,800.00	75,146.22	305.68	1,348.10		
Municipal Clerk							
Salaries and Wages	395,500.00	397,700.00	395,428.30		2,271.70		
Other Expenses	36,050.00	23,020.20	22,368.82		651.38		
Elections							
Salaries and Wages	2,500.00	1,250.00	(1,282.95)		2,532.95		
Other Expenses	7,750.00	32,950.00	32,894.10		55.90		
CATV Advisory Commission (N.J.S.A. 48A:56A-26)							
Salaries and Wages	6,500.00	2,100.00	1,855.83		244.17		
Other Expenses	1,100.00	1,100.00	250.00		850.00		
Financial Administration							
Salaries and Wages	401,500.00	411,500.00	409,378.51		2,121.49		
Other Expenses	106,000.00	113,500.00	110,659.83	600.00	2,240.17		
Purchasing							
Salaries and Wages	71,000.00	71,000.00	70,762.96		237.04		
Other Expenses	61,000.00	108,000.00	79,593.97	27,757.75	648.28		
Computerized Data Processing							
Salaries and Wages	360,200.00	368,200.00	365,043.39		3,156.61		
Other Expenses	542,900.00	442,900.00	335,162.15	9,685.71	98,052.14		
Tax Collection							
Salaries and Wages	315,000.00	284,500.00	282,777.44		1,722.56		
Other Expenses	8,350.00	8,725.00	8,686.57	22.09	16.34		
Other Expenses - Estimated Tax Bills	6,500.00	6,875.00	6,844.00		31.00		
Audit Services							
Other Expenses	27,000.00	27,000.00	13,997.50	12,747.50	255.00		
Assessment of Taxes							
Salaries and Wages	324,000.00	324,000.00	322,729.78		1,270.22		
Other Expenses	126,520.00	86,520.00	41,954.95	44,377.51	187.54		
Law							
Salaries and Wages	96,000.00	97,200.00	95,868.01		1,331.99		
Other Expenses	205,750.00	220,350.00	208,275.46	11,867.65	206.89		

See accompanying notes to the financial statements.

TOWNSHIP OF SOUTH BRUNSWICK
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2023

	2023 BUDGET	BUDGET AFTER MODIFICATION	EXPENDED			OVEREXPENDED	UNEXPENDED BALANCE CANCELLED
			PAID OR CHARGED	ENCUMBERED	RESERVED		
OPERATIONS WITHIN "CAPS"							
Affordable Housing Agency							
Other Expenses	\$ 200,000.00	\$ 240,000.00	\$ 237,875.24	\$ 2,074.00	\$ 50.76		
Community Development (Planning)							
Salaries and Wages	569,000.00	552,000.00	551,252.47		747.53		
Other Expenses	20,450.00	15,450.00	13,109.76	1,666.70	673.54		
Zoning Board							
Salaries and Wages	12,500.00	13,000.00	12,959.10		40.90		
Other Expenses	7,100.00	22,600.00	21,557.21		1,042.79		
Industrial Commission (N.J.S.A. 40A:55-56A-5)							
Salaries and Wages	1,250.00	1,750.00	1,510.70		239.30		
Other Expenses	1,200.00	700.00	185.15		514.85		
Environmental Commission (N.J.S.A. 40:56A-10)							
Salaries and Wages	1,000.00	1,000.00	944.73		55.27		
Other Expenses	525.00	1,025.00	819.18		205.82		
Transportation Advisory Committee							
Other Expenses	500.00	500.00	16.38		483.62		
Public Building and Grounds							
Salaries and Wages	433,700.00	439,700.00	437,377.49		2,322.51		
Other Expenses	225,000.00	240,100.00	232,352.82	7,670.22	76.96		
Maintenance of Parks							
Salaries and Wages	1,016,000.00	1,031,000.00	1,029,609.21		1,390.79		
Other Expenses	88,000.00	88,000.00	84,853.92	1,854.17	1,291.91		
Shade Tree Commission							
Salaries and Wages	500.00	525.00	504.96		20.04		
Other Expenses	1,500.00	1,500.00	1,265.00		235.00		
Streets and Road Maintenance							
Salaries and Wages	2,153,000.00	2,185,000.00	2,180,327.22		4,672.78		
Other Expenses	150,365.00	150,365.00	121,965.70	22,361.07	6,038.23		
Snow Removal							
Other Expenses	10,000.00						
Vehicle Maintenance							
Salaries and Wages	655,500.00	652,500.00	650,386.46		2,113.54		
Other Expenses	185,825.00	138,825.00	106,826.26	22,514.98	9,483.76		
Recycling							
Salaries and Wages	220,000.00	220,000.00	273,679.67			\$ 53,679.67	
Other Expenses	5,200.00	2,700.00	(2,028.15)	1,704.17	3,023.98		

See accompanying notes to the financial statements.

TOWNSHIP OF SOUTH BRUNSWICK
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2023

	<u>2023 BUDGET</u>	<u>BUDGET AFTER MODIFICATION</u>	<u>EXPENDED</u>			<u>OVEREXPENDED</u>	<u>UNEXPENDED BALANCE CANCELLED</u>
			<u>PAID OR CHARGED</u>	<u>ENCUMBERED</u>	<u>RESERVED</u>		
OPERATIONS WITHIN "CAPS"							
Transit - Other Public Works Functions							
Salaries and Wages	\$ 411,150.00	\$ 426,150.00	\$ 423,938.06		\$ 2,211.94		
Other Expenses	6,950.00	6,950.00	2,343.69	\$ 492.00	4,114.31		
Aid to Volunteer Ambulance Companies							
Other Expenses	135,000.00	135,000.00	101,250.00		33,750.00		
Public Safety							
Fire Prevention Service							
Salaries and Wages	453,000.00	472,000.00	467,947.74		4,052.26		
Other Expenses	6,850.00	6,850.00	3,906.46		2,943.54		
Other Fire District Payments	10,536.00	10,536.00	10,536.00				
Police							
Salaries and Wages	13,995,000.00	13,962,000.00	13,795,845.01		166,154.99		
Othr Expenses	400,000.00	400,000.00	288,961.67	87,784.98	23,253.35		
Crossing Guards							
Salaries and Wages	200,000.00	210,000.00	201,999.64		8,000.36		
Othr Expenses	3,650.00	3,650.00	75.49	1,907.00	1,667.51		
Police Dispatch/911							
Salaries and Wages	1,101,000.00	1,096,000.00	1,095,394.15		605.85		
Other Expenses	15,203.00	13,703.00	10,566.64	2,405.15	731.21		
Emergency Management Services							
Salaries and Wages	13,000.00	13,000.00	12,604.02		395.98		
Other Expenses	1,500.00	1,500.00	1,000.00	494.59	5.41		
Municipal Prosecutor							
Other Expenses	50,000.00	66,000.00	55,448.26	10,214.24	337.50		
Health and Welfare							
Contribution to Social Service Agreement							
Other Expenses	50,000.00	50,000.00			50,000.00		
Public Health Services							
Salaries and Wages	245,450.00	239,425.00	233,756.21		5,668.79		
Other Expenses	315,000.00	315,029.80	315,029.80				
Animal Control Services							
Salaries and Wages	87,050.00	87,050.00	86,242.30		807.70		
Other Expenses	23,000.00	23,000.00	19,850.64		3,149.36		
Recreation Services and Programs							
Salaries and Wages	474,000.00	464,000.00	464,339.85			\$ 339.85	
Other Expenses	139,350.00	129,350.00	103,699.99	5,148.91	20,501.10		

See accompanying notes to the financial statements.

TOWNSHIP OF SOUTH BRUNSWICK
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2023

	<u>2023 BUDGET</u>	<u>BUDGET AFTER MODIFICATION</u>	<u>EXPENDED</u>			<u>OVEREXPENDED</u>	<u>UNEXPENDED BALANCE CANCELLED</u>
			<u>PAID OR CHARGED</u>	<u>ENCUMBERED</u>	<u>RESERVED</u>		
OPERATIONS WITHIN "CAPS"							
Senior Services							
Salaries and Wages	\$ 523,700.00	\$ 503,700.00	\$ 500,372.85		\$ 3,327.15		
Other Expenses	45,950.00	45,950.00	38,328.80		7,621.20		
Social Services - Administration of Public Assistance							
Salaries and Wages	96,000.00	110,000.00	108,687.71		1,312.29		
Other Expenses	1,200.00	1,200.00	22.80	\$ 255.21	921.99		
Celebration of Public events							
Other Expenses	17,000.00	7,000.00	2,000.00		5,000.00		
Solid Waste Collection							
Other Expenses	3,201,021.00	3,256,021.00	3,164,877.32		91,143.68		
Community Services Act							
Other Expenses	185,000.00	175,600.00	111,545.70	13,833.84	50,220.46		
Municipal Court							
Salaries and Wages	610,525.00	540,525.00	537,034.45		3,490.55		
Other Expenses	22,800.00	22,800.00	18,567.05		4,232.95		
Public Defender							
Other Expenses	35,000.00	35,000.00	20,501.62	13,596.02	902.36		
Insurance							
Group Insurance	9,306,276.00	9,343,276.00	9,341,933.56	600.90	741.54		
General Liability	282,658.00	233,658.00	233,029.06	483.28	145.66		
Workers Compensation	192,448.00	192,448.00	192,448.00				
Waiver of Health Benefits	115,000.00	106,000.00	102,509.84		3,490.16		
Accumulated Leave							
Salaries and Wages		450,000.00	450,000.00				
Construction Official							
Salaries and Wages	891,000.00	913,000.00	910,213.66		2,786.34		
Other Expenses	11,000.00	14,000.00	13,486.46	59.20	454.34		

See accompanying notes to the financial statements.

TOWNSHIP OF SOUTH BRUNSWICK
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2023

	2023 BUDGET	BUDGET AFTER MODIFICATION	EXPENDED			OVEREXPENDED	UNEXPENDED BALANCE CANCELLED
			PAID OR CHARGED	ENCUMBERED	RESERVED		
OPERATIONS WITHIN "CAPS"							
Utilities							
Electricity	\$ 530,500.00	\$ 505,500.00	\$ 474,544.11		\$ 30,955.89		
Street Lighting	540,000.00	565,000.00	564,228.71		771.29		
Telephone	145,000.00	120,000.00	95,044.39	\$ 64.24	24,891.37		
Water	29,000.00	29,000.00	26,145.78		2,854.22		
Sewerage Disposal	12,000.00	37,000.00	32,201.67		4,798.33		
Solid Waste Disposal	1,300,000.00	1,425,000.00	1,304,529.79		120,470.21		
Fuel Oil	140,000.00	115,000.00	102,827.88		12,172.12		
Gasoline	273,000.00	243,000.00	209,048.67		33,951.33		
Heating Oil	2,250.00	2,250.00			2,250.00		
Fire Hydrant	30,000.00	30,000.00	26,600.32		3,399.68		
Total Operations Within "CAPS"	46,429,152.00	46,954,152.00	45,754,460.09	354,548.76	899,162.67	\$ 54,019.52	
DEFERRED CHARGES WITHIN CAPS							
Overexpenditure of Grants	26,233.30	26,233.30	26,233.30				
Overexpenditure of Trust Fund (WC)	45,740.58	45,740.58	45,740.58				
STATUTORY EXPENDITURES							
<u>MUNICIPAL WITHIN "CAPS"</u>							
Statutory Expenditures:							
Contribution to:							
Public Employees' Retirement System	2,467,250.00	2,467,250.00	2,467,250.00				
Social Security System (O.A.S.L)	2,135,000.00	2,060,000.00	2,037,121.01		22,878.99		
Police and Firemen's Retirement System of NJ	3,547,735.00	3,547,735.00	3,547,735.00				
Defined Contribution Retirement Program	17,000.00	17,000.00	13,737.47		3,262.53		
Total Deferred Charges and Statutory Expenditures	8,238,958.88	8,163,958.88	8,137,817.36		26,141.52		
Total General Appropriations for Municipal Purposes Within "CAPS"	54,668,110.88	55,118,110.88	53,892,277.45	354,548.76	925,304.19	54,019.52	
Detail							
Salaries and Wages	26,660,525.00	27,065,775.00	26,890,895.98	-	228,898.54	54,019.52	
Other Expenses	28,007,585.88	28,052,335.88	27,001,381.47	354,548.76	696,405.65	-	

See accompanying notes to the financial statements.

TOWNSHIP OF SOUTH BRUNSWICK
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2023

			EXPENDED				UNEXPENDED
	2023 BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	ENCUMBERED	RESERVED	OVEREXPENDED	BALANCE CANCELLED
<u>OTHER OPERATIONS EXCLUDED FROM "CAPS"</u>							
Maintenance of Free Public Library							
Salaries and Wages	\$ 2,211,200.00	\$ 2,211,200.00	\$ 2,111,673.62		\$ 99,526.38		
Other Expenses	1,638,690.00	1,638,690.00	1,375,219.11	\$ 86,462.69	177,008.20		
Length of Service Award Program (LOSAP)							
Other Expenses	40,000.00	40,000.00		40,000.00			
Garbage & Trash Removal							
Other Expenses	627,979.00	627,979.00	627,979.00				
PFRS							
Other Expenses	353,362.00	353,362.00	353,362.00				
PERS							
Other Expenses	29,146.00	29,146.00	29,146.00				
Workers Comp							
Other Expenses	7,552.00	7,552.00	7,552.00				
Group Insurance							
Other Expenses	2,324,224.00	2,324,224.00	2,324,224.00				
Interlocal Municipal Services Agreement							
Fire Services							
Salaries and Wages	580,000.00	580,000.00	580,000.00				
Dispatch							
Salaries and Wages	138,000.00	138,000.00	138,000.00				
Data Processing							
Salaries and Wages	148,800.00	148,800.00	148,800.00				
Total Other Operations Excluded from "CAPS"	8,098,953.00	8,098,953.00	7,695,955.73	126,462.69	276,534.58		

See accompanying notes to the financial statements.

TOWNSHIP OF SOUTH BRUNSWICK
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2023

	<u>2023 BUDGET</u>	<u>BUDGET AFTER MODIFICATION</u>	<u>EXPENDED</u>			<u>OVEREXPENDED</u>	<u>UNEXPENDED BALANCE CANCELLED</u>
			<u>PAID OR CHARGED</u>	<u>ENCUMBERED</u>	<u>RESERVED</u>		
OTHER OPERATIONS EXCLUDED FROM "CAPS"							
<u>STATE AND FEDERAL PROGRAMS OFFSET BY REVENUES</u>							
Distracted Driver							
Other Expenses	\$ 14,000.00	\$ 14,000.00	\$ 14,000.00				
Ambassador							
Other Expenses	3,679.54	3,679.54	3,679.54				
Body Armor							
Other Expenses	16,061.44	16,061.44	16,061.44				
Recycling Tonnage Grant							
Other Expenses	197,631.03	197,631.03	197,631.03				
Middlesex County Recycling Grant							
Other Expenses	6,710.00	6,710.00	6,710.00				
Municipal Alliance							
Other Expenses	4,881.25	4,881.25	4,881.25				
Click It or Ticket							
Other Expenses	7,000.00	7,000.00	7,000.00				
Propagation House							
Other Expenses	525,000.00	525,000.00	525,000.00				
State Highway Connector Road Speed Crash Reduction							
Other Expenses	21,000.00	21,000.00	21,000.00				
Enhancing Local Public Health							
Other Expenses	241,713.00	241,713.00	241,713.00				
COPS in SHOPS							
Other Expenses	2,585.00	2,585.00	2,585.00				
Local Public Health Capacity							
Other Expenses	23,018.02	23,018.02	23,018.02				
NJDOT New Road							
Other Expenses	556,530.00	556,530.00	556,530.00				
NJDOT Freedom Trail Bikeway							
Other Expenses	680,000.00	680,000.00	680,000.00				
NJ DOT Benson, Dillon, Tyne							
Other Expenses	743,718.00	743,718.00	743,718.00				
NJ Safe Corridors							
Other Expenses	7,615.00	7,615.00	7,615.00				
PHPF							
Other Expenses	15,071.00	15,071.00	15,071.00				
Clean Communities							
Other Expenses	100,792.66	100,792.66	100,792.66				
Total Public and Private Revenues Offset by Revenues	<u>3,314,294.26</u>	<u>3,314,294.26</u>	<u>3,314,294.26</u>				
Total Operations Excluded from "CAPS"	<u>11,413,247.26</u>	<u>11,413,247.26</u>	<u>11,010,249.99</u>	<u>126,462.69</u>	<u>276,534.58</u>		
Detail							
Salaries and Wages	3,078,000.00	3,078,000.00	2,978,473.62	-	99,526.38		
Other Expenses	<u>8,335,247.26</u>	<u>8,335,247.26</u>	<u>8,031,776.37</u>	<u>126,462.69</u>	<u>177,008.20</u>		

See accompanying notes to the financial statements.

TOWNSHIP OF SOUTH BRUNSWICK
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2023

		EXPENDED					UNEXPENDED	
		2023 BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	ENCUMBERED	RESERVED	OVEREXPENDED	BALANCE CANCELLED
<u>CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"</u>								
Capital Improvement Fund		\$ 250,000.00	\$ 250,000.00	\$ 250,000.00				
Total Capital Improv. - Excl. from "CAPS"		250,000.00	250,000.00	250,000.00				
<u>MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS"</u>								
Payment of Bond Principal		2,945,000.00	3,610,000.00	3,610,000.00				
Interest on Bonds		580,855.00	592,202.50	592,202.50				
Interest on Notes		48,306.00	48,306.00	48,306.00				
Capital Lease Obligation - Principal and Interest		406,500.00	406,500.00	179,496.50				\$ 227,003.50
Total Mun. Debt Service - Exl. from "CAPS"		3,980,661.00	4,657,008.50	4,430,005.00				227,003.50
<u>DEFERRED CHARGES - MUNICIPAL EXCLUDED FROM "CAPS"</u>								
Deferred Charges:								
Special Emergency Authorizations - 5 Years (N.J.S.A. 40A:4-53)		582,532.60	582,532.60	582,532.60				
Overexpenditure of Prior Year		1,813,665.16	1,813,665.16	1,813,665.16				
Overexpenditure of Appropriation Reserves		23,150.56	23,150.56	23,020.61				129.95
Total Deferred Charges - Municipal Excluded from "CAPS"		2,419,348.32	2,419,348.32	2,419,218.37				129.95
Total General Appropriations for Municipal Purposes Excluded from "CAPS"		18,063,256.58	18,739,604.08	18,109,473.36	126,462.69	276,534.58	-	227,133.45
Subtotal General Appropriations		72,731,367.46	73,857,714.96	72,001,750.81	481,011.45	1,201,838.77	\$ 54,019.52	227,133.45
Reserve for Uncollected Taxes		1,204,882.69	1,204,882.69	1,204,882.69				
Total General Appropriations		\$ 73,936,250.15	\$ 75,062,597.65	\$ 73,206,633.50	\$ 481,011.45	\$ 1,201,838.77	\$ 54,019.52	\$ 227,133.45
	REF.	A-2	Below	Below	A, A-21	A	A, A-1 , A-23	A-1
Adopted Budget	A-2		\$ 73,936,250.15					
Special Emergency Authorizations	A-22		450,000.00					
Emergency Authorizations	A-23		676,347.50					
	Above		\$ 75,062,597.65					
Cash Disbursed	A-4			\$ 65,746,264.30				
Deferred Charges - Special Emergency	A-22			582,532.60				
Due to Other Trust Fund - Reserve for Accumulated Absence	A-22			450,000.00				
Deferred Charges - Overexpenditures (Other Trust Fund)	A-23 , B-3		\$ 45,740.58					
Deferred Charges - Overexpenditures (Current Fund)	A-23		1,813,665.16					
Deferred Charges - Overexpenditures (Current Fund)	A-23		23,020.61					
Deferred Charges - Overexpenditures (Grant Fund)	A-23, A-26		26,233.30					
Subtotal				1,908,659.65				
Reserve for Uncollected Taxes	A-2			1,204,882.69				
Reserve for Federal and State Grants Appropriated	A-27			3,314,294.26				
	Above			\$ 73,206,633.50				

See accompanying notes to the financial statements.

TOWNSHIP OF SOUTH BRUNSWICK
MIDDLESEX COUNTY, NEW JERSEY

TRUST FUNDS
COMPARATIVE BALANCE SHEETS - REGULATORY BASIS
DECEMBER 31, 2023 AND 2022

<u>ASSETS</u>				<u>LIABILITIES AND RESERVES</u>			
<u>REF.</u>	<u>DEC. 31, 2023</u>	<u>DEC. 31, 2022</u>		<u>REF.</u>	<u>DEC. 31, 2023</u>	<u>DEC. 31, 2022</u>	
Animal Control Fund:				Animal Control Fund:			
Cash and Cash Equivalents - Treasurer	B-1	\$ 18,272.63	\$ 62,429.10	Due to State of New Jersey	B-6	\$ 194.40	\$ 157.20
Interfund Receivable - Current Fund	B-2	7,963.97		Reserve for Animal Control Expenditures	B-9	26,042.20	29,788.40
				Interfund Payable - Current	B-2		32,483.50
Total Animal Control Fund		<u>26,236.60</u>	<u>62,429.10</u>	Total Animal Control Fund		<u>26,236.60</u>	<u>62,429.10</u>
Other Trust Fund				Other Trust Fund			
Cash and Cash Equivalents - Treasurer	B-1	34,649,376.67	32,572,591.10	Interfund Payable - General Capital	B-3	100,275.00	100,000.00
Due from County of Middlesex	B-4	9,910.67	9,910.67	Interfund Payable - CDBG	B-5	94,770.75	101,181.10
Interfund Receivable - Payroll Trust	B-3	74,714.59	74,714.59	Interfund Payable - Grant	B-3	51.25	51.25
Interfund Receivable - Current Fund	B-3	226,278.69	1,574,131.42	Reserve for:			
Deferred Charge-Overexpenditures of reserve			45,740.58	Open Space	B-11	2,010,141.50	1,894,774.15
				Other Reserves	B-10	32,706,224.62	31,909,171.15
				Encumbrances	B-1, B-10	48,817.50	271,910.71
Total Other Trust Fund		<u>34,960,280.62</u>	<u>34,277,088.36</u>	Total Other Trust Fund		<u>34,960,280.62</u>	<u>34,277,088.36</u>
Community Development Block Grant Trust Fund:				Community Development Block Grant Trust Fund:			
Interfund Receivable - Other Trust Fund	B-5	94,770.75	101,181.10				
Accounts Receivable - Community Development Block Grant	B-7	<u>39,236.59</u>	<u>97,581.53</u>	Reserve for Program Expenditures	B-8	<u>134,007.34</u>	<u>198,762.63</u>
Total Community Development Block Grant Trust Fund		<u>134,007.34</u>	<u>198,762.63</u>	Total Community Development Block Grant Trust Fund		<u>134,007.34</u>	<u>198,762.63</u>
Total Assets		<u>\$ 35,120,524.56</u>	<u>\$ 34,538,280.09</u>	Total Liabilities and Reserves		<u>\$ 35,120,524.56</u>	<u>\$ 34,538,280.09</u>

See accompanying notes to the financial statements.

TOWNSHIP OF SOUTH BRUNSWICK
COUNTY OF MIDDLESEX, NEW JERSEY

GENERAL CAPITAL FUND
COMPARATIVE BALANCE SHEETS - REGULATORY BASIS
DECEMBER 31, 2023 AND 2022

	REF.	DEC. 31, 2023	DEC. 31, 2022 (as restated)
<u>ASSETS</u>			
Cash and Cash Equivalents - Treasurer	C-2, C-3	\$ 10,356,105.46	\$ 185,195.65
Grants Receivable - State of New Jersey	C-10	559,822.59	59,822.59
Grants Receivable - New Jersey Library	C-10	5,086,852.00	3,586,852.00
Grants Receivable - US Dept of Housing and Urban Development	C-10	405,000.00	
Interfund Receivable - Other Trust Fund	C-12	100,275.00	100,000.00
Due from Library Foundation	C	600,000.00	600,000.00
Deferred Charges to Future Taxation:			
Overexpenditure of Improvement Authorization	C-6	16,152.79	
Funded	C-4	51,088,000.00	34,099,000.00
Unfunded	C-5	21,452,986.70	23,706,986.70
Total Assets		<u>\$ 89,665,194.54</u>	<u>\$ 62,337,856.94</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
General Serial Bonds Payable	C-13	\$ 51,088,000.00	\$ 34,099,000.00
Reserve for Encumbrances	C-14	16,762,570.10	2,769,718.32
Improvement Authorizations:			
Funded	C-6	12,736,050.56	6,849,418.07
Unfunded	C-6	6,701,757.43	13,288,321.66
Interfund Payable - Current Fund	C-11	1,486,288.48	2,751,589.07
Interfund Payable - Water Capital	C-2		1,590,905.91
Capital Improvement Fund	C-8	873.58	40,873.58
Reserve for Debt Service	C-7	1,642.18	76,642.18
Reserve for Contributions	C-9	860,573.75	860,573.75
Reserve for Preliminary Costs	C	10,000.00	10,000.00
Fund Balance	C-1	17,438.46	814.40
Total Liabilities, Reserves and Fund Balance		<u>\$ 89,665,194.54</u>	<u>\$ 62,337,856.94</u>

There were Bonds and Notes Authorized but Not Issued at December 31, 2023 and 2022 in the amounts of \$21,452,986.70 and \$23,706,986.70, respectively. See Exhibit C-15.

See accompanying notes to the financial statements.

TOWNSHIP OF SOUTH BRUNSWICK
COUNTY OF MIDDLESEX, NEW JERSEY

GENERAL CAPITAL FUND
STATEMENT OF FUND BALANCE - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>REF.</u>	
Balance, December 31, 2022	C	\$ 814.40
Increased By:		
Grant Proceeds	C-2	<u>16,624.06</u>
Balance, December 31, 2023	C	<u>\$ 17,438.46</u>

See accompanying notes to the financial statements.

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

**WATER AND SEWER UTILITY FUNDS
COMPARATIVE BALANCE SHEETS - REGULATORY BASIS
DECEMBER 31, 2023 AND 2022**

	REF.	DEC. 31, 2023	DEC. 31, 2022		REF.	DEC. 31, 2023	DEC. 31, 2022
Assets				Liabilities, Reserves and Fund Balance			
Operating Fund:				Operating Fund:			
Cash and Cash Equivalents	D-6	\$ 2,617,690.90	\$ 3,485,302.69	Appropriation Reserves	D-5 , D-13	\$ 328,101.73	\$ 13,889.54
Cash - Change Fund	D-6	600.00	400.00	Reserve for Encumbrances	D-14	594,785.73	250,881.12
		<u>2,618,290.90</u>	<u>3,485,702.69</u>	Accounts Payable	D-24	110,560.64	544,593.56
				Interfunds Payable - Current Fund	D-8	1,326,208.07	
				Reserve for Insurance Reimbursement Expenses	D-15	36,950.51	
				Prepaid Rents	D-17	126,696.41	112,649.08
				Accrued Interest on Bonds and Notes	D-12	<u>340,942.72</u>	<u>228,031.33</u>
						<u>2,864,245.81</u>	<u>1,150,044.63</u>
Receivables With Offsetting Reserves:							
Consumer Accounts Receivable	D-10	1,278,426.81	1,394,172.38				
Interfund Receivable - Utility Capital fund	D-8	532,491.38	315,231.71				
Interfund Receivable - Utility Assessment Fund	D-8	857.66					
Deferred Charges-over expenditures	D-5 , D-26	149,136.39	184,720.67	Reserve for Receivables	Reserve	1,278,426.81	1,394,172.38
Deferred Charge - overexpenditures of appropriation reserves	D-13 , D-26	868,037.07					
Deferred Charges-Special Emergency COVID-19	D-25	<u>2,187,739.20</u>	<u>2,916,985.60</u>	Fund Balance	D-1	<u>3,492,306.79</u>	<u>5,752,596.04</u>
Total Operating Fund		<u>7,634,979.41</u>	<u>8,296,813.05</u>	Total Operating Fund		<u>7,634,979.41</u>	<u>8,296,813.05</u>
Assessment Trust Fund:				Assessment Trust Fund:			
Cash and Cash Equivalents	D-6	125,464.20	124,606.54	Interfund Payable - Utility Operating Fund	D-8	857.66	
				Fund Balance	D-2	<u>124,606.54</u>	<u>124,606.54</u>
Total Assessment Trust Fund		<u>125,464.20</u>	<u>124,606.54</u>	Total Assessment Trust Fund		<u>125,464.20</u>	<u>124,606.54</u>
Capital Fund:				Capital Fund:			
Cash and Cash Equivalents	D-6 , D-7	10,841,521.23	1,258,785.16	Serial Bonds Payable	D-20	41,331,000.00	32,655,000.00
Interfund Receivable - General Capital Fund	D-9		1,590,905.91	Interfund Payable - Utility Operating Fund	D-9	532,491.38	518.92
Fixed Capital	D-18	101,759,983.67	101,759,983.67	Improvement Authorizations:			
Fixed Capital - Authorized and Uncompleted	D-19	73,860,321.00	59,110,321.00	Funded	D-21	3,043,233.17	2,862,910.94
Deferred Charges - over expenditures of				Unfunded	D-21	19,265,806.93	9,026,660.07
Improvement Authorization	D-21	928.51		Capital Improvement Fund	D-16	109.68	109.68
				Reserves for:			
				Encumbrances	D-27	12,009,594.17	12,889,277.05
				Debt Service	D-11	2,502.27	2,502.27
				Amortization	D-22	110,204,871.49	106,209,871.49
				Deferred Amortization	D-23	69,000.00	69,000.00
				Fund Balance	D-3	<u>4,145.32</u>	<u>4,145.32</u>
Total Capital Fund		<u>186,462,754.41</u>	<u>163,719,995.74</u>	Total Capital Fund		<u>186,462,754.41</u>	<u>163,719,995.74</u>
Total Assets		<u>\$ 194,223,198.02</u>	<u>\$ 172,141,415.33</u>	Total Liabilities, Reserves and Fund Balance		<u>\$ 194,223,198.02</u>	<u>\$ 172,141,415.33</u>

There were Water and Sewer Utility Bonds and Notes Authorized but not Issued at December 31, 2023 and 2022 in the amounts of \$23,150,371.00 and \$21,071,371.00, respectively. See Exhibit D-28.

See accompanying notes to the financial statements.

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

**WATER AND SEWER UTILITY OPERATING FUND
COMPARATIVE STATEMENTS OF OPERATIONS AND
CHANGES IN FUND BALANCES - REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022**

	<u>REF.</u>	<u>Year 2023</u>	<u>Year 2022</u>
<u>REVENUES AND OTHER INCOME</u>			
Fund Balance Utilized	D-4	\$ 2,658,000.00	
Rents	D-4 , D-10	26,409,654.19	\$ 27,252,263.55
Water and Sewer Connection Fees and Charges	D-4	1,386,898.95	1,623,011.27
Interest on Investments	D-4	149,007.64	37,557.36
Reserve for Debt Service			400,000.00
Miscellaneous Revenue Not Anticipated	D-6	252,244.57	109,306.14
Other Credits to Income:			
Appropriation Reserves Lapsed	D-13	42,679.92	151,540.55
Total Revenues and Other Income		<u>30,898,485.27</u>	<u>29,573,678.87</u>
<u>EXPENDITURES</u>			
Budget Appropriations:			
Operations	D-5	21,940,700.00	19,934,012.71
Debt Service	D-5	5,019,886.39	4,828,496.33
Deferred Charges and Statutory Expenditures	D-5	1,689,967.07	1,319,963.20
Surplus (General Budget)	D-5	1,999,357.45	
Total Expenditures		<u>30,649,910.91</u>	<u>26,082,472.24</u>
Excess in Revenues		248,574.36	3,491,206.63
Adjustments to Income before Fund Balance:			
Expenditures Included Above Which are by Statute			
Deferred Charges to Budgets of Succeeding Year-			
Overexpenditure of appropriations	D-5	149,136.39	184,720.67
Statutory Excess to Fund Balance		397,710.75	3,675,927.30
<u>FUND BALANCE</u>			
Balance - January 1	D	5,752,596.04	2,076,668.74
		6,150,306.79	5,752,596.04
Decreased By:			
Utilization as Anticipated Revenue	D-4	2,658,000.00	-
Balance - December 31	D	<u>\$ 3,492,306.79</u>	<u>\$ 5,752,596.04</u>

See accompanying notes to the financial statements.

