

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER,
STATE OF NEW JERSEY**

FINANCIAL STATEMENTS
AND
SUPPLEMENTAL DATA

December 31, 2021

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

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COUNTY OF MERCER, STATE OF NEW JERSEY**

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INTRODUCTORY SECTION (UNAUDITED)

December 16, 2022

The Honorable Mayor and Members of the Township Council
Township of Hamilton
2090 Greenwood Avenue
P.O. Box 00150
Hamilton, New Jersey 08650

The annual financial report for the Township of Hamilton for the year ended December 31, 2021, is hereby submitted, as mandated by state statute. New Jersey state statutes require that the Township annually issue a report on its financial position and activity and that this report be audited by an independent registered municipal accountant. The responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the management of the Township.

The annual financial report is presented in six sections: the introductory section (unaudited), basic financial statements - regulatory basis, supplemental schedules, required supplementary information (unaudited), supplementary information, and statistical section (unaudited). The introductory section contains this letter of transmittal. The basic financial statements - regulatory basis include the combined statements of assets, liabilities, reserves and fund balance for all fund types and account group as well as select individual fund statements and the notes to financial statements. The supplemental schedules include individual fund schedules that provide additional detail and information in support of the basic financial statements - regulatory basis. The required supplementary information (unaudited) includes schedules required by the Governmental Accounting Standards Board related to the Township's pension and other postretirement benefit plans. The supplementary information and statistical section (unaudited) include select financial and demographic information to provide additional insight and information to the financial statements as a whole.

INDEPENDENT AUDITORS' REPORT

INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and Members of the Township Council
Township of Hamilton
County of Mercer, State of New Jersey

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements – regulatory basis of the various funds and account group of the Township of Hamilton, County of Mercer, State of New Jersey (“Township”), as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the Township’s basic financial statements, as listed in the table of contents.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective regulatory basis financial position of the Township as of December 31, 2021, and the respective regulatory basis revenues, expenditures and changes in financial position for the year then ended in accordance with the financial reporting provisions in Note A.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles section of our report, the financial statements do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Township as of December 31, 2021, or the changes in financial position for the year then ended.

Basis for Opinions

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

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

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

INDEPENDENT AUDITORS' REPORT (CONTINUED)

Responsibilities of Management for the Financial Statements

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. 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, as well as the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and requirements of audit prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and requirements of audit prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, we:

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

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

Report on Summarized Comparative Information

We have previously audited the Township's 2020 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated March 16, 2022, in accordance with the financial reporting provisions described in Note A. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2020, is consistent, in all material respects, with the audited financial statements from which it has been derived.

INDEPENDENT AUDITORS' REPORT (CONTINUED)

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the required supplementary information, such as the schedule of proportionate share of the net pension liability and notes to required supplementary information – PERS and PFRS, schedule of contributions – PERS and PFRS, and schedule of proportionate share of the net OPEB liability and contributions, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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. The supplemental schedules, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the supplemental schedules, as listed in the table of contents, are fairly stated, in all material respects, in relation to the basic financial statements as a whole, on the basis of accounting described in Note A.

Other Information

Management is responsible for the other information included in the financial statements. The other information comprises the introductory section, supplementary information and statistical sections but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

INDEPENDENT AUDITORS' REPORT (CONTINUED)

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 16, 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 and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Township's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Township's internal control over financial reporting and compliance.



Warren A. Broudy, CPA, CGFM, PSA, CGMA, CMFO
Registered Municipal Accountant License No. 554

MERCADIEN, P.C.
CERTIFIED PUBLIC ACCOUNTANTS

December 16, 2022

BASIC FINANCIAL STATEMENTS – REGULATORY BASIS

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

**COMBINED STATEMENT OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE – ALL FUND TYPES AND
ACCOUNT GROUP**

December 31, 2021

	Current and Grant	Capital	Trust Funds	Utility Fund Operating	Utility Fund Capital	Utility Fund Assessment	Fixed Asset Account Group	Totals	
								Memorandum Only	
								December 31, 2021	December 31, 2020
ASSETS AND OTHER DEBITS									
Cash and Cash Equivalents	\$ 40,694,393.98	\$ 11,483,610.25	\$ 20,547,848.68	\$ 7,247,048.09	\$ 7,965,218.55	\$ 467.10	\$ -	\$ 87,938,586.65	\$ 80,888,302.41
Federal and State Grants Receivable	2,325,508.69	2,290,000.00	-	-	-	-	-	4,615,508.69	3,218,141.97
Receivables and Other Assets									
Revenue Accounts Receivable	154,662.57	-	-	-	-	-	-	154,662.57	45,476.37
Delinquent Property Taxes & Utility Charges	3,741.50	-	-	-	-	-	-	3,741.50	17,784.82
Other Accounts Receivable	33,743.00	-	570,146.04	-	-	-	-	603,889.04	744,018.31
Assessments Receivable	-	-	530,763.04	2,391,668.95	-	-	-	2,922,431.99	3,088,792.30
Tax Title, Sewer and Assessment Liens Receivable	2,225,588.28	-	899.49	93,568.10	-	-	-	2,320,055.87	3,198,920.14
Interfunds Receivable	3,937,758.73	-	4,025,127.94	-	112,354.40	-	-	8,075,241.07	782,164.67
Property Acquired for Taxes at Assessed Valuation	367,045.00	-	-	-	-	-	-	367,045.00	367,045.00
Due from State of New Jersey	269,668.88	265,831.78	-	-	8,650.65	-	-	544,151.31	551,397.87
Due from County of Mercer	-	-	-	-	-	-	-	-	157,500.00
Prospective Assessments Funded	-	-	2,069,073.50	-	-	-	-	2,069,073.50	2,069,073.50
Deferred Charges	142,733.31	86,471,265.97	-	-	-	-	-	86,613,999.28	79,124,242.56
Fixed Capital	-	-	-	-	137,237,438.70	-	-	137,237,438.70	134,215,182.90
Fixed Capital Authorized and Uncompleted	-	-	-	-	79,227,398.02	-	-	79,227,398.02	72,291,393.82
Fixed Assets	-	-	-	-	-	-	135,182,071.84	135,182,071.84	109,894,869.25
	<u>\$ 50,154,843.94</u>	<u>\$ 100,510,708.00</u>	<u>\$ 27,743,858.69</u>	<u>\$ 9,732,285.14</u>	<u>\$ 224,551,060.32</u>	<u>\$ 467.10</u>	<u>\$ 135,182,071.84</u>	<u>\$ 547,875,295.03</u>	<u>\$ 490,654,305.89</u>

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

**COMBINED STATEMENT OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE – ALL FUND TYPES AND
ACCOUNT GROUP (CONTINUED)**

December 31, 2021

	Current and Grant	Capital	Trust Funds	Utility Fund Operating	Utility Fund Capital	Utility Fund Assessment	Fixed Asset Account Group	Totals	
								Memorandum Only	
								December 31, 2021	December 31, 2020
LIABILITIES, RESERVES AND FUND BALANCE									
Appropriation Reserves	\$ 5,426,396.59	\$ -	\$ -	\$ 1,318,318.81	\$ -	\$ -	\$ -	\$ 6,744,715.40	\$ 8,003,297.02
Prepaid Taxes, Assessments and Utility Charges	2,946,057.88	-	9,332.15	82,302.55	-	-	-	3,037,692.58	2,603,927.98
Federal and State Grants									
Appropriated Reserves	6,264,023.10	-	-	-	-	-	-	6,264,023.10	2,330,400.83
Unappropriated Reserves	2,892,153.25	-	-	-	-	-	-	2,892,153.25	32,383.65
Reserve for Encumbrances	606,789.02	-	-	-	-	-	-	606,789.02	238,450.30
Other Liabilities and Reserves									
Due to State of New Jersey	57,523.00	-	17.40	-	-	-	-	57,540.40	105,945.20
Due to County of Mercer	457,564.65	-	-	-	-	-	-	457,564.65	172,721.65
Reserve for Future Debt Service	-	345,186.65	-	311,792.75	-	-	-	656,979.40	351,114.49
Capital Improvement Fund	-	196,708.74	-	-	192,775.00	-	-	389,483.74	378,283.74
Interfunds Payable	7,863,371.30	182,614.77	29,255.00	-	-	-	-	8,075,241.07	782,164.67
Other Liabilities and Reserves	-	-	8,508,557.82	-	135,331,314.59	-	-	143,839,872.41	142,726,304.48
Improvement Authorizations	-	29,393,886.12	-	-	24,312,411.44	-	-	53,706,297.56	37,342,962.79
Encumbrances and Accounts Payable	4,677,815.19	4,063,737.50	431,863.94	1,323,430.55	4,861,310.05	-	-	15,358,157.23	11,368,764.55
Reserve for Tax Title Liens	-	-	2,737,931.83	-	-	-	-	2,737,931.83	2,936,928.67
Serial Bonds Payable	-	41,079,000.00	260,000.00	-	51,507,000.00	-	-	92,846,000.00	104,411,000.00
Bond Anticipation Notes Payable	-	21,326,739.00	-	-	8,005,000.00	-	-	29,331,739.00	27,383,536.00
Capital Leases Payable	-	2,100,446.00	-	-	-	-	-	2,100,446.00	-
Green Trust Loans Payable	-	26,884.77	-	-	-	-	-	26,884.77	78,023.74
NJIB Loans Payable	-	1,204,676.26	-	-	214,255.51	-	-	1,418,931.77	1,739,503.42
Reserve for Receivables	2,784,780.35	-	-	2,485,237.05	-	-	-	5,270,017.40	6,022,359.26
Accrued Interest on Bonds and Notes	-	-	-	976,068.71	-	-	-	976,068.71	1,015,565.01
Deposits for Tax Sale Redemption/Premiums	-	-	7,484,499.90	-	-	-	-	7,484,499.90	8,735,013.28
Other Reserves	212,027.65	-	-	-	-	-	-	212,027.65	20,972.34
Escrow	-	-	8,282,398.65	-	-	-	-	8,282,398.65	8,283,347.90
Investment in General Fixed Assets	-	-	-	-	-	-	135,182,071.84	135,182,071.84	109,894,869.25
Fund Balance	15,966,341.96	590,828.19	2.00	3,235,134.72	126,993.73	467.10	-	19,919,767.70	13,696,465.67
	<u>\$ 50,154,843.94</u>	<u>\$ 100,510,708.00</u>	<u>\$ 27,743,858.69</u>	<u>\$ 9,732,285.14</u>	<u>\$ 224,551,060.32</u>	<u>\$ 467.10</u>	<u>\$ 135,182,071.84</u>	<u>\$ 547,875,295.03</u>	<u>\$ 490,654,305.89</u>

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

**COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE – CURRENT AND UTILITY OPERATING FUNDS**

Year Ended December 31, 2021

	Current Fund	Utility Operating Fund	Total
Revenues and Other Income Realized			
Fund Balance Utilized	\$ 6,900,000.00	\$ 550,000.00	\$ 7,450,000.00
Sewer Rents and Connection Fees	-	19,680,650.75	19,680,650.75
Miscellaneous Revenues Realized	11,786,900.56	59,267.89	11,846,168.45
State Aid	19,166,830.00	-	19,166,830.00
State and Federal Grants	10,415,282.87	-	10,415,282.87
Receipts from Delinquent Taxes	132,060.67	-	132,060.67
Amounts to be Raised by Taxes for Support of Municipal Budget			
Local Tax for Municipal Purposes	103,823,072.78	-	103,823,072.78
Local Library Tax	3,087,550.00	-	3,087,550.00
Subtotal Revenues	<u>155,311,696.88</u>	<u>20,289,918.64</u>	<u>175,601,615.52</u>
Other Credits to Income	<u>5,971,962.65</u>	<u>1,134,389.17</u>	<u>7,106,351.82</u>
Total Revenues	<u>161,283,659.53</u>	<u>21,424,307.81</u>	<u>182,707,967.34</u>
Expenditures			
Current Fund Within "CAPS"			
General Government	1,046,476.25	11,796,081.32	12,842,557.57
Department of Administration	1,308,253.23	-	1,308,253.23
Department of Finance	1,641,091.60	-	1,641,091.60
Department of Law	1,931,350.96	-	1,931,350.96
Department of Engineering, Planning and Inspection	4,234,458.99	-	4,234,458.99
Department of Economic Development/Technology	726,292.90	-	726,292.90
Department of Public Safety	44,792,429.24	-	44,792,429.24
Department of Public Works	24,159,953.03	-	24,159,953.03
Department of Health, Recreation and Welfare	2,983,828.30	-	2,983,828.30
Separate Boards and Agencies	124,400.00	-	124,400.00
Unclassified Purposes	22,222,374.00	-	22,222,374.00
Deferred Charges and Statutory Expenditures	15,776,405.79	955,200.00	16,731,605.79
Current Fund Excluded from "CAPS"			
General Government	4,382,706.34	-	4,382,706.34
Public and Private Programs	10,445,282.87	-	10,445,282.87
Capital Improvements	724,000.00	-	724,000.00
Debt Service	11,246,854.64	5,755,000.00	17,001,854.64
Reserve for Uncollected Taxes	845,146.36	-	845,146.36
Subtotal Expenditures	<u>148,591,304.50</u>	<u>18,506,281.32</u>	<u>167,097,585.82</u>
Other Charges	<u>75,443.72</u>	<u>1,634,022.68</u>	<u>1,709,466.40</u>
Total Expenditures	<u>148,666,748.22</u>	<u>20,140,304.00</u>	<u>168,807,052.22</u>
Excess in Revenues	12,616,911.31	1,284,003.81	13,900,915.12
Adjustments to Income			
Expenditures Included Above that are, by Statute, Deferred Charges to Budget of Succeeding Year Overexpenditure of Budget Appropriation	<u>142,733.31</u>	<u>-</u>	<u>142,733.31</u>
Statutory Excess to Fund Balance	12,759,644.62	1,284,003.81	14,043,648.43
Fund Balance, Beginning of Year	<u>10,106,697.34</u>	<u>2,501,130.91</u>	<u>12,607,828.25</u>
Subtotal	22,866,341.96	3,785,134.72	26,651,476.68
Less Fund Balance Utilized	<u>6,900,000.00</u>	<u>550,000.00</u>	<u>7,450,000.00</u>
Fund Balance, End of Year	<u>\$ 15,966,341.96</u>	<u>\$ 3,235,134.72</u>	<u>\$ 19,201,476.68</u>

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET AND ACTUAL - CURRENT FUND**

Year Ended December 31, 2021

	Budget	Actual	Variance
Revenues and Other Income Realized			
Fund Balance Utilized	\$ 6,900,000.00	\$ 6,900,000.00	\$ -
Miscellaneous Revenues Realized	11,235,920.90	11,786,900.56	550,979.66
State Aid	19,166,830.00	19,166,830.00	-
State and Federal Grants	10,415,282.87	10,415,282.87	-
Receipts from Delinquent Taxes	200,000.00	132,060.67	(67,939.33)
Amounts to be Raised by Taxes for Support of Municipal Budget			
Local Tax for Municipal Purposes	100,289,508.25	103,823,072.78	3,533,564.53
Local Library Tax	3,087,550.00	3,087,550.00	-
Subtotal Revenues	<u>151,295,092.02</u>	<u>155,311,696.88</u>	<u>4,016,604.86</u>
Other Credits to Income	-	5,971,962.65	5,971,962.65
Total Revenues	<u>151,295,092.02</u>	<u>161,283,659.53</u>	<u>9,988,567.51</u>
Expenditures			
Current Fund Within "CAPS"			
General Government	1,049,573.00	1,046,476.25	3,096.75
Department of Administration	1,310,800.00	1,308,253.23	2,546.77
Department of Finance	1,753,350.00	1,641,091.60	112,258.40
Department of Law	1,939,000.00	1,931,350.96	7,649.04
Department of Engineering, Planning and Inspection	4,346,200.00	4,234,458.99	111,741.01
Department of Economic Development/Technology	733,400.00	726,292.90	7,107.10
Department of Public Safety	45,808,040.00	44,792,429.24	1,015,610.76
Department of Public Works	24,508,100.00	24,159,953.03	348,146.97
Department of Health, Recreation and Welfare	4,046,480.00	2,983,828.30	1,062,651.70
Separate Boards and Agencies	124,400.00	124,400.00	-
Unclassified Purposes	22,222,374.00	22,222,374.00	-
Deferred Charges and Statutory Expenditures	15,776,705.79	15,776,405.79	300.00
Current Fund Excluded from "CAPS"			
General Government	4,389,550.00	4,382,706.34	6,843.66
Public and Private Programs	10,445,282.87	10,445,282.87	-
Capital Improvements	724,000.00	724,000.00	-
Debt Service	11,272,690.00	11,246,854.64	25,835.36
Reserve for Uncollected Taxes	845,146.36	845,146.36	-
Subtotal Expenditures	<u>151,295,092.02</u>	<u>148,591,304.50</u>	<u>2,703,787.52</u>
Other Charges	-	75,443.72	(75,443.72)
Total Expenditures	<u>151,295,092.02</u>	<u>148,666,748.22</u>	<u>2,628,343.80</u>
Excess in Revenues	<u>\$ -</u>	<u>12,616,911.31</u>	<u>\$ 12,616,911.31</u>
Adjustments to Income			
Expenditures Included Above that are, by Statute, Deferred Charges to Budget of Succeeding Year Overexpenditure of Budget Appropriation		<u>142,733.31</u>	
Statutory Excess to Fund Balance		12,759,644.62	
Fund Balance, Beginning of Year		<u>10,106,697.34</u>	
Subtotal		22,866,341.96	
Less Fund Balance Utilized		<u>6,900,000.00</u>	
Fund Balance, End of Year		<u>\$ 15,966,341.96</u>	

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
-BUDGET AND ACTUAL - UTILITY OPERATING FUND**

Year Ended December 31, 2021

	Budget as Modified	Actual	Variance
Revenues and Other Income Realized			
Fund Balance Anticipated	\$ 550,000.00	\$ 550,000.00	\$ -
Sewer Rents and Connection Fees	17,946,722.00	19,680,650.75	1,733,928.75
Miscellaneous Revenues	100,000.00	59,267.89	(40,732.11)
Total Budget Revenue	18,596,722.00	20,289,918.64	1,693,196.64
Other Credits to Income	-	1,134,389.17	1,134,389.17
Total Revenues	18,596,722.00	21,424,307.81	2,827,585.81
Expenditures			
Operating Expenses	11,886,522.00	11,796,081.32	90,440.68
Debt Service	5,755,000.00	5,755,000.00	-
Other Expenses	955,200.00	955,200.00	-
Subtotal Expenditures	18,596,722.00	18,506,281.32	90,440.68
Other Charges	-	1,634,022.68	(1,634,022.68)
Total Expenditures	18,596,722.00	20,140,304.00	(1,543,582.00)
Statutory Excess to Fund Balance	\$ -	1,284,003.81	\$ 1,284,003.81
Fund Balance, Beginning of Year		2,501,130.91	
Subtotal		3,785,134.72	
Less: Fund Balance Utilized		550,000.00	
Fund Balance, End of Year		\$ 3,235,134.72	

INDIVIDUAL FUND FINANCIAL STATEMENTS

CURRENT FUND

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

A

**CURRENT FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE**

December 31, 2021 and 2020

ASSETS	December 31,		LIABILITIES, RESERVES AND FUND BALANCE	December 31,	
	2021	2020		2021	2020
Cash and Investments - Treasurer	\$ 37,008,100.26	\$ 20,907,680.54	Prepaid Taxes	\$ 2,946,057.88	\$ 2,483,331.80
Cash - Change Fund	3,981.00	3,981.00	Tax Overpayments	-	29,629.24
Due from Grant Fund	-	590,168.00	Accounts Payable	610,038.32	65,245.16
Due from CDBG Trust Fund	-	100,000.00	Appropriation Reserves	5,426,396.59	6,431,757.73
Due from Capital Fund	182,614.77	-	Due to State of New Jersey:		
Due from State of N.J. per Chap. 73, P.L. 1976	269,668.88	276,915.44	State Marriage License Fees	3,645.00	3,050.00
	<u>37,464,364.91</u>	<u>21,878,744.98</u>	DCA Training Fees	53,878.00	102,834.00
			Due to Grant Fund	3,755,143.96	-
Receivables and Other Assets With			Due to Trust Fund	3,995,872.94	-
Full Reserves:			Due to Sewer Capital Fund	112,354.40	-
Taxes Receivable	3,741.50	17,784.82	County Taxes Payable	402,448.50	117,605.50
Tax Title Liens Receivable	2,225,588.28	3,103,503.35	Due to County for PILOT	55,116.15	55,116.15
Fire District Receivables	33,743.00	-	Reserve for Fire Consolidation	212,027.65	-
Assessed Value	367,045.00	367,045.00	Reserve for CARES	-	20,972.34
Revenue Accounts Receivable	154,662.57	45,476.37	Reserve for Encumbrances	4,067,776.87	2,465,911.51
	<u>2,784,780.35</u>	<u>3,533,809.54</u>		<u>21,640,756.26</u>	<u>11,775,453.43</u>
Deferred Charges:			Reserve for Receivables	2,784,780.35	3,533,809.54
Overexpenditures	142,733.31	3,405.79	Fund Balance	15,966,341.96	10,106,697.34
Total Current Fund	<u>40,391,878.57</u>	<u>25,415,960.31</u>	Total Current Fund	<u>40,391,878.57</u>	<u>25,415,960.31</u>
Grant Fund:			Grant Fund:		
Cash and Investments - Treasurer	3,682,312.72	1,018,260.81	Reserve for Encumbrances	606,789.02	238,450.30
State & Federal Grants Receivable	2,325,508.69	2,173,141.97	Due to Current Fund	-	590,168.00
Due from Current Fund	3,755,143.96	-	Reserve for State & Federal Grants:		
	<u>9,762,965.37</u>	<u>3,191,402.78</u>	Appropriated	6,264,023.10	2,330,400.83
Total Grant Fund			Unappropriated	2,892,153.25	32,383.65
			Total Grant Fund	<u>9,762,965.37</u>	<u>3,191,402.78</u>
Total Current Fund	<u>\$ 50,154,843.94</u>	<u>\$ 28,607,363.09</u>	Total Current Fund	<u>\$ 50,154,843.94</u>	<u>\$ 28,607,363.09</u>

See notes to financial statements.

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

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**CURRENT FUND
STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**

Years Ended December 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
<u>REVENUE AND OTHER INCOME</u>		
Fund Balance Utilized	\$ 6,900,000.00	\$ 3,384,650.00
Miscellaneous Revenues Anticipated	41,369,013.43	32,504,464.81
Receipts from Delinquent Taxes	132,060.67	298,560.96
Receipts from Current Taxes	286,474,770.82	280,755,577.43
Non-Budget Revenue	1,682,688.41	236,821.90
Other Credits to Income:		
Unexpended Balance of Prior Year Approp. Res. Lapsed	4,289,274.24	2,709,389.42
Grant Appropriations Canceled	-	590,168.00
Total Revenue and Other Income	<u>340,847,807.57</u>	<u>320,479,632.52</u>
<u>EXPENDITURES</u>		
Budget Appropriations:		
Operations:		
Salaries and Wages	62,514,522.84	43,551,842.80
Other Expenses	57,484,074.87	42,270,405.14
Deferred Charges and Statutory Expenditures	15,776,705.79	10,017,933.30
Capital Improvements	724,000.00	-
Municipal Debt Service	11,246,854.64	10,517,761.81
Special District Taxes Levied	-	28,880,832.00
County Taxes Levied	56,041,716.40	55,598,473.48
Local District School Taxes Levied	124,367,578.00	122,188,658.54
Refund of Prior Year Revenue	75,443.72	96,360.19
Total Expenditures	<u>328,230,896.26</u>	<u>313,122,267.26</u>
Excess in Revenues	12,616,911.31	7,357,365.26
Adjustments to Income before Fund Balance:		
Expenditures Included Above Which are by Statute Deferred Charges to Budget of Succeeding Years	<u>142,733.31</u>	<u>3,405.79</u>
Statutory Excess to Fund Balance	12,759,644.62	7,360,771.05
Fund Balance - January 1	<u>10,106,697.34</u>	<u>6,130,576.29</u>
Subtotal	22,866,341.96	13,491,347.34
Decreased by:		
Utilized as Anticipated Revenue	<u>6,900,000.00</u>	<u>3,384,650.00</u>
Fund Balance - December 31	<u><u>\$ 15,966,341.96</u></u>	<u><u>\$ 10,106,697.34</u></u>

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

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**CURRENT FUND
STATEMENT OF REVENUES AND OTHER CREDITS TO INCOME**

Year Ended December 31, 2021

	Anticipated		Realized	Excess (Deficit)
	2021 Budget	N.J.S.A. 40A:4-87		
Surplus Anticipated	\$ 6,900,000.00	\$ -	\$ 6,900,000.00	\$ -
Miscellaneous Revenues:				
Licenses:				
Alcoholic Beverage	95,000.00	-	128,781.00	33,781.00
Other	110,000.00	-	181,931.45	71,931.45
Fees and Permits:				
Other	655,000.00	-	618,296.24	(36,703.76)
Fines and Costs:				
Municipal Court	710,000.00	-	713,046.12	3,046.12
Interest and Costs on Taxes	675,000.00	-	546,015.94	(128,984.06)
Interest on Investments and Deposits	175,000.00	-	6,393.68	(168,606.32)
Cable Franchise Fees	1,198,706.88	-	1,198,706.88	-
Housing, Site and Contractor Fees	880,000.00	-	665,978.85	(214,021.15)
Energy Receipts Tax	19,166,830.00	-	19,166,830.00	-
Payments in Lieu of Taxes - Low Cost Housing	300,000.00	-	563,999.05	263,999.05
Reimbursement for Administrative Service:				
Free Public Library	200,000.00	-	200,000.00	-
Sewer Operating Fund	500,000.00	-	500,000.00	-
Admin Fee - Police Outside Services	257,214.02	-	257,214.02	-
Uniform Construction Code Fees	2,700,000.00	-	3,312,983.31	612,983.31
Special Items:				
NJDOH Strengthening Local Public Health	142,236.00	291,042.00	433,278.00	-
NJDOH Childhood Lead Program	-	53,000.00	53,000.00	-
NJ Fire Consolidation Services	150,000.00	1,850,000.00	2,000,000.00	-
NJDEP Hazardous Discharge Site Remediation Fund	-	246,001.00	246,001.00	-
NJDOT - Yardville Hamilton Sq	655,000.00	-	655,000.00	-
NJDOT - Industrial Drive	590,000.00	-	590,000.00	-
Clean Communities	-	189,553.84	189,553.84	-
Recycling Tonnage	200,305.00	-	200,305.00	-
Drunk Driving Enforcement Fund Grant	6,483.31	-	6,483.31	-
Distracted Driving	12,000.00	-	12,000.00	-
Municipal Alcohol Education & Rehab Program	-	66,157.27	66,157.27	-
Drive Sober or GPO	-	9,000.00	9,000.00	-
Body Armor	10,996.45	-	10,996.45	-
Body Worn Camera	-	134,508.00	134,508.00	-
Click it or Ticket	7,500.00	-	7,500.00	-
COVID-19 Vaccination Supplemental Funding	-	100,000.00	100,000.00	-
American Rescue Plan	-	5,700,000.00	5,700,000.00	-
ANJEC Open Space Stewardship	-	1,500.00	1,500.00	-

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

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**CURRENT FUND
STATEMENT OF REVENUES AND OTHER CREDITS TO INCOME (CONTINUED)**

Year Ended December 31, 2021

	Anticipated		Realized	Excess (Deficit)
	2021 Budget	N.J.S.A. 40A:4-87		
Miscellaneous Revenues (Cont'd.):				
Ecological Facility	100,000.00	-	92,732.00	(7,268.00)
HUD Administrative Reimbursements & HCVP	150,000.00	-	9,135.14	(140,864.86)
American Metro - Payment in Lieu of Taxes	730,000.00	-	756,675.22	26,675.22
Golf Center	50,000.00	-	143,882.66	93,882.66
Sayen House/Gardens, Kuser Rental Fees	50,000.00	-	108,021.39	58,021.39
Hotel Fees	200,000.00	-	322,242.00	122,242.00
Fire Protection Revenues	600,000.00	-	560,865.61	(39,134.39)
General Capital Surplus	900,000.00	-	900,000.00	-
Total Miscellaneous Revenues	<u>32,177,271.66</u>	<u>8,640,762.11</u>	<u>41,369,013.43</u>	<u>550,979.66</u>
Receipts from Delinquent Taxes	200,000.00	-	132,060.67	(67,939.33)
Amount to be Raised by Taxation for Support of Municipal Budget:				
Local Tax for Municipal Purposes Including Reserve for Uncollected Taxes	100,289,508.25	-	103,823,072.78	3,533,564.53
Local Tax for Municipal Library	3,087,550.00	-	3,087,550.00	-
Total Amount to be Raised by Taxation	<u>103,377,058.25</u>	<u>-</u>	<u>106,910,622.78</u>	<u>3,533,564.53</u>
Budget Totals	142,654,329.91	8,640,762.11	155,311,696.88	4,016,604.86
Non-Budget Revenues	-	-	1,682,688.41	1,682,688.41
	<u>\$ 142,654,329.91</u>	<u>\$ 8,640,762.11</u>	<u>\$ 156,994,385.29</u>	<u>\$ 5,699,293.27</u>
Analysis of Non-Budget Revenues:				
Cellular Tower Rentals			\$ 61,826.10	
Recycling			4,309.35	
Tax Office			148,221.71	
FEMA Reimbursement			5,385.08	
Fire Consolidation			27,483.65	
Miscellaneous			116,267.82	
Sale of Municipal Assets			1,319,194.70	
			<u>\$ 1,682,688.41</u>	
Analysis of Realized Revenues:				
Allocation of Current Tax Collection:				
Revenue from Collection:				
Collections by Cash:				
Year 2021	\$ 283,233,189.02			
Year 2020	2,483,331.80			
Sr. Cit. & Vet. Deduction Reimbursement	<u>758,250.00</u>		\$ 286,474,770.82	
School and County Taxes			<u>180,409,294.40</u>	
			106,065,476.42	
Add: Reserve for Uncollected Taxes			<u>845,146.36</u>	
			<u>\$ 106,910,622.78</u>	
Receipts from Delinquent Taxes:				
Delinquent Tax Collection			\$ 16,871.18	
Tax Title Lien Collection			115,189.49	
			<u>\$ 132,060.67</u>	

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

**CURRENT FUND
STATEMENT OF EXPENDITURES**

Year Ended December 31, 2021

	2021 Budget	Budget After Modification	Expended			Unexpended Balance Canceled	Overexpenditure
			Paid	Encumbered	Reserved		
Operations Within "CAPS"							
<u>GENERAL GOVERNMENT:</u>							
Office of the Mayor							
Salaries and Wages	\$ 374,000.00	\$ 374,000.00	\$ 360,192.96	\$ -	\$ 12,523.01	\$ 1,284.03	\$ -
Other Expenses	18,353.00	18,353.00	13,331.40	2,363.98	2,657.62	-	-
Township Council							
Salaries and Wages	78,500.00	78,500.00	78,332.04	-	167.96	-	-
Other Expenses	34,200.00	34,200.00	25,997.21	600.00	7,602.79	-	-
Office of the Municipal Clerk							
Salaries and Wages	360,000.00	360,000.00	355,688.43	-	2,498.85	1,812.72	-
Other Expenses	184,520.00	184,520.00	69,188.55	69,636.73	45,694.72	-	-
<u>DEPARTMENT OF ADMINISTRATION:</u>							
Business Administrator							
Salaries and Wages	342,000.00	342,000.00	326,964.95	-	13,587.16	1,447.89	-
Other Expenses	43,000.00	43,000.00	7,715.63	31,609.50	3,674.87	-	-
Human Resources							
Salaries and Wages	320,000.00	320,000.00	311,593.98	-	8,406.02	-	-
Other Expenses	15,450.00	15,450.00	11,077.77	3,281.24	1,090.99	-	-
Division of Budget and Purchasing							
Salaries and Wages	410,000.00	410,000.00	378,263.33	-	30,637.79	1,098.88	-
Other Expenses	18,350.00	18,350.00	14,650.02	3,670.77	29.21	-	-
Postage Costs	162,000.00	162,000.00	149,150.52	4,690.90	8,158.58	-	-
<u>DEPARTMENT OF FINANCE:</u>							
Financial Administration:							
Salaries and Wages	360,000.00	360,000.00	214,132.29	7,547.51	62,984.40	75,335.80	-
Other Expenses	306,350.00	306,350.00	234,735.37	66,493.61	5,121.02	-	-
Annual Audit	71,000.00	71,000.00	15,700.00	25,000.00	30,300.00	-	-
Division of Assessments							
Salaries and Wages	440,000.00	440,000.00	428,926.97	-	10,824.39	248.64	-
Other Expenses	126,000.00	126,000.00	71,824.99	15,088.62	39,086.39	-	-
Division of Revenue Collection							
Salaries and Wages	392,000.00	392,000.00	303,777.71	-	51,548.33	36,673.96	-
Other Expenses	58,000.00	58,000.00	35,574.14	11,287.96	11,137.90	-	-

