

**TOWNSHIP OF HOPE  
COUNTY OF WARREN  
STATE OF NEW JERSEY**

**REPORT OF AUDIT  
DECEMBER 31, 2021**

TOWNSHIP OF HOPE

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**PART I**

**REPORT ON EXAMINATION OF FINANCIAL STATEMENTS**

**DECEMBER 31, 2021**

## **AUDITORS' REPORTS**



# **ARDITO & COMPANY LLC**

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## INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and  
Members of the Township Committee  
Township of Hope  
P.O. Box 284  
County of Warren, New Jersey  
Hope, New Jersey 07844

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

#### ***Opinions***

We have audited the accompanying financial statements-regulatory basis, which comprise the comparative balance sheets-regulatory basis of the various funds of the Township of Hope, County of Warren, State of New Jersey (the "Township"), as of December 31, 2021 and 2020, and the related comparative statements of operations and changes in fund balance-regulatory basis for the years then ended, and the related statement of revenues-regulatory basis, and statement of expenditures-regulatory basis of the various funds, and the related notes to the financial statements for the year ended December 31, 2021, which collectively comprise the Township's basic financial statements listed in the table of contents.

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

In our opinion, the financial statements-regulatory basis referred to above present fairly, in all material respects, the financial position-regulatory basis of the various funds of the Township, as of December 31, 2021 and 2020, and the results of operations and changes in fund balance-regulatory basis of such funds for the years then ended and the statement of revenues-regulatory basis and statement of expenditures-regulatory basis of the various funds for the years then ended, in accordance with the financial reporting provisions of the Division of Local Government Services, Department of Community Affairs, State of New Jersey, as 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 referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Township as of December 31, 2021 and 2020, or the results of its operations and changes in its fund balances for the years then ended.

-Continued-

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

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

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

As described in Note 1 to the financial statements, the Township prepares its financial statements in conformity with regulatory basis accounting practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statements of the variances between the regulatory basis of accounting and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey; and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS 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. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, 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.

-Continued-



- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Township's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Township's ability to continue as a going concern for a reasonable period of time.

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

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Township's basic financial statements-regulatory basis. The supplementary information listed in the table of contents is presented for purposes of additional analysis as required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, and is not a required part of the basic financial statements-regulatory basis.

The supplementary information exhibits 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-regulatory basis. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements-regulatory basis 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-regulatory basis, or to the basic financial statements-regulatory basis themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America.

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

In accordance with ***Government Auditing Standards***, we have also issued our report dated April 15, 2022, 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, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the 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.

*Ardito & Company LLC*

ARDITO & COMPANY LLC  
 Frenchtown, New Jersey  
 April 15, 2022

*Anthony Ardito*

Anthony Ardito  
 Certified Public Accountant  
 Registered Municipal Accountant No.524  
 ARDITO & COMPANY LLC  
 Frenchtown, New Jersey  
 April 15, 2022

## **FINANCIAL STATEMENTS**

CURRENT FUND  
COMPARATIVE BALANCE SHEET

A  
Sheet 1

ASSETS	<u>REF.</u>	<u>BALANCE</u> <u>12/31/21</u>	<u>BALANCE</u> <u>12/31/20</u>
<b>Cash and Cash Equivalents:</b>			
Cash - Treasurer	A-4	\$ <u>1,676,750</u>	\$ <u>1,564,839</u>
<b>Receivables And Other Assets With Full Reserves:</b>			
Delinquent Property Taxes Receivable	A-6	31,344	51,519
Tax Title Liens Receivable	A-7	104,510	103,302
Property Acquired For Taxes-Assessed Valuation	A-8	858,700	858,700
Revenue Accounts Receivable	A-9	3,642	3,384
Due Other Governmental Units - Joint Court	A-10	17,340	-
Other Accounts Receivable	A	21,200	20,000
Amount Due From State and Federal Grants Fund	A	-	7,089
Amount Due From General Capital Fund	C	-	57
Amount Due From Other Trust Fund	B	26,856	20,347
Amount Due From Dog License Fund	B	<u>2</u>	<u>1</u>
<b>Subtotal</b>		<u>1,063,594</u>	<u>1,064,399</u>
<b>Total Current Fund Assets</b>		<b><u>2,740,344</u></b>	<b><u>2,629,238</u></b>
<b>Federal And State Grant Fund:</b>			
Federal/State Grants Receivable	A-18	175,073	45,517
Amount Due From Current Fund	A	221,009	-
Amount Due From General Capital Fund	C	<u>28,346</u>	<u>28,346</u>
<b>Subtotal</b>		<u>424,428</u>	<u>73,863</u>
<b>TOTAL ASSETS</b>		<b><u>\$ 3,164,772</u></b>	<b><u>\$ 2,703,101</u></b>

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

CURRENT FUND  
COMPARATIVE BALANCE SHEET

A  
Sheet 2

	<u>REF.</u>	<u>BALANCE</u> <u>12/31/21</u>	<u>BALANCE</u> <u>12/31/20</u>
<b>LIABILITIES, RESERVES AND FUND BALANCE</b>			
<b>Liabilities:</b>			
Appropriation Reserves	A-3:11	\$ 125,283	\$ 71,441
Reserve For Encumbrances-Budget Appropriations	A-12	57,365	17,060
Due Other Governmental Units - Joint Court	A-10	-	3,433
Amount Due To State and Federal Grants Fund	A	221,009	-
Amount Due To Other Trust Fund	B	2,650	13,850
Amount Due To General Capital Fund	C	1,083	-
Taxes Collected In Advance	A-13	148,698	158,891
Tax Overpayments	A-14	512	2,824
Amount Due County For Added Taxes	A-15	2,663	1,143
Amount Due For Local School Taxes	A-16	144,238	247,896
Amount Due To State Of New Jersey For Senior Citizens and Veterans Deductions	A-17	5,958	5,458
Accounts Payable	A-21	700	850
Amount Due To Other Trust Fund - Municipal Open Space	A-22	179,818	179,262
Fema Reserve	A-23	7,368	7,368
Insurance Proceeds Reserve	A-24	46,053	46,053
Other Reserves	A-25	1,241	1,241
Amount Due To Other Trust Fund-Third Party Tax Liens	A-26	-	16,352
<b>Subtotal</b>		944,639	773,122
Reserve For Receivables And Other Assets	A	1,063,594	1,064,399
Fund Balance	A-1	732,111	791,717
<b>Total Current Liabilities, Reserves and Fund Balance</b>		<b>2,740,344</b>	<b>2,629,238</b>
<b>Federal And State Grant Fund:</b>			
Amount Due From Current Fund	A	-	7,089
Reserve For Federal/State Grants - Appropriated	A-19	317,689	57,927
Reserve For Federal/State Grants - Unappropriated	A-20	106,739	8,847
<b>Subtotal</b>		424,428	73,863
<b>TOTAL LIABILITIES, RESERVES AND FUND BALANCE</b>		<b>\$ 3,164,772</b>	<b>\$ 2,703,101</b>

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

CURRENT FUND  
COMPARATIVE STATEMENT OF OPERATIONS AND  
CHANGE IN FUND BALANCE

A-1

<b>REVENUE AND OTHER INCOME REALIZED</b>	<u>REF.</u>	<u>YEAR</u> <u>2021</u>	<u>YEAR</u> <u>2020</u>
Fund Balance Utilized	A-2	\$ 246,162	\$ 256,742
Miscellaneous Revenue Anticipated	A-2	582,511	461,233
Receipts From Delinquent Taxes	A-2	53,015	43,403
Receipts From Current Taxes	A-2	6,487,230	6,568,792
Non-Budget Revenues	A-2	54,364	38,873
Other Credits To Income:			
Interfund Returns	A-4	10,524	-
Unexpended Balance of Appropriation Reserves	A-11	<u>48,675</u>	<u>16,961</u>
<b>TOTAL INCOME</b>		<u>7,482,481</u>	<u>7,386,004</u>
<b>EXPENDITURES</b>			
Budget and Emergency Appropriations:			
Operations:			
Salaries and Wages	A-3	519,521	538,043
Other Expenses	A-3	579,766	514,201
Capital Improvements	A-3	369,200	232,000
Municipal Debt Service	A-3	-	-
Deferred Charges and Statutory Expenditures	A-3	97,466	97,095
County Taxes	A-15	1,689,147	1,713,558
Amount Due County For Added and Omitted Taxes	A-15	2,663	1,143
Local District School Taxes	A-16	4,002,979	4,060,247
Municipal Open Space Taxes	A-22	27,531	27,506
Interfund Advances>Returns	A-4	<u>7,652</u>	<u>23,083</u>
<b>TOTAL EXPENDITURES</b>		<u>7,295,925</u>	<u>7,206,876</u>
Excess in Revenue		186,556	179,128
Statutory Excess To Fund Balance		186,556	179,128
<b>Fund Balance January 1</b>	A	<u>791,717</u>	<u>869,331</u>
Decreased by:		978,273	1,048,459
Utilization as Anticipated Revenue	A-1	<u>246,162</u>	<u>256,742</u>
<b>Fund Balance December 31</b>	A	<u>\$ 732,111</u>	<u>\$ 791,717</u>

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

CURRENT FUND  
STATEMENT OF REVENUES

A-2  
Sheet 1

	<u>REF.</u>	<u>ANTICIPATED</u> <u>BUDGET</u>	<u>REALIZED</u>	<u>EXCESS OR</u> <u>DEFICIT</u>
<b>Anticipated Surplus-Cash Surplus</b>	A-1	\$ 246,162	\$ 246,162	
<b>Miscellaneous Revenues</b>				
<b>LOCAL REVENUES:</b>				
Liquor Licenses-Clerk	A-9	4,100	5,188	\$ 1,088
Municipal Court Fines and Costs	A-9	118,314	65,276	(53,038)
Interest and Costs On Taxes	A-6	11,700	13,417	1,717
Interest on Investments and Deposits	A-9	1,400	4,986	3,586
<b>TOTAL LOCAL REVENUES</b>		135,514	88,867	(46,647)
<b>STATE AID REVENUES:</b>				
Energy Receipts Tax	A-9	184,384	184,384	-
Garden State Trust Fund	A-9	7,426	11,436	4,010
<b>TOTAL STATE AID REVENUES</b>		191,810	195,820	4,010

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

CURRENT FUND  
STATEMENT OF REVENUES

A-2  
Sheet 2

	<u>REF.</u>	<u>ANTICIPATED BUDGET</u>	<u>REALIZED</u>	<u>EXCESS OR DEFICIT</u>
<b>FEDERAL AND STATE GRANT REVENUES:</b>				
Municipal Drug Alliance	A-18:20	2,100	2,100	
Clean Communities	A-18:20	6,846	6,846	
Recycling Tonnage Grant	A-18:20	1,328	1,328	
Drunk Driving Enforcement	A-18:20	2,000	2,000	
NJDOT Grant - Ridgeway Avenue	A-18:20	151,700	151,700	
NJDOT Grant - Hope Center Overlay	A-18:20	112,500	112,500	
<b>TOTAL FEDERAL AND STATE GRANT REVENUES</b>		<b>276,474</b>	<b>276,474</b>	
<b>Other Special Items:</b>				
Cell Tower Leases	A-9	10,500	21,350	10,850
<b>Total Other Special Items</b>		<b>10,500</b>	<b>21,350</b>	<b>10,850</b>
<b>TOTAL MISCELLANEOUS REVENUES</b>	A-2	<b>614,298</b>	<b>582,511</b>	<b>(31,787)</b>
<b>RECEIPTS FROM DELINQUENT TAXES</b>	A-2	25,000	53,015	28,015
<b>Amount To be Raised by Taxes For Support Of Municipal Budget:</b>				
Local Tax For Municipal Purposes	A-2	824,306	908,723	84,417
<b>Total General Revenues</b>		1,709,766	1,790,411	80,645
<b>Non-Budget Revenues:</b>				
Other Non-Budget Revenues	A-1		54,364	54,364
		<b>\$ 1,709,766</b>	<b>\$ 1,844,775</b>	<b>\$ 135,009</b>

A-3

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

CURRENT FUND  
STATEMENT OF REVENUES

A-2  
Sheet 3

REF.

**ANALYSIS OF REALIZED REVENUES**

**Allocation Of Current Tax Collections:**

Revenue from Collections		\$ 6,472,730
State of New Jersey, Senior Citizens and Veterans Deductions		<u>14,500</u>
	A-1	6,487,230

**Allocated To:**

School, County Taxes and Municipal Open Space Taxes		<u>5,722,320</u>
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Excess Supported by Municipal Revenues		764,910
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Add (Decreased) by: Appropriation "Reserve For Uncollected Taxes"	A-3	<u>143,813</u>
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<b>Amount For Support Of Municipal Budget Appropriations</b>	A-2	<u><u>\$ 908,723</u></u>
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**The accompanying Notes to the Financial Statements are an integral part of this statement.**



CURRENT FUND  
STATEMENT OF REVENUES

A-2  
Sheet 4

**ANALYSIS OF NON-BUDGET REVENUES**

REF.