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

**WATER AND SEWER UTILITY ASSESSMENT TRUST FUND
STATEMENT OF FUND BALANCE - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2023**

REF.

Balance - December 31, 2023 and 2022	D	\$ <u>124,606.54</u>
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See accompanying notes to the financial statements.

**WATER AND SEWER UTILITY CAPITAL FUND
STATEMENT OF FUND BALANCE - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2023**

REF.

Balance - December 31, 2023 and 2022	D	\$ <u>4,145.32</u>
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See accompanying notes to the financial statements.

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

**WATER AND SEWER UTILITY OPERATING FUND
STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2023**

	REF.	2023 BUDGET	REALIZED	EXCESS (DEFICIENCY)
Utility Operating Surplus	D-1	\$ 2,658,000.00	\$ 2,658,000.00	
Water / Sewer Rents	D-1, D-10	26,295,000.00	26,409,654.19	\$ 114,654.19
Water and Sewer Connection Fees	D-1, D-6	2,525,849.28	1,386,898.95	(1,138,950.33)
Interest on Investments	D-1, Below	<u>22,567.79</u>	<u>149,007.64</u>	<u>126,439.85</u>
TOTALS	D-5	<u>\$ 31,501,417.07</u>	<u>\$ 30,603,560.78</u>	<u>\$ (897,856.29)</u>
<u>Interest on Investments</u>				
Cash Receipts	D-6		\$ 148,149.98	
Due from Assessment Trust Fund	D-8		<u>857.66</u>	
	Above		<u>\$ 149,007.64</u>	

See accompanying notes to the financial statements.

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

**WATER AND SEWER UTILITY OPERATING FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2023**

	2023 Budget	Budget After Modification	Expended			Overexpended	Cancelled
			Paid or Charged	Encumbered	Reserved		
Operating:							
Salaries and Wages	\$ 3,515,500.00	\$ 3,517,100.00	\$ 3,452,256.35		\$ 64,843.65		
Other Expenses	18,425,200.00	18,423,600.00	17,724,037.32	\$ 588,249.92	111,312.76		
Total Operating	21,940,700.00	21,940,700.00	21,176,293.67	588,249.92	176,156.41		
Debt Service:							
Payment of Bond Principal	3,995,000.00	3,995,000.00	3,995,000.00				
Interest on Bonds	875,750.00	875,750.00	1,024,886.39			\$ 149,136.39	
Total Debt Service	4,870,750.00	4,870,750.00	5,019,886.39			149,136.39	
Deferred Charges and Statutory Expenditures:							
Deferred Charge- Deficit in Operations	729,246.40	729,246.40	729,246.40				
Deferred Charge- Prior Year Overexpenditure	184,720.67	184,720.67	184,720.67				
Contribution to:							
Public Employees' Retirement System	506,000.00	506,000.00	505,084.00		916.00		
Social Security System	270,000.00	270,000.00	118,970.68		151,029.32		
Total Deferred Charges and Statutory Expenditures	1,689,967.07	1,689,967.07	1,538,021.75		151,945.32		
Surplus - General Budget	3,000,000.00	3,000,000.00	1,999,357.45				\$ 1,000,642.55
Total Appropriations	\$ 31,501,417.07	\$ 31,501,417.07	\$ 29,733,559.26	\$ 588,249.92	\$ 328,101.73	\$ 149,136.39	\$ 1,000,642.55
REF.	D-4	D-4	Below	D-14	D	D, D-1, D-26	D-1
Cash Disbursed			\$ 27,794,705.80				
Accrued Interest on Bonds and Notes			1,024,886.39				
Deferred Charge - COVID-19			729,246.40				
Deferred Charge			184,720.67				
Above			\$ 29,733,559.26				

See accompanying notes to the financial statements.

TOWNSHIP OF SOUTH BRUNSWICK
MIDDLESEX COUNTY, NEW JERSEY

PAYROLL FUND
COMPARATIVE BALANCE SHEETS - REGULATORY BASIS
DECEMBER 31, 2023 AND 2022

<u>ASSETS</u>	<u>REF.</u>	<u>DEC. 31, 2023</u>	<u>DEC. 31, 2022</u>
Cash and Cash Equivalents	E-1	\$ 504,378.81	\$ 459,347.07
Interfund Receivable - Current Fund	E		25.00
Total Assets		<u>\$ 504,378.81</u>	<u>\$ 459,372.07</u>
<u>LIABILITIES</u>			
Payroll Deductions Payable	E-3	\$ 429,664.22	\$ 384,657.48
Interfund Payable - Unemployment Fund	E-2	<u>74,714.59</u>	<u>74,714.59</u>
Total Liabilities		<u>\$ 504,378.81</u>	<u>\$ 459,372.07</u>

See accompanying notes to the financial statements.

TOWNSHIP OF SOUTH BRUNSWICK
MIDDLESEX COUNTY, NEW JERSEY

GOVERNMENTAL FIXED ASSETS
COMPARATIVE BALANCE SHEETS - REGULATORY BASIS
DECEMBER 31, 2023 AND 2022

<u>ASSETS</u>	<u>DEC. 31, 2023</u>	<u>DEC. 31, 2022</u>
Land	\$ 53,022,308.00	\$ 53,022,308.00
Land Improvements	6,983,908.00	5,252,034.00
Buildings and Improvements	51,461,222.00	49,912,718.00
Infrastructure	5,231,914.00	5,231,914.00
Machinery, Equipment, Furniture and Fixtures and Vehicles	<u>29,389,734.00</u>	<u>29,264,956.00</u>
Total Governmental Fixed Assets	<u>\$ 146,089,086.00</u>	<u>\$ 142,683,930.00</u>
 <u>RESERVE</u>		
Investment in Governmental Fixed Assets	<u>\$ 146,089,086.00</u>	<u>\$ 142,683,930.00</u>

See accompanying notes to the financial statements.

TOWNSHIP OF SOUTH BRUNSWICK
MIDDLESEX COUNTY, NEW JERSEY
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 AND 2022

Note 1: FORM OF GOVERNMENT

The governing body of the Township of South Brunswick, in the County of Middlesex, New Jersey (the "Township") consists of the Mayor and four (4) elected at-large members of the Township Council, each of whom serve a four-year term. Terms are staggered by two-year intervals. The Council serves as a legislative arm of the government and establishes the policies of the Township. The Township Manager is the Chief Executive Officer of the Township and is responsible for carrying out the policies of the Township Council. The responsibilities of the Township Manager include being accountable for all employees, proposing the annual budget and coordinating all activities of all departments within the Township.

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Governmental Accounting Standards Board ("GASB") is the accepted standards-setting body for establishing governmental accounting and financial reporting principles. GASB's Codification of Governmental Accounting and Financial Reporting Standards recognizes three fund categories as appropriate for the accounting and reporting of the financial position and results of operations in accordance with generally accepted accounting principles ("GAAP") to provide detailed information about the governmental unit. This structure of funds differs from the organization of funds prescribed under the regulatory basis of accounting utilized by the Township. The resultant presentation of financial position and results of operations in the form of basic financial statements is not intended to present the basic financial statements required by GAAP.

GASB established criteria to be used to determine which component units should be included in the financial statements of the oversight entity. The Division of Local Government Services (the "Division") requires the financial statements of the Township of South Brunswick to be reported separately.

Except as noted below, the financial statements of the Township include every board, body, officer or commission supported and maintained wholly or in part by funds appropriated by the Township, as required by N.J.S.A. 40A:5-5. Accordingly, the financial statements of the Township do not include the operations of the municipal library, first aid organizations or volunteer companies since their activities are administered by separate boards.

B. Description of Funds

The accounting policies of the Township conform to the accounting principles applicable to municipalities, which have been prescribed by the Division. Such principles and practices are designed primarily for determining compliance with legal provisions and budgetary restrictions and as a means of reporting on the stewardship of public officials with respect to public funds. Under this method of accounting, the financial transactions and accounts of the Township are organized on the basis of funds and an account group which is different from the fund structure required by GAAP. A fund or account group is an accounting entity with a separate set of self-balancing accounts established to record the financial position and results of operations of a specific

TOWNSHIP OF SOUTH BRUNSWICK
MIDDLESEX COUNTY, NEW JERSEY
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 AND 2022

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

government activity. As required by the Division, the Township accounts for its financial transactions through the following individual funds and account group

Current Fund – records resources and expenditures for governmental operations of a general nature, including Federal and State grant funds, except as otherwise noted.

Trust Fund – records receipts, custodianship and disbursement of funds in accordance with the purpose for which each reserve was created. Pursuant to the provisions of N.J.S.A. 40A:4-39, the financial transactions of the Community Development Block Grant fund are reported within the Trust Funds. In addition, the financial transactions of the following funds and accounts are also reported within the Trust Funds:

Assessment Trust Fund
Other Trust Fund
Animal Control Trust Fund

General Capital Fund – records resources, including Federal and State Grants in aid of construction, and expenditures for the acquisition of general capital facilities, other than those acquired through the Current and Utility Funds, including the status of bonds, notes and loans authorized for said purposes. General bonds, notes and loans payable are recorded in this fund offset by deferred charges to future taxation.

Water and Sewer Utility Fund – records resources and expenditures for the operations and acquisition of capital facilities of the municipally owned Water and Sewer Utility.

Payroll Fund – records resources, deposits of gross salaries of municipal and utility operations into bank accounts of the payroll fund. Social Security and other payroll contributions are also deposited therein. Net salaries and remittances to all Federal, State and other agencies are paid from this fund.

Governmental Fixed Assets Account Group - The Governmental Fixed Assets Account Group is used to account for fixed assets used in governmental fund type operations for control purposes. All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available or any other reasonable basis, provided such basis is adequately disclosed in the financial statements. Donated fixed assets are valued at their acquisition value at the date of acquisition. No depreciation is recorded on general fixed assets.

C. Regulatory Basis Financial Statements

The GASB Codification also defines the financial statements of a governmental unit to be presented in the basic financial statements to be in accordance with GAAP. The Township presents the financial statements listed in the table of contents which are required by the Division and which differ from the financial statements required by GAAP. In addition, the Division requires the financial statements listed in the table of contents to be referenced to the supplementary schedules. This practice differs from GAAP.

TOWNSHIP OF SOUTH BRUNSWICK
MIDDLESEX COUNTY, NEW JERSEY
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 AND 2022

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Basis of Accounting and Measurement Focus

Basis of Accounting and Measurement Focus - The basis of accounting, as prescribed by the Division for its operating funds is generally a modified cash basis for revenue recognition and a modified accrual basis for expenditures. The operating funds utilize a "current financial resources" measurement focus. The accounting principles and practices prescribed for municipalities by the Division differ in certain respects from GAAP applicable to local government units. The most significant is the reporting of entity-wide financial statements, which are not presented in the accounting principles prescribed by the Division. The other more significant differences are as follows:

Revenues - Revenues are recorded as received in cash except for statutory reimbursements and grant funds, which are due from other governmental units. State and Federal grants, entitlements and shared revenues received for operating purposes are realized as revenues when anticipated in the Township budget.

Receivables for property taxes and water and sewer utility consumer charges are recorded with offsetting reserves within the Current Fund and Water and Sewer Utility Fund, respectively. Other amounts that are due to the Township which are susceptible to accrual are recorded as receivables with offsetting reserves. These reserves are liquidated and revenues are recorded as realized upon receipt of cash. GAAP requires the recognition of revenues for general operations in the accounting period in which they become available and measurable, with the exception of utility consumer charges, which should be recognized in the period they are earned and become measurable.

Expenditures - For purposes of financial reporting, expenditures are recorded as "paid or charged" or "appropriation reserves." Paid or charged refers to the Township's "budgetary" basis of accounting. Generally, these expenditures are recorded when an amount is encumbered for goods or services through the issuance of a purchase order in conjunction with the encumbrance accounting system. Reserves for unliquidated encumbrances at the close of the year are reported as a cash liability. Encumbrances do not constitute expenditures under GAAP.

Appropriation Reserves – Appropriation reserves refer to unexpended appropriation balances at the close of the year. Appropriation reserves are automatically created and recorded as a cash liability, except for amounts, which may be cancelled by the governing body. Appropriation reserves are available until lapsed at the close of the succeeding year, to meet specific claims, commitments or contracts incurred and not recorded in the preceding fiscal year. Lapsed appropriation reserves are recorded as income. Generally, unexpended balances of budget appropriations are not recorded as expenditures under GAAP.

Compensated Absences - Expenditures for compensated absences, i.e., accumulations of earned but unused vacations and sick leave, are recorded in the accounting period in which the payments are made. GAAP requires that expenditures be recorded in the governmental (Current) fund in an amount that would normally be liquidated with available financial resources, and that expenditures be recorded in the enterprise (Water and Sewer Utility) fund on a full accrual basis.

TOWNSHIP OF SOUTH BRUNSWICK
MIDDLESEX COUNTY, NEW JERSEY
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 AND 2022

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Deferred Charges - For the purposes of calculating the results of Current Fund operations, the regulatory basis of accounting utilized by the Township requires that certain expenditures be deferred and raised as items of appropriation in budgets of succeeding years. These deferred charges include the two general categories of overexpenditures and emergency appropriations. Overexpenditures occur when expenditures recorded as "paid or charged" exceed available appropriation balances. Emergency appropriations occur when, subsequent to the adoption of a balanced budget, the governing body authorizes the establishment of additional appropriations based on unforeseen circumstances or for other special purposes as defined by statute. Overexpenditures and emergency appropriations are deducted from total expenditures in the calculation of operating results and are established as assets (Deferred Charges) on the balance sheets.

GAAP does not permit the deferral of overexpenditures to succeeding budgets. In addition, GAAP does not recognize expenditures based upon the authorization of an appropriation. Instead, the authorization of special purpose expenditures, such as the preparation of tax maps or the revaluation of assessable real property, would represent the designation of fund balance.

Interfund Transfers - The Local Budget Law (N.J.S.A. 40A:4-1 et seq.) requires that certain transfers between funds, such as transfers from the Current Fund or Utility Operating Funds to a Self-insurance Trust Fund, transfers of anticipated operating surpluses among the Current Fund, Water and Sewer Utility Fund, transfers from utility operating funds to capital funds (i.e., finance capital projects) and transfers from the Current Fund to the Trust Funds or General Capital Fund are required to be included in the Township's annual budgets as budget appropriations. Expenditures are recorded upon the adoption of the budget for legally required transfers, and upon the determination of availability of funds for any discretionary transfers. Under GAAP, transfers are not recognized as expenditures.

New Jersey statutes require municipalities to provide annual funding to Free Public Libraries through the Current Fund Budget. Amounts paid on behalf of the Free Public Library or transferred to the custody of the Library's management are recorded as budgetary expenditures of the Township, notwithstanding the fact that the Library is recognized as a separate entity for financial reporting purposes. Under GAAP, the Library would be recognized as a "component unit" of the Township and discrete reporting of the Library's financial position and operating results would be incorporated in the Township's financial statements.

Property Acquired for Taxes - Foreclosed property is recorded in the Current Fund at the assessed valuation when such property was acquired and is fully reserved. GAAP requires such property to be recorded in the governmental fixed assets at the lower of cost or fair value.

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

Compensated Absences - The Township has adopted written policies via employee contracts and municipal ordinances which set forth the terms under which an employee may accumulate earned, but unused, vacation and sick leave, establishes the limits on such accumulations and specifies the conditions under which the right to receive payment for such accumulations vests with the employee.

TOWNSHIP OF SOUTH BRUNSWICK
MIDDLESEX COUNTY, NEW JERSEY
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 AND 2022

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The Township records expenditures for payments of earned and unused vacation and sick leave in the accounting period in which the payments are made. GAAP requires that expenditures be recorded in the governmental (Current) fund in an amount that would normally be liquidated with available financial resources, and that expenditures be recorded in the enterprise (Water and Sewer Utility) fund on a full accrual basis.

Grants Received - Federal and State Grants, entitlements or shared revenues received for purposes normally financed through the Current Fund are recognized when anticipated in the Township's Budget. GAAP requires such revenues to be recognized in the accounting period when they become susceptible to accrual.

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 4 to the financial statements.

Fixed Assets - Property and equipment acquired by the Current, Community Development Block Grant and General Capital Funds are recorded as expenditures at the time of purchase and are not capitalized. Property and equipment acquired by the Water and Sewer Utility Fund are recorded in their respective capital accounts at cost and are adjusted for dispositions and abandonments. Contributions in aid of construction are not capitalized. The balances in the Reserve for Amortization and Deferred Reserve for Amortization accounts in the Water and Sewer Utility Capital Fund represent charges to operations for the costs of acquisitions of property, equipment and improvements plus any costs funded from sources other than bonded debt of the utility. The utility does not record depreciation on fixed assets. GAAP does not require the establishment of a reserve for amortization for utility fixed assets, but does require the recognition of depreciation of these assets as an operating expense of the utility.

The Township has developed a general fixed asset accounting and reporting system that utilizes multiple dollar thresholds for the inclusion of certain assets and also utilizes estimated fair values, which are updated annually to reflect current appraisal values, for inventoried structures. Accordingly, a statement of general fixed assets, developed using recognized valuation methods and uniform capitalization rules, which is required pursuant to generally accepted accounting principles and accounting practices prescribed for municipalities by the State of New Jersey, is included in the financial statements.

Length of Service Award Program (LOSAP) – the Division does not require the LOSAP to be included as part of the balance sheet of the Trust Fund in the regulatory basis financial statements of the Township. GAAP requires the inclusion of such information to be recorded in 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.

TOWNSHIP OF SOUTH BRUNSWICK
MIDDLESEX COUNTY, NEW JERSEY
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 AND 2022

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Since the Township does not follow generally accepted accounting principles, the GASBs did not result in a change in the Township's assets, liabilities and contribution requirements. Refer to Note 9 for these disclosures.

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. 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. See Note 10 for these disclosures.

E. Comparative Data

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

F. Recently Issued Accounting Pronouncements

The GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements* in May 2020. This Statement provides guidance on accounting and financial reporting for subscription-based information technology arrangements. The requirements of this Statement are effective for periods beginning after June 15, 2022. The requirements of this Statement were evaluated by management and did not have a significant impact on the financial statements.

The GASB issued Statement No. 99, *Omnibus 2022* in April 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 reviewed the requirements of GASB Statement No. 99 and deemed the impact immaterial to the financial statements.

TOWNSHIP OF SOUTH BRUNSWICK
MIDDLESEX COUNTY, NEW JERSEY
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 AND 2022

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The GASB issued Statement No. 101, *Compensated Absences* in June 2022. 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 yet determined the impact of the Statement on the financial statements.

The GASB issued Statement No. 102, *Certain Risk Disclosures* in January 2024. The objective of this Statement is to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. The requirements of this Statement are effective for periods beginning after June 15, 2024, and all reporting periods thereafter. Management has not yet determined the impact of the Statement on the financial statements.

The GASB issued Statement No. 103, *Financial Reporting Model Improvements* in April 2024. The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. The requirements of this Statement are effective for periods beginning after June 15, 2025, and all reporting periods thereafter. Management has not yet determined the impact of the Statement on the financial statements.

The GASB issued Statement No. 104, *Disclosure of Certain Capital Assets* in September 2024. The objective of this Statement is to provide users of government financial statements with essential information about certain types of capital assets including lease assets, intangible right-to-use assets, subscription assets, other intangible assets and assets held for sale. The requirements of this Statement are effective for periods beginning after June 15, 2025, and all reporting periods thereafter. Management has not yet determined the impact of the Statement on the financial statements.

Note 3: DEFERRED COMPENSATION PLAN

The Employee Deferred Compensation Plan was established pursuant to Section 457 of the Internal Revenue Code and P.L. 1977, C. 381; P.L. 1978, C. 39; and P.L. 1980, C. 78 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 program balances are not recorded in the Trust Fund of the Township. The deferred compensation plans are administered by the ICMA Retirement Corporation, the Lincoln National Life Insurance Company, Metlife, Nationwide Mutual Insurance Company and MassMutual. The Township does not make any contributions to the plan and the deferred compensation is not available to employees until termination, retirement, death or unforeseeable hardship.

TOWNSHIP OF SOUTH BRUNSWICK
MIDDLESEX COUNTY, NEW JERSEY
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 AND 2022

Note 3: DEFERRED COMPENSATION PLAN (Continued)

In accordance with the requirements of the Small Business Job Protection Act of 1996 and the funding requirements of the Internal Revenue Code Section 457(g), the Township's plan was amended to require that all amounts of compensation deferred under the Plan are held for the exclusive benefits of plan participants and beneficiaries. All assets and income under the plan are held in trust, in annuity contracts or custodial accounts. The plan's assets are not the property of the Township and therefore are not presented in the financial statements.

Note 4: DEBT, DEBT SERVICE AND STATUTORY DEBT CONDITION

The Local Bond Law, N.J.S.A. 40A:2 et seq, governs the issuance of bonds and notes to finance municipal capital expenditures. All bonds issued by the Township are general obligations 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 ten years or retired by the issuance of bonds. The Township's municipal debt is summarized as follows:

A. Summary of Municipal Debt

	<u>Year 2023</u>	<u>Year 2022</u>
General:		
Bonds	\$ 51,088,000.00	\$ 34,099,000.00
Water and Sewer Utility:		
Bonds	<u>41,331,000.00</u>	<u>32,655,000.00</u>
Total debt issued	92,419,000.00	66,754,000.00
Less:		
Funds temporarily held to pay		
Bonds and notes	<u>1,642.18</u>	<u>76,642.18</u>
	92,417,357.82	66,677,357.82
Authorized but not issued:		
General:		
Bonds and notes	21,452,986.70	23,706,986.70
Water and Sewer Utility:		
Bonds and notes	<u>23,150,371.00</u>	<u>21,071,371.00</u>
Total authorized but not issued	<u>44,603,357.70</u>	<u>44,778,357.70</u>
Net bonds and notes issued and authorized but not issued	<u>\$ 137,020,715.52</u>	<u>\$ 111,455,715.52</u>

TOWNSHIP OF SOUTH BRUNSWICK
MIDDLESEX COUNTY, NEW JERSEY
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 AND 2022

Note 4: DEBT, DEBT SERVICE AND STATUTORY DEBT CONDITION (Continued)

B. Summary of Statutory Debt Condition - Annual Debt Statement – 2023

The summarized statement of debt condition which follows is reported in accordance with the required method for preparation of the Annual Debt Statement and indicates a statutory net debt of 0.546%.

	Debt	Deductions	Net Debt
Local school district debt	\$ 40,524,358.00	\$ 40,524,358.00	
Water and sewer utility debt	64,481,370.00	64,481,370.00	
General debt	72,540,986.70	1,642.18	\$ 72,539,344.52
	<u>\$ 177,546,714.70</u>	<u>\$ 105,007,370.18</u>	<u>\$ 72,539,344.52</u>

Net Debt \$72,539,355.52 Divided by Equalized Valuation Basis per N.J.S.A. 40A:2-2 as amended of \$10,813,652,789.67 equals 0.671%.

EQUALIZED VALUATION BASIS

2020 Equalized Valuation Basis of Real Property	\$ 10,005,080,108.00
2021 Equalized Valuation Basis of Real Property	11,038,755,167.00
2022 Equalized Valuation Basis of Real Property	<u>11,397,123,094.00</u>

Average Equalized Valuation	<u>\$ 10,813,652,789.67</u>
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BORROWING POWER UNDER N.J.S.A 40A:2-6 AS AMENDED

3 1/2% of Equalized Valuation Basis Municipal	\$ 378,477,847.64
Net Debt	<u>72,539,344.52</u>
Remaining Borrowing Power	<u>\$ 305,938,503.12</u>

The Township's water and sewer utility fund was self-liquidating as of December 31, 2023 and 2022 as follows:

	<u>2023</u>	<u>2022</u>
Surplus and Cash Receipts from Fees, Rent or Other Charges for Year	\$ 30,855,805.35	\$ 29,422,138.32
Deductions:		
Operating and Maintenance Costs	21,940,700.00	19,934,012.71
Debt Service per Utilities	<u>5,019,886.39</u>	<u>4,828,496.33</u>
	<u>26,960,586.39</u>	<u>24,762,509.04</u>
Excess Revenue	<u>\$ 3,895,218.96</u>	<u>\$ 4,659,629.28</u>

TOWNSHIP OF SOUTH BRUNSWICK
MIDDLESEX COUNTY, NEW JERSEY
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 AND 2022

Note 4: DEBT, DEBT SERVICE AND STATUTORY DEBT CONDITION (Continued)

The Township of South Brunswick Board of Education is a Type II School District. As such, the members of the Board of Education are elected by the citizens of the Township and school appropriations are set by the Board of Education. Bonds and notes authorized by voter referendum to finance capital expenditures are general obligations of the Board of Education and, as such, are reported on the balance sheet of the Board of Education.

B. Schedule of Annual Debt Service for Principal and Interest for the Next Five Years and in Five Year Increments Thereafter for Bonded Debt Issued and Outstanding

Fiscal Year	General		Water and Sewer Utility		Total
	Principal	Interest	Principal	Interest	
2024	\$ 4,764,000.00	\$ 1,588,881.53	\$ 4,266,000.00	\$ 1,270,380.56	\$ 11,889,262.09
2025	3,895,000.00	1,482,265.00	3,925,000.00	1,147,625.00	10,449,890.00
2026	3,320,000.00	1,352,915.00	3,195,000.00	1,017,900.00	8,885,815.00
2027	3,365,000.00	1,245,602.50	3,210,000.00	917,475.00	8,738,077.50
2028	3,379,000.00	1,136,690.00	2,950,000.00	823,375.00	8,289,065.00
2029-2033	13,965,000.00	4,320,962.50	12,275,000.00	3,065,200.00	33,626,162.50
2034-2038	8,820,000.00	2,507,362.50	7,535,000.00	1,475,700.00	20,338,062.50
2039-2043	4,940,000.00	1,321,000.04	3,975,000.00	488,000.00	10,724,000.04
2044-2046	4,640,000.00	475,862.50	-	-	5,115,862.50
Total	<u>\$ 51,088,000.00</u>	<u>\$15,431,541.57</u>	<u>\$ 41,331,000.00</u>	<u>\$ 10,205,655.56</u>	<u>\$118,056,197.13</u>

All bonds issued by the Township as general obligation bonds are backed by the full faith and credit of the Township. The following represents bonds outstanding at December 31, 2023 and 2022:

General Capital Fund

	2023	2022
\$4,638,000.00 2013 General Improvement Bonds due in annual installments of \$375,000.00 to \$400,000.00 through October 1, 2028 at interest rates ranging from 3.000% to 3.500%.	\$ 1,963,000.00	\$ 2,313,000.00
\$361,000.00 2013 Open Space Bonds due in annual installments of \$25,000.00 to \$26,000.00 through October 1, 2028 at interest rates ranging from 3.000% to 3.500%.	126,000.00	151,000.00
\$8,390,000.00 2014 General Improvement Refunding Bonds with the final installment of \$290,000.00 due September 1, 2024 at an interest rate of 5.000%.	290,000.00	845,000.00
\$3,545,000.00 2014 Open Space Refunding Bonds with the final installment of \$100,000.00 paid on September 1, 2023.	-	100,000.00

TOWNSHIP OF SOUTH BRUNSWICK
MIDDLESEX COUNTY, NEW JERSEY
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 AND 2022

Note 4: DEBT, DEBT SERVICE AND STATUTORY DEBT CONDITION (Continued)

<u>General Capital Fund (continued)</u>	<u>2023</u>	<u>2022</u>
\$1,990,000.00 2021 Special Emergency Bonds with the final installment of \$670,000.00 due on August 1, 2025	\$ 670,000.00	\$ 1,335,000.00
\$9,837,000.00 2017 General Improvement Bonds due in annual installments of \$700,000.00 to \$750,000.00 through April 1, 2032 at interest rates ranging from 2.000% to 4.000%.	6,480,000.00	7,230,000.00
\$416,000.00 2017 Open Space Bonds due in annual installments of \$25,000.00 to \$35,000.00 through April 1, 2032 at interest rates ranging from 2.000% to 4.000%.	275,000.00	300,000.00
\$2,370,000.00 2020 Open Space Refunding Bonds due in annual installments of \$175,000.00 to \$310,000.00 through October 1, 2030 at an interest rate of 4.000%.	1,500,000.00	1,800,000.00
\$2,265,000.00 2020 General Improvement Refunding Bonds due in annual installments of \$475,000.00 to \$480,000.00 through October 1, 2025 at an interest rate of 4.000%.	955,000.00	1,420,000.00
\$9,250,000.00 2021 Open Space Refunding Bonds due in annual installments of \$290,000.00 to \$500,000.00 through September 1, 2046 at interest rates ranging from 2.000% to 2.250%.	8,720,000.00	9,000,000.00
\$10,430,000.00 2021 General Improvement Refunding Bonds due in annual installments of \$775,000.00 to \$825,000.00 through September 1, 2034 at an interest rate of 2.000%.	8,780,000.00	9,605,000.00
\$9,345,000.00 2023 General Improvement Bonds due in annual installments of \$400,000.00 to \$800,000.00 through September 21, 2038 at an interest rate of 4.00%.	9,345,000.00	
\$11,984,000 2023 Open Space Bonds due in annual installments from \$329,000.00 to \$650,000.00 through September 21, 2028	<u>11,984,000.00</u>	
	<u>\$ 51,088,000.00</u>	<u>\$ 34,099,000.00</u>

TOWNSHIP OF SOUTH BRUNSWICK
MIDDLESEX COUNTY, NEW JERSEY
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 AND 2022

Note 4: DEBT, DEBT SERVICE AND STATUTORY DEBT CONDITION (Continued)

Water and Sewer Utility Capital Fund

	<u>2023</u>	<u>2022</u>
\$7,760,000.00 2013 Bonds due in annual installments of \$600,000.00 through October 1, 2028 at interest rates ranging from 3.000% to 3.500%.	\$ 3,000,000.00	\$ 3,600,000.00
\$7,465,000.00 Refunding Bonds with the final installment of \$445,000.00 due on September 1, 2024 at an interest rate of 5.000%.	445,000.00	1,325,000.00
\$2,561,000.00 2015 Refunding Bonds due in annual installments of \$805,000.00 to \$285,000.00 through March 1, 2027 at interest rates ranging from 4.000% to 5.000%.	1,125,000.00	1,405,000.00
\$12,147,000.00 2017 Bonds due in annual installments of \$600,000.00 to \$700,000.00 through October 1, 2037 at interest rates ranging from 2.000% to 4.000%.	9,220,000.00	9,820,000.00
\$3,815,000 2020 Refunding Bonds due in annual installments of \$775,000.00 to \$810,000.00 through October 1, 2025 at an interest rate of 4.000%.	1,600,000.00	2,380,000.00
\$14,900,000.00 2021 Bonds due in annual installments of \$775,000.00 to \$1,215,000.00 through September 1, 2034 at an interest rate of 2.000%.	13,270,000.00	14,125,000.00
\$12,671,000.00 2023 Bonds due in annual installments of \$401,000.00 to \$800,000.00 through September 21, 2043 at interest rates ranging from 4.000% to 4.125%.	<u>12,671,000.00</u>	
	<u>\$ 41,331,000.00</u>	<u>\$ 32,655,000.00</u>

TOWNSHIP OF SOUTH BRUNSWICK
MIDDLESEX COUNTY, NEW JERSEY
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 AND 2022

Note 4: DEBT, DEBT SERVICE AND STATUTORY DEBT CONDITION (Continued)

The following is a roll-forward of bonded debt liabilities and amount due within one year:

2023

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
General	\$ 34,099,000.00	\$ 21,329,000.00	\$ 4,275,000.00	\$ 51,153,000.00	\$ 4,764,000.00
Water and Sewer Utility	32,655,000.00	12,671,000.00	3,995,000.00	41,331,000.00	4,266,000.00
Total Debt	<u>\$ 66,754,000.00</u>	<u>\$ 34,000,000.00</u>	<u>\$ 8,270,000.00</u>	<u>\$ 92,484,000.00</u>	<u>\$ 9,030,000.00</u>

2022

	Beginning Balance (as restated)	Reductions	Ending Balance	Due Within One Year
General	\$ 39,174,000.00	\$ 5,075,000.00	\$ 34,099,000.00	\$ 4,275,000.00
Water and Sewer Utility	36,540,000.00	3,885,000.00	32,655,000.00	3,995,000.00
Total Debt	<u>\$ 75,714,000.00</u>	<u>\$ 8,960,000.00</u>	<u>\$ 66,754,000.00</u>	<u>\$ 8,270,000.00</u>

For detail of future year's serial bonds required debt principal payments see Exhibit C-13 and Exhibit D-20.