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

**CURRENT FUND
STATEMENT OF EXPENDITURES (CONTINUED)**

Year Ended December 31, 2021

	2021 Budget	Budget After Modification	Expended			Unexpended Balance Canceled	Overexpenditure
			Paid	Encumbered	Reserved		
Operations Within "CAPS" (Cont'd.)							
<u>DEPARTMENT OF LAW:</u>							
Legal Services							
Salaries and Wages	411,000.00	411,000.00	409,753.08	-	1,246.92	-	-
Other Expenses	118,690.00	118,690.00	39,404.71	17,587.60	61,697.69	-	-
Municipal Prosecutor							
Salaries and Wages	89,000.00	89,000.00	87,647.04	-	1,352.96	-	-
Municipal Court							
Salaries and Wages	1,132,000.00	1,132,000.00	1,056,537.60	-	67,813.36	7,649.04	-
Other Expenses	118,310.00	118,310.00	57,491.19	12,385.11	48,433.70	-	-
Public Defender							
Salaries and Wages	70,000.00	70,000.00	67,919.00	-	2,081.00	-	-
<u>DEPARTMENT OF ENGINEERING, PLANNING AND INSPECTIONS:</u>							
Division of Engineering							
Salaries and Wages	530,000.00	520,000.00	489,424.92	-	30,575.08	-	-
Other Expenses	168,000.00	168,000.00	110,463.30	50,113.58	7,423.12	-	-
Community Planning & Compliance							
Salaries and Wages	646,000.00	636,000.00	537,657.12	-	55,350.91	42,991.97	-
Other Expenses	24,000.00	24,000.00	4,551.75	17,209.82	2,238.43	-	-
Zoning Board							
Salaries and Wages	102,500.00	102,500.00	94,779.09	-	7,720.91	-	-
Other Expenses	350.00	350.00	-	194.48	155.52	-	-
Affordable Housing							
Salaries and Wages	150,000.00	150,000.00	6,918.93	-	143,081.07	-	-
Office on Housing Inspections							
Salaries and Wages	395,000.00	395,000.00	374,154.34	-	20,845.66	-	-
Other Expenses	18,350.00	18,350.00	13,556.22	3,091.35	1,702.43	-	-
Uniform Construction Code							
Salaries and Wages	1,532,000.00	1,532,000.00	1,210,433.94	3,281.52	249,535.50	68,749.04	-
Other Expenses	800,000.00	800,000.00	771,061.20	17,992.46	10,946.34	-	-
<u>DEPARTMENT OF ECONOMIC DEVELOPMENT:</u>							
Salaries and Wages	87,000.00	87,000.00	85,897.73	-	1,102.27	-	-
Other Expenses	11,400.00	11,400.00	5,173.88	689.98	5,536.14	-	-
Division of Information Technology							
Salaries and Wages	382,000.00	382,000.00	350,151.41	-	24,741.49	7,107.10	-
Other Expenses	253,000.00	253,000.00	125,813.45	124,959.56	2,226.99	-	-

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

**CURRENT FUND
STATEMENT OF EXPENDITURES (CONTINUED)**

Year Ended December 31, 2021

	2021 Budget	Budget After Modification	Expended			Unexpended Balance Canceled	Overexpenditure
			Paid	Encumbered	Reserved		
Operations Within "CAPS" (Cont'd.)							
<u>DEPARTMENT OF PUBLIC SAFETY:</u>							
Police Division							
Salaries and Wages	23,650,000.00	23,650,000.00	22,031,766.52	-	691,806.74	926,426.74	-
Other Expenses	1,281,000.00	1,281,000.00	692,515.75	398,464.47	190,019.78	-	-
Purchase of Police Vehicles	24,000.00	24,000.00	-	-	24,000.00	-	-
Office of Emergency Management							
Other Expenses	67,040.00	67,040.00	23,996.04	4,408.78	38,635.18	-	-
Fire Department							
Salaries and Wages	17,400,000.00	17,817,000.00	17,623,755.13	-	104,060.85	89,184.02	-
Other Expenses	3,417,000.00	2,969,000.00	1,347,566.19	1,428,005.26	193,428.55	-	-
<u>DEPARTMENT OF PUBLIC WORKS:</u>							
Public Works							
Salaries and Wages	4,225,000.00	4,028,000.00	3,635,326.68	-	167,330.34	225,342.98	-
Other Expenses	688,000.00	688,000.00	530,685.22	106,603.28	50,711.50	-	-
Other Public Works Functions							
Salaries and Wages	99,825.00	99,825.00	87,593.58	-	9,642.54	2,588.88	-
Other Expenses	19,835.00	21,835.00	16,083.66	3,812.33	1,939.01	-	-
Division of Buildings and Grounds							
Salaries and Wages	2,200,000.00	2,130,000.00	1,936,290.42	-	126,329.23	67,380.35	-
Other Expenses	497,000.00	572,000.00	415,084.32	134,555.65	22,360.03	-	-
Solid Waste Collection & Recycling							
Salaries and Wages	115,000.00	115,000.00	111,772.05	-	3,227.95	-	-
Other Expenses	5,381,740.00	5,381,740.00	4,709,247.86	439,103.30	233,388.84	-	-
Maintenance of Motor Vehicles							
Salaries and Wages	1,198,000.00	1,223,000.00	1,184,728.85	-	36,656.11	1,615.04	-
Other Expenses	619,000.00	809,000.00	685,261.07	123,517.27	221.66	-	-
Landfill/Solid Waste Disposal Costs	5,800,000.00	5,800,000.00	5,174,294.94	468,210.88	157,494.18	-	-
Maintenance of Parks							
Salaries and Wages	3,000,000.00	2,975,000.00	2,796,368.33	-	139,477.99	39,153.68	-
Other Expenses	376,000.00	376,000.00	290,499.37	62,021.79	23,478.84	-	-
Division of Citizen Response							
Salaries and Wages	286,000.00	286,000.00	245,179.94	-	28,754.02	12,066.04	-
Other Expenses	2,700.00	2,700.00	128.79	78.72	2,492.49	-	-
<u>DEPARTMENT OF HEALTH, RECREATION AND WELFARE:</u>							
Public Health Services							
Salaries and Wages	872,000.00	937,000.00	222,572.69	-	43,609.97	670,817.34	-
Other Expenses	201,350.00	136,350.00	93,916.41	18,261.56	24,172.03	-	-

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

**CURRENT FUND
STATEMENT OF EXPENDITURES (CONTINUED)**

Year Ended December 31, 2021

	2021 Budget	Budget After Modification	Expended			Unexpended Balance Canceled	Overexpenditure
			Paid	Encumbered	Reserved		
Operations Within "CAPS" (Cont'd.)							
<u>DEPARTMENT OF HEALTH, RECREATION AND WELFARE (CONT'D.):</u>							
Environmental Health Services							
Salaries and Wages	426,000.00	426,000.00	245,408.17	-	60,603.22	119,988.61	-
Other Expenses	25,150.00	25,150.00	10,798.73	903.58	13,447.69	-	-
Animal Control Services							
Salaries and Wages	593,000.00	593,000.00	517,994.93	-	36,512.86	38,492.21	-
Other Expenses	168,490.00	168,490.00	132,146.48	31,362.49	4,981.03	-	-
Division of Recreation							
Salaries and Wages	451,000.00	451,000.00	395,654.67	-	53,149.15	2,196.18	-
Other Expenses	481,000.00	481,000.00	240,350.10	147,287.62	93,362.28	-	-
Office of Senior Citizens' Programs							
Salaries and Wages	546,000.00	546,000.00	194,282.25	-	124,797.77	226,919.98	-
Other Expenses	131,190.00	131,190.00	55,805.36	21,675.67	53,708.97	-	-
Vacant/Abandoned Property							
Salaries and Wages	155,000.00	148,050.00	143,437.19	-	375.43	4,237.38	-
Other Expenses	3,250.00	3,250.00	1,267.60	472.05	1,510.35	-	-
<u>SEPARATE BOARDS AND AGENCIES:</u>							
Environmental Commission (N.J.S.A. 40:56A-81 et seq.)							
Salaries and Wages	700.00	700.00	175.00	-	525.00	-	-
Other Expenses	4,600.00	4,600.00	975.00	700.00	2,925.00	-	-
Zoning Board of Adjustment							
Other Expenses	38,500.00	48,500.00	31,868.77	11,276.80	5,354.43	-	-
Economic Development Commission							
Salaries and Wages	1,000.00	1,000.00	250.00	-	750.00	-	-
Other Expenses	2,700.00	2,700.00	761.70	605.00	1,333.30	-	-
Planning Board							
Other Expenses	38,500.00	55,450.00	37,126.51	11,123.51	7,199.98	-	-
Board of Public Officers							
Salaries and Wages	800.00	800.00	175.00	-	625.00	-	-
Other Expenses	100.00	100.00	-	-	100.00	-	-
Municipal Alliance							
Salaries and Wages	450.00	450.00	-	-	450.00	-	-
Cultural and Arts Commission							
Salaries and Wages	1,000.00	1,000.00	125.00	-	875.00	-	-
Other Expenses	1,500.00	1,500.00	700.00	150.00	650.00	-	-

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

**CURRENT FUND
STATEMENT OF EXPENDITURES (CONTINUED)**

Year Ended December 31, 2021

	2021 Budget	Budget After Modification	Expended			Unexpended Balance Canceled	Overexpenditure
			Paid	Encumbered	Reserved		
Operations Within "CAPS" (Cont'd.)							
<u>SEPARATE BOARDS AND AGENCIES (CONT'D.):</u>							
Redevelopment Board							
Salaries and Wages	1,000.00	1,000.00	-	-	1,000.00	-	-
Other Expenses	1,000.00	1,000.00	-	-	1,000.00	-	-
Shade Tree Commission							
Salaries and Wages	1,000.00	1,000.00	-	-	1,000.00	-	-
Other Expenses	1,000.00	1,000.00	22.62	-	977.38	-	-
Parks and Recreation Commission							
Salaries and Wages	1,000.00	1,000.00	-	-	1,000.00	-	-
Rent Leveling Board							
Salaries and Wages	500.00	500.00	75.00	-	425.00	-	-
Other Expenses	50.00	50.00	-	-	50.00	-	-
Senior Center Advisory Commission							
Salaries and Wages	1,000.00	1,000.00	-	-	1,000.00	-	-
Public Safety Commission							
Salaries and Wages	250.00	250.00	-	-	250.00	-	-
Special Needs Commission							
Salaries and Wages	600.00	600.00	-	-	600.00	-	-
Other Expenses	200.00	200.00	-	-	200.00	-	-
<u>UNCLASSIFIED PURPOSES:</u>							
Utility Expense and Bulk Purchase	3,445,000.00	3,445,000.00	2,597,439.98	160,484.71	687,075.31	-	-
Other Insurance General Liability	516,000.00	516,000.00	506,704.20	-	9,295.80	-	-
Group Insurance	13,120,000.00	13,120,000.00	13,119,743.10	-	256.90	-	-
Self Insurance	2,282,428.00	2,282,428.00	2,282,428.00	-	-	-	-
Property Casualty Insurance	2,598,000.00	2,598,000.00	2,598,000.00	-	-	-	-
Storm Reserves	60,000.00	60,000.00	60,000.00	-	-	-	-
Aid to Museum (N.J.S.A. 40:23-6.22)	6,550.00	6,550.00	-	-	6,550.00	-	-
Center for the Physically Limited (N.J.S.A. 40:13)	19,396.00	19,396.00	19,396.00	-	-	-	-
First Aid Organizations - Contributions	40,000.00	40,000.00	40,000.00	-	-	-	-
Neighborhood Service Center - Contributions	10,000.00	10,000.00	10,000.00	-	-	-	-
Condominium Services Act	125,000.00	125,000.00	-	-	125,000.00	-	-
Total Operations Within "CAPS"	107,872,717.00	107,841,717.00	96,403,353.33	4,061,861.00	4,705,694.17	2,670,808.50	-
<u>DETAIL:</u>							
Salaries and Wages	63,829,125.00	64,017,175.00	58,902,078.26	10,829.03	2,433,459.21	2,670,808.50	-
Other Expenses	44,043,592.00	43,824,542.00	37,501,275.07	4,051,031.97	2,272,234.96	-	-

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

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**CURRENT FUND
STATEMENT OF EXPENDITURES (CONTINUED)**

Year Ended December 31, 2021

	2021 Budget	Budget After Modification	Expended			Unexpended Balance Canceled	Overexpenditure
			Paid	Encumbered	Reserved		
DEFERRED CHARGES AND STATUTORY EXPENDITURES - MUNICIPAL - <u>WITHIN "CAPS":</u>							
Deferred Charges:							
Prior Year's Bills	300.00	300.00	-	-	-	300.00	-
Prior Year Overexpenditure	3,405.79	3,405.79	3,405.79	-	-	-	-
Statutory Expenditures:							
Contributions to:							
Public Employees Retirement System	3,169,000.00	3,169,000.00	3,040,554.35	-	128,445.65	-	-
Police and Firemen's Retirement System	9,789,000.00	9,789,000.00	9,786,992.26	-	2,007.74	-	-
Social Security System (O.A.S.I.)	2,727,000.00	2,727,000.00	2,200,263.82	-	526,736.18	-	-
DCRP	18,000.00	18,000.00	14,734.44	-	3,265.56	-	-
Unemployment Compensation Insurance	70,000.00	70,000.00	70,000.00	-	-	-	-
Total Deferred Charges and Statutory Expenditures - Municipal - Within "CAPS"	15,776,705.79	15,776,705.79	15,115,950.66	-	660,455.13	300.00	-
Total General Appropriations for Municipal Purposes Within "CAPS"	123,649,422.79	123,618,422.79	111,519,303.99	4,061,861.00	5,366,149.30	2,671,108.50	-
<u>Operations Excluded from "CAPS"</u>							
Maintenance of Free Public Library	3,087,550.00	3,087,550.00	3,087,550.00	-	-	-	-
Police Dispatch/911							
Salaries and Wages	1,175,000.00	1,175,000.00	1,115,768.18	-	52,388.16	6,843.66	-
Other Expenses	127,000.00	127,000.00	113,225.00	5,915.87	7,859.13	-	-
STATE AND FEDERAL PROGRAMS <u>OFFSET BY REVENUES:</u>							
NJDOH Strengthening Local Public Health	142,236.00	433,278.00	433,278.00	-	-	-	-
NJDOH Childhood Lead Program	-	53,000.00	53,000.00	-	-	-	-
NJ Fire Consolidation Services	150,000.00	2,000,000.00	2,000,000.00	-	-	-	-
NJDEP Hazardous Discharge Site Remediation Fund	-	246,001.00	246,001.00	-	-	-	-
NJDOT - Yardville Hamilton Sq	655,000.00	655,000.00	655,000.00	-	-	-	-

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

A-3

**CURRENT FUND
STATEMENT OF EXPENDITURES (CONTINUED)**

Year Ended December 31, 2021

	2021 Budget	Budget After Modification	Expended			Unexpended Balance Canceled	Overexpenditure
			Paid	Encumbered	Reserved		
NJDOT - Industrial Drive	590,000.00	590,000.00	590,000.00	-	-	-	-
Clean Communities	-	189,553.84	189,553.84	-	-	-	-
Recycling Tonnage	200,305.00	200,305.00	200,305.00	-	-	-	-
Drunk Driving Enforcement Fund Grant	6,483.31	6,483.31	6,483.31	-	-	-	-
Distracted Driving	12,000.00	12,000.00	12,000.00	-	-	-	-
Municipal Alcohol Education & Rehab Program	-	66,157.27	66,157.27	-	-	-	-
Drive Sober or GPO	-	9,000.00	9,000.00	-	-	-	-
Body Armor	10,996.45	10,996.45	10,996.45	-	-	-	-
Body Worn Camera	-	134,508.00	134,508.00	-	-	-	-
Click it or Ticket	7,500.00	7,500.00	7,500.00	-	-	-	-
COVID-19 Vaccination Supplemental Funding	-	100,000.00	100,000.00	-	-	-	-
American Rescue Plan	-	5,700,000.00	5,700,000.00	-	-	-	-
ANJEC Open Space Stewardship	-	1,500.00	1,500.00	-	-	-	-
Matching Funds for Historical Society	30,000.00	30,000.00	30,000.00	-	-	-	-
Total Operations Excluded from "CAPS"	6,194,070.76	14,834,832.87	14,761,826.05	5,915.87	60,247.29	6,843.66	-
DETAIL:							
Salaries and Wages	1,175,000.00	1,175,000.00	1,115,768.18	-	52,388.16	6,843.66	-
Other Expenses	5,019,070.76	13,659,832.87	13,646,057.87	5,915.87	7,859.13	-	-
CAPITAL IMPROVEMENTS EXCLUDED FROM "CAPS":							
Capital Improvement Fund	724,000.00	724,000.00	724,000.00	-	-	-	-
Total Capital Improvements Excluded from "CAPS"	724,000.00	724,000.00	724,000.00	-	-	-	-
MUNICIPAL DEBT SERVICE EXCLUDED FROM "CAPS":							
Payment of Bond Principal	8,035,000.00	8,035,000.00	8,035,000.00	-	-	-	-
Interest on Bonds	1,702,000.00	1,702,000.00	1,689,833.74	-	-	12,166.26	-
Payment of BANs & Capital Notes	390,500.00	390,500.00	390,297.00	-	-	203.00	-
Interest on Notes	191,000.00	191,000.00	190,034.88	-	-	965.12	-
Capital Lease	540,000.00	571,000.00	570,884.88	-	-	115.12	-
Special Assessment Interest	11,900.00	11,900.00	11,900.00	-	-	-	-

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

A-3

**CURRENT FUND
STATEMENT OF EXPENDITURES (CONTINUED)**

Year Ended December 31, 2021

	2021 Budget	Budget After Modification	Expended			Unexpended Balance Canceled	Overexpenditure
			Paid	Encumbered	Reserved		
Green Trust Loan Program							
Payment of Principal	52,000.00	52,000.00	51,138.97	-	-	861.03	-
Payment of Interest	1,290.00	1,290.00	1,287.44	-	-	2.56	-
NJEIT/NJIB							
Payment of Principal	296,000.00	296,000.00	286,352.52	-	-	9,647.48	-
Payment of Interest	22,000.00	22,000.00	20,125.21	-	-	1,874.79	-
Total Municipal Debt Service Excluded from "CAPS"	<u>11,241,690.00</u>	<u>11,272,690.00</u>	<u>11,246,854.64</u>	<u>-</u>	<u>-</u>	<u>25,835.36</u>	<u>-</u>
Total General Appropriations for Municipal Excluded from "CAPS"	<u>18,159,760.76</u>	<u>26,831,522.87</u>	<u>26,732,680.69</u>	<u>5,915.87</u>	<u>60,247.29</u>	<u>32,679.02</u>	<u>-</u>
Subtotal General Appropriations	141,809,183.55	150,449,945.66	138,251,984.68	4,067,776.87	5,426,396.59	2,703,787.52	-
Reserve for Uncollected Taxes	<u>845,146.36</u>	<u>845,146.36</u>	<u>845,146.36</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total General Appropriations	<u>\$ 142,654,329.91</u>	<u>\$ 151,295,092.02</u>	<u>\$ 139,097,131.04</u>	<u>\$ 4,067,776.87</u>	<u>\$ 5,426,396.59</u>	<u>\$ 2,703,787.52</u>	<u>\$ -</u>
Adopted Budget		\$142,654,329.91					
Appropriated N.J.S.A. 40A:4-87		<u>8,640,762.11</u>					
		<u>\$151,295,092.02</u>					
Cash Disbursed			\$127,806,701.81				
State & Federal Grants Appropriated			10,445,282.87				
Reserve for Uncollected Taxes			<u>845,146.36</u>				
			<u>\$139,097,131.04</u>				

TRUST FUND

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

B

**TRUST FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE**

December 31, 2021 and 2020

<u>ASSETS</u>	Balance December 31, 2021	Balance December 31, 2020	<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	Balance December 31, 2021	Balance December 31, 2020
Trust Assessment Fund:			Trust Assessment Fund:		
Cash and Investments - Treasurer	\$ 406,529.95	\$ 516,529.95	Prepaid Assessments	\$ 9,332.15	\$ 9,332.15
Assessments Receivable	530,763.04	694,759.88	Reserve for Assessments, Liens and Assessment Lien Interest and Costs	2,737,931.83	2,936,928.67
Assessment Lien, Interest & Costs	899.49	899.49	Serial Bonds Payable	260,000.00	335,000.00
Prospective Assessments Funded	2,069,073.50	2,069,073.50	Fund Balance	2.00	2.00
Total Trust Assessment Fund	<u>3,007,265.98</u>	<u>3,281,262.82</u>	Total Trust Assessment Fund	<u>3,007,265.98</u>	<u>3,281,262.82</u>
Animal Control Trust Fund:			Animal Control Trust Fund:		
Cash and Investments - Treasurer	176,238.39	106,259.24	Reserve for Animal Control	167,122.53	100,198.48
Total Animal Control Trust Fund	<u>176,238.39</u>	<u>106,259.24</u>	Escrow	9,035.90	5,937.00
			Reserve for Encumbrances	62.56	62.56
			Due to State of NJ	17.40	61.20
			Total Animal Control Trust Fund	<u>176,238.39</u>	<u>106,259.24</u>
Recreation Trust Fund:			Recreation Trust Fund:		
Cash and Investments - Treasurer	180,695.52	-	Reserve for Recreation	180,695.52	-
Total Recreation Trust Fund	<u>180,695.52</u>	<u>-</u>	Total Recreation Trust Fund	<u>180,695.52</u>	<u>-</u>
Electronic Receipts Trust Fund:			Electronic Receipts Trust Fund:		
Cash and Investments - Treasurer	7,367.26	-	Reserve for Recreation	7,367.26	-
Total Electronic Receipts Trust Fund	<u>7,367.26</u>	<u>-</u>	Total Electronic Receipts Trust Fund	<u>7,367.26</u>	<u>-</u>
Trust-Other Fund:			Trust-Other Fund:		
Cash and Investments - Treasurer	19,427,453.54	27,202,308.33	Reserve for Encumbrances	397,516.53	582,473.37
Due from Current Fund	3,995,872.94	-	Escrow Funds	6,444,818.99	6,913,497.34
Total Trust-Other Fund	<u>23,423,326.48</u>	<u>27,202,308.33</u>	Performance Guarantees	1,305,235.05	1,305,235.05
			Deposits for Tax Sale Redemp./Premiums	7,484,499.90	8,735,013.28
			Developers Escrow	1,828,543.76	1,363,913.56
			Dedicated Law Enfor. Trust Fund	40,639.81	9,030.66
			Affordable Housing	5,171,233.65	6,285,973.36
			Flexible Spending Account	29,556.13	38,818.82
			Unemployment Trust	46,097.19	138,992.61
			Off-Duty Police	175,390.05	208,025.38
			Storm Recovery	269,020.64	268,604.64
			Payroll Deductions Payable	-	1,228,477.71
			Green Trust Reserve	230,774.78	124,252.55
			Total Trust-Other Fund	<u>23,423,326.48</u>	<u>27,202,308.33</u>

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

B

**TRUST FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE (CONTINUED)**

December 31, 2021 and 2020

ASSETS	Balance December 31, 2021	Balance December 31, 2020	LIABILITIES, RESERVES AND FUND BALANCE	Balance December 31, 2021	Balance December 31, 2020
Emergency Voucher Program Trust Fund:			Emergency Voucher Program Trust Fund:		
Cash and Investments - Treasurer	48,800.00		Reserve for Emergency Voucher	78,055.00	-
Due from Housing Voucher Trust Fund	29,255.00	-	Total Emergency Voucher Trust Fund	78,055.00	-
Total Emergency Voucher Trust Fund	<u>78,055.00</u>	<u>-</u>			
Housing and Community Development Act of 1974:			Housing & Community Development Act of 1974:		
Cash and Investments - Treasurer	163,500.46	153,677.03	Due to Current Fund	-	100,000.00
Accounts Receivable	558,006.04	744,018.31	Reserve for CDBG Grant Projects	721,506.50	797,695.34
Total Housing and Community Development Act of 1974	<u>721,506.50</u>	<u>897,695.34</u>	Total Housing & Community Development Act of 1974	<u>721,506.50</u>	<u>897,695.34</u>
Self-Insurance Trust Fund:			Self-Insurance Trust Fund:		
Cash and Investments - Treasurer	100.96	4,685.72	Reserve for Insurance Claims:		
Total Self-Insurance Trust Fund	<u>100.96</u>	<u>4,685.72</u>	Worker's Compensation	100.96	4,685.72
			Total Self-Insurance Trust Fund	<u>100.96</u>	<u>4,685.72</u>
HUD Housing Voucher Trust Fund:			HUD Housing Voucher Trust Fund:		
Cash and Investments - Treasurer	137,162.60	376,036.44	Reserve for HUD Housing Voucher Program Expenditures	85,762.75	374,583.44
Due from Library	12,140.00	-	Due to EVP Trust Fund	29,255.00	-
Total HUD Housing Voucher Trust Fund	<u>149,302.60</u>	<u>376,036.44</u>	Accounts Payable	34,284.85	1,453.00
			Total HUD Housing Voucher Trust Fund	<u>149,302.60</u>	<u>376,036.44</u>
Total Trust Funds	<u>\$ 27,743,858.69</u>	<u>\$ 31,868,247.89</u>	Total Trust Funds	<u>\$ 27,743,858.69</u>	<u>\$ 31,868,247.89</u>

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

B-1

TRUST ASSESSMENT FUND
STATEMENT OF REVENUES

Year Ended December 31, 2021

	Budget Revenues	Relized
Deficit (General Budget)	<u>\$ 75,000.00</u>	<u>\$ 75,000.00</u>

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

B-2

TRUST ASSESSMENT FUND
STATEMENT OF EXPENDITURES

Year Ended December 31, 2021

	Budget Appropriation	Expended
Payment of Bond Principal	<u>\$ 75,000.00</u>	<u>\$ 75,000.00</u>

GENERAL CAPITAL FUND

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

C

**GENERAL CAPITAL FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE**

December 31, 2021 and 2020

<u>ASSETS</u>	<u>Balance December 31, 2021</u>	<u>Balance December 31, 2020</u>
Cash and Investments - Treasurer	\$ 11,483,610.25	\$ 15,072,658.23
Federal and State Grants Receivable	2,290,000.00	1,045,000.00
Due from State of NJDOT	265,831.78	265,831.78
Due from County of Mercer	-	157,500.00
Deferred Charges to Future Taxation:		
Funded	44,411,007.03	50,616,654.83
Unfunded	42,060,258.94	28,504,181.94
	<u>\$ 100,510,708.00</u>	<u>\$ 95,661,826.78</u>
 <u>LIABILITIES, RESERVES AND FUND BALANCE</u>		
General Serial Bonds	\$ 41,079,000.00	\$ 49,039,000.00
Bond Anticipation Notes	21,326,739.00	21,004,536.00
Environmental Infrastructure Loan	1,204,676.26	1,499,631.09
Due to Current Fund	182,614.77	-
Capital Leases Payable	2,100,446.00	-
Green Trust Project Loan Payable	26,884.77	78,023.74
Reserve for Encumbrances	4,063,737.50	3,404,256.27
Improvement Authorizations:		
Funded	4,811,718.87	7,187,309.21
Unfunded	24,582,167.25	12,172,624.72
Reserve for:		
Capital Improvement Fund	196,708.74	185,508.74
Future Debt Service	345,186.65	39,321.74
Fund Balance	590,828.19	1,051,615.27
	<u>\$ 100,510,708.00</u>	<u>\$ 95,661,826.78</u>

There were Bonds and Notes Authorized but not Issued as of December 31, 2021 and 2020, in the amount of \$20,733,519.94 and \$7,499,645.94, respectively.

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

C-1

**GENERAL CAPITAL FUND
STATEMENT OF FUND BALANCE**

Year Ended December 31, 2021

Balance - December 31, 2020	C	\$ 1,051,615.27
Increased by:		
Premium on Sale of BANS		305,864.91
Improvement Authorizations Canceled		<u>133,348.01</u>
		1,490,828.19
Decreased by:		
Appropriated to Fund Improvement Authorizations		<u>900,000.00</u>
Balance - December 31, 2021	C	<u><u>\$ 590,828.19</u></u>

SEWER UTILITY FUND

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

D

**SEWER UTILITY FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE**

December 31, 2021 and 2020

<u>ASSETS</u>	<u>Balance December 31, 2021</u>	<u>Balance December 31, 2020</u>	<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>Balance December 31, 2021</u>	<u>Balance December 31, 2020</u>
Operating Fund:			Operating Fund:		
Cash and Investments - Treasurer	\$ 7,247,048.09	\$ 6,161,821.56	Prepaid Sewer Rents	\$ 82,302.55	\$ 81,634.79
	<u>7,247,048.09</u>	<u>6,161,821.56</u>	Due to Sewer Capital	-	91,996.67
Receivables With Offsetting Reserves:			Appropriation Reserves	1,318,318.81	1,571,539.29
Sewer Rents Receivable	2,391,668.95	2,394,032.42	Reserve for Encumbrances	1,323,430.55	588,162.14
Sewer Rent Liens Receivable	93,568.10	94,517.30	Reserve for Future Debt Service	311,792.75	311,792.75
	<u>2,485,237.05</u>	<u>2,488,549.72</u>	Accrued Interest on Bonds & Notes	976,068.71	1,015,565.01
				<u>4,011,913.37</u>	<u>3,660,690.65</u>
Total Operating Fund	<u>9,732,285.14</u>	<u>8,650,371.28</u>	Reserve for Receivables	2,485,237.05	2,488,549.72
			Fund Balance	3,235,134.72	2,501,130.91
			Total Operating Fund	<u>9,732,285.14</u>	<u>8,650,371.28</u>
			Capital Fund:		
Cash and Investments - Treasurer	7,965,218.55	9,363,936.46	Serial Bonds	51,507,000.00	55,037,000.00
Account Receivable - State	8,650.65	8,650.65	Bond Anticipation Notes	8,005,000.00	6,379,000.00
Due from Current Fund	112,354.40	91,996.67	NJIB Loan Payable	214,255.51	239,872.33
Fixed Capital	137,237,438.70	134,215,182.90	Reserve for Encumbrances	4,861,310.05	4,261,200.54
Fixed Capital - Auth. and Uncompl.	79,227,398.02	72,291,393.82	Improvement Authorizations:		
Total Capital Fund	<u>224,551,060.32</u>	<u>215,971,160.50</u>	Funded	1,408,613.58	2,080,643.28
			Unfunded	22,903,797.86	15,902,385.58
Assessment Fund:			Reserve for:		
Cash and Investments - Treasurer	467.10	467.10	Capital Improvement Fund	192,775.00	192,775.00
Total Sewer Assessment Fund	<u>467.10</u>	<u>467.10</u>	Reserve for Amortization	135,331,314.59	131,841,730.72
			Fund Balance	126,993.73	36,553.05
Total Sewer Utility Fund	<u>\$ 234,283,812.56</u>	<u>\$ 224,621,998.88</u>	Total Capital Fund	<u>224,551,060.32</u>	<u>215,971,160.50</u>
			Assessment Fund:		
			Fund Balance	467.10	467.10
			Total Sewer Assessment Fund	<u>467.10</u>	<u>467.10</u>
			Total Sewer Utility Fund	<u>\$ 234,283,812.56</u>	<u>\$ 224,621,998.88</u>

There were Bonds and Notes Authorized but not Issued as of December 31, 2021 and 2020, in the amounts of \$21,407,266.62 and \$13,008,973.67, respectively.

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

D-1

**SEWER UTILITY OPERATING FUND
STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**

Year Ended December 31, 2021

	December 31,	
	2021	2020
<u>Revenue and Other Income Realized</u>		
Fund Balance Utilized	\$ 550,000.00	\$ 471,350.00
Sewer Rents	18,983,071.59	17,809,918.20
Sewer Connection Fees	697,579.16	540,640.00
Miscellaneous Revenue not Anticipated	59,267.89	113,259.59
Other Credits to Income:		
Unexpended Balance of Appropriation		
Reserves Lapsed	1,134,389.17	434,170.33
Total Revenues	<u>21,424,307.81</u>	<u>19,369,338.12</u>
 <u>Expenditures</u>		
Budget Appropriations:		
Operating	11,796,081.32	11,661,321.26
Debt Service	5,755,000.00	5,618,911.34
Statutory Expenditures	955,200.00	875,376.41
Other	1,634,022.68	-
Total Expenditures	<u>20,140,304.00</u>	<u>18,155,609.01</u>
 Statutory Excess to Fund Balance	1,284,003.81	1,213,729.11
 Balance - January 1	2,501,130.91	1,758,751.80
	<u>3,785,134.72</u>	<u>2,972,480.91</u>
Decreased by: Utilized in Budget	550,000.00	471,350.00
Balance - December 31	<u>\$ 3,235,134.72</u>	<u>\$ 2,501,130.91</u>

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

D-2

SEWER UTILITY CAPITAL FUND
STATEMENT OF FUND BALANCE

Year Ended December 31, 2021

Balance - December 31, 2020	\$ 36,553.05
Increased by:	
Encumbrances Canceled	<u>90,440.68</u>
Balance - December 31, 2021	<u><u>\$ 126,993.73</u></u>

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

D-3

SEWER UTILITY ASSESSMENT FUND
STATEMENT OF FUND BALANCE

Year Ended December 31, 2021

Balance - December 31, 2021 and 2020	<u><u>\$ 467.10</u></u>
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**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

D-4

SEWER UTILITY OPERATING FUND – STATEMENT OF REVENUES

Year Ended December 31, 2021

	<u>Anticipated</u>	<u>2021 Realized</u>	<u>(Deficit)/ Excess</u>
Operating Fund Balance			
Anticipated	\$ 550,000.00	\$ 550,000.00	\$ -
Sewer Rents	17,406,722.00	18,983,071.59	1,576,349.59
Sewer Connection Fees	540,000.00	697,579.16	157,579.16
Miscellaneous	100,000.00	59,267.89	(40,732.11)
	<u>\$ 18,596,722.00</u>	<u>\$ 20,289,918.64</u>	<u>\$ 1,693,196.64</u>

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

D-5

SEWER UTILITY OPERATING FUND – STATEMENT OF EXPENDITURES

Year Ended December 31, 2021

	2021 Budget	Budget After Modification	Expended			Unexpended Balance Canceled	Overexpenditure
			Paid	Encumbered	Reserved		
Operating:							
Salaries and Wages	\$ 4,855,000.00	\$ 4,855,000.00	\$ 3,996,941.84	\$ -	\$ 767,617.48	\$ 90,440.68	\$ -
Other Expenses	4,715,000.00	4,715,000.00	2,892,331.96	1,323,430.55	499,237.49	-	-
Group Insurance Plan for Employees Self-Insurance Program N.J.S.A. 40A:10-1 et seq.	2,015,280.00	2,015,280.00	2,015,280.00	-	-	-	-
Other Insurance and Surety Bond Premiums	190,326.00	190,326.00	190,326.00	-	-	-	-
110,916.00	110,916.00	110,916.00	-	-	-	-	-
Debt Service:							
Payment of Bond Principal	3,530,000.00	3,530,000.00	3,530,000.00	-	-	-	-
Payment of BANs & Capital Notes	175,000.00	175,000.00	175,000.00	-	-	-	-
Interest on Bonds	1,935,000.00	1,935,000.00	1,935,000.00	-	-	-	-
Interest on Notes	85,000.00	85,000.00	85,000.00	-	-	-	-
EIT Loan Principal	27,000.00	27,000.00	27,000.00	-	-	-	-
EIT Loan Interest	3,000.00	3,000.00	3,000.00	-	-	-	-
Contribution to:							
Public Employees Retirement System	712,000.00	712,000.00	712,000.00	-	-	-	-
Social Security System (O.A.S.I.)	243,200.00	243,200.00	191,736.16	-	51,463.84	-	-
Total Sewer Utility Appropriations	\$ 18,596,722.00	\$ 18,596,722.00	\$ 15,864,531.96	\$ 1,323,430.55	\$ 1,318,318.81	\$ 90,440.68	\$ -

GENERAL FIXED ASSETS ACCOUNT GROUP

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

E

GENERAL FIXED ASSETS ACCOUNT GROUP
STATEMENTS OF GENERAL FIXED ASSETS

<u>Assets</u>	<u>December 31, 2021</u>	<u>December 31, 2020</u>
General Fixed Assets		
Land, Building & Building Improvements	\$ 95,765,306.64	\$ 85,292,300.64
Equipment	11,836,145.15	11,038,757.04
Vehicles	27,580,620.05	13,563,811.57
Total General Fixed Assets	<u>\$ 135,182,071.84</u>	<u>\$ 109,894,869.25</u>
<u>Reserve</u>		
Investment in General Fixed Assets	<u>\$ 135,182,071.84</u>	<u>\$ 109,894,869.25</u>

NOTES TO FINANCIAL STATEMENTS

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The Township of Hamilton ("Township") is managed under the Mayor-Council form of government authorized under Plan F of the "Faulkner Act of 1950". This form of government, adopted in 1976 by Township voters, provides for the direct election of the Mayor and five council members for four-year terms. This form of government provides for the administrative function of government under the Mayor, supported by a Business Administrator and various department heads and for the legislative function under the Township Council.