Miscellaneous Revenue Not Anticipated:

**Treasurer:**

Zoning Permits	\$	1,500
Abandoned Property Fees		3,000
Planning Board		125
Property Lists		70
Vital Statistics		12
Board of Adjustment		1,425
Cable TV Franchise		1,940
Hotel Tax		4,178
Licenses		850
Auction Proceeds		27,000
Insurance Reimbursement		9,333
Copies Sales		428
Miscellaneous		2,504
Vet/Senior Administration Fee		300
Miscellaneous-Collector		1,699
	A-4	\$ 54,364

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

CURRENT FUND  
STATEMENT OF EXPENDITURES

A-3  
Sheet 1

<u>OPERATIONS within "CAPS"</u>	<u>APPROPRIATION</u>		<u>EXPENDED</u>	
	<u>BUDGET</u>	<u>BUDGET AFTER</u>	<u>PAID OR</u>	<u>RESERVED</u>
		<u>MODIFICATION</u>	<u>CHARGED</u>	
<b>GENERAL GOVERNMENT FUNCTIONS:</b>				
General Administration:				
Salaries and Wages	\$ 96,000	\$ 96,000	\$ 91,169	\$ 4,831
Other Expenses	28,000	28,600	28,520	80
Mayor and Council:				
Salaries and Wages	8,613	8,617	8,616	1
Other Expenses	1,000	1,000	321	679
Municipal Clerk (Elections):				
Salaries and Wages:				
Search Official	-	-	-	-
Other Expenses	600	600	-	600
Financial Administration (Treasury):				
Salaries and Wages	19,248	19,248	19,247	1
Other Expenses	1,000	1,000	985	15
Audit Services:				
Other Expenses	20,667	20,667	20,667	-
Computerized Data Processing:				
Other Expenses	6,597	6,597	6,596	1
Revenue Administration (Tax Collection):				
Salaries and Wages:	31,760	31,761	31,760	1
Other Expenses	1,500	1,500	673	827
Tax Assessment Administration:				
Salaries and Wages	19,365	19,365	19,363	2
Other Expenses	3,000	3,000	2,604	396
Legal Services (Legal Dept.):				
Other Expenses	20,000	20,000	17,294	2,706
Engineering Services:				
Other Expenses	26,000	26,000	22,200	3,800
Historical Sites Office:				
Salaries and Wages	1,537	1,567	1,567	-
Other Expenses	400	400	31	369

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

CURRENT FUND  
STATEMENT OF EXPENDITURES

A-3  
Sheet 2

<u>OPERATIONS within "CAPS"</u>	<u>APPROPRIATION</u>		<u>EXPENDED</u>	<u>RESERVED</u>
	<u>BUDGET</u>	<u>BUDGET AFTER</u> <u>MODIFICATION</u>	<u>PAID OR</u> <u>CHARGED</u>	
<b>LAND USE ADMINISTRATION:</b>				
Planning Board:				
Salaries and Wages	15,075	15,075	14,536	539
Other Expenses	6,500	6,500	6,422	78
Zoning Board of Adjustment (Zoning Officer):				
Salaries and Wages	17,230	17,230	16,213	1,017
Other Expenses	2,000	2,000	657	1,343
<b>INSURANCE:</b>				
Liability Insurance	50,329	50,329	50,328	1
Employee Group Health Insurance	48,120	48,120	41,495	6,625
Unemployment Insurance	4,000	4,000	2,766	1,234
<b>PUBLIC SAFETY FUNCTIONS:</b>				
Office of Emergency Management:				
Salaries and Wages	1,725	1,725	1,725	-
Other Expenses	1,000	1,000	-	1,000
Aid to Volunteer Fire Companies	22,950	22,950	22,950	-
Contribution to First Aid Organizations	13,950	13,950	13,950	-
Office of Municipal Prosecutor:				
Salaries and Wages	22,052	22,052	16,352	5,700

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

CURRENT FUND  
STATEMENT OF EXPENDITURES

A-3  
Sheet 3

<u>OPERATIONS within "CAPS"</u>	<u>APPROPRIATION</u>		<u>EXPENDED</u>	<u>RESERVED</u>
	<u>BUDGET</u>	<u>BUDGET AFTER</u> <u>MODIFICATION</u>	<u>PAID OR</u> <u>CHARGED</u>	
<b>PUBLIC WORKS FUNCTIONS:</b>				
Streets and Road Maintenance:				
Salaries and Wages	124,440	124,440	116,723	7,717
Other Expenses	85,055	93,055	71,353	21,702
Buildings and Grounds:				
Salaries and Wages	10,760	10,760	7,987	2,773
Other Expenses	50,868	51,668	51,636	32
<b>HEALTH AND HUMAN SERVICES FUNCTIONS:</b>				
Public Health Services (Board of Health):				
Other Expenses	1,800	1,800	1,800	
Environmental Health Services:				
Salaries and Wages	1,538	1,538	1,478	60
Other Expenses	1,000	1,000	375	625
Animal Control Services:				
Salaries and Wages	7,207	7,927	7,926	1
Contributions to Social Services Agencies:				
Senior Citizens Centers	2,200	2,200	-	2,200
<b>PARK AND RECREATION FUNCTIONS:</b>				
Recreation Services and Programs:				
Salaries and Wages	11,902	11,902	11,719	183
Other Expenses	12,000	1,845	-	1,845
Maintenance of Parks:				
Other Expenses	30,000	30,000	29,379	621
<b>MUNICIPAL COURT COSTS:</b>				
Other Expenses	43,686	43,686	29,154	14,532
<b>OTHER COMMON OPERATING FUNCTIONS (Unclassified):</b>				
Celebration of Public Events:				
Salaries and Wages	12,000	12,000	10,165	1,835
Other Expenses	10,000	10,000	9,661	339

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

CURRENT FUND  
STATEMENT OF EXPENDITURES

A-3  
Sheet 4

<u>OPERATIONS within "CAPS"</u>	<u>APPROPRIATION</u>		<u>EXPENDED</u>	
	<u>BUDGET</u>	<u>BUDGET AFTER MODIFICATION</u>	<u>PAID OR CHARGED</u>	<u>RESERVED</u>
<b>UTILITY EXPENSES AND BULK PURCHASES:</b>				
Electricity	8,000	8,000	6,705	1,295
Street Lighting	5,500	5,500	4,679	821
Telephone (excluding equipment acquisition)	11,000	11,000	8,904	2,096
Gas (natural or Propane)	5,500	5,500	2,735	2,765
Fuel Oil	14,000	14,000	7,219	6,781
Gasoline	9,500	9,500	8,475	1,025
<b>Total Operations within "CAPS"</b>	<b>948,174</b>	<b>948,174</b>	<b>847,080</b>	<b>101,094</b>
<b>Detail:</b>				
Salaries and Wages	400,452	401,207	376,546	24,661
Other Expenses	547,722	546,967	470,534	76,433
 <b>DEFERRED CHARGES AND STATUTORY EXPENDITURES WITHIN "CAPS"</b>				
<b>Deferred Charges:</b>				
Trust Fund Deficit Balances	18,800	18,800	18,800	
<b>Statutory Expenditures:</b>				
Social Security	40,000	40,000	37,010	2,990
Contribution to:				
PERS	37,666	37,666	37,665	1
DCRP	1,000	1,000		1,000
<b>Total Deferred Charges and Statutory Expenditures</b>	<b>97,466</b>	<b>97,466</b>	<b>93,475</b>	<b>3,991</b>
 <b>Total General Appropriations within "CAPS"</b>	<b>1,045,640</b>	<b>1,045,640</b>	<b>940,555</b>	<b>105,085</b>

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

CURRENT FUND  
STATEMENT OF EXPENDITURES

A-3  
Sheet 5

<u>OPERATIONS Excluded from "CAPS"</u>	<u>APPROPRIATION</u> <u>BUDGET</u>	<u>BUDGET AFTER</u> <u>MODIFICATION</u>	<u>EXPENDED</u> <u>PAID OR</u> <u>CHARGED</u>	<u>RESERVED</u>
<b>Other Operations Excluded from "CAPS":</b>				
Other Expenses-Declared State of Emergency costs for Snow Removal: N.J.S.A. (40A:4-45.45(b))	20,000	20,000	4,923	15,077
<b>Total Other Operations Excluded from "CAPS"</b>	<b>20,000</b>	<b>20,000</b>	<b>4,923</b>	<b>15,077</b>
<b>Interlocal Municipal Service Agreements Excluded from "CAPS":</b>				
Municipal Court:				
Salaries and Wages	118,314	118,314	113,193	5,121
<b>Total Interlocal Municipal Service Agreements Excluded from "CAPS"</b>	<b>118,314</b>	<b>118,314</b>	<b>113,193</b>	<b>5,121</b>
<b>PUBLIC AND PRIVATE REVENUES OFFSET BY APPROPRIATIONS-EXCLUDED FROM "CAPS":</b>				
<b>Federal and State Grants:</b>				
Clean Communities Program:				
Other Expenses	6,846	6,846	6,846	
Municipal Alliance on Alcoholism and Drug Abuse:				
Other Expenses-State Share	2,100	2,100	2,100	
Other Expenses-Local Share	525	525	525	
Drunk Driving Enforcement Funds:				
Other Expenses	2,000	2,000	2,000	
Recycling Tonnage Grant				
Other Expenses	1,328	1,328	1,328	
<b>Total Public and Private Programs Offset by Revenues</b>	<b>12,799</b>	<b>12,799</b>	<b>12,799</b>	<b>-</b>
<b>Total Operations-Excluded from "CAPS"</b>	<b>151,113</b>	<b>151,113</b>	<b>130,915</b>	<b>20,198</b>
Detail:				
Salaries and Wages	118,314	118,314	113,193	5,121
Other Expenses	32,799	32,799	17,722	15,077
<b>CAPITAL IMPROVEMENTS-EXCLUDED FROM "CAPS":</b>				
Capital Improvement Fund	105,000	105,000	105,000	
NJ DOT:				
Ridgeway Avenue	151,700	151,700	151,700	
Community Center Grant	112,500	112,500	112,500	
<b>Total Capital Improvements-Excluded from "CAPS"</b>	<b>369,200</b>	<b>369,200</b>	<b>369,200</b>	

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

CURRENT FUND  
STATEMENT OF EXPENDITURES

A-3  
Sheet 6

	<u>BUDGET</u>	<u>BUDGET AFTER MODIFICATION</u>	<u>EXPENDED PAID OR CHARGED</u>	<u>RESERVED</u>
<b>Total General Appropriations Excluded from "CAPS"</b>	<b>520,313</b>	<b>520,313</b>	<b>500,115</b>	<b>20,198</b>
<b>Subtotal General Appropriations</b>	1,565,953	1,565,953	1,440,670	125,283
<b>Reserve For Uncollected Taxes</b>	143,813	143,813	143,813	
<b>TOTALS</b>	<b>\$ 1,709,766</b>	<b>\$ 1,709,766</b>	<b>\$ 1,584,483</b>	<b>\$ 125,283</b>
REF.	A-2			A
Adopted Budget	<u>REF.</u> A-2	\$ 1,709,766		
		<u>\$ 1,709,766</u>		
State and Federal Grant Funds	A-19		\$ 164,499	
Reserve for Encumbrances	A-12		1,276,171	
Reserve for Uncollected Taxes	A-2		<u>143,813</u>	
			<u><b>\$ 1,584,483</b></u>	

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

TRUST FUND  
COMPARATIVE BALANCE SHEET

B

ASSETS	REF.	BALANCE <u>12/31/21</u>	BALANCE <u>12/31/20</u>
<b>Dog License Fund:</b>			
Cash and Cash Equivalents	B-2	\$ 5,890	\$ 4,133
<b>Total Dog License Fund</b>		<u>5,890</u>	<u>4,133</u>
<b>Other Trust Funds:</b>			
Cash and Cash Equivalents	B-2	111,474	72,477
Amount Due From Current Fund	B-6	<u>155,612</u>	<u>189,117</u>
<b>Total Other Trust Funds</b>		<u>267,086</u>	<u>261,594</u>
<b>TOTAL ASSETS</b>		<u><b>\$ 272,976</b></u>	<u><b>\$ 265,727</b></u>

**LIABILITIES, RESERVES AND FUND BALANCE**

<b>Dog License Fund:</b>			
Reserve for Dog Fund Expenditures	B-3	\$ 5,884	\$ 4,132
Amount Due State of New Jersey	B-4	4	-
Amount Due Current Fund	B-5	<u>2</u>	<u>1</u>
<b>Total Dog License Fund</b>		<u>5,890</u>	<u>4,133</u>
<b>Other Trust Fund:</b>			
Reserve for Escrow Trust Deposits	B-7	40,854	35,842
Reserve for Public Defender Trust Deposits	B-8	(6,100)	(18,800)
Reserve for Recreation Trust	B-9	26,432	25,306
Reserve for Driveway Bonds	B-10	2,650	1,450
Reserve for Municipal Open Space	B-11	179,818	179,262
Reserve for Celebration of Public Events Trust Deposits	B-12	19,740	6,100
Reserve for St John's Trust	B-13	3,692	3,682
Reserve for Tax Sale Premiums	B-14	-	12,400
Reserve for Third Party Tax Liens	B-15	<u>-</u>	<u>16,352</u>
<b>Total Other Trust Fund</b>		<u>267,086</u>	<u>261,594</u>
<b>TOTAL LIABILITIES, RESERVES AND FUND BALANCE</b>		<u><b>\$ 272,976</b></u>	<u><b>\$ 265,727</b></u>

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



GENERAL CAPITAL FUND  
COMPARATIVE BALANCE SHEET

C

<b>ASSETS</b>	<u>REF.</u>	<u>BALANCE</u> <u>12/31/21</u>	<u>BALANCE</u> <u>12/31/20</u>
Cash - Treasurer	C-2	\$ 111,551	\$ 60,969
Amount Due Current Fund	C-3	<u>1,083</u>	<u>-</u>
<b>TOTAL ASSETS</b>		<b><u>\$ 112,634</u></b>	<b><u>\$ 60,969</u></b>

**LIABILITIES, RESERVES AND FUND BALANCE**

Amount Due Current Fund	C-3	-	\$ 57
Capital Improvement Fund	C-4	\$ 78,239	17,139
Due Grants Fund	C-6	28,346	28,346
Fund Balance	C-1	1,076	1,076
Improvement Authorizations: Funded	C-5	<u>4,973</u>	<u>14,351</u>
<b>TOTAL LIABILITIES, RESERVES AND FUND BALANCE</b>		<b><u>\$ 112,634</u></b>	<b><u>\$ 60,969</u></b>

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

GENERAL CAPITAL FUND  
SCHEDULE OF FUND BALANCE

C-1

	<u>REF.</u>	
Balance December 31, 2020	C	<u>\$ 1,076</u>
Balance December 31, 2021	C	<u>\$ 1,076</u>

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

GENERAL FIXED ASSETS  
STATEMENT OF GENERAL FIXED ASSETS  
DECEMBER 31, 2021

F

	BALANCE <u>12/31/21</u>	BALANCE <u>12/31/20</u>
General Fixed Assets:		
Land	\$ 724,202	\$ 724,202
Buildings	1,014,533	1,014,533
Improvements Other Than Buildings	27,414	27,414
Machinery and Equipment	<u>1,588,015</u>	<u>1,546,237</u>
 Total General Fixed Assets	 <b><u>\$ 3,354,164</u></b>	 <b><u>\$ 3,312,386</u></b>
 Investment In General Fixed Assets	 <b><u>\$ 3,354,164</u></b>	 <b><u>\$ 3,312,386</u></b>

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

PAYROLL AGENCY FUND  
COMPARATIVE BALANCE SHEET

G

<b>ASSETS</b>	BALANCE <u>12/31/21</u>	BALANCE <u>12/31/20</u>
<b>Cash and Cash Equivalents:</b>		
Cash - Treasurer	\$ 33,003	\$ 28,083
<b>TOTAL ASSETS</b>	<b><u>\$ 33,003</u></b>	<b><u>\$ 28,083</u></b>

**LIABILITIES AND RESERVES**

Payroll Tax Liabilities	\$ 33,003	28,083
<b>TOTAL LIABILITIES AND RESERVES</b>	<b><u>\$ 33,003</u></b>	<b><u>\$ 28,083</u></b>

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

## **NOTES TO FINANCIAL STATEMENTS**

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2021

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Reporting Entity**

GASB Statement No.14 established criteria to be used to determine which component units should be included in the financial statements of the oversight entity. The Division requires the financial statements of the Township to be reported separately.