D. Bonds

On September 21, 2023, the Township issued general obligation bonds in the amount of \$34,000,000.00, consisting of \$9,345,000.00 General Improvement Bonds, \$12,671,000.00 Water-Sewer Utility Bonds and \$11,984,000.00 of Open Space Bonds with an interest rate of 4.000 % to 4.250 %.

TOWNSHIP OF SOUTH BRUNSWICK
MIDDLESEX COUNTY, NEW JERSEY
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 AND 2022

Note 4: DEBT, DEBT SERVICE AND STATUTORY DEBT CONDITION (Continued)

E. Notes

As of December 31, 2023, The Township had special emergency notes outstanding in the amount of \$1,310,000.00 in the Current Fund. These notes mature on November 27, 2024 with an interest rate of 4.125%.

The following is an analysis of the increases and decreases to special emergency notes payable for the year ended December 31, 2023:

	Beginning Balance	Increase	Decrease	Ending Balance
Special Emergency	\$ 1,245,000.00	\$ 1,310,000.00	\$ 1,245,000.00	\$ 1,310,000.00
	<u>\$ 1,245,000.00</u>	<u>\$ 1,310,000.00</u>	<u>\$ 1,245,000.00</u>	<u>\$ 1,310,000.00</u>

The following is an analysis of the increases and decreases to special emergency notes payable for the year ended December 31, 2022:

	Beginning Balance	Increase	Decrease	Ending Balance
Special Emergency	\$ 790,000.00	\$ 1,245,000.00	\$ 790,000.00	\$ 1,245,000.00
	<u>\$ 790,000.00</u>	<u>\$ 1,245,000.00</u>	<u>\$ 790,000.00</u>	<u>\$ 1,245,000.00</u>

Note 5: FUND BALANCES APPROPRIATED

Fund balances at December 31, 2023 and 2022 were appropriated and included as anticipated revenue in their own respective funds for the "Fiscal Year" ending December 31, 2024 and 2023 as follows:

	<u>2024</u>	<u>2023</u>
Current fund	\$ 500,000.00	\$ 2,985,000.00
Water and Sewer Utility Operating fund	-	2,633,000.00

TOWNSHIP OF SOUTH BRUNSWICK
MIDDLESEX COUNTY, NEW JERSEY
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 AND 2022

Note 6: DEFERRED CHARGES TO BE RAISED IN SUCCEEDING BUDGETS

Certain expenditures are required to be deferred to budgets of succeeding years.

The following deferred charges were shown on the December 31, 2023 and 2022 balance sheets of the Township's Current Fund, Grant Fund, Other Trust Fund and Water and Sewer Utility Operating Fund.

	2023	2022
Overexpenditure of Appropriation Reserves - Current Fund	\$ 666,537.06	\$ 23,020.61
Overexpenditure of Appropriations - Current Fund	714,085.16	2,473,730.80
Deficit in Operations - Current Fund	3,197,117.62	
Emergency Authorization - Current Fund	676,347.50	
Special Emergency Authorization (40A:4-53) - Current Fund	1,347,000.00	1,195,000.00
Special Emergency Authorization - CH 74 COVID-19 - Current Fund	853,598.40	1,138,131.00
Overexpenditure of Grants - Grant Fund		26,233.30
Overexpenditure of Reserve - Other Trust Fund		45,740.58
Overexpenditure of Improvement Authorization - General Capital Fund	16,152.79	
Special Emergency Authorization - CH 74 COVID-19 - Water and Sewer Utility Operating Fund Fund	2,187,739.20	2,916,986.50
Overexpenditure of Appropriations - Water and Sewer Utility Operating Fund	149,136.39	184,720.67
Overexpenditure of Appropriation Reserves - Water and Sewer Utility Operating Fund	868,037.07	
Overexpenditure of Improvement Authorization - Water and Sewer Utility Capital Fund	928.51	
	<u>\$ 9,807,714.12</u>	<u>\$8,003,563.46</u>

The overexpenditures represent budgetary over-expenditures of certain current year budgetary appropriations and reserve appropriations in the Current Fund and the Water and Sewer Utility Operating Fund as well as over-expenditures of various General Capital and Water and Sewer Utility Capital Improvement Authorizations. These deferred charges will be raised in subsequent years' budgets.

The special emergency authorization of \$1,347,000.00 is for appropriations to pay the costs associated with accumulated sick leave and severance payouts due to former employees who retired from the Township. Of these balances, one-fifth of the deferred charges for each year will be raised in the Township's Current Fund budget. The remaining deferred charges from the special emergencies in the Current Fund and the Water and Sewer utility Operating Fund will be raised in the Township's 2024-2026 budgets.

In addition, for the year ended December 31, 2023, the Township had an operating deficit in its Current Fund in the amount of \$3,197,117.62. The Township has recorded a deferred charge and as permitted will raise the funds for this deferred charge in future years' budgets.

TOWNSHIP OF SOUTH BRUNSWICK
MIDDLESEX COUNTY, NEW JERSEY
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 AND 2022

Note 7: 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 by any other agencies of the United States that insures deposits or the State of New Jersey Cash Management Fund. New Jersey statutes require public depositories to maintain collateral for deposit of public funds that exceed insurance limits as follows:

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 Government Unit Deposit Protection Act (GUDPA), N.J.S.A. 17:941, et seq., which insures all New Jersey governmental units' deposits in excess of the federal deposit insurance maximums.

Based on GASB criteria, the Township considers cash and cash equivalents to include petty cash, change funds, demand deposits, money market accounts, short-term investments and cash management money market mutual funds such as Pillar Funds, and are either any direct and general obligation of the United States of America and its agencies or certificates of deposit issued by any bank, savings and loan association or national banking association if qualified to serve as a depository for public funds under the provisions of the Government Unit Depository Protection Act. 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 December 31, 2023 and 2022, the book values of the cash and cash equivalents of the Township consisted of the following:

	Book Balance	
	2023	2022
Cash (Demand Accts)	\$ 63,524,850.42	\$ 48,799,720.25
NJ ARM	190,719.39	181,464.94
Change Funds (On-Hand)	600.00	400.00
Total	<u>\$ 63,716,169.81</u>	<u>\$ 48,981,585.19</u>

There was \$530,103.01 and \$533,376.23 of funds held in Township agency accounts at December 31, 2023 and 2022, respectively, that were not covered by GUDPA.

Custodial Credit Risk - Deposits - Custodial credit risk is the risk that in the event of a bank failure, the Township's deposits may not be returned. The government does not have a specific deposit policy for custodial credit risk other than those policies that adhere to the requirements of statute and to deposit all of its funds in banks covered by FDIC and GUDPA. At least five percent of the Township's deposits were fully collateralized by funds held by the financial institution, but not in the name of the Township. Due to the nature of GUDPA, further information is not available regarding the full amount that is collateralized.

TOWNSHIP OF SOUTH BRUNSWICK
MIDDLESEX COUNTY, NEW JERSEY
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 AND 2022

Note 7: DEPOSITS AND INVESTMENTS

The Township had the following depository accounts:

	Bank Balance	
	2023	2022
Insured-FDIC	\$ 942,046.53	\$ 934,713.98
Insured-NJGUDPA (N.J.S.A. 17:9-41)	66,101,287.74	50,493,039.36
Total	<u>\$ 67,043,334.27</u>	<u>\$ 51,427,753.34</u>

Investments

New Jersey Statutes establish the following securities as eligible for the investment of Township funds:

1. Bonds or other obligations of the United States of America or obligations guaranteed by the United States;
2. Government money market mutual funds;
3. Any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided such obligation bear a fixed rate of interest not dependent on any index or other external factor;
4. Bonds or other obligations of the Township or bonds or other obligations of school districts of which the Township is a part and within which the school district is located.
5. Bonds or other obligations having a maturity date of not more than 397 days from the date of purchase that are approved by the Division of Investment of the Department of Treasury for investment by local units;
6. Local government investment pools;
7. Deposits with the State of New Jersey Cash Management Fund established pursuant to section I of P.L. 1997, c. 281 (C.52:IXA-90G4);
8. Deposits with the New Jersey Asset and Rebate Management Fund ("NJARM"); or
9. Agreements for the repurchase of fully collateralized securities, if:
 - a. the underlying securities are permitted investments pursuant to paragraphs (1) and (3);
 - b. the custody collateralized is transferred to a third party;
 - c. the maturity of the agreement is not more than 30 days; and
 - d. the underlying securities are purchased through a public depository as defined in section 1 of P.L. 1970, c.236 (C.199-41) and for which a master repurchase agreement providing for the custody and security of the collateral is executed.

GASB Statement No. 40 - *Deposit and Investment Risk Disclosures* requires the Township to disclose its deposits and investment policies regarding certain types of investment risks.

TOWNSHIP OF SOUTH BRUNSWICK
MIDDLESEX COUNTY, NEW JERSEY
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 AND 2022

Note 7: DEPOSITS AND INVESTMENTS (Continued)

New Jersey Asset and Rebate Management

The Township also invests funds in the New Jersey Asset and Rebate Management Fund ("NJARM"), which is an investment pool managed by Public Financial Management Company. NJARM allows governments within the state to pool their funds for investment purposes and the Securities and Exchange Commission (SEC) does not restrict the pool. Earnings are allocated to all participants based upon shares held in the pool and distributed on the last day of each month. In addition, the fair value of the Township's portion of the pool is the same as the value of its shares. Agencies that participate in the NJARM typically earn returns that mirror short-term investment rates. Monies can be freely added or withdrawn from the NJARM on a daily basis without penalty. At December 31, 2023 and 2022, the Township's balance in NJARM was \$190,719.39 and \$181,464.94, respectively. NJARM is rated AAA by Standard & Poor's.

GASB Statement No. 72 – Fair Value Measurement and Application

GASB Statement No. 72 established a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurement) and the lowest priority to unobservable inputs (level 3 measurement.) The three levels of the fair value hierarchy under GASB 72 are described as follows:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Township has the ability to access.

Level 2 - Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability;
- inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The Township had no investments as of December 31, 2023.

TOWNSHIP OF SOUTH BRUNSWICK
MIDDLESEX COUNTY, NEW JERSEY
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 AND 2022

Note 7: DEPOSITS AND INVESTMENTS (Continued)

The balance of these investments at December 31, 2022 were as follows:

Description of Investment	Interest Rates	Amount	
<u>Current Fund</u>		<u>2023</u>	<u>2022</u>
Borough of Buena			
Bond Anticipation Notes matured 7/14/2023	1.50%	\$ -	\$ 300,000.00
		-	300,000.00
Total Investments		\$ -	\$ 300,000.00

Interest Rate Risk – As a means of limiting its exposure to fair value losses arising from increasing interest rates, the Township generally limits its investment maturities to within two years of the date of purchase.

Credit Risk – As of December 31, 2022, the Township's investment with the Borough of Buena was not rated by a nationally recognized bond rating agency.

Custodial Credit Risk – For investments, custodial credit risk is the risk that in the event of the failure of the counter-party, the Township will not be able to recover the value of its investments or collateral securities that are in the possession of the outside party. Investment securities are exposed to custodial credit risk if the securities are uninsured and are not registered in the name of the Township. The Township manages custodial credit risk by limiting its investments to the debt of other governmental units within the State of New Jersey.

Concentration of Credit Risk – The Township places no limit on the amount the Township may invest in any one issuer. As of December 31, 2022, the Township had amounts invested with the Borough of Buena representing 100% of the total carrying amount of the Township's investments.

TOWNSHIP OF SOUTH BRUNSWICK
MIDDLESEX COUNTY, NEW JERSEY
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 AND 2022

Note 8: 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.

Tax bills are prepared and mailed by the Collector of Taxes of the Township annually and set forth the final tax for the tax year. The bill contains a credit for preliminary amounts billed previously with the balance payable in equal installments on August 1st and November 1st of the tax year. In addition, the property owner receives a preliminary bill for the succeeding year based on one half of the previous year's tax. The preliminary payments are due and payable on February 1st and May 1st. NJ Statutes allow a grace period of 10 days for each payment period and the Township granted this option to taxpayers. Taxes become delinquent if not paid on the installment dates and become subject to interest penalties of 8% to 18% of the amount delinquent, and if a delinquency (including interest) is in excess of \$10,000.00 and remains in arrears after December 31, an additional flat penalty of 6% shall be charged against the delinquency. If taxes are delinquent on or after April 1st of the succeeding year, the delinquent amount is subject to "Tax Sale" which places a tax lien on the property allowing the holder to enforce the tax lien by collection or foreclosure. New Jersey property tax laws establish a tax lien on real estate as of January 1st of the current tax year even though the amount due is not known.

In addition, the Township has recorded prepaid taxes on its Current Fund balance sheets of \$2,096,034.34 and \$2,479,808.71 at December 31, 2023 and 2022, respectively.

Note 9: PENSION AND RETIREMENT PLANS

Substantially, all Township employees participate in the Public Employees' Retirement System ("PERS") and Police and Firemen's Retirement System ("PFRS"). The Division of Pensions within the Treasury Department of the State of New Jersey is the administrator of the funds and charges municipalities annually for their respective contributions. The plans provide retirement and disability benefits, annual cost of living adjustments and benefits to plan members and beneficiaries.

The Division of Pensions issues publicly available financial reports for each of the plans that include financial statements and required supplementary information. The reports may be obtained by writing the State of New Jersey, Division of Pensions.

Covered employees are required by State statute to contribute a certain percentage of their salary to the plan. In addition, the PERS and PFRS bills the Township annually at an actuarially determined rate for its required contribution. The current rate of required employee contribution of annual covered payroll is 7.50% for PERS employees and 10.00% for PFRS.

TOWNSHIP OF SOUTH BRUNSWICK
MIDDLESEX COUNTY, NEW JERSEY
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 AND 2022

Note 9: PENSION AND RETIREMENT PLANS (Continued)

The contribution requirements of plan members and the Township are established and may be amended by the Board of Trustees of the respective plans. The Township's contributions to the PERS for the years ended December 31, 2023, 2022 and 2021 were \$3,011,429, \$2,629,913 and \$2,443,453, respectively. The Township's contributions to the PFRS for the years ended December 31, 2023, 2022 and 2021 were \$3,971,490, \$3,299,067 and \$3,007,786, respectively. In 2009, the State of New Jersey permitted Municipalities to defer up to 50% of their contributions due in 2009. The Township elected this option, resulting in the deferral of their 2009 PERS and PFRS bills in the amounts of \$498,160.50 and \$814,062.00, respectively. In accordance with state regulations, the Township began repaying this liability in April 2012 over a 15-year period and included in the payments identified above during 2023 and 2022 for PERS and PFRS were principal payments of \$78,082 and \$81,156 and \$123,835 and \$128,696, respectively for repayment of this deferred liability.

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

Public Employees' Retirement System (PERS)

At December 31, 2023, the Township's liability for its proportionate share of the net pension liability was \$32,635,821. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2022. The Township's proportion of the net pension liability was based on a projection of the Township's long-term share of contributions to the pension plan relative to the projected contributions of all participating entities, actuarially determined. At June 30, 2023, the Township's proportion was 0.2253174396 percent, which was a decrease of 0.0065054529 from its proportion measured as of June 30, 2022.

At December 31, 2023, the Township's deferred outflows of resources and deferred inflows of resources related to PERS were from the following sources had GASB Statement No. 68 been recognized:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Changes of assumptions	\$ 71,694.00	\$ 1,977,871.00
Difference between expected and actual experience	312,040.00	133,405.00
Net difference between projected and actual earnings on pension plan investments	150,292.00	
Changes in proportion and differences between Township contributions and proportionate share of contributions	1,519,598.00	870,821.00
Township contributions subsequent to the measurement date	1,505,716.00	
	<u>\$ 3,559,340.00</u>	<u>\$ 2,982,097.00</u>

TOWNSHIP OF SOUTH BRUNSWICK
MIDDLESEX COUNTY, NEW JERSEY
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 AND 2022

Note 9: PENSION AND RETIREMENT PLANS (Continued)

\$1,505,716.00 as of December 31, 2023 is reflected above as deferred outflows of resources related to pensions resulting from Township contributions subsequent to the measurement date. 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 the financial statements were prepared in accordance with GAAP.

Year ended December 31:

2024	\$ (1,105,904.00)
2025	(621,620.00)
2026	1,233,958.00
2027	(408,435.00)
2028	<u>(26,472.00)</u>
	<u>\$ (928,473.00)</u>

Actuarial Assumptions

The total pension liability in the June 30, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, including June 30, 2023:

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

Mortality Rates

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

The actuarial assumptions used in the July 1, 2022 valuation was based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2021.

TOWNSHIP OF SOUTH BRUNSWICK
MIDDLESEX COUNTY, NEW JERSEY
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 AND 2022

Note 9: PENSION AND RETIREMENT PLANS (Continued)

Long-Term Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2023) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2023 is summarized in the following table:

2023		
<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
US Equity	28.00%	8.98%
Non-US Developed Markets Equity	12.75%	9.22%
International Small Cap Equity	1.25%	9.22%
Emerging Markey Equity	5.50%	11.13%
Private Equity	13.00%	12.50%
Real Assets	3.00%	8.40%
Real Estate	8.00%	8.58%
High Yield	4.50%	6.97%
Private Credit	8.00%	9.20%
Investment Grade Credit	7.00%	5.19%
Cash Equivalents	2.00%	3.31%
US Treasuries	4.00%	3.31%
Risk Mitigation Strategies	3.00%	6.21%
	<u>100.00%</u>	

Discount Rate

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2023. 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 non-employer contributing entity will be based on 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for local employers.

TOWNSHIP OF SOUTH BRUNSWICK
MIDDLESEX COUNTY, NEW JERSEY
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 AND 2022

Note 9: PENSION AND RETIREMENT PLANS (Continued)

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

The following presents the Township's proportionate share of the net pension liability as of December 31, 2023 calculated using the discount rate as disclosed above as well as what the Township's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00 percent) or 1-percentage-point higher (8.00 percent) than the current rate:

	At 1% decrease (6.00%)	At current discount rate (7.00%)	At 1% increase (8.00%)
Township's proportionate share of the net pension liability	\$ 42,484,895	\$ 32,635,821	\$ 24,252,957

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued financial report for the State of New Jersey Public Employees Retirement System.

Additional Information

Collective balances of the Local Group at June 30, 2023 are as follows:

Deferred outflows of resources	\$ 1,080,204,730.00
Deferred inflows of resources	\$ 1,780,216,457.00
Net Pension Liability	\$ 14,606,489,066.00

Townships Proportion	0.2253174396
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Collective pension benefit for the Local Group for the measurement period ended June 30, 2023 was (\$79,181,803).

The average of the expected remaining service lives of all plan members is 5.08, 5.04, 5.13, 5.16, 5.21, 5.63, and 5.48 years for 2023, 2022, 2021, 2020, 2019, 2018, and 2017, respectively.

TOWNSHIP OF SOUTH BRUNSWICK
MIDDLESEX COUNTY, NEW JERSEY
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 AND 2022

Note 9: PENSION AND RETIREMENT PLANS (Continued)

Police and Firemen's Retirement System (PFRS)

At December 31, 2023, the Township's liability for its proportionate share of the net pension liability was \$32,962,812. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2022. The Township's proportion of the net pension liability was based on a projection of the Township's long-term share of contributions to the pension plan relative to the projected contributions of all participating entities, actuarially determined. At June 30, 2023, the Township's proportion was 0.298338885 percent, which was an increase of 0.0079038500 from its proportion measured as of June 30, 2022.

At December 31, 2023, the Township's deferred outflows of resources and deferred inflows of resources related to PFRS were from the following sources had GASB Statement No. 68 been recognized:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions	\$ 71,145.00	\$ 2,225,780.00
Differences between expected and actual experience	1,411,402.00	1,572,034.00
Net difference between projected and actual earnings on pension plan investments	1,678,734.00	
Changes in proportion and differences between Township contributions and proportionate share of contributions	3,653,138.00	
Township contributions subsequent to the measurement date	1,985,745.00	
	<u>\$ 8,800,164.00</u>	<u>\$ 3,797,814.00</u>

\$1,985,745.00 as of December 31, 2023, respectively were reported as deferred outflows of resources related to pensions resulting from Township contributions subsequent to the measurement date. 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 the financial statements were prepared in accordance with GAAP.

TOWNSHIP OF SOUTH BRUNSWICK
MIDDLESEX COUNTY, NEW JERSEY
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 AND 2022

Note 9: PENSION AND RETIREMENT PLANS (Continued)

Year ended December 31:

2024	\$ 322,968
2025	272,765
2026	2,282,916
2027	(114,988)
2028	252,944
	<u>\$ 3,016,605</u>

Actuarial Assumptions

The total pension liability in the June 30, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

	June 30, 2023
Inflation Rate: Price	2.75%
Inflation Rate: Wage	3.25%
Salary increases:	
Through	All future years 3.25 - 16.25% based on years of service
Thereafter	Not Applicable
Investment rate of return	7.00%

The actuarial assumptions used in the July 1, 2022 valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2021.

Mortality Rates

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

The actuarial assumptions used in the July 1, 2022 valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2021.

TOWNSHIP OF SOUTH BRUNSWICK
MIDDLESEX COUNTY, NEW JERSEY
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 AND 2022

Note 9: PENSION AND RETIREMENT PLANS (Continued)

Long-Term Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2023) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in PFRS's target asset allocation as of June 30, 2023 are summarized in the following table:

	<u>2023</u>	
<u>Asset Class</u>	<u>Target</u> <u>Allocation</u>	<u>Long-Term Expected</u> <u>Real Rate of Return</u>
US Equity	28.00%	8.98%
Non-US Developed Markets Equity	12.75%	9.22%
International Small Cap Equity	1.25%	9.22%
Emerging Markey Equity	5.50%	11.13%
Private Equity	13.00%	12.50%
Real Assets	3.00%	8.58%
Real Estate	8.00%	8.40%
High Yield	4.50%	6.97%
Private Credit	8.00%	9.20%
Investment Grade Credit	7.00%	5.19%
Cash Equivalents	2.00%	3.31%
US Treasuries	4.00%	3.31%
Risk Mitigation Strategies	3.00%	6.21%
	<u>100.00%</u>	

Discount Rate

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2023. 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 non-employer contributing entity will be based on 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments to determine the total pension liability.

TOWNSHIP OF SOUTH BRUNSWICK
MIDDLESEX COUNTY, NEW JERSEY
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 AND 2022

Note 9: PENSION AND RETIREMENT PLANS (Continued)

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

The following presents the Township's proportionate share of the net pension liability as of December 31, 2023 calculated using the discount rate as disclosed above as well as what the Township's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00 percent) or 1-percentage-point higher (8.00 percent) than the current rate:

	At 1% decrease <u>(6.00%)</u>	At current discount rate <u>(7.00)%</u>	At 1% increase <u>(8.00%)</u>
Township's proportionate share of the net pension liability	\$ 45,927,907	\$ 32,962,812	\$ 22,165,986

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued financial report for the State of New Jersey Police and Firemen's Retirement System.

Additional Information

Collective balances of the Local Group at June 30, 2023 are as follows:

Deferred outflows of resources	\$ 1,753,080,638.00
Deferred inflows of resources	\$ 1,966,439,601.00
Net Pension Liability	\$ 13,084,649,602.00

Townships Proportion	0.29833885
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Collective pension expense (benefit) for the Local Group for the measurement period ended June 30, 2023 was 844,810,693.

The average of the expected remaining service lives of all plan members is 6.16, 6.22, 6.17, 5.90, 5.92, 5.73, and 5.59 years for 2023, 2022, 2021, 2020, 2019, 2018, and 2017, respectively.

Special Funding Situation

Under N.J.S.A 43:16A-15, local participating employers are responsible for their own contributions based on actuarially determined amounts, except where legislation was passed which legally obligated the State if certain circumstances occurred. The amounts contributed on behalf of the local participating employers under this legislation is considered to be a special funding situation and the State is treated as a non-employer contributing entity. The non-employer contributing entities' total proportionate share of the collective net pension liability that is associated with the Township as of June 30, 2023 for police and fire is 0.29833901% and the non-employer contributing entities' contribution for the year ended June 30, 2023 for police and fire was \$694,607. The state's proportionate share of the net pension liability attributable to the Township as of June 30, 2023 is \$6,073,781.

TOWNSHIP OF SOUTH BRUNSWICK
MIDDLESEX COUNTY, NEW JERSEY
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 AND 2022

Note 10: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

Plan Description – Township Plan

In addition to the pension and retirement plans described in Note 9, the Township provides post-retirement health care benefits, in accordance with State statute N.J.S.A. 40A:10-23 to employees who retire with at least 25 years of pension service credit and 15 years of consecutive service with the Township, or go out on disability with 10 years of service or more. The Township does not issue a publicly available financial report for the plan. Benefit provisions for the plan are established and amended with the approval of the Township's governing body and there is no statutory requirement for the Township to continue this plan for future Township employees. The plan is a contributory plan with all payments for plan benefits being funded by the Township.

GASB Statement No. 75 requires that the Township disclose its annual OPEB expense, liability and related changes in the liability, an amount actuarially determined in accordance with the parameters of GASB Statement 75. The actual amounts paid for the OPEB medical benefits, accounted for on the pay-as-you-go basis, for retired Township employees and their spouses during 2022, 2021, 2020, 2019, and 2018 totaled \$4,934,561, \$5,193,553, \$5,147,937, \$4,605,834, and \$4,517,427, respectively.

The Township hired an actuary to perform the calculation as of December 31, 2022 for the Township and the required information is presented on the following pages.

Employees Covered by Benefit Terms

At December 31, 2022, there were one-hundred and ninety three retired employees and two-hundred and sixty active employees covered by the plan.

Total and Net OPEB Liability

The total and net OPEB liability from the Township's plan as of December 31, 2022 is \$153,306,133.

Actuarial assumptions and other inputs

The total OPEB liability of \$153,306,133 was reported in the December 31, 2022 actuarial valuation prepared by the Township's actuary, Danziger and Markhoff LLP, which was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Discount rate	2.25%
Healthcare cost trend rates	8.00% decrease to 5.00%

The actuarial assumptions used in the December 31, 2022 valuation were based on the results of an actuarial experience study as of January 1, 2022.

TOWNSHIP OF SOUTH BRUNSWICK
MIDDLESEX COUNTY, NEW JERSEY
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 AND 2022

Note 10: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)

Changes in the total OPEB liability reported for the year ended December 31, 2022 is as follows:

	<u>Total OPEB Liability</u>
Balance at January 1	\$ 196,070,916.00
Changes for the year:	
Service cost	4,674,987.00
Interest	4,356,082.00
Benefit payments	(4,934,561.00)
Effect of economic/demographic gains or losses	19,945,300.00
Changes in assumptions or other	<u>(66,806,591.00)</u>
Net changes	<u>(42,764,783.00)</u>
Balance at December 31	<u>\$ 153,306,133.00</u>

Changes of assumptions and other inputs reflect a discount rate of 4.31% in 2022.

Sensitivity of the total and net OPEB liability to changes in the discount rate

The following presents the total OPEB liability of the Township for retirees, as well as what the Township's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage - point lower (1.25%) or 1-percentage-point higher (3.25%) than the current discount rate:

	At 1% Decrease (1.25%)	At Current Discount Rate (2.25%)	At 1% Increase (3.25%)
Net OPEB liability \$	179,964,466	\$ 153,306,133	\$ 132,151,429

Sensitivity of the total OPEB liability to changes in the healthcare trend rates

The following presents the total OPEB liability of the Township for Township retirees, as well as what the Township's total OPEB liability would be if it were calculated using healthcare trend rates that are 1-percentage -point lower or 1-percentage-point higher than the current trend rate:

	At 1% Decrease	At Current Healthcare Trend Rate	At 1% Increase
Net OPEB liability \$	131,250,226	\$ 153,306,133	\$ 181,471,033

TOWNSHIP OF SOUTH BRUNSWICK
MIDDLESEX COUNTY, NEW JERSEY
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 AND 2022

Note 10: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)

Funding Status and Funding Progress

As of December 31, 2022, the date of the most recent actuarial valuation, the plan is currently unfunded. The expense for the year ended December 31, 2022 was \$5,447,874.

The projection of future benefit payments for an ongoing plan involves estimates of the value or reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contribution of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and includes the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations. The following simplifying assumptions were made:

Retirement age for active employees – 100% of Police Officers and Firefighters are assumed to retire at age 65 (which is mandated under New Jersey State Law), regardless of service and 100%.

Mortality – Life expectancies were based on the PUB-2010 Mortality Table with MP-2021 Projection.

The cost of medical benefits range from \$304 through \$407 per month and dental benefits range from \$18 through \$139 per month.

Plan Description – State Plan

Plan description and benefits provided

The Township participates in the State Health Benefit Local Government Retired Employees Plan (Plan), a cost-sharing multiple-employer defined benefit other postemployment benefit (OPEB) plan administered by the State of New Jersey Division of Pension and Benefits. The Plan covers employees of local government employers that have adopted a resolution to participate in the Plan. The Plan provides medical and prescription drug coverage to retirees and their covered dependents. Rules governing the operation and administration of the program are found in Chapter 88, P.L. 1974 and Chapter 48, P.L. 1999. Additional information about the Plan is available from the State of New Jersey, Division of Pensions and Benefits Annual Comprehensive Financial Report, which can be found at <https://www.state.nj.us/treasury/pensions/financial-reports.shtml>.