The Governmental Accounting Standards Board (GASB) established criteria to be used to determine which component units should be included in the financial statements of the oversight entity. The Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division") requires the financial statements of the Township to be reported separately.

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

Description of Funds

The accounting policies of the Township conform to the accounting principles applicable to municipalities which have been prescribed by the Division. Such principles and practices are designed primarily for determining compliance with legal provisions and budgetary restrictions and as a means of reporting on the stewardship of public officials with respect to public funds. Under this method of accounting, the Township accounts for its financial transactions through the following separate funds:

Current Fund - resources and expenditures for governmental operations of a general nature, including federal and state grant funds, except as otherwise noted.

Trust Fund - receipts, custodianship and disbursement of funds in accordance with the purpose for which each reserve was created. Pursuant to the provisions of N.J.S.A. 40A:4-39, the financial transactions of the Housing and Community Development Act of 1974 funds are reported within the Trust Fund. In addition, the financial transactions of the following funds and accounts are also reported within the Trust Fund:

1. Animal Control Trust Fund;
2. Assessment Trust Fund;
3. Unemployment Compensation Trust Fund;
4. Dedicated Law Enforcement Trust Fund;
5. Self-Insurance Trust Fund;
6. Recreation Trust;
7. HUD Housing and Community Development; and
8. Other Dedicated Funds

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Description of Funds (Continued)

General Capital Fund - resources, including federal and state grants in aid of construction, and expenditures for the acquisition of general capital facilities, other than those acquired through the Current Fund, including the status of bonds and notes authorized for said purposes. Debt obligations authorized are also accounted for in the General Capital Fund.

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

Governmental Fixed Assets - the Governmental Fixed Asset Account Group is used to account for fixed assets used in governmental fund type operations for control purposes. Infrastructure assets such as roads, sidewalks, etc. are not capitalized. All governmental fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available or any other reasonable basis, provided such basis is adequately disclosed in the financial statements. No depreciation is recorded on governmental fixed assets.

Basis of Accounting and Measurement Focus

The basis of accounting as prescribed by the Division for its operating funds is generally a modified cash basis for revenue recognition and a modified accrual basis for expenditures.

The GASB is the accepted standards-setting body for establishing governmental accounting and financial reporting principles. The current format for governmental financial reporting was established in GASB Statement 34, *Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments*. The minimum requirements for general purpose external financial statements include:

1. Management's Discussion and Analysis
2. Financial Statements:
 - a. Government-wide Financial Statements
 - b. Fund Financial Statements
 - c. Notes to Financial Statements
3. Required Supplementary Information

The Codification of Governmental Accounting and Financial Reporting Standards recognizes three fund categories as appropriate for the accounting and reporting of the financial position and results of operations in accordance with generally accepted accounting principles. This structure for external financial reporting differs from the organization of funds prescribed under the regulatory basis of accounting utilized by the Township. The resultant presentation of financial position and results of operations in the form of basic financial statements is not intended to present the basic financial statements required by generally accepted accounting principles ("GAAP").

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Accounting and Measurement Focus (Continued)

The accounting principles and practices prescribed for municipalities by the Division differ in certain respects from GAAP applicable to local government units. The most significant is the reporting of Management's Discussion and Analysis and government-wide financial statements, which are not presented in the accompanying regulatory basis financial statements prepared in accordance with accounting principles prescribed by the Division. The other more significant differences between the reporting of Fund Financial Statements under GAAP and the regulatory basis are as follows:

Revenues

Revenues are recorded as received in cash except for regulatory reimbursements and grant funds which are due from other governmental units. State and federal grants, entitlements and shared revenues received for operating purposes are realized as revenues when anticipated in the Township budget. Receivables for property taxes and sewer utility consumer charges are recorded with offsetting reserves within the Current Fund and Sewer Utility Fund, respectively. Other amounts that are due to the Township which are susceptible to accrual are recorded as receivables with offsetting reserves. These reserves are liquidated, and revenues are recorded as realized upon receipt of cash. GAAP fund financial statements requires the recognition of revenues for general operations in the accounting period in which they become available and measurable, with the exception of sewer utility consumer charges, which should be recognized in the period they are earned.

Expenditures

For purposes of financial reporting, expenditures are recorded as "paid or charged" or "appropriation reserves". Paid or charged refers to the Township's "budgetary" basis of accounting. Generally, these expenditures, including those for federal, state and local grants, are recorded when an amount is encumbered for goods or services through the issuance of a purchase order in conjunction with the encumbrance accounting system. Reserves for unliquidated encumbrances at the close of the year are reported as a cash liability. Encumbrances do not constitute expenditures under GAAP. Appropriation reserves refers to unexpended appropriation balances at the close of the year. Appropriation reserves are automatically created and recorded as a cash liability, except for amounts which may be cancelled by the governing body. Appropriation reserves are available until lapsed at the close of the succeeding year, to meet specific claims, commitments or contracts incurred and not recorded in the preceding fiscal year. Lapsed appropriation reserves are recorded as income. Generally, unexpended balances of budget appropriations are not recorded as expenditures under GAAP. Expenditures for compensated absences, i.e., accumulations of earned but unused vacations and sick leave, are recorded in the period in which the payments are made. GAAP requires that expenditures be recorded in the governmental (Current) fund in an amount that would normally be liquidated with available financial resources, and that expenditures be recorded in the enterprise fund (Sewer Utility Fund), on a full accrual basis. Expenditures for the costs of post-employment benefits other than pensions (other post-employment benefits or "OPEB") are recorded in the accounting period in which the payments are made. GAAP requires recognition of the actuarially determined estimated OPEB cost during the employment period of each employee, during which any OPEB benefit is earned.

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Accounting and Measurement Focus (Continued)

For the purposes of calculating the results of Current Fund operations, the regulatory basis of accounting utilized by the Township requires that certain expenditures be deferred and raised as items of appropriation in budgets of succeeding years. These deferred charges include the two general categories of over-expenditures and emergency appropriations. Over-expenditures occur when expenditures recorded as "paid" or "charged" exceed available appropriation balances. Emergency appropriations occur when, subsequent to the adoption of a balanced budget, the governing body authorizes the establishment of additional appropriations based on unforeseen circumstances or for other special purposes as defined by statute. Over-expenditures and emergency appropriations are deducted from total expenditures in the calculation of operating results and are established as assets for Deferred Charges on the Fund balance sheet. GAAP does not permit the deferral of over-expenditures to succeeding budgets. In addition, GAAP does not recognize expenditures based on the authorization of an appropriation. Instead the authorization of special purpose expenditures, such as the preparation of tax maps or revaluation of assessable real property, would represent the designation of fund balance.

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

Compensated Absences

The Township has adopted a written policy procedure manual which sets forth the terms under which an employee may accumulate earned, but unused, vacation and sick leave, establishes the limits on such accumulations and specifies the conditions under which the right to receive payment for such accumulations vests with the employee. The Township records expenditures for payments of earned and unused vacation and sick leave in the accounting period in which the payments are made. GAAP requires that expenditures be recorded in the governmental (Current) fund in an amount that would normally be liquidated with available financial resources, and that expenditures be recorded in the enterprise (Sewer Utility) fund on a full accrual basis.

Property Acquired for Taxes

Foreclosed property is recorded in the Current Fund at the assessed valuation when such property was acquired and is fully reserved. GAAP normally requires such property to be recorded only in the government-wide statement of net position at the lower of cost or fair market value.

Self-Insurance Reserves

Charges to self-insurance reserves are recorded when payments of claims and related expenses are made. Increases to self-insurance reserves are recorded from budgetary appropriations in the accounting period in which budgetary expenditures are recorded. Earnings on investments and miscellaneous reimbursements are credited to reserves when received in cash. GAAP requires that liabilities for incurred claims be recorded as determined actuarially, and that operating transfers to self-insurance funds not exceed the amount determined.

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Accounting and Measurement Focus (Continued)

Interfunds

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

Inventories of Supplies

The cost of inventories of supplies for all funds are recorded as expenditures at the time individual items are purchased. GAAP requires the cost of inventory on hand at the close of the year should be reported on the balance sheet with an offsetting non-spendable fund balance or reserve.

Sale of Municipal Assets

Cash proceeds from the sale of Township-owned property may be realized as revenue or reserved until utilized as an item of revenue in a subsequent year budget. Year-end balances of reserved proceeds are reported as a cash liability in the Current Fund. GAAP requires that revenue be recognized in the accounting period that the terms of the sales contracts become legally enforceable.

Governmental Fixed Assets

Property and equipment acquired by the Current, Trust and the General Capital Funds are recorded as expenditures at the time of purchase and are not capitalized in their own respective funds, with the exception of equipment acquired by the HUD Housing Assistance Fund which is capitalized. The HUD Housing Assistance Fund does not record depreciation on fixed assets. Property and equipment acquired by the Sewer Utility Fund are accumulated in their respective capital accounts at cost. Detailed records of accumulated capitalized costs, by project and/or location are not maintained. Contributions in aid of construction are not capitalized. The balances in the Reserve for Amortization and Deferred Reserve for Amortization accounts in the Sewer Utility Capital Fund represent charges to operations for the costs of acquisitions of property, equipment and improvement and costs funded from sources other than bonded debt of the utility. The utility does not record depreciation on fixed assets. GAAP does not require the establishment of a reserve for amortization for utility fixed assets but does require the recognition of depreciation of these assets as an operating expense of the utility.

Budgets and Budgetary Accounting

An annual budget is required to be adopted and integrated into the accounting system to provide budgetary control over revenues and expenditures. Township budget amounts presented in the accompanying financial statements represent amounts adopted by the Township and approved by the Division in accordance with N.J.S.A. 40A:4 et seq.

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Accounting and Measurement Focus (Continued)

Grants and Awards

The Township receives federal and state grants, awards and financial assistance. The amounts received and expended are reported in the various funds as follows:

Current Fund — Grant, award and assistance programs that support the general operations of the Township, and any program not reported elsewhere.

Trust Fund — Programs for which the Township has received state approval for reporting as dedicated trust funds.

Capital Funds — Programs which represent funding sources for capital projects established by ordinance.

Disclosures about Financial Instruments

The following methods and assumptions were used to estimate the value of each class of financial instruments for which it is practicable to estimate that value:

Cash and cash equivalents and short-term investments: The carrying amount approximates fair value because of the short maturity of those investments.

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

Pension and Post-employment Benefit Expenses

The requirements of GASB Statement 68, *Accounting and Financial Reporting for Pensions* require governmental entities to record their distributive share of net pension liability, deferred outflows of resources, deferred inflows of resources, and total pension related expense. The requirements of GASB Statement 75, *Accounting and Financial Reporting for Post-employment Benefits Other than Pensions* require governmental entities to record on the financial statements their distributive share of net post-employment benefits other than pension (OPEB) liability, deferred outflows of resources, deferred inflows of resources, and total OPEB related expense. Accounting principles applicable to municipalities, which have been prescribed by the Division, do not require the recording of these liabilities, deferrals and expenses, but do require the disclosure of these amounts. Refer to Note K – Pension Plans and Note L – Post-Retirement Benefits for these disclosures.

Use of Estimates

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

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

B. CASH, CASH EQUIVALENTS AND INVESTMENTS

State statutes set forth deposit requirements and investments that may be purchased by local units and the Township deposits and invests its funds pursuant to its policies and an adopted cash management plan.

Cash and Cash Equivalents

New Jersey statutes permit the deposit of public funds in institutions located in New Jersey, which are insured by the Federal Deposit Insurance Corporation (FDIC) or by any other agencies of the United States that insure deposits or the State of New Jersey Cash Management Fund. New Jersey statutes require public depositories to maintain collateral for deposit of public funds that exceed insurance limits to protect deposits from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey.

N.J.S.A. 17:9-41 et. seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with the Act. Public depositories include savings and loan institutions, banks (both state and national banks) and savings banks, the deposits of which are federally insured. All public depositories must pledge collateral, having a market value at least equal to five (5) percent of the average daily balance of collected public funds; or if the public funds deposited exceed 75 percent of the capital funds of the depository, the depository must provide collateral having a market value equal to 100 percent of the amount exceeding 75 percent, to secure the deposits of governmental units.

All collateral must be deposited with the Federal Reserve Bank, the Federal Home Loan Bank Board, or a banking institution that is a member of the Federal Reserve System and has capital funds of not less than \$25,000,000. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the full amount of their deposits to the governmental units.

At December 31, 2021, the Township had the following depository accounts. All deposits are carried at cost. The amount of \$3,445,770.48 held in payroll and agency accounts for the year ended December 31, 2021, is not covered by GUDPA.

	<u>Book Balance</u>
	<u>December 31, 2021</u>
<u>Depository Account</u>	
Cash (demand accounts)	\$ 87,934,605.65
Change funds (on-hand)	3,981.00
	<u>\$ 87,938,586.65</u>
	<u>Bank Balance</u>
	<u>December 31, 2021</u>
<u>Depository Account</u>	
FDIC insured	\$ 1,351,259.28
GUDPA insured	94,415,327.75
	<u>\$ 95,766,587.03</u>

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

B. CASH, CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

The Township follows the disclosure requirements of GASB Statement No. 40, *Deposits and Investment Risk Disclosures* (GASB 40) and accordingly, the Township has assessed the custodial credit risk, the concentration of credit risk, credit risk and interest rate risk of its cash and investments.

Custodial Credit Risk — The Township's deposits are exposed to custodial credit risk if they are not covered by depository insurance and the deposits are uncollateralized, collateralized with securities held by the pledging financial institution, or collateralized with securities held by the pledging financial institution's trust department or agent but not in the depositor-government's name. The deposit risk is that, in the event of the failure of a depository financial institution, the Township will not be able to recover deposits or will not be able to recover collateral securities that are in possession of an outside party. The Township's investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the Township and are held by either the counterparty or the counterparty's trust department or agent but not in the Township's name. The investment risk is that, in the event of the failure of the counterparty to a transaction, the Township will not be able to recover the value of the investment or collateral securities that are in possession of an outside party.

Concentration of Credit Risk — This is the risk associated with the amount of investments that the Township has with any one issuer that exceeds 5 percent or more of its total investments. Investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments are excluded from this requirement. In general, the Township does not have an investment policy regarding concentration of credit risk as all Township investments are in the types of the excluded investments noted.

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

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

Investments

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

1. Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;
2. Government money market mutual funds;
3. Any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided such obligation bears a fixed rate of interest not dependent on any index or other external factor;
4. Bonds or other obligations of the Township or bonds or other obligations of school districts of which the Township is a part and within the school district is located;

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

B. CASH, CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

5. Bonds or other obligations having a maturity date of not more than 397 days from the date of purchase that are approved by the Division of Investment of the Department of Treasury for investment by local units;
6. Local government investment pools;
7. Deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1997, c.281 (C.52:18A-90.4); or
8. Agreements for the repurchase of fully collateralized securities, if: the underlying securities are permitted investments pursuant to paragraphs (1) and (3); the custody of collateral is transferred to a third party; the maturity of the agreement is more than 30 days; and the underlying securities are purchased through a public depository as defined in section 1 of P.L. 1970, c.236 (C.19:9-41) and for which a master repurchase agreement providing for the custody and security of the collateral is executed.

C. UNUSED SICK AND VACATION BENEFITS

The Township has adopted a written Policy Procedure Manual, which sets forth the terms under which an employee may accumulate unused benefits. General Policy is as follows:

Sick Leave - Sick leave for permanent employees accumulates at the rate of one and one quarter (1 1/4) days per month. Any amount of sick leave allowance not used in a calendar year shall accumulate to the employee's credit from year to year to be used if and when needed. Employees having accumulated ten or more of their sick days in a given year have the option to be paid five days wages in lieu of carrying over five of their sick days. Upon normal retirement, or death subsequent to filing for retirement, employees are entitled to receive a lump sum payment as supplemental compensation for each full day of earned and unused accumulated sick leave which is credited to him/her on the effective date of his retirement. Employees who elect a deferred retirement benefit are not eligible for this supplemental compensation payment. Lump sum payments to management employees shall not exceed \$21,000.00.

Vacations - Vacation pay for permanent employees is accumulated in accordance with the approved schedules for his/her respective units. Vacation days shall be taken during the current year and shall not accumulate, except that vacation time may be carried over to the next succeeding year only (maximum twenty days). An employee who has separated his/her employment shall be entitled in time or in pay to any earned vacation accumulated and not previously used (maximum thirty days for upper-level supervisors and management).

The Personnel Division maintains current records of each employee's status relating to earned and unused sick and vacation pay. An estimate of the cost of such unpaid compensation as of December 31, 2021, has been made by the Township in the amount of \$18,286,850.35. This amount is not included in liabilities at December 31, 2021, and represents the full value of compensated absences payable and has not been discounted for estimated termination payments anticipated by the Township. Termination payments are subject to eligibility requirements and payment caps as discussed above. No amounts have been reported as expenditures for any accumulations earned by employees during the current year or any prior periods. Expenditures for payment of unused sick and vacation benefits are recorded in the period in which the payments are made.

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

D. INTERFUNDS

The following Interfund balances remain on the balance sheets at December 31, 2021:

	2021	
	Interfunds Receivable	Interfunds Payable
Current Fund	\$ 3,937,758.73	\$ 7,863,371.30
General Trust Fund	4,025,127.94	29,255.00
General Capital Fund	-	182,614.77
Sewer Operating Fund	-	-
Sewer Capital Fund	112,354.40	-
	<u>\$ 8,075,241.07</u>	<u>\$ 8,075,241.07</u>

The Interfund balances represent short-term loans between the funds that are expected to be liquidated in the following year.

E. DEFERRED CHARGES TO BE RAISED IN SUCCEEDING BUDGETS

The following deferred charge is shown on the December 31, 2021, balance sheet of the Township's Current Fund related to an overexpenditure of 2020 appropriation reserves:

	2021	
	Amount	Raised in Succeeding Year Budget
Current Fund	\$ 142,733.31	\$ -
Sewer Operating Fund	-	-
	<u>\$ 142,733.31</u>	<u>\$ -</u>

F. TAX ABATEMENTS

The Township has entered into several property tax abatement agreements in order to provide incentives to redevelop areas that are in need for improvement or to create economic growth. These agreements are authorized under various New Jersey state statutes. The following represents the Township's most significant tax abatement agreements:

Program/Entity Name	PILOT 2021 Billing	Taxes if Billed in Full	Abated Taxes
Low Income Housing PILOT			
Pond Run Housing	\$ 159,680.00	\$ 350,341.78	\$ 190,661.78
Alvin E. Gershen	147,600.00	293,774.42	146,174.42
McCorristin Square	29,250.00	79,160.38	49,910.38
Project Freedom	12,369.00	133,871.10	121,502.10
	<u>348,899.00</u>	<u>857,147.68</u>	<u>508,248.68</u>
American Metro	1,151,927.00	204,103.91	(947,823.09)
Robert Wood Johnson	271,560.00	1,035,578.31	764,018.31
Total	<u>\$ 1,772,386.00</u>	<u>\$ 2,096,829.90</u>	<u>\$ 324,443.90</u>

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

G. FUND BALANCES APPROPRIATED

Fund balances were appropriated and included as anticipated revenue in their own respective funds for the years ended December 31, as follows:

<u>Fund</u>	<u>Year</u>	<u>Balance December 31</u>	<u>Utilized in Budget of Succeeding Year</u>
Current Fund	2021	\$ 15,966,341.96	\$ 7,495,000.00
	2020	10,106,697.34	6,900,000.00
	2019	6,130,576.29	3,384,650.00
	2018	8,052,392.41	6,600,000.00
	2017	8,217,241.12	5,100,000.00
Sewer Utility Fund	2021	3,235,134.72	1,020,000.00
	2020	2,501,130.91	550,000.00
	2019	1,758,751.80	471,350.00
	2018	1,341,506.36	1,099,900.00
	2017	3,543,267.24	3,000,000.00

H. ASSESSMENT AND COLLECTION OF PROPERTY TAXES

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

The third and fourth installments, for municipal purposes, would equal one-half of an estimated annual tax levy, plus the balance of the full tax levied during the current tax year for school, county and special district purposes. The balance of the full tax for non-municipal purposes is calculated by subtracting amounts due on a preliminary basis from the full tax requirement for the tax year. The first and second installments, for municipal purposes, will be calculated on a percentage of the previous year's billing necessary to bill the amount required to collect the full tax levy, plus the non-municipal portion, which represents the amount payable to each taxing district for the period of January through June 30. If taxes remain delinquent on or after November 11 of the succeeding fiscal year, the delinquent amount is subject to "Tax Sale" which places a tax lien on the property, and allows the holder to enforce the tax lien by collection or foreclosure. New Jersey property tax laws establish property taxes as a lien on real estate as of the first day of the fiscal year of the municipality, even though the full amount due is not known.

Additionally, new legislation constituting P.L. 2010, c. 44, effective July 13, 2010, imposed a two-percent (2%) cap on the tax levy of the municipality with certain exceptions and subject to a number of adjustments. The exclusions from the limit include increases required to be raised for capital expenditures, including debt service, increases in pension contributions in excess of 2%, certain increases in health care over 2%, and extraordinary costs incurred by a local unit directly related to a declared emergency. The governing body of a local unit may request approval, through a public question submitted to the legal voters residing in its territory, to increase the amount to be raised by taxation, and voters may approve increases above 2% not otherwise permitted under the law by an affirmative vote of 50%.

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

H. ASSESSMENT AND COLLECTION OF PROPERTY TAXES (CONTINUED)

As County, School and Special District tax requirements are certified to the County Board of Taxation on a calendar year basis and within a time frame which precludes the certification of a municipal purpose tax certification for the calendar year, the conversion to a fiscal year has necessitated that tax bills be prepared and mailed by the Tax Collector twice annually. The law requires tax bills for the first and second installments to be delivered on or before October 1 of the pre-tax year, and bills for the third and fourth installments to be delivered on or before June 14. The regulatory requirement to deliver tax bills for the first and second installments by October 1 of the pre-tax year requires that these bills utilize assessed valuations from the pre-tax year. As a result, tax bills for the third and fourth installments will also include adjustments to reflect the results of changes in assessed valuations from the pre-tax year to the current tax year.

Accelerated Tax Sale

Commencing with the year ended June 30, 2003, the Township held an accelerated tax sale as allowed by Chapter 99, P.L. 1996. An accelerated tax sale must be held for each subsequent year to keep tax revenues and cash flows consistent from year to year. A tax sale was held on December 14, 2021. The underlying tax collection rate for 2021 was 98.12% prior to the accelerated tax sale and 99.87% after the tax sale.

I. DEBT, DEBT SERVICE AND STATUTORY DEBT CONDITION

Summary of Municipal Debt

	<u>2021</u>
General Capital Bonds and Notes	\$ 62,405,739.00
General Capital Green Trust Program Loans	26,884.77
General Capital Infrastructure Loans	1,204,676.26
General Capital Leases	2,100,446.00
Trust Assessment Fund Bonds and Notes	260,000.00
Sewer Utility Capital Fund Bonds and Notes	59,512,000.00
Sewer Utility Capital Fund Infrastructure Loans	214,255.51
Total Issued	<u>125,724,001.54</u>
Less Fund Temporarily Held to Pay Bonds or Notes:	
General Capital	\$ (345,186.65)
Sewer Utility Operating Fund	(311,792.75)
Total Funds	<u>(656,979.40)</u>
Net Debt Issued	<u>125,067,022.14</u>
Authorized but not Issued	
General Capital Bonds and Notes	\$ 20,733,519.94
Trust Assessment Fund Bonds and Notes	95.00
Sewer Utility Capital Fund Bonds and Notes	21,407,266.62
Total Authorized but not Issued	<u>42,140,881.56</u>
Total Issued & Authorized but not Issued	<u>\$ 167,207,903.70</u>

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

I. DEBT, DEBT SERVICE AND STATUTORY DEBT CONDITION (CONTINUED)

Summary of Statutory Debt Condition – Annual Debt Statements

The summarized statement of debt condition which follows is reported in accordance with the required method for preparation of the annual debt statement and indicates a statutory net debt of 0.928%. Net debt \$86,108,157.72 divided by equalized valuation basis per N.J.S.A. 40A:2-2 as amended of \$9,277,264,804.00 equals 0.928%. The Township's remaining borrowing power is \$238,596,110.42 and 2.572%. The below information is not in agreement with the Annual Debt Statement filed by the Chief Financial Officer. A revised Annual Debt Statement should be filed.

	Gross Debt	Deductions	Net Debt
Local School District Debt	\$ 63,390,000.00	\$ 63,390,000.00	\$ -
Sewer Utility Debt	80,800,215.51	80,800,215.51	-
General Debt	86,108,157.72	-	86,108,157.72
	<u>\$ 230,298,373.23</u>	<u>\$ 144,190,215.51</u>	<u>\$ 86,108,157.72</u>

Equalized Valuation Basis

2019 Equalized Valuation Basis of Real Property	\$ 9,092,964,387.00
2020 Equalized Valuation Basis of Real Property	9,235,625,909.00
2021 Equalized Valuation Basis of Real Property	<u>9,503,204,116.00</u>
Average Equalized Value	<u>\$ 9,277,264,804.00</u>

Borrowing Power under N.J.S.A. 40A:2-6 as amended

3 -1/2% of Equalized Valuation Basis	\$ 324,704,268.14
Net Debt	<u>86,108,157.72</u>
Remaining Borrowing Power	<u>\$ 238,596,110.42</u>

Summary of Regulatory Debt Condition – Annual Debt Statements

Deduction of Self-Liquidating Utility Debt for Statutory Net Debt (N.J.S.A. 40:2-45)

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

	2021
Cash Receipts from Fees, Rents or Other Charges and Surplus Anticipated	<u>\$ 20,279,918.64</u>
Deductions	
Operating and Maintenance Cost	14,375,304.00
Debt Service per Utility Operating Fund	<u>5,755,000.00</u>
	<u>20,130,304.00</u>
	<u>\$ 149,614.64</u>

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

	2021
Excess in Revenues - Cash Basis	\$ 1,284,003.81
Deduct: Other Credits to Income	<u>(1,134,389.17)</u>
Excess in Revenues	<u>\$ 149,614.64</u>

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

I. DEBT, DEBT SERVICE AND STATUTORY DEBT CONDITION (CONTINUED)

Changes in Long-Term Municipal Debt

	Balance December 31, 2020	Additions	Reductions	Balance December 31, 2021
Bonds Payable				
General Capital Fund	\$ 49,039,000.00	\$ -	\$ 7,960,000.00	\$ 41,079,000.00
Trust Assessment Fund	335,000.00	-	75,000.00	260,000.00
Sewer Utility Capital Fund	55,037,000.00	-	3,530,000.00	51,507,000.00
Subtotal	<u>104,411,000.00</u>	<u>-</u>	<u>11,565,000.00</u>	<u>92,846,000.00</u>
Infrastructure Loans Payable				
General Capital Fund	1,499,631.09	-	294,954.83	1,204,676.26
Sewer Utility Capital Fund	239,872.33	-	25,616.82	214,255.51
Subtotal	<u>1,739,503.42</u>	<u>-</u>	<u>320,571.65</u>	<u>1,418,931.77</u>
Green Trust Loans Payable				
General Capital Fund	78,023.74	-	51,138.97	26,884.77
Subtotal	<u>78,023.74</u>	<u>-</u>	<u>51,138.97</u>	<u>26,884.77</u>
Capital Leases Payable				
General Capital Fund	-	2,466,443.00	365,997.00	2,100,446.00
Subtotal	<u>-</u>	<u>2,466,443.00</u>	<u>365,997.00</u>	<u>2,100,446.00</u>
Total Long-Term Debt	<u>\$ 106,228,527.16</u>	<u>\$ 2,466,443.00</u>	<u>\$ 12,302,707.62</u>	<u>\$ 96,392,262.54</u>
Bonds & Notes Authorized but not Issued				
General Capital Fund	\$ 7,499,645.94	\$13,556,077.00	\$ 322,203.00	\$ 20,733,519.94
Trust Assessment Fund	95.00	-	-	95.00
Sewer Utility Capital Fund	13,008,973.67	9,958,260.00	1,559,967.05	21,407,266.62
Subtotal	<u>\$ 20,508,714.61</u>	<u>\$23,514,337.00</u>	<u>\$ 1,882,170.05</u>	<u>\$ 42,140,881.56</u>

Changes in Short-Term Municipal Debt

	Balance December 31, 2020	Additions	Reductions	Balance December 31, 2021
Bond Anticipation Notes				
General Capital Fund	\$ 21,004,536.00	\$21,326,739.00	\$ 21,004,536.00	\$ 21,326,739.00
Sewer Utility Capital Fund	6,379,000.00	8,005,000.00	6,379,000.00	8,005,000.00
Subtotal	<u>\$ 27,383,536.00</u>	<u>\$29,331,739.00</u>	<u>\$ 27,383,536.00</u>	<u>\$ 29,331,739.00</u>

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

I. DEBT, DEBT SERVICE AND STATUTORY DEBT CONDITION (CONTINUED)

Total Debt Issued and Outstanding Detail

	<u>2021</u>
<u>Capital Fund - Serial Bonds</u>	
\$17,425,000 general improvement refunding bonds of 2013, due in annual installments of \$1,615,000 to \$2,050,000 through August 1, 2025, interest at 4.00%	\$ 7,725,000.00
\$4,630,000 pension obligation refunding bonds of 2013, due in annual installments of \$535,000 to \$585,000 through August 1, 2023, interest at 2.11% through 3.12%	1,000,000.00
\$8,046,000 general improvement bonds of 2014, due in annual installments of \$825,000 to \$900,000 through June 1, 2024, interest at 2.00% through 4.00%	2,696,000.00
\$14,703,000 general improvement bonds of 2015, due in annual installments of \$1,500,000 to \$1,600,000 through June 1, 2025, interest at 2.00% through 4.00%	6,398,000.00
\$19,773,000 general improvement bonds of 2017, due in annual installments of \$1,165,000 to \$2,325,000 through June 1, 2028, interest at 4.00% through 5.00%	15,115,000.00
\$7,600,000 general improvement bonds of 2019, due in annual installments of \$375,000 to \$750,000 through May 1, 2030, interest at 2.00% through 2.25%	6,620,000.00
\$3,070,000 general improvement refunding bonds of 2019, due in annual installments of \$20,000 to \$1,525,000 through November 1, 2022, interest at 2.00% through 4.00%	1,525,000.00
<u>Capital Fund - Green Trust Loans</u>	
\$115,841.25 Isaac Pearson Acq., due in semi-annual installments of \$7,203.38 through March 6, 2022, interest at 2.00%	3,693.88
\$461,600 Veterans Park, due in semi-annual installments of \$28,703.76 through March 6, 2022, interest at 2.00%	14,719.96
\$265,655 Tyndale Farm Acq., due in semi-annual installments of \$16,519.28 through March 6, 2022, interest at 2.00%	8,470.93

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

I. DEBT, DEBT SERVICE AND STATUTORY DEBT CONDITION (CONTINUED)

Total Debt Issued and Outstanding Detail (Continued)

Capital Fund - NJIB Loans

\$1,435,000 infrastructure loan, due in annual installments of \$85,000 to \$110,000 through August 1, 2025, interest at 4.250% to 4.375% 369,399.23

\$4,028,778 infrastructure loan, principal only - due in semi-annual installments of \$4,408.24 to \$205,928.39 through August 1, 2025 835,277.03

Capital Fund - Capital Leases

\$7,600,000 capital leases, due in annual installments of \$150,000 to \$376,000 through May 14, 2029, interest at 2.000% to 2.250% 2,100,446.00

Capital Fund - Bond Anticipation Notes

Bond anticipation notes, date of original issue June 11, 2016, May 22, 2018, April 17, 2020, & February 2, 2021, due date February 16, 2022, interest rate at 1.000% through 1.250% 21,326,739.00

Total Capital Fund Debt

\$ 65,737,746.03

Trust Fund - Serial Bonds

\$1,523,000 assessment bonds of 2010, due in annual installments of \$103,000 to \$110,000 through February 1, 2025, interest at 3.125% through 3.625% \$ 260,000.00

Total Trust Fund Debt

\$ 260,000.00

Sewer Utility Fund - Serial Bonds

\$16,505,000 sewer utility refunding bonds of 2013, due in annual installments of \$1,535,000 to \$1,935,000 through August 1, 2025, interest of 4.00% \$ 7,300,000.00

\$14,687,000 sewer utility improvement bonds of 2014, due in annual installments of \$500,000 to \$650,000 through June 1, 2039, interest at 2.00% through 4.00% 11,387,000.00

\$2,300,000 sewer utility improvement bonds of 2014, due in annual installments of \$150,000 to \$200,000 through June 1, 2028, interest at 3.00% through 4.00% 1,350,000.00

\$3,035,000 sewer utility refunding series bonds of 2015, due in annual installments of \$280,000 to \$360,000 through August 1, 2025, interest at 4.00% through 5.00% 1,335,000.00

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

I. DEBT, DEBT SERVICE AND STATUTORY DEBT CONDITION (CONTINUED)

Total Debt Issued and Outstanding Detail (Continued)

Sewer Utility Fund - Serial Bonds (Continued)

\$23,480,000 sewer utility improvement bonds of 2017, (series B) due in annual installments of \$475,000 to \$940,000 through May 1, 2047, interest at 4.00% through 5.00% 20,655,000.00

\$3,556,000 sewer utility improvement bonds of 2019, due in annual installments of \$111,000 to \$220,000 through May 1, 2039, interest at 2.00% through 3.00% 3,330,000.00

\$3,112,000 sewer utility improvement bonds of 2019, due in annual installments of \$105,000 to \$200,000 through May 1, 2039, interest at 3.50% through 3.75% 2,900,000.00

\$3,470,000 sewer utility refunding bonds of 2019, due in annual installments of \$45,000 to \$270,000 through February 1, 2035, interest at 2.00% through 4.00% 3,250,000.00

Sewer Utility Fund - Bond Anticipation Notes

Bond anticipation notes, date of original issue May 22, 2018 and February 3, 2021, due date February 16, 2022, interest rate at 1.25% 8,005,000.00

Sewer Utility Fund - NJIB Loans

\$126,650.65 infrastructure loan, due in annual installments of \$6,214.74 through \$8,841.65 through August 1, 2029, interest at 2.95% through 4.16% 61,988.04

\$4,028,778 infrastructure loan, principal only-due in semi-annual installments totaling \$19,017.85 through August 1, 2029 152,267.47

Total Sewer Utility Fund Debt \$ 59,726,255.51

Total Debt Issued and Outstanding \$ 125,724,001.54

Schedule of Annual Debt Service for Principal and Interest for the Serial Bond Debt Issued and Outstanding

Years	General*		Sewer Utility		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2022	\$ 8,225,000.00	\$ 1,425,483.00	\$ 3,635,000.00	\$ 1,806,794.00	\$ 11,860,000.00	\$ 3,232,277.00
2023	8,000,000.00	1,149,966.80	3,800,000.00	1,666,191.00	11,800,000.00	2,816,157.80
2024	7,606,000.00	866,343.00	3,930,000.00	1,518,593.00	11,536,000.00	2,384,936.00
2025	6,783,000.00	602,863.00	4,150,000.00	1,364,181.00	10,933,000.00	1,967,044.00
2026	3,075,000.00	366,562.50	2,260,000.00	1,191,049.50	5,335,000.00	1,557,612.00
2027-2031	7,650,000.00	734,065.00	10,965,000.00	4,652,755.38	18,615,000.00	5,386,820.38
2032-2036	-	-	10,485,000.00	2,919,878.76	10,485,000.00	2,919,878.76
2037-2041	-	-	7,332,000.00	1,374,968.76	7,332,000.00	1,374,968.76
2042-2046	-	-	4,125,000.00	519,750.00	4,125,000.00	519,750.00
2047	-	-	825,000.00	14,437.50	825,000.00	14,437.50
Total	<u>\$ 41,339,000.00</u>	<u>\$ 5,145,283.30</u>	<u>\$ 51,507,000.00</u>	<u>\$ 17,028,598.90</u>	<u>\$ 92,846,000.00</u>	<u>\$ 22,173,882.20</u>

*The general debt includes the debt of the trust assessment fund.