The financial statements of the Township of Hope include every board, body, officer or commission supported and maintained wholly or in part by funds appropriated by the Township, as The financial statements of the Township do not include the operations of the Board of Education.

**B. Description of Funds**

The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The GASB Codification establishes fund types and account groups to be used by governmental units when reporting financial position and results of operations in accordance with accounting principles generally accepted in the United States of America (GAAP).

The accounting policies of the Township of Hope conform to the accounting principles applicable to municipalities which have been prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Such principles and practices are designed primarily for determining compliance with legal provisions and budgetary restrictions and as a means of reporting on the stewardship of public officials with respect to public funds. Under this method of accounting, the Township of Hardwick accounts for its financial transactions through the following separate funds, which differ from the fund structure required by GAAP.

**Current Fund**

Resources and expenditures for governmental operations of a general nature, including State grants for operations.

**Trust Funds**

Records the receipts, disbursement and custodianship of monies in accordance with the purpose for which each account was established.

**General Capital Fund**

The receipts and disbursement of funds for the acquisition of general infrastructure and other capital facilities, other than those acquired in the Current Fund. General bonds and notes payable are recorded in this fund offset by deferred charges to future taxation.

**Public Assistance Fund**

Receipt and disbursements of funds that provide assistance to certain residents of the Township pursuant to the provisions of Title 44 of New Jersey statutes.

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2021

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**General Fixed Assets Account Group**

To account for all fixed assets of the Township. The Township's infrastructure is not reported in the group.

**C. Basis of Accounting**

The accounting principles and practices prescribed for municipalities by the State of New Jersey differ in certain respects from generally accepted accounting principles applicable to local government units. The more significant policies in New Jersey follow.

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

**Revenues**--are recorded as received in cash except for certain amounts which are due from other governmental units. Receipts from State grants are realized as revenue when anticipated in the Township budget. Receivables for property taxes are recorded with offsetting reserves on the balance sheet of the Township's Current Fund; accordingly, such amounts are not recorded as revenue until collected. Other amounts that are due the Township which are susceptible of accrual are also recorded as receivables with offsetting reserves and recorded as revenue when received.

**Expenditures**--are recorded on the "budgetary" basis of accounting. Generally expenditures are recorded when an amount is encumbered for goods or services through the issuance of a purchase order in conjunction with the Encumbrance Accounting System. Outstanding encumbrances at December 31, are reported as a cash liability in the financial statements and constitute part of the Township's statutory Appropriation Reserve balance. Appropriation reserves covering unexpended appropriation balances are automatically created at December 31st of each year and recorded as liabilities, except for amounts which may be 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 during the preceding fiscal year. Lapsed appropriation reserves are recorded as income. Appropriations for principal payments on outstanding general capital and utility bonds and notes are provided on the cash basis; interest on general capital indebtedness is on the cash basis, whereas interest on utility indebtedness is on the accrual basis.

**Property Tax Revenue**--Real property taxes are assessed locally, based upon the assessed value of the property. The tax bill includes a levy for Municipal, County, Open Space and School purposes. The bills are mailed annually in June for that calendar year's levy. Taxes are payable in four quarterly installments on February 1, May 1, August 1 and November 1.

The amounts of the first and second installments are determined as one quarter of the total tax levied against the property for the preceding year. The installment due the third and fourth quarters is determined by taking the current year levy less the amount previously charged for the first and second installments, with the remainder being divided equally.

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2021

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**C. Basis of Accounting (Continued)**

**Property Tax Revenue**

If unpaid on these dates, the amount due becomes delinquent and subject to interest at 8% per annum, or 18% on any delinquency amount in excess of \$1,500. The school levy is turned over to the Board of Education as expenditures are incurred, and the balance, if any, must be transferred as of June 30, of each fiscal year. County taxes are paid to the County by the Township quarterly on February 15, May 15, August 15 and November 15. The Open Space Levy is paid quarterly to the Township's other trust funds on February 15, May 15, August 15 and November 15.

When unpaid taxes or any municipal lien, or part thereof, on real property remains in arrears after the eleventh day of the eleventh month in the year in which they are due, the collector in the municipality shall, subject to provisions of the New Jersey Statutes, enforce the lien by placing the property on a tax sale. Annual in rem tax foreclosure proceedings are instituted to enforce the tax collection or acquisition of title to the property by the Township.

In accordance with the accounting Principles prescribed by the State of New Jersey, current and delinquent taxes are realized as revenue when collected. Since delinquent taxes and liens are fully reserved, no provision has been made to estimate that portion of the taxes receivable and tax title liens that are uncollectible. GAAP required tax revenues to be recognized in the accounting period when they become susceptible to accrual, reduced by an allowance for doubtful accounts.

**Deferred School Taxes**--A portion of the school taxes collected at December 31 relating to the period January 1 to June 30 of the subsequent year have been included in fund balance. GAAP requires such revenue to be deferred and recognized in the accounting period when it becomes susceptible to accrual.

**Foreclosed Property**--Foreclosed property is recorded in the Current Fund at the assessed valuation when such property was acquired and is fully reserved.

**Interfunds**--Interfund receivables in the Current Fund are recorded with offsetting reserves which are created by charges to operations. Income is recognized in the year the receivables are liquidated. Interfund receivables in the other funds are not offset by reserves.

**Inventories of Supplies**--The cost of inventories of supplies for all funds are recorded as expenditures at the time individual items are purchased. The cost of inventories are not included on the various balance sheets.

**General Fixed Assets**--In accordance with Technical Accounting Directive No. 85-2, Accounting for Governmental Fixed Assets, as promulgated by the Division of Local Government Services, which differs in certain respects from generally accepted accounting principles, the municipality develops a fixed asset accounting and reporting system.

Fixed assets used in governmental operations (general fixed assets) are accounted for in the General Fixed Assets Account Group. Public domain ("infrastructure") general fixed assets consisting of certain improvements other than buildings, such as roads, bridges, curbs and gutters, streets and sidewalks and drainage systems are not capitalized.

All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available except for land which is valued at estimated market value.



NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2021

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**C. Basis of Accounting (Continued)**

**General Fixed Assets**

No depreciation is to be provided for in the financial statements. Expenditures for construction in progress are recorded in the Capital Funds until such time as the construction is completed and put into operation.

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

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

**Budget and Budgetary Procedures**--The foundation of the New Jersey local finance system is the annual cash basis budget required under the Local Budget Law (N.J.S.A.40A:4-1, et seq.). Every local unit must adopt a budget in the form required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division"). Certain items of revenue and appropriation are regulated by law and the proposed budget must be certified by the Director of the Division ("Director") prior to final adoption. The normal budget calendar begins early in the fiscal year with introduction, public advertisement and after state approval, budget adoption. The cash basis for revenues and budgetary basis for expenditures is the budget basis of accounting.

The Township is not required to adopt budgets for the following funds:

**General Capital Fund  
Public Assistance Fund  
Trust Fund**

The governing body shall introduce and approve the annual budget not later than February 10, of the fiscal year. The budget shall be adopted not later than March 20, and prior to adoption, must be certified by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. The Director of the Division of Local Government Services, with the approval of the Local Finance Board, may extend the introduction and approval and adoption dates of the municipal budget. The budget is prepared by fund, function, activity and line item (salary or other expense) and includes information on the previous year. The legal level of control for appropriations is exercised at the individual line item level for all operating budgets adopted. Emergency appropriations, those made after the adoption of the budget and determination of the tax rate, may be authorized by the

governing body of the municipality. During the last two months of the fiscal year, the governing body may, by a 2/3 vote, amend the budget through line item transfers. Management has no authority to amend the budget without the approval of the Government Body. Expenditures may not legally exceed budgeted appropriations at the line item level.

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2021

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**C. Basis of Accounting (Continued)**

**Expenditures**--Are recorded on the "budgetary" basis of accounting. Generally, expenditures are recorded when an amount is encumbered for goods or services through the issuance of a purchase order in conjunction with an encumbrance accounting system. Outstanding encumbrances at December 31, are reported as a cash liability in the financial statements. Unexpended or uncommitted appropriations at December 31, are reported as expenditures through the establishment of appropriations reserves unless cancelled by the governing body. GAAP requires expenditures to be recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on general long-term debt, which should be recognized when due.

**Tax Appeals and Other Contingent Losses**--Losses which arise from tax appeals and other contingent losses are recognized at the time an unfavorable decision is rendered by an administrative or judicial body.

**Deferred Charges to Future Taxation Funded and Unfunded**--Upon the authorization of capital projects, the Township establishes deferred charges for the costs of the capital projects to be raised by future taxation. Funded deferred charges relate to permanent debt issued, whereas unfunded deferred charges relate to temporary or non-funding of the authorized cost of capital projects. According to N.J.S.A.40A:2-4, the Township may levy taxes on all taxable property within the local unit to repay the debt. Annually, the Township raises the debt requirements for that particular year in the current budget. As the funds are raised by taxation, the deferred charges are reduced.

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

**Use of Estimates**--The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions. This will affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reported period. Actual results could differ from these estimates.

**Departures from Generally Accepted Accounting Principles**--The accounting principles and practices followed by the Township differ generally accepted accounting principles applicable to local government units. The more significant differences are as follows:

- Taxes and other receivables are fully reserved.
- Interfund receivables in the Current Fund are fully reserved.
- Unexpended and uncommitted appropriations are reflected as expenditures.
- Overexpended appropriations and emergency appropriations are deferred to the succeeding years' operations.
- Undetermined contributions to state-administered pension plans applicable to the six months ended December 31 are not accrued.

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2021

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**C. Basis of Accounting (Continued)**

**Departures from Generally Accepted Accounting Principles**

- Estimated losses arising from tax appeals and other contingencies are not recorded when it is probable that a loss has been incurred and the amount of such loss can be reasonably estimated.

It was not practicable to determine the effect of such difference.

**Statutory-Basis Financial Statements**--The GASB Codification also defines the financial statements of a governmental unit to be presented 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.

**Note 2: CASH AND CASH EQUIVALENTS**

**Deposits:**

New Jersey statutes require that municipalities deposit public funds in public depositories located in New Jersey, which are insured by the Federal Deposit Insurance Corporation, the Federal Savings and Loan Insurance Corporation, or by any other agency of the United States that insures deposits made in public depositories. Municipalities are also permitted to deposit public funds in the State of New Jersey Cash Management Fund.

New Jersey statutes require public depositories to maintain collateral for deposits of public funds that exceed depository insurance limits as follows:

The market value of the collateral must equal at least 5% of the average daily balance of collected public funds on deposit.

In addition to the above collateral requirement, if the public funds deposited exceed 75% of the capital funds of the depository, the depository must provide collateral having a market value at least equal to 100% of the amount exceeding 75%.

All collateral must be deposited with the Federal Reserve Bank of New York, the Federal Reserve Bank of Philadelphia, the Federal Home Loan Bank of New York, or a banking institution that is a member of the Federal Reserve System and has capital funds of not less than \$25,000,000.

Pursuant to GASB Statement No. 40, "Deposit and Investment Risk Disclosures" ("GASB 40"), the municipality's accounts are profiled in order to determine exposure, if any, to Custodial Credit Risk (risk that in the event of failure of the counterparty the municipality would not be able to recover the value of its deposits or investment). Deposits are considered to be exposed to Custodial Credit Risk if they are: uncollateralized or collateralized with securities held by the financial institution's trust department or agent but not in the government's name. At December 31, 2021, all of the municipality's deposits were collateralized by securities held in its name and, accordingly, not exposed to custodial credit risk. The municipality does not have a policy for custodial credit risk.

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2021

**Note 2: CASH AND CASH EQUIVALENTS (Continued)**

As of December 31, 2021, cash and cash equivalents of the municipality consisted of the following:

	<u>Cash and Cash Equivalents</u>	<u>Total</u>
Checking	\$ 1,938,668	\$ 1,938,668
	\$ 1,938,668	\$ 1,938,668

The carrying amount of the municipality's cash and cash equivalents at December 31, 2021, was \$1,938,668 and the bank balance was \$1,888,448.. All bank balances were covered by federal depository insurance and/or covered by a collateral pool maintained by the banks as required by New Jersey statutes. Of these bank balances, \$250,000 was covered by federal depository insurances and \$1,638,448 was covered by collateral pool.

**Note 3: LONG-TERM DEBT**

	<u>Beginning Balance</u>	<u>Issued</u>	<u>Paid</u>	<u>Ending Balance</u>
<b>Long Term Debt:</b>				
Bond Anticipation Notes	None			None
Compensated absences payable	None			None
Total Long-Term Debt	\$ -	-	-	-

The Local Bond Law governs the issuance of bonds and notes to finance general municipal expenditures. All bonds issued by the Township are general obligation bonds, backed by the full faith and credit of the Township. Bond anticipation notes, which are issued by temporarily finance capital projects, must be paid off within ten years or retired by issuance of bonds.