TOWNSHIP OF SOUTH BRUNSWICK
MIDDLESEX COUNTY, NEW JERSEY
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 AND 2022

Note 10: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)

Actuarial Assumptions

The total OPEB liability as of June 30, 2023 was determined by an actuarial valuation as of July 1, 2022, which was rolled forward to June 30, 2023. The actual 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 increases*:

Public Employees' Retirement System (PERS)

Rate for all future years 2.75% to 6.55%

Police and Firemen's Retirement System (PFRS)

Rate for all future years 3.25% to 16.25%

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

Discount Rate

The discount rate for June 30, 2023 was 3.65%. This represents the municipal bond return rate as chosen by the State. The source is the Bond Buyer GO 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

Mortality Rates

Pre-retirement mortality rates were based on the Pub-2010 "General" and "Safety" Employee mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021. Post-retirement mortality rates were based on the Pub-2010 "General" and "Safety" classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021. Disability mortality was based on the Pub-2010 "General" and "Safety" classification headcount-weighted disabled mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021.

Health Care Trend Assumptions

For pre-Medicare medical benefits, the trend is initially 6.5% and decreases to a 4.5% long-term trend rate after nine years. For post-65 medical benefits PPO, the trend is increasing to 14.8% in fiscal year 2026 and decreases to 4.5% in fiscal year 2033. For HMO, the trend is increasing to 17.4% in fiscal year 2026 and decreases to 4.5% in fiscal year 2033. For prescription drug benefits, the initial trend rate is 9.5% and decreases to a 4.5% long-term trend rate after seven years. For the Medicare Part B reimbursement, the trend rate is 5.00%

TOWNSHIP OF SOUTH BRUNSWICK
MIDDLESEX COUNTY, NEW JERSEY
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 AND 2022

Note 10: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)

Police and Fire - Special Funding Situation

Under Chapter 330, P.L. 1997, the State is responsible for payment of 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 non-employer contributing entity. Since the local participating employers do not contribute 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. However, the notes to the financial statements of the local participating employers must disclose the portion of the non-employer contributing entities' total proportionate share of the net OPEB liability that is associated with the local participating employer. The State's proportionate share of the net OPEB liability associated with the Township as of June 30, 2023 was \$14,886,426. The Township's proportionate share was \$0.

The net OPEB liability was measured as of June 30, 2023, and the total OPEB liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2022, which was rolled forward to June 30, 2023. The State's proportionate share of the net OPEB liability associated with the Township was based on a projection of the State's long-term contributions to the OPEB plan associated with the Township relative to the projected contributions by the State associated with all participating entities, actuarially determined. At June 30, 2023, the State's proportionate share of the net OPEB liability associated with the Township was 0.426656 percent and included 84 plan members.

Note 11: RISK MANAGEMENT

The Township has maintained a limited self-insurance plan for worker's compensation coverage. Claims are paid from a fund provided through the annual budget appropriation. Also, individual stop loss and aggregate stop loss policies are purchased to protect the Township from catastrophic loss. There is a reserve in the Other Trust Fund to pay incurred costs if such were to exceed the annual budget appropriation. The governing body of the Township adopted this plan in accordance with N.J.S.A. 40A:10-36. The Township is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets; error or omission, injuries to employees; and natural disasters. The Township is a member of the Middlesex County Municipal Joint Insurance Fund ("JIF"). The JIF is a public entity risk pool currently operating as a common risk management and insurance program for municipalities established for the purpose of insuring against property damage, general liability, motor vehicles and equipment liability and workers' compensation. While additional assessments on premiums can be levied by the JIF to assure payment of the JIF's obligations, no such additional premiums have been necessary as of December 31, 2023. The JIF is expected to be self-sustaining through member premiums of which the Township portion is reported as expenditure in the Township's financial statements and liabilities of the JIF are based on the estimated ultimate cost of settling the claims. The JIF participates in the AIG Municipal Excess Liability Program, which has a contract for excess liability insurance.

TOWNSHIP OF SOUTH BRUNSWICK
MIDDLESEX COUNTY, NEW JERSEY
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 AND 2022

Note 11: RISK MANAGEMENT (Continued)

The Township is not aware of any claims pending that have a demand in excess of coverages provided under the JIF. In addition, there were no significant reductions in insurance coverage from prior year coverage and there were no amounts settled which exceeded insurance coverage for each of the past three years.

Note 12: COMPENSATED ABSENCES

The Township has established policies, which set forth the terms under which an employee may accumulate unused benefits. The Township's general policy is as follows:

Vacations - Vacation pay for permanent employees is accumulated in accordance with the approved schedules for their respective units. Vacation days shall be taken during the current year and shall not accumulate, except that vacation time may be carried over to the next succeeding year only. This carryover provision is not applicable to Police and Fire Officers. An employee who has separated his/her employment in good standing is entitled to time or pay for any earned vacation accumulated and not previously used.

The payroll office maintains up-to-date records of each employee's status relating to earned and unused sick and vacation pay. At December 31, 2023 and 2022, the total value of accumulated compensated absences, based upon the current pay rates, was \$4,940,469.58 and \$5,378,109.44, respectively. Expenditures for payment of accrued sick and vacation benefits are recorded in the period in which the payments are made. Additionally, at December 31, 2023 and 2022, the Township has reserved funds in the Other Trust Fund of \$4,244.69 and \$1,272.11, respectively, to help offset future costs incurred.

Note 13: LEASE COMMITMENTS

The Township lease/purchase agreements with First Constitution Bank for the acquisition of equipment and police vehicles.

The lease payments and the present value of net minimum lease payment at December 31, 2023 is as follows:

<u>Year Ended December 31,</u>	
2024	\$110,817.30
2025	<u>27,756.40</u>
	138,573.70
Less: Amount representing interest and fees	<u>3,314.85</u>
Present value of net minimum lease payment	<u><u>\$135,258.85</u></u>

TOWNSHIP OF SOUTH BRUNSWICK
MIDDLESEX COUNTY, NEW JERSEY
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 AND 2022

Note 14: TAX APPEALS

At December 31, 2023, there are several tax appeals pending before the New Jersey Tax Court requesting a reduction of assessed valuation for 2023 and prior years. Any reduction in assessed valuation will result in a refund of prior year's taxes in the year of settlement, which may be funded from the Township's tax levy or through the issuance of refunding bonds per N.J.S. 40A:2-51. In accordance with the National Council on Governmental Accounting Statement 4, "Accounting and Financial Reporting Principles for Claims and Judgments and Compensated Absences," the Township charges current fund operations for all State Board Judgments rendered during the year which will be paid from expendable available financial resources.

The Township's share of the County taxes paid on any successful tax appeal would result in appropriate reductions applied against the County tax levy of the following year.

Note 15: CONTINGENT LIABILITIES

At December 31, 2023, the Township had litigation pending. The majority of this litigation involves claims against the Township relating to matters that traditionally would be covered through the procurement of workers' compensation and liability insurance policy coverages. As more fully described in Note 11, the Township has participated in a joint insurance fund for general liability and is partially self-insured for workers compensation. Management indicates the Township is not involved in any pending or threatened litigation nor are there any unasserted claims or assessments requiring disclosure in the financial statements.

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 December 31, 2023, the Township does not believe that any material liabilities will result from such audits.

On May 1, 2013, the Council on Affordable Housing ("COAH"), State of New Jersey passed a resolution authorizing the COAH to begin the process of seizing "uncommitted" municipal affordable housing trust funds. The COAH issued letters to all municipalities in the State of New Jersey requesting them to certify the amount of funds held in trust that are committed and uncommitted and submit the information to COAH. On May 13, 2013, the Appellate Court of the State of New Jersey issued an injunction regarding the resolution passed by the COAH on May 1, 2013 no longer requiring local municipalities to certify the amount of committed and uncommitted funds held in trust. On May 28, 2013, the New Jersey Supreme Court kept in place the portion of the stay ordered by the Appellate Division, thereby enjoining the State from seeking the transfer of any affordable housing trust funds. However, the Court lifted the portion of the stay which prohibited the State from its administrative process of gathering and evaluating municipal submissions. On June 25, 2013, municipalities with affordable housing trust funds were issued a letter from the COAH giving all municipalities until August 2, 2013 to confirm or challenge the figures of funds that the COAH records indicate are being held by local municipalities for affordable housing. On September 26, 2013, the New Jersey Supreme Court again affirmed, in part, the Appellate Division Court decision passed on May 1, 2013 and also gave the COAH five months

TOWNSHIP OF SOUTH BRUNSWICK
MIDDLESEX COUNTY, NEW JERSEY
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 AND 2022

Note 15: CONTINGENT LIABILITIES (Continued)

through February 26, 2014 to promulgate new regulations which would comply with the Fair Housing Act. On February 26, 2014, COAH filed an extension requesting to extend that time frame until May 1, 2014 which was granted by the New Jersey Supreme Court on March 14, 2014, subject to certain provisions, including the COAH to propose new regulations by May 1, 2014 and adopt such regulations on or before October 22, 2014. In October 2014, the COAH failed to meet the deadline established by the New Jersey Supreme Court. In March 2015, the New Jersey Supreme Court made a determination that affordable housing obligations would be administered by the Court. As of December 31, 2023 and 2022, the Township held \$15,532,998.06 and \$13,818,744.22, respectively, of funds for the Council on Affordable Housing.

The Township is subject to Section 148 of the Internal Revenue Code as it pertains to the arbitrage rebate on all tax-exempt obligations, both long and short-term debt. Under the 1986 Tax Reform Act, the Internal Revenue Service (IRS) required that all excess earnings from investment proceeds be rebated to the IRS. Arbitrage, for purposes of these regulations, is defined as the difference between the yield on the investment and the yield on the obligations issued. If there are excess earnings, this amount may be required to be rebated to the IRS. As of December 31, 2023, the Township does not believe any arbitrage liability would be material to the financial statements.

Note 16: INTERFUND RECEIVABLES AND PAYABLES

The following interfund balances, which represent short term loans between funds or interest due to other funds, remained on the balance sheets as of December 31, 2023:

Fund	Interfund Receivable	Interfund Payable
Current Fund	\$ 2,812,496.55	\$ 848,021.30
State and Federal Grant Fund	613,829.89	
Animal Control Trust Fund	7,963.97	
Other Trust Fund	300,993.28	195,097.00
Community Development Block Grant Fund	94,770.75	
General Capital Fund	100,275.00	1,486,288.48
Water and Sewer Utility Operating Fund	533,349.04	1,326,208.07
Water and Sewer Utility Capital Fund		532,491.38
Water and Sewer Utility Assessment Fund		857.66
Payroll Trust Fund		74,714.59
Total	<u>\$ 4,463,678.48</u>	<u>\$ 4,463,678.48</u>

All interfunds are expected to be liquidated within one year.

TOWNSHIP OF SOUTH BRUNSWICK
MIDDLESEX COUNTY, NEW JERSEY
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 AND 2022

Note 17: UNEMPLOYMENT COMPENSATION INSURANCE

Effective January 1, 1978, most municipal employees were eligible for unemployment compensation insurance (N.J.S.A. 43:21-3 et seq.). The Township has elected to provide a self-insured plan whereby the municipal costs and employee contributions are deposited into a trust fund from which claims, if any, will be paid. All funds collected from employees are transmitted to the state for this period. The Reserve for Unemployment Compensation Insurance at December 31, 2023 and 2022 totaled \$74,752.15 and \$74,744.96, respectively.

Note 18: LOSAP PROGRAM

The Township has established a Length of Service Award Program (LOSAP) Deferred Compensation Plan. The LOSAP is an incentive award program for volunteers who meet specified service criteria and is a qualified plan under Internal Revenue Code Section 457(e). Funding for the plan is provided via Township budget appropriations and the Township has authorized Lincoln National Life Insurance, as the plan provider.

In accordance with N.J.A.C. 5:30-14, the funds held in the LOSAP remain the assets of the Township until they are distributed and as such are subject to the claims of the Township's general creditors.

Note 19: GASB 77 TAX ABATEMENTS

Under N.J.S.A. 40A:20-12, each municipality is required to annually remit to the County five percent (5%) of the annual service charge for each long-term PILOT financial agreement entered into by the municipality.

The Township has entered into several property tax abatement agreements in order to provide incentives to redevelop areas that are in need for improvement or to create economic growth. These agreements are authorized under various New Jersey state statutes. The following represent the Township's tax abatement agreements for the years ended December 31, 2022 and 2023:

2022

Entity Name	Commencement Date	Termination Date	Pilot Billing	Taxes if Billed in Full	Abated Taxes
Oak Woods	1997	2037	\$ 43,356.45	\$ 97,187.23	\$ 53,830.78
CIL Woods	1998	2038	11,392.35	34,023.08	22,630.73
South Brunswick VOA	2005	2040	27,656.72	24,158.40	(3,498.32)
ARC - 9 Helen Drive	2013	2043	1,000.00	8,933.58	7,933.58
ARC - 24 Palmer Road	2013	2043	1,000.00	8,701.91	7,701.91
ARC - 125 Kendall Road	2013	2043	1,000.00	8,425.25	7,425.25
ARC - 24 Kindlsey Road	2013	2043	1,000.00	7,585.63	6,585.63
SBCDC - Charleston Place	2021	2050	39,222.90	200,423.00	161,200.10
Car Sense	2022	2051	144,322.51	436,663.37	292,340.86
			<u>\$269,950.93</u>	<u>\$ 826,101.45</u>	<u>\$ 556,150.52</u>

TOWNSHIP OF SOUTH BRUNSWICK
MIDDLESEX COUNTY, NEW JERSEY
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 AND 2022

Note 19: GASB 77 TAX ABATEMENTS (Continued)

2023

Entity Name	Commencement Date	Termination Date	Pilot Billing	Taxes if Billed in Full	Abated Taxes
Oak Woods	1997	2037	\$ 43,950.00	\$ 96,743.10	\$ 52,793.10
CIL Woods	1998	2038	12,956.00	33,867.60	20,911.60
South Brunswick VOA	2005	2040	875.00	24,048.00	23,173.00
ARC - 9 Helen Drive	2013	2043	1,000.00	8,892.75	7,892.75
ARC - 24 Palmer Road	2013	2043	1,000.00	8,592.15	7,592.15
ARC - 125 Kendall Road	2013	2043	1,000.00	8,141.25	7,141.25
ARC - 24 Kindsey Road	2013	2043	1,000.00	7,489.95	6,489.95
SBCDC - Charleston Place	2021	2050	40,389.00	197,895.00	157,506.00
Car Sense	2022	2051	189,067.00	431,155.59	242,088.59
			<u>\$ 291,237.00</u>	<u>\$816,825.39</u>	<u>\$525,588.39</u>

Note 20: CORRECTION OF AN ERROR/RESTATEMENT

During the year ended December 31, 2023, the Township discovered an error in the accounting of the deferred charge emergency and bonds payable in the Current and General Capital Funds related to the Affordable Housing settlement, which resulted in a restatement to the December 31, 2022 financial statements. The correction of the error resulted in a restatement to the December 31, 2022 financial statements as follows:

	Balance December 31, 2022	Correction of Error	Restated Balance December 31, 2022
<u>Current Fund</u>			
Deferred Charge	\$ 1,335,000.00	\$ (1,335,000.00)	\$ -
Emergency Bonds Payable	\$ 1,335,000.00	\$ (1,335,000.00)	\$ -
<u>General Capital Fund</u>			
Deferred Charges - Funded	\$ 32,764,000.00	\$ 1,335,000.00	\$ 34,099,000.00
Serial Bonds Payable	\$ 32,764,000.00	\$ 1,335,000.00	\$ 34,099,000.00

The restatement had no impact on the Township's fund balances.

TOWNSHIP OF SOUTH BRUNSWICK
MIDDLESEX COUNTY, NEW JERSEY
NOTES TO THE FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 AND 2022

Note 21: SUBSEQUENT EVENTS

The Township has reviewed and evaluated all events and transactions from December 31, 2023 through March 28, 2025, the date that the financial statements were available for issuance. The effects of those events and transactions that provide additional pertinent information about conditions that existed at December 31, 2023 have been recognized in the accompanying financial statements.

The following subsequent events were identified:

During the 2024 calendar year, the State of New Jersey approved transitional aid to be provided to the Township in the amount of \$6,500,000.00 to assist in balancing its 2024 municipal budget. In addition, the bond ordinances were adopted 2024-15 providing for capital improvements and authorizing \$1,205,930 in bonds and notes, 2024-16 providing for utility capital improvements and authorizing \$8,110,817 in bonds and notes. The Township adopted ordinance 2024-19 that approved and authorized the entering into a lease and agreement with the Middlesex County Improvement Authority relating to the issuance of county- guaranteed capital equipment and improvement revenue bonds, Series 2024.

**PART II – SUPPLEMENTARY SCHEDULES –
SUPPLEMENTARY INFORMATION –
AS REQUIRED BY THE DIVISION OF LOCAL GOVERNMENT SERVICES**

CURRENT AND GRANT FUNDS

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

**CURRENT FUND
SCHEDULE OF CASH AND CASH EQUIVALENTS - TREASURER
FOR THE YEAR ENDED DECEMBER 31, 2023**

	<u>REF.</u>	
Balance, December 31, 2022	A	\$ 10,832,927.88
Increased by Receipts:		
Miscellaneous Revenue Not Anticipated	A-2	130,061.66
Taxes Receivable	A-7	217,351,433.11
Tax Title Liens Receivable	A-9	31,347.34
Tax Sale Premiums	A-31	134,900.00
State of New Jersey (Ch. 20, P.L. 1976)	A-8	98,756.26
Revenue Accounts Receivable	A-11	14,611,082.22
Refund of 2022 Appropriation Reserves	A-12	14,030.33
Due to State of New Jersey	A-13	1,585.00
Prepaid Taxes	A-14	2,096,034.34
Reserve for Various Deposits	A-15	128.65
Tax Overpayments	A-17	821,555.34
Investments Redeemed	A-5	300,000.00
Refunds of Prior Year Expenditures	A-1	99,463.89
Special Emergency Notes Issued	A-24	1,310,000.00
Cash Receipts from Other Funds	A-6	8,633,609.49
Cash Received on-behalf of Other Funds	A-6	1,137,642.49
		<u>246,771,630.12</u>
Subtotal		257,604,558.00
Decreased by Disbursements:		
2023 Budget Appropriations	A-3	65,746,264.30
2022 Appropriation Reserves	A-12	1,742,482.62
Special Emergency Notes Paid	A-24	1,245,000.00
Accounts Payable	A-16	826,450.42
Cash Disbursed to Other Funds	A-6	10,718,639.89
Cash Disbursed on-behalf of Other Funds	A-6	744,348.55
Due to State of New Jersey	A-13	67,224.00
Reserve for Various Deposits	A-15	447.42
Tax Overpayments	A-17	157,502.50
Municipal Open Space Taxes	A-7	1,674,000.00
Special District Taxes	A-18	2,599,995.00
Local District School Taxes	A-20	126,332,020.04
County Taxes	A-19	41,147,423.35
		<u>253,001,798.09</u>
Balance, December 31, 2023	A	<u>\$ 4,602,759.91</u>

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

**CURRENT FUND
SCHEDULE OF INVESTMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

	<u>REF.</u>	
Balance - December 31, 2022	A	\$ 300,000.00
Decreased by:		
Investments Redeemed	A-4	<u>300,000.00</u>
Balance - December 31, 2023	A	<u><u>\$ -</u></u>

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

**CURRENT FUND
SCHEDULE OF INTERFUNDS (PAYABLE) RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2023**

	REF.	Total	General Capital Fund	Grant Fund	Water and Sewer Utility Operating Fund	Payroll Fund	Animal Control Trust Fund	Other Trust Fund
Balance, December 31, 2022	A	\$ 700,951.96	\$ 2,751,589.07	\$ (194,251.40)	\$ (314,712.79)	\$ (25.00)	\$ 32,483.50	\$ (1,574,131.42)
Increased by:								
Statutory Excess Due to Current Fund	A-2	9,552.53					9,552.53	
Cash Received in Other Funds on-behalf of Current Fund								
Anticipated Revenues	A-11	18,938.44						18,938.44
Anticipated as Revenue in Current Fund	A-2	75,000.00	75,000.00					
		<u>10,822,130.86</u>	<u>75,000.00</u>	<u>-</u>	<u>1,640,920.86</u>	<u>25.00</u>	<u>9,552.53</u>	<u>9,096,632.47</u>
		<u>11,523,082.82</u>	<u>2,826,589.07</u>	<u>(194,251.40)</u>	<u>1,326,208.07</u>	<u>-</u>	<u>42,036.03</u>	<u>7,522,501.05</u>
Decreased by:								
Cash Receipts								
From Other Funds	A-4	8,633,609.49	1,340,300.59				50,000.00	7,243,308.90
Cash Received on-behalf of Other Funds	A-4, A-26	1,137,642.49		1,137,642.49				
Additional Taxes Levied	A-7	9,730.26						9,730.26
Appropriations Raised on-behalf of Other Funds	A-3	521,973.88		26,233.30				495,740.58
		<u>10,302,956.12</u>	<u>1,340,300.59</u>	<u>1,163,875.79</u>	<u>-</u>	<u>-</u>	<u>50,000.00</u>	<u>7,748,779.74</u>
Balance, December 31, 2023	A	<u>\$ 1,220,126.70</u>	<u>\$ 1,486,288.48</u>	<u>\$(1,358,127.19)</u>	<u>\$ 1,326,208.07</u>	<u>\$ -</u>	<u>\$ (7,963.97)</u>	<u>\$ (226,278.69)</u>

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

**CURRENT FUND
SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY
FOR THE YEAR ENDED DECEMBER 31, 2023**

Year	Balance, December 31, 2022	2023 Levy	Added Taxes	Collections by Collector		St. Share Sr. Citizen Deductions	Adjustments, Remitted and Cancelled	Transfer to Tax Title Liens	Balance, December 31, 2023
				2022	2023				
2022	\$ 733,687.08				\$ 543,834.36		\$ 189,852.72		
2023		\$ 218,737,479.62	\$ 1,635,894.95	\$ 2,479,808.71	216,807,598.75	\$ 96,819.86	100,799.48	\$ 70,023.69	\$ 818,324.08
	<u>\$ 733,687.08</u>	<u>\$ 218,737,479.62</u>	<u>\$ 1,635,894.95</u>	<u>\$ 2,479,808.71</u>	<u>\$ 217,351,433.11</u>	<u>\$ 96,819.86</u>	<u>\$ 290,652.20</u>	<u>\$ 70,023.69</u>	<u>\$ 818,324.08</u>
REF.	A	Below	Below	A-2, A-14	A-2, A-4	A-2, A-8	Reserved	A-9	A
<u>Analysis of 2023 property tax levy</u>									
Tax yield:									
General purpose tax		\$ 216,493,217.47							
Special district taxes		<u>2,613,165.16</u>							
Added Taxes (54:4-63:1 et seq.)			\$ 219,106,382.63						
			<u>1,266,991.74</u>						
	Above				<u>\$ 220,373,374.37</u>				
Tax levy:									
Local District School Tax:									
Levy (Abstract)	A-1 , A-20		\$ 126,332,020.00						
Total Local District School Tax					<u>\$ 126,332,020.00</u>				
County Tax:									
County Tax (Abstract)	A-1 , A-19		37,808,399.07						
County Open Space Preservation	A-1 , A-19		3,339,024.28						
Due Cty. For Added & Omitted Taxes	A-1 , A-19		<u>238,278.57</u>						
Total County Tax					<u>41,385,701.92</u>				
Special District Taxes:									
Fire District Taxes	A-1 , A-18		<u>2,599,995.00</u>						
Total Special District Taxes					<u>2,599,995.00</u>				
Local Tax for Municipal Purposes	A-2		43,630,669.63						
Local Tax for Library Purposes	A-2		3,681,890.19						
Municipal Open Space	A-1 , A-4		1,674,000.00						
Municipal Open Space - Added	A-1 , A-6		9,730.26						
Additional Taxes Levied			<u>1,059,367.57</u>						
Total Local Tax for Mun. Purposes					<u>50,055,657.65</u>				
	Above				<u>\$ 220,373,374.57</u>				

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

**CURRENT FUND
SCHEDULE OF DUE TO THE STATE OF NEW JERSEY
SENIOR CITIZENS AND VETERANS DEDUCTIONS
PER CHAPTER 20, P.L.1976
FOR THE YEAR ENDED DECEMBER 31, 2023**

	<u>REF.</u>	
Balance - December 31, 2022	A	\$ 74,047.85
Increased by:		
Deductions Disallowed by Collector - 2023	Below	\$ 2,680.14
Cash Receipts	A-4	<u>98,756.26</u>
		101,436.40
		<u>175,484.25</u>
Decreased by:		
Deductions Allowed Per Tax Billings - 2023	Below	97,250.00
Deductions Allowed by Collector - 2023	Below	<u>2,250.00</u>
		99,500.00
Balance - December 31, 2023	A	<u><u>\$ 75,984.25</u></u>
Analysis of Senior Citizens, Veterans and Disability Deductions Realized <u>as Revenues in FY 2023</u>		
Deductions Allowed Per Tax Billings	Above	\$ 97,250.00
Plus:		
Deductions Allowed by Collector	Above	<u>2,250.00</u>
		99,500.00
Less:		
Deductions Disallowed by Collector	Above	<u>2,680.14</u>
Amount Realized as Revenue - 2023	A-2 , A-7	<u><u>\$ 96,819.86</u></u>

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

**CURRENT FUND
SCHEDULE OF TAX TITLE LIENS
FOR THE YEAR ENDED DECEMBER 31, 2023**

	<u>REF.</u>		
Balance - December 31, 2022	A		1,051,016.44
Increased by:			
Transfers from Taxes Receivable	A-7	\$ 70,023.69	
Miscellaneous	Reserved	<u>1,614.65</u>	
			71,638.34
			1,122,654.78
Decreased by:			
Cancelled	Reserved	23,148.30	
Cash Receipts	A-2 , A-4	<u>31,347.34</u>	
			<u>54,495.64</u>
Balance - December 31, 2023	A		<u><u>\$ 1,068,159.14</u></u>

**CURRENT FUND
SCHEDULE OF PROPERTY ACQUIRED FOR TAXES
AT ASSESSED VALUATION
FOR THE YEAR ENDED DECEMBER 31, 2023**

	<u>REF.</u>	
Balance - December 31, 2023 and 2022	A	<u><u>\$ 771,640.00</u></u>

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

**CURRENT FUND
SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2023**

	Ref.	Balance Dec 31, 2022	Accrued 2023	Decreases	Balance Dec 31, 2023
Miscellaneous Revenues Anticipated:					
Alcoholic Beverage Licenses	A-2		\$ 61,850.00	\$ 61,850.00	
Licenses - Other	A-2		58,391.61	58,391.61	
Fees and Permits	A-2		693,996.97	688,376.97	
Municipal Court Fines & Costs	A-2	\$ 33,957.53	463,674.96	454,767.18	\$ 42,865.31
Interest and Costs on Taxes	A-2		235,199.51	233,564.51	
Interest on Investments and Deposits	A-2		50,266.12	50,266.12	
Anticipated Utility Operating Surplus	A-2		3,000,000.00	1,999,357.45	
Cable TV Franchise Fee	A-2		398,666.90	398,666.90	
Energy Receipts Tax	A-2		4,917,929.99	4,917,929.99	
Supplemental Energy Receipts Tax	A-2		281,706.00	281,706.00	
Watershed Moratorium Offset Aid	A-2		987.00	987.00	
Garden State Aid Trust Fund	A-2		32,942.00	32,942.00	
Municipal Relief Fund Aid	A-2		538,627.80	538,627.80	
Uniform Construction Code Fees	A-2		1,374,654.00	1,374,654.00	
Fire District #1 contract	A-2		118,304.67	118,304.67	
Fire District #2 contract	A-2		257,175.58	257,175.58	
Fire District #3 contract	A-2		171,839.70	171,839.70	
Spotswood Contract - Data Processing	A-2		21,900.00	21,900.00	
Milltown Contract - Data Processing	A-2		16,375.00	16,375.00	
Monroe Contract - Data Processing	A-2		73,500.00	73,500.00	
Cranbury Contract - Data Processing	A-2		24,600.00	24,600.00	
Middlesex College:					
Contract - Data Processing	A-2		16,100.00	16,100.00	
Interlocal Cranbury Dispatch	A-2		140,770.00	140,770.00	
Uniform Fire Safety Act - Life Hazard					
Use Fees	A-2		373,207.66	373,207.66	
Site Leasing - Antennae	A-2		304,995.49	304,995.49	
Hotel / Motel Tax	A-2		880,542.63	880,542.63	
PILOT - South Brunswick Community					
Development Corp.	A-2		44,673.61	44,673.61	
PILOT - CIL Woods	A-2		12,585.15	12,585.15	
PILOT - Oakwoods	A-2		40,520.25	40,520.25	
School Resource Officer	A-2		775,922.00	775,922.00	
PILOT - Car Sense	A-2		264,921.39	264,921.39	
		<u>\$ 33,957.53</u>	<u>\$ 15,646,825.99</u>	<u>\$ 14,630,020.66</u>	<u>\$ 42,865.31</u>
	REF.	A		Below	A
Cash Received	A-4			\$ 14,611,082.22	
Cash Received in Other funds on-Behalf of Current	A-6			18,938.44	
	Above			<u>\$ 14,630,020.66</u>	

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

**CURRENT FUND
SCHEDULE OF 2022 APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2023**

	Balance Dec 31, 2022	Reserved for Encumbrances Dec 31, 2022	Balance After Modification	Paid or Charged (Refunds)	Transferred to Accounts Payable	Overexpended	Balance Lapsed
OPERATIONS WITHIN "CAPS"							
Township Council							
Salaries and Wages	\$ 1.00		\$ 1.00				\$ 1.00
Other Expenses	6,540.73	\$ 12,191.20	21,186.93	\$ 21,186.20			0.73
General Administration							
Salaries and Wages	4,689.90		.90				0.90
Other Expenses		115.00	2,282.00	2,282.00			
Municipal Clerk							
Salaries and Wages	5,023.56		0.56				0.56
Other Expenses	5,187.66		484.66	483.78			0.88
Elections							
Salaries and Wages	3.12		3.12				3.12
Other Expenses	1.04		1.04				1.04
CATV Advisory Commission (N.J.S.A. 48A:56A-26)							
Salaries and Wages	11.69		0.69				0.69
Other Expenses	47.63		0.63				0.63
Financial Administration							
Salaries and Wages	3,366.42		0.42				0.42
Other Expenses	5,713.87	416.67	2,780.54	2,363.64			416.90
Purchasing							
Salaries and Wages	93.55		0.55				0.55
Other Expenses	5,137.15		0.15				0.15
Computerized Data Processing Center							
Salaries and Wages	3,561.73		1,262.73	1,262.30			0.43
Other Expenses	1,400.61	109,704.77	181,613.38	39,041.08	\$ 122,984.18		19,588.12
Collection of Taxes							
Salaries and Wages	909.28		0.28				0.28
Other Expenses	16.07			(312.00)			312.00
Annual Audit							
Other Expenses	138.34	19,311.66	19,312.00	15,333.32	3,978.34		0.34
Assessment of Taxes							
Salaries and Wages	2,742.81		0.81				0.81
Other Expenses	2,069.29	58,707.50	2,674.79	2,674.50			0.29
Other Expenses - Tax Appeals							
Law							
Other Expenses	89.86	28,193.15	23,057.01	14,485.65	7,625.00		946.36
Affordable Housing Agency							
Other Expenses	25,997.53	4,007.58	23,991.11	19,983.50			4,007.61
Planning							
Salaries and Wages	3,683.46		1,400.46	1,400.00			0.46
Other Expenses	1,364.75	1,128.55	943.30	817.51			125.79