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

I. DEBT, DEBT SERVICE AND STATUTORY DEBT CONDITION (CONTINUED)

Schedule of Annual Debt Service for Principal and Interest for New Jersey Infrastructure Bank and Green Trust Loans Issued and Outstanding

Loan Agreements – New Jersey Infrastructure Bank

The Township has entered into four loan financing agreements for various improvement programs with the New Jersey Infrastructure Bank (formerly the New Jersey Environmental Infrastructure Trust). The improvement programs are financed through debt issued by the New Jersey Infrastructure Bank. During the year ended December 31, 2021, the Township made payments to the New Jersey Environmental Infrastructure Trust with respect to the loan improvement programs in the amount of \$286,352.52.

Pursuant to the provisions of N.J.S.A. 40A:2-1 et seq., the combined outstanding principal of these loans has been included in the calculation of the Township's statutory debt condition.

Years	General		Sewer Utility		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2022	\$ 291,751.15	\$ 17,937.50	\$ 25,832.61	\$ 2,394.70	\$ 317,583.76	\$ 20,332.20
2023	298,296.89	13,781.26	26,068.40	2,158.92	324,365.29	15,940.18
2024	304,441.88	9,406.26	26,322.22	1,905.10	330,764.10	11,311.36
2025	310,186.34	4,812.50	26,592.48	1,634.84	336,778.82	6,447.34
2026	-	-	26,880.32	1,156.53	26,880.32	1,156.53
2027-2029	-	-	82,559.48	2,313.07	82,559.48	2,313.07
Total	\$ 1,204,676.26	\$ 45,937.52	\$ 214,255.51	\$ 11,563.16	\$ 1,418,931.77	\$ 57,500.68

Loan Agreements – New Jersey Department of Environmental Protection

The Township has entered into three loan financing agreements for the Isaac Pearson Acquisition, Veterans Park and Tyndale Farm Acquisition projects with the New Jersey Department of Environmental Protection (“NJDEP”). The improvement programs are financed through debt issued by the NJDEP under the Green Acres Bond Act of 1978. During the year ended December 31, 2021, the Township made payments to the NJDEP with respect to the loan programs in the amount of \$51,138.97. Pursuant to the provisions of N.J.S.A. 40A:2-1 et seq., the combined outstanding principal of these loans has been included in the calculation of the Township's statutory debt condition.

Year	General	
	Principal	Interest
2022	\$ 26,884.77	\$ 259.54
Total	\$ 26,884.77	\$ 259.54

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

J. FIXED ASSETS

Capital asset activity for the year ended December 31, 2021, was as follows:

	Balance December 31, 2020	Additions	Reductions	Balance December 31, 2021
Land and Buildings	\$ 85,292,300.64	\$ 11,565,006.00	\$ 1,092,000.00	\$ 95,765,306.64
Equipment	11,038,757.04	2,010,956.74	1,213,568.63	11,836,145.15
Vehicles	13,563,811.57	14,424,229.28	407,420.80	27,580,620.05
	<u>\$ 109,894,869.25</u>	<u>\$ 28,000,192.02</u>	<u>\$ 2,712,989.43</u>	<u>\$ 135,182,071.84</u>

In 2021, the Township added fixed assets purchased or completed through capital fund and sewer capital fund improvement projects as well as inclusion of fire district assets as part of the fire consolidation. Approximately \$24 million of the additions in the current year related to buildings, improvements, vehicles and fire apparatus are from the fire districts. The Governmental Fixed Asset Account Group is used to account for fixed assets used in governmental fund type operations for control purposes. Infrastructure assets such as roads, sidewalks, etc. are not capitalized. All governmental fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available or any other reasonable basis, provided such basis is adequately disclosed in the financial statements. No depreciation is recorded on governmental fixed assets.

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

K. PENSION PLANS

A substantial number of the Township's employees participate in the following defined benefit pension plans: Public Employees' Retirement System ("PERS") and Police and Firemen's Retirement System ("PFRS"), which are administered and/or regulated by the New Jersey Division of Pensions and Benefits ("Division of Pensions and Benefits"). Both plans have a board of trustees that are primarily responsible for its administration. The Division of Pensions and Benefits issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to:

State of New Jersey Division of Pensions and Benefits
P.O. Box 295
Trenton, New Jersey 08625-0295

For additional information about PERS or PFRS, please refer to the Division of Pensions and Benefits' Comprehensive Annual Financial Report ("CAFR") which can be found at: <https://www.state.nj.us/treasury/pensions/annual-reports.shtml>.

Plan Descriptions

PERS is a cost-sharing multiple-employer defined benefit pension plan which was established as of January 1, 1955. 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. The following represents the membership tiers for PERS:

<u>Tier</u>	<u>Definition</u>
1	Members who were enrolled prior to July 1, 2007.
2	Members who were eligible to enroll on or after July 1, 2007, and prior to November 2, 2008.
3	Members who were eligible 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 are 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 are 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 with 25 years or more of service credit before age 62, and tier 5 with 30 years or more 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 their respective tier.

PFRS is a cost-sharing multiple-employer defined benefit pension plan. The vesting and benefit provisions are set by N.J.S.A. 43:15A. PFRS provides retirement, death and disability benefits. All benefits vest after ten years of service, except disability benefits, which vest after four years of service. The following represents the membership tiers for PFRS:

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

K. PENSION PLANS (CONTINUED)

Plan Descriptions (Continued)

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

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

The Defined Contribution Retirement Program (“DCRP”) is a multiple-employer defined contribution pension fund established on 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 tax-qualified defined contribution money purchase pension plan under Internal Revenue Code (“IRC”) 401(a) et seq. and is a governmental plan within the meaning of IRC 414(d). The DCRP provides retirement benefits for eligible employees and their beneficiaries. Individuals covered under DCRP are employees enrolled in PERS on or after July 1, 2007, who earn a salary in excess of established “maximum compensation” limits; employees enrolled in PFRS after May 21, 2010, who earn a salary in excess of established “maximum compensation” limits; employees otherwise eligible to enroll in PERS on or after November 2, 2008, who do not earn the \$8,400.00 minimum annual salary for tier 3 enrollment but who earn a salary of at least \$5,000.00 annually; and employees otherwise eligible to enroll in PERS after May 21, 2010, who do not work the 32 minimum hours per week required for tiers 4 or 5 enrollment, but who earn a salary of at least \$5,000.00 annually. The maximum wage limit for 2021 is \$142,800 and is subject to annual adjustment. Members who earn in excess of the annual maximum wage will be enrolled in the DCRP in addition to the PERS.

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

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

K. PENSION PLANS (CONTINUED)

Contributions

The Township is billed annually for its normal contribution plus any accrued liability. Contributions for 2021 included the fire district employees that were consolidated with the Township in 2021. Contribution to PERS from the Township was \$4,069,439 for the plan year ended June 30, 2021. Contribution to PFRS from the Township was \$10,233,827 for the plan year ended June 30, 2021. The Township's total covered payroll for all PERS and PFRS employees was \$25,698,296 and \$31,488,619, respectively, at December 31, 2021. Covered payroll refers to pensionable compensation, rather than total compensation, paid by the Township to active employees covered by the Plan.

The contribution policy for PERS is set by N.J.S.A. 43:15A and requires contributions by active members and contributing employers. The local employers' contribution amounts are based on an actuarially determined rate, which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PERS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in state fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years beginning with the payments due in the fiscal year ended June 30, 2012, and will be adjusted by the rate of return on the actuarial value of assets.

The contribution policy for PFRS is set by N.J.S.A. 43:16A and requires contributions by active members and contributing employers. The local employers' contribution amounts are based on an actuarially determined rate, which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PFRS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in state fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years beginning with the payments due in the fiscal year ended June 30, 2012, and will be adjusted by the rate of return on the actuarial value of assets.

A special funding situation exists for the local employers of PFRS. The State of New Jersey (the "State"), as a non-employer, is required to pay the additional costs incurred by local employers under Chapter 8, P.L. 2000; Chapter 318, P.L. 2001; Chapter 86, P.L. 2001; Chapter 511, P.L. 1991; Chapter 109, P.L. 1979; Chapter 247, P.L. 1993; and Chapter 201, P.L. 2001. The June 30, 2021, state special funding situation net pension liability amount of \$2,055,697,552 is the accumulated difference between the annual actuarially determined state obligation under the special funding situation and the actual state contribution through the valuation date. The state special funding situation pension expense of \$228,944,734 for the plan year ended June 30, 2021, is the actuarially determined contribution amount that the state owes for the plan year ended June 30, 2021. The pension expense is deemed to be a state administrative expense due to the special funding situation.

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

K. PENSION PLANS (CONTINUED)

Contributions (Continued)

Under N.J.S.A. 43:16A-15, local participating employers are responsible for their own contributions based on actuarially determined amounts, except where legislation was passed that legally obligated the state if certain circumstances occurred. The legislation, which legally obligates the state, is as follows: Chapter 8, P.L. 2000; Chapter 318, P.L. 2001; Chapter 86, P.L. 2001; Chapter 511, P.L. 1991; Chapter 109, P.L. 1979; Chapter 247, P.L. 1993; and Chapter 201, P.L. 2001. The amounts contributed on behalf of the local participating employers under this legislation are considered a special funding situation as defined by GASB Statement No. 68 and the State is treated as a non-employer contributing entity. Since the local participating employers do not contribute under this legislation directly to the plan (except for employer-specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers related to this legislation. The State contribution for the plan year ended June 30, 2021, was \$1,568,068. The portion of the non-employer contributing entities' total proportionate share of the collective net pension liability that is associated with the Township is \$18,050,878 and the expense that the Township would record is \$2,010,340.

The contribution policy for DCRP is set by N.J.S.A. 43:15C-3 and requires contributions by active members and contributing employers. 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. In addition to the employee contributions, the Township contributes 3% of the employees' base salary, for each pay period, to Prudential Financial not later than the fifth business day after the date on which the employee is paid for that pay period. For the plan year ended June 30, 2021, the Township's contributions were \$14,734.44. There were no forfeitures during the year.

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

The regulatory basis of accounting, which is the basis for the preparation of the Township's basic financial statements, does not require or permit the inclusion of entity-wide, full accrual basis financial statements. Accordingly, the Township does not recognize pension liabilities for any current or prior period until the fiscal period in which such payments will become due and payable.

At plan years ended June 30, 2021, the Township had a liability of \$41,164,664 for its proportionate share of the net pension liability in PERS and \$64,180,942 for its proportionate share of the net pension liability in PFRS. The pension liability for the June 30, 2021, measurement date for both PERS and PFRS was determined by an actuarial valuation as of July 1, 2020, which was rolled forward to June 30, 2021. The Township's proportion of the net pension liability was based on a projection of the Township's long-term share of contributions to the pension plan relative to the projected contributions of all participating members of the plan, actuarial determined. At plan year ended June 30, 2021, the Township's PERS proportion was 0.347483%, which was a decrease of 0.01108% from its proportion of 0.358568% measured as of June 30, 2020. The Township's PFRS proportion was 0.87809%, which was an increase of 0.00307% from its proportion of 0.87501% measured as of June 30, 2020.

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

K. PENSION PLANS (CONTINUED)

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

At December 31, 2021, the Township's deferred outflows of resources and deferred inflows of resources related to PERS were from the following sources, if GASB 68 was recognized:

	December 31, 2021			
	PERS		PFRS	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 649,218.00	\$ 294,690.00	\$ 732,227.00	\$ 7,688,214.00
Changes in assumptions	214,385.00	14,654,888.00	341,513.00	19,234,736.00
Net difference between projected and actual investment earnings on pension plan investments	-	10,843,853.00	-	27,349,587.00
Changes in proportion	2,449,492.00	3,230,204.00	10,240,787.00	5,309,416.00
Twp contributions subsequent to the measurement date	-	-	-	-
	<u>\$ 3,313,095.00</u>	<u>\$ 29,023,635.00</u>	<u>\$ 11,314,527.00</u>	<u>\$ 59,581,953.00</u>

The Township's 2021 contributions after the measurement date of \$4,069,439 for PERS and \$10,233,827 for PFRS are reflected above as deferred outflows of resources related to pensions.

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

K. PENSION PLANS (CONTINUED)

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

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions would be recognized in pension expense on the GAAP basis as follows:

<u>December 31,</u>	<u>PERS</u>	<u>PFRS</u>
2022	\$ (9,713,067.93)	\$ (17,030,962.61)
2023	(6,935,107.47)	(12,784,181.27)
2024	(4,728,560.70)	(10,969,722.98)
2025	(3,554,472.21)	(10,817,479.23)
2026	1,380.31	(1,364,481.50)
Thereafter	-	(231,969.41)
	<u>\$ (24,929,828.00)</u>	<u>\$ (53,198,797.00)</u>

The average of the expected remaining service lives of all PERS plan members is 5.13, 5.16, 5.21, 5.63, 5.48, and 5.57 years for 2021, 2020, 2019, 2018, 2017, and 2016, respectively. The average of the expected remaining service lives of all PFRS plan members is 6.17, 5.90, 5.92, 5.73, 5.59, and 5.58 years for 2021, 2020, 2019, 2018, 2017, and 2016, respectively.

Actuarial Assumptions

The total pension liability in the June 30, 2021, actuarial valuations was determined using the following actuarial assumptions, applied to all periods included in the measurement:

	<u>2021</u>	
	<u>PERS</u>	<u>PFRS</u>
Inflation rate:		
Price	2.75%	2.75%
Wage	3.25%	3.25%
Salary Increases:		
Through 2026 (based on years of service)	2.00 - 6.00%	
Thereafter (based on years of service)	3.00 - 7.00%	
Through all future years (based on years of service)		3.25%-15.25%
Investment rate of return	7.00%	7.00%

Pre-retirement mortality rates for PERS were based on the Pub-2010 General Below-Median Income Employee Mortality Table with an 82.2% adjustment for males and 101.4% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 General Below-Median Income Healthy Retiree Mortality Table with a 91.4% adjustment for males and 99.7% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability retirement rates used to value disabled retirees were based on the Pub-2010 Non-Safety Disabled Retiree Mortality Table with a 127.7% adjustment for males and 117.2% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2021. The actuarial assumptions used in the July 1, 2020, valuation were based on the results of an actuarial experience study for the period July 1, 2014 to June 30, 2018.

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

K. PENSION PLANS (CONTINUED)

Actuarial Assumptions (Continued)

Pre-retirement mortality rates for PFRS were based on the PubS-2010 Safety Employee Mortality Table with a 105.6% adjustment for males and 102.5% adjustment for females. For healthy annuitants, mortality rates were based on the PubS-2010 Amount-Weighted Mortality Table with a 96.7% adjustment for males and 96.0% adjustment for females. Disability rates were based on the PubS-2010 Non-Safety Disabled Retiree Mortality Table with a 127.7% adjustment for males and 117.2% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2021. The actuarial assumptions used in the July 1, 2020, valuation were based on the results of an actuarial experience study for the period July 1, 2014 to June 30, 2018.

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

Asset Class	Target Allocation	2021
		Long-Term Expected Rate of Return
U.S. equity	27.00%	8.09%
Non-U.S. developed markets equity	13.50%	8.71%
Emerging markets equity	5.50%	10.96%
Private equity	13.00%	11.30%
Real assets	3.00%	7.40%
Real estate	8.00%	9.15%
High yield	2.00%	3.75%
Private credit	8.00%	7.60%
Investment grade credit	8.00%	1.68%
Cash equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	0.95%
Risk mitigation strategies	3.00%	3.35%
	<u>100.00%</u>	

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

K. PENSION PLANS (CONTINUED)

Discount Rate

The PERS and PFRS discount rate used to measure the total pension liability was 7.00% as of June 30, 2021. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the non-employer contributing entity will be based on 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments to determine the total pension liability.

Sensitivity of the Collective Net Pension Liability to Changes in Discount Rate

The following presents the net pension liability of PERS and PFRS calculated using the discount rates as disclosed above as well as what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage rate higher than the current rate:

	PERS		
	At 1% Decrease	At Current Discount Rate	At 1% Increase
June 30, 2021 Discount Rate - 7.00%	\$ 55,835,429.00	\$ 41,164,664.00	\$ 28,412,403.00
	PFRS		
June 30, 2021 Discount Rate - 7.00%	\$ 100,886,509.00	\$ 64,180,942.00	\$ 53,633,668.00

L. POST-RETIREMENT BENEFITS

Local Plan Description

The Township provides a single employer post-employment health benefits plan (the "Local OPEB Plan") for its employees and retirees through a single employer defined benefit healthcare plan. The Township followed the accounting provisions of GASB Statement No. 75, *Accounting and Financial Reporting by Employers for Post-employment Benefits Other Than Pensions*. This statement established guidelines for reporting costs associated with "other post-employment benefits" (OPEB). OPEB costs are calculated based on plan benefits (other than pensions), that the retired employees and their spouses have accrued as a result of their respective years of employment service.

The Township's Local OPEB Plan provides health benefits to all retired Township employees and their spouses, starting at age 55 and 25 years of service. The Local OPEB Plan is a comprehensive health benefits plan which pays for hospital services, doctor expenses and other medical related necessities which include prescription drugs, and mental health/substance abuse services, subject to provisions and limitations. The Local OPEB Plan is not a separate entity or trust and does not issue stand-alone financial statements. Assets are accumulated in a trust that meets the criteria

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

L. POST-RETIREMENT BENEFITS (CONTINUED)

Local Plan Description (Continued)

in paragraph 4 of GASB Statement No. 75. In the Local OPEB Plan there were 572 active and 452 (729 including spouses) retired employees eligible for benefits at December 31, 2021. The Township funds the Local OPEB Plan in the amount of the current annual premium net of employee contributions for all retired participants. One-hundred percent of retirees are expected to participate.

Local OPEB Plan Total OPEB Liability

The Township's Local OPEB Plan total OPEB liability of \$389,349,242 was measured as of December 31, 2021. The components of the Township's Local OPEB Plan total OPEB liability as of December 31, 2021, are as follows:

	<u>2021</u>
Total OPEB liability	\$ 389,349,242.00
Plan Fiduciary Net Position	-
Net OPEB Liability	<u>389,349,242.00</u>
Plan Fiduciary Net Position as a % of total OPEB Liability	 0%
Balance Beginning of Year	\$ 410,859,007.00
Changes for the year:	
Interest Cost	7,963,657.00
Service Cost	9,556,251.00
Changes in assumptions for other inputs:	
Difference between expected & actual experience	(15,748,981.00)
Changes in assumptions	(14,180,692.00)
Benefit Payments	(9,100,000.00)
Net changes	<u>(21,509,765.00)</u>
Balance End of Year	<u>\$ 389,349,242.00</u>

Actuarial Assumptions

The Local OPEB Plan total OPEB liability as of December 31, 2021, was determined by an actuarial valuation as of December 31, 2021, using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified.

Inflation	3.0% per year
Salary increase	3.0% per year
Discount rate	2.25%
Healthcare cost trend rate	Range from 4.5% to 7.5%
Retirees' share of benefit-related costs	Subject to the requirements of Chapter 78

The discount rate was based on the S&P Municipal Bond 20-Year High Grade and Fidelity GO AA-20-Year published yields as of December 31, 2021. Mortality rates were based on the RP Mortality Tables using Scale MP-2016 Full Generational Improvement to the Society of Actuaries

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

L. POST-RETIREMENT BENEFITS (CONTINUED)

Actuarial Assumptions (Continued)

Pub-2010 Public retirement Plans Headcount-weighted General and Public Safety Mortality Tables using Scale MP-2020 Full Generational Improvement. The actuarial assumptions used in the December 31, 2021, valuation and measurement dates were based on the results of an actuarial experience study for the period January 1, 2020 to December 31, 2020, rolled forward to December 31, 2021.

Sensitivity of the Local OPEB Plan Total OPEB Liability

Sensitivity to changes in the discount rate - The following presents the Local OPEB Plan total OPEB liability of the Township, as well as what the Township's Local OPEB Plan total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current discount rate:

	<u>At 1% Decrease</u>	<u>At Current Discount Rate</u>	<u>At 1% Increase</u>
December 31, 2021 Local Plan OPEB Liability - 2.25%	\$ 438,308,928.00	\$ 389,349,242.00	\$ 340,389,555.00

Sensitivity to changes in the healthcare cost trend rate - The following presents the total OPEB liability of the Township, as well as what the Township's total OPEB liability would be if it were calculated using a healthcare cost trend rate that is one percentage point lower or one percentage point higher than the current healthcare cost trend rate:

	<u>At 1% Decrease</u>	<u>At Current Discount Rate</u>	<u>At 1% Increase</u>
December 31, 2021 Local Plan OPEB Liability	\$ 329,604,806.00	\$ 389,349,242.00	\$ 458,813,053.00

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

L. POST-RETIREMENT BENEFITS (CONTINUED)

Local OPEB Plan Expense and Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended December 31, 2021, the Township recognized OPEB expense of \$13,090,008. At December 31, 2021, the Township reported net deferred outflows of resources of \$29,226,155 and deferred inflows of resources related to OPEB of \$48,669,653. These amounts will be amortized in equal installments of over seven years starting in 2022.

	December 31, 2021	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 15,628,085.00	\$ 27,212,833.00
Changes in assumptions	13,598,070.00	21,456,820.00
	<u>\$ 29,226,155.00</u>	<u>\$ 48,669,653.00</u>

The amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

December 31,	Amount
2022	\$ (4,429,900.00)
2023	(4,429,900.00)
2024	(4,429,900.00)
2025	(6,153,798.00)
	<u>\$ (19,443,498.00)</u>

State OPEB Plan Description

The Township also participates in a cost-sharing multiple-employer defined post-retirement benefit plan (the "State OPEB Plan"), which is administered by the State of New Jersey. The State OPEB Plan provides continued health care benefits to employees retiring after twenty-five years of service. Benefits, contributions, funding and the manner of administration are determined by the State of New Jersey Legislature. The Division of Pensions and Benefits charges the Township for its contributions. The total number of retired participants eligible for benefits was 5.

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

L. POST-RETIREMENT BENEFITS (CONTINUED)

State OPEB Plan Description

The GASB Statement No. 75 report of the State Health Benefits Local Government Retired Employees Plan (the "Plan") for the period ended June 30, 2021 (applicable to the Township's year ended December 31, 2021), was not available as of the date of this report. Per Local Finance Notice 2022-12, issued by the Division of Local Government Services, calendar year municipalities are able to include in their annual audits the most recent audited GASB 75 information published by the Division of Pensions and Benefits. Thus, the Township included in the note below disclosures based on the period ended June 30, 2020, audited Plan information. The fire district's OPEB plan information was presented in their separate audit reports and financial statements for the 2020 period and are not included in the OPEB information presented below as a result.

The State OPEB Plan provides medical and prescription drug coverage to retirees and their covered dependents of the participating employers. Under the provisions of Chapter 88, P.L. 1974 and Chapter 48, P.L. 1999, local government employers electing to provide post-retirement medical coverage to their employees must file a resolution with the Division. Under Chapter 88, local employers elect to provide benefit coverage based on the eligibility rules and regulations promulgated by the State Health Benefits Commission. Chapter 48 allows local employers to establish their own age and service eligibility for employer-paid health benefits coverage for retired employees. Under Chapter 48, the employer may assume the cost of post-retirement medical coverage for employees and their dependents who: 1) retired on a disability pension; or 2) retired with 25 or more years of service credit in a State or locally administered retirement system and a period of service of up to 25 years with the employer at the time of retirement as established by the employer; or 3) retired and reached the age of 65 with 25 or more years of service credit in a State or locally administered retirement system and a period of service of up to 25 years with the employer at the time of retirement as established by the employer; or 4) retired and reached age 62 with at least 15 years of service with the employer. Further, the law provides that the employer-paid obligations for retiree coverage may be determined by means of a collective negotiations agreement.

In accordance with Chapter 330, P.L. 1997, which is codified in N.J.S.A. 52:14-17.32i, the State provides medical and prescription drug coverage to local police officers and firefighters, who retire with 25 years of service or on a disability from an employer who does not provide post-retirement medical coverage. Local employers were required to file a resolution with the Division in order for their employees to qualify for State-paid retiree health benefits coverage under Chapter 330. The State also provides funding for retiree health benefits to survivors of local police officers and firefighters who die in the line of duty under Chapter 271, P.L. 1989.

Pursuant to Chapter 78, P.L. 2011, future retirees eligible for post-retirement medical coverage who have less than 20 years of creditable service on June 28, 2011, will be required to pay a percentage of the cost of their health care coverage in retirement provided they retire with 25 or more years of pension service credit. The percentage of the premium for which the retiree will be responsible will be determined based on the retiree's annual retirement benefit and level of coverage. For additional information about the Plan, please refer to the State of New Jersey (the State), Division of Pensions and Benefits' (the Division) Comprehensive Annual Financial Report(CAFR), which can be found at <https://www.state.nj.us/treasury/pensions/financial-reports.shtml>.

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

L. POST-RETIREMENT BENEFITS (CONTINUED)

State OPEB Plan Allocation Methodology

GASB Statement No. 75 requires participating employers in the State OPEB Plan to recognize their proportionate share of the collective net OPEB liability, collective deferred outflows of resources, collective deferred inflows of resources, and collective OPEB expense. The special funding situation's and nonspecial funding situation's net OPEB liability, deferred outflows of resources, deferred inflows of resources, and OPEB expense are based on separately calculated total OPEB liabilities. The nonspecial funding situation's net OPEB liability, deferred outflows of resources, deferred inflows of resources, and OPEB expense are further allocated to employers based on the ratio of the plan members of an individual employer to the total members of the State OPEB Plan's nonspecial funding situation during the measurement period July 1, 2020 through June 30, 2021.

State OPEB Plan Allocation Methodology

For the State OPEB Plan, under Chapter 330, P.L. 1997, the State shall pay the premium or periodic charges for the qualified local police and firefighter retirees and dependents equal to 80 percent of the premium or periodic charge for the category of coverage elected by the qualified retiree under the State managed care plan or a health maintenance organization participating in the program providing the lowest premium or periodic charge. The State also provides funding for retiree health benefits to survivors of local police officers and firefighters who die in the line of duty under Chapter 271, P.L. 1989.

Therefore, these employers are considered to be in a special funding situation as defined by GASB Statement No. 75 and the State is treated as a non-employer contributing entity. Since the local participating employers do not contribute under this legislation directly to the plan, there is no net OPEB liability, deferred outflows of resources or deferred inflows of resources to report in the financial statements of the local participating employers related to this legislation. However, the notes to the financial statements of the local participating employers must disclose the portion of the non-employer contributing entities' total proportionate share of the collective net OPEB liability that is associated with the local participating employer.

State OPEB Plan Net OPEB Liability

The Township's proportionate share of the State OPEB Plan collective net OPEB liability is 0.004798% and \$861,078, as of December 31, 2020, both up from the December 31, 2019, liability of .004471% and \$605,645. The Township's unaudited portion of the non-employer contributing entities' total proportionate share of the State OPEB Plan collective net OPEB liability is .91% as of December 31, 2020, was 0.325183% and \$17,762,481. The components of the Township's State OPEB Plan total OPEB liability as of December 31, 2020, is as follows:

	2020
Total OPEB Liability	\$ 868,988.58
Plan Fiduciary Net Position	7,910.09
Net OPEB Liability	<u>\$ 861,078.49</u>
 Plan Fiduciary Net Position as a % of total OPEB Liability	 0.91%

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

L. POST-RETIREMENT BENEFITS (CONTINUED)

State OPEB Plan Actuarial Assumptions

The State OPEB Plan net OPEB liability as of June 30, 2020, was determined by an actuarial valuation as of June 30, 2019, which was rolled forward to June 30, 2020. The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in. This actuarial valuation used the following actuarial assumption, applied to all periods in the measurement:

Inflation	2.50%
Salary increases*	
PERS	
Initial fiscal year applied	
Through 2026	2.00 - 6.00%
Thereafter	3.00 - 7.00%
PFRS	
Rate for all future years	3.25 - 15.25%

PERS Mortality:

Pub-2010 General classification headcount weighted mortality with fully generational mortality improvement projections from the central year using Scale MP-2020

PFRS Mortality:

Pub-2010 Safety classification headcount weighted mortality with fully generational mortality improvement projections from the central year using Scale MP-2020

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

Actuarial assumptions used in the July 1, 2019, valuation were based on the results of the PFRS and PERS experience studies prepared for July 1, 2013 to June 30, 2018, and July 1, 2014 to June 30, 2018, respectively. One-hundred percent of active members are considered to participate in the Plan upon retirement.

Health Care Trend Assumptions

For pre-Medicare medical benefits, the trend is initially 5.6% and decreases to a 4.5% long-term trend rate after seven years. For post-65 medical benefits, the actual fully insured Medicare Advantage trend rates for fiscal year 2022 through 2023 are reflected. The rates used for 2024 and 2025 are 21.83% and 18.53%, respectively, trending to 4.5% for all future years. For prescription drug benefits, the initial trend rate is 7.00% and decreases to a 4.5% long-term trend rate after seven years.