The Township debt is summarized as follows:

<u>Summary of Municipal Debt</u>	YEAR <u>2021</u>	YEAR <u>2020</u>	YEAR <u>2019</u>
<b><u>Issued</u></b>			
General:			
Bonds and Notes	<u>NONE</u>	<u>NONE</u>	<u>NONE</u>
Total Deductions	<u>NONE</u>	<u>NONE</u>	<u>NONE</u>
Net Debt Issued	NONE	NONE	NONE
<b><u>Authorized But Not Issued</u></b>			
General:			
Bonds and Notes	<u>NONE</u>	<u>NONE</u>	<u>NONE</u>
<b>Net Bonds and Notes Issued and Authorized But Not Issued</b>	<u>NONE</u>	<u>NONE</u>	<u>NONE</u>

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2021

**Note 3: LONG-TERM DEBT (Continued)**

**Summary of Statutory Debt Condition - Annual Debt Statement**

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicates a statutory net debt of 0.0%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Local School District Debt	-	-	-
General Debt	-	-	-
	-	-	-
	-	-	-
Net Debt of Zero Divided by Equalized Valuation Basis per			
N.J.S.A. 40A:2-2 as amended,	\$ 245,578,888	equals	Zero

**Borrowing Power Under N.J.S.A. 40A:2-6 As Amended**

3 1/2% of Equalized Valuation Basis (Municipal)	\$ 8,595,261
Net Debt	-
Remaining Borrowing Power	\$ 8,595,261

**Note 4: GENERAL FIXED ASSETS**

The following is a summary of changes in the general fixed assets:

	<u>Balance</u> <u>12/31/20</u>	<u>Additions</u>	<u>Adjustments/</u> <u>Deletions</u>	<u>Balance</u> <u>12/31/21</u>
Land	\$ 724,202	-	-	\$ 724,202
Buildings	1,014,533	-	-	1,014,533
Improvements Other Than Buildings	27,414	-	-	27,414
Machinery and Equipment	1,546,237	\$ 41,778	-	1,588,015
	\$ 3,312,386	\$ 41,778	-	\$ 3,354,164
	\$ 3,312,386	\$ 41,778	-	\$ 3,354,164

	<u>Balance</u> <u>12/31/19</u>	<u>Additions</u>	<u>Adjustments/</u> <u>Deletions</u>	<u>Balance</u> <u>12/31/20</u>
Land	\$ 724,202	-	-	\$ 724,202
Buildings	1,014,533	-	-	1,014,533
Improvements Other Than Buildings	27,414	-	-	27,414
Machinery and Equipment	1,360,406	\$ 185,831	-	1,546,237
	\$ 3,126,555	\$ 185,831	-	\$ 3,312,386
	\$ 3,126,555	\$ 185,831	-	\$ 3,312,386

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2021

**Note 5: FUND BALANCES APPROPRIATED**

Fund Balances at December 31, 2021, which were appropriated and included as anticipated revenue in their own respective funds for the year ending December 31, 2022, were as follows:

Current Fund - \$246,162 \*

\* - Introduced Budget

**Note 6: DEFERRED CHARGES TO BE RAISED IN SUCCEEDING BUDGETS**

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2021 there were no emergency appropriations or special emergency appropriations under New Jersey Statute 40A:4-4 or 40A:4-55, respectively.

**Note 7: SCHOOL TAXES**

Local District Tax and Regional High School Tax have been raised and liabilities deferred by statute (under provisions of C.63, P.L.1991, as amended), resulting in the school taxes payable set forth in the Current Fund liabilities as follows:

	<b>TOTAL DEFERRED TAX <u>12/31/21</u></b>	<b>LOCAL DISTRICT SCHOOL TAX BALANCE <u>12/31/21</u></b>	<b>BALANCE <u>12/31/20</u></b>	<b>TOTAL DEFERRED TAX <u>12/31/20</u></b>
Balance of Tax		\$ 2,010,493	\$ 2,114,151	
Deferred		<u>1,866,255</u>	<u>1,866,255</u>	
Tax Payable		<u>144,238</u>	<u>\$ 247,896</u>	
Tax Deferred	<u>\$1,866,255</u>			<u>\$1,866,255</u>

**Note 8: PENSION PLANS**

**Description of Plans** - All required employees of the municipality are covered by either the Public Employees' Retirement System (PERS) or the Defined Contribution Retirement Plan (DCRP) which have been established by state statute and are administered by the New Jersey Division of Pension and Benefits (Division). According to the State of New Jersey Administrative Code, all obligations of both Systems will be assumed by the State of New Jersey should the Systems terminate. The Division issues a publicly available financial report that includes the financial statements and required supplementary information for the Public Employees Retirement System. These reports may be obtained by writing to the Division of Pension and Benefits, PO Box 295, Trenton, New Jersey, 08625 or at <http://www.state.nj.us/treasury/pensions/annrprts.shtml>.

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2021

**Note 8: PENSION PLANS - (Continued)**

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

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

The following represents the membership tiers for PERS:

**Tier Definition**

- 1 Members who were enrolled prior to July 1, 2007
- 2 Members who were eligible to enroll on or after July 1, 2007 and prior to November 2, 2008
- 3 Members who were eligible to enroll on or after November 2, 2008 and prior to May 22, 2010
- 4 Members who were eligible to enroll on or after May 22, 2010 and prior to June 28, 2011
- 5 Members who were eligible to enroll on or after June 28, 2011

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

The PERS provides for specified medical benefits for members who retire after achieving 25 years of qualified service, as defined, or under the disability provisions of the System. Members are always fully vested for their own contributions and, after three years of service credit, become vested for 2% of related interest earned on the contributions. In the case of death before retirement, members' beneficiaries are entitled to full interest credited to the members' accounts.

**Contribution Requirements** - The contribution policy is set by N.J.S.A. 43:15A, Chapter 62, P.L. of 1994, Chapter 115, P.L. of 1997 (PERS) requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. PERS provides for employee contributions of 6.5% of employees' annual compensation, as defined. Employers are required to contribute at an actuarially determined rate in the PERS. The current PERS rate is 6.5% of covered payroll.

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2021

**Note 8: PENSION PLANS (Continued)**

*Summary of Significant Accounting Policies* - New Jersey's municipalities and counties do not follow GAAP accounting principles and, as such, do not follow GASB requirements with respect to recording the net pension liability or related deferred outflows or inflows of resources on their balance sheets, or related plan pension expense. However, N.J.A.C. 5:30-6.1(c)(2) requires municipalities and counties to disclose GASB 68 information in the Notes to the Financial Statements. Accordingly, the municipality's portion of the net pension liability, related outflows and inflows of resources, and pension expense are for disclosure purposes only and do not effect the municipality's regulatory basis fund balance, statement of revenues and expenditures, or operations. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense as required by GASB No. 68, information about the fiduciary net position of the PERS and additions to/deductions from PERS fiduciary net position have been determined on the same basis as they are reported by PERS.

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

At June 30, 2021, the municipality disclosed a liability of \$552,628 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2020, and the total pension liability to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2019, which was rolled forward to June 30, 2020. This is a departure from generally accepted accounting principles, as the measurement date is to be no more than twelve months before the municipality's fiscal year end of December 31, 2021. The municipality's proportion of the net pension liability is based on the ratio of the contributions as an individual employer to total contributions to the PERS during the years ended June 30, 2020 and 2019. At June 30, 2020, the municipality's proportion was 0.00339% which was a decrease of 0.00006% from its proportion measured as of June 30, 2019.

For the year ended June 30, 2020, the municipality's portion of the plan's pension expense was (\$66,438). At June 30, 2020, deferred outflows of resources and deferred inflows of resources for PERS relating to the municipality's proportionate share are from the following sources:

	<u>Deferred</u> <u>Outflows of</u> <u>Resources</u>	<u>Deferred Inflows of</u> <u>Resources</u>
Differences between expected and actual experience	\$ 10,062	\$ 1,954
Changes of assumptions	17,928	231,391
Net difference between projected and actual earnings on pension plan investments	18,889	-
Changes in proportion and differences between municipality contributions and proportionate share of contributions	28,522	149,989
Total	<u>\$ 75,401</u>	<u>\$ 383,334</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense of the plan as follows:



NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2021

**Note 8: PENSION PLANS (Continued)**

	<u>Year Ended June 30:</u>	
2021	\$114,517	
2022	104,405	
2022	59,665	
2023	24,127	
2024	<u>5,218</u>	
Total	<u>\$307,933</u>	
	<u>6/30/2020</u>	<u>6/30/2021</u>
Collective deferred outflows of resources	\$3,149,522,616	\$2,347,583,337
Collective deferred inflows of resources	7,645,087,574	7,849,949,467
Collective net pension liability (Non State - Local Group)	\$18,018,482,972	\$16,307,379,052
municipality's proportionate share of net pension liability	\$622,298	\$552,628
municipality's proportion %	0.00345366%	0.00338882%

*Actuarial assumptions* - The collective total pension liability for the June 30, 2020 measurement date was determined by an actuarial valuation as of July 1, 2019, which was rolled forward to June 30, 2020. This actuarial valuation used the following actuarial assumptions:

Inflation:	2.75% Price, 3.25% Wage
Salary Increases:	
Through 2026	2.00%-6.00% based on years of service
Therafter	3.00%-7.00% based on years of service
Investment Rate of Return:	7.00%

Pre-retirement mortality rates were based on the Pub-2010 General Below-Median Income Employee mortality table with an 82.2% adjustment for males and 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-2020.

The actuarial assumptions used in the July 1, 2019 valuation were based on the results of an actuarial experience study for the period July 1, 2015 to June 30, 2019.

*Long-Term Expected Rate of Return* - In accordance with State statute, the long-term expected rate of return on plan investments 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. Best estimates of arithmetic real rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2021 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equity	27.00%	7.71%
Non-U.S. develop markets equity	13.50%	8.57%
Emerging markets equity	5.50%	10.23%

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2021

**Note 8: PENSION PLANS (Continued)**

Private Equity	13.00%	11.42%
Real Assets	3.00%	9.73%
Real Estate	8.00%	9.56%
Public High Yeild	2.00%	5.95%
Private Credit	8.00%	7.59%
Investment Grade Credit	8.00%	2.67%
Cash equivalents	4.00%	50.00%
US Treasuries	5.00%	1.94%
Risk Mitigation Strategies	3.00%	3.40%

Discount rate - The discount rate used to measure the total pension liability was 7.00% as of June 30, 2020. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be based on 78% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on 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.

Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2057. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2057, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

Sensitivity of the District's proportionate share of the net pension liability to changes in the discount rate - The following presents the District's proportionate share of the net pension liability measured as of June 30, 2020, calculated using the discount rate as disclosed above, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	<u>1% Decrease (6.00%)</u>	<u>Current Discount Rate (7.00%)</u>	<u>1% Increase (8.00%)</u>
Municipality's proportionate share of the net pension liability	\$ 695,666	\$552,628	\$ 431,256

Pension plan fiduciary net position - Detailed information about the pension plan's fiduciary net position is available in the separately issued State of New Jersey Divisions of Pensions and Benefits financial report at <http://www.nj.gov/treasury/pensions/financial-rprts-home.shtml>.

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2021

**Note 8: PENSION PLANS (Continued)**

**Defined Contribution Retirement Plan (DCRP)** - The Defined Contribution Retirement Program (DCRP) was established as of July 1, 2007 under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007 (N.J.S.A. 43:15C-1 et seq.). The DCRP is a cost-sharing multiple-employer defined contribution pension fund. The DCRP provides eligible members, and their beneficiaries with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Vesting and benefit provisions are established by N. J.S.A. 43:15C-1 et. seq.

The contribution requirements of plan members are determined by state statute. In accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members are required to contribute 5.5% of their annual covered salary. The State Treasurer has the right under current law to make temporary reductions in member rates based on the existence of surplus plan assets in the retirement system; however statute also requires the return to the normal rate when such surplus pension assets no longer exist.

**Significant Legislation** - Chapter 78, P.L. 2011, effective June 28, 2011 made various changes to the manner in which the Public Employees' Retirement System (PERS) and the Police and Firemen's Retirement System (PFRS) operate and to the benefit provisions of those systems.

Chapter 78's provisions impacting employee pension and health benefits include:

□ New members of the PERS hired on or after June 28, 2011 (Tier 5 members) will need 30 years of creditable service and age 65 for receipt of the early retirement benefit without a reduction of ¼ of 1% for each month that the member is under age 65. □ The eligibility age to qualify for a service retirement in the PERS is increased from age 63 to 65 for Tier 5 members. □ The annual benefit under special retirement for new PFRS members enrolled after June 28, 2011 (Tier 3 members), will be 60% instead of 65% of the member's final compensation plus 1% for each year of creditable service over 25 years but not to exceed 30 years. □ Increases in active member contribution rates. PERS active member rates increase from 5.5% of annual compensation to 6.5% plus an additional 1% phased-in over 7 years; PFRS active member rate increase from 8.5% to 10%. For fiscal year 2012, the member contribution rates increased in October 2011. The phase-in of the additional incremental member contribution rates for PES members will take place in July of each subsequent fiscal year.

□ The payment of automatic cost-of-living adjustment (COLA) additional increases to current and future retirees and beneficiaries is suspended until reactivated as permitted by this law. □ New employee contribution requirements towards the cost of employer-provided health benefit coverage. Employees are required to contribute a certain percentage of the cost of coverage. The rate of contribution is determined based on the employee's annual salary and the selected level of coverage. The increased employee contributions will be phased in over a 4-year period for those employed prior to Chapter 78's effective date with a minimum contribution required to be at least 1.5% of salary. □ In addition, this new legislation changes the method for amortizing the pension systems' unfunded accrued liability (from a level percent of pay method to a level dollar of pay).