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

**CURRENT FUND
SCHEDULE OF 2022 APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2023**

	Balance Dec 31, 2022	Reserved for Encumbrances Dec 31, 2022	Balance After Modification	Paid or Charged (Refunds)	Transferred to Accounts Payable	Overexpended	Balance Lapsed
Zoning Board							
Salaries and Wages	\$ 124.98		\$ 0.98				\$ 0.98
Industrial Commission (N.J.S.A. 40A:55-56A-5)							
Salaries and Wages	189.10		0.10				0.10
Other Expenses	250.00						
Environmental Commission (N.J.S.A. 40:56A-10)							
Salaries and Wages	56.53		0.53				0.53
Other Expenses	100.00						
Transportation Advisory Committee							
Other Expenses	250.00						
Public Building and Grounds							
Salaries and Wages	2,150.53		0.53				0.53
Other Expenses	235.99		7,437.99	\$ 7,437.23			0.76
Maintenance of Parks							
Salaries and Wages	1,213.52			(1,875.85)			1,875.85
Other Expenses	969.13	\$ 5,263.20	6,067.33	6,067.17			0.16
Shade Tree							
Salaries and Wages	9.74		9.74				9.74
Other Expenses	590.00						
Streets and Roads Maintenance							
Salaries and Wages	4,606.07		4,222.07	4,221.51			0.56
Other Expenses	735.79	7,563.98	6,769.77	6,769.31			0.46
Vehicle Maintenance							
Salaries and Wages	1,646.60		1,244.60	1,244.08			0.52
Other Expenses	509.16	19,863.34	22,788.35	20,715.21	\$ (79.15)		2,152.29
Recycling							
Salaries and Wages	2,820.57		206.57	(0.02)			206.59
Other Expenses	1,997.35		152.35	152.00			0.35
Transit - Other Public Works Functions							
Salaries and Wages	12.42		472.42	471.50			0.92
Other Expenses	950.91	1,533.34	1,553.25	1,553.10			0.15
Aid to Volunteer Ambulance Companies							
Other Expenses	33,750.40		33,750.40	33,750.00			0.40
Public Safety							
Fire Prevention Service							
Salaries and Wages			5,877.00	5,876.85			0.15
Other Expenses	292.59		0.59				0.59

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

**CURRENT FUND
SCHEDULE OF 2022 APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2023**

	Balance Dec 31, 2022	Reserved for Encumbrances Dec 31, 2022	Balance After Modification	Paid or Charged (Refunds)	Transferred to Accounts Payable	Overexpended	Balance Lapsed
Police							
Salaries and Wages	\$ 162,217.98		\$ 14,143.98	\$ 14,143.59			\$ 0.39
Other Expenses	11,043.46	\$ 71,991.68	86,403.14	87,029.50		\$ 626.36	
Crossing Guards							
Other Expenses	17.78	2,913.00	2,913.78	2,913.00			0.78
Police Dispatch/911							
Salaries and Wages	2,160.53		8,002.53	8,002.08			0.45
Other Expenses	3,304.70	490.43	1,735.13	1,735.13			
Emergency Management Services							
Salaries and Wages	880.75		0.75				0.75
Other Expenses	1,159.03		0.03				0.03
Municipal Prosecutor							
Salaries and Wages			4,097.99	4,097.91			0.08
Other Expenses	37.50	20,360.49					
Health and Welfare							
Other Expenses	50,000.00		50,000.00	35,000.00			15,000.00
Board of Health							
Other Expenses		443.00	342.96	342.88			0.08
Animal Control Regulation							
Salaries and Wages	613.39		334.39	333.99			0.40
Other Expenses	4,547.01		1,303.01	1,303.00			0.01
Recreation Services and Programs							
Salaries and Wages	18,847.80		419.80	(4,084.20)			4,504.00
Other Expenses	11,868.04	2,990.00	4,827.04	4,089.84			737.20
Social Services							
Salaries and Wages	1,204.10		.10	(5,529.76)			5,529.86
Other Expenses	710.27		.27				0.27
Senior Services							
Salaries and Wages	1,118.05		.05				0.05
Other Expenses	1,099.63		306.63	306.03			0.60
Celebration of Public events							
Other Expenses	1,730.00						
Solid Waste Collection							
Other Expenses			314,012.00	314,011.22			0.78
Community Services Act							
Other Expenses	2,827.47	20,912.37	20,912.84	28,071.21		7,158.37	

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

**CURRENT FUND
SCHEDULE OF 2022 APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2023**

	Balance Dec 31, 2022	Reserved for Encumbrances Dec 31, 2022	Balance After Modification	Paid or Charged (Refunds)	Transferred to Accounts Payable	Overexpended	Balance Lapsed
Municipal Court							
Salaries and Wages	\$ 5,874.12		\$ 0.12				\$ 0.12
Other Expenses	2,533.72	\$ 494.50	546.22	\$ 545.40			0.82
Public Defender							
Other Expenses	1,010.00	10,008.18	10,008.18	10,008.18			
Accumulated Leave							
Salaries and Wages				658,391.26		\$ 658,391.26	
Insurance							
Group Insurance		180.00	387.00	748.07		361.07	
General Liability		5,585.09	6,480.00	3,979.89			2,500.11
Waiver of Health Benefits	2,398.38		0.38				0.38
Construction Official							
Salaries and Wages	1,601.01		180.01	180.00			0.01
Other Expenses	467.49	483.00	0.49				0.49
Utilities							
Electricity	58,987.26		55,360.20	54,421.69			938.51
Street Lighting	58,816.66		69,562.66	69,562.37			0.29
Telephone	28,644.99	1,605.00	3,134.99	3,029.29			105.70
Water	19,493.09		0.09				0.09
Sewerage Disposal	5,708.56		0.56				0.56
Solid Waste Disposal	107,700.43		117,370.43	117,370.35			0.08
Fuel Oil	21,660.63		9,673.63	9,673.27			0.36
Gasoline	38,624.23		24,362.23	24,361.30			0.93
Heating Oil	2,250.00						
Fire Hydrant	6,778.21			(2,228.50)			2,228.50
Total Operations Within "CAPS"	769,188.70	406,456.68	1,178,377.24	1,649,191.56	\$ 134,508.37	666,537.06	61,214.37
DEFERRED CHARGES AND STATUTORY EXPENDITURES							
MUNICIPAL WITHIN "CAPS"							
Statutory Expenditures:							
Contribution to:							
Public Employees' Retirement System	0.10		0.10				0.10
Total Deferred Charges and Statutory Expenditures							
Municipal Within "CAPS"	0.10		0.10				0.10
Total General Appropriations for Municipal							
Purposes Within "CAPS"	769,188.80	406,456.68	1,178,377.34	1,649,191.56	134,508.37	666,537.06	61,214.47

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

**CURRENT FUND
SCHEDULE OF 2022 APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2023**

	Balance Dec 31, 2022	Reserved for Encumbrances Dec 31, 2022	Balance After Modification	Paid or Charged (Refunds)	Transferred to Accounts Payable	Overexpended	Balance Lapsed
<u>OTHER OPERATIONS EXCLUDED FROM "CAPS"</u>							
Maintenance of Free Public Library							
Salaries and Wages	\$ 59,294.13		\$ 59,294.13	\$ 25,089.41			\$ 34,204.72
Other Expenses	36,376.51	\$ 56,486.75	92,656.00	54,171.32	\$ (281.59)		38,766.27
Length of Service Award Program (LOSAP)							
Other Expenses	42,524.11		40,000.11		40,000.00		0.11
Total Operations Excluded from "CAPS"	138,194.75	56,486.75	191,950.24	79,260.73	39,718.41		72,971.10
<u>DEFERRED CHARGES - MUNICIPAL EXCLUDED FROM "CAPS"</u>							
Special Emergency Authorizations - 5 Years	0.60		-				
Total Deferred Charges - Municipal Purposes Ecluded from "CAPS"	0.60						
TOTALS	<u>\$ 907,384.15</u>	<u>\$ 462,943.43</u>	<u>\$ 1,370,327.58</u>	<u>\$ 1,728,452.29</u>	<u>\$ 174,226.78</u>	<u>\$ 666,537.06</u>	<u>\$ 134,185.57</u>
REF.	A	A , A-21		Below	A-16	A-23	A-1
<u>REF.</u>							
Cash Disbursements			A-4	\$ 1,742,482.62			
Refunds of 2022 Budget Appropriations			A-4	(14,030.33)			
			Above	<u>\$ 1,728,452.29</u>			

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

**CURRENT FUND
SCHEDULE OF DUE TO THE STATE OF NEW JERSEY
FOR THE YEAR ENDED DECEMBER 31, 2023**

	<u>REF.</u>	<u>Total</u>	<u>Marriage License Fees</u>	<u>Health Burials</u>	<u>Building Permits Surcharge Fees</u>
Balance - December 31, 2022	A	\$ 156,211.00	\$ 5,020.00	\$ 1,389.00	\$ 149,802.00
Increased by:					
Cash Receipts	A-4	<u>1,585.00</u>	<u>1,575.00</u>	<u>10.00</u>	
		157,796.00	6,595.00	1,399.00	149,802.00
Decreased by:					
Cash Disbursements	A-4	<u>67,224.00</u>			<u>67,224.00</u>
Balance - December 31, 2023	A	<u>\$ 90,572.00</u>	<u>\$ 6,595.00</u>	<u>\$ 1,399.00</u>	<u>\$ 82,578.00</u>

**CURRENT FUND
SCHEDULE OF PREPAID TAXES
FOR THE YEAR ENDED DECEMBER 31, 2023**

	<u>REF.</u>	
Balance - December 31, 2022	A	\$ 2,479,808.71
Increased by:		
Collection of 2024 Taxes	A-4	<u>2,096,034.34</u>
		4,575,843.05
Decreased by:		
Applied to 2023 Taxes	A-2 , A-7	<u>2,479,808.71</u>
Balance - December 31, 2023	A	<u>\$ 2,096,034.34</u>

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

**CURRENT FUND
SCHEDULE OF RESERVE FOR VARIOUS DEPOSITS
FOR THE YEAR ENDED DECEMBER 31, 2023**

	<u>REF.</u>	
Balance - December 31, 2022	A	\$ 48,054.33
Increased by:		
Cash Receipts	A-4	128.65
		<u>48,182.98</u>
Decreased by:		
Cash Disbursements	A-4	447.42
		<u>447.42</u>
Balance - December 31, 2023	A , Below	<u><u>\$ 47,735.56</u></u>

Analysis of Balance as of December 31, 2023

Security Deposits	\$ 16,798.00
Property / Evidence	17,632.39
Police Donations	12,355.17
Bid Deposit	950.00
Above	<u><u>\$ 47,735.56</u></u>

Exhibit A-16

**CURRENT FUND
SCHEDULE OF ACCOUNTS PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2023**

Balance - December 31, 2022	A	\$ 1,545,280.55
Increased by:		
Transferred from Appropriation Reserves	A-12	174,226.78
		<u>1,719,507.33</u>
Decreased by:		
Cash Disbursements	A-4	826,450.42
		<u>826,450.42</u>
Balance - December 31, 2023	A	<u><u>\$ 893,056.91</u></u>

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

**CURRENT FUND
SCHEDULE OF TAX OVERPAYMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

	<u>REF.</u>	
Balance - December 31, 2022	A	\$ 157,502.50
Increased by:		
Cash Receipts	A-4	821,555.34
		<u>979,057.84</u>
Decreased by:		
Cash Disbursements	A-4	<u>157,502.50</u>
Balance - December 31, 2023	A	<u><u>\$ 821,555.34</u></u>

**CURRENT FUND
SCHEDULE OF SPECIAL DISTRICT TAXES PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2023**

	Balance Dec 31, 2022	2023 Levy	Decrease	Balance Dec 31, 2023
Fire District:				
No. 1		\$ 889,300.00	\$ 889,300.00	
No. 2		1,081,430.00	1,081,430.00	
No. 3		<u>629,265.00</u>	<u>629,265.00</u>	
	<u>\$ -</u>	<u>\$ 2,599,995.00</u>	<u>\$ 2,599,995.00</u>	<u>\$ -</u>
<u>REF.</u>	A	A-1, A-7	A-4	A

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

**CURRENT FUND
SCHEDULE OF COUNTY TAXES PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2023**

	<u>REF.</u>		
Balance - December 31, 2022	A	\$	-
Increased by:			
2023 Levy:			
County Taxes	A-1, A-7	\$ 37,808,399.07	
County Open Space Taxes	A-1, A-7	3,339,024.28	
Added and Omitted Taxes	A-1, A-7	<u>238,278.57</u>	
			<u>41,385,701.92</u>
			41,385,701.92
Decreased by:			
Cash Disbursements	A-4		<u>41,147,423.35</u>
Balance - December 31, 2023	A	<u>\$</u>	<u>238,278.57</u>

**CURRENT FUND
SCHEDULE OF LOCAL DISTRICT SCHOOL TAX (RECEIVABLE)
FOR THE YEAR ENDED DECEMBER 31, 2023**

	<u>REF.</u>		
Balance - December 31, 2022	A, A-1	\$	(1,285.00)
Increased by:			
Levy - 2023	A-1, A-7	<u>126,332,020.00</u>	
			126,330,735.00
Decreased by:			
Cash Disbursements	A-4		<u>126,332,020.04</u>
Balance - December 31, 2023	A, A-1	<u>\$</u>	<u>(1,285.04)</u>

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

**SCHEDULE OF RESERVE FOR ENCUMBRANCES
FOR THE YEAR ENDED DECEMBER 31, 2023**

	<u>REF.</u>	<u>Current Fund</u>	<u>Grant Fund</u>
Balance - December 31, 2022	A	\$ 462,943.43	\$ 383,030.46
Increased by:			
Charges to:			
2023 Budget Appropriations	A-3	481,011.45	
Federal and State Grant Appropriations	A-27		601,462.17
		<u>943,954.88</u>	<u>984,492.63</u>
Decreased by:			
Transferred to 2022 Appropriation Reserves	A-12	462,943.43	
Due to Current Fund	A-26		383,030.46
		<u>462,943.43</u>	<u>383,030.46</u>
Balance - December 31, 2023	A	<u><u>\$ 481,011.45</u></u>	<u><u>\$ 601,462.17</u></u>

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

**CURRENT FUND
SCHEDULE OF DEFERRED CHARGES
SPECIAL EMERGENCY AUTHORIZATIONS N.J.S. 40A:4-53
FOR THE YEAR ENDED DECEMBER 31, 2023**

<u>Date</u> <u>Authorized</u>	<u>Purpose</u>	<u>Net Amount</u> <u>Authorized</u>	<u>1/5 of</u> <u>Net Amount</u> <u>Authorized</u>	<u>Balance</u> <u>December 31,</u> <u>2022</u>	<u>Increased</u>	<u>Decreased</u>	<u>Balance</u> <u>December 31,</u> <u>2023</u>
12/21/2018	Severance Liabilities	\$ 475,000.00	\$ 95,000.00	\$ 95,000.00		\$ 95,000.00	
12/10/2019	Severance Liabilities	250,000.00	50,000.00	100,000.00		50,000.00	\$ 50,000.00
12/10/2020	Severance Liabilities	250,000.00	50,000.00	150,000.00		50,000.00	100,000.00
2020	Ch 74 COVID-19	1,257,797.00	251,559.40	1,138,131.00		284,532.60	853,598.40
2021	Severance Liabilities	250,000.00	50,000.00	150,000.00		50,000.00	100,000.00
2022	Severance Liabilities	700,000.00	140,000.00	700,000.00		53,000.00	647,000.00
2023	Various	450,000.00	90,000.00		\$ 450,000.00		450,000.00
		<u>\$ 3,797,683.00</u>	<u>\$ 759,536.60</u>	<u>\$ 2,333,131.00</u>	<u>\$ 450,000.00</u>	<u>\$ 582,532.60</u>	<u>\$ 2,200,598.40</u>
<u>REF.</u>				A	A-1, A-3	A-3	A

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

**CURRENT AND GRANT FUNDS
SCHEDULE OF DEFERRED CHARGES
FOR THE YEAR ENDED DECEMBER 31, 2023**

	Balance Dec 31, 2022	2023 Deferred Charges	Raised in 2023 Budget	Balance Dec 31, 2023
Overexpenditure of Grants	\$ 26,233.30		\$ 26,233.30	
Overexpenditure of Other Trust Fund Reserves	45,740.58		45,740.58	
2023 Budget Emergency Appropriations		\$ 676,347.50		\$ 676,347.50
Deficit in Operations		3,197,117.62		3,197,117.62
Overexpenditure of Appropriation Reserves - Current Fund	23,020.61	666,537.06	23,020.61	666,537.06
Overexpenditure of PY Appropriations - Current Fund		54,019.52		54,019.52
Overexpenditure of CY Appropriations - Current Fund	2,473,730.80		1,813,665.16	660,065.64
	<u>\$2,568,725.29</u>	<u>\$ 4,594,021.70</u>	<u>\$ 1,908,659.65</u>	<u>\$ 5,254,087.34</u>
<u>Ref.</u>	A	Below	A-3	A, Below
Deficit in Operations	A-1	\$ 3,197,117.62		\$ 3,197,117.62
Overexpenditure of Appropriation Reserves	A-12	666,537.06		666,537.06
CY Budget Emergency Appropriations	A-1, A-3	676,347.50		676,347.50
Overexpenditure of CY Appropriations	A-1, A-3	54,019.52		54,019.52
Overexpenditure of PY Appropriations				660,065.64
	Above	<u>\$ 4,594,021.70</u>		<u>\$ 5,254,087.34</u>

**CURRENT FUND
SCHEDULE OF SPECIAL EMERGENCY NOTES PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2023**

Date of Original Issue	Date of Issue	Date of Maturity	Interest Rate	Balance Dec 31, 2022	Increased	Decreased	Balance Dec 31, 2023
12/9/2021	12/7/2022	12/6/2023	3.88%	\$ 395,000.00		\$ 395,000.00	
12/30/2021	12/7/2022	12/6/2023	3.88%	150,000.00		150,000.00	
12/7/2022	12/7/2022	12/6/2023	3.88%	700,000.00		700,000.00	
11/30/2023	11/30/2023	11/27/2024	4.125%		\$ 1,310,000.00		\$ 1,310,000.00
				<u>\$1,245,000.00</u>	<u>\$ 1,310,000.00</u>	<u>\$ 1,245,000.00</u>	<u>\$ 1,310,000.00</u>
<u>Ref.</u>				A	A-4	A-4	A

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

**GRANT FUND
SCHEDULE OF FEDERAL AND STATE GRANTS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2023**

Program	Balance Dec 31, 2022	Budget Revenue	Decreased by Cash Receipts	Decreased by: Transfer from Reserve for Unappropriated Grants	Balance Dec 31, 2023
DOT - Municipal Aid Program - Ridge Road	\$ 268,750.00				\$ 268,750.00
DOT - Discretionary Aid Program Freedom Trail Bikeway - 2010	61,899.09				61,899.09
DOT - Freedom Trail Bikeway		\$ 680,000.00			680,000.00
DOT - New Road	94,612.25	556,530.00	\$ 417,397.50		233,744.75
DOT - Local Freight	4,000,000.00				4,000,000.00
DOT - Major Road	69,000.00		69,000.00		
DOT - Roberts/Williams Road	131,087.50				131,087.50
NJ DOT Benson, Dillon Tyne Ct		743,718.00			743,718.00
Distracted Driving		14,000.00	9,485.00		4,515.00
English as Second Language Instructor	32,504.00				32,504.00
Emergency Local Public Health		241,713.00	121,064.00		120,649.00
Recycling Tonnage Grant	261,467.01	197,631.03	197,631.03		261,467.01
Ambassador		3,679.54		\$ 3,679.54	
Middlesex County Recycling Grant		6,710.00		6,710.00	
Recycling Enhancement	1,000.00				1,000.00
Garden State Historic Preservation Trust Fund - Princeton Nurseries	290,000.00				290,000.00
NJ Dept of Health & Human Services - Public Health Priority Funding	70.00				70.00
Body Worn Cameras	205,838.00				205,838.00
Library in Your Living Room	21,631.18				21,631.18
Library Spokes	12,675.18				12,675.18
Local Public Health Capacity		23,018.02		23,018.02	
Office Location Public Health (OLPH)		143,722.00		143,722.00	
Clean Communities Program	89,262.39	100,792.66	100,792.66		89,262.39
Click It or Ticket		7,000.00	5,845.00		1,155.00
NJ Division of Highway Safety - Safe Corridor		7,615.00		7,615.00	
Cops in Shops		2,585.00		2,585.00	
Municipal Alliance		4,881.25		4,881.25	
Highway Connector Speed Crash Grant		21,000.00			21,000.00
Opioid Settlement	10,423.75		2,187.30		8,236.45
NJ Board of Public Utilities - Energy Audit Program	17,752.50				17,752.50
Body Armor Replacement Fund		16,061.44		16,061.44	
Propigation House		525,000.00	200,000.00	125,000.00	200,000.00
National Crimes Statistics	450.18				450.18
Hazardous Mitigation	43,500.00				43,500.00
PHPF		15,071.00		15,071.00	
Pedestrian Safety	8,195.00				8,195.00
Drunk Driving Enforcement Fund		3,566.32		3,566.32	
Recreational Opportunities for Individuals with Disabilities (ROID)	4,022.00				4,022.00
	<u>\$ 5,624,140.03</u>	<u>\$ 3,314,294.26</u>	<u>\$ 1,123,402.49</u>	<u>\$ 351,909.57</u>	<u>\$ 7,463,122.23</u>
REF.	A	A-2, A-27	A-26	A-28	A

**TOWNSHIP OF SOUTH BRUNSWICK
MIDDLESEX COUNTY, NEW JERSEY
GRANT FUND**

**SCHEDULE OF INTERFUND RECEIVABLE - CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2023**

	<u>REF.</u>		
Balance - December 31, 2022	A		\$ 194,251.40
Increased by:			
Cash Disbursed by Current Fund On-Behalf of the Federal and State Grant Fund:			
Appropriated Grant Reserves	A-27	\$ 361,318.09	
Reserved For Encumbrances	A-21	<u>383,030.46</u>	
			<u>744,348.55</u>
			(550,097.15)
Decreased by:			
Prior year overexpenditure of a Grant	A-3	26,233.30	
Cash Received by Current Fund On-Behalf of the State and Federal Grant Fund:			
Grants Receivable	A-25	\$ 1,123,402.49	
Unappropriated Grant Reserves	A-28	<u>14,240.00</u>	
	A-6	<u>1,137,642.49</u>	
			<u>1,163,875.79</u>
Balance - December 31, 2023	A		<u>\$ 613,778.64</u>

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

**GRANT FUND
SCHEDULE OF RESERVE FOR FEDERAL AND STATE GRANTS-APPROPRIATED
FOR THE YEAR ENDED DECEMBER 31, 2023**

Program	Balance Dec 31, 2022	Transferred from 2023 Budget	(Refunds)/ Paid or Charged	Balance Dec 31, 2023
DOT - Municipal Aid Program - Beekman Road				
DOT - Local Freight	\$ 4,000,000.00			\$ 4,000,000.00
DOT - Ridge Road	276,000.00			276,000.00
DOT - New Road		\$ 556,530.00	\$ 539,151.80	17,378.20
DOT - Roberts/Williams Road/New Road	34,148.30		34,148.30	
DOT - Freedom Trail Bikeway		680,000.00	69,710.00	610,290.00
County Practice, Preparedness Response	3,000.00			3,000.00
Body Armor Replacement Fund		16,061.44	4,487.75	11,573.69
NJ Division of Highway Safety - Distracted Driver		14,000.00	10,985.00	3,015.00
Clean Communities Program	48,587.65	100,792.66	46,221.68	103,158.63
County Recycling Reimbursement	2,008.19	6,710.00		8,718.19
County Open Space - Mapleton Preserve	79,315.28		199.90	79,115.38
Emergency Local Public Health		241,713.00	20,652.50	221,060.50
Garden State Historic Preservation Trust Fund - Princeton Nurseries	90,740.33			90,740.33
Library in Your Living Room	35,563.90			35,563.90
Library Spokes	4,211.02			4,211.02
NJ DOT Benson, Dillon Tyne Ct		743,718.00		743,718.00
Body Worn Cameras	240,383.26			240,383.26
Click It or Ticket		7,000.00	5,845.00	1,155.00
Ambassador		3,679.54		3,679.54
Local Public Health Capacity		23,018.02		23,018.02
Office Location Public Health (OLPH)		143,722.00	114,388.13	29,333.87
Drunk Driving Enforcement Fund	1,981.47	3,566.32		5,547.79
NJ Division of Highway Safety - Safe Corridors		7,615.00		7,615.00
NJ Department of Law & Safety - COPS in Shops	935.00	2,585.00		3,520.00
Pedestrian Safety	9,185.00			9,185.00
Propagation House		525,000.00		525,000.00
Opioid Settlement	21,325.51			21,325.51
Handicapped Recreation Opportunities Grant (State Share)	43,735.98		4,021.33	39,714.65
Tobacco Enforcement Grant (SFY2007)	795.91			795.91
(SFY 2008)	1,260.00			1,260.00
(SFY 2009)	1,310.00			1,310.00
Highway Connector Crash Speed Grant		21,000.00	8,750.00	12,250.00
Recycling Tonnage Grant	111,300.97	197,631.03	76,236.79	232,695.21
Recycling Enhancement	1,000.00			1,000.00
Municipal Alliance		4,881.25		4,881.25
PHPF		15,071.00		15,071.00
EMAA	26,400.00			26,400.00
National Crime Statistics	44,450.18			44,450.18
Library ESL	32,098.00		27,982.08	4,115.92
	<u>\$ 5,109,735.95</u>	<u>\$ 3,314,294.26</u>	<u>\$ 962,780.26</u>	<u>\$ 7,461,249.95</u>
REF. A		A-3, A-25	Below	A

REF.

Due to Current Fund
Reserved for Encumbrances

A-26
A , A-21
Above

\$ 361,318.09
601,462.17
\$ 962,780.26

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

**GRANT FUND
SCHEDULE OF RESERVE FOR UNAPPROPRIATED GRANTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

<u>Program</u>	<u>Balance December 31, 2022</u>	<u>Transferred to 2023 Budget Appropriations</u>	<u>Cash Receipts</u>	<u>Balance December 31, 2023</u>
COPS in SHOPS	\$ 2,585.00	\$ 2,585.00		
Body Armor	16,061.44	16,061.44	\$ 5,875.00	\$ 5,875.00
Local Public Health Capacity	23,018.02	23,018.02		
NJ Safe Corridors	7,615.00	7,615.00		
Ambassador	3,679.54	3,679.54		
Drive Sober or Get Pulled Over			8,365.00	8,365.00
Office Location Public Health (OLPH)	143,722.00	143,722.00		
Propagation House	125,000.00	125,000.00		
DDEF	3,566.32	3,566.32		
PHPF	15,071.00	15,071.00		
County Recycling	6,710.00	6,710.00		
Municipal Alliance	4,881.25	4,881.25		
	<u>\$ 351,909.57</u>	<u>\$ 351,909.57</u>	<u>\$ 14,240.00</u>	<u>\$ 14,240.00</u>
<u>REF.</u>	<u>A</u>	<u>A-25</u>	<u>A-26</u>	<u>A</u>

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

**CURRENT FUND
SCHEDULE OF RESERVE FOR TAX SALE PREMIUMS
FOR THE YEAR ENDED DECEMBER 31, 2023**

	<u>REF.</u>	
Balance - December 31, 2022	A	\$1,482,277.00
Increased by:		
Cash Receipts	A-4	<u>134,900.00</u>
Balance - December 31, 2023	A	<u><u>\$1,617,177.00</u></u>

TRUST FUNDS

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

**TRUST FUNDS
SCHEDULE OF CASH AND CASH EQUIVALENTS-TREASURER
FOR THE YEAR ENDED DECEMBER 31, 2023**

		<u>ANIMAL CONTROL FUND</u>	<u>OTHER TRUST FUND</u>
	<u>REF.</u>		
Balance - December 31, 2022	B	\$ 62,429.10	\$ 32,572,591.10
Increased by Receipts:			
Due to the State of NJ	B-6	\$ 1,875.00	
Interest on Investments	B-11		\$ 8,629.58
Cash Received On-Behalf of Community Development Block Grant Fund	B-5, B-7		133,428.94
Animal Control Fees	B-9	8,247.47	
Other Reserves	B-10		6,820,173.82
Other Open Space Receipts	B-11		138,458.07
Open Space Tax	B-11		1,674,000.00
Cash Received On-Behalf of Current Fund	B-3		18,938.44
Cash Received from Other Funds	B-3		9,077,694.03
		<u>10,122.47</u>	<u>17,871,322.88</u>
		72,551.57	50,443,913.98
Decreased by Disbursements:			
Animal Control Expenditures	B-9	2,441.14	
Cash Disbursed On-Behalf of Community Development Block Grant Fund	B-5, B-8		139,839.29
Other Reserves	B-10		6,424,302.85
Reserve for Open Space:			
General Open Space Disbursements	B-11		78,765.56
Open Space Debt - Interest	B-11		276,685.00
Open Space Debt - Principal	B-11		730,000.00
Reserved for Encumbrances	B		271,910.71
Due to State of New Jersey	B-6	1,837.80	
Cash Disbursed to Other Funds	B-2, B-3	50,000.00	7,873,033.90
		<u>54,278.94</u>	<u>15,794,537.31</u>
Balance - December 31, 2023	B	<u>\$ 18,272.63</u>	<u>\$ 34,649,376.67</u>

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

**TRUST FUND - ANIMAL CONTROL FUND
SCHEDULE OF DUE (TO) FROM CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2023**

	<u>REF.</u>	
Balance - December 31, 2022 (Due to)	B	\$ (32,483.50)
Increased by:		
Statutory Excess Due to Current Fund	B-9	<u>9,552.53</u>
		(42,036.03)
Decreased by:		
Returned to Current Fund	B-1	<u>50,000.00</u>
Balance - December 31, 2023 (Due From)	B	<u><u>\$ 7,963.97</u></u>

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

**TRUST FUND - OTHER TRUST FUND
SCHEDULE OF INTERFUNDS RECEIVABLE (PAYABLE)
FOR THE YEAR ENDED DECEMBER 31, 2023**

	REF.	Total	Payroll Trust Fund	Grant Fund	Current Fund	General Capital Fund
Balance - December 31, 2022	B	\$ 1,548,794.76	\$ 74,714.59	\$ (51.25)	\$ 1,574,131.42	\$ (100,000.00)
Increased by:						
Cash Disbursements to Other Funds	B-1	7,873,033.90			7,243,308.90	629,725.00
Additional Taxes Levied	B-11	9,730.26			9,730.26	
Raised in Current Fund Budget:						
Other Reserves	B-10	450,000.00			450,000.00	
Deferred Charges	A-3, B	45,740.58			45,740.58	
		<u>8,378,504.74</u>	<u>-</u>	<u>-</u>	<u>7,748,779.74</u>	<u>629,725.00</u>
		9,927,299.50	74,714.59	(51.25)	9,322,911.16	529,725.00
Decreased by:						
Cash Receipts from Other Funds	B-1	9,077,694.03			9,077,694.03	
Due to General Capital Fund - Appropriated to						
Finance Improvement Authorizations	B-11	630,000.00				630,000.00
Cash Received on-behalf of Other Funds	B-1	18,938.44			18,938.44	
		<u>9,726,632.47</u>	<u>-</u>	<u>-</u>	<u>9,096,632.47</u>	<u>630,000.00</u>
Balance - December 31, 2023	B	<u>\$ 200,667.03</u>	<u>\$ 74,714.59</u>	<u>\$ (51.25)</u>	<u>\$ 226,278.69</u>	<u>\$ (100,275.00)</u>