Discount Rate

The discount rate for plan year ended June 30, 2020, was 2.21%. This represents the municipal bond return rate as chosen by the State. The source is the Bond Buyer GO 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

L. POST-RETIREMENT BENEFITS (CONTINUED)

Sensitivity of the State OPEB Plan Net OPEB Liability

Sensitivity to changes in the discount rate - The following presents the State OPEB Plan collective net OPEB liability of the participating employers as of plan year ended June 30, 2020, calculated using the discount rate as disclosed above as well as what the collective net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	At 1% Decrease	At Current Discount Rate	At 1% Increase
June 30, 2020 State Plan OPEB Liability - 2.21%	\$ 1,017,977.00	\$ 861,078.00	\$ 736,879.00

Sensitivity to changes in the healthcare cost trend rate - The following presents the State OPEB Plan net OPEB liability as of plan years ended June 30, 2020, calculated using the healthcare trend rate as disclosed above as well as what the net OPEB liability would be if it were calculated using a healthcare trend rate that is one percentage point lower or one percentage point higher than the current rate:

	At 1% Decrease	At Current Discount Rate	At 1% Increase
June 30, 2020 State Plan OPEB Liability	\$ 712,543.00	\$ 861,078.00	\$ 1,055,587.00

State OPEB Plan Expense and Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended December 31, 2020, the Township recognized State OPEB Plan credit to expense of (\$108,964). At December 31, 2020, the Township reported net deferred inflows of resources related to the State OPEB Plan of \$680,151.

	2020 State OPEB	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 22,680	\$ 160,349
Changes of assumptions	128,790	191,491
Net difference between projected and actual investment earnings on pension plan investments	547	-
Changes in proportion	63,646	543,974
Township contributions subsequent to the measurement date	-	-
	<u>\$ 215,663</u>	<u>\$ 895,814</u>

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

L. POST-RETIREMENT BENEFITS (CONTINUED)

State OPEB Plan Expense and Deferred Outflows of Resources and Deferred Inflows of Resources (Continued)

The amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Year Ended December 31,</u>	<u>Amount</u>
2021	\$ (20,324.00)
2022	(20,323.00)
2023	(20,381.00)
2024	(20,461.00)
2025	(58,334.00)
Thereafter	(60,000.00)
	<u>\$ (199,823.00)</u>

The previous amounts do not include employer-specific deferred outflows of resources and deferred inflows of resources related to the changes in proportion. These amounts will be recognized (amortized) by the Township over the average remaining service lives of all plan members, which is 7.87, 8.05, 8.14, and 8.04 years for the 2020, 2019, 2018 and 2017 amounts, respectively.

M. RISK MANAGEMENT

Garden State Municipal Joint Insurance Fund

On February 1, 2002, the Township joined the Garden State Municipal Joint Insurance Fund (“GSMJIF” or the “Fund”). This Fund provides for a pooling of self-retained risks of insurable losses, as well as the procurement of cost-effective excess insurance coverage.

Summary of Risk Management Program

The GSMJIF provides the following coverage to its participants:

1. Worker’s Compensation

The Fund covers regulatory less various members’ self-insured retention (SIR). The minimum Fund retention shall be \$500,000.

Employers Liability covers \$13,000,000 less various members’ SIR. The minimum Fund retention shall be \$500,000.

2. General Liability

The Fund covers \$15,000,000 Combined Single Limit (CSL) excess of the Fund’s \$250,000 (subject to annual aggregate limits).

The minimum Fund retention for all general liability coverage shall be \$250,000.

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

M. RISK MANAGEMENT (CONTINUED)

3. Auto Liability

The Fund covers \$15,000,000 Automobile Liability and Property Damage claims (not subject to an aggregate limit). Minimum Fund Retention is \$250,000.

The Fund provides PIP limits of NJ Statutory amounts.

The Fund does provide excess Uninsured/Underinsured Motorist Coverage \$15,000/\$30,000/\$5,000.

4. Property

The Fund has purchased property insurance with total limits of \$600,000,000 and boiler and machinery coverage at limits of \$100,000,000, subject to a members' deductible of \$25,000 and a Fund retention of \$25,000.

5. Public Officials Liability

The Fund covers \$15,000,000 per occurrence, \$30,000,000 in the aggregate per member municipality for each fund year. Fund Retention \$150,000.

Employment Practices Liability (EPL)

The Fund covers \$15,000,000 per occurrence, \$30,000,000 in the aggregate per member local unit for each Fund year.

The minimum Fund retention for EPL shall be \$150,000, Township retention \$10,000.00 plus 20%. Cyber liability is \$1,000,000 per member and \$2,500,000 in the aggregate.

The Township's self-insured risk or deductible for coverage provided through the GSMJIF are as follows:

Workers Compensation: \$50,000 SIR Liability: \$50,000
Auto: \$1,000 Deductible (Qualified Vehicles Only)

The GSMJIF issues publicly available financial reports that include the financial statements and required supplementary information for insurance. The financial reports may be obtained by writing to the Garden State Municipal Joint Insurance Fund, 900 Route 9 North, Suite 503, Woodbridge, New Jersey, 07095-1003.

Pre-2002 Risk Management

Effective for calendar year 1981, in response to rising premiums for traditional risk transfer insurance coverage, the Township instituted a self-insurance risk management program for claims relating to Worker's Compensation, General Liability and Automobile Liability. For loss years 1981 through 1985, the Township obtained reinsurance coverage and umbrella coverage which limited the Township's risk retention to \$100,000 per occurrence

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

M. RISK MANAGEMENT (CONTINUED)

Pre-2002 Risk Management (Continued)

and \$375,000 annual aggregate (stop-loss). Based on non-utilization of these coverages, and in response to prohibitive premiums for diminished coverage, the Township dropped these coverages for 1986 and subsequent periods and retains all risks associated with these coverages. The Township reinstated reinsurance coverage beginning on July 1, 1998. Risk retention was limited to \$100,000 per claim and \$300,000 annual aggregate, in total, up to a maximum of \$5,000,000. The Township engaged an outside claims service bureau to serve as Fund Administrator. Reserves are established by the administrator for estimated benefits and expenses for reported claims.

The Township currently operates a risk management program, which includes a self-insured risk retention, and has established a Self-Insurance Trust Fund to account for this activity.

Reserves available in the Self-Insurance Trust Fund may be utilized to make contributions towards the settlement of the residual claims or the Township may redirect these funds to any other lawful purpose.

Employee Health Benefits

Effective July 1, 2013, the Township revised its risk management plan for the provision of employee health benefits, by entering into a contract with AmeriHealth New Jersey which provides for a risk transfer to the insurer in exchange for the payment of contractual premiums. Employees are required to contribute a portion of the costs of such insurance.

N. DEFERRED COMPENSATION PLAN

The Hamilton Township Deferred Compensation Plan was established pursuant to Section 457 of the IRC and P.L. 1977, C. 381; P.L. 1978, C. 39; and P.L. 1980, C. 78 of the Statutes of New Jersey. The plan is an arrangement whereby a public employer may establish a plan and permit its employees to voluntarily authorize a portion of their current salary to be withheld and invested in one or more of the types of investments permitted under the governing regulations. The deferred compensation plans are administered by MetLife, Mass Mutual and Axa Equitable. The Township does not make any contributions to the plan and the deferred compensation is not available to employees until termination, retirement, death or unforeseeable hardship.

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

The plan's assets are not the property of the Township and therefore, are not presented in the financial statements.

As of December 31, 2021, the amount held in trust amounted to \$37,490,298.67.

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

O. CONTINGENT LIABILITIES

Pending or Threatened Litigation

As of the date of this report, the Township has litigation pending. The majority of this litigation involves claims against the Township relating to matters that traditionally would be covered through the procurement of workers' compensation, automobile and liability insurance policy coverages. As more fully described in Note M, the Township currently manages its risks through participation in the GSMJIF. For GSMJIF covered claims incurred subsequent to February 1, 2002, there are no claims currently outstanding that are anticipated to exceed the combined coverages provided by the GSMJIF through self-insured retention and excess insurance coverages.

The Township provides for its self-insured risk retention on GSMJIF covered claims through an annual budget appropriation. Of the remaining litigation, there are several pending property tax appeals. The merits of this litigation and its potential effects cannot currently be ascertained.

P. COVID-19 IMPACT

On January 30, 2020, the World Health Organization declared the coronavirus outbreak a "Public Health Emergency of International Concern" and on March 10, 2020, declared it to be a pandemic. Actions taken around the world to help mitigate the spread of the coronavirus include restrictions on travel, quarantines in certain areas, and forced closures for certain types of public places and businesses. The coronavirus and actions taken to mitigate it have had and are expected to continue to have an adverse impact on the economies and financial markets of many countries, including the geographical area in which the Township operates. Due to the impact of New Jersey Governor Murphy's Executive Order No. 107 dated March 21, 2020, mandating statewide stay-at-home practices and closure of all non-essential retail businesses, certain Township revenues that declined in 2020 recovered and additional COVID related expenditures and grants were appropriated. It is unknown how long these conditions will last and what the complete financial effect will be to the Township going forward.

Q. FIRE DISTRICT CONSOLIDATION

Pursuant to N.J.S.A. 40A:14-91 and 40A:5A-20, the Township approved Resolution 20-255 and Ordinance 20-010 to dissolve fire districts 1 through 9 and consolidate them as a department of the Township. The consolidation became effective as of January 1, 2021. As a result of the consolidation the cumulative, available fire district cash accounts, fixed assets and related liabilities and reserves were consolidated into the Township current fund statement of assets, liabilities, reserves and fund balance and the general fixed asset account group as applicable. Additionally, the fire district pension and OPEB fringe benefits were incorporated into the Township and the special district tax levy that funded fire district operations were consolidated into the 2021 municipal tax levy value.

R. SUBSEQUENT EVENTS

On February 15, 2022, the Township issued bond anticipation note Series 2022A in the amount of \$37,492,000 consisting of \$23,662,000 general improvement notes and \$13,830,000 in sewer utility notes. This bond anticipation note matures February 14, 2023.

SUPPLEMENTAL SCHEDULES

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

**CURRENT FUND
SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY
Year Ended December 31, 2021**

YEAR	Balance	2021	Cash Collections		Sr. Citizens' and Veterans' Deduction Reimbursement	Transfer to Tax Title Lien	Adjustments and Canceled	Balance
	December 31, 2020		Levy	2020				2021
Prior Years	\$ 17,784.82	\$ -	\$ -	\$ 16,871.18	\$ -	\$ -	\$ 914.00	\$ -
	17,784.82	-	-	16,871.18	-	-	914.00	-
2021	-	286,857,290.08	2,483,331.80	283,233,189.02	758,250.00	146,899.53	231,878.23	3,741.50
	<u>\$ 17,784.82</u>	<u>\$ 286,857,290.08</u>	<u>\$ 2,483,331.80</u>	<u>\$ 283,250,060.20</u>	<u>\$ 758,250.00</u>	<u>\$ 146,899.53</u>	<u>\$ 232,792.23</u>	<u>\$ 3,741.50</u>

Analysis of 2021 Property Tax Levy:

Tax Yield:

General Purpose	\$ 283,383,908.15
Omitted/Added Taxes (N.J.S.A. 54:4-63.1 et seq.)	3,473,381.93

\$ 286,857,290.08

Tax Levy:

Local District School Tax (Abstract)	\$ 124,367,578.00
County Tax (Abstract)	53,316,796.90
County Open Space	2,322,475.00
County Added & Omitted	402,444.50

Local Tax for Municipal Purposes	100,289,508.25
Local Tax for Library Purposes	3,087,550.00
Add: Additional Tax for Mun. Purposes	3,070,937.43

\$ 286,857,290.08

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

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CURRENT FUND
SCHEDULE OF TAX TITLE LIENS
Year Ended December 31, 2021

Balance - December 31, 2020	\$ 3,103,503.35
Increased by:	
Transfer from Taxes Receivable	<u>146,899.53</u>
	3,250,402.88
Decreased by:	
Collections	115,189.49
Adjusted	<u>909,625.11</u>
Balance - December 31, 2021	<u><u>\$ 2,225,588.28</u></u>

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

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CURRENT FUND
SCHEDULE OF OTHER REVENUE ACCOUNTS RECEIVABLE
Year Ended December 31, 2021

Balance - December 31, 2020	\$ 45,476.37
Increased by:	
Billings	<u>154,662.57</u>
Decreased by:	
Collections	<u>45,476.37</u>
Balance - December 31, 2021	<u><u>\$ 154,662.57</u></u>

**TOWNSHIP OF HAMILTON
 COUNTY OF MERCER, STATE OF NEW JERSEY**

**CURRENT FUND
 SCHEDULE OF COUNTY TAXES PAYABLE
 Year Ended December 31, 2021**

	Balance December 31, 2020	Taxes Levied	Cash Disbursements	Balance December 31, 2021
County Taxes	\$ -	\$ 53,316,796.90	\$ (53,316,796.90)	\$ -
County - Open Space	-	2,322,475.00	(2,322,475.00)	-
County - Added & Omitted	117,605.60	402,444.50	(117,605.60)	402,444.50
Local School District Taxes	-	124,367,578.00	(124,367,574.00)	4.00
Total	<u>\$ 117,605.60</u>	<u>\$ 180,409,294.40</u>	<u>\$ (180,124,451.50)</u>	<u>\$ 402,448.50</u>

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

**CURRENT FUND
SCHEDULE OF 2020 APPROPRIATION RESERVES
Year Ended December 31, 2021**

	Reserves Balance		Encumbrance Balance		Balance After Modification	Paid or Charged	Balance Lapsed
	December 31, 2020	Transfers	December 31, 2020				
Operations Within "CAPS"							
Salaries and Wages:							
Office of the Mayor	\$ 25,582.91	\$ -	\$ -	\$ -	\$ 25,582.91	\$ -	\$ 25,582.91
Township Council	1,295.46	-	-	-	1,295.46	-	1,295.46
Office of the Township Clerk	23,919.40	-	-	-	23,919.40	-	23,919.40
Office of the Business Administrator	25,132.69	-	-	-	25,132.69	-	25,132.69
Division of Human Resources	30,169.95	-	-	-	30,169.95	-	30,169.95
Division of Budget and Purchasing	15,149.27	-	-	-	15,149.27	-	15,149.27
Office of Financial Administration	98,361.31	-	-	-	98,361.31	-	98,361.31
Division of Assessments	25,519.15	-	-	-	25,519.15	-	25,519.15
Division of Revenue Collection	40,172.17	-	-	-	40,172.17	15,995.18	24,176.99
Legal Services	2,291.53	-	-	-	2,291.53	1,362.21	929.32
Municipal Prosecutor	7,747.61	-	-	-	7,747.61	-	7,747.61
Municipal Court	150,566.15	-	-	-	150,566.15	-	150,566.15
Public Defender	7,164.91	-	-	-	7,164.91	-	7,164.91
Division of Engineering	-	-	-	-	-	(346.79)	346.79
Affordable Housing	150,000.00	-	-	-	150,000.00	-	150,000.00
Community Planning & Compliance	15,746.21	-	-	-	15,746.21	(933.90)	16,680.11
Zoning Board	14,603.10	-	-	-	14,603.10	-	14,603.10
Housing Inspections	4,289.62	-	-	-	4,289.62	-	4,289.62
Uniform Construction Code	229,169.31	-	-	-	229,169.31	-	229,169.31
Economic Development	5,612.97	-	-	-	5,612.97	-	5,612.97
Police Division/Dept. of Public Safety	761,309.38	-	-	-	761,309.38	904,042.69	(142,733.31)
Office of Public Works	18,886.91	-	-	-	18,886.91	(38,247.91)	57,134.82
Other Public Works	9,168.22	-	-	-	9,168.22	-	9,168.22
Solid Waste Collection & Recycling	19,845.39	-	-	-	19,845.39	-	19,845.39
Maintenance of Motor Vehicles	92,291.78	-	-	-	92,291.78	-	92,291.78
Division of Buildings and Grounds	187,455.49	(30,000.00)	-	-	157,455.49	74,258.29	83,197.20
Maintenance of Parks	256,764.12	-	-	-	256,764.12	56,216.46	200,547.66
Citizens Response	37,766.47	-	-	-	37,766.47	-	37,766.47
Public Health Services	33,391.42	-	-	-	33,391.42	-	33,391.42
Environmental Health Services	44,705.13	-	-	-	44,705.13	22,925.44	21,779.69
Animal Control Services	83,348.09	-	-	-	83,348.09	-	83,348.09
Director of Recreation	89,987.31	-	-	-	89,987.31	-	89,987.31
Sr. Citizens Programs	103,535.62	-	-	-	103,535.62	-	103,535.62
Environmental Commission	835.42	-	-	-	835.42	-	835.42
Economic Development Comm.	250.00	-	-	-	250.00	-	250.00
Board of Public Officers	325.00	-	-	-	325.00	-	325.00
Municipal Alliance	325.00	-	-	-	325.00	-	325.00
Cultural and Arts Commission	775.00	-	-	-	775.00	-	775.00
Shade Tree Commission	175.00	-	-	-	175.00	-	175.00
Parks and Recreation Commission	100.00	-	-	-	100.00	-	100.00
Redevelopment Board	1,000.00	-	-	-	1,000.00	-	1,000.00

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

**CURRENT FUND
SCHEDULE OF 2020 APPROPRIATION RESERVES (CONTINUED)
Year Ended December 31, 2021**

	Reserves Balance December 31, 2020	Transfers	Encumbrance Balance December 31, 2020	Balance After Modification	Paid or Charged	Balance Lapsed
Operations Within "CAPS" (Cont'd)						
Salaries and Wages (Cont'd):						
Rent Leveling Board	375.00	-	-	375.00	-	375.00
Public Safety Commission	250.00	-	-	250.00	-	250.00
Senior Center Advisory Commission	1,000.00	-	-	1,000.00	-	1,000.00
Special Needs Commission	600.00	-	-	600.00	-	600.00
Other Expenses:						
Office of the Mayor	1,410.07	-	4,757.21	6,167.28	3,429.76	2,737.52
Township Council	15,651.23	-	2,906.20	18,557.43	2,484.54	16,072.89
Office of the Township Clerk	77,886.24	-	41,153.83	119,040.07	87,604.06	31,436.01
Office of Business Administrator	5,587.56	-	12,235.47	17,823.03	10,949.84	6,873.19
Division of Human Resources	5,539.10	-	2,182.78	7,721.88	5,232.34	2,489.54
Division of Budget and Purchasing	4,167.40	-	3,726.47	7,893.87	3,799.82	4,094.05
Postage Costs	19,235.28	-	960.00	20,195.28	8,975.00	11,220.28
Office of Financial Administration	2,263.18	-	74,806.91	77,070.09	64,893.12	12,176.97
Audit	9,000.00	-	5,000.00	14,000.00	9,000.00	5,000.00
Division of Assessments	10,857.42	-	51,504.99	62,362.41	3,068.28	59,294.13
Division of Revenue Collection	12,508.41	-	9,612.87	22,121.28	7,464.50	14,656.78
Legal Services	30,264.45	-	22,118.32	52,382.77	(52,032.03)	104,414.80
Municipal Court	58,856.73	-	9,599.26	68,455.99	8,680.93	59,775.06
Division of Engineering	7,940.38	-	82,334.19	90,274.57	54,282.46	35,992.11
Economic Development	47,080.76	-	426,183.62	473,264.38	418,796.05	54,468.33
Community Planning & Compliance	3,463.59	-	15,224.48	18,688.07	7,411.91	11,276.16
Zoning Board	433.50	-	-	433.50	-	433.50
Uniform Construction Code	17,808.75	-	21,589.31	39,398.06	21,347.01	18,051.05
Housing Inspections	4,027.70	-	529.12	4,556.82	523.64	4,033.18
Police Division/Dept. of Public Safety	222,415.75	-	254,484.17	476,899.92	338,180.54	138,719.38
Office of Emergency Management	44,798.45	-	26,049.46	70,847.91	17,007.67	53,840.24
Office of Public Works	68,414.18	30,000.00	139,185.57	237,599.75	206,517.10	31,082.65
Other Public Works Functions	3,016.02	-	7,585.56	10,601.58	6,865.71	3,735.87
Division of Buildings and Grounds	7,183.69	-	106,481.53	113,665.22	102,792.80	10,872.42
Solid Waste Collection & Recycling	203,297.59	-	437,697.62	640,995.21	548,869.40	92,125.81
Maintenance of Motor Vehicles	17,611.28	-	114,574.94	132,186.22	111,084.34	21,101.88
Landfill/Solid Waste Disposal Costs	322,671.36	-	189,811.76	512,483.12	455,667.96	56,815.16
Maintenance of Parks	66,223.02	-	126,895.71	193,118.73	77,716.99	115,401.74

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

A-8

**CURRENT FUND
SCHEDULE OF 2020 APPROPRIATION RESERVES (CONTINUED)
Year Ended December 31, 2021**

	Reserves Balance <u>December 31, 2020</u>	Transfers	Encumbrance Balance <u>December 31, 2020</u>	Balance After Modification	Paid or Charged	Balance Lapsed
Operations Within "CAPS" (Cont'd)						
Other Expenses (Cont'd):						
Division of Citizen Response	754.94	-	748.26	1,503.20	397.18	1,106.02
Public Health Services	36,318.16	-	39,907.50	76,225.66	35,242.50	40,983.16
Environmental Health Services	39.67	-	3,555.90	3,595.57	3,575.22	20.35
Animal Control Services	55,356.74	-	32,594.82	87,951.56	21,189.62	66,761.94
Division of Recreation	93,772.98	-	81,508.03	175,281.01	77,423.75	97,857.26
Office of Senior Citizens Programs	65,221.18	-	13,749.27	78,970.45	6,631.09	72,339.36
Environmental Comm.	4,165.00	-	-	4,165.00	-	4,165.00
Zoning Board of Adjustment	22,554.95	-	4,862.00	27,416.95	9,261.98	18,154.97
Economic Development Comm.	1,503.30	-	462.70	1,966.00	1,032.70	933.30
Planning Board	1,405.36	-	10,193.70	11,599.06	7,876.58	3,722.48
Board of Public Officers	100.00	-	-	100.00	-	100.00
Redevelopment Board	3,808.00	-	-	3,808.00	-	3,808.00
Shade Tree Commission	179.99	-	-	179.99	-	179.99
Cultural and Arts Commission	300.00	-	550.00	850.00	550.00	300.00
Rent Leveling Board	50.00	-	-	50.00	-	50.00
Special Needs Commission	200.00	-	-	200.00	-	200.00
Utility Expense and Bulk Purchase	1,567,828.93	-	85,773.23	1,653,602.16	459,531.70	1,194,070.46
Condominium Services Act	78,978.21	-	-	78,978.21	56,302.65	22,675.56
Group Insurance	346,547.83	-	-	346,547.83	346,547.83	-
DCRP	4,098.47	-	-	4,098.47	-	4,098.47
Public Employees Retirement System	35,000.00	-	-	35,000.00	14,132.04	20,867.96
Social Security System (O.A.S.I.)	153,461.49	-	-	153,461.49	-	153,461.49
Total Operations Within "CAPS"	6,378,217.76	-	2,463,096.76	8,841,314.52	4,605,580.25	4,235,734.27
Operations Excluded from "CAPS"						
Salaries and Wages:						
Police Dispatch/911	46,944.12	-	-	46,944.12	-	46,944.12
Other Expenses:						
Police Dispatch/911	6,595.85	-	2,814.75	9,410.60	2,814.75	6,595.85
Total Operations Excluded from "CAPS"	53,539.97	-	2,814.75	56,354.72	2,814.75	53,539.97
Total Appropriation Reserves	\$ 6,431,757.73	\$ -	\$ 2,465,911.51	\$ 8,897,669.24	\$ 4,608,395.00	\$ 4,289,274.24

**TOWNSHIP OF HAMILTON
 COUNTY OF MERCER, STATE OF NEW JERSEY**

A-9

**CURRENT FUND
 SCHEDULE OF PREPAID TAXES
 Year Ended December 31, 2021**

Balance - December 31, 2020	\$	2,483,331.80
Increased by:		
2022 Prepaid Tax Collections		<u>2,946,057.88</u>
		5,429,389.68
Decreased by:		
Applied to 2021 Taxes		<u>2,483,331.80</u>
Balance - December 31, 2021	\$	<u><u>2,946,057.88</u></u>

**TOWNSHIP OF HAMILTON
 COUNTY OF MERCER, STATE OF NEW JERSEY**

A-10

**CURRENT FUND
 SCHEDULE OF TAX OVERPAYMENTS
 Year Ended December 31, 2021**

Balance - December 31, 2020	\$	29,629.24
Increased by:		
Overpayments in 2021		<u>98,501.49</u>
		128,130.73
Decreased by:		
Refunds		<u>128,130.73</u>
Balance - December 31, 2021	\$	<u><u>-</u></u>

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

**CURRENT FUND
SCHEDULE OF DUE FROM STATE OF NEW JERSEY
Year Ended December 31, 2021**

Balance - December 31, 2020 \$ 276,915.44

Increased by:

Allowable Deductions per Tax Billings (Abstract)	\$	756,750.00
2021 Deductions Allowed by Collector		<u>16,250.00</u>

773,000.00

1,049,915.44

Decreased by:

Cash Received		765,496.56
2021 Deductions Disallowed by Collector		<u>14,750.00</u>

780,246.56

Balance - December 31, 2020 \$ 269,668.88

Analysis of Realized Revenue for 2021:

Deductions Allowed per Tax Billings	\$	756,750.00
2021 Deductions Allowed/Disallowed by Collector (net)		<u>1,500.00</u>

Realized as Revenue - 2021 \$ 758,250.00

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

A-12

**GRANT FUND
SCHEDULE OF STATE AND FEDERAL GRANTS ACCOUNTS RECEIVABLE
Year Ended December 31, 2021**

Grant/Aid Program	Balance December 31, 2020	Realized in 2021 Budget	Received in 2021	Cancelations/ Adjustments	Balance December 31, 2021
<u>CY 2017</u>					
NJDOT Whitehorse Hamilton Sq Rd	\$ 68,750.00	\$ -	\$ -	\$ -	\$ 68,750.00
Distracted Driving	5,500.00	-	-	-	5,500.00
Drunk Driving Enforcement	10,400.38	-	-	-	10,400.38
<u>CY 2018</u>					
NJDOT Yardville Hamilton Sq Rd	126,325.00	-	-	-	126,325.00
Justice Assistance	4,956.90	-	-	-	4,956.90
<u>CY 2019</u>					
Justice Assistance	784.10	-	-	-	784.10
Safe Routes to Schools (Klockner)	342,000.00	-	66,594.38	-	275,405.62
<u>CY 2020</u>					
NJDOT Paxson Avenue	545,000.00	-	-	545,000.00	-
NJDOT South Broad Street	500,000.00	-	-	500,000.00	-
NJACCHO Scholarship Grant & COVID-19 Supplement	40,906.00	-	3,262.23	-	37,643.77
Coronavirus Emergency Supplemental Program	51,329.00	-	-	-	51,329.00
Drive Sober Get Pulled Over	3,579.33	-	3,579.33	-	-
Municipal Alliance	20,611.26	-	8,234.88	-	12,376.38
NJDOH Childhood Lead Program	53,000.00	-	-	-	53,000.00
Safe Routes to School Design Assistance	400,000.00	-	-	-	400,000.00
<u>CY 2021</u>					
Body Armor	-	10,996.45	10,996.45	-	-
Recycling Tonnage	-	200,305.00	200,305.00	-	-
Drunk Driving Enforcement Grant	-	6,483.31	-	-	6,483.31
Distracted Driving Enforcement Grant	-	12,000.00	12,000.00	-	-
NJ DOT Yardville Hamilton Square Rd	-	655,000.00	-	655,000.00	-
NJ DOT Industrial Drive	-	590,000.00	-	590,000.00	-
NJ Fire Consolidation Services	-	2,000,000.00	1,537,500.00	-	462,500.00
Click it or Ticket	-	7,500.00	7,500.00	-	-
NJ DOH Strengthening Local Public Health	-	433,278.00	173,036.00	-	260,242.00
NJ DOH Childhood Lead Program	-	53,000.00	-	-	53,000.00
American Rescue Plan	-	5,700,000.00	5,700,000.00	-	-
Drive Sober/Get Pulled Over Year End Crackdown	-	9,000.00	4,340.67	-	4,659.33
NJ DEP, Hazardous Discharge Site Remediation Fund	-	246,001.00	-	-	246,001.00
NJ Dept of Law Body-Worn Camera	-	134,508.00	-	-	134,508.00
Clean Communities Grant	-	189,553.84	189,553.84	-	-
Municipal Court Alcohol Education	-	44,985.37	44,985.37	-	-
Association of NJ Environ. Commissions Open Space	-	1,500.00	1,000.00	-	500.00
Municipal Court Alcohol Education	-	21,171.90	-	-	21,171.90
COVID-19 Vaccination Supplemental Funding	-	100,000.00	10,028.00	-	89,972.00
	<u>\$ 2,173,141.97</u>	<u>\$ 10,415,282.87</u>	<u>\$ 7,972,916.15</u>	<u>\$ 2,290,000.00</u>	<u>\$ 2,325,508.69</u>

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

A-13

**GRANT FUND
SCHEDULE OF RESERVE FOR STATE AND FEDERAL GRANTS APPROPRIATED
Year Ended December 31, 2021**

	Balance December 31, 2020	Transferred 2021 Budget/ 40A:4-87 Addition	Paid or Charged	Adjusted/ Canceled	Balance December 31, 2021
Parking Adjudication	\$ 330.00	\$ -	\$ -	\$ -	\$ 330.00
SFY 2010:					
Alcohol Education and Rehab	192.11	-	-	-	192.11
CY 2012					
Alcohol Education & Rehab	2,448.58	-	1,000.00	-	1,448.58
CY 2013					
Municipal Court Alcohol Ed. Rehab	10,838.15	-	10,838.15	-	-
CY 2014					
Alcohol Education Rehab	10,746.46	-	9,386.85	-	1,359.61
CY2015					
Alcohol Education Rehab	129.36	-	-	-	129.36
CY2016					
Alcohol Education and Rehab	2,714.82	-	2,200.00	-	514.82
CY2017					
Recycling Tonnage	230.87	-	2,136.75	(3,151.33)	1,245.45
Emergency Management Assistance	9,400.00	-	-	-	9,400.00
Alcohol Education and Rehab	7,539.25	-	2,600.00	-	4,939.25
Municipal Alliance	1,813.59	-	-	-	1,813.59
Drunk Driving Enforcement	1,756.19	-	873.00	-	883.19
Distracted Driving	5,500.00	-	-	-	5,500.00
Drunk Driving Enforcement	9,273.13	-	-	-	9,273.13
CY2018					
NJDHSS Lead Abatement	45,733.70	-	272.25	-	45,461.45
Recycling Tonnage	2,050.65	-	2,050.65	-	-
Department of Justice	4,956.90	-	-	-	4,956.90
NJ Div. Law & Public Safety	4,700.00	-	-	-	4,700.00
Alcohol Education and Rehab	12,499.84	-	6,600.00	-	5,899.84
Click It or Ticket	5,500.00	-	-	-	5,500.00
Drunk Driving Enforcement	8,048.51	-	-	-	8,048.51
CY2019					
Municipal Alliance	12,827.86	-	11,316.81	(8,528.68)	10,039.73
Justice Assistance	15,620.00	-	-	-	15,620.00
Distracted Driving	5,500.00	-	-	-	5,500.00
Drive Sober Get Pulled Over	4,840.00	-	-	-	4,840.00
Clean Communities	3,382.95	-	17,600.00	(17,825.44)	3,608.39

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

A-13

**GRANT FUND
SCHEDULE OF RESERVE FOR STATE AND FEDERAL GRANTS APPROPRIATED (CONTINUED)
Year Ended December 31, 2021**

	Balance December 31, 2020	Transferred 2021 Budget/ 40A:4-87 Addition	Paid or Charged	Adjusted/ Canceled	Balance December 31, 2021
Alcohol Education and Rehab	17,682.44	-	-	-	17,682.44
Safe Routes to Schools (Klockner)	342,000.00	-	-	-	342,000.00
Click It or Ticket	5,500.00	-	-	-	5,500.00
Drunk Driving Enforcement	11,010.43	-	-	-	11,010.43
Drive Sober Get Pulled Over	5,500.00	-	-	-	5,500.00
CY2020					
NJDOT Paxon Avenue	545,000.00	-	-	545,000.00	-
NJDOT South Broad Street	500,000.00	-	-	500,000.00	-
Recycling Tonnage Grant	460.27	-	1,648.27	(1,188.00)	-
NJACCHO Scholarship Grant	46.02	-	-	-	46.02
Coronavirus Emergency Supplemental Program	31,379.00	-	14,362.38	-	17,016.62
NJACCHO COVID-19 Related	21,415.10	-	9,261.50	(17,366.48)	29,520.08
Drive Sober or get Pulled Over	8,400.00	-	-	-	8,400.00
Municipal Alliance	16,190.00	-	-	-	16,190.00
Municipal Alliance Alcohol and Drug Abuse Grant	5,826.56	-	-	-	5,826.56
NJACCHO COVID-19 Related	11,243.00	-	4,767.42	-	6,475.58
NJDOH-Childhood Lead Program	53,000.00	-	51,481.93	-	1,518.07
Clean Communities Grant	167,175.09	-	23,556.64	(1,467.74)	145,086.19
Safe Routes to School Design Assistance	400,000.00	-	368,199.73	-	31,800.27
CY2021					
NJDOT Yardville Hamilton Sq Road	-	655,000.00	-	655,000.00	-
NJDOT Industrial Drive	-	590,000.00	-	590,000.00	-
Distracted Driving Statewide	-	12,000.00	-	-	12,000.00
Recycling Tonnage Grant	-	200,305.00	31,895.72	-	168,409.28
Body Armor Grant	-	10,996.45	16,321.55	(5,325.10)	-
Drunk Driving Enforcement Fund Grant	-	6,483.31	-	-	6,483.31
Click It or Ticket	-	7,500.00	-	-	7,500.00
NJ Fire Consolidation	-	2,000,000.00	287,958.64	-	1,712,041.36
Drive Sober or get Pulled Over	-	9,000.00	-	-	9,000.00
ANJEC Open Space Stewardship	-	1,500.00	-	-	1,500.00
Municipal Alcohol Education	-	66,157.27	3,900.00	-	62,257.27
NJDEP Hazardous Discharge Site Remediation	-	246,001.00	-	-	246,001.00
NJDLPS Body Worn Camera Grant	-	134,508.00	32,798.31	-	101,709.69
NJDOH Strengthening Local Public Health	-	433,278.00	190,287.72	(21,033.68)	264,023.96
NJDOH Childhood Lead Program	-	53,000.00	1,874.61	-	51,125.39
Clean Communities Grant	-	189,553.84	189,553.84	-	-
American Rescue Plan	-	5,700,000.00	2,933,563.34	-	2,766,436.66
COVID-19 Vaccination Supplemental Funding	-	100,000.00	39,240.99	-	60,759.01
	<u>\$ 2,330,400.83</u>	<u>\$ 10,415,282.87</u>	<u>\$ 4,267,547.05</u>	<u>\$ 2,214,113.55</u>	<u>\$ 6,264,023.10</u>

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

A-14

**GRANT FUND
SCHEDULE OF STATE AND FEDERAL GRANTS UNAPPROPRIATED
Year Ended December 31, 2021**

<u>GRANT/AID PROGRAM</u>	Balance December 31, 2020	Received 2021	Transferred to Receivables	Balance December 31, 2021
Alcohol Education Rehab	\$ 21,171.90	\$ -	\$ 21,171.90	\$ -
Bulletproof Vest	6,261.75	-	-	6,261.75
NJ State Police Grant	4,950.00	-	-	4,950.00
American Rescue Plan	-	2,880,941.50	-	2,880,941.50
	<u>\$ 32,383.65</u>	<u>\$ 2,880,941.50</u>	<u>\$ 21,171.90</u>	<u>\$ 2,892,153.25</u>

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

B-3

**TRUST FUND
SCHEDULE OF RESERVE FOR ANIMAL CONTROL**

Year Ended December 31, 2021

Balance - December 31, 2020		\$100,198.48
Increased by:		
2021 Dog License and Other Related Fees		<u>74,225.00</u>
		174,423.48
Decreased by:		
Encumbrances	\$ -	
Expenditures per R.S. 4:19-15.11	<u>7,300.95</u>	<u>7,300.95</u>
Balance - December 31, 2021		<u><u>\$167,122.53</u></u>

License Fees Collected:

<u>Year</u>	<u>Amount</u>
2019	\$34,476.70
2020	<u>30,790.39</u>
	<u><u>\$65,267.09</u></u>

Note: R.S. 4:19-15.11

" . . .there shall be transferred from such special account to the general funds of the municipality any amount then in such special account which is in excess of the total amount paid into such special account during the last two fiscal years next preceding".