**Three-Year Trend Information for PERS**

Year Funding	Annual Pension Contribution	Percentage of Contribution Paid
2021	\$37,665	100%
2020	\$33,594	100%
2019	\$32,320	100%

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2021

**Note 9: POST-RETIREMENT BENEFITS**

P.L. 1987, c. 384 and P.L. 1990, c.6 required Teachers' Pensions and Annuity Fund (TPAF) and the Public Employees' Retirement System (PERS), respectively, to fund post-retirement medical benefits for those state employees who retire after accumulating 25 years of credited service or on a disability retirement. P.L. 2007, c.103 amended the law to eliminate the funding of post-retirement medical benefits through the TPAF and PERS. It created separate funds outside of the pension plans for the funding and payment of post-retirement medical benefits for retired state employees and retired educational employees. The cost of these benefits is funded through contributions by the State in accordance with P.L. 1994, c.62. Funding of post-retirement medical benefits changed from a pre-funding basis to a pay-as-you-go basis beginning in Fiscal Year 1994.

The State is also responsible for the cost attributable to P.L. 1992, c.126, which provides employer paid health benefits to members of PERS and the Alternate Benefit Program (APB) who retired from a board of education or county college with 25 years of service (GASB Cod. Sec. 2300.106(g)).

GASB Statement No. 75 requires certain disclosures relating to governmental entities obligations for other post-employment benefits (OPEB), which are post-employment benefits other than pensions. The Municipality does not provide post-employment benefits other than pension.

**Note 10: LEASES**

The Township has not entered into any long-term lease agreements except for equipment which can be capitalized as installment purchases of fixed assets in accordance with Technical Accounting Directive No. 85-2.

**Note 11: ACCRUED SICK AND VACATION BENEFITS**

As discussed in Note 1 and in accordance with accounting principles prescribed by the State of New Jersey, the cash basis of accounting is followed for recording the liability related to unused sick pay.

The Township permits full-time employees five full sick days for first year of employment and hence-forth ten days per year, and this benefit ceases upon termination of employment. Vacation and personal days are provided and not accumulated beyond current year.

No trust funds are accumulated for this liability that will be funded in succeeding general fund budgets.

**Note 12: CONTINGENT LIABILITIES**

**GRANT PROGRAMS**

The Township participated in a number of state assisted grant programs administered at the state level. These programs, exclusive of the single audit concept, can be subject to program compliance audits by the grantors or their representatives. Accordingly, the Township's compliance with certain applicable grant requirements will be established at some future date. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time although the Township expects such amounts, if any, to be immaterial.

**LITIGATION**

There are no pending lawsuits in which the Township is involved.

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2021

**Note 13: OTHER REQUIRED DISCLOSURES**

Individual fund interfund receivable and payable balances. All interfund receivable and payable balances outstanding at the beginning of the fiscal period were fully liquidated during the fiscal period, with the following exceptions outstanding at December 31, 2021:

**INTERFUND BALANCES**

<u>FUND</u>	<u>DUE FROM OTHER FUNDS</u>	<u>DUE TO OTHER FUNDS</u>
Current Fund	\$ 26,858	\$ 403,477
Federal/State Grants Fund	249,355	-
Other Trust Funds	155,612	2
General Capital Fund	-	28,346
	<u>\$ 431,825</u>	<u>\$ 431,825</u>

**Note 14: RISK FINANCING**

The Township is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. Settled claims from these risks have not exceeded commercial insurance coverage. There were no significant reductions in insurance coverage from coverage in the prior year.

**Note 15: TAX ABATEMENTS**

As defined by the Governmental Accounting Standards Board (GASB), a tax abatement is an agreement between a government and an individual or entity in which the government promises to forgo tax revenues and the individual or entity promises to subsequently take a specific action that contributes to economic development or otherwise benefits the government or its citizens. The municipality has not entered into any tax abatement agreements.

**PART II**  
**SUPPLEMENTARY INFORMATION**

## **CURRENT FUND SCHEDULES**

CURRENT FUND  
SCHEDULE OF CASH -TREASURER

A-4

	<u>REF.</u>	<u>CURRENT FUND</u>
Balance December 31, 2020	A	\$ 1,564,839
<b>Increased by Receipts:</b>		
Collector	A-5	\$ 6,556,592
Miscellaneous Revenue Not Anticipated	A-2	54,364
Revenue Accounts Receivable	A-9	292,620
Veterans/Senior Citizens Deductions	A-17	15,000
Federal/State Grant Funds	A-18	138,072
Federal/State Grant Funds	A-20	106,739
Due State of New Jersey	A-21	100
Interfunds Returned/(Advanced)	A:B:C	95,933
		<u>7,259,420</u>
		8,824,259
<b>Decreased by Disbursements:</b>		
Reserve for Encumbrances	A-12	1,218,858
Other Receivables Due	A	1,200
2020 Appropriation Reserves	A-11	39,774
Taxes Overpaid Refunded	A-14	327
County Taxes	A-15	1,690,290
Local District School Tax	A-16	4,106,637
Federal/State Grant Funds	A-19	17,238
Due State of New Jersey	A-21	250
Amount Due Municipal Open Space	A-22	26,975
Third Party Tax Liens Refunded	A-26	45,960
		<u>7,147,509</u>
Balance December 31, 2021	A	<u>\$ 1,676,750</u>



CURRENT FUND  
SCHEDULE OF CASH - COLLECTOR

A-5

REF.

**Received:**

Interest and Costs on Taxes	A-2	\$	13,417	
Taxes Receivable	A-6		6,363,909	
Tax Title Liens	A-7		-	
2022 Prepaid Taxes	A-13		148,698	
Tax Overpayments	A-14		960	
Outside Liens	A-26		<u>29,608</u>	\$ <u>6,556,592</u>

**Decreased by Disbursements:**

Payments to Treasurer	A-4			\$ <u>6,556,592</u>
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CURRENT FUND  
SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF TAX LEVY

A-6

<u>YEAR</u>	<u>BALANCE</u> <u>12/31/20</u>	<u>ADDED</u> <u>TAXES</u>	<u>2021</u> <u>LEVY</u>	<u>CASH COLLECTIONS</u>		<u>TRANSFERRED</u> <u>TO TAX</u> <u>TITLE LIENS</u>	<u>OVERPAID</u> <u>APPLIED</u>	<u>CANCELLED</u>	<u>BALANCE</u> <u>12/31/21</u>
				<u>2020</u>	<u>2021</u>				
2017	\$ 19								\$ 19
2018	82								82
2019	239				\$ 233				6
2020	51,179	\$ 1,609			52,782				6
	51,519	1,609	-	-	53,015	-	-	-	113
2021			\$ 6,555,307	\$ 158,891	6,325,394	\$ 1,208	\$ 2,945	\$ 35,638	31,231
<b>TOTALS</b>	<b>\$ 51,519</b>	<b>\$ 1,609</b>	<b>\$ 6,555,307</b>	<b>\$ 158,891</b>	<b>\$ 6,378,409</b>	<b>\$ 1,208</b>	<b>\$ 2,945</b>	<b>\$ 35,638</b>	<b>\$ 31,344</b>

REF.	A		A-13		A-7	A-14	A
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REF.

State of New Jersey -- Senior Citizens and Veterans Deductions  
Received by Collector

A-2	\$ 14,500
A-5	<u>6,363,909</u>
	<u>\$ 6,378,409</u>

**ANALYSIS OF PROPERTY TAX LEVY:**

**Tax Yield:**

General Purpose Tax	\$ 6,517,521	
Special Levy Tax	27,489	
Added/Omitted Taxes (54:4-63.1 et.seq.)	<u>10,297</u>	<b>\$ 6,555,307</b>

REF.

**Tax Levy:**

Local District School Tax	A-16	\$ 4,002,979	
County Taxes:			
County Tax (Abstract )	A-15	\$ 1,519,875	
County Library Tax (Abstract )	A-15	121,650	
County Open Space Tax	A-15	47,622	
Due County for Added and Omitted Taxes (54.4-63.1,et.seq.)	A-15	<u>2,663</u>	1,691,810
Municipal Open Space Tax	A-22	27,531	
Local Tax for Municipal Purposes	A-2	824,306	
Add: Additional Tax Levied		<u>8,681</u>	<b>\$ 6,555,307</b>

CURRENT FUND  
SCHEDULE OF TAX TITLE LIENS

A-7

	<u>REF.</u>	
Balance December 31, 2020	A	\$ 103,302
<b>Increased by:</b>		
Transfers from Taxes Receivable	A-6	<u>1,208</u>
Balance December 31, 2021	A	<u>\$ 104,510</u>

CURRENT FUND  
SCHEDULE OF PROPERTY ACQUIRED FOR TAXES  
(AT ASSESSED VALUATION)

A-8

	<u>REF.</u>	
Balance December 31, 2020	A	\$ 858,700
Balance December 31, 2021	A	<u>\$ 858,700</u>

CURRENT FUND  
SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE

A-9

	<u>REF.</u>	<u>BALANCE</u> <u>12/31/20</u>	<u>ACCRUED</u> <u>IN 2021</u>	<u>COLLECTED</u> <u>BY</u> <u>TREASURER</u>	<u>BALANCE</u> <u>12/31/21</u>
Clerk:					
Licenses:					
Alcoholic Beverages	A-2		\$ 5,188	\$ 5,188	
Municipal Court:					
Fines and Costs	A-2	\$ 3,384	65,534	65,276	\$ 3,642
Energy Receipts Tax	A-2		184,384	184,384	
Garden State Trust Fund	A-2		11,436	11,436	
Cell Tower Leases	A-2		21,350	21,350	
Interest on Investments and Deposits	A-2		4,986	4,986	
Totals		<u>\$ 3,384</u>	<u>\$ 292,878</u>	<u>\$ 292,620</u>	<u>\$ 3,642</u>
REF.		A		A-4	A

CURRENT FUND  
SCHEDULE OF AMOUNT FROM OTHER GOVERNMENTAL UNITS -  
JOINT COURT

A-10

	<u>REF.</u>		
Balance December 31, 2020	A	\$	(3,433)
<b>Increased by:</b>			
White Township Court Room Rental Charge	A-9	\$	2,057
Hardwick Township Court Room Rental Charge	A-9		4,050
Final Audit Allocation - Court Operations CY 2021	A-9		33,630
			39,737
			36,304
<b>Decreased by:</b>			
White Court Operations Prepayments-2021	A-9		10,000
Hardwick Court Operations Prepayments-2021	A-9		0
Hardwick Township Payment of 2020 Allocation Receivable	A-9		8,964
			18,964
Balance December 31, 2021	A	<b>\$</b>	<b><u>17,340</u></b>

**FINAL ALLOCATION OF COSTS - CY 2021:**

White Township	33.7%	\$	11,327
Hardwick Township	66.3%		22,303
			\$ 33,630

**ANALYSIS OF RECEIVABLE/(PAYABLE) BALANCE:**

**CY 2021 (FINAL AUDIT):**

White Township - 2021	\$ (10,922)
Liberty Township - 2015	(699)
Liberty Township - 2016	2,608
Hardwick-2021	26,353
	\$ 17,340

CURRENT FUND  
SCHEDULE OF APPROPRIATION RESERVES - 2020

A-11  
Sheet 1

	<u>BALANCE</u> <u>12/31/21</u>	<u>BALANCE</u> <u>AFTER</u> <u>TRANSFERS</u>	<u>PAID</u> <u>OR</u> <u>CHARGED</u>	<u>BALANCE</u> <u>LAPSED</u>
General Administration:				
Other Expenses	\$ 212	\$ 1,312	\$ 1,290	\$ 22
Tax Collection:				
Other Expenses	305	305	285	20
Legal Services:				
Other Expenses	3,957	3,957	1,151	2,806
Engineering Services:				
Other Expenses	685	1,050	1,050	-
Planning Board:				
Other Expenses	452	715	714	1
Zoning Board:				
Other Expenses	803	803	269	534
Road Repairs and Maintenance:				
Salaries	7,127	3,899	-	3,899
Other Expenses	24,103	25,603	25,603	-
Building and Grounds:				
Other Expenses	3,834	3,834	3,117	717
Electricity	1,845	1,845	1,047	798
Street Lighting	2,312	2,312	352	1,960
Telephone	1,626	1,626	171	1,455
Gas (Natural)	2,847	2,847	771	2,076
Fuel Oil	4,958	4,958	3,800	1,158
Gasoline	1,569	1,569	154	1,415
All Others - No Change	31,814	31,814		31,814
 TOTALS	 <u>\$ 88,449</u>	 <u>\$ 88,449</u>	 <u>\$ 39,774</u>	 <u>\$ 48,675</u>

REF.	A	A	A-4	A-1
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Appropriation Reserve	A	\$ 71,441	
Encumbrances	A-12	<u>17,008</u>	
		<u>\$ 88,449</u>	

CURRENT FUND  
SCHEDULE OF RESERVE FOR ENCUMBRANCES

A-12

	<u>REF.</u>	
Balance December 31, 2020	A	\$ 17,060
<b>Increased by:</b>		
Transfer from Current Year Appropriations-Current Fund	A-3	<u>1,276,171</u> 1,293,231
<b>Decreased by:</b>		
Transfer to Appropriation Reserves	A-11	\$ 17,008
Cash Disbursements	A-4	<u>1,218,858</u> <u>1,235,866</u>
Balance December 31, 2021	A	<u>\$ 57,365</u>



CURRENT FUND  
SCHEDULE OF TAXES COLLECTED IN ADVANCE

A-13

	<u>REF.</u>	
Balance December 31, 2020	A	\$ 158,891
<b>Increased by:</b>		
2022 Taxes Collected in Advance	A-5	<u>148,698</u>
		307,589
<b>Decreased by:</b>		
Applied to 2021 Taxes Receivable	A-6	<u>158,891</u>
Balance December 31, 2021	A	<u>\$ 148,698</u>

CURRENT FUND  
SCHEDULE OF TAX OVERPAYMENTS

A-14

	<u>REF.</u>	
Balance December 31, 2020	A	\$ 2,824
<b>Increased by:</b>		
2021 Tax Overpayments	A-5	<u>    960</u>
		3,784
<b>Decreased by:</b>		
Applied	A-6	\$ 2,945
Refunded	A-4	<u>    327</u>
		<u>    3,272</u>
Balance December 31, 2021	A	<u>\$    512</u>