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

Exhibit B-4

**TRUST FUND - OTHER TRUST FUND
SCHEDULE OF DUE FROM COUNTY OF MIDDLESEX
FOR THE YEAR ENDED DECEMBER 31, 2023**

	<u>REF.</u>	
Balance - December 31, 2023 and 2022	B	<u>\$ 9,910.67</u>

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

**TRUST FUND - OTHER TRUST FUND
SCHEDULE OF INTERFUND PAYABLE -
COMMUNITY DEVELOPMENT BLOCK GRANT TRUST FUND
FOR THE YEAR ENDED DECEMBER 31, 2023**

	<u>REF.</u>	
Balance - December 31, 2022	B	\$ 101,181.10
Increased by:		
Cash Received in Other Trust Fund Due to Community Development Block Grant Fund	B-1 , B-7	133,428.94 234,610.04
Decreased by:		
Cash Disbursed by Other Funds On-Behalf of Community Development Block Grant Fund: Other Trust Fund	B-1, B-8	139,839.29
Balance - December 31, 2023	B	\$ 94,770.75

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

**TRUST FUND - ANIMAL CONTROL FUND
SCHEDULE OF DUE TO STATE DEPARTMENT OF HEALTH
FOR THE YEAR ENDED DECEMBER 31, 2023**

	<u>REF.</u>	
Balance - December 31, 2022	B	\$ 157.20
Increased by:		
State Dog License Fees Collected	B-1	<u>1,875.00</u>
		2,032.20
Decreased by:		
Payments to State of New Jersey	B-1	<u>1,837.80</u>
Balance - December 31, 2023	B	<u><u>\$ 194.40</u></u>

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

**TRUST FUND - COMMUNITY DEVELOPMENT BLOCK GRANT TRUST FUND
SCHEDULE OF ACCOUNTS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2023**

	<u>REF.</u>	
Balance - December 31, 2022	B	\$ 97,581.53
Increased by:		
2023 Grant Allotment	B-8	<u>75,084.00</u>
		172,665.53
Decreased by:		
Cash Received in Other Trust Fund Due to Community Development Block Grant Fund	B-1 , B-5	<u>133,428.94</u>
Balance - December 31, 2023	B	<u><u>\$ 39,236.59</u></u>

**TRUST FUND - COMMUNITY DEVELOPMENT BLOCK GRANT TRUST FUND
SCHEDULE OF RESERVE FOR PROGRAM EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2023**

	<u>REF.</u>	
Balance - December 31, 2022	B	\$ 198,762.63
Increased by:		
2023 Grant Allotment	B-7	<u>75,084.00</u>
		273,846.63
Decreased by:		
Cash Disbursed by Other Funds On-Behalf of Community Development Block Grant Fund: Other Trust Fund	B-1, B-5	<u>139,839.29</u>
Balance - December 31, 2023	B	<u><u>\$ 134,007.34</u></u>

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

**TRUST FUND - ANIMAL CONTROL FUND
SCHEDULE OF RESERVE FOR ANIMAL CONTROL EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2023**

	<u>REF.</u>	
Balance - December 31, 2022	B	\$ 29,788.40
Increased by:		
Animal Control License Fees Collected	B-1	8,247.47
		38,035.87
Decreased by:		
Cash Disbursements	B-1	\$ 2,441.14
Due to Current Fund	B-2	9,552.53
		11,993.67
Balance - December 31, 2023	B	\$ 26,042.20

License Fees Collected:

<u>Year</u>	<u>Amount</u>
2021	\$ 13,890.40
2022	12,151.80
	\$ 26,042.20

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

**TRUST FUND - OTHER TRUST FUND
SCHEDULE OF OTHER RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2023**

PURPOSE	BALANCE DEC. 31, 2022	INCREASES	DECREASES	BALANCE DEC. 31, 2023
Accumulated Sick Leave	\$ 1,272.11	\$ 450,000.00	\$ 447,027.42	\$ 4,244.69
Affordable Housing Contributions	20,000.00			20,000.00
Celebration of Public Events	16,766.42	37,066.00	32,410.61	21,421.81
Construction of Recreation Facilities - Weiner Homes	1,064.13			1,064.13
Council on Affordable Housing	13,818,744.22	1,885,571.24	171,317.40	15,532,998.06
Detention Basin	1,038,276.27	28,281.92	79,484.34	987,073.85
Developers Uncompleted Obligations	1,048,505.25	25,320.00	314,374.93	759,450.32
Development, Maintenance and Preservation of Flemer's Property	54,862.29	1,908.00		56,770.29
Legal Fees Escrow COAH	14,750.00			14,750.00
Employee Benefit Plan	273.82	6,732.88	6,003.62	1,003.08
Federal Forfeiture	44,605.64	46,156.49		90,762.13
Forfeited Funds	57,957.32		37,631.43	20,325.89
Health Plan	126,936.84	136,907.66		263,844.50
Emergency Assistance Trust Fund	199,965.58	79,866.50	127,143.71	152,688.37
Mayor's Task Force	10,243.23	199.90	2,850.82	7,592.31
Municipal Court Alcohol Fund	1,133.96			1,133.96
Off Track Road Improvements	366,847.59	444.75		367,292.34
Parking Offense Adjudication Act	405.00	66.00		471.00
Performance Deposits	12,723,669.76	2,661,938.17	2,726,709.74	12,658,898.19
Public Defender	124,268.25	4,100.00	3,000.00	125,368.25
Quasi-duty Police Department	131,674.59	1,362,551.00	1,233,446.25	260,779.34
Resident Task Force on Arts	15,793.76	5,982.01	10,236.20	11,539.57
Senior Citizen Contributions	23,477.92	2,233.02	2,427.58	23,283.36
Snow Removal	250,540.04	4,980.12		255,520.16
Substance Abuse Task Force	36,321.04		13,828.00	22,493.04
Tax Collector's Trust	1,321,367.10		864,343.04	457,024.06
Tax Sale Premiums	1,046.00			1,046.00
Township Landfill Closure	84,077.35	7,799.75		91,877.10
Traffic and Environmental Studies	388.34		388.34	0.00
Unemployment Benefits	74,744.96	13,311.88	13,304.69	74,752.15
Unapplied Revenue		334,838.56	334,838.56	
Uniform Fire Safety	299,192.37	173,748.54	52,353.67	420,587.24
Workers Compensation		169.43		169.43
	<u>\$ 31,909,171.15</u>	<u>\$ 7,270,173.82</u>	<u>\$ 6,473,120.35</u>	<u>\$ 32,706,224.62</u>

REF.

B

Below

Below

B

REF.

Raised in Current Fund Budget
Cash Receipts

A-3 , B-3

\$ 450,000.00

B-1

6,820,173.82

Above

\$ 7,270,173.82

Cash Disbursements

B-1

\$ 6,424,302.85

Reserved for Encumbrances

B

48,817.50

Above

\$ 6,473,120.35

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

**TRUST FUND - OTHER TRUST FUND
SCHEDULE OF RESERVE FOR OPEN SPACE
FOR THE YEAR ENDED DECEMBER 31, 2023**

REF.

Balance - December 31, 2022	B		\$ 1,894,774.15
Increased by:			
Open Space Tax - 2023	B-1, A-7	\$ 1,674,000.00	
Open Space Tax - 2023 - Additional Levies	A-7 , B-3	9,730.26	
Other Receipts	B-1	138,458.07	
Interest Earned	B-1	8,629.58	
			<u>1,830,817.91</u>
			3,725,592.06
Decreased by:			
Due to General Capital Fund - Appropriated to Finance Improvement Authorizations	B-3, C-6	630,000.00	
Cash Disbursements:			
General Disbursements	B-1	78,765.56	
Disbursements for Payment of Interest on Debt	B-1	276,685.00	
Disbursements for Payment of Principal on Debt	B-1, C-14	730,000.00	
			<u>1,715,450.56</u>
Balance - December 31, 2023	B		<u>\$ 2,010,141.50</u>

GENERAL CAPITAL FUND

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

**GENERAL CAPITAL FUND
SCHEDULE OF GENERAL CAPITAL CASH AND CASH EQUIVALENTS-TREASURER
FOR THE YEAR ENDED DECEMBER 31, 2023**

	<u>REF.</u>		
Balance, December 31, 2022	C		\$ 185,195.65
Increased by Receipts:			
Budget Appropriation - Capital Improvement Fund	C-8	\$ 250,000.00	
Misc Receipts	C-1	16,624.06	
Proceeds from Issuance of Serial Bonds	C-13	21,329,000.00	
Received from Open Space Trust Fund	C-6	<u>630,000.00</u>	
			<u>22,225,624.06</u>
			22,410,819.71
Decreased by Disbursements:			
Reserve for Encumbrances	C-14	2,562,753.42	
Disbursed to Water and Sewer Utility Capital Fund	C	1,590,905.91	
Improvement Authorizations	C-6	6,560,479.33	
Disbursed on-behalf of Other Funds	C-12	275.00	
Disbursed to Current Fund	C-11	<u>1,340,300.59</u>	
			<u>12,054,714.25</u>
Balance, December 31, 2023	C		<u><u>\$ 10,356,105.46</u></u>

TOWNSHIP OF SOUTH BRUNSWICK
MIDDLESEX COUNTY, NEW JERSEY

GENERAL CAPITAL FUND
SCHEDULE OF ANALYSIS OF GENERAL CAPITAL CASH AND CASH EQUIVALENTS
DECEMBER 31, 2023 and 2022

		Balance Dec 31, 2023	Balance Dec 31, 2022
	Fund Balance	\$ 17,438.46	\$ 814.40
	Reserve for Preliminary Costs	10,000.00	10,000.00
	Reserve for Contributions	860,573.75	860,573.75
	Reserve for Debt Service	1,642.18	76,642.18
	Capital Improvement Fund	873.58	40,873.58
	Reserve for Encumbrances	16,762,570.10	2,769,718.32
	Interfunds Payable - Current Fund	1,486,288.48	2,751,589.07
	Deferred Charge - Overexpenditure of Improvement Authorizations	(16,152.79)	
	Interfund Payable - Water Capital Fund		1,590,905.91
	Due from Library Foundation	(600,000.00)	(600,000.00)
	Due from State of New Jersey	(5,646,674.59)	(3,646,674.59)
	Due from U.S. Dept. of H.U.D.	(405,000.00)	
	Interfunds Receivable - Other Trust Fund	(100,275.00)	(100,000.00)
ORD.			
NO.	IMPROVEMENT AUTHORIZATIONS		
	<u>General Improvements:</u>		
26-96, 7-99, 63-98	Route 522 - Section 5A	16,272.35	16,272.35
08-02	Library Construction	9,741.96	9,741.96
40-03	Kendall Park Road Improvements	2,511.29	2,511.29
86-04	Design and Construction of 911 Memorial	(0.30)	(0.30)
08-05	Payments of Amounts Owning to Others for Taxes Levied in and by the Township	(241,197.43)	(250,000.00)
47-08	Various Capital Improvements	(620.00)	(620.00)
52-08	Purchase Ambulance - Kendall Park	(2.40)	(2.40)
12-10	Purchase of Open Space Riya Finnegan's Property	(166,043.14)	(151,315.14)
12-14	Various Road Improvements	(7,335.07)	(71,385.00)
12-33	Farmland Preservation	(50,250.00)	(50,250.00)
13-09	Turf Fields	(200.00)	(200.00)
13-21	Various Capital Improvements		45.00
14-24	Various Capital Improvements	(32,098.31)	(32,098.31)
15-24	Various Capital Improvements	(265,247.00)	(259,356.92)
15-26	Open Space Improvements	(49,030.00)	(49,030.00)
15-31	Open Space Acquisitions	(8,000.00)	(8,000.00)
16-17	Various Capital Improvements	72.58	6,540.58
17-27	Various Capital Improvements	(40,151.77)	(16,758.84)
18-22	Various Capital Improvements	(230,718.79)	(229,937.97)
18-23	Purchase of Book Mobile	(7,000.00)	(7,000.00)

TOWNSHIP OF SOUTH BRUNSWICK
MIDDLESEX COUNTY, NEW JERSEY

GENERAL CAPITAL FUND
SCHEDULE OF ANALYSIS OF GENERAL CAPITAL CASH AND CASH EQUIVALENTS
DECEMBER 31, 2023 and 2022

ORD NO.	IMPROVEMENT AUTHORIZATIONS	Balance Dec 31, 2023	Balance Dec 31, 2022
	<u>General Improvements:</u>		
19-23	Acquisition of 124 Kingston	\$ (221,729.92)	\$ (215,700.72)
19-24	Various Capital Improvements	(327,074.03)	(318,251.98)
17-27	Various Capital Improvements	1.50	1.50
20-29	Acquisition of Open Space	(2,301,112.45)	(2,301,112.45)
21-01	Library Expansion	(88,552.00)	6,518,241.12
21-16	Acquisition of Land	47,241.65	74,096.65
21-38	Acquisition of Land	(475,000.00)	(475,000.00)
21-47	Acquisition of Land	(207,500.00)	(207,500.00)
21-48	Various Capital Improvements	(3,799,999.47)	(3,799,999.47)
21-57	Various Capital Improvements	(830,954.13)	(645,841.69)
22-19	Acquisition of Land	776.55	4,467.62
22-32	Various Road Improvements	(1,330,000.00)	(1,329,303.85)
22-38	Various Capital Improvements	(1,326,660.18)	217,500.00
23-15	Acquisition of Open Space	12,449,432.68	
23-19	Construction of New Road	(1,473,736.00)	
23-27	Expansion of Library	(1,271,016.88)	
23-35	Various Capital Improvements	210,000.00	
		<u>\$ 10,356,105.46</u>	<u>\$ 185,195.65</u>
	REF.	C	C

() Denotes Cash Deficit

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

**GENERAL CAPITAL FUND
SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION-FUNDED
FOR THE YEAR ENDED DECEMBER 31, 2023**

	<u>REF.</u>	
Balance, December 31, 2022 (as restated)	C	\$ 34,099,000.00
Increased by:		
Bonds Issued	C-5, C-13	<u>21,329,000.00</u>
		55,428,000.00
Decreased by:		
General Serial Bonds Paid:		
By Current Fund	C-13	\$ 3,610,000.00
By Open Space Trust Fund	C-13	<u>730,000.00</u>
		4,340,000.00
Balance, December 31, 2023	C	<u><u>\$ 51,088,000.00</u></u>

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

**GENERAL CAPITAL FUND
SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION-UNFUNDED
FOR THE YEAR ENDED DECEMBER 31, 2023**

Ord. No.	Improvement Description	Balance Dec 31, 2022	Increased By 2023 Authorizations	Decreased By Bonds Issued	Balance Dec 31, 2023	Analysis of Balance - December 31, 2023	
						Expenditures	Unexpended Balance of Improv. Auth.
86-04	Design and Construction of 911 Memorial	\$ 0.30			\$ 0.30	\$ 0.30	
08-05	Payment of Amounts Owning to Others for Taxes Levied in and by the Township	250,000.00			250,000.00	241,197.43	\$ 8,802.57
47-08	Various Capital Improvements	620.00			620.00	620.00	
52-08	Kendall Park Ambulance	2.40			2.40	2.40	
12-10	Improvements to Senior Center / Reichler Park	215,750.00			215,750.00	166,043.14	49,706.86
12-14	Various Road Improvements	71,385.00			71,385.00	7,335.07	64,049.93
12-33	Farmland Preservation	50,250.00			50,250.00	50,250.00	
13-09	Turf Fields	200.00			200.00	200.00	
14-24	Various Capital Improvements	32,100.00			32,100.00	32,098.31	1.69
15-24	Various Capital Improvements	265,247.00			265,247.00	265,247.00	
15-26	Open Space Improvements	49,030.00			49,030.00	49,030.00	
15-31	Open Space Acquisitions	8,000.00			8,000.00	8,000.00	
17-27	Various Capital Improvements	40,200.00			40,200.00	40,151.77	48.23
18-22	Various Capital Improvements	230,750.00			230,750.00	230,718.79	31.21
18-23	Purchase of Book Mobile	7,000.00			7,000.00	7,000.00	
19-23	Acquisition of 124 Kingston	279,800.00		\$ 14,000.00	265,800.00	221,729.92	44,070.08
19-24	Various Capital Improvements	327,100.00			327,100.00	327,074.03	25.97
20-29	Acquisition of Open Space	2,850,000.00			2,850,000.00	2,301,112.45	548,887.55
21-01	Library Expansion	88,552.00			88,552.00	88,552.00	
21-16	Acquisition of Land	26,500.00			26,500.00		26,500.00
21-38	Acquisition of Land	475,000.00			475,000.00	475,000.00	
21-47	Acquisition of Land	285,000.00			285,000.00	207,500.00	77,500.00
21-48	Various Capital Improvements	3,800,000.00			3,800,000.00	3,799,999.47	0.53
21-57	Various Capital Improvements	1,102,000.00			1,102,000.00	830,954.13	271,045.87
22-19	Acquisition of Land	95,000.00			95,000.00		95,000.00
22-32	Various Road Improvements	9,025,000.00		7,695,000.00	1,330,000.00	1,330,000.00	
22-38	Various Capital Improvements	4,132,500.00		1,650,000.00	2,482,500.00	1,326,660.18	1,155,839.82
23-15	Acquisition of Open Space		\$ 11,970,000.00	11,970,000.00			
23-19	Construction of New Road		1,520,000.00		1,520,000.00	1,473,736.00	46,264.00
23-27	Expansion of Library		1,595,000.00		1,595,000.00	1,271,016.88	323,983.12
23-35	Various Capital Improvements		3,990,000.00		3,990,000.00		3,990,000.00
		<u>\$ 23,706,986.70</u>	<u>\$ 19,075,000.00</u>	<u>\$ 21,329,000.00</u>	<u>\$ 21,452,986.70</u>	<u>\$ 14,751,229.27</u>	<u>\$ 6,701,757.43</u>
REF.	C		C-6 , C-15	C-4, C-15	C	C-3	C-6

TOWNSHIP OF SOUTH BRUNSWICK
MIDDLESEX COUNTY, NEW JERSEY

GENERAL CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS
FOR THE YEAR ENDED DECEMBER 31, 2023

Ord. No.	Improvement Description	Ordinance		Balance - Dec 31, 2022		2023 Authorizations	(Refunds) Paid or Charged	Overexpenditure of Improvement Authorization	Balance - Dec 31, 2023	
		Date	Amount	Funded	Unfunded				Funded	Unfunded
	General Improvements:									
63-98	Construction of Route 1	02/07/84	\$ 1,980,000.00	\$ 16,272.35					\$ 16,272.35	
08-02	Library Construction	02/19/02	4,250,000.00	9,741.96					9,741.96	
40-03	Kendall Park Road Improvements	05/20/03	2,100,000.00	2,511.29					2,511.29	
08-05	Construction of Route 522 Section 1-A Route 130 to Cranbury South River Road	12/13/05	8,000,000.00				\$ (8,802.57)			\$ 8,802.57
12-10	Improvements to Senior Center / Reichler Park	04/24/12	2,950,000.00		\$ 64,434.86		14,728.00			49,706.86
12-14	Various Road Improvements	05/08/12	11,250,000.00				(64,049.93)			64,049.93
13-21	Various Capital Improvements	06/25/13	1,800,000.00	45.00			45.00			
14-24	Various Capital Improvements	07/24/14	1,737,000.00		1.69					1.69
15-24	Various Capital Improvements	07/14/15	2,818,050.00		5,890.08		5,890.08			
16-17	Various Capital Improvements	07/26/16	2,328,000.00	6,540.58			6,468.00		72.58	
17-27	Various Capital Improvements	10/10/17	1,436,000.00		23,441.16		23,392.93			48.23
18-22	Various Capital Improvements	07/24/18	2,275,000.00		812.03		780.82			31.21
19-23	Acquisition of 124 Kingston	07/23/19	300,000.00		64,099.28		20,029.20			44,070.08
19-24	Various Capital Improvements	07/23/19	1,975,000.00		8,848.02		8,822.05			25.97
20-16	Rt 522 Improvements	09/22/20	2,000,000.00	1.50					1.50	
20-29	Acquisition of Open Space	09/22/20	3,000,000.00		548,887.55					548,887.55
21-01	Library Expansion	01/26/21	7,198,704.00	6,518,241.12	88,552.00		6,606,793.12			
21-16	Acquisition of Land	04/27/21	10,250,000.00	74,096.65	26,500.00		26,855.00		47,241.65	26,500.00
21-47	Acquisition of Land	12/14/21	300,000.00		77,500.00					77,500.00
21-48	Various Capital Improvements	12/14/21	4,000,000.00		0.53					0.53
21-57	Various Capital Improvements	01/17/22	1,160,000.00		456,158.31		185,112.44			271,045.87
22-19	Acquisition of Land	05/24/22	100,000.00	4,467.62	95,000.00		3,691.07		776.55	95,000.00
22-32	Various Road Improvements	10/25/22	9,500,000.00		7,695,696.15		7,711,848.94	\$ 16,152.79		
22-38	Various Capital Improvements	12/27/22	4,350,000.00	217,500.00	4,132,500.00		3,194,160.18			1,155,839.82
23-15	Acquisition of Open Space	07/25/23	12,600,000.00			\$ 12,600,000.00	150,567.32		12,449,432.68	
23-19	Construction of New Road	08/22/23	1,600,000.00			1,600,000.00	1,553,736.00			46,264.00
23-27	Expansion of Library	09/26/23	4,000,000.00			4,000,000.00	3,676,016.88			323,983.12
23-35	Various Capital Improvements	12/26/23	4,200,000.00			4,200,000.00			210,000.00	3,990,000.00
			\$ 6,849,418.07	\$ 13,288,321.66		\$ 22,400,000.00	\$ 23,116,084.53	\$ 16,152.79	\$ 12,736,050.56	\$ 6,701,757.43
	REF.		C	C		Below	Below	C	C, C-3	C, C-5
	Deferred Charges - Unfunded		C-5, C-15			\$ 19,075,000.00				
	Due from Open Space Trust Fund		C-2			630,000.00				
	Grants Receivable		C-10			2,405,000.00				
	Capital Improvement Fund		C-8			290,000.00				
			Above			\$ 22,400,000.00				
						REF.				
					Cash Disbursements	C-2	\$ 6,560,479.33			
					Transferred to Reserve for Encumbrances	C-14	16,555,605.20			
						Above	\$ 23,116,084.53			

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

**GENERAL CAPITAL FUND
SCHEDULE OF RESERVE FOR DEBT SERVICE
FOR THE YEAR ENDED DECEMBER 31, 2023**

	<u>REF.</u>	
Balance, December 31, 2022	C	\$ 76,642.18
Decreased by:		
Revenue Recognized in the Current Fund Budget	A-2, C-11	<u>75,000.00</u>
Balance - December 31, 2023	C	<u><u>\$ 1,642.18</u></u>

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

**GENERAL CAPITAL FUND
SCHEDULE OF CAPITAL IMPROVEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2023**

	<u>REF.</u>	
Balance - December 31, 2022	C	\$ 40,873.58
Increased by:		
Cash Received from 2023 Budget	C-2	<u>250,000.00</u> 290,873.58
Decreased by:		
Appropriated to Finance Improvement Authorizations	C-6	<u>290,000.00</u>
Balance - December 31, 2023	C	<u><u>\$ 873.58</u></u>

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

**GENERAL CAPITAL FUND
SCHEDULE OF RESERVE FOR CONTRIBUTIONS
FOR THE YEAR ENDED DECEMBER 31, 2023**

	<u>REF.</u>	
Balance, December 31, 2023 and 2022	C, Below	<u>\$ 860,573.75</u>

Analysis of Balance at December 31, 2023

4-71	Other than Whispering Woods - Realignment of Ridge Road	\$ 81,595.83
46-78	Old Road Water and Road Improvements	80,917.61
	Library Construction	463.01
	Mapleton Preserve	290,887.50
	Sale of Property - Monmouth Drive	42,304.00
	Harvest Woods Improvements	49,047.12
	Dean's Road	65,358.68
	Major Road - DOT	<u>250,000.00</u>
	Above	<u>\$ 860,573.75</u>

Exhibit C-10

**GENERAL CAPITAL FUND
SCHEDULE OF GRANTS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2023**

	<u>REF.</u>	
Balance, December 31, 2022	C	\$ 3,646,674.59
Increased By:		
Grant Awarded	C-6	<u>2,405,000.00</u>
Balance - December 31, 2023	C	<u>\$ 6,051,674.59</u>

<u>Analysis of Balance</u>			
Due from State of NJ	Ord. 15-24	\$	59,822.59
Due from State Library	Ord. 21-01		3,586,852.00
Due from State of NJ	Ord. 23-27		500,000.00
Due from State Library	Ord. 23-27		1,500,000.00
Due from U.S. Dept. of Housing and Urban Development	Ord. 23-27		<u>405,000.00</u>
		\$	<u>6,051,674.59</u>

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

**GENERAL CAPITAL FUND
SCHEDULE OF INTERFUND PAYABLE - CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2023**

	<u>REF.</u>	
Balance - December 31, 2022	C	\$ 2,751,589.07
Increased By:		
Anticipated as revenue in the Current Fund Budget		
Reserve for Debt Service	C-7	<u>75,000.00</u> 2,826,589.07
Decreased by:		
Cash Disbursed to Current Fund	C-2	<u>1,340,300.59</u>
Balance - December 31, 2023	C	<u><u>\$ 1,486,288.48</u></u>

TOWNSHIP OF SOUTH BRUNSWICK
MIDDLESEX COUNTY, NEW JERSEY

GENERAL CAPITAL FUND
SCHEDULE OF INTERFUND RECEIVABLE - OTHER TRUST FUND
FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>REF.</u>	
Balance, December 31, 2022	C	\$ 100,000.00
Increased By:		
Cash Disbursed on behalf of other Funds	C-2	<u>275.00</u>
Balance - December 31, 2023	C	<u><u>\$ 100,275.00</u></u>

**TOWNSHIP OF SOUTH BRUNSWICK
MIDDLESEX COUNTY, NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF SERIAL BONDS
FOR THE YEAR ENDED DECEMBER 31, 2023**

Purpose	Date of Issue	Original Issue	Maturities of Bonds Outstanding - Dec 31, 2023		Interest Rate	Balance Dec 31, 2022 (as restated)	Increased	Decreased	Balance Dec 31, 2023
			Date	Amount					
General Improvement Bonds	10/23/13	\$ 4,638,000.00	10/01/24 10/01/25 10/01/26 10/01/27 10/01/28	\$ 375,000.00 390,000.00 400,000.00 400,000.00 398,000.00	3.000% 3.000% 3.250% 3.250% 3.500%	\$ 2,313,000.00		\$ 350,000.00	\$ 1,963,000.00
Open Space Bonds	10/23/13	361,000.00	10/01/24 10/01/25 10/01/26 10/01/27 10/01/28	25,000.00 25,000.00 25,000.00 25,000.00 26,000.00	3.000% 3.000% 3.250% 3.250% 3.500%	151,000.00		25,000.00	126,000.00
General Improvement Refunding Bonds	09/01/14	8,390,000.00	09/01/24	290,000.00	5.000%	845,000.00		555,000.00	290,000.00
Open Space Refunding Bonds	09/01/14	3,545,000.00				100,000.00		100,000.00	
General Improvement Bonds	09/20/17	9,837,000.00	04/01/24 04/01/25 04/01/26 04/01/27 04/01/28 04/01/19 04/01/30 04/01/31 04/01/32	750,000.00 750,000.00 750,000.00 730,000.00 700,000.00 700,000.00 700,000.00 700,000.00 700,000.00	2.000% 4.000% 4.000% 4.000% 2.375% 2.500% 3.000% 3.000% 3.000%	7,230,000.00		750,000.00	6,480,000.00
Open Space Bonds	09/20/17	416,000.00	04/01/24 04/01/25 04/01/26 04/01/27 04/01/28 04/01/19 04/01/30 04/01/31 04/01/32	25,000.00 25,000.00 25,000.00 35,000.00 30,000.00 30,000.00 35,000.00 35,000.00 35,000.00	2.000% 4.000% 4.000% 4.000% 2.375% 2.500% 3.000% 3.000% 3.000%	300,000.00		25,000.00	275,000.00
Open Space Refunding Bonds	10/01/20	2,370,000.00	10/01/24 10/01/25 10/01/26 10/01/27 10/01/28 10/01/29 10/01/30	310,000.00 310,000.00 175,000.00 175,000.00 175,000.00 175,000.00 180,000.00	4.000% 4.000% 4.000% 4.000% 4.000% 4.000% 4.000%	1,800,000.00		300,000.00	1,500,000.00
General Improvement Refunding Bonds	10/01/20	2,265,000.00	10/01/24 10/01/25	475,000.00 480,000.00	4.000% 4.000%	1,420,000.00		465,000.00	955,000.00
Open Space Bonds	09/15/21	9,250,000.00	09/01/24 09/01/25 09/01/26 09/01/27 09/01/28 09/01/29 09/01/30 09/01/31 09/01/32 09/01/33 09/01/34 09/01/35 09/01/36 09/01/37 09/01/38 09/01/39 09/01/40 09/01/41 09/01/42 09/01/43 09/01/44 09/01/45 09/01/46	290,000.00 290,000.00 290,000.00 300,000.00 310,000.00 315,000.00 320,000.00 330,000.00 345,000.00 355,000.00 365,000.00 375,000.00 385,000.00 395,000.00 400,000.00 410,000.00 425,000.00 440,000.00 450,000.00 465,000.00 475,000.00 490,000.00 500,000.00	2.000% 2.000% 2.000% 2.000% 2.000% 2.000% 2.000% 2.000% 2.000% 2.000% 2.000% 2.000% 2.000% 2.000% 2.000% 2.000% 2.125% 2.125% 2.125% 2.125% 2.250% 2.250% 2.250%	9,000,000.00		280,000.00	8,720,000.00

**TOWNSHIP OF SOUTH BRUNSWICK
MIDDLESEX COUNTY, NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF SERIAL BONDS
FOR THE YEAR ENDED DECEMBER 31, 2023**