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

B-4

**TRUST FUND
ANALYSIS OF TRUST ASSESSMENT CASH AND INVESTMENTS
Year Ended December 31, 2021**

	Balance December 31, 2020	Receipts	Disbursements	Balance December 31, 2021
Trust Surplus	\$ 2.00	\$ -	\$ -	\$ 2.00
Assessment Bonds of 1985	3,332.64	-	-	3,332.64
Assessment Bonds of 1992	(97,210.84)	-	(97,210.84)	-
Assessment Bonds of 2010	601,074.00	66,786.00	273,996.84	393,863.16
Prepaid Assessments	9,332.15	-	-	9,332.15
	<u>\$ 516,529.95</u>	<u>\$ 66,786.00</u>	<u>\$ 176,786.00</u>	<u>\$ 406,529.95</u>

() Denotes Deficit

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

B-5

**TRUST FUND
SCHEDULE OF ASSESSMENTS RECEIVABLE
Year Ended December 31, 2021**

Ordinance Number	Improvement Description	Date of Confirmation	Balance December 31, 2020	Collections	Adjustments	Balance December 31, 2021	Balance Pledged to	
							Assessment Bonds	Reserve
04-36	Roadway Improvements	11/5/10	\$ 694,759.88	\$ 66,786.00	\$ 97,210.84	\$ 530,763.04	\$ 260,000.00	\$ 270,763.04
			694,759.88	66,786.00	97,210.84	530,763.04	260,000.00	270,763.04
	Assessment Lien Receivable Prior Years		899.49	-	-	899.49	-	899.49
	Total		\$ 695,659.37	\$ 66,786.00	\$ 97,210.84	\$ 531,662.53	\$ 260,000.00	\$ 271,662.53

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

B-6

**TRUST FUND
SCHEDULE OF CASH AND RESERVE ACTIVITY
Year Ended December 31, 2021**

	Balance December 31, 2020	Receipts	Disbursements	Adjustments	Balance December 31, 2021
Trust Assessment:					
Prepaid Assessments	\$ 9,332.15	\$ -	\$ -	\$ -	\$ 9,332.15
Assessments Receivable	(694,759.88)	66,786.00	-	97,210.84	(530,763.04)
Assessment Liens & Costs	(899.49)	-	-	-	(899.49)
Prospective Assessments Funded	(2,069,073.50)	-	-	-	(2,069,073.50)
Reserve for Assessments	2,936,928.67	-	(101,786.00)	(97,210.84)	2,737,931.83
Serial Bonds Payable	335,000.00	-	(75,000.00)	-	260,000.00
Assessment Fund Balance	2.00	-	-	-	2.00
Total	516,529.95	66,786.00	(176,786.00)	-	406,529.95
Animal Control:					
Due NJ - State License Fees	61.20	5,793.60	(5,837.40)	-	17.40
Reserve for Encumbrance	62.56	-	-	-	62.56
Escrow	5,937.00	3,098.90	-	-	9,035.90
Animal Control Reserves	100,198.48	74,225.00	(7,300.95)	-	167,122.53
Total	106,259.24	83,117.50	(13,138.35)	-	176,238.39
Recreation:					
Recreation Reserves	-	198,426.92	(17,731.40)	-	180,695.52
Total	-	198,426.92	(17,731.40)	-	180,695.52
Trust - Other Funds:					
Res for Encumbrances (Trust)	375,508.34	-	(116,939.47)	-	258,568.87
Res for Encumbrances (Ins. Reserves)	81,097.69	-	-	-	81,097.69
Res for Encumbrances (Utilities Reserves)	57,849.97	-	-	-	57,849.97
Res for Encumbrances (COAH)	64,432.45	-	(64,432.45)	-	-
Res for Encumbrances (Law Enf)	3,584.92	-	(3,584.92)	-	-
Affordable Housing Fund - COAH	6,285,973.36	1,777,945.76	(2,892,685.47)	-	5,171,233.65
Flexible Spending Account	38,818.82	25,008.70	(34,271.39)	-	29,556.13
Dedicated Law Enforcement Trust	9,030.66	34,882.00	(3,272.85)	-	40,639.81
Developers Escrow Fund	1,363,913.56	1,238,595.76	(773,965.56)	-	1,828,543.76
Other Escrow Funds	6,913,497.34	1,274,522.38	(1,743,200.73)	-	6,444,818.99
Performance Guarantees	1,305,235.05	-	-	-	1,305,235.05
Deposits for Tax Sale Redemptions	8,735,013.28	25,439,585.46	(26,690,098.84)	-	7,484,499.90
Payroll Deductions Payable	1,228,477.71	1,358,595.90	(2,587,073.61)	-	-
Utilities Trust Reserve	-	-	-	-	-
Unemployment Trust	138,992.61	-	(92,895.42)	-	46,097.19
Storm Recovery Trust	268,604.64	352,926.00	(352,510.00)	-	269,020.64
Green Trust	124,252.55	106,522.23	-	-	230,774.78
Off-Duty Police	208,025.38	2,991,220.35	(3,023,855.68)	-	175,390.05
Total	27,202,308.33	34,599,804.54	(38,378,786.39)	-	23,423,326.48

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

B-6

**TRUST FUND
SCHEDULE OF CASH AND RESERVE ACTIVITY (CONTINUED)
Year Ended December 31, 2021**

	Balance December 31, 2020	Receipts	Disbursements	Adjustments	Balance December 31, 2021
Electronic Receipts:					
Electronic Receipts Reserves	-	7,369.16	(1.90)	-	7,367.26
Total	-	7,369.16	(1.90)	-	7,367.26
Emergency Voucher Program:					
Due from Other Funds	-	113,100.00	(142,355.00)	-	(29,255.00)
Emergency Voucher Reserves	-	278,693.00	(200,638.00)	-	78,055.00
Total	-	278,693.00	(200,638.00)	-	78,055.00
Self Insurance Trust Fund:					
Workers Comp. Insurance Claims	4,685.72	-	(4,585.00)	-	100.72
Total	4,685.72	-	(4,585.00)	-	100.72
Housing and Community Development:					
Accounts Receivable	(744,018.31)	1,109,328.49	(682,665.00)	-	(317,354.82)
Due to Current Fund	100,000.00	-	(100,000.00)	-	-
Reserve for Community Dev.	797,695.34	1,033,139.65	(1,109,328.49)	-	721,506.50
Total	153,677.03	2,142,468.14	(1,891,993.49)	-	404,151.68
HUD Housing Voucher Program					
Reserve for HUD Housing Voucher Program	374,583.44	1,969,858.53	(2,258,679.22)	-	85,762.75
Due from Library	-	-	(12,140.00)	-	(12,140.00)
Due to Trust Fund	-	29,255.00	-	-	29,255.00
Accounts Payable	1,453.00	-	(1,453.00)	-	-
Total	376,036.44	1,999,113.53	(2,272,272.22)	-	102,877.75
Grand Total	\$ 28,359,496.71	\$ 38,891,289.71	\$ (42,737,561.45)	\$ -	\$ 24,513,224.97

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

**TRUST FUND
SCHEDULE OF PROSPECTIVE ASSESSMENTS – FUNDED
Year Ended December 31, 2021**

Capital Ordinance Number	Improvement Description	Balance December 31, 2020	Increased	Cancelled	Balance December 31, 2021	Balance Pledged to	
						Reserve	Assessment Bonds
4875	Constr. & Acquis. of Curbs and Sidewalks Various Streets	\$ 52,657.00	\$ -	\$ -	\$ 52,657.00	\$ 52,657.00	\$ -
4876	Constr. of Water Mains - Paterson, etc.	24,406.50	-	-	24,406.50	24,406.50	-
4885	Constr. of New Roads - Murray, Hewitt Aves.	200,000.00	-	-	200,000.00	200,000.00	-
5064	Road Constr. Along Estates Blvd.	350,000.00	-	-	350,000.00	350,000.00	-
5066	Curb Improv. Along Various Rds.	10,005.00	-	(10,005.00)	-	-	-
5071	Curb Improv. Along Various Rds.	10,005.00	-	(10,005.00)	-	-	-
5087	Install. of New Water Line	20,000.00	-	(20,000.00)	-	-	-
04-06	Roadway Improvements-Various	1,402,000.00	-	40,010.00	1,442,010.00	1,182,010.00	260,000.00
		<u>\$ 2,069,073.50</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,069,073.50</u>	<u>\$ 1,809,073.50</u>	<u>\$ 260,000.00</u>

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

B-8

**TRUST FUND
SCHEDULE OF RESERVE FOR ASSESSMENTS,
LIENS AND ASSESSMENT LIEN INTEREST AND COSTS
Year Ended December 31, 2021**

Capital Ordinance Number	Improvement Description	Balance December 31, 2020	Adjustment	Current Budget for Deficit	Balance December 31, 2021
<u>ASSESSMENTS RECEIVABLE</u>					
822	Basin Rd., Boxwood, Bucknell, Evelyn, Laura, Lehigh, Sandalwood Aves. - Water Mains	\$ 3,048.37	\$ 3,048.37	\$ -	\$ -
04-36	Roadway Improvements-Variou	1,818,932.31	1,362,269.78	75,000.00	531,662.53
<u>PROSPECTIVE ASSESSMENTS FUNDED</u>					
4875	Curbs and Sidewalks - Var. Sts.	52,657.00	-	-	52,657.00
4876	Water Mains - Patterson, etc.	24,406.50	-	-	24,406.50
4885	New Roads - Murray, Hewitt Aves.	200,000.00	-	-	200,000.00
5064	Road Constr. Along Estates Blvd.	319,985.00	(30,115.00)	-	350,100.00
<u>PROSPECTIVE ASSESSMENTS FUNDED</u>					
04-06	Roadway Improvements-Variou	517,000.00	(1,062,205.80)	-	1,579,205.80
<u>ASSESSMENT LIENS</u>					
5051	Jefferson, Johnston Aves. Redfern St., Ridge Ave., Samuel, Stockton St. - Curbs	899.49	-	-	899.49
		<u>\$ 2,936,928.67</u>	<u>\$272,997.35</u>	<u>\$ 75,000.00</u>	<u>\$ 2,738,931.32</u>

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

**TRUST ASSESSMENT FUND
SCHEDULE OF ASSESSMENT SERIAL BONDS
Year Ended December 31, 2021**

Issue	Date of Issue	Original Issue	Maturities of Bonds		Interest Rate	Balance December 31, 2020	Increase	Decrease	Balance December 31, 2021
			Outstanding - December 31, 2021						
			Date	Amount					
Special Assessment Refunding Bonds 2019	10/31/2019	\$ 335,000.00	2022	\$ 70,000.00	4.000%	\$ 335,000.00	\$ -	\$ 75,000.00	\$ 260,000.00
			2023	65,000.00	4.000%				
			2024	65,000.00	4.000%				
			2025	60,000.00	4.000%				
						<u>\$ 335,000.00</u>	<u>\$ -</u>	<u>\$ 75,000.00</u>	<u>\$ 260,000.00</u>

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

C-2

GENERAL CAPITAL FUND
ANALYSIS OF CASH AND INVESTMENTS
Years Ended December 31, 2021 and 2020

	Balance 2021	Balance 2020
	<u> </u>	<u> </u>
Fund Balance	\$ 590,828.19	\$ 1,051,615.27
Capital Improvement Fund	196,708.74	185,508.74
Reserve for Encumbrances	4,063,737.50	3,404,256.27
Reserve for Future Debt Service	345,186.65	39,321.74
Due to Current	182,614.77	-
Due from Other Governments	(265,831.78)	(423,331.78)
Grants Receivable	(2,290,000.00)	(1,045,000.00)
Improvement Authorizations Funded	4,811,718.87	7,187,309.21
Improvement Authorizations Unfunded	24,582,167.25	12,172,624.72
Bonds and Notes Authorized but not issued	(20,733,519.94)	(7,499,645.94)
	<u> </u>	<u> </u>
	<u>\$ 11,483,610.25</u>	<u>\$ 15,072,658.23</u>

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

C-3

**GENERAL CAPITAL FUND
SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION – UNFUNDED
Year Ended December 31, 2021**

Capital Number	Date	Improvement Description	Balance December 31, 2020	2021 Authorization	Canceled	Budget Appropriation	Balance December 31, 2021	Analysis of Balance - December 31, 2021	
								Bond Anticipation Notes	Unexpended Balance of Improvement Authorization
<u>General Improvements</u>									
5130	10/8/1999	Acquisition of Real Property	\$ 62,290.09	\$ -	\$ -	\$ -	\$ 62,290.09	\$ -	\$ -
5133	11/26/1999	Improv. to Var. Public Facilities	40,000.00	-	-	-	40,000.00	-	40,000.00
5135	6/8/2000	Various Capital Improvements	1,389.00	-	-	-	1,389.00	-	1,389.00
02-012	4/10/2002	Var. Capital Improvements	15,314.31	-	-	-	15,314.31	-	15,314.31
04-037	10/13/2004	Var. Improvements	63.00	-	-	-	63.00	-	63.00
05-002	3/8/2005	Braghelli Tract Purchase	121,036.00	-	-	-	121,036.00	-	121,036.00
05-049	1/25/2006	Various Capital Improvements	300,571.00	-	-	-	300,571.00	266,972.00	33,599.00
10-032	11/08/2010	Var. Road Improvements	2,388.00	-	(17,767.00)	-	20,155.00	17,767.00	2,388.00
11-017	04/19/2011	Var. Capital Improvements	21.00	-	-	-	21.00	-	21.00
15-020	09/10/2015	Various Capital Improvements	284.00	-	-	-	284.00	-	284.00
16-022	8/15/2016	Var. Capital Improvements	7,702,950.00	-	-	-	7,702,950.00	7,329,500.00	373,450.00
17-015	5/24/2017	Open Space Acquisitions	654,392.54	-	-	-	654,392.54	-	654,392.54
17-016	5/24/2017	Various Capital Improvements	7,380,983.00	-	-	-	7,380,983.00	7,300,000.00	80,983.00
18-032	8/13/2018	Various Capital Improvements	5,700,000.00	-	-	-	5,700,000.00	5,700,000.00	-
20-034	7/21/2020	Various Capital Improvements	6,522,405.00	-	-	-	6,522,405.00	712,500.00	5,809,905.00
21-044		Various Capital Improvements	-	13,538,310.00	-	-	13,538,310.00	-	13,538,310.00
<u>Local Improvements</u>									
5028	3/15/1983	Curb Improv. Along George Dye Rd. and Youngs Road	95.00	-	-	-	95.00	-	95.00
			<u>\$ 28,504,181.94</u>	<u>\$ 13,538,310.00</u>	<u>\$ (17,767.00)</u>	<u>\$ -</u>	<u>\$ 42,060,258.94</u>	<u>\$ 21,326,739.00</u>	<u>\$ 20,671,229.85</u>
Unexpended Balances of Unfunded Improvement Authorizations									\$ 24,582,167.13
Less: Unexpended Proceeds of Bond Anticipation Notes									(3,910,937.28)
									<u>\$ 20,671,229.85</u>

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

C-4

**GENERAL CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS
Year Ended December 31, 2021**

Number	Capital Ordinance		Amount	Balance - December 31, 2020		Authorization	Encumbrances		Canceled	Balance - December 31, 2021		
	Improvement Description	Date		Funded	Unfunded		December 31, 2020	Paid		December 31, 2021	Funded	Unfunded
<u>General Improvements:</u>												
10-032	Var. Capital Improvements	11/08/2010	\$ 8,400,000.00	\$ -	\$ 643.00	\$ -	\$ 41,705.10	\$ -	\$ 42,348.10	\$ -	\$ -	\$ -
11-017	Var. Capital Improvements	04/19/2011	7,521,025.00	-	-	-	250.00	-	250.00	-	-	-
12-031	Var. Capital Improvements	08/21/2012	8,500,000.00	-	-	-	59,940.22	6,318.47	53,621.75	-	-	-
13-046	Var. Capital Improvements	11/19/2013	7,500,000.00	-	-	-	25,495.75	25,495.75	-	-	-	-
14-031	Var. Capital Improvements	05/20/2014	8,100,000.00	344.75	-	-	90,154.50	34,577.95	55,921.30	-	-	-
15-020	Various Capital Improvements	09/10/2015	8,000,296.00	-	70,138.59	-	73,911.03	117,119.62	26,930.00	-	-	-
16-022	Various Capital Improvements	8/15/2016	8,108,365.00	-	66,255.17	-	181,615.51	209,490.85	-	-	-	38,379.83
17-015	Open Space Acquisitions	5/24/2017	9,000,000.00	450,000.00	8,550,000.00	-	-	-	-	-	450,000.00	8,550,000.00
17-016	Various Capital Improvements	5/24/2017	8,269,455.00	-	433,670.37	-	169,722.22	219,007.38	44.90	-	-	384,340.31
18-032	Various Capital Improvements	8/13/2018	6,305,000.00	-	1,413,502.05	-	105,157.74	126,086.16	16,593.29	-	-	1,375,980.34
20-033	Various Capital Improvements	7/21/2020	4,578,000.00	-	1,606,485.66	-	2,145,081.03	2,128,380.33	819,151.70	-	-	804,034.66
20-034	Various Capital Improvements	7/21/2020	7,605,000.00	6,736,964.46	-	-	511,223.17	2,251,694.19	634,774.57	-	4,361,718.87	-
20-049	Acq. of 1750 Whitehorse/Mercerville Rd.	10/6/2020	750,000.00	-	31,929.88	-	-	17,515.00	2,385.00	-	-	12,029.88
21-044	Various Capital Improvements	9/14/2021	16,117,330.00	-	-	16,117,330.00	-	288,211.00	2,411,716.89	-	-	13,417,402.11
				<u>\$ 7,187,309.21</u>	<u>\$ 12,172,624.72</u>	<u>\$ 16,117,330.00</u>	<u>\$ 3,404,256.27</u>	<u>\$ 5,423,896.70</u>	<u>\$ 4,063,737.50</u>	<u>\$ -</u>	<u>\$ 4,811,718.87</u>	<u>\$ 24,582,167.13</u>

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

C-5

**GENERAL CAPITAL FUND
SCHEDULE OF GENERAL SERIAL BONDS
Year Ended December 31, 2021**

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding - December 31, 2021		Interest Rate	Balance December 31, 2020	Increased	Decreased	Balance December 31, 2021
			Date	Amount					
Refunding Series 2013	4/30/2013	\$ 17,425,000.00	8/1/2022	\$ 1,815,000.00	4.000%	\$ 9,470,000.00	\$ -	\$ 1,745,000.00	\$ 7,725,000.00
			8/1/2023	1,890,000.00	4.000%				
			8/1/2024	1,970,000.00	4.000%				
			8/1/2025	2,050,000.00	4.000%				
Refunding Series 2013 - Pension	4/30/2013	4,630,000.00	8/1/2022	480,000.00	3.020%	1,440,000.00	-	440,000.00	1,000,000.00
			8/1/2023	520,000.00	3.120%				
General Improvement Bonds	6/1/2014	8,046,000.00	6/1/2022	900,000.00	2.000%	3,581,000.00	-	885,000.00	2,696,000.00
			6/1/2023	900,000.00	2.000%				
			6/1/2024	896,000.00	2.125%				
General Improvement Bonds	6/1/2015	14,703,000.00	6/1/2022	1,600,000.00	2.000%	7,993,000.00	-	1,595,000.00	6,398,000.00
			6/1/2023	1,600,000.00	2.250%				
			6/1/2024	1,600,000.00	2.375%				
			6/1/2025	1,598,000.00	2.500%				
General Improvement Bonds	Series 2017A	19,773,000.00	5/15/2022	1,165,000.00	5.000%	16,280,000.00	-	1,165,000.00	15,115,000.00
			5/15/2023-2028	2,325,000.00	5.000%				
			5/15/2029	2,325,000.00	5.000%				
General Improvement Bonds	Series 2019	7,600,000.00	5/15/2022	670,000.00	2.250%	7,225,000.00	-	605,000.00	6,620,000.00
			5/15/2023	700,000.00	2.250%				
			5/15/2024-2030	750,000.00	2.250%				
			5/15/2031	750,000.00	2.250%				
Refunding Series 2019	Series 2019	3,070,000.00	11/13/2022	1,525,000.00	4.000%	3,050,000.00	-	1,525,000.00	1,525,000.00
						<u>\$ 49,039,000.00</u>	<u>\$ -</u>	<u>\$ 7,960,000.00</u>	<u>\$ 41,079,000.00</u>

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

C-6

**GENERAL CAPITAL FUND
SCHEDULE OF LOANS PAYABLE
NEW JERSEY INFRASTRUCTURE BANK
Year Ended December 31, 2021**

Project Description	Drawdown Date	Amount of Loan	Interest Rate	Maturities of Loans		Balance December 31, 2020	Increased	Decreased	Balance December 31, 2021
				Date	Amount				
Infrastructure Water Loan	8/1/2006	\$ 1,435,000.00	4.375%	8/1/2022	\$ 84,849.82	\$ 459,399.23	\$ -	\$ 90,000.00	\$ 369,399.23
			4.375%	8/1/2023	89,849.82				
			4.375%	8/1/2024	94,849.82				
			4.375%	8/1/2025	99,849.82				
			<u>Year</u>	<u>Semi-Annual Principal</u>					
				<u>February 1</u>	<u>August 1</u>				
Infrastructure Water Loan - Principal Only	8/1/2006	4,028,778.00	2022	16,430.73	190,470.60	1,040,231.86	-	204,954.83	835,277.03
			2023	12,623.61	195,823.47				
			2024	8,616.11	200,975.96				
			2025	4,408.24	205,928.39				
						<u>\$ 1,499,631.09</u>	<u>\$ -</u>	<u>\$ 294,954.83</u>	<u>\$ 1,204,676.26</u>

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

C-7

GENERAL CAPITAL FUND
SCHEDULE OF PROJECT LOANS PAYABLE
NEW JERSEY DEPARTMENT OF ENVIRONMENTAL PROTECTION GREEN TRUST PROGRAM
Year Ended December 31, 2021

Project Description	Issue Date	Amount of Loan	Interest Rate	Loan Repayment Period	Scheduled Semi-Annual Payment*	Balance December 31, 2020	Decreased	Balance December 31, 2021
Isaac Pearson Acquisition	6/4/2002	\$ 115,841.25	2.00%	3/6/2003-3/6/2022	\$ 7,203.38	\$ 10,720.36	\$ 7,026.48	\$ 3,693.88
Veterans Park Extension	6/4/2002	461,600.00	2.00%	3/6/2003-3/6/2022	28,703.76	42,718.84	27,998.88	14,719.96
Tyndale Farm Acquisition	6/4/2002	265,655.00	2.00%	3/6/2003-3/6/2022	16,519.28	24,584.54	16,113.61	8,470.93
*Principal and Interest						<u>\$ 78,023.74</u>	<u>\$ 51,138.97</u>	<u>\$ 26,884.77</u>

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

C-8

GENERAL CAPITAL FUND
SCHEDULE OF CAPITAL IMPROVEMENT FUND
Year Ended December 31, 2021

Balance December 31, 2020	\$ 185,508.74
Increased by:	
Budgeted Appropriations	<u>724,000.00</u>
	909,508.74
Decreased by:	
Appropriations to Finance Improvement Authorizations	<u>712,800.00</u>
Balance December 31, 2021	<u>\$ 196,708.74</u>

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

C-9

**GENERAL CAPITAL FUND
SCHEDULE OF BOND ANTICIPATION NOTES
Year Ended December 31, 2021**

Ordinance Number	Improvement Description	Date of Original Issue	Date of Issue	Date of Maturity	Interest Rate	Balance December 31, 2020	Increased	Decreased	Balance December 31, 2021
05-049	Various Capital Improvements	6/11/2016	5/18/2020	2/17/2021	1.000%	\$ 300,344.00	\$ -	\$ 300,344.00	\$ -
05-049	Various Capital Improvements	6/11/2016	2/3/2021	2/16/2022	1.250%	-	266,972.00	-	266,972.00
10-032	Various Road Improvements	6/11/2016	5/18/2020	2/17/2021	1.000%	2,192.00	-	2,192.00	-
10-032	Various Road Improvements	6/11/2016	2/3/2021	2/16/2022	1.250%	-	17,767.00	-	17,767.00
16-022	Various Capital Improvements	5/22/2018	5/18/2020	2/17/2021	1.750%	3,906,000.00	-	3,906,000.00	-
16-022	Various Capital Improvements	5/22/2018	5/18/2020	2/17/2021	1.000%	3,796,000.00	-	3,796,000.00	-
16-022	Various Capital Improvements	5/22/2018	2/3/2021	2/16/2022	1.250%	-	7,329,500.00	-	7,329,500.00
17-016	Various Capital Improvements	4/17/2020	4/17/2020	2/17/2021	1.000%	7,300,000.00	-	7,300,000.00	-
17-016	Various Capital Improvements	4/17/2020	2/3/2021	2/16/2022	1.250%	-	7,300,000.00	-	7,300,000.00
18-032	Various Capital Improvements	4/17/2020	4/17/2020	2/17/2021	1.000%	5,700,000.00	-	5,700,000.00	-
18-032	Various Capital Improvements	4/17/2020	2/3/2021	2/16/2022	1.250%	-	5,700,000.00	-	5,700,000.00
20-049	Property Acquisition	2/3/2021	2/3/2021	2/16/2022	1.250%	-	712,500.00	-	712,500.00
						\$ 21,004,536.00	\$ 21,326,739.00	\$ 21,004,536.00	\$21,326,739.00

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

C-10

**GENERAL CAPITAL FUND
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED
Year Ended December 31, 2021**

Ordinance Number	Improvement Description	Balance - December 31, 2020		Authorized 2021	BANs Redeemed	BANs Issued	Balance - December 31, 2021	
		Capital Fund	Trust Fund				Capital Fund	Trust Fund
	<u>General Improvements</u>							
5130	Acquisition of Real Property	\$ 62,290.09	\$ -	\$ -	\$ -	\$ -	\$ 62,290.09	\$ -
5133	Improv. to Var. Public Facilities	40,000.00	-	-	-	-	40,000.00	-
5135	Various Capital Improvements	1,389.00	-	-	-	-	1,389.00	-
02-012	Various Capital Improvements	15,314.31	-	-	-	-	15,314.31	-
04-037	Various Road Improvements	63.00	-	-	-	-	63.00	-
05-002	Braghelli Tract Purchase	121,036.00	-	-	-	-	121,036.00	-
05-049	Various Capital Improvements	227.00	-	-	300,344.00	266,972.00	33,599.00	-
10-032	Various Road Improvements	196.00	-	17,767.00	2,192.00	17,767.00	2,388.00	-
11-017	Var. Capital Improvements	21.00	-	-	-	-	21.00	-
15-020	Various Capital Improvements	284.00	-	-	-	-	284.00	-
16-022	Various Capital Improvements	950.00	-	-	7,702,000.00	7,329,500.00	373,450.00	-
17-015	Open Space Acquisitions	654,392.54	-	-	-	-	654,392.54	-
17-016	Various Capital Improvements	80,983.00	-	-	7,300,000.00	7,300,000.00	80,983.00	-
18-032	Various Capital Improvements	-	-	-	5,700,000.00	5,700,000.00	-	-
20-034	Various Capital Improvements	6,522,500.00	-	-	-	712,500.00	5,810,000.00	-
21-044	Various Capital Improvements	-	-	13,538,310.00	-	-	13,538,310.00	-
	<u>Local Improvements</u>							
5028	Curb Improv. Along George Dye Rd. and Youngs Rd.	-	95.00	-	-	-	-	95.00
		<u>\$ 7,499,645.94</u>	<u>\$ 95.00</u>	<u>\$ 13,556,077.00</u>	<u>\$ 21,004,536.00</u>	<u>\$ 21,326,739.00</u>	<u>\$ 20,733,519.94</u>	<u>\$ 95.00</u>

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

C-11

**GENERAL CAPITAL FUND
SCHEDULE OF CAPITAL LEASES PAYABLE
Year Ended December 31, 2021**

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding - December 31, 2021		Interest Rate	Balance December 31, 2020	Increased	Decreased	Balance December 31, 2021
			Date	Amount					
Capital Lease Payable	Multiple	\$ 7,600,000.00	5/14/2022	\$ 376,358.71	2.000%	\$ -	\$ 2,466,443.00	\$ 365,997.00	\$ 2,100,446.00
			5/14/2023	320,958.63	2.250%				
			5/14/2024	330,347.99	2.250%				
			5/14/2025	340,013.76	2.250%				
			5/14/2026	210,547.56	2.250%				
			5/14/2027	216,371.47	2.250%				
			5/14/2028	150,760.53	2.250%				
			5/14/2029	155,086.38	2.250%				
						<u>\$ -</u>	<u>\$ 2,466,443.00</u>	<u>\$ 365,997.00</u>	<u>\$ 2,100,446.00</u>

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

D-6

SEWER UTILITY ASSESSMENT FUND
ANALYSIS OF CASH AND INVESTMENTS
Year Ended December 31, 2021

	Balance December 31, 2021	Balance December 31, 2020
Fund Balance	<u>\$ 467.10</u>	<u>\$ 467.10</u>
	<u>\$ 467.10</u>	<u>\$ 467.10</u>

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

D-7

SEWER UTILITY CAPITAL FUND
ANALYSIS OF CASH AND INVESTMENTS
Year Ended December 31, 2021

	Balance December 31, 2021	Balance December 31, 2020
Fund Balance	\$ 126,993.73	\$ 36,553.05
Due from/to Sewer Utility Operating Fund	-	(91,996.67)
Accounts Receivable EIT Loan	(8,650.65)	(8,650.65)
Reserve for Encumbrances	4,748,955.65	4,261,200.54
Capital Improvement Fund	192,775.00	192,775.00
Improvement Authorizations Funded	1,408,613.58	2,080,643.28
Improvement Authorizations Funded	22,903,797.86	15,902,385.58
Bonds and Notes Authorized but not Issued	<u>(21,407,266.62)</u>	<u>(13,008,973.67)</u>
	<u>\$ 7,965,218.55</u>	<u>\$ 9,363,936.46</u>

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

D-8

**SEWER UTILITY OPERATING FUND
SCHEDULE OF SEWER RENTS RECEIVABLE
Year Ended December 31, 2021**

Balance - December 31, 2020		\$ 2,394,032.42
Increased by:		
Sewer Rents Charged in 2021		<u>19,063,010.67</u>
		21,457,043.09
Decreased by:		
Cash Receipts	\$ 18,983,071.59	
Prepaid Sewer Rents Applied	<u>82,302.55</u>	
		<u>19,065,374.14</u>
Balance - December 31, 2021		<u>\$ 2,391,668.95</u>

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

D-9

**SEWER UTILITY OPERATING FUND
SCHEDULE OF SEWER RENT LIENS RECEIVABLE
Year Ended December 31, 2021**

Balance - December 31, 2020		\$ 94,517.30
Increased by:		
Interest and Costs		<u>55,539.05</u>
		150,056.35
Decreased by:		
Collection		<u>56,488.25</u>
Balance - December 31, 2021		<u>\$ 93,568.10</u>

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

D-10

SEWER UTILITY OPERATING FUND
SCHEDULE OF FIXED CAPITAL
Year Ended December 31, 2021

	Balance December 31, 2020	Additions by Capital Outlay	Balance December 31, 2021
Fixed Capital - Prior Yrs.	\$ 3,874,314.36	\$ -	\$ 3,874,314.36
Land and Land Rights	392,052.51	-	392,052.51
Structures and Buildings	263,047.09	-	263,047.09
Collecting System	43,198,968.37	-	43,198,968.37
Pumping Station	5,551,204.10	1,796,939.42	7,348,143.52
Treatment and Disposal System	45,452,903.99	1,214,505.40	46,667,409.39
Interest During Construction	3,225,659.66	-	3,225,659.66
Engineering Costs	19,217,501.99	-	19,217,501.99
Miscellaneous Equipment	7,841,515.86	10,810.98	7,852,326.84
Miscellaneous Expenses	5,078,534.00	-	5,078,534.00
Water Use Reduction Equipment	119,480.97	-	119,480.97
	<u>\$ 134,215,182.90</u>	<u>\$ 3,022,255.80</u>	<u>\$ 137,237,438.70</u>