CURRENT FUND  
SCHEDULE OF COUNTY TAXES PAYABLE

A-15

	<u>REF.</u>	
<b>Balance December 31, 2020:</b>		
Due County for Added Taxes	A	\$ 1,143
<b>Increased by:</b>		
2021 Levy:		
County Taxes	A-1:6	\$ 1,519,875
County Library Taxes	A-1:6	121,650
County Open Space Tax	A-1:6	47,622
Added and Omitted Taxes	A-1:6	<u>2,663</u>
		<u>1,691,810</u>
		1,692,953
<b>Decreased by:</b>		
Payments	A-4	<u>1,690,290</u>
<b>Balance December 31, 2021:</b>		
Due County for Added Taxes	A	<u>\$ 2,663</u>

CURRENT FUND  
SCHEDULE OF LOCAL DISTRICT SCHOOL TAX PAYABLE

A-16

	<u>REF.</u>		
<b>Balance December 31, 2020:</b>			
School Tax Payable	A	\$ 247,896	
School Tax Deferred		<u>1,866,255</u>	\$ 2,114,151
<b>Increased by:</b>			
Levy - School Year July 1, 2021 to June 30, 2022	A-6		<u>4,002,979</u>
			6,117,130
<b>Decreased by:</b>			
Payments	A-4		<u>4,106,637</u>
<b>Balance December 31, 2021:</b>			
School Tax Payable	A	144,238	
School Tax Deferred		<u>1,866,255</u>	<u>\$ 2,010,493</u>
<b>2021 Liability for Local District School Tax:</b>			
Tax Paid			\$ 4,106,637
Tax Payable 12/31/21			<u>2,010,493</u>
			6,117,130
Less -- Tax Deferred 12/31/21			-
Less -- Tax Payable 12/31/20			<u>2,114,151</u>
<b>Amount Charged to 2021 Operations</b>	A-1		<u>\$ 4,002,979</u>

CURRENT FUND  
SCHEDULE OF AMOUNT DUE TO STATE OF NEW JERSEY FOR  
SENIOR CITIZENS AND VETERANS DEDUCTIONS

A-17

	<u>REF.</u>	
Balance December 31, 2020	A	\$ 5,458
<b>Increased by:</b>		
Received in Cash From State	A-4	<u>15,000</u>
		20,458
<b>Decreased by:</b>		
Senior Citizens Deductions per Tax Billings	A-6	\$ 2,000
Veterans Deductions per Tax Billings	A-6	13,000
Senior Citizens Deductions Allowed/(Disallowed) by Collector	A-6	<u>(500) 14,500</u>
Balance December 31, 2021	A	<u>\$ 5,958</u>

**ANALYSIS OF BALANCE**

Amount Due to State of New Jersey -- Pre 1/1/78	\$ 1,912	
Amount Due to State of New Jersey -- Post 1/1/78	<u>4,046</u>	<u>\$ 5,958</u>

CURRENT FUND  
SCHEDULE OF FEDERAL/STATE GRANTS RECEIVABLE

A-18

<u>PURPOSE</u>	<u>BALANCE</u> <u>12/31/20</u>	<u>RECEIVABLE</u>	<u>RECEIVED</u>	<u>BALANCE</u> <u>12/31/21</u>
Municipal Alliance	\$ 5,075	\$ 2,100	\$ 450	\$ 6,725
Recycling Tonnage Grant	-	1,328	1,328	-
N.J. Transportation Trust Authority: Ridgeway Ave.	-	151,700	113,775	37,925
N.J. Transportation Trust Authority: Hope Center Overlay	39,894		22,519	17,375
Community Center Grant		112,500		112,500
Generator Grant	548			548
<b>Totals</b>	<b>\$ 45,517</b>	<b>\$ 267,628</b>	<b>\$ 138,072</b>	<b>\$ 175,073</b>
REF.	A	A-2	A-4	A

CURRENT FUND  
SCHEDULE OF FEDERAL/STATE GRANTS-APPROPRIATED

A-19

	BALANCE	TRANSFER FROM		BALANCE
	<u>12/31/20</u>	2021 BUDGET	EXPENDED	<u>12/31/21</u>
		<u>APPROPRIATIONS</u>		
Clean Communities Program	\$ 2,780	\$ 6,847	\$ 5,021	\$ 4,606
Drunk Driving Program	3,270	2,000	-	5,270
Municipal Alliance	22,307	2,100	591	23,816
Local Share	119	525	-	644
N.J. Transportation Trust Authority:				
Ridgeway Ave.	-	151,700	-	151,700
Hope Center Overlay	29,000	-	11,626	17,374
Recycling Tonnage Grant	451	1,328	-	1,779
Community Center Grant	-	112,500	-	112,500
 Totals	 <u>\$ 57,927</u>	 <u>\$ 277,000</u>	 <u>\$ 17,238</u>	 <u>\$ 317,689</u>

REF.	A	A-3	A-4	A
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CURRENT FUND  
SCHEDULE OF STATE GRANTS - UNAPPROPRIATED

A-20

	BALANCE	TRANSFER TO 2021 BUDGET	RECEIVED	BALANCE
	<u>12/31/20</u>	<u>APPROPRIATIONS</u>	<u>RECEIVED</u>	<u>12/31/21</u>
Drunk Driving Grant	\$ 2,000	\$ 2,000	\$ 2,272	\$ 2,272
Clean Communities	6,847	6,847	7,282	7,282
American Rescue Plan (ARP)			97,185	97,185
<b>Totals</b>	<b><u>\$ 8,847</u></b>	<b><u>\$ 8,847</u></b>	<b><u>\$ 106,739</u></b>	<b><u>\$ 106,739</u></b>
REF.	A	A-2:3	A-4	A



CURRENT FUND  
SCHEDULE OF ACCOUNTS PAYABLE

A-21

	<u>REF.</u>	
Balance December 31, 2020	A	\$ 850
<b>Increased by:</b>		
Marriage License Receipts	A-4	<u>100</u> 950
<b>Decreased by:</b>		
State Payments	A-4	<u>250</u>
Balance December 31, 2021	A	<u>\$ 700</u>

CURRENT FUND  
SCHEDULE OF MUNICIPAL OPEN SPACE TAX PAYABLE

A-22

	<u>REF.</u>	
Balance December 31, 2020	A	\$ 179,262
<b>Increased by:</b>		
2021 Municipal Open Space Tax	A-6	<u>27,531</u>
		206,793
<b>Decreased by:</b>		
Appraisal, Title and Survey Fees	A-4	\$ 14,975
Land Conservancy of New Jersey	A-4	<u>12,000</u> <u>26,975</u>
Balance December 31, 2021	A	<u>\$ 179,818</u>

CURRENT FUND  
SCHEDULE OF RESERVE FOR FEMA EXPENDITURES-RECONSTRUCTION OF ROADS

A-23

	<u>REF.</u>	
Balance December 31, 2020	A	<u>\$ 7,368</u>
Balance December 31, 2021	A	<u>\$ 7,368</u>

CURRENT FUND  
SCHEDULE OF RESERVE FOR INSURANCE PROCEEDS - SALT SHED

A-24

	<u>REF.</u>	
Balance December 31, 2020	A	\$ <u>46,053</u>
Balance December 31, 2021	A	\$ <u>46,053</u>

CURRENT FUND  
SCHEDULE OF OTHER RESERVES

A-25

	<u>REF.</u>	
Balance December 31, 2020	A	\$ 1,241
Balance December 31, 2021	A	<u>\$ 1,241</u>
<b><u>Detail:</u></b>		
Verizon Inspection fees		\$ 741
Fire Code Fees		<u>500</u>
Total		<u>\$ 1,241</u>

CURRENT FUND  
SCHEDULE OF DUE OTHER TRUST FUND - THIRD PARTY TAX LIEN RESERVES

A-26

	<u>REF.</u>	
Balance December 31, 2020	A	\$ 16,352
<b>Increased by:</b>		
Receipts by Collector	A-5	<u>29,608</u>
		45,960
<b>Decreased by:</b>		
Payments to Outside Lien Holders	A-4	<u>\$ 45,960</u>

## **TRUST FUND SCHEDULES**

TRUST FUND  
SCHEDULE OF CASH - TREASURER

B-2

	<u>REF.</u>	<u>DOG LICENSES</u>	<u>OTHER</u>
Balance December 31, 2020	B	\$ <u>4,133</u>	\$ <u>72,477</u>
<b>Increased by Receipts:</b>			
Dog License Fees	B-3	3,659	
State Dog License Fees	B-4	693	
Amount Due Current Fund	B-5:6	19	
Escrow Trust Deposits	B-7		22,539
Public Defender Trust Deposits	B-8		19,206
Recreation Trust Fund Deposits	B-9		6,987
Celebration of Public Events Trust Deposits	B-12		25,657
St John's Trust Fund	B-13	<u>-</u>	<u>10</u>
<b>Total Receipts</b>		<u>4,371</u>	<u>74,399</u>
		<u>8,504</u>	<u>146,876</u>
<b>Decreased by Disbursements:</b>			
Dog License Operating Expenditures	B-3	-	
Dog License Fees - State of New Jersey	B-4	689	
Amount Due Current Fund	B-5:6	1,925	-
Escrow Trust Deposits Returned	B-7		17,524
Recreation Trust Fund Payments	B-9		5,861
Celebration of Public Events Trust Payments	B-12		12,017
St John's Trust Fund	B-13	<u>-</u>	<u>-</u>
<b>Total Disbursements</b>		<u>2,614</u>	<u>35,402</u>
Balance December 31, 2021	B	\$ <u>5,890</u>	\$ <u>111,474</u>



TRUST FUND  
SCHEDULE OF RESERVE FOR DOG FUND EXPENDITURES

B-3

	<u>REF.</u>	
Balance December 31, 2020	B	\$ 4,132
<b>Increased by:</b>		
Dog License Fees Collected	B-2	<u>3,659</u>
		7,791
<b>Decreased by:</b>		
Administrative Expenses	B-5	<u>1,907</u>
Balance December 31, 2021	B	<u>\$ 5,884</u>

**DOG FEES COLLECTED**

CY 2020	\$ 2,974
CY 2019	<u>3,961</u>
	<u>\$ 6,935</u>

TRUST FUND  
SCHEDULE OF AMOUNT DUE TO STATE OF  
NEW JERSEY DEPARTMENT OF HEALTH

B-4

REF.

**Increased by:**

Collected in 2021:

State Board of Health Fees	B-2	\$ 693
		<u>693</u>

**Decreased By:**

Payments	B-2	<u>689</u>
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Balance December 31, 2021	B	<u>\$ 4</u>
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TRUST FUND  
SCHEDULE OF AMOUNT DUE CURRENT FUND  
DOG LICENSE FUND

B-5

	<u>REF.</u>		
Balance December 31, 2020	B	\$	1
<b>Increased by:</b>			
Dog Fund Expenditures Paid by Current Fund	B-3	\$ 1,907	
Interest Credits Due Current Fund	B-2	<u>19</u>	<u>1,926</u>
			1,927
<b>Decreased by:</b>			
Due Current Fund	B-2		<u>1,925</u>
Balance December 31, 2021	B	\$	<u><u>2</u></u>

TRUST FUND  
SCHEDULE OF AMOUNT DUE CURRENT FUND  
OTHER TRUST FUND

B-6

	<u>REF.</u>		
Balance December 31, 2020	B		\$ 189,117
<b>Increased by:</b>			
Escrow Trust Receipts received in Current Fund	B-7	\$ 17,524	
Driveway Receipts received in Current Fund	B-10	1,200	
Municipal Open Space Levy Includes Added Omitted Taxes	B-11	27,531	
Tax Sale Premiums Received in Current Fund	B-14	1,000	
Third Party Tax Liens Received in Current Fund	B-15	<u>30,593</u>	<u>77,848</u>
			266,965
<b>Decreased by:</b>			
Escrow Trust paid by Current Fund	B-7	17,527	
Public Defender paid by Current Fund	B-8	6,506	
Open Space Expenditures paid by Current Fund	B-11	26,975	
Tax Sale Premiums Paid in Current Fund	B-14	13,400	
Third Party Tax Liens Paid in Current Fund	B-15	<u>46,945</u>	<u>111,353</u>
Balance December 31, 2021	B		<u>\$ 155,612</u>
Due to Current Fund - Escrow Trust Interest Credits			\$ (12)
Due to Current Fund - Public Defender			(26,844)
Due from Current Fund - Municipal Open Space			179,818
Due from Current Fund - Driveway Trust			<u>2,650</u>
			<u>\$ 155,612</u>

TRUST FUND  
SCHEDULE OF RESERVE FOR ESCROW TRUST FUND DEPOSITS

B-7

	<u>REF.</u>		
Balance December 31, 2020	B	\$	35,842
<b>Increased by:</b>			
Escrow Deposits - Received in Current Fund	B-6	\$	17,524
Escrow Deposits	B-2	<u>22,539</u>	<u>40,063</u>
			75,905
<b>Decreased by:</b>			
Escrow Deposits Refunded	B-2	17,524	
Escrow Deposits Refunded from Current Fund	B-6	<u>17,527</u>	<u>35,051</u>
Balance December 31, 2021	B	\$	<u>40,854</u>

TRUST FUND  
SCHEDULE OF RESERVE FOR  
PUBLIC DEFENDERS' TRUST FUND DEPOSITS

B-8

	<u>REF.</u>	
Balance December 31, 2020	B	\$ (18,800)
<b>Increased by:</b>		
Public Defender Receipts	B-2	<u>19,206</u> 406
<b>Decreased by:</b>		
Public Defender Payments in Current Fund	B-6	<u>6,506</u>
Balance December 31, 2021	B	<u>(6,100)</u>

TRUST FUND  
SCHEDULE OF RESERVE FOR RECREATION TRUST FUND

B-9

	<u>REF.</u>					
Balance December 31, 2020	B	\$ 25,306				
<b>Increased by:</b>						
Escrow Deposits	B-2	\$ 6,987				
Escrow Deposits-Received in Current Fund	B-6	<table style="width: 100%; border-collapse: collapse; margin-left: 20px;"> <tr> <td style="width: 50%; border-bottom: 1px solid black;">-</td> <td style="width: 50%; text-align: right; border-bottom: 1px solid black;">6,987</td> </tr> <tr> <td></td> <td style="text-align: right;">32,293</td> </tr> </table>	-	6,987		32,293
-	6,987					
	32,293					
<b>Decreased by:</b>						
Recreation Expenses	B-2	5,861				
Recreation Expenses-Paid in Current Fund	B-6	<table style="width: 100%; border-collapse: collapse; margin-left: 20px;"> <tr> <td style="width: 50%; border-bottom: 1px solid black;">-</td> <td style="width: 50%; text-align: right; border-bottom: 1px solid black;">5,861</td> </tr> </table>	-	5,861		
-	5,861					
Balance December 31, 2021	B	<u>\$ 26,432</u>				