Purpose	Date of Issue	Original Issue	Maturities of Bonds Outstanding - Dec 31, 2023		Interest Rate	Balance	Increased	Decreased	Balance			
			Date	Amount		Dec 31, 2022 (as restated)			Dec 31, 2023			
General Improvement Bonds	09/15/21	\$ 10,430,000.00	09/01/24	\$ 825,000.00	2.000%							
			09/01/25	825,000.00	2.000%							
			09/01/26	825,000.00	2.000%							
			09/01/27	825,000.00	2.000%							
			09/01/28	825,000.00	2.000%							
			09/01/29	775,000.00	2.000%							
			09/01/30	780,000.00	2.000%							
			09/01/31	775,000.00	2.000%							
			09/01/32	775,000.00	2.000%							
			09/01/33	775,000.00	2.000%							
			09/01/34	775,000.00	2.000%	\$ 9,605,000.00	\$ 825,000.00	\$ 8,780,000.00				
General Improvement Bonds	09/21/23	9,345,000.00	09/21/24	400,000.00	4.000%							
			09/21/25	465,000.00	4.000%							
			09/21/26	490,000.00	4.000%							
			09/21/27	525,000.00	4.000%							
			09/21/28	550,000.00	4.000%							
			09/21/29	575,000.00	4.000%							
			09/21/30	600,000.00	4.000%							
			09/21/31	625,000.00	4.000%							
			09/21/32	650,000.00	4.000%							
			09/21/33	675,000.00	4.000%							
			09/21/34	700,000.00	4.000%							
			09/21/35	730,000.00	4.000%							
			09/21/36	760,000.00	4.000%							
			09/21/37	800,000.00	4.000%							
			09/21/38	800,000.00	4.000%	\$ 9,345,000.00		9,345,000.00				
			Open Space Bonds	09/21/23	11,984,000.00	09/21/24	329,000.00	4.000%				
						09/21/25	335,000.00	4.000%				
						09/21/26	340,000.00	4.000%				
09/21/27	350,000.00	4.000%										
09/21/28	365,000.00	4.000%										
09/21/29	375,000.00	4.000%										
09/21/30	390,000.00	4.000%										
09/21/31	400,000.00	4.000%										
09/21/32	415,000.00	4.000%										
09/21/33	425,000.00	4.000%										
09/21/34	440,000.00	4.000%										
09/21/35	450,000.00	4.000%										
09/21/36	465,000.00	4.000%										
09/21/37	480,000.00	4.000%										
09/21/38	500,000.00	4.000%										
09/21/39	515,000.00	4.000%										
09/21/40	535,000.00	4.000%										
09/21/41	550,000.00	4.000%										
09/21/42	565,000.00	4.125%										
09/21/43	585,000.00	4.125%										
09/21/44	600,000.00	4.125%										
09/21/45	625,000.00	4.250%										
09/21/46	650,000.00	4.250%										
09/21/47	650,000.00	4.250%										
09/21/48	650,000.00	4.250%					11,984,000.00		11,984,000.00			
Special Emergency Appropriations	08/22/21	1,990,000.00				08/01/25	670,000.00	0.850%	1,335,000.00		665,000.00	670,000.00
						<u>\$ 34,099,000.00</u>	<u>\$ 21,329,000.00</u>	<u>\$ 4,340,000.00</u>	<u>\$ 51,088,000.00</u>			
						REF.	C	C-2, C-4, C-15	Below	C		

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

**GENERAL CAPITAL FUND
SCHEDULE OF RESERVE FOR ENCUMBRANCES
FOR THE YEAR ENDED DECEMBER 31, 2023**

	<u>REF.</u>	
Balance - December 31, 2022	C	\$ 2,769,718.32
Increased by:		
Charges to Improvement Authorizations	C-6	<u>16,555,605.20</u> 19,325,323.52
Decreased by:		
Cash Disbursements	C-2	<u>2,562,753.42</u>
Balance - December 31, 2023	C	<u><u>\$ 16,762,570.10</u></u>

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

**GENERAL CAPITAL FUND
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED
FOR THE YEAR ENDED DECEMBER 31, 2023**

Ord. No.	Improvement Description	Balance Dec 31, 2022	2023 Authorized	Decreased by Bonds Issued	Balance Dec 31, 2023
86-04	Design and Construction of 911 Memorial	\$ 0.30			\$ 0.30
80-05	Payment of Amounts Owing to Others for Taxes				
	Levied in and by the Township	250,000.00			250,000.00
47-08	General Capital Improvements	620.00			620.00
52-08	Kendall Park Ambulance	2.40			2.40
12-10	Improvements to Senior Center / Reichler Park	215,750.00			215,750.00
12-14	Various Road Improvements	71,385.00			71,385.00
12-33	Farmland Preservation	50,250.00			50,250.00
13-09	Turf Fields	200.00			200.00
14-24	Various Capital Improvements	32,100.00			32,100.00
15-24	Various Capital Improvements	265,247.00			265,247.00
15-26	Open Space Improvements	49,030.00			49,030.00
15-31	Open Space Acquisitions	8,000.00			8,000.00
17-27	Various Capital Improvements	40,200.00			40,200.00
18-22	Various Capital Improvements	230,750.00			230,750.00
18-23	Purchase of Book Mobile	7,000.00			7,000.00
19-23	Acquisition of 124 Kingston	279,800.00		\$ 14,000.00	265,800.00
19-24	Various Capital Improvements	327,100.00			327,100.00
20-29	Acquisition of Open Space	2,850,000.00			2,850,000.00
21-01	Library Expansion	88,552.00			88,552.00
21-16	Acquisition of Land	26,500.00			26,500.00
21-38	Acquisition of Land	475,000.00			475,000.00
21-47	Acquisition of Land	285,000.00			285,000.00
21-48	Various Capital Improvements	3,800,000.00			3,800,000.00
21-57	Various Capital Improvements	1,102,000.00			1,102,000.00
22-19	Acquisition of Land	95,000.00			95,000.00
22-32	Various Road Improvements	9,025,000.00		7,695,000.00	1,330,000.00
22-38	Various Capital Improvements	4,132,500.00		1,650,000.00	2,482,500.00
23-15	Acquisition of Open Space		\$ 11,970,000.00	11,970,000.00	
23-19	Construction of New Road		1,520,000.00		1,520,000.00
23-27	Expansion of Library		1,595,000.00		1,595,000.00
23-35	Various Capital Improvements		3,990,000.00		3,990,000.00
		<u>\$ 23,706,986.70</u>	<u>\$ 19,075,000.00</u>	<u>\$ 21,329,000.00</u>	<u>\$ 21,452,986.70</u>
REF.		C	C-5, C-6	C-5, C-13	C

WATER AND SEWER UTILITY FUNDS

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

**WATER AND SEWER UTILITY FUNDS
SCHEDULE OF WATER AND SEWER UTILITY CASH AND CASH EQUIVALENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

	REF.	OPERATING FUND	ASSESSMENT TRUST FUND	CAPITAL FUND
Balance - December 31, 2022	D	\$ 3,485,302.69	\$ 124,606.54	\$ 1,258,785.16
Increased by Receipts:				
Consumer Accounts Receivable	D-10	\$ 26,297,005.11		
Prepaid Rents	D-17	126,696.41		
Miscellaneous Revenue Not Anticipated	D-1	252,244.57		
Water and Sewer Connection Fees	D-4	1,386,898.95		
Interest on Investments	D-4, D-8	148,149.98	\$ 857.66	
Assessment Receipts	D-2			
Insurance Reimbursement Expenses	D-15	36,950.51		
Bond Proceeds	D-20			\$ 12,671,000.00
Cash Receipts from Other Funds	D-8, D-9	1,640,920.86		2,122,878.67
		<u>29,888,866.39</u>	<u>857.66</u>	<u>14,793,878.67</u>
		33,374,169.08	125,464.20	16,052,663.83
Decreased by Disbursements:				
2023 Budget Appropriations	D-5	27,794,705.80		
2022 Appropriation Reserves	D-13	1,083,592.00		
Reserve for Encumbrances	D-27			5,211,142.30
Accrued Interest on Bonds and Notes	D-12	911,975.00		
Accounts Payable	D-24	434,032.92		
Increase in Change Fund	D	200.00		
Cash Disbursed to Other Funds	D-8	531,972.46		
		<u>30,756,478.18</u>		<u>5,211,142.30</u>
Balance - December 31, 2023	D	<u>\$ 2,617,690.90</u>	<u>\$ 125,464.20</u>	<u>\$ 10,841,521.53</u>

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

**WATER AND SEWER UTILITY FUNDS
SCHEDULE OF ANALYSIS OF WATER AND SEWER UTILITY CAPITAL CASH AND CASH EQUIVALENTS
DECEMBER 31, 2023 and 2022**

		BALANCE DEC. 31, 2023	BALANCE DEC. 31, 2022
	Fund Balance	\$ 4,145.32	\$ 4,145.32
	Capital Improvement Fund	109.68	109.68
	Interfund Payable	532,491.38	518.92
	Interfund Receivable		(1,590,905.91)
	Deferred Charge - Over Expenditure	(928.51)	
	Reserve for:		
	Encumbrances Payable	12,009,594.17	12,889,277.05
	Debt Service	2,502.27	2,502.27
Ord.			
<u>No.</u>	<u>Improvement Authorizations</u>		
22-84	Construction Route 130	36,447.82	36,447.82
67-95	Construction of P.S. 2A	2,178.45	2,178.45
01-56	Route 1 Sewer Line	38,428.53	82,086.73
03-48	Water Main Replacement	4,315.58	360.00
08-50	Deans Pond Lane Water Improvements	66,900.63	66,900.63
11-21	Various Capital Improvements	(19,028.69)	(141,988.84)
12-23	Various Capital Improvements	110,176.02	(234,905.42)
13-22	Various Capital Improvements	(114,780.64)	(18,321.32)
14-23	Various Capital Improvements	529.00	
15-25	Various Capital Improvements	2,206,411.80	2,294,937.31
16-18	Various Capital Improvements	(105,912.86)	(870,700.09)
17-28	Various Capital Improvements	(55,060.10)	(1,077,548.13)
18-24	Various Capital Improvements	(143,641.91)	(64,524.79)
19-25	Various Utility Improvements	(35,283.63)	(531,990.71)
20-33	Various Utility Improvements	(1,331.18)	(186,943.09)
21-05	Various Utility Improvements	4,541.36	(7,003,448.17)
21-56	Various Utility Improvements	(213,293.90)	(2,399,402.55)
23-02	Various Utility Improvements	(1,333,222.66)	
23-20	Various Utility Improvements	(2,154,766.70)	
		<u>\$ 10,841,521.23</u>	<u>\$ 1,258,785.16</u>
		REF. D	D

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

**WATER AND SEWER UTILITY OPERATING FUND
SCHEDULE OF INTERFUND RECEIVABLE (PAYABLE)
FOR THE YEAR ENDED DECEMBER 31, 2023**

	<u>REF.</u>	<u>Total</u>	<u>Current Fund</u>	<u>Utility Assessment Fund</u>	<u>Utility Capital Fund</u>
Balance - December 31, 2022	D	\$ 315,231.71	\$ 314,712.79		\$ 518.92
Increased by:					
Interest on Investments due to other Funds	D, D-6	857.66		\$ 857.66	
Cash Disbursed to Other Funds	D-6	<u>531,972.46</u>			<u>531,972.46</u>
		<u>532,830.12</u>		<u>857.66</u>	<u>531,972.46</u>
		848,061.83	314,712.79		532,491.38
Decreased by:					
Cash Received From Other Funds	D-6	<u>1,640,920.86</u>	<u>1,640,920.86</u>		
		<u>1,640,920.86</u>	<u>1,640,920.86</u>		
Balance - December 31, 2023	D	<u>\$ (792,859.03)</u>	<u>\$ (1,326,208.07)</u>	<u>\$ 857.66</u>	<u>\$ 532,491.38</u>

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

**WATER AND SEWER UTILITY CAPITAL FUND
SCHEDULE OF INTERFUND RECEIVABLE (PAYABLE)
FOR THE YEAR ENDED DECEMBER 31, 2023**

	<u>REF.</u>	General Capital Fund	Utitiy Operating Fund	Total
Balance - December 31, 2022	D	\$1,590,906.21	\$ (518.92)	\$ 1,590,387.29
Decreased by:				
Cash Receipts from Other Funds	D-6	<u>1,590,906.21</u>	<u>531,972.46</u>	<u>2,122,878.67</u>
Balance - December 31, 2023	D	<u>\$ -</u>	<u>\$ (532,491.38)</u>	<u>\$ (532,491.38)</u>

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

**WATER AND SEWER UTILITY OPERATING FUND
SCHEDULE OF CONSUMER ACCOUNTS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2023**

	<u>REF.</u>	
Balance - December 31, 2022	D	\$ 1,394,172.38
Increased by:		
2023 Rents Levied	Reserve	<u>26,293,908.62</u>
		27,688,081.00
Decreased by:		
Cash Receipts	D-6	\$ 26,297,005.11
Prepaid Rents Applied	D-17	<u>112,649.08</u>
	D-1, D-4	<u>26,409,654.19</u>
Balance - December 31, 2023	D	<u><u>\$ 1,278,426.81</u></u>

Exhibit D-11

**WATER AND SEWER UTILITY CAPITAL FUND
SCHEDULE OF RESERVE FOR DEBT SERVICE
FOR THE YEAR ENDED DECEMBER 31, 2023**

	<u>REF.</u>	
Balance - December 31, 2023 and 2022	D	<u><u>\$ 2,502.27</u></u>

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

**WATER AND SEWER UTILITY OPERATING FUND
SCHEDULE OF ACCRUED INTEREST ON BONDS
FOR THE YEAR ENDED DECEMBER 31, 2023**

	<u>REF.</u>	
Balance - December 31, 2022	D	\$ 228,031.33
Increased by:		
Budget Appropriations:		
Interest on Bonds	D-5	1,024,886.39
		<u>1,252,917.72</u>
Decreased by:		
Cash Disbursements	D-6	<u>911,975.00</u>
Balance - December 31, 2023	D, Below	<u>\$ 340,942.72</u>

Analysis of Accrued Interest:

Date of Issue	Interest Rate	Principal Outstanding December 31, 2023	Accrual Period	Accrual
<u>General Serial Bonds</u>				
2013	3.000%	\$ 3,000,000.00	10/1/23-12/31/23	\$ 22,500.00
2014	5.000%	445,000.00	9/1/23-12/31/23	7,416.67
2015	5.000%	1,125,000.00	9/1/23-12/31/23	18,750.00
2017	2.000%	9,220,000.00	10/1/23-12/31/23	46,100.00
2020	4.000%	1,600,000.00	10/1/23-12/31/23	16,000.00
2021	2.000%	13,270,000.00	9/1/23-12/31/23	88,466.67
2023	4.000%	12,671,000.00	9/22/23-12/31/23	137,974.52
Reserved for Future Years				<u>3,734.87</u>
Total		<u>\$ 41,331,000.00</u>		<u>\$ 340,942.72</u>
		D-20		Above

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

**WATER AND SEWER UTILITY OPERATING FUND
SCHEDULE OF 2022 APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2023**

	BALANCE DECEMBER 31, 2022		BALANCE AFTER TRANSFERS	PAID OR CHARGED	OVER- EXPENDITURES	BALANCE LAPSED
	APPROPRIATION RESERVES	RESERVE FOR ENCUMBRANCES				
Operations:						
Salaries and Wages	\$ 10,981.37		\$ 10,495.37	\$ (31,270.09)	\$ (914.29)	\$ 42,679.75
Other Expenses		\$ 250,881.12	254,275.12	1,121,397.90	(867,122.78)	
Deferred Charges and Statutory Expenditures						
Contribution to:						
Social Security System	2,908.17		0.17			0.17
	<u>\$ 13,889.54</u>	<u>\$ 250,881.12</u>	<u>\$ 264,770.66</u>	<u>\$ 1,090,127.81</u>	<u>\$ (868,037.07)</u>	<u>\$ 42,679.92</u>
<u>REF.</u>	D	D , D-14		Below	D , D-26	D-1
			<u>REF.</u>			
		Cash Disbursed	D-6	\$ 1,083,592.00		
		Transferred to Reserved for Encumbrances	D-14	<u>6,535.81</u>		
			Above	<u>\$ 1,090,127.81</u>		

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

**WATER AND SEWER UTILITY OPERATING FUND
SCHEDULE OF RESERVE FOR ENCUMBRANCES
FOR THE YEAR ENDED DECEMBER 31, 2023**

	<u>REF.</u>		
Balance - December 31, 2022	D		\$ 250,881.12
Increased by:			
Budget Appropriations	D-5	\$588,249.92	
Appropriation Reserves	D-13	6,535.81	
		<u> </u>	<u>594,785.73</u>
			845,666.85
Decreased by:			
Transfer to Appropriation Reserves	D-13		<u>250,881.12</u>
Balance - December 31, 2023	D		<u><u>\$ 594,785.73</u></u>

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

**WATER AND SEWER UTILITY OPERATING FUND
SCHEDULE OF RESERVE FOR INSURANCE REIMBURSEMENT EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2023**

	<u>REF.</u>	
Balance - December 31, 2022	D	\$ -
Increased by:		
Cash Receipts	D-6	<u>36,950.51</u>
Balance - December 31, 2023	D	<u><u>\$ 36,950.51</u></u>

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

**WATER AND SEWER UTILITY CAPITAL FUND
SCHEDULE OF CAPITAL IMPROVEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2023**

	<u>REF.</u>	
Balance - December 31, 2023 and 2022	D	<u>\$ 109.68</u>

**WATER AND SEWER UTILITY OPERATING FUND
SCHEDULE OF PREPAID RENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

	<u>REF.</u>	
Balance - December 31, 2022	D	\$ 112,649.08
Increased by:		
Cash Receipts	D-6	<u>126,696.41</u>
		239,345.49
Decreased by:		
Applied to Consumer Accounts Receivable	D-10	<u>112,649.08</u>
Balance - December 31, 2023	D	<u>\$ 126,696.41</u>

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

**WATER AND SEWER UTILITY CAPITAL FUND
SCHEDULE OF FIXED CAPITAL
FOR THE YEAR ENDED DECEMBER 31, 2023**

ACCOUNT	ORDINANCE NUMBER	BALANCE DEC 31, 2022	BALANCE DEC 31, 2023
Purchase of Water and Sewer System of the South Brunswick Municipal Utilities Authority		\$ 8,488,000.00	\$ 8,488,000.00
Vehicles		108,000.00	108,000.00
Purchase of Equipment and Improvements to Water and Sewer Utility System		23,951,549.00	23,951,549.00
Route 130 Sewer Extension	22-84,41-86	3,975,000.00	3,975,000.00
Various Water and Sewer Improvements	16-85	2,689,324.00	2,689,324.00
Elizabethtown Water Connection	37-85	198,215.00	198,215.00
Water and Sewer Extension - Henderson Road	24-88	295,000.00	295,000.00
Georges Road Sanitary Sewer	54-90,46-91	233,000.00	233,000.00
Construction of Pump Station #2A, Phase I	14-92	251,359.90	251,359.90
Improvement to Pump Station #9 and #10	15-92	885,000.00	885,000.00
Various Water Improvements	18-92	1,925,000.00	1,925,000.00
Removal of Storage Tanks	1-93	225,000.00	225,000.00
Various Radio Equipment Improvements	50-93	250,000.00	250,000.00
Sandhill Sewer Line	17-92,47-94	2,728,500.00	2,728,500.00
Purchase of Water and Sewer Equipment	45-94	255,000.00	255,000.00
Construction of Route 27 Water Line	46-94	1,250,000.00	1,250,000.00
Sewer Pipe Replacement - Kendall Park	47-94	963,943.00	963,943.00
Water Line Replacement - Kendall Park	48-94	1,508,185.00	1,508,185.00
Construction of Route 130 Water and Sewer Lines	49-94	3,000,000.00	3,000,000.00
Construction of Route I Water Line	50-94	236,974.00	236,974.00
Aerial Topographic Survey	57-95	205,000.00	205,000.00
Purchase of Water Meters	53-95	550,000.00	550,000.00
Various Water and Sewer Improvements	55-90	3,160,000.00	3,160,000.00
Purchase of Equipment	55-95	93,000.00	93,000.00
Construction of Wells #16 & 17	56-95	375,000.00	375,000.00
Water and Sewer Master Plan	58-95	122,300.06	122,300.06
Construction of Pump Station #2A	67-95	3,200,000.00	3,200,000.00
Rehabilitation - Major Road Water Tank	68-95	231,331.00	231,331.00
Route #522 Utility Line Extension	12-96	280,000.00	280,000.00
Beckman Road Utility Extension	63-96	496,138.00	496,138.00
Infiltration and Inflow	45-97	110,000.00	110,000.00
Rehab - Kendall Park Water Line - Phase II	46-97	588,867.00	588,867.00
Water Line - Haypress Railroad Crossing	47-97	55,000.00	55,000.00
Water Tower Removal	48-97	55,000.00	55,000.00
Major Road Booster Station I	49-97	55,000.00	55,000.00
Route 130 Sewer Line	50-97	110,000.00	110,000.00
Acquisition of Property for Well #17	51-97	87,042.00	87,042.00
Pump Station #10	52-97	1,650,000.00	1,650,000.00
Beekman Road	53-97	434,790.00	434,790.00
Construction of Well #17	54-97	1,100,000.00	1,100,000.00
Purchase of Service Van	58-97	22,500.00	22,500.00
Purchase of Utility Tractor	59-97	36,000.00	36,000.00
Fresh Ponds Road Water Main Extension	72-97	137,650.00	137,650.00
Purchase and Installation of Water Meters	51-98	412,500.00	412,500.00
Construction and Installation of a Water Main Ext.	53-98	81,564.00	81,564.00
Replacement and Reconstruction of the Kendall Park Water Main	55-98	597,651.00	597,651.00
Design and Construction of a Sanitary Sewer Line	56-98	225,784.14	225,784.14
Design of Ridge Road Regional Sewer Line	58-98	104,500.00	104,500.00
Construction of the Dow Jones/Route 522 Sanitary Sewer Line	60-98	86,400.00	86,400.00
Purchase of Pump Station Flow Meters	61-98	257,000.00	257,000.00

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

Exhibit D-18
Page 2 of 2

**WATER AND SEWER UTILITY CAPITAL FUND
SCHEDULE OF FIXED CAPITAL
FOR THE YEAR ENDED DECEMBER 31, 2023**

ACCOUNT	ORDINANCE NUMBER	BALANCE DEC 31, 2022	BALANCE DEC 31, 2023
Construction of Elizabethtown Water Main	2-99	\$ 1,234,216.00	\$ 1,234,216.00
Acquisition of Radio System Equipment	25-99	130,000.00	130,000.00
Design and Construction of Fluoridation Facilities at Existing Township Water Supply Wells	39-99	550,000.00	550,000.00
Design and Construction of Ongoing Water Line Rehabilitation Program in Kendall Park Area	40-99	900,000.00	900,000.00
Design and Construction of Water System Improvements to Reinforce the Township's Existing Water Distribution System	41-99	550,000.00	550,000.00
Acquisition of Supervisory Control and Data Acquisition Equipment	42-99	54,999.00	54,999.00
Purchase of Utility Truck	40-00	39,299.90	39,299.90
Pump Station Electrical Improvements	41-00	105,000.00	105,000.00
Water System Improvements	42-00	1,048,776.88	1,048,776.88
Water Main Repair - Kendall Park IV	43-00	949,300.00	949,300.00
Utility Building Construction	44-00,57-02	3,697,945.27	3,697,945.27
Beekman Road	64-00	300,000.00	300,000.00
Inflows and Infiltration Repairs	49-01	257,000.00	257,000.00
Pump Station #5	50-01	204,000.00	204,000.00
Sewer Pipe Kendall Park	51-01	370,730.00	370,730.00
Upgrade of SCADA	52-01	54,750.00	54,750.00
Purchase Water Meters	54-01	210,000.00	210,000.00
Sanitary Sewer and Water System - Circle Drive	55-01	287,153.15	287,153.15
Water Main Rehabilitation	29-02	916,000.00	916,000.00
Overhaul of Truck	30-02	78,195.00	78,195.00
Fresh Ponds Road Water Main Extension	31-02 / 79-03	1,094,414.84	1,094,414.84
Sewer Line Replacement	32-02	156,000.00	156,000.00
Pump Station #5 - Control Building Reconstruction	75-02	100,000.00	100,000.00
Various Capital Improvements	49-03,99-03	153,000.00	153,000.00
Sewer Line Replacements at Cambridge and Nassau	50-03	485,000.00	485,000.00
Construction of Force Main for Pump Station #4 and Monmouth Junction and Kingston Trunkline	51-03	183,000.00	183,000.00
Various Capital Improvements	52-03	148,968.27	148,968.27
Water Main Cleaning and Lining	52-03	940,000.00	940,000.00
Improvements to Water and Sewer Utilities	24-04	1,366,693.06	1,366,693.06
Acquisition of Various Equipment and Vehicles	45-05	116,931.70	116,931.70
Various Improvements	35-07	3,145,750.00	3,145,750.00
WII #16 Radionuclides	46-07	2,994,593.50	2,994,593.50
Kendall Park Section VIII	34-08	1,600,000.00	1,600,000.00
Various Capital Improvements	45-08	233,200.00	233,200.00
Various Capital Improvements	53-08	1,414,000.00	1,414,000.00
Kendall Park Phase 9	36-09	2,000,000.00	2,000,000.00
Various Capital Improvements	56-06	2,399,283.90	2,399,283.90
Various Capital Improvements	23-14	1,807,000.00	1,807,000.00
Water Main Replacements at Various Locations	48-03	950,000.00	950,000.00
Update Wastewater Master Plan, Computer Upgrades and Related Improvements	46-05	190,000.00	190,000.00
Various Utility Improvements	50-06	7,716.10	7,716.10
		<u>\$ 101,759,983.67</u>	<u>\$ 101,759,983.67</u>
	<u>REF.</u>	D	D

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

**WATER AND SEWER UTILITY CAPITAL FUND
SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED
FOR THE YEAR ENDED DECEMBER 31, 2023**

ORDINANCE NO.	IMPROVEMENT DESCRIPTION	ORDINANCE		BALANCE DEC. 31, 2022	AMOUNT AUTHORIZED	BALANCE DEC. 31, 2023
		DATE	AMOUNT			
01-56	Route 1 Sewer Line	06/19/01	\$ 1,430,000.00	\$ 1,430,000.00		\$ 1,430,000.00
08-50	Deans Pond Lane Water Improvements	08/26/08	1,050,000.00	1,050,000.00		1,050,000.00
11-21	Various Capital Improvements	06/28/11	5,660,000.00	5,660,000.00		5,660,000.00
12-16	Various Capital Improvements	05/08/12	3,560,000.00	3,560,000.00		3,560,000.00
12-23	Various Capital Improvements	08/14/12	10,110,000.00	10,110,000.00		10,110,000.00
13-22	Various Capital Improvements	06/25/13	1,666,500.00	1,666,500.00		1,666,500.00
15-25	Various Capital Improvements	07/14/15	10,409,200.00	10,409,200.00		10,409,200.00
16-18	Various Capital Improvements	01/29/16	2,532,000.00	2,532,000.00		2,532,000.00
17-28	Various Capital Improvements	10/10/17	4,088,000.00	4,088,000.00		4,088,000.00
18-24	Various Capital Improvements	07/24/18	3,013,121.00	3,013,121.00		3,013,121.00
19-25	Various Utility Improvements	07/23/19	3,034,000.00	3,034,000.00		3,034,000.00
20-33	Various Utility Improvements	10/27/20	225,000.00	225,000.00		225,000.00
21-05	Various Utility Improvements	02/23/21	9,150,000.00	9,150,000.00		9,150,000.00
21-56	Various Utility Improvements	01/17/22	3,182,500.00	3,182,500.00		3,182,500.00
23-02	Various Utility Improvements	03/14/23	5,000,000.00		\$ 5,000,000.00	5,000,000.00
23-20	Various Utility Improvements	08/22/23	3,000,000.00		3,000,000.00	3,000,000.00
23-36	Various Utility Improvements	12/26/23	6,750,000.00		6,750,000.00	6,750,000.00
				<u>\$ 59,110,321.00</u>	<u>\$ 14,750,000.00</u>	<u>\$ 73,860,321.00</u>
REF.				D	D-21, D-28	D

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

**WATER AND SEWER UTILITY CAPITAL FUND
SCHEDULE OF SERIAL BONDS
FOR THE YEAR ENDED DECEMBER 31, 2023**

PURPOSE	DATE OF ISSUE	ORIGINAL ISSUE	OUTSTANDING - DEC. 31, 2023		INTEREST RATE	BALANCE	INCREASED	DECREASED	BALANCE
			DATE	AMOUNT		DEC. 31, 2022			DEC. 31, 2023
Water/Sewer Utility Bonds	10/23/13	\$ 7,760,000.00	10/01/24	\$ 600,000.00	3.000%				
			10/01/25	600,000.00	3.000%				
			10/01/26	600,000.00	3.250%				
			10/01/27	600,000.00	3.250%				
			10/01/28	600,000.00	3.500%	\$ 3,600,000.00		\$ 600,000.00	\$ 3,000,000.00
Water/Sewer Utility Refunding Bonds	9/1/2014	7,465,000.00	09/01/24	445,000.00	5.000%	1,325,000.00		880,000.00	445,000.00
Water/Sewer Utility Refunding Bonds	10/22/2015	2,561,000.00	03/01/24	280,000.00	5.000%				
			03/01/25	280,000.00	5.000%				
			03/01/26	285,000.00	5.000%				
			03/01/27	280,000.00	4.000%	1,405,000.00		280,000.00	1,125,000.00
Water/Sewer Utility Bonds	9/20/2017	12,147,000.00	10/01/24	600,000.00	2.000%				
			10/01/25	600,000.00	4.000%				
			10/01/26	600,000.00	4.000%				
			10/01/27	610,000.00	4.000%				
			10/01/28	620,000.00	2.375%				
			10/01/29	650,000.00	2.500%				
			10/01/30	665,000.00	3.000%				
			10/01/31	675,000.00	3.000%				
			10/01/32	700,000.00	3.000%				
			10/01/33	700,000.00	3.000%				
			10/01/34	700,000.00	3.000%				
			10/01/35	700,000.00	3.000%				
			10/01/36	700,000.00	3.000%				
			10/01/37	700,000.00	3.000%	9,820,000.00		600,000.00	9,220,000.00

TOWNSHIP OF SOUTH BRUNSWICK
MIDDLESEX COUNTY, NEW JERSEY

WATER AND SEWER UTILITY CAPITAL FUND
SCHEDULE OF SERIAL BONDS
FOR THE YEAR ENDED DECEMBER 31, 2023

PURPOSE	DATE OF	ORIGINAL	OUTSTANDING - DEC. 31, 2023		INTEREST	BALANCE	INCREASED	DECREASED	BALANCE
	ISSUE	ISSUE	DATE	AMOUNT	RATE	DEC. 31, 2022			DEC. 31, 2023
Water/Sewer Utility Refunding Bonds	9/16/2020	\$ 3,815,000.00	10/01/24	\$ 790,000.00	4.000%				
			10/01/25	810,000.00	4.000%	\$ 2,380,000.00		\$ 780,000.00	\$ 1,600,000.00
Water/Sewer Utility Bonds	9/15/2021	14,900,000.00	9/1/2024	1,150,000.00	2.000%				
			9/1/2025	1,210,000.00	2.000%				
			9/1/2026	1,210,000.00	2.000%				
			9/1/2027	1,210,000.00	2.000%				
			9/1/2028	1,210,000.00	2.000%				
			9/1/2029	1,210,000.00	2.000%				
			9/1/2030	1,210,000.00	2.000%				
			9/1/2031	1,215,000.00	2.000%				
			9/1/2032	1,215,000.00	2.000%				
			9/1/2033	1,215,000.00	2.000%				
			9/1/2034	1,215,000.00	2.000%	14,125,000.00		855,000.00	13,270,000.00
			Water/Sewer Utility Bonds	9/1/2023	12,671,000.00	09/21/24	401,000.00	4.000%	
09/21/25	425,000.00	4.000%							
09/21/26	500,000.00	4.000%							
09/21/27	510,000.00	4.000%							
09/21/28	520,000.00	4.000%							
09/21/29	535,000.00	4.000%							
09/21/30	550,000.00	4.000%							
09/21/31	560,000.00	4.000%							
09/21/32	575,000.00	4.000%							
09/21/33	600,000.00	4.000%							
09/21/34	625,000.00	4.000%							
09/21/35	675,000.00	4.000%							
09/21/36	710,000.00	4.000%							
09/21/37	745,000.00	4.000%							
09/21/38	765,000.00	4.000%							
09/21/39	775,000.00	4.000%							
09/21/40	800,000.00	4.000%							
09/21/41	800,000.00	4.000%							
09/21/42	800,000.00	4.125%							
09/21/43	800,000.00	4.125%							
							\$ 12,671,000.00		12,671,000.00
						\$ 32,655,000.00	\$ 12,671,000.00	\$ 3,995,000.00	\$ 41,331,000.00
REF.						D	D-6 , D-28	D-5, D-22	D, D-12