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

D-11

**SEWER UTILITY CAPITAL FUND
SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED
Year Ended December 31, 2021**

Ordinance Number	Improvement Description	Ordinance		Balance December 31, 2020	2021 Authorized	Transferred to Fixed Capital	Balance December 31, 2021
		Date	Amount				
6646	Improvements to Sanitary Sewer System	4/21/1987	\$ 3,761,000.00	\$ 1,708.00	\$ -	\$ -	\$ 1,708.00
6652	Various Sewer Capital Improvements	4/16/1991	4,090,000.00	14,297.60	-	-	14,297.60
03-006	Wastewater Utility Cap. Improv.	4/2/2003	2,300,000.00	88,750.83	-	-	88,750.83
04-038/04-044	Klockner Pump Station	10/13/2004	1,350,000.00	110,235.80	-	-	110,235.80
04-038/04-044	Pond Run Pump Station	10/13/2004	844,950.00	8,943.10	-	-	8,943.10
04-038/04-044	Runyon Court Sewer	10/13/2004	17,500.00	400.00	-	-	400.00
04-038/04-044	Overlook Avenue Sewer Line	10/13/2004	83,500.00	0.80	-	-	0.80
06-30	Equipment Control	5/18/2005	3,554,500.00	100,248.73	-	-	100,248.73
06-30	Sewer & Road Improvements	5/18/2005	350,000.00	69,173.21	-	-	69,173.21
06-30	Utility Trucks	5/18/2005	83,000.00	0.36	-	-	0.36
08-069	Various Sewer Utility Improvements	12/24/2008	5,399,500.00	75,885.39	-	-	75,885.39
10-011	Treatment Plant Improvements	5/13/2010	2,502,000.00	2,502,000.00	-	-	2,502,000.00
10-011	Pump Station Repairs	5/13/2010	1,120,000.00	1,120,000.00	-	-	1,120,000.00
10-011	Collection System Rehabilitation	5/13/2010	3,718,500.00	3,718,500.00	-	-	3,718,500.00
10-011	Vehicles and Equipment	5/13/2010	448,500.00	448,500.00	-	-	448,500.00
10-011	Collection System Rehabilitation	5/13/2010	5,200,000.00	5,200,000.00	-	-	5,200,000.00
10-031	Various Sewer Capital Improvements	11/8/2010	8,400,000.00	8,400,000.00	-	4,782.50	8,395,217.50
11-015	Various Sewer Capital Improvements	4/19/2011	5,880,000.00	5,880,000.00	-	499,755.15	5,380,244.85
12-030	Various Sewer Capital Improvements	8/21/2012	5,000,000.00	5,000,000.00	-	1,292,401.77	3,707,598.23
13-021	Various Sewer Capital Improvements	7/10/2013	7,400,000.00	7,400,000.00	-	1,214,505.40	6,185,494.60
14-030	Various Sewer Capital Improvements	6/10/2014	6,900,000.00	6,900,000.00	-	-	6,900,000.00
15-019	Various Sewer Capital Improvements	10/10/2015	5,957,000.00	5,957,000.00	-	-	5,957,000.00
16-023	Various Sewer Capital Improvements	8/15/2016	6,376,050.00	6,379,050.00	-	10,810.98	6,368,239.02
17-021	Various Sewer Capital Improvements	6/7/2017	6,116,700.00	6,116,700.00	-	-	6,116,700.00
18-031	Various Sewer Capital Improvements	9/11/2018	6,800,000.00	6,800,000.00	-	-	6,800,000.00
21-045	Various Sewer Capital Improvements	9/9/2021	9,958,260.00	-	9,958,260.00	-	9,958,260.00
				<u>\$ 72,291,393.82</u>	<u>\$ 9,958,260.00</u>	<u>\$ 3,022,255.80</u>	<u>\$ 79,227,398.02</u>

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

D-12

SEWER UTILITY CAPITAL FUND
SCHEDULE OF RESERVE FOR CAPITAL IMPROVEMENT FUND
Year Ended December 31, 2021

Balance - December 31, 2020 and 2021

\$ 192,775.00

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

D-13

SEWER UTILITY OPERATING FUND
SCHEDULE OF 2020 APPROPRIATION RESERVES
Year Ended December 31, 2021

	Appropriation Reserves December 31, 2020	Reserve for Encumbrances December 31, 2020	Amount After Modification	Paid or Charged	Balance Lapsed
Operating:					
Salaries and Wages	\$ 418,618.38	\$ -	\$ 418,618.38	\$ 7,822.63	\$ 410,795.75
Other Expenses	1,119,623.15	588,162.14	1,707,785.29	1,017,489.63	690,295.66
Statutory Expenditures:					
Contribution to:					
Public Employees Retirement System	-	-	-	-	-
Social Security Sys. (O.A.S.I.)	33,297.76	-	33,297.76	-	33,297.76
	<u>\$ 1,571,539.29</u>	<u>\$ 588,162.14</u>	<u>\$ 2,159,701.43</u>	<u>\$ 1,025,312.26</u>	<u>\$ 1,134,389.17</u>

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

D-14

SEWER UTILITY OPERATING FUND
SCHEDULE OF PREPAID SEWER RENTS
Year Ended December 31, 2021

Balance - December 31, 2020	\$ 81,634.79
Increased by:	
Cash Receipts	<u>82,302.55</u>
	163,937.34
Decreased by:	
Applied to Sewer Rents Receivable	<u>81,634.79</u>
Balance - December 31, 2021	<u><u>\$ 82,302.55</u></u>

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

D-15

SEWER UTILITY OPERATING FUND
SCHEDULE OF ACCRUED INTEREST ON BONDS AND NOTES
Year Ended December 31, 2021

Balance - December 31, 2020	\$ 1,015,565.01
Increased by:	
Charged to 2021 Budget Appropriation	<u>-</u>
	1,015,565.01
Decreased by:	
Cash Disbursed	<u>39,496.30</u>
Balance - December 31, 2021	<u><u>\$ 976,068.71</u></u>

Analysis of Balance - December 31, 2021

<u>NJEIT Loan Principal Outstanding</u>	<u>Interest Rate</u>	<u>From</u>	<u>To</u>	<u>Period</u>	<u>Amount</u>
\$ <u>214,255.51</u>	3.30%	8/1/2021	12/31/2021	5 months	\$ 2,946.01
<u>Bond Anticipation Notes</u>					
\$ <u>8,005,000.00</u>	1.75%	5/19/2021	12/31/2021	221 days	85,998.16

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

D-15

SEWER UTILITY OPERATING FUND
SCHEDULE OF ACCRUED INTEREST ON BONDS AND NOTES (CONTINUED)
Year Ended December 31, 2021

Analysis of Balance - December 31, 2021

Serial Bond Principal Outstanding	Interest Rate	From	To	Period	Amount
\$ 1,720,000.00	4.000%	8/1/2021	12/31/2021	5 Months	\$ 28,666.67
1,790,000.00	4.000%	8/1/2021	12/31/2021	5 Months	29,833.33
1,855,000.00	4.000%	8/1/2021	12/31/2021	5 Months	30,916.67
1,935,000.00	4.000%	8/1/2021	12/31/2021	5 Months	32,250.00
550,000.00	2.000%	12/1/2021	12/31/2021	1 Month	916.67
565,000.00	2.125%	12/1/2021	12/31/2021	1 Month	1,000.52
575,000.00	2.250%	12/1/2021	12/31/2021	1 Month	1,078.13
600,000.00	2.500%	12/1/2021	12/31/2021	1 Month	1,250.00
650,000.00	3.000%	12/1/2021	12/31/2021	1 Month	1,625.00
650,000.00	3.000%	12/1/2021	12/31/2021	1 Month	1,625.00
650,000.00	3.000%	12/1/2021	12/31/2021	1 Month	1,625.00
650,000.00	3.000%	12/1/2021	12/31/2021	1 Month	1,625.00
650,000.00	3.125%	12/1/2021	12/31/2021	1 Month	1,692.71
650,000.00	3.250%	12/1/2021	12/31/2021	1 Month	1,760.42
650,000.00	3.250%	12/1/2021	12/31/2021	1 Month	1,760.42
650,000.00	3.250%	12/1/2021	12/31/2021	1 Month	1,760.42
650,000.00	3.250%	12/1/2021	12/31/2021	1 Month	1,760.42
650,000.00	3.500%	12/1/2021	12/31/2021	1 Month	1,895.83
650,000.00	3.500%	12/1/2021	12/31/2021	1 Month	1,895.83
650,000.00	3.500%	12/1/2021	12/31/2021	1 Month	1,895.83
650,000.00	3.500%	12/1/2021	12/31/2021	1 Month	1,895.83
647,000.00	3.500%	12/1/2021	12/31/2021	1 Month	1,887.08

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

D-15

SEWER UTILITY OPERATING FUND
SCHEDULE OF ACCRUED INTEREST ON BONDS AND NOTES (CONTINUED)
Year Ended December 31, 2021

Analysis of Balance - December 31, 2021

<u>Serial Bond Principal Outstanding</u>	<u>Interest Rate</u>	<u>From</u>	<u>To</u>	<u>Period</u>	<u>Amount</u>
175,000.00	3.250%	12/1/2021	12/31/2021	1 Month	473.96
175,000.00	3.500%	12/1/2021	12/31/2021	1 Month	510.42
200,000.00	3.500%	12/1/2021	12/31/2021	1 Month	583.33
200,000.00	3.500%	12/1/2021	12/31/2021	1 Month	583.33
200,000.00	4.000%	12/1/2021	12/31/2021	1 Month	666.67
200,000.00	4.000%	12/1/2021	12/31/2021	1 Month	666.67
200,000.00	4.000%	12/1/2021	12/31/2021	1 Month	666.67
310,000.00	5.000%	8/1/2021	12/31/2021	5 Months	6,458.33
325,000.00	5.000%	8/1/2021	12/31/2021	5 Months	6,770.83
340,000.00	4.710%	8/1/2021	12/31/2021	5 Months	6,672.50
360,000.00	4.670%	8/1/2021	12/31/2021	5 Months	7,005.00
475,000.00	5.000%	5/15/2021	12/31/2021	7.5 Months	14,843.75
525,000.00	5.000%	5/15/2021	12/31/2021	7.5 Months	16,406.25
530,000.00	5.000%	5/15/2021	12/31/2021	7.5 Months	16,562.50
605,000.00	5.000%	5/15/2021	12/31/2021	7.5 Months	18,906.25
940,000.00	5.000%	5/15/2021	12/31/2021	7.5 Months	29,375.00
940,000.00	5.000%	5/15/2021	12/31/2021	7.5 Months	29,375.00
940,000.00	5.000%	5/15/2021	12/31/2021	7.5 Months	29,375.00
835,000.00	5.000%	5/15/2021	12/31/2021	7.5 Months	26,093.75
825,000.00	4.000%	5/15/2021	12/31/2021	7.5 Months	20,625.00
830,000.00	3.000%	5/15/2021	12/31/2021	7.5 Months	15,562.50
830,000.00	3.000%	5/15/2021	12/31/2021	7.5 Months	15,562.50
830,000.00	3.000%	5/15/2021	12/31/2021	7.5 Months	15,562.50
825,000.00	3.125%	5/15/2021	12/31/2021	7.5 Months	16,113.28
825,000.00	3.125%	5/15/2021	12/31/2021	7.5 Months	16,113.28
825,000.00	3.250%	5/15/2021	12/31/2021	7.5 Months	16,757.81
825,000.00	3.250%	5/15/2021	12/31/2021	7.5 Months	16,757.81
825,000.00	3.250%	5/15/2021	12/31/2021	7.5 Months	16,757.81
825,000.00	3.250%	5/15/2021	12/31/2021	7.5 Months	16,757.81

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

D-15

SEWER UTILITY OPERATING FUND
SCHEDULE OF ACCRUED INTEREST ON BONDS AND NOTES (CONTINUED)
Year Ended December 31, 2021

Analysis of Balance - December 31, 2021

Serial Bond Principal Outstanding	Interest Rate	From	To	Period	Amount
825,000.00	3.375%	5/15/2021	12/31/2021	7.5 Months	17,402.34
825,000.00	3.375%	5/15/2021	12/31/2021	7.5 Months	17,402.34
825,000.00	3.500%	5/15/2021	12/31/2021	7.5 Months	17,952.66
825,000.00	3.500%	5/15/2021	12/31/2021	7.5 Months	18,046.88
825,000.00	3.500%	5/15/2021	12/31/2021	7.5 Months	18,046.88
825,000.00	3.500%	5/15/2021	12/31/2021	7.5 Months	18,046.88
825,000.00	3.500%	5/15/2021	12/31/2021	7.5 Months	18,046.88
825,000.00	3.500%	5/15/2021	12/31/2021	7.5 Months	18,046.88
115,000.00	2.250%	5/15/2021	12/31/2021	7.5 Months	1,617.19
120,000.00	2.250%	5/15/2021	12/31/2021	7.5 Months	1,687.50
120,000.00	2.250%	5/15/2021	12/31/2021	7.5 Months	1,687.50
125,000.00	2.250%	5/15/2021	12/31/2021	7.5 Months	1,757.81
130,000.00	2.250%	5/15/2021	12/31/2021	7.5 Months	1,828.13
175,000.00	2.250%	5/15/2021	12/31/2021	7.5 Months	2,460.94
180,000.00	2.250%	5/15/2021	12/31/2021	7.5 Months	2,531.25
200,000.00	2.250%	5/15/2021	12/31/2021	7.5 Months	2,812.50
200,000.00	2.250%	5/15/2021	12/31/2021	7.5 Months	2,812.50
210,000.00	2.500%	5/15/2021	12/31/2021	7.5 Months	3,281.25
215,000.00	2.500%	5/15/2021	12/31/2021	7.5 Months	3,359.38
220,000.00	3.000%	5/15/2021	12/31/2021	7.5 Months	4,125.00
220,000.00	3.000%	5/15/2021	12/31/2021	7.5 Months	4,125.00
220,000.00	3.000%	5/15/2021	12/31/2021	7.5 Months	4,125.00
220,000.00	3.000%	5/15/2021	12/31/2021	7.5 Months	4,125.00
220,000.00	3.000%	5/15/2021	12/31/2021	7.5 Months	4,125.00
220,000.00	3.000%	5/15/2021	12/31/2021	7.5 Months	4,125.00
220,000.00	3.000%	5/15/2021	12/31/2021	7.5 Months	4,125.00
110,000.00	3.500%	5/15/2021	12/31/2021	7.5 Months	2,406.25
110,000.00	3.500%	5/15/2021	12/31/2021	7.5 Months	2,406.25
115,000.00	3.500%	5/15/2021	12/31/2021	7.5 Months	2,515.63

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

D-15

SEWER UTILITY OPERATING FUND
SCHEDULE OF ACCRUED INTEREST ON BONDS AND NOTES (CONTINUED)
Year Ended December 31, 2021

Analysis of Balance - December 31, 2021

Serial Bond Principal Outstanding	Interest Rate	From	To	Period	Amount
120,000.00	3.500%	5/15/2021	12/31/2021	7.5 Months	2,625.00
125,000.00	3.500%	5/15/2021	12/31/2021	7.5 Months	2,734.38
130,000.00	3.500%	5/15/2021	12/31/2021	7.5 Months	2,843.75
150,000.00	3.500%	5/15/2021	12/31/2021	7.5 Months	3,281.25
150,000.00	3.500%	5/15/2021	12/31/2021	7.5 Months	3,281.25
165,000.00	3.500%	5/15/2021	12/31/2021	7.5 Months	3,609.38
170,000.00	3.500%	5/15/2021	12/31/2021	7.5 Months	3,718.75
175,000.00	3.500%	5/15/2021	12/31/2021	7.5 Months	3,828.13
190,000.00	3.500%	5/15/2021	12/31/2021	7.5 Months	4,156.25
195,000.00	3.500%	5/15/2021	12/31/2021	7.5 Months	4,265.63
195,000.00	3.550%	5/15/2021	12/31/2021	7.5 Months	4,326.56
200,000.00	3.600%	5/15/2021	12/31/2021	7.5 Months	4,500.00
200,000.00	3.650%	5/15/2021	12/31/2021	7.5 Months	4,562.50
200,000.00	3.700%	5/15/2021	12/31/2021	7.5 Months	4,625.00
200,000.00	3.750%	5/15/2021	12/31/2021	7.5 Months	4,687.50
180,000.00	4.000%	2/1/2021	12/31/2021	11 Months	6,600.00
190,000.00	4.000%	2/1/2021	12/31/2021	11 Months	6,966.67
195,000.00	4.000%	2/1/2021	12/31/2021	11 Months	7,150.00
205,000.00	4.000%	2/1/2021	12/31/2021	11 Months	7,516.67
215,000.00	4.000%	2/1/2021	12/31/2021	11 Months	7,883.33
225,000.00	4.000%	2/1/2021	12/31/2021	11 Months	8,250.00
230,000.00	4.000%	2/1/2021	12/31/2021	11 Months	8,433.33
245,000.00	4.000%	2/1/2021	12/31/2021	11 Months	8,983.33
255,000.00	2.125%	2/1/2021	12/31/2021	11 Months	4,967.19
260,000.00	2.250%	2/1/2021	12/31/2021	11 Months	5,362.50
270,000.00	2.375%	2/1/2021	12/31/2021	11 Months	5,878.13
270,000.00	2.500%	2/1/2021	12/31/2021	11 Months	6,187.50
260,000.00	2.500%	2/1/2021	12/31/2021	11 Months	5,958.33
250,000.00	2.500%	2/1/2021	12/31/2021	11 Months	5,729.17
<u>\$ 51,507,000.00</u>					<u>\$ 887,124.54</u>
<u>\$ 59,726,255.51</u>					<u>\$ 976,068.71</u>

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

**SEWER UTILITY CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS
Year Ended December 31, 2021**

Ordinance Number	Improvement Description	Ordinance Date	Balance - December 31, 2020		2021 Authorizations	Encumbrances December 31, 2020	2021 Adjustment	Paid	Encumbrances December 31, 2021	Balance - December 31, 2021		
			Funded	Unfunded						Funded	Unfunded	
	<u>General Improvement:</u>											
6646	Improv. to San. Sewer System	4/21/1987	\$ 3,761,000.00	\$ -	\$ -	\$ 1,075.74	\$ (365.00)	\$ -	\$ 710.74	\$ -	\$ -	
6652	Various Capital Improvements	4/16/1991	4,090,000.00	-	-	14,297.60	-	-	14,297.60	-	-	
03-006	Wastewater Util. Cap. Prog.	4/2/2003	2,300,000.00	62,973.96	-	-	-	-	-	62,973.96	-	
04-038/04-044	Klockner Pump Station	10/13/2004	1,350,000.00	-	-	4,083.00	-	-	4,083.00	-	-	
04-038/04-044	Pump Station Alarm Radio	10/13/2004	265,000.00	-	-	5,700.00	-	-	5,700.00	-	-	
04-038/04-044	Dewatering Facility Air Quality	10/13/2004	58,000.00	-	-	58,000.00	-	-	58,000.00	-	-	
04-038/04-044	RBC Main Effluent	10/13/2004	40,000.00	-	-	10,630.00	-	-	10,630.00	-	-	
06-030	Equipment Control	1/25/2006	3,554,500.00	-	-	8,599.17	-	-	8,599.17	-	-	
06-030	Sewer & Road Improvements	1/25/2006	350,000.00	-	-	15,599.14	-	-	15,599.14	-	-	
06-030	Utility Trucks	1/25/2006	83,000.00	0.36	-	-	-	-	-	0.36	-	
08-069	Various Sewer Improvements	12/24/2008	5,399,500.00	-	-	36,850.36	-	-	36,850.36	-	-	
10-011	Various Sewer Improvements	3/1/2010	12,989,000.00	-	-	1,637.51	-	-	-	1,637.51	-	
10-031	Various Sewer Improvements	11/8/2010	8,400,000.00	-	-	746,329.85	-	4,782.50	126,966.36	614,580.99	-	
11-015	Various Sewer Improvements	4/19/2011	5,880,000.00	32,065.08	-	595,465.34	-	499,755.15	95,710.19	32,065.08	-	
12-030	Various Sewer Improvements	8/21/2012	5,000,000.00	555,055.88	-	1,650,182.43	-	1,292,401.77	289,023.44	623,813.10	-	
13-021	Various Sewer Improvements	7/10/2013	7,400,000.00	1,430,548.00	-	953,894.99	-	1,214,505.40	1,096,395.01	73,542.58	-	
14-030	Various Sewer Improvements	6/10/2014	6,900,000.00	-	20.58	-	-	-	-	-	20.58	
15-019	Various Sewer Improvements	10/10/2015	5,957,000.00	-	70,440.77	-	119,001.12	92.50	220.10	-	189,129.29	
16-023	Various Sewer Improvements	8/15/2016	6,379,050.00	-	4,677,246.37	-	13,529.51	16,017.59	3,091,091.92	-	1,583,666.37	
17-021	Various Sewer Improvements	6/7/2017	6,116,700.00	-	4,962,907.26	-	18,891.76	848.00	-	-	4,980,951.02	
18-031	Various Sewer Improvements	9/11/2018	6,800,000.00	-	6,191,770.60	-	7,433.02	-	7,433.02	-	6,191,770.60	
21-045	Various Sewer Improvements	9/11/2018	6,800,000.00	-	-	9,958,260.00	-	-	-	-	9,958,260.00	
			\$ 2,080,643.28	\$ 15,902,385.58	\$ 9,958,260.00	\$ 4,261,200.54	\$ (365.00)	\$ 3,028,402.91	\$ 4,861,310.05	\$ 1,408,613.58	\$ 22,903,797.86	

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

D-17

**SEWER UTILITY CAPITAL FUND
SCHEDULE OF RESERVE FOR AMORTIZATION
Year Ended December 31, 2021**

Balance - December 31, 2020		\$ 131,841,730.72
Increased by:		
Serial Bonds Paid by Operating Budget	\$ 3,530,000.00	
EIT Loans Paid by Operating Budget	<u>25,616.82</u>	
		<u>3,555,616.82</u>
Decreased by:		
Amounts Received for Fully Funded Ordinances	<u>66,032.95</u>	
		<u>66,032.95</u>
Balance - December 31, 2021		<u><u>\$ 135,331,314.59</u></u>

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

D-18

**SEWER UTILITY CAPITAL FUND
SCHEDULE OF SEWER SERIAL BONDS
Year Ended December 31, 2021**

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding - December 31, 2021		Interest Rate	Balance December 31, 2020	Increased	Decreased	Balance December 31, 2021
			Date	Amount					
Sewer Utility Refunding Bonds	4/30/2013	\$ 16,505,000.00	8/1/2022	\$ 1,720,000.00	4.000%	\$ 8,955,000.00	\$ -	\$ 1,655,000.00	\$ 7,300,000.00
			8/1/2023	1,790,000.00	4.000%				
			8/1/2024	1,855,000.00	4.000%				
			8/1/2025	1,935,000.00	4.000%				
Sewer Utility Tax Exempt	6/1/2014	\$ 14,687,000.00	6/1/2022	550,000.00	2.000%	11,912,000.00	-	525,000.00	11,387,000.00
			6/1/2023	565,000.00	2.125%				
			6/1/2024	575,000.00	2.250%				
			6/1/2025	600,000.00	2.500%				
			6/1/2026	650,000.00	3.000%				
			6/1/2027	650,000.00	3.000%				
			6/1/2028	650,000.00	3.000%				
			6/1/2029	650,000.00	3.000%				
			6/1/2030	650,000.00	3.125%				
			6/1/2031	650,000.00	3.250%				
			6/1/2032	650,000.00	3.250%				
			6/1/2033	650,000.00	3.250%				
			6/1/2034	650,000.00	3.250%				
			6/1/2035	650,000.00	3.500%				
			6/1/2036	650,000.00	3.500%				
			6/1/2037	650,000.00	3.500%				
			6/1/2038	650,000.00	3.500%				
6/1/2039	647,000.00	3.500%							

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

D-18

**SEWER UTILITY CAPITAL FUND
SCHEDULE OF SEWER SERIAL BONDS (CONTINUED)
Year Ended December 31, 2021**

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding - December 31, 2021		Interest Rate	Balance December 31, 2020	Increased	Decreased	Balance December 31, 2021
			Date	Amount					
Sewer Utility Taxable	6/1/2014	2,300,000.00	6/1/2022	175,000.00	3.250%	1,525,000.00	-	175,000.00	1,350,000.00
			6/1/2023	175,000.00	3.500%				
			6/1/2024	200,000.00	3.500%				
			6/1/2025	200,000.00	3.500%				
			6/1/2026	200,000.00	4.000%				
			6/1/2027	200,000.00	4.000%				
			6/1/2028	200,000.00	4.000%				
Sewer Series 2015	8/1/2015	\$ 3,035,000.00	8/1/2022	310,000.00	5.000%	1,640,000.00	-	305,000.00	1,335,000.00
			8/1/2023	325,000.00	5.000%				
			8/1/2024	340,000.00	4.710%				
			8/1/2025	360,000.00	4.670%				
Sewer Series 2017 B	5/15/2017	23,480,000.00	5/15/2022	475,000.00	5.000%	21,130,000.00	-	475,000.00	20,655,000.00
			5/15/2023	525,000.00	5.000%				
			5/15/2024	530,000.00	5.000%				
			5/15/2025	605,000.00	5.000%				
			5/15/2026	940,000.00	5.000%				
			5/15/2027	940,000.00	5.000%				
			5/15/2028	940,000.00	5.000%				
			5/15/29-5/15/47	15,700,000.00	various				

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

D-18

**SEWER UTILITY CAPITAL FUND
SCHEDULE OF SEWER SERIAL BONDS (CONTINUED)
Year Ended December 31, 2021**

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding - December 31, 2021		Interest Rate	Balance December 31, 2020	Increased	Decreased	Balance December 31, 2021
			Date	Amount					
Sewer Series 2019 Tax Exempt	5/7/2019	3,556,000.00	5/19/2022	115,000.00	2.250%	3,445,000.00	-	115,000.00	3,330,000.00
			5/19/2023	120,000.00	2.250%				
			5/19/2024	120,000.00	2.250%				
			5/19/2025	125,000.00	2.250%				
			5/19/2026	130,000.00	2.250%				
			5/19/2027	175,000.00	2.250%				
			5/19/2028	180,000.00	2.250%				
			5/19/2029	200,000.00	2.250%				
			5/19/2030	200,000.00	2.250%				
			5/19/2031	210,000.00	2.500%				
			5/19/2032	215,000.00	2.500%				
			5/19/2033-2039	220,000.00	3.000%				
			Sewer Series 2019 Taxable	5/7/2019	3,112,000.00				
5/19/2023	110,000.00	3.500%							
5/19/2024	115,000.00	3.500%							
5/19/2025	120,000.00	3.500%							
5/19/2026	125,000.00	3.500%							
5/19/2027	130,000.00	3.500%							
5/19/2028	150,000.00	3.500%							
5/19/2029	150,000.00	3.500%							
5/19/2030	165,000.00	3.500%							
5/19/2031	170,000.00	3.500%							
5/19/2032	175,000.00	3.500%							
5/19/2033	190,000.00	3.500%							
5/19/2034	195,000.00	3.500%							
5/19/2035	195,000.00	3.550%							
5/19/2036	200,000.00	3.600%							
5/19/2037	200,000.00	3.650%							
5/19/2038	200,000.00	3.700%							
5/19/2039	200,000.00	3.750%							

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

D-18

**SEWER UTILITY CAPITAL FUND
SCHEDULE OF SEWER SERIAL BONDS (CONTINUED)
Year Ended December 31, 2021**

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds		Interest Rate	Balance December 31, 2020	Increased	Decreased	Balance December 31, 2021
			Outstanding - December 31, 2021						
			Date	Amount					
Sewer Series 2019 Refunding	10/31/2019	3,470,000.00	2/1/2022	180,000.00	4.000%	3,425,000.00	-	175,000.00	3,250,000.00
			2/1/2023	190,000.00	4.000%				
			2/1/2024	195,000.00	4.000%				
			2/1/2025	205,000.00	4.000%				
			2/1/2026	215,000.00	4.000%				
			2/1/2027	225,000.00	4.000%				
			2/1/2028	230,000.00	4.000%				
			2/1/2029	245,000.00	4.000%				
			2/1/2030	255,000.00	2.125%				
			2/1/2031	260,000.00	2.250%				
			2/1/2032	270,000.00	2.375%				
			2/1/2033	270,000.00	2.500%				
			2/1/2034	260,000.00	2.500%				
			2/1/2035	250,000.00	2.500%				
						<u>\$55,037,000.00</u>	<u>\$ -</u>	<u>\$ 3,530,000.00</u>	<u>\$ 51,507,000.00</u>

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

D-19

**SEWER UTILITY CAPITAL FUND
SCHEDULE OF LOAN PAYABLE - NEW JERSEY INFRASTRUCTURE BANK
Year Ended December 31, 2021**

Purpose	Drawdown Date	Amount of Loan	Interest Rate	Maturities of Loans		Balance December 31, 2020	Increased	Decreased	Balance December 31, 2021
				Date	Amount				
Infrastructure Water Loan	8/1/2010	\$ 126,650.65	3.46%	8/1/2022	6,814.76	\$ 68,587.01	-	\$ 6,598.97	\$ 61,988.04
			3.60%	8/1/2023	7,050.55				
			3.70%	8/1/2024	7,304.37				
			3.80%	8/1/2025	7,574.63				
			3.90%	8/1/2026	7,862.47				
			3.99%	8/1/2027	8,169.10				
			4.08%	8/1/2028	8,495.05				
			4.16%	8/1/2029	8,841.65				
Infrastructure Water Loan - Principal Only	8/1/2010	4,028,778.00	3.46%	8/1/2022	19,017.85	171,285.32	-	19,017.85	152,267.47
			3.60%	8/1/2023	19,017.85				
			3.70%	8/1/2024	19,017.85				
			3.80%	8/1/2025	19,017.85				
			3.90%	8/1/2026	19,017.85				
			3.99%	8/1/2027	19,017.85				
			4.08%	8/1/2028	19,017.85				
			4.16%	8/1/2029	19,017.98				
						<u>\$ 239,872.33</u>	<u>\$ -</u>	<u>\$ 25,616.82</u>	<u>\$ 214,255.51</u>

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

D-20

**SEWER UTILITY CAPITAL FUND
SCHEDULE OF BOND ANTICIPATION NOTES
Year Ended December 31, 2021**

Ordinance Number	Improvement Description	Date of Original Issue	Date of Issue	Date of Maturity	Interest Rate	Balance December 31, 2020	Increased	Decreased	Balance December 31, 2021
16-023	Various Sewer Improvements	5/22/2018	5/18/2020	2/17/2021	1.75%	\$ 6,379,000.00	\$ -	\$ 6,379,000.00	\$ -
16-023	Various Sewer Improvements	5/22/2018	2/3/2021	2/16/2022	1.25%	-	6,204,000.00	-	6,204,000.00
17-021	Various Sewer Improvements	2/3/2021	2/3/2021	2/16/2022	1.25%	-	1,200,000.00	-	1,200,000.00
18-031	Various Sewer Improvements	2/3/2021	2/3/2021	2/16/2022	1.25%	-	601,000.00	-	601,000.00
						<u>\$ 6,379,000.00</u>	<u>\$ 8,005,000.00</u>	<u>\$ 6,379,000.00</u>	<u>\$ 8,005,000.00</u>

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

D-21

**SEWER UTILITY CAPITAL FUND
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED
Year Ended December 31, 2021**

Capital Number	Ordinance Date	Improvement Description	Balance December 31, 2020	Authorized 2021	BANs Redeemed	Adjustments	BANs Issued	Balance December 31, 2021
6623	6/6/73	Constr. of San. Sewer Main - Whitehorse Mercerville Rd.	\$ 44,290.00	\$ -	\$ -	\$ -	\$ -	\$ 44,290.00
6642	3/22/84	Constr. of a Sewer Interceptor Line	14,000.00	-	-	-	-	14,000.00
6645	4/16/86	Var. Sewer Capital Improv.	434.00	-	-	-	-	434.00
6661	5/17/1995	Various Capital Improv.	0.41	-	-	-	-	0.41
6664	5/28/1997	Replacement of Sewer Lines	33,272.00	-	-	-	-	33,272.00
6670	6/8/2000	Various Capital Improv.	0.26	-	-	-	-	0.26
08-069	3/1/10	Various Capital Improv.	275.00	-	-	-	-	275.00
16-023	8/15/2016	Various Capital Improv.	2.00	-	6,379,000.00	(66,032.95)	6,204,000.00	241,034.95
17-021	6/7/2017	Various Capital Improv.	6,116,700.00	-	-	-	1,200,000.00	4,916,700.00
18-031	9/11/2018	Various Capital Improv.	6,800,000.00	-	-	-	601,000.00	6,199,000.00
21-045	9/9/2021	Various Capital Improv.	-	9,958,260.00	-	-	-	9,958,260.00
			<u>\$ 13,008,973.67</u>	<u>\$ 9,958,260.00</u>	<u>\$ 6,379,000.00</u>	<u>\$ (66,032.95)</u>	<u>\$ 8,005,000.00</u>	<u>\$ 21,407,266.62</u>

REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

**SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY AND
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION – PERS AND PFRS
(UNAUDITED)**