TRUST FUND  
SCHEDULE OF RESERVE FOR DRIVEWAY BONDS

B-10

	<u>REF.</u>	
Balance December 31, 2020	B	\$ 1,450
<b>Increased by:</b>		
Deposits Received in Current Fund	B-6	<u>1,200</u>
Balance December 31, 2021	B	<u>\$ 2,650</u>



TRUST FUND  
SCHEDULE OF RESERVE FOR MUNICIPAL OPEN SPACE

B-11

	<u>REF.</u>					
Balance December 31, 2020	B	\$ 179,262				
<b>Increased by:</b>						
2021 Levy	B-6	\$ 27,489				
2021 Added/Omitted Taxes	B-6	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="text-align: right; border-bottom: 1px solid black;">42</td> <td style="text-align: right; border-bottom: 1px solid black;">27,531</td> </tr> <tr> <td></td> <td style="text-align: right;">206,793</td> </tr> </table>	42	27,531		206,793
42	27,531					
	206,793					
<b>Decreased by:</b>						
Appraisal, Title and Survey Fees	B-6	14,975				
Land Conservancy of New Jersey	B-6	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="text-align: right; border-bottom: 1px solid black;">12,000</td> <td style="text-align: right; border-bottom: 1px solid black;">26,975</td> </tr> </table>	12,000	26,975		
12,000	26,975					
Balance December 31, 2021	B	<u>\$ 179,818</u>				

TRUST FUND  
SCHEDULE OF RESERVE FOR CELEBRATION OF PUBLIC EVENTS TRUST FUND

B-12

	<u>REF.</u>		
Balance December 31, 2020	B		\$ 6,100
<b>Increased by:</b>			
Trust Deposits	B-2	\$ 25,657	
Trust Deposits Received in Current Fund	B-6	<u>          -</u>	<u>25,657</u>
			31,757
<b>Decreased by:</b>			
Trust Expenditures	B-2	12,017	
Trust Expenditures Paid from Current Fund	B-6	<u>          -</u>	<u>12,017</u>
Balance December 31, 2021	B		<u>\$ 19,740</u>

TRUST FUND  
SCHEDULE OF RESERVE FOR ST JOHN'S TRUST FUND

B-13

Balance December 31, 2020	<u>REF.</u> B		\$ 3,682
<b>Increased by:</b>			
Trust Deposits	B-2	\$ 10	
Trust Deposits Received in Current Fund	B-6	-	<u>10</u>
			3,692
Balance December 31, 2021	B		<u>\$ 3,692</u>

TRUST FUND  
SCHEDULE OF RESERVE FOR TAX SALE PREMIUMS

B-14

	<u>REF.</u>	
Balance December 31, 2020	B	\$ 12,400
<b>Increased by:</b>		
Trust Deposits Received in Current Fund	B-6	<u>1,000</u>
		13,400
<b>Decreased by:</b>		
Premiums Returned - Current Fund	B-6	<u>\$ 13,400</u>

TRUST FUND  
SCHEDULE OF RESERVE FOR THIRD PARTY TAX LIENS

B-15

	<u>REF.</u>	
Balance December 31, 2020	B	\$ 16,352
<b>Increased by:</b>		
Trust Deposits Received in Current Fund	B-6	<u>30,593</u>
		46,945
<b>Decreased by:</b>		
Premiums Returned - Current Fund	B-6	<u>\$ 46,945</u>

## **GENERAL CAPITAL FUND SCHEDULES**

GENERAL CAPITAL FUND  
SCHEDULE OF CASH

C-2

	<u>REF.</u>		
Balance December 31, 2020	C	\$	60,969
<b>Increased by:</b>			
Budgeted Deposit	C-4	\$ 105,000	
Interest Credits	C-3	<u>        169</u>	<u>105,169</u>
			166,138
<b>Decreased by:</b>			
Interfund Returned	C-3		<u>54,587</u>
Balance December 31, 2021	C	<u>\$</u>	<u>111,551</u>

GENERAL CAPITAL FUND  
SCHEDULE OF AMOUNT DUE CURRENT FUND

C-3

	<u>REF.</u>		
Balance December 31, 2020	C	\$	(57)
<b>Increased by:</b>			
Interfunds Returned from Current Fund	C-2	\$ 54,587	
Post Void Check	C-4	<u>1,100</u>	<u>55,687</u>
			55,630
<b>Decreased by:</b>			
Interest Credits	C-2	169	
Improvement Authorizations Paid From Current Fund	C-5	<u>54,378</u>	<u>54,547</u>
Balance December 31, 2021	C	\$	<u><u>1,083</u></u>



GENERAL CAPITAL FUND  
STATEMENT OF CAPITAL IMPROVEMENT FUND

C-4

	<u>REF.</u>		
Balance December 31, 2020	C	\$	17,139
<b>Increased by:</b>			
Budgeted Appropriation	C-2	\$	105,000
Redeposit Void Check	C-3	<u>1,100</u>	<u>106,100</u>
			123,239
<b>Decreased by:</b>			
Appropriated to Finance Improvement Authorizations	C-5		<u>45,000</u>
Balance December 31, 2021	C	\$	<u><u>78,239</u></u>

GENERAL CAPITAL FUND  
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

C-5

<u>IMPROVEMENT DESCRIPTION</u>	<u>NUMBER</u>	<u>ORDINANCE</u> <u>DATE</u>	<u>AMOUNT</u>	<u>BALANCE</u> <u>12/31/20</u>		<u>CAPITAL</u> <u>IMPROVEMENT</u> <u>FUND</u>	<u>PAID OR</u> <u>CHARGED</u>	<u>BALANCE</u> <u>12/31/21</u>	
				<u>FUNDED</u>	<u>UNFUNDED</u>			<u>FUNDED</u>	<u>UNFUNDED</u>
Catch Basins	15-09	12/9/15	\$ 50,000	\$ 14,351			\$ 12,600	\$ 1,751	
Pick-Up Truck	21-07	8/11/21	45,000			\$ 45,000	41,778	3,222	
				<b>\$ 14,351</b>	<b>-</b>	<b>\$ 45,000</b>	<b>\$ 54,378</b>	<b>\$ 4,973</b>	<b>-</b>
REF.				C	C	C-4	C-3	C	C

GENERAL CAPITAL FUND  
STATEMENT OF AMOUNTS DUE GRANTS FUND

C-6

	<u>REF.</u>	
Balance December 31, 2020	C	<u>\$ 28,346</u>
Balance December 31, 2021	C	<u>\$ 28,346</u>

**SCHEDULE OF GENERAL FIXED ASSETS**

GENERAL FIXED ASSETS  
SCHEDULE OF ADDITIONS AND DELETIONS  
DECEMBER 31, 2021

F-1

	<u>BALANCE</u> <u>12/31/20</u>	<u>ADDITIONS</u>	<u>DELETIONS</u>	<u>BALANCE</u> <u>12/31/21</u>
General Fixed Assets:				
Land	\$ 724,202			\$ 724,202
Buildings	1,014,533			1,014,533
Improvements Other Than Buildings	27,414			27,414
Machinery and Equipment	<u>1,546,237</u>	<u>\$ 41,778</u>	<u>-</u>	<u>1,588,015</u>
Total General Fixed Assets	<u>\$ 3,312,386</u>	<u>\$ 41,778</u>	<u>-</u>	<u>\$ 3,354,164</u>
 Investment In General Fixed Assets	 <u>\$ 3,312,386</u>	 <u>\$ 41,778</u>	 <u>-</u>	 <u>\$ 3,354,164</u>

**PART III  
SUPPLEMENTARY INFORMATION**

**General Comments**

**Report on Internal Control over Financial Reporting and  
Compliance and Other Matters based on an Audit of  
Financial Statements Performed in Accordance with  
*Government Auditing Standards***

**Schedule of Federal/State Awards**

**Status of Prior Audit Findings**

**Schedule of Findings and Responses**

## **GENERAL COMMENTS**

### **Scope of Audit**

The audit of the financial statements of the Township of Hope, County of Warren, New Jersey, as required by the Division of Local Government Services, covered the financial transactions of the Treasurer, Tax Collector, the activities of the Township and the records of the various outside departments.

### **Contracts and Agreements Requiring Advertisement for Bids**

Effective March 30, 2000, N.J.S.A.40A:11-1 et.seq (Local Public Contracts Law) was revised by P.L.1999,c.440 (originally known as Assembly Bill No. 3519). Rules and regulations pertaining to the amended law are to be promulgated by the Division of Local Government Services.

N.J.S.A. 40A:11-3 is amended to read as follows:

- a. When the cost or price of any contract awarded by the purchasing agent in the aggregate, does not exceed in the contract year the total sum of \$17,500, the contract may be awarded by a purchasing agent when so authorized by resolution of the governing body without public advertising for bids and bidding therefore, except that the governing body may adopt a resolution to set a lower threshold for the receipt of public bids or the solicitation of competitive quotations. If the purchasing agent is qualified pursuant to subsection b. (pending before the Legislature as section 15 of this bill) of section 9 of P.L.1971,c.198(C.40A:11-9) the governing body may establish that the bid threshold may be up to \$25,000. Such authorization may be granted for each contract or by a general delegation of the power to negotiate and award such contracts pursuant to this section.
- b. Any contract made pursuant to this section may be awarded for a period of 24 consecutive months, except that contracts for professional services pursuant to paragraph (i) of paragraph (a) of subsection (1) of Section 5 of P.L.1971, C.198(C.40A:11-5) may be awarded for a period not exceeding 12 consecutive months. The Division of Local Government Services shall adopt and promulgate rules and regulations concerning the methods of accounting for all contracts that do not coincide with the contracting unit's fiscal year.
- c. Commencing in the fifth year after the year in which P.L.1999,c.440 takes effect, and every five years thereafter, the Governor, in consultation with the Department of Treasury, shall adjust the threshold amount and the higher threshold amount which the governing body is permitted to establish as set forth in subsection a. of this section or the threshold amount resulting from any adjustment under this subsection, in direct proportion to the rise or fall of the index rate as that term is defined in N.J.S.18A:18A-2(pending before the Legislature as section 50 of this bill), and shall round the adjustment to the nearest \$1,000. The Governor shall notify all municipal units of the adjustment no later than June 1 of every fifth year. The adjustment shall become effective on July 1 of the year in which it is made.

N.J.S.A.40A:11-4 (as amended) states, "Every contract or agreement for the provision or performance of any goods or services, the cost of which in the aggregate exceeds the bid threshold, shall be awarded only by resolution of the governing body to the lowest responsible bidder after public advertising for bids and bidding therefore, except as is provided otherwise in this chapter or specifically by any other law."

Effective July 1, 2020, the bid threshold in accordance with N.J.S.A.40A:11-3(c) (as amended) is increased to \$44,000 for Qualified Purchasing Agents (QPA), and \$17,500 for units without QPA's.

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

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

The system of records did not provide for an accumulation of payments for categories for the performance of any work or the furnishing or hiring of any materials or supplies, the results of such an accumulation could not determine whether any clear-cut violations existed.

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

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

The statute provides the method of 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 5, 2021, adopted the following resolution authorizing interest to be charged on delinquent taxes:

NOW, THEREFORE, BE IT RESOLVED that a grace period of 10 days for non-payment of taxes per R.S.54:4-67 is declared and that interest of 8% per annum for the first \$1,500 of delinquency and 18% per annum for any amount in excess of \$1,500 shall be charged, except that no interest shall be charged if payment of any installment is made within 10 days after the date upon which the same shall be payable.<sup>2</sup>

Under provisions of C.75, P.L. 1991 (amending N.J.S. 54:4-67), enacted March 28, 1991, the definition of tax delinquency was defined as the sum of all taxes and municipal charges due on a given parcel or property covering any number of quarters or years. In addition, the governing body may also fix a penalty to be charged to a taxpayer with a delinquency in excess of \$10,000 who fails to pay that delinquency prior to the end of the calendar year. The penalty so fixed shall not exceed six (6%) per cent of the amount of the delinquency.

The governing body, on January 5, 2021, adopted a resolution enabling the \$10,000 delinquency penalty provisions.

The audit of the Collector's records on a test basis indicated no differences between the amount of interest payable on delinquent tax payments, based on our calculations, and the amount of interest charged.



**Delinquent Taxes and Tax Title Liens**

The delinquent taxes at December 31, 2021, include only real property items on the 2021, 2020, 2019, 2018 and 2017 tax levies.

The last tax sale was held on January 31, 2021 and was complete.

Inspection of tax sale certificates on file revealed that all tax sale certificates from tax sales were available for audit.

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

<u>Year</u>	<u>Number of Liens</u>
2021	5
2020	5
2019	5

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

**Verification of Delinquent Taxes and Other Charges**

Verification notices were mailed to confirm balances as of November 15, 2021. The items that were returned were compared to and are in agreement with the Township's records. For items not returned, alternative procedures were performed.