TOWNSHIP OF SOUTH BRUNSWICK
MIDDLESEX COUNTY, NEW JERSEY

WATER AND SEWER UTILITY CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS
FOR THE YEAR ENDED DECEMBER 31, 2023

Ordinance No.	Improvement Description	Ordinance		Balance Dec 31, 2022		2023 Authorizations	Cancellation of Prior Year Encumbrances	Paid or Charged	Overexpenditure of Improvement Authorization	Balance Dec 31, 2023	
		Date	Amount	Funded	Unfunded					Funded	Unfunded
22-84	Construction Route 130	1984		\$ 36,447.82						\$ 36,447.82	
67-95	Construction of Pump Station #2A	06/20/95	\$ 3,200,000.00	2,178.45						2,178.45	
01-56	Route I Sewer Line	06/19/01	1,430,000.00	82,086.73				\$ 43,658.20		38,428.53	
03-48	Water Main Replacement	2003		360.00		\$ 3,955.58				4,315.58	
08-50	Deans Pond Lane Water Improvements	8/26/2008	1,050,000.00	66,900.63	\$ 580,000.00					66,900.63	\$ 580,000.00
11-21	Various Capital Improvements	6/28/2011	5,660,000.00		243,511.16			17,039.85			226,471.31
12-16	Various Capital Improvements	5/8/2012	3,560,000.00					928.51	\$ 928.51		
12-23	Various Capital Improvements	8/14/2012	10,110,000.00		212,694.58			99,918.56			112,776.02
13-22	Various Capital Improvements	6/25/2013	1,666,500.00		148,178.68			146,459.32			1,719.36
14-23	Various Capital Improvements	7/22/2014	1,807,000.00				529.00			529.00	
15-25	Various Capital Improvements	7/14/2015	10,409,200.00	2,674,937.31	1,275,200.00			88,525.51		2,586,411.80	1,275,200.00
16-18	Various Utility Improvements	7/26/2016	2,532,000.00		476,549.91			85,212.77			391,337.14
17-28	Various Utility Improvements	10/10/2017	4,088,000.00		1,004,101.87			27,511.97			976,589.90
18-24	Various Capital Improvements	7/24/2018	3,013,121.00		713,259.48			79,117.12		308,021.36	326,121.00
19-25	Various Utility Improvements	7/23/2019	3,034,000.00		1,372,059.29			203,292.92			1,168,766.37
20-33	Purchase of 4 Major Road	10/27/2020	225,000.00		38,056.91			388.09			37,668.82
21-05	Various Utility Improvements	2/23/2021	9,150,000.00		2,012,450.74		7,989.53				2,020,440.27
21-56	Various Utility Improvements	1/17/2022	3,350,000.00		950,597.45			63,891.35			886,706.10
23-02	Various Utility Improvements	3/14/2023	5,000,000.00			\$ 5,000,000.00		1,333,222.66			3,666,777.34
23-20	Various Utility Improvements	8/22/2023	3,000,000.00			3,000,000.00		2,154,766.70			845,233.30
23-36	Various Utility Improvements	12/26/2023	6,750,000.00			6,750,000.00					6,750,000.00
				<u>\$ 2,862,910.94</u>	<u>\$ 9,026,660.07</u>	<u>\$ 14,750,000.00</u>	<u>\$ 12,474.11</u>	<u>\$ 4,343,933.53</u>	<u>\$ 928.51</u>	<u>\$ 3,043,233.17</u>	<u>\$ 19,265,806.93</u>
REF.				D	D	D-19, D-28	D-27	D-27	D	D	D

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

**WATER AND SEWER UTILITY CAPITAL FUND
SCHEDULE OF RESERVE FOR AMORTIZATION
FOR THE YEAR ENDED DECEMBER 31, 2023**

	<u>REF.</u>	
Balance - December 31, 2022	D	\$ 106,209,871.49
Increased by:		
Payment of Bond Principal	D-20	<u>3,995,000.00</u>
Balance - December 31, 2023	D	<u>\$ 110,204,871.49</u>

**WATER AND SEWER UTILITY CAPITAL FUND
SCHEDULE OF DEFERRED RESERVE FOR AMORTIZATION
FOR THE YEAR ENDED DECEMBER 31, 2023**

<u>ORD. NO.</u>	<u>IMPROVEMENT DESCRIPTION</u>	<u>DATE OF ORD.</u>	<u>BALANCE DEC. 31, 2023</u>	<u>BALANCE DEC. 31, 2022</u>
56-01	Route 1 Sewer Line	06/19/01	\$ 69,000.00	\$ 69,000.00
			<u>\$ 69,000.00</u>	<u>\$ 69,000.00</u>
		<u>REF.</u>	D	D

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

**WATER AND SEWER UTILITY OPERATING FUND
SCHEDULE OF ACCOUNTS PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2023**

	<u>REF.</u>	
Balance - December 31, 2022	D	\$ 544,593.56
Decreased by:		
Cash Disbursements	D-6	<u>434,032.92</u>
Balance - December 31, 2023	D	<u><u>\$ 110,560.64</u></u>

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

**WATER AND SEWER UTILITY OPERATING FUND
SCHEDULE OF DEFERRED CHARGES - SPECIAL EMERGENCY COVID 19
FOR THE YEAR ENDED DECEMBER 31, 2023**

	<u>Balance, December 31, 2022</u>	<u>Decreased by Raised in Budget</u>	<u>Balance, December 31, 2023</u>
COVID-19 - 2020 Deficit	\$ 1,122,931.20	\$ 280,732.80	\$ 842,198.40
COVID-19 - 2021 Deficit	<u>1,794,054.40</u>	<u>448,513.60</u>	<u>1,345,540.80</u>
	<u>\$ 2,916,985.60</u>	<u>\$ 729,246.40</u>	<u>\$ 2,187,739.20</u>
<u>REF.</u>	D	D-5	D

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

**WATER AND SEWER UTILITY OPERATING FUND
SCHEDULE OF DEFERRED CHARGES
FOR THE YEAR ENDED DECEMBER 31, 2023**

	Balance, December 31, 2022	Increases	Decreased by Raised in Budget	Balance, December 31, 2023
Overexpenditure of Appropriations	\$ 184,720.67	\$ 149,136.39	\$ 184,720.67	\$ 149,136.39
Overexpenditure of Appropriation Reserves		868,037.07		868,037.07
	<u>\$ 184,720.67</u>	<u>\$ 1,017,173.46</u>	<u>\$ 184,720.67</u>	<u>\$ 1,017,173.46</u>
<u>REF.</u>	D	D-1, D-5, D-13	D-5	D

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

**WATER AND SEWER UTILITY CAPITAL FUND
SCHEDULE OF RESERVE FOR ENCUMBRANCES
FOR THE YEAR ENDED DECEMBER 31, 2023**

	<u>REF.</u>	
Balance - December 31, 2022	D	\$12,889,277.05
Increased by:		
Charged to Improvement Authorizations	D-21	4,343,933.53
		<u>17,233,210.58</u>
Decreased by:		
Cancellation of Prior Year Encumbrances	D-21	\$ 12,474.11
Cash Disbursements	D-6	<u>5,211,142.30</u>
		<u>5,223,616.41</u>
Balance - December 31, 2023	D	<u><u>\$12,009,594.17</u></u>

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

**WATER AND SEWER UTILITY CAPITAL FUND
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED
FOR THE YEAR ENDED DECEMBER 31, 2023**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	Balance Dec. 31, 2022	Amount Authorized	Serial Bonds Issued	Balance Dec. 31, 2023
08-50	Deans Pond Lane Water Improvements	\$ 580,000.00			\$ 580,000.00
11-21	Various Capital Improvements	385,500.00		\$ 140,000.00	245,500.00
12-23	Various Capital Improvements	560,000.00		445,000.00	115,000.00
13-22	Various Capital Improvements	54,100.00		50,000.00	4,100.00
15-25	Various Capital Improvements	1,275,200.00			1,275,200.00
16-18	Various Capital Improvements	1,347,250.00		850,000.00	497,250.00
17-28	Various Capital Improvements	2,081,650.00		1,050,000.00	1,031,650.00
18-24	Various Capital Improvements	326,121.00			326,121.00
19-25	Various Utility Improvements	1,904,050.00		700,000.00	1,204,050.00
20-33	Various Utility Improvements	225,000.00		186,000.00	39,000.00
21-05	Various Utility Improvements	9,150,000.00		7,000,000.00	2,150,000.00
21-56	Various Utility Improvements	3,182,500.00		2,250,000.00	932,500.00
23-02	Various Utility Improvements		\$ 5,000,000.00		5,000,000.00
23-20	Various Utility Improvements		3,000,000.00		3,000,000.00
23-36	Various Utility Improvements		6,750,000.00		6,750,000.00
		<u>\$ 21,071,371.00</u>	<u>\$ 14,750,000.00</u>	<u>\$ 12,671,000.00</u>	<u>\$ 23,150,371.00</u>
<u>REF.</u>		D	D-19 , D-21	D-20	D

PAYROLL FUND

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

**PAYROLL FUND
SCHEDULE OF CASH AND CASH EQUIVALENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

	<u>REF.</u>	
Balance - December 31, 2022	E	\$ 459,347.07
Increased by Cash Receipts:		
Payroll Deductions Payable	E-3	\$ 41,507,542.98
Interfund - Current Fund	E	25.00
		<u>41,507,567.98</u>
		41,966,915.05
Decreased by:		
Payroll Deductions Payable - Cash Disbursed	E-3	<u>41,462,536.24</u>
Balance - December 31, 2023	E	<u><u>\$ 504,378.81</u></u>

**SCHEDULE OF INTERFUND PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2023**

	<u>REF.</u>	
Balance - December 31, 2023 and 2022	E	<u><u>\$ 74,714.59</u></u>

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

**PAYROLL FUND
SCHEDULE OF PAYROLL DEDUCTIONS PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2023**

Balance - December 31, 2022	E	\$ 384,657.48
Increased by Cash Receipts:		
Payroll Deductions Payable	E-3	<u>41,507,542.98</u>
		41,892,200.46
Decreased by:		
Payroll Deductions Payable	E-3	<u>41,462,536.24</u>
Balance - December 31, 2023	E	<u><u>\$ 429,664.22</u></u>

**PART III – SUPPLEMENTARY DATA AND SCHEDULES –
SUPPLEMENTARY INFORMATION –
AS REQUIRED BY THE DIVISION OF LOCAL GOVERNMENT SERVICES**

COMMENTS SECTION

**TOWNSHIP OF SOUTH BRUNSWICK
COUNTY OF MIDDLESEX, NEW JERSEY
YEAR ENDED DECEMBER 31, 2023**

GENERAL COMMENTS

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

N.J.S.A. 40A: 11-4 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 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 bid threshold as set forth in N.J.S.A. 40A:11-4." The amount of \$44,000.00 is the threshold set forth in the aforementioned Statute for the year ended December 31, 2023.

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

The minutes indicate that resolutions were adopted and advertised authorizing the awarding of contracts and agreements for "Professional Services" per N.J.S.A. 40A:11-5. Inasmuch as the system of records did not provide for an accumulation of payments for categories for the performance of any work or the furnishing or hiring or any materials or supplies, the results of such an accumulation could not reasonably be ascertained. Disbursements were reviewed, however, to determine whether any clear cut violations existed.

Collection of Interest on Delinquent Taxes and Assessments

N.J.S.A. 54:4-67 provides the method for authorizing interest and the maximum rates to be charged for the nonpayment of taxes or assessments on or before the date when they would become delinquent.

The governing body, on January 10, 2023, adopted a resolution authorizing interest to be charged on delinquent taxes and assessments, as follows:

8% Interest on Amounts up to \$1,500 on Delinquent Tax and Assessment Accounts

18% Interest on Amounts from \$1,500 and above on Delinquent Tax and Assessment Accounts

Ten (10) Day Grace Period

This resolution was subsequently amended pursuant to revisions to N.J.S.A. 54:4-67 to include a penalty of 6% to be charged to delinquencies in excess of \$10,000 at the end of the calendar year.

An examination of the collector's records indicated that interest on delinquencies was calculated in accordance with the foregoing resolution, for items tested.

Delinquent Taxes and Tax Title Liens

A tax sale was held on November 30, 2023 and was complete. Properties that were in bankruptcy proceedings were excluded from the sale. The status of these properties should be monitored to assure that the Township protects its right to collect delinquent taxes and that these properties are exposed to tax sale proceedings at the earliest legal date.

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

<u>Years</u>	<u>Tax Title Liens</u>
2023	46
2022	29
2021	29

The Township maintains a foreclosure program for tax title liens that become subject to In Rem Foreclosure. Subject liens have been assigned to attorneys and are in process of foreclosure.

Investment of Funds

The Chief Financial Officer had most of the idle funds of the Township invested in interest-bearing accounts or investments in bond anticipation notes from January 1, 2023 to December 31, 2023. Earnings from the investments are shown as revenue in the various accounts of the Township as of December 31, 2023. The investment program instituted by the finance officer was complete with minimal balances remaining in demand accounts. This policy complied with N.J.S.A. 40A.4: 5-14 in all respects.

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 regarding its review of "Sick and Vacation Leave Policies in New Jersey Municipalities". In the report, 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 some policies of 57 of the 60 municipalities reviewed were non-compliant 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 understand and implement. As part of the Comptroller's review, the Township of South Brunswick's policies were reviewed and cited in some cases as non-compliant with aspects of the 2007 and 2010 laws. We believe that it would be prudent for the Township to review its current policies and practices with its municipal labor attorney to ensure future compliance with the applicable New Jersey State Statutes.

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

**COMPARATIVE SCHEDULE OF TAX RATE INFORMATION
FOR THE YEARS ENDED DECEMBER 31, 2023, 2022 AND 2021**

	<u>2023</u>	<u>2022</u>	<u>2021</u>
<u>Tax Rate:</u>	\$ <u>5.164</u>	\$ <u>5.011</u>	\$ <u>4.989</u>
<u>Apportionment of Tax Rate:</u>			
Municipal	\$ 1.041	\$ 0.972	\$ 0.953
Municipal Library	0.088	0.080	0.075
Municipal Open Space	0.040	0.040	0.040
County	0.902	0.872	0.871
County Open Space	0.080	0.074	0.072
Local School	3.014	2.974	2.978
<u>Fire District Tax Rates:</u>			
Fire District 1	\$ 0.085	\$ 0.084	\$ 0.084
Fire District 2	0.043	0.043	0.043
Fire District 3	0.106	0.113	0.101

Assessed Valuation (Taxable):

2023	<u>\$ 4,191,542,800.00</u>		
2022		<u>\$ 4,172,952,646.00</u>	
2021			<u>\$ 4,091,398,848.00</u>

**COMPARATIVE SCHEDULE OF TAX LEVIES AND COLLECTIONS
FOR THE YEARS ENDED DECEMBER 31, 2023, 2022 AND 2021**

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	\$ 220,373,374.57	\$ 219,384,227.32	99.55%
2022	214,920,327.38	214,236,389.83	99.68%
2021	214,196,543.32	213,304,198.02	99.58%

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

**DELINQUENT TAXES AND TAX TITLE LIENS
FOR THE YEARS ENDED DECEMBER 31, 2023, 2022 and 2021**

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	\$ 1,068,159.14	\$ 818,324.08	\$ 1,886,483.22	0.86%
2022	1,051,016.44	733,687.08	1,784,703.52	0.83%
2021	1,130,813.11	862,210.70	1,993,023.81	0.93%

**PROPERTY ACQUIRED FOR TAX TITLE LIEN LIQUIDATION
FOR THE YEARS ENDED DECEMBER 31, 2023, 2022 and 2021**

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

<u>Year</u>	<u>Amount</u>
2023	\$ 771,640.00
2022	771,640.00
2021	771,640.00

**COMPARATIVE SCHEDULE OF WATER AND SEWER UTILITY LEVIES AND COLLECTIONS
FOR THE YEARS ENDED DECEMBER 31, 2023, 2022 and 2021**

<u>Year</u>	<u>Levies</u>	<u>Collections*</u>
2023	\$ 26,293,908.02	\$ 26,409,654.19
2022	26,872,299.55	27,252,263.55
2021	25,593,561.27	25,300,392.53

*Includes collections against prior year balances and realization of prior year prepaid balances.

**COMPARATIVE SCHEDULE OF FUND BALANCES
FOR THE YEARS ENDED DECEMBER 31, 2023, 2022 and 2021**

	<u>Year Ended</u>	<u>Balance</u>	<u>Utilized in Budget of Succeeding Year</u>
Current Fund	2023	\$ 2,336,180.16	\$ 500,000.00
	2022	5,321,180.16	2,985,000.00
	2021	6,692,751.89	4,047,000.00
Water and Sewer Utility Operating Fund	2023	\$ 3,492,306.79	
	2022	5,752,596.04	\$ 2,633,000.00
	2021	2,076,668.74	

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

**SCHEDULE OF OFFICIALS IN OFFICE AND SURETY BONDS
FOR THE YEAR ENDED DECEMBER 31, 2023**

The following officials were in office on December 31, 2023:

<u>NAME</u>	<u>TITLE</u>	<u>AMOUNT OF BOND</u>
Charles Carley	- Mayor	
Joe Camarota	- Deputy Mayor	
Ken Bierman	- Councilman	
Archana Grover	- Councilwoman	
Josephine Hochman	- Councilwoman	
Bernard Hvozdovic	- Township Manager	
John Bolcato	- Chief Financial Officer and Utility Collector	\$ 1,000,000.00
Barbara Nyitrai	- Township Clerk	
Katherine Gilliland	- Tax Collector	\$ 1,000,000.00
Speros Kalambakas	- Judge	\$ 1,000,000.00
Michael Dowgin	- Judge	\$ 1,000,000.00
Debra Johnson	- Judge	\$ 1,000,000.00
Kathryn Coffey	- Court Administrator	\$ 1,000,000.00
Heather Sinclair	- Deputy Court Director	\$ 1,000,000.00
Odalys Pineiro	- Deputy Court Administrator	\$ 1,000,000.00

All of the above bonds were examined and found to be properly executed.

COMMENTS AND RECOMMENDATIONS

TOWNSHIP OF SOUTH BRUNSWICK
COMMENTS AND RECOMMENDATIONS
YEAR ENDED DECEMBER 31, 2023

See schedule of findings and questioned costs for material weakness finding.

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

**Honorable Mayor and Members
of the Township Council
Township of South 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 as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey ("Division"), the regulatory basis financial statements of the Township of South Brunswick ("Township") as of and for the year ended December 31, 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 28, 2025 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.

Report on 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 a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Township's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified a deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2023-001 that we consider to be a material weakness.

**Honorable Mayor and Members
of the Township Council
Township of South Brunswick**

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Report on 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* and by the Division.

Township's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the Township's response to the findings identified in our audit described in the accompanying schedule of findings and questioned costs. The Township's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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 28, 2025

Scott A. Clelland

Scott A. Clelland, CPA
Registered Municipal Accountant, No. 455



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

Independent Auditors' Report

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

Report on Compliance for Each Major State Program

Opinion on Each Major State Program

We have audited the Township of South Brunswick, New Jersey's ("Township") compliance with the types of compliance requirements identified as subject to audit in the *New Jersey State Aid/Grant Compliance Supplement* that could have a direct and material effect on each of the Township's major state programs for the year ended December 31, 2023. The Township's major 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 types of compliance requirements referred to above that could have a direct and material effect on each of its major state programs for the year ended December 31, 2023.

Basis for Opinion on Each Major 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 ("*Government Auditing Standards*"); 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 New Jersey OMB Circular 15-08 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 basis for our opinion on compliance for each major 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 state programs.

**Honorable Mayor and Members
of the Township Council
Township of South Brunswick**

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Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Township's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Governmental Auditing Standards* and 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 state program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards* 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 New Jersey OMB 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 state program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that 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 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.

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 material weaknesses or significant deficiencies, as defined above. However,

**Honorable Mayor and Members
of the Township Council
Township of South Brunswick**

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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.

Purpose of this Report

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 the requirements of New Jersey OMB Circular 15-08. Accordingly, this report is not suitable for any other purpose.

PKF O'Connor Davies, LLP

Cranford, New Jersey
March 28, 2025

Scott A. Clelland

Scott A. Clelland, CPA
Registered Municipal Accountant, No. 455

TOWNSHIP OF SOUTH BRUNSWICK
MIDDLESEX, COUNTY, NEW JERSEY

SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
YEAR ENDED DECEMBER 31, 2023

State Funding Department or Division	Program	State Account Number	Grant Period		Cash Received	Expenditures
			From	To		
NJ Department of Environmental Protection:						
	Recycling Tonnage Grant	100-042-4910-224	1/1/2016	Completion	\$ 197,631.03	\$ 76,236.79
	Clean Communities Grant	765-042-4900-004	1/1/2021	Completion	100,792.66	46,221.68
Total NJ Department of Environmental Protection					<u>298,423.69</u>	<u>122,458.47</u>
NJ Department of Community Affairs:						
	FY 24 State Aid (Ordinance 23-27)	Unavailable	1/1/2024	Completion		500,000.00
	Handicapapd Recreation	8050-100-035	1/1/2014	Completion		4,021.33
Total NJ Department of Community Affairs						<u>504,021.33</u>
NJ Department of Transportation						
	Highway Planning and Construction (Municipal Aid Program)	480-078-6320	Various	Completion	486,397.50	643,010.10
	NJ Highway Safety- Click it Or Ticket	100-066-1160-119	Various	Completion	5,845.00	5,845.00
	NJ Highway Safety- Distracted Driver	100-066-1160-158	Various	Completion	9,485.00	10,985.00
Total NJ Department of Transportation					<u>501,727.50</u>	<u>659,840.10</u>
NJ Department of Health						
	Emergency Local Public Health	100-046-4230-5XX	Various	Completion	121,064.00	20,652.50
	Office of Local Public Health	Unavailable	1/1/2020	Completion		114,388.13
Total NJ Department of Health					<u>121,064.00</u>	<u>135,040.63</u>
NJ Department of Library						
	Library ESL	Unavailable	1/1/2020	Completion		27,982.08
	FY 24 State Aid- Library Services 51-2541	Unavailable	1/1/2024	Completion		1,500,000.00
	2017 NJ Library Constuction Bond Act (Ordinance 21-01)	Unavailable	11/20/2020	Completion		3,586,852.00
Total NJ Department of Library					<u>-</u>	<u>5,114,834.08</u>
Total State Financial Assistance					\$ 921,215.19	\$ 6,536,194.61

See Notes to Schedule of Expenditures of State Financial Assistance.

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

**NOTES TO SCHEDULE OF EXPENDITURES OF
STATE FINANCIAL ASSISTANCE
YEAR ENDED DECEMBER 31, 2023**

Note 1 - General:

The accompanying schedule of expenditures of state financial assistance present the activity of all state award programs of the Township of South Brunswick. The Township is defined in Note 1 to the financial statements. To the extent identified, the state awards that passed through other governmental agencies are included on the schedule of expenditures of state financial assistance.

Note 2 - Basis of Accounting:

The accompanying schedule is presented using the regulatory basis of accounting as 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 2 to the Township's financial statements.

Note 3 - Relationship to Financial Statements:

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

Note 4 - Relationship to State Reports:

Amounts reported in the accompanying schedule of expenditures of state financial assistance agree with the amounts reported in the related state financial reports, where required.

Note 5 – Indirect Cost Rate

The Township elected not to use the 10% de minimis indirect cost rate as permitted by NJOMB 15-08.

**TOWNSHIP OF SOUTH BRUNSWICK
MIDDLESEX COUNTY, NEW JERSEY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2023**

Part I – Summary of Auditors' Results

Financial Statements

Type of auditors' report issued on financial statements Unmodified for Regulatory Basis

Internal control over financial reporting:

1) Material weakness(es) identified	<u> X </u>	Yes	<u> </u>	No
2) Significant deficiency(ies) that are not considered to be material weakness(es)?	<u> </u>	Yes	<u> X </u>	None reported

Noncompliance material to the financial statements noted?	<u> </u>	Yes	<u> X </u>	No
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State Financial Assistance Section

Internal Control over major programs:

1) Material weakness(es) identified	<u> </u>	Yes	<u> X </u>	No
2) Significant deficiency(ies) that are not considered to be material weakness(es)? reported	<u> </u>	Yes	<u> X </u>	None

Type of auditors' report issued on compliance for major programs	<u>Unmodified</u>
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Any audit findings disclosed that are required to be reported in accordance with NJOMB Circular Letter 15-08?	<u> </u>	Yes	<u> X </u>	No
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Identification of major state programs:

<u>State Grant Number(s)</u>	<u>Name of State Program or Cluster</u>
Unavailable	NJ Library Construction Bond Act
Unavailable	FY 24 State Aid Library Services

Dollar threshold used to distinguish between Type A and Type B Programs	<u>\$750,000</u>
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Auditee qualified as low-risk auditee?	<u> </u>	Yes	<u> X </u>	No
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**TOWNSHIP OF SOUTH BRUNSWICK
MIDDLESEX COUNTY, NEW JERSEY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2023**

Part II – Schedule of Financial Statement Findings

Finding 2023-001 - Material Weakness in Financial Statement Close Process (Repeat of prior year finding)

Criteria:

A properly functioning financial statement close process provides an adequate internal control system to ensure that appropriate month and year-end internal controls are in place to ensure that financial statements are produced on a timely basis and are materially accurate.

Condition:

The Township's accounting office personnel perform certain financial statement close process procedures on a monthly basis and at year end which include the posting of journal entries and other various accruals and reconciliations. We noted that there is no formalized process that requires account balances to be reconciled and reviewed in totality to ensure the timeliness of the close process.

Context:

An outside consultant was hired by the Township to prepare the 2023 Annual Financial Statement and reconcile accounts to subsidiary ledgers during the 2023 calendar year. During our procedures, we made further adjustments and noted the adjustments made by the consultant in order to reconcile the account balances to the subsidiary ledgers and underlying records and schedules. Improvements were made from the prior year, however, we did identify certain items that need to be addressed. The following are specific items that warrant consideration related to the financial statement close process:

- Certain Township bank statements were not reconciled on a timely basis.
- Cash receipt reports from supporting systems were not reviewed on a monthly basis as required by the controls in place at the Township—instead a year-to-date review was performed subsequent to year end.
- The Township's general ledger balances did not always reconcile to the subsidiary ledger.
- Interfund balances were not liquidated timely, however, they were reconciled and in agreement.
- Many of the revenue entries were made at the end of the fiscal year as opposed to each month.
- Numerous journal entries were required as part of the outside consultant's review and our independent audit to adjust the financial statements at December 31, 2023.
- Monthly entries were made at the end of the fiscal year.
- Payroll agency accounts were overexpended and several disbursements were not applied to the correct liability.
- Several budgetary line items were over-expended.

**TOWNSHIP OF SOUTH BRUNSWICK
MIDDLESEX COUNTY, NEW JERSEY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2023**

Cause and Effect:

An appropriately designed financial statement close process reduces the risk of errors in the financial statements. In addition, adjustments were proposed during preparation of the financial statements that could be avoided if the Township had a more structured year end close-out process.

Recommendation:

In order to better document the monthly and year end close processes, we suggest that the Township continue to strengthen the controls surrounding the reconciliation procedures of the Township's trial balance accounts to ensure all accounts are in agreement with supporting documentation and that the year-end financial statement close process is completed in a more-timely manner.

Views of Responsible Officials and Planned Corrective Actions:

Township management concurs with the finding, as there was turnover of key employees during the current fiscal year which had a significant effect on specific functions and fiscal operations. The Township will develop a corrective action plan in response to the recommendation above. Township management has already commenced the process of developing and implementing a more formal financial close process that includes, but is not limited to, monthly account reconciliations, reports and controls addressing the reconciliation and account analysis of the general ledger to corroborative records.

**TOWNSHIP OF SOUTH BRUNSWICK
MIDDLESEX COUNTY, NEW JERSEY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2023**

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

None identified.

**TOWNSHIP OF SOUTH BRUNSWICK
MIDDLESEX COUNTY, NEW JERSEY
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
YEAR ENDED DECEMBER 31, 2023**

Finding 2022-001 - Material Weakness in Financial Statement Close Process (Repeat of prior year finding)

Criteria:

A properly functioning financial statement close process provides an adequate internal control system to ensure that appropriate month and year-end internal controls are in place to ensure that financial statements are produced on a timely basis and are materially accurate.

Condition:

The Township's accounting office personnel perform certain financial statement close process procedures on a monthly basis and at year end which include the posting of journal entries and other various accruals and reconciliations. We noted that there is no formalized process that requires account balances to be reconciled and reviewed in totality to ensure the timeliness of the close process.

Context:

An outside consultant was hired by the Township to prepare the 2022 Annual Financial Statement and reconcile accounts to subsidiary ledgers during the 2022 calendar year. During our procedures, we made further adjustments and noted the adjustments made by the consultant in order to reconcile the account balances to the subsidiary ledgers and underlying records and schedules. Improvements were made from the prior year, however, we did identify certain items that need to be addressed. The following are specific items that warrant consideration related to the financial statement close process:

- Certain Township bank statements were not reconciled on a timely basis (in certain cases in excess of one year).
- Cash receipt reports from supporting systems were not reviewed on a monthly basis as required by the controls in place at the Township—instead a year-to-date review was performed subsequent to year end
- The Township's general ledger balances did not always reconcile to the subsidiary ledger.
- Interfund balances were not liquidated timely, however, they were reconciled and in agreement.
- Many of the revenue entries were made at the end of the fiscal year as opposed to each month.
- Numerous journal entries were required as part of the outside consultant's review and our independent audit to adjust the financial statements at December 31, 2022.
- Monthly entries were made at the end of the fiscal year.
- Grant receivables and reserves were established without the grant being included in the budget or included as a Chapter 159 special item. In addition, certain grant reserves were over-expended.
- Several budgetary line items were over-expended.

**TOWNSHIP OF SOUTH BRUNSWICK
MIDDLESEX COUNTY, NEW JERSEY
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
YEAR ENDED DECEMBER 31, 2023**

Cause and Effect:

An appropriately designed financial statement close process reduces the risk of errors in the financial statements. In addition, adjustments were proposed during preparation of the financial statements that could be avoided if the Township had a more structured year end close-out process.

Recommendation:

In order to better document the monthly and year end close processes, we suggest that the Township continue to strengthen the controls surrounding the reconciliation procedures of the Township's trial balance accounts to ensure all accounts are in agreement with supporting documentation and that the year-end financial statement close process is completed in a more-timely manner.

Current Year Status:

Some improvement was made in the 2023 calendar year. This finding has been partially addressed during the 2023 audit. See finding 2023-001.