A test verification of delinquent charges and current payments was made in accordance with verification procedures approved by the Division of Local Government Services. A summary of such verification is as follows:

Type of Receivable - Real Property Tax Date of Circulars - November 15, 2021				
<u>Verification Type</u>	<u>Request Form</u>	<u>Total No. of Items</u>	<u>Total No. of Circular</u>	<u>Total No. Returned</u>
2021 Property Tax	Positive	1,218	60	14
2022 Property Tax	Positive	1,218	60	14
2021 Delinquent Tax	Negative	461	25	8

**Technical Accounting Directives**

During the calendar year 1984, the Division of Local Government Services initiated as part of the Single Audit Law, a planned revision of the Requirements of Audit to provide new accounting requirements mandated for most local government units. The revision to the Requirements of Audit and Accounting would be in order to improve fiscal accountability for all local governments, satisfy federal-state audit requirements and enhance the credibility for New Jersey municipal accounting practices with federal-state funding sources and bond rating agencies. The new requirements for most local units started January 1, 1986, unless exemption, based upon amount of federal aid received and population size, was formally secured. The Division in 1988 notified those exempted municipal units of a transition requirement for fully implementation of all accounting directives beginning in the 1989 fiscal periods. The identity and compliance status of the Township of Hope to these new directives are as follows:

<u>Requirement</u>	FY 2021 Required	
	<u>Yes</u>	<u>No</u>
A. General Ledger Accounting System	X	
B. Encumbrance Accounting	X	
C. Purchase Order System	X	
D. Fixed Asset Accounting and Reporting System	X	

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

**REVENUE AND OTHER INCOME REALIZED**

	<u>YEAR 2021</u>	<u>%</u>	<u>YEAR 2020</u>	<u>%</u>
Fund Balance Utilized	\$ 246,162	3.29%	\$ 256,742	3.48%
Miscellaneous - From Other Than				
Local Property Tax Levies	636,875	8.51%	500,106	6.77%
Collection of Delinquent Taxes and				
Tax Title Liens	53,015	0.71%	43,403	0.59%
Collection of Current Tax Levy	6,487,230	86.70%	6,568,792	88.94%
Other Credits to Income	<u>59,199</u>	<u>0.79%</u>	<u>16,961</u>	<u>0.23%</u>
<b>Total Income</b>	<u>7,482,481</u>	<u>100.00%</u>	<u>7,386,004</u>	<u>100.00%</u>

**EXPENDITURES**

Budget Expenditures:				
Municipal Purposes	1,593,484	21.84%	1,408,845	19.55%
County Taxes	1,691,810	23.19%	1,714,701	23.79%
Local Taxes	4,002,979	54.87%	4,060,247	56.34%
Interfund Advances	<u>7,652</u>	<u>0.10%</u>	<u>23,083</u>	<u>0.32%</u>
<b>Total Expenditures</b>	<u>\$ 7,295,925</u>	<u>100.00%</u>	<u>\$ 7,206,876</u>	<u>100.00%</u>

Excess in Revenue	186,556		179,128
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Adjustments to Income Before Fund Balance:

    Expenditures Included Above Which are by Statute

Deferred Charges to Budget of Succeeding Year	<u>          -</u>	-	<u>          -</u>
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Statutory Excess To Fund Balance	186,556		179,128
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Fund Balance January 1	791,717		869,331
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Less:

Utilization as Anticipated Revenue	<u>246,162</u>		<u>256,742</u>
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Fund Balance December 31	<u>\$ 732,111</u>		<u>\$ 791,717</u>
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**Comparative Schedule of Tax Rate Information**

	<u>2021</u>	<u>2020</u>	<u>2019</u>
<u>Tax Rate</u>	<u>\$2.977</u>	<u>\$3.013</u>	<u>\$2.932</u>
<u>Apportionment of Tax Rate:</u>			
Municipal	\$0.374	\$0.374	\$0.374
Municipal Open Space	\$0.012	\$0.012	\$0.010
County	\$0.770	\$0.780	\$0.769
Local School	\$1.821	\$1.847	\$1.779

Assessed Valuation:

<u>Year</u>	<u>Amount</u>
2021	\$219,852,501
2020	\$219,905,569
2019	\$220,154,279

**Comparison of Tax Levies and Collection Currently**

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

<u>Year</u>	<u>Tax Levy</u>	<u>Collections</u>	<u>Percentage of Collections</u>
2021	\$ 6,555,307	\$6,487,230	98.96%
2020	\$ 6,630,168	\$6,568,792	99.07%
2019	\$ 6,457,866	\$6,416,470	99.35%

**Delinquent Taxes and Tax Title Liens**

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

<u>Dec.31 Year</u>	<u>Amount of Tax Title Liens</u>	<u>Amount of Delinquent Taxes</u>	<u>Total Delinquent</u>	<u>Percentage of Tax Levy</u>
2021	\$ 104,510	\$ 31,344	\$ 135,854	2.07%
2020	\$ 103,302	\$ 51,519	\$ 154,821	2.34%
2019	\$ 102,078	\$ 43,743	\$ 145,821	2.26%

**Property Acquired by Tax Title Lien Liquidation**

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

<u>Year</u>	<u>Amount</u>
2021	\$858,700
2020	\$858,700
2019	\$858,700

**Comparitive Schedule of Fund Balances**

<u>Year</u>	<u>Balance December 31</u>	<u>Utilized In Budget of Succeeding Year Regular</u>
2021	\$ 732,111	\$ 264,162
2020	\$ 791,717	\$ 264,162
2019	\$ 869,331	\$ 221,683
2018	\$ 740,412	\$ 169,948
2017	\$ 512,885	\$ 169,948
2016	\$ 476,323	\$ 145,000
2015	\$ 210,034	\$ 99,487
2014	\$ 151,304	\$ 141,304

**Officials in Office and Surety Bonds**

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

<u>Name</u>	<u>Title</u>	<u>Amount of Bond</u>	<u>Name Of Corporate Surety</u>
Timothy C. McDonough	Mayor		
John Kruk	Committeeperson		
Terry Urfer	Committeeperson		
Robin Keggan	Municipal Clerk		
Kathleen Reinalda	Certified Municipal Finance Officer	\$1,000,000	Municipal Excess Liability JIF

**Officials in Office and Surety Bonds (Continued)**

<u>Name</u>	<u>Title</u>	<u>Amount of Bond</u>	<u>Name Of Corporate Surety</u>
Stephen J. Lance	Collector; Tax Search Officer	\$1,000,000	Municipal Excess Liability JIF
Karen M. Bartlett-Lance	Assistant Tax Collector	\$1,000,000	Municipal Excess Liability JIF
Michael Selvaggi	Attorney		
Richard Motyka	Assessor		
George Boesze	Zoning Officer		
Alan DeCarolis	Animal Control Officer		
Alfia Schemm	Planning Board Secretary; Zoning Board of Adjustment Secretary		
Robin Keggan	Secretary to Environmental Commission		

The minimum bond coverage for the Tax Collector and Municipal Court based on prior year tax levies is as follows:

All other officials handling monies were bonded by blanket bond coverage in the amount of \$50,000 under faithful performance blanket bond position as provided by the Public Alliance Joint Insurance Fund.

<u>Year</u>	<u>Tax Collector</u>	<u>Municipal Court</u>
2021	\$96,075	\$13,722

All the bonds were examined and were properly executed.



# **ARDITO & COMPANY LLC**

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e-mail: anthony@arditoandcompany.com

**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 Auditor's Report

The Honorable Mayor and  
Members of the Township Committee  
Township of Hope  
P.O. Box 284  
County of Warren, New Jersey  
Hope, New Jersey 07844

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and audit requirements as prescribed by the Division of Local Governments Services, Department of Community Affairs, State of New Jersey, the regulatory-basis financial statements of the Township of Hope in the County of Warren, State of New Jersey, as of and for the years ended December 31, 2021 and 2020, and the related notes to the financial statements, which collectively comprise the Township of Hope's basic financial statements, and have issued our report thereon dated April 15, 2022, which indicated that the financial statements have been prepared in conformity with accounting practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

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

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

### **Compliance and Other Matters**

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

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Ardito & Company LLC*

ARDITO & COMPANY LLC

Frenchtown, New Jersey

April 15, 2022

***Anthony Ardito***

Anthony Ardito

Certified Public Accountant

Registered Municipal Accountant No.524

ARDITO & COMPANY LLC

Frenchtown, New Jersey

April 15, 2022



## **SCHEDULE OF FEDERAL/STATE AWARDS**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

**K-3**

<u>FEDERAL GRANTOR/PROGRAM TITLE</u>	<u>CFDA</u>	<u>STATE ACCOUNT OR AWARD NUMBER</u>	<u>PROGRAM AMOUNT</u>	<u>GRANT PERIOD</u>	<u>FUND REF.</u>	<u>CASH ACCRUED OR DEFERRED REVENUE BALANCE AT 1/1/21</u>	<u>RECEIPTS PROGRAM</u>	<u>OTHER</u>	<u>DISBURSEMENTS</u>	<u>CASH ACCRUED OR DEFERRED REVENUE BALANCE AT 12/31/21</u>	<u>TOTAL DISBURSEMENTS</u>						
<b><u>US DEPT. OF TRANSPORTATION</u></b>																	
<b>(Passed Through NJ Department of Transportation)</b>																	
NJ Transportation Fund Authority Act:																	
Ridgeway Avenue	20.600	N/A	151,700	2021	A	\$	113,775			\$	113,775						
Hope Center Overlay	20.600	N/A	107,000	2020	A	\$	(10,894)		\$	11,626	(1) \$ 89,626						
<b><u>US DEPT. OF TREASURY (Passed Through NJ Department of Treasury)</u></b>																	
Coronavirus State and Local Fiscal Recovery Funds (SLFRF); American Rescue Plan	21.027	N/A	97,185	2021			97,185			97,185							
						\$	(10,894)	\$	233,479	\$	-	\$	11,626	\$	210,959	\$	89,626

**Note: This Schedule was not subject to an audit in accordance with OMB Uniform Guidance.**

The accompanying Notes to Schedules of Expenditures of Awards and Financial Assistance are an integral part of this schedule.

**SCHEDULE OF STATE FINANCIAL ASSISTANCE  
FOR THE YEAR ENDED DECEMBER 31, 2021**

<u>STATE GRANTOR/ PROGRAM TITLE</u>	<u>ACCOUNT NUMBER</u>	<u>PROGRAM OR AWARD AMOUNT</u>	<u>GRANT PERIOD</u>	<u>FUND REF.</u>	<u>CASH (ACCRUED) OR DEFERRED REVENUE BALANCE AT 1/1/21</u>	<u>RECEIPTS PROGRAM</u>	<u>OTHER</u>	<u>DISBURSEMENTS</u>	<u>CASH (ACCRUED) OR DEFERRED REVENUE BALANCE AT 12/31/21</u>	
<b><u>DEPT. OF COMMUNITY AFFAIRS</u></b>										
Municipal Alliance Program										
N.J.S.40A:11-5(a)	N/A	\$ 2,100	2021	A		\$ 450		\$ 591	\$ (141)	
Municipal Alliance Program										
N.J.S.40A:11-5(a)	N/A		Prior Years	A	\$ 17,232				17,232	
Municipal Alliance Program										
<b><u>DEPT. OF ENVIR. PROTECTION</u></b>										
Solid Waste Admin.-	4900-765-178900									
Clean Communities Program		7,282	2021	A		7,282			7,282	
Clean Communities Program			Prior Years	A	9,627			5,021	4,606	
<b><u>DEPT. OF PUBLIC SAFETY</u></b>										
Drunk Driving Enforcement Fund	4250-760-050000-63	2,272	2021	A		2,272			2,272	
Drunk Driving Enforcement Fund	4250-760-050000-63		Prior Years	A	5,270				5,270	
<b><u>OTHER LOCAL AIDS</u></b>										
Community Center Grant	N/A	112,500	2021	A					-	
Recycling Grant	N/A	1,328	2021	A		1,328			1,328	
Recycling Grant	N/A	909	2020	A	451				451	
Generator Grant	N/A	12,500	2017	A	(548)				(548)	
TOTAL STATE ASSISTANCE						<b>\$ 32,032</b>	<b>\$ 11,332</b>	<b>-</b>	<b>\$ 5,612</b>	<b>\$ 37,752</b>

**Note: This Schedule was not subject to an audit in accordance with NJ OMB Circular 15-08.**

The accompanying Notes to Schedules of Expenditures of Awards and Financial Assistance are an integral part of this schedule.

TOWNSHIP OF HOPE

NOTES TO THE SCHEDULES OF FEDERAL AND STATE AWARDS  
DECEMBER 31, 2021

**NOTE 1. GENERAL**

The accompanying Schedules of Expenditures of Federal and State Awards present the activity of all federal and state award programs of the Township of Hope. The Township of Hope is defined in Note 1 to the Township's financial statements. All federal and state awards received directly from federal and state agencies, as well as federal and state awards passed through other government agencies, are included on the schedules of expenditures of federal and state awards.

**NOTE 2. BASIS OF ACCOUNTING**

The accompanying Schedules of Expenditures of State Awards are presented using the modified accrual basis of accounting. The information in these schedules is presented in accordance with the requirements of federal OMB Uniform Guidance, Audits of States, Local Governments and Nonprofit Organizations. However, the Township was not subject to the single audit provisions of Federal OMB Uniform Guidance or New Jersey OMB Circular NJOMB 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid for 2021 as grant expenditures were less than the single audit thresholds of \$750,000, identified in the Circulars.

**NOTE 3. RELATIONSHIP TO THE FINANCIAL STATEMENTS**

The accompanying Schedules of Expenditures of Federal and State Awards are presented using the modified accrual basis of accounting. Therefore, some amounts presented in these schedules may differ from amounts presented in, or used in the preparation of, the financial statements.

## **STATUS OF PRIOR AUDIT FINDINGS**

**STATUS OF PRIOR AUDIT FINDINGS**

Prior Year  
Occurrence

None

**SCHEDULE OF FINDINGS AND RESPONSES**  
**GENERAL FINDINGS**

**SCHEDULE OF FINDINGS AND RESPONSES**

**GENERAL FINDINGS**

YEAR ENDED DECEMBER 31, 2021

Summary of Auditor's Results

The Township prepares its financial statements in conformity with accounting practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which is a comprehensive basis of accounting other than generally accepted accounting principles.

The audit did not disclose any material weaknesses in the internal controls of the Township.

The audit did not disclose any noncompliance that is material to the financial statements of the Township.

The Township was not subject to the single audit provisions of Federal OMB Uniform Guidance and New Jersey OMB Circular NJOMB 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid for 2021 as grant expenditures were less than the single audit thresholds of \$750,000, identified in the Circulars.

Findings Relating to the Financial Statements which are required to be Reported in Accordance with Generally Accepted Government Auditing Standards:

Finding

None