PERS - Last 10 Fiscal Years

	2021	2020	2019	2018	2017	2016	2015	2014	2013
Township's proportion of the net pension liability	0.3424541%	0.3538706%	0.3603780%	0.3496011%	0.3299722%	0.3385549%	0.3421040%	0.3484885%	0.3477481%
Township's proportionate share of net pension liability	\$ 40,568,817.00	\$ 57,707,042.00	\$ 64,934,641.00	\$ 68,834,705.00	\$ 76,812,253.00	\$ 100,270,328.00	\$ 76,795,495.00	\$ 65,246,580.00	\$ 66,461,574.00
Township's covered-employee payroll	18,692,300.00	25,447,183.00	25,654,947.00	24,664,786.00	23,522,663.00	23,077,632.00	23,410,294.00	28,250,162.00	27,288,857.00
Total pension liability	138,212,977.34	139,541,065.00	149,526,091.00	148,341,227.00	148,000,341.00	167,498,994.00	147,479,603.00	136,159,585.00	129,613,702.91
Plan fiduciary net position	97,644,160.57	81,834,023.00	84,591,450.00	79,506,522.00	71,188,088.00	67,228,756.00	70,684,108.00	70,913,005.00	63,152,129.17
Township's proportionate share of net pension liability as a % of payroll	217.03%	226.77%	253.11%	279.08%	326.55%	434.49%	328.04%	230.96%	243.55%
Plan fiduciary net position as a % of total pension liability	70.65%	58.65%	56.57%	53.60%	48.10%	40.14%	47.93%	52.08%	48.72%

PERS Fire Districts - Last 10 Fiscal Years

	2021	2020	2019	2018	2017	2016	2015	2014	2013
Township's proportion of the net pension liability	0.0050297%	0.0046977%	0.0045661%	0.0046209%	0.0051158%	0.0051374%	0.0053716%	0.0043466%	0.0044531%
Township's proportionate share of net pension liability	\$ 595,847.00	\$ 766,065.00	\$ 806,707.00	\$ 909,831.00	\$ 1,190,866.00	\$ 1,521,553.00	\$ 1,205,807.00	\$ 813,808.00	\$ 851,071.00
Township's covered-employee payroll	380,673.00	368,680.00	350,602.00	244,244.00	328,273.00	323,713.00	352,934.00	363,639.00	302,854.00
Total pension liability	2,029,977.79	1,852,417.43	1,894,554.43	1,960,719.39	2,294,537.17	2,541,717.20	2,315,656.48	1,698,292.69	1,659,762.81
Plan fiduciary net position	1,434,130.72	1,086,352.40	1,087,846.96	1,050,887.77	1,103,671.20	1,020,164.24	1,109,849.15	884,484.47	808,691.93
Township's proportionate share of net pension liability as a % of payroll	156.52%	207.79%	230.09%	372.51%	362.77%	470.03%	341.65%	223.80%	281.02%
Plan fiduciary net position as a % of total pension liability	70.65%	58.65%	57.42%	53.60%	48.10%	40.14%	47.93%	52.08%	48.72%

PFRS - Last 10 Fiscal Years

	2021	2020	2019	2018	2017	2016	2015	2014	2013
Township's proportion of the net pension liability	0.5311121%	0.5524395%	0.5440620%	0.5671840%	0.5681413%	0.5696386%	0.5694478%	0.5520024%	0.5739572%
Township's proportionate share of net pension liability	\$ 38,819,797.00	\$ 71,382,469.00	\$ 66,581,323.00	\$ 76,749,342.00	\$ 87,710,026.00	\$ 108,815,550.00	\$ 94,850,149.00	\$ 69,436,787.00	\$ 76,302,430.00
State's collective proportionate share of Township's net pension liability	10,918,060.00	11,078,234.00	10,513,317.00	10,425,129.00	9,824,262.00	9,137,807.00	8,318,039.00	7,477,175.00	7,112,313.00
Township's covered-employee payroll	19,180,188.00	18,824,250.00	18,683,715.00	18,605,490.00	18,631,147.00	18,453,698.00	18,719,706.00	22,589,838.00	27,288,857.00
Total pension liability	218,760,200.70	226,058,132.00	220,244,635.00	232,318,857.00	235,614,943.00	245,779,418.00	236,118,470.00	204,606,281.00	201,949,120.75
Plan fiduciary net position	169,022,354.27	143,597,430.00	143,149,995.00	145,144,386.00	138,080,655.00	127,826,061.00	132,950,282.00	127,692,319.00	118,534,376.96
Township's proportionate share of net pension liability as a % of payroll	202.40%	379.20%	356.36%	412.51%	470.77%	589.67%	506.69%	307.38%	279.61%
Plan fiduciary net position as a % of total pension liability	77.26%	63.52%	65.00%	62.48%	58.60%	52.01%	56.31%	62.41%	58.70%

PFRS Fire Districts - Last 10 Fiscal Years

	2021	2020	2019	2018	2017	2016	2015	2014	2013
Township's proportion of the net pension liability	0.3469779%	0.3225781%	0.3018462%	0.2712592%	0.2538027%	0.2459613%	0.2372259%	0.2260573%	0.2056524%
Township's proportionate share of net pension liability	\$ 25,361,145.00	\$ 41,681,340.00	\$ 36,939,386.00	\$ 36,705,836.00	\$ 39,182,234.00	\$ 46,984,893.00	\$ 39,513,572.00	\$ 28,435,908.00	\$ 27,339,628.00
State's collective proportionate share of Township's net pension liability	7,132,818.00	6,468,754.00	5,832,799.00	4,985,882.00	4,388,741.00	3,945,566.00	3,465,208.00	3,062,070.00	2,548,386.00
Township's covered-employee payroll	12,308,431.00	12,137,401.00	11,293,334.00	10,715,916.00	9,415,628.00	8,674,167.00	8,646,015.00	8,555,494.00	8,187,621.00
Total pension liability	142,917,035.61	131,998,876.58	122,191,947.19	111,107,898.52	105,255,013.17	106,123,798.81	98,364,463.68	83,790,822.10	72,359,606.90
Plan fiduciary net position	110,423,073.98	83,848,783.62	79,419,762.56	69,416,180.46	61,684,038.28	55,193,340.80	55,385,684.79	52,292,844.25	42,471,593.29
Township's proportionate share of net pension liability as a % of payroll	206.05%	343.41%	327.09%	342.54%	416.14%	541.66%	457.01%	332.37%	333.91%
Plan fiduciary net position as a % of total pension liability	77.26%	63.52%	65.00%	62.48%	58.60%	52.01%	56.31%	62.41%	58.70%

The PERS and PFRS schedules above are intended to show information for ten years. The State of New Jersey has issued nine years of pension information to the Township. Additional years' information will be displayed as it becomes available.

Notes to the Required Supplementary Information

- There were no benefit changes.
- The PERS and PFRS discount rates changed from the measurement date of June 30, 2013, of 5.55% and 6.45% to 5.39% and 6.32%, respectively, as of the measurement date of June 30, 2014.
- The PERS and PFRS discount rates changed from the measurement date of June 30, 2014, of 5.39% and 6.32% to 4.90% and 5.79%, respectively, as of the measurement date of June 30, 2015.
- The PERS and PFRS discount rates changed from the measurement date of June 30, 2015, of 4.90% and 5.79% to 3.98% and 5.55%, respectively, as of the measurement date of June 30, 2016.
- The PERS and PFRS discount rates changed from the measurement date of June 30, 2016, of 3.98% and 5.55% to 5.00% and 6.14%, respectively, as of the measurement date of June 30, 2017.
- The PERS and PFRS discount rates changed from the measurement date of June 30, 2017, of 5.00% and 6.14% to 5.66% and 6.51%, respectively, as of the measurement date of June 30, 2018.
- The PERS and PFRS discount rates changed from the measurement date of June 30, 2018, of 5.66% and 6.51% to 6.28% and 6.85%, respectively, as of the measurement date of June 30, 2019.
- The PERS and PFRS discount rates changed from the measurement date of June 30, 2019, of 6.28% and 6.85% to 7.00% and 7.00%, respectively, as of the measurement date of June 30, 2020.
- The discount rate of 7.00% as of the measurement date of June 30, 2021, was unchanged from the June 30, 2020, measurement date.

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

SCHEDULE OF CONTRIBUTIONS – PERS AND PFRS (UNAUDITED)

PERS - Last 10 Fiscal Years									
	Years Ended June 30,								
	2021	2020	2019	2018	2017	2016	2015	2014	2013
Contractually required contribution	\$ 4,010,535	\$ 3,871,166	\$ 3,505,416	\$ 3,477,401	\$ 3,056,840	\$ 3,007,673	\$ 2,941,177	\$ 2,872,889	\$ 2,620,211
Contributions in relation to the contractually required contribution	4,010,535	3,871,166	3,505,416	3,477,401	3,056,840	3,007,673	2,941,177	2,872,889	2,620,211
Township's covered-employee payroll	25,317,623	25,040,905	25,447,183	25,654,947	24,664,786	23,522,663	23,077,632	23,410,294	28,250,162
Contributions as a % of covered-employee payroll	15.84%	15.46%	13.78%	13.55%	12.39%	12.79%	12.74%	12.27%	9.28%
PERS Fire District Plans - Last 10 Fiscal Years									
	Years Ended June 30,								
	2021	2020	2019	2018	2017	2016	2015	2014	2013
Contractually required contribution	\$ 58,904	\$ 44,415	\$ 56,195	\$ 55,227	\$ 46,113	\$ 46,181	\$ 35,833	\$ 33,553	\$ 35,751
Contributions in relation to the contractually required contribution	58,904	44,415	56,195	55,227	46,113	46,181	35,833	33,553	35,751
Township's covered-employee payroll	380,673	368,680	350,602	420,560	328,273	323,713	352,934	363,639	302,854
Contributions as a % of covered-employee payroll	15.47%	12.05%	16.03%	13.13%	14.05%	14.27%	10.15%	9.23%	11.80%
PFRS - Last 10 Fiscal Years									
	Years Ended June 30,								
	2021	2020	2019	2018	2017	2016	2015	2014	2013
Contractually required contribution	\$ 6,189,923	\$ 6,171,693	\$ 5,495,628	\$ 5,545,059	\$ 5,028,155	\$ 4,644,495	\$ 4,628,761	\$ 4,239,760	\$ 4,187,464
Contributions in relation to the contractually required contribution	6,189,923	6,171,693	5,495,628	5,545,059	5,028,155	4,644,495	4,628,761	4,239,760	4,187,464
Township's covered-employee payroll	19,180,188.00	18,692,300	18,824,250	18,683,714	18,605,490	18,631,147	18,453,698	18,719,706	22,589,838
Contributions as a % of covered-employee payroll	32.27%	33.02%	29.19%	29.68%	27.03%	24.93%	25.08%	22.65%	18.54%
PFRS Fire District Plans - Last 10 Fiscal Years									
	Years Ended June 30,								
	2021	2020	2019	2018	2017	2016	2015	2014	2013
Contractually required contribution	\$ 4,043,904	\$ 3,048,980	\$ 2,651,958	\$ 2,252,220	\$ 2,005,547	\$ 1,928,713	\$ 1,736,276	\$ 1,500,394	\$ 1,565,101
Contributions in relation to the contractually required contribution	4,043,904	3,048,980	2,651,958	2,252,220	2,005,547	1,928,713	1,736,276	1,500,394	1,565,101
Township's covered-employee payroll	12,308,431	12,137,401	11,293,334	10,715,916	9,415,628	8,674,167	8,646,015	8,555,494	8,187,621
Contributions as a % of covered-employee payroll	32.85%	25.12%	23.48%	21.02%	21.30%	22.24%	20.08%	17.54%	19.12%

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

SCHEDULE OF PROPORTIONATE SHARE OF THE NET OPEB LIABILITY AND CONTRIBUTIONS (UNAUDITED)

	Last 10 Fiscal Years				
	2021	2020	2019	2018	2017
Proportion of the net OPEB liability - State Plan	Unavailable	0.004798%	0.004471%	0.005794%	0.006672%
Proportionate share of the net OPEB liability - State Plan	Unavailable	\$ 861,078.00	\$ 605,645.00	\$ 907,724.00	\$ 1,362,141.00
Net OPEB liability - Local Plan	389,349,242.00	410,859,007.00	391,194,157.00	381,745,078.00	306,008,000.00
Contributions to State Plan	32,045.78	30,353.00	30,474.00	74,626.00	73,463.00
Contributions to Local Plan	13,087,697.32	8,821,212.00	9,401,764.00	6,223,385.00	6,100,000.00
Township's covered-employee payroll	45,576,622.00	45,576,622.00	53,513,105.00	53,096,226.00	51,590,000.00
Township's proportionate share of net OPEB liability as a % of payroll	854.27%	901.47%	731.02%	720.68%	595.93%
Plan fiduciary net position as a % of total OPEB liability	Unavailable	0.91%	1.98%	1.97%	1.03%

The OPEB schedules are intended to show information for ten years. The State of New Jersey has issued four years and the Township's local plan has issued five years of pension information to the Township. Additional years' information will be displayed as it becomes available.

SUPPLEMENTARY INFORMATION

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

**SCHEDULE OF OPERATIONS AND CHANGE IN FUND BALANCE - CURRENT FUND
Year Ended December 31, 2021**

	2021	
	Amount	%
Revenues and Other Income Realized		
Fund Balance Utilized	\$ 6,900,000.00	2.02%
Miscellaneous Revenues Realized	41,369,013.43	12.14%
Receipts from Delinquent Taxes	132,060.67	0.04%
Receipts from Current Taxes	286,474,770.82	84.05%
Non-Budget Revenue	1,682,688.41	0.49%
Other Credits to Income	4,289,274.24	1.26%
Total Revenues	<u>340,847,807.57</u>	<u>100.00%</u>
Budget Appropriations:		
Operations:		
Salaries and Wages	62,514,522.84	19.05%
Other Expenses	57,484,074.87	17.51%
Deferred Charges and Statutory Expenditures	15,776,705.79	4.81%
Capital Improvements	724,000.00	0.22%
Municipal Debt Service	11,246,854.64	3.43%
County Taxes Levied	56,041,716.40	17.07%
Local District School Taxes Levied	124,367,578.00	37.89%
Other Charges	75,443.72	0.02%
Total Expenditures	<u>328,230,896.26</u>	<u>100.00%</u>
Excess in Revenues	12,616,911.31	
Adjustments to Income Before Fund Balance:		
Expenditures Included Above Which are by Statute Deferred Charges to Budget of Succeeding Years	<u>142,733.31</u>	
Statutory Excess to Fund Balance	12,759,644.62	
Fund Balance - January 1	<u>10,106,697.34</u>	
Subtotal	22,866,341.96	
Decreased by:		
Utilized as Anticipated Revenue	<u>6,900,000.00</u>	
Fund Balance - December 31	<u><u>\$ 15,966,341.96</u></u>	

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

SCHEDULE OF OPERATIONS AND CHANGE IN FUND BALANCE –
SEWER UTILITY OPERATING FUND
Year Ended December 31, 2021

	2021	
	Amount	%
Revenues and Other Income Realized		
Fund Balance Utilized	\$ 550,000.00	2.57%
Sewer Rents	18,983,071.59	88.61%
Sewer Connection Fees	697,579.16	3.26%
Miscellaneous Revenue not Anticipated	59,267.89	0.28%
Other Credits to Income:	1,134,389.17	5.29%
Total Revenues	<u>21,424,307.81</u>	<u>100.00%</u>
Budget Appropriations:		
Operating	11,796,081.32	58.57%
Debt Service	5,755,000.00	28.57%
Statutory Expenditures	955,200.00	4.74%
Other	1,634,022.68	8.11%
Total Expenditures	<u>20,140,304.00</u>	<u>100.00%</u>
Statutory Excess to Fund Balance	1,284,003.81	
Fund Balance - January 1	<u>2,501,130.91</u>	
Subtotal	3,785,134.72	
Decreased by:		
Utilized as Anticipated Revenue	<u>550,000.00</u>	
Fund Balance - December 31	<u><u>\$ 3,235,134.72</u></u>	

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

**COMPARATIVE SCHEDULE OF TAX RATE INFORMATION
Years Ended December 31, 2021, 2020, 2019 and 2018**

Comparison of Tax Rate Information

	2021	2020	2019	2018
Total Tax Rate	\$ 3.263	\$ 2.903	\$ 2.835	\$ 2.818

Apportionment of Tax Rate:

Municipal	1.155	0.822	0.776	0.789
Library	0.035	0.035	0.034	0.034
County	0.614	0.612	0.618	0.612
Local School	1.432	1.407	1.381	1.357
Open Space	0.027	0.027	0.026	0.026

Fire District Tax Rate:

Fire District 1	-	0.130	0.090	0.120
Fire District 2	-	0.300	0.290	0.270
Fire District 3	-	0.760	0.720	0.690
Fire District 4	-	0.580	0.560	0.490
Fire District 5	-	0.770	0.730	0.720
Fire District 6	-	0.230	0.230	0.220
Fire District 7	-	0.160	0.160	0.160
Fire District 8	-	0.470	0.450	0.430
Fire District 9	-	0.370	0.330	0.320

Assessed Valuation - Net Valuation Taxable:

2021	2020	2019	2018
\$ 8,684,990,309	\$ 8,685,431,945	\$ 8,628,979,995	\$ 8,517,051,329

Comparison of Tax Levies and Cash Collections:

Year	Tax Levy	Cash Collection	% of Collection
2021	\$ 286,857,290.08	\$ 286,474,770.82	99.87%
2020	281,595,068.23	280,755,577.43	99.70%
2019	272,892,606.10	272,319,266.59	99.79%
2018	268,686,505.47	268,006,319.05	99.75%

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

**DELINQUENT TAXES AND TAX TITLE LIENS
Years Ended December 31, 2021, 2020, 2019 and 2018**

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 four years.

Year	Amount of Tax Title Liens	Amount of Delinquent Taxes	Total Delinquent
2021	\$ 2,225,588.28	\$ 3,741.50	\$ 2,229,329.78
2020	3,103,503.35	17,784.82	3,121,288.17
2019	3,145,507.68	57,025.88	3,202,533.56
2018	3,110,849.78	21,206.09	3,132,055.87

Property Acquired for Tax Title Lien Liquidation:

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

Year	Amount
2021	\$ 367,045.00
2020	367,045.00
2019	367,045.00
2018	367,045.00

Comparison of Sewer Levies and Cash Collections:

Year	Levy	Cash Collection	% of Collection
2021	\$ 19,056,961.64	\$ 18,973,071.59	99.56%
2020	17,284,711.79	17,809,918.20	103.04%
2019	16,684,333.38	15,441,881.59	92.55%
2018	16,557,579.91	15,407,731.97	93.06%

Comparative Schedule of Fund Balances:

	Year	Balance	Utilized in Budget of Succeeding Year
Current Fund	2021	\$ 15,966,341.96	\$ 7,495,000.00
	2020	10,106,697.34	6,900,000.00
	2019	6,130,576.29	3,384,650.00
	2018	8,052,392.41	6,600,000.00
	2017	8,217,241.12	5,100,000.00
Sewer Utility Fund	2021	3,235,134.72	1,020,000.00
	2020	2,501,130.91	550,000.00
	2019	1,758,751.80	471,350.00
	2018	1,341,506.36	1,099,900.00
	2017	3,543,267.24	3,000,000.00

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

**OFFICIALS IN OFFICE AND SURETY BONDS
Year Ended December 31, 2021**

The following officials were in office on December 31, 2021:

<u>Name</u>	<u>Title</u>	<u>Amount of Bond</u>	<u>Name of Corporate Surety</u>
Jeffrey Martin	Mayor		
Pasquale Papero Jr.	President		
Nancy Phillips	Vice President		
Charles F. Whalen	Council person		
Anthony Carabelli Jr.	Council person		
Richard Tighe	Council person		
Eileen A. Gore	Municipal Clerk		
Alison J. Sabo	Deputy Municipal Clerk		
Kathryn Monzo	Business Administrator/Interim CFO	\$ 780,000	Selective Insurance/JIF
Daniel Gatti	Tax Assessor		
Elissa Grodd Schragger, Esq.	Township Attorney		
Kate Kane	Deputy Director of Community and Economic Dev		
Chuck Thomas	Director of Public Works		
Carrie Feuer	Director of Water Pollution Control		
Kathleen Fitzgerald	Director of Health, Recreation and Welfare		
Janice Blakely-Williams	Director of Neighborhood Preservation		
Louis Sancinoto	Presiding Municipal Judge	200,000	Selective Insurance/JIF
Shelia D. Ellington	Municipal Judge	200,000	Selective Insurance/JIF
Jessica Hammill	Court Administrator, Court Clerk	200,000	Selective Insurance/JIF
Danielle Peacock	Tax Collector, Tax Search Officer	800,000	Selective Insurance/JIF
Samantha Brown	Township Engineer		
Bill Callahan	Chief Housing Inspector		
James Stevens	Chief of Police		

All other employees were covered under a Public Employees Blanket Bond issued by the Travelers Casualty and Surety Company of America in the amount of \$1,000,000.

All surety bonds in effect were examined or verified.

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

SCHEDULE OF CURRENT YEAR FINDINGS AND RECOMMENDATIONS

Finding 2021-001

Criteria

Management is responsible for timely and accurate financial reporting.

Condition

Various financial reporting procedures were not completed and reviewed in a consistent and timely manner resulting in a delayed year-end close process and correcting audit adjusting journal entries. These procedures include the following:

- Year-end closing entries for various current fund and sewer utility fund operations, budget appropriations, tax and related receivables, and capital fund and sewer capital fund debt service were not completed resulting in audit adjustments.
- Adjusting and reclass entries posted by Township staff were not reviewed timely and were posted to incorrect accounts resulting in misstatements and correcting adjusting entries.
- Monthly bank and general ledger account reconciliations were not completed timely.
- Credit card receipt and related revenue transactions were not recorded timely.
- Various receipts related to grants receivable were not applied to the proper grant program, grant year, or current period.
- Trust fund activity not classified properly or recorded in the dedication by rider trust fund in line with the purpose of the transaction resulting in deficit reserve balances and other misstatements requiring correcting reclass and adjusting entries.
- Sufficient records or support for cash transfers between accounts, interfunds and adjusting journal entries completed during the year were not consistently maintained.

Cause

The policies and procedures over the financial reporting process were not consistently followed due to significant turnover in the Finance Department, including the CFO position, who oversees the process.

Effect

Delays in completing the year-end close process and audit and various material adjustments to the year-end account balances.

Recommendation

We recommend that the Township review existing policies and internal controls to ensure that procedures are in place and operating so that all transactions are properly recorded on a timely basis and reviewed by appropriate levels of the Finance Department personnel and that related general ledger accounts and reconciliations are timely and accurate.

Management's Response to Finding

The Township is in agreement with this finding and is in the process of completing corrective actions.

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

SCHEDULE OF CURRENT YEAR FINDINGS AND RECOMMENDATIONS

Finding 2021-002

Criteria

Management is responsible for monitoring budget to actual expenditures to avoid over-expenditures.

Condition

Over-expenditures of 2020 appropriation reserves in the amount of \$142,733.31 were noted at December 31, 2021.

Cause

Inconsistent monitoring of the Township budget versus actual expenditures to assure that over-expenditures do not reoccur in the future.

Effect

A deferred charge to be raised in the subsequent year 2023 budget. Management override of controls and noncompliance with requirements of audit and budget law.

Recommendation

We recommend that the Township Finance staff continue to monitor its budget appropriations throughout the year to avoid over-expenditures and instances of override of budget controls.

Management's Response to Finding

The Township is in agreement with this finding and has completed corrective action by raising the over-expenditure in the subsequent year 2023 budget.

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS

Finding 2020-001

Condition

Monthly bank and account reconciliations were not completed and reviewed in a consistent and timely manner resulting in a delayed year-end close process.

Status: This finding was recurring in the current year as finding 2021-001.

Finding 2020-002

Condition

Over-expenditures of budget appropriations in the amount of \$3,405.79 were noted at December 31, 2020.

Status: This finding was recurring in the current year as finding 2021-002.

INDEPENDENT AUDITORS' 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

To the Honorable Mayor
and Members of the Township Council
Township of Hamilton
County of Mercer, State of New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, and requirements of audit prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the financial statements – regulatory basis of various funds and account group of the Township of Hamilton, County of Mercer, State of New Jersey (the “Township”), as of and for the year ended December 31, 2021, and the related notes to financial statements, which collectively comprise the Township’s basic financial statements, and have issued our report thereon dated December 16, 2022, in which we expressed an adverse opinion on the conformity of the financial statements with accounting principles generally accepted in the United States of America due to differences between those principles and accounting practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

Report on Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control, described in the accompanying schedule of current year findings and recommendations as findings 2021-001 and 2021-002 that we consider to be material weaknesses.

INDEPENDENT AUDITORS' 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* (CONTINUED)

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Township's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed one instance of noncompliance or other matter that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of current year findings and recommendations as finding 2021-002.

Township's Response to Findings

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

Purpose of this Report

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



Warren A. Broudy, CPA, CGFM, PSA, CGMA, CMFO
Registered Municipal Accountant License No. 554

**MERCADIEN, P.C.
CERTIFIED PUBLIC ACCOUNTANTS**

December 16, 2022

STATISTICAL SECTION (UNAUDITED)

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

Table 1

**CURRENT FUND EXPENDITURES BY FUNCTION
LAST TEN FISCAL YEARS (UNAUDITED)**

Year	General Government	Administration	Insurance & Postage	Finance	Law	Engineering, Planning & Inspections	Economic Development/Technology
2021	\$ 1,049,573	\$ 1,148,800	\$ 18,678,428	\$ 1,753,350	\$ 1,939,000	\$ 2,014,200	\$ 733,400
2020	1,038,810	1,177,135	15,492,900	1,739,585	1,828,803	2,074,529	1,291,701
2019	963,601	1,004,961	15,052,865	1,714,875	1,929,584	2,154,058	694,466
2018	871,794	1,090,538	14,607,427	1,747,444	1,828,979	1,714,112	712,525
2017	916,223	1,069,651	13,872,017	1,750,079	1,790,866	2,002,316	669,325
2016	780,609	925,648	15,892,396	1,732,794	1,729,915	1,844,486	755,483
2015	765,764	891,304	16,035,600	1,667,828	1,733,982	1,928,860	695,965
2014	748,728	897,782	15,966,286	1,655,967	1,722,745	1,941,535	633,757
2013	634,591	1,086,572	18,726,584	1,630,923	1,620,071	1,869,473	616,984
2012	857,211	971,421	15,953,796	1,567,141	1,646,180	2,158,583	642,730

Year	Public Safety	Public Works	Health, Recreation & Welfare	Separate Boards & Agencies	Uniform Construction Code Appropriation	Unclassified Purposes	Deferred Charges & Statutory Expenditures
2021	\$ 45,808,040	\$ 24,508,100	\$ 4,046,480	\$ 124,400	\$ 2,332,000	\$ 3,705,946	\$ 15,773,000
2020	22,800,841	23,283,884	2,775,592	174,126	2,190,158	3,539,102	9,825,820
2019	24,026,826	23,183,082	3,521,067	142,630	2,099,243	3,384,260	11,117,449
2018	23,195,486	22,324,601	3,540,213	168,858	1,931,329	4,016,246	10,323,819
2017	23,841,949	21,651,820	3,457,065	202,188	1,844,122	3,157,502	9,807,405
2016	23,376,300	21,279,501	3,270,273	186,368	1,852,885	3,446,720	9,564,307
2015	22,808,705	20,754,685	3,243,074	188,918	1,815,441	3,560,929	9,029,569
2014	22,242,797	20,513,866	3,104,541	189,143	1,793,099	3,516,772	8,778,457
2013	22,294,054	20,170,229	2,698,607	163,863	1,760,053	3,955,118	8,943,570
2012	22,549,786	21,432,021	3,110,778	192,608	1,968,355	3,982,172	8,890,652

Year	Operations Excluded from CAPS	State & Federal Grants	Capital Improvements	Deferred Charges Excluded from CAPS	Debt Service	Reserve for Uncollected Taxes	Total (1)
2021	\$ 4,389,550	\$ 10,445,283	\$ 724,000	\$ 3,706	\$ 11,272,690	\$ 845,146	\$ 151,295,092
2020	4,405,685	2,013,825	-	187,687	10,517,762	701,590	107,059,533
2019	4,878,567	915,777	125,000	-	10,402,078	680,102	107,990,491
2018	4,809,158	1,062,072	325,000	-	10,141,588	886,669	105,297,858
2017	4,778,739	1,099,676	415,000	-	9,324,604	1,100,290	102,750,837
2016	4,663,766	926,553	410,000	-	7,444,188	1,256,306	101,338,498
2015	4,667,726	667,395	419,175	-	6,148,100	899,442	97,922,462
2014	7,136,120	864,561	394,860	-	6,060,083	900,240	99,061,339
2013	3,477,394	2,792,848	398,677	-	5,352,787	1,383,678	99,576,076
2012	4,214,114	1,381,323	379,150	-	5,939,570	1,300,000	99,137,591

(1) Excludes taxes allocated for county and school purposes.

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

Table 2

**CURRENT FUND REVENUES BY SOURCE
LAST TEN FISCAL YEARS (UNAUDITED)**

Year	Taxes (1)	Delinquent Taxes	Fees, Permits, Fines & Licenses	Construction Code Fees	In Lieu of Taxes	State Aid	From Other Funds
2021	\$ 106,910,623	\$ 132,061	\$ 4,059,150	\$ 3,312,983	\$ 1,320,674	\$ 19,166,830	\$ 1,857,214
2020	74,789,203	298,561	4,020,604	2,772,973	2,041,838	19,166,830	1,050,000
2019	70,637,649	326,212	6,608,824	2,145,644	1,053,353	19,166,830	175,000
2018	72,432,426	271,875	5,569,450	2,002,139	973,043	19,166,830	780,395
2017	69,513,308	366,116	5,418,970	2,228,525	840,005	19,166,830	874,067
2016	69,088,488	37,005	5,024,221	3,024,442	745,373	19,166,830	874,067
2015	64,392,419	156,579	4,283,906	2,692,203	614,000	19,166,830	680,331
2014	64,087,414	430,079	4,577,038	2,352,951	223,000	19,166,830	754,331
2013	63,259,610	448,261	3,781,392	2,031,012	223,000	19,166,830	754,331
2012	62,826,326	566,516	3,677,150	1,696,081	223,000	19,166,830	861,943

Year	Appropriation Reserves Lapsed	Sale of Municipal Assets	Other Special Items of Revenue	State and Federal Grants	Surplus Anticipated	Non-Budget Revenues & Other Items	Total (1)
2021	\$ 4,289,274	\$ 1,319,195	\$ 1,236,879	\$ 10,415,283	\$ 6,900,000	\$ 363,494	\$ 161,283,660
2020	2,709,389	3,780	1,468,394	1,983,825	3,384,650	823,210	114,513,258
2019	1,996,542	18,900	2,010,349	860,777	6,600,000	1,523,509	113,123,589
2018	2,703,344	-	1,124,087	1,007,072	5,100,000	599,414	111,730,075
2017	2,083,322	83,737	543,857	1,074,676	4,500,000	1,259,341	107,952,754
2016	1,039,146	-	993,296	901,553	4,500,000	901,232	106,295,653
2015	1,848,367	-	732,313	642,395	3,200,000	1,656,242	100,065,585
2014	1,783,383	-	1,235,471	839,561	2,400,000	991,604	98,841,662
2013	154,888	-	4,973,944	1,777,988	4,500,000	1,493,565	102,564,821
2012	2,224,385	94,357	1,518,135	1,383,823	7,029,271	3,162,463	104,430,280

(1) Excludes taxes allocated for county and school purposes. The change in taxes from the prior years to 2021 is due to the consolidation of the fire districts into the municipal taxes that were a separate special assessment in the prior years.

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

Table 3

**ASSESSED VALUE AND ESTIMATE OF TOTAL VALUE
LAST TEN FISCAL YEARS (UNAUDITED)**

<u>Year</u>	<u>Net Assessed Valuation Taxable</u>	<u>Market Valuation</u>	<u>Percentage of Net Assessed to Market Value</u>
2021	\$ 8,657,418,950	\$ 9,297,753,993	93.11%
2020	8,685,431,945	9,215,832,854	94.24%
2019	8,628,979,995	9,120,000,072	94.62%
2018	8,517,051,329	8,928,283,025	95.39%
2017	8,510,085,105	8,768,832,490	97.05%
2016	8,473,551,847	8,653,838,044	97.92%
2015	5,165,540,985	8,713,857,913	59.28%
2014	5,166,302,640	8,660,503,656	59.65%
2013	5,157,770,396	8,281,583,808	62.28%
2012	5,158,330,794	9,160,155,030	56.31%

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

Table 4

**SCHEDULE OF TEN LARGEST TAXPAYERS – 2021
LAST TEN FISCAL FUND (UNAUDITED)**

<u>Business Type</u>	<u>2021 Assessed Valuation</u>	<u>As a Percent of Total Net Assessed Taxable Valuation</u>
Shopping Center	\$ 91,227,050	1.05%
Office Park	45,019,500	0.52%
Industrial Building	38,559,800	0.44%
Industrial Building	38,004,500	0.43%
Residential	35,959,100	0.41%
Telecommunications	32,625,559	0.37%
Warehouse	32,600,000	0.37%
Senior Housing	31,816,500	0.36%
Adult Community	31,062,100	0.35%
Shopping Center	30,865,500	0.35%

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

Table 5

RATIO OF BONDED DEBT, BOND ANTICIPATION NOTES AND LOANS TO EQUALIZED VALUE AND DEBT PER CAPITA
LAST TEN FISCAL YEARS (UNAUDITED)

Year	Population (1)	Average Equalized Valuation	Net Debt	Net Debt per Capita	Ratio of Net Debt to Equalized Valuation	Net Debt Excluding Authorized But Not Issued		
						Debt	Ratio of Debt to Equalized Valuation	Debt per Capita
2021	91,605	\$ 9,277,264,804	\$ 86,108,158	\$ 940	0.93%	\$ 43,967,371	0.47%	\$ 479.97
2020	88,464	9,076,569,751	79,455,932	898	0.88%	58,947,312	0.65%	666.34
2019	88,464	8,911,849,679	89,193,087	1,008	1.00%	67,320,239	0.76%	760.99
2018	88,464	8,756,239,486	98,047,896	1,108	1.12%	76,175,048	0.87%	861.09
2017	88,464	8,617,061,159	99,415,057	1,124	1.15%	75,390,209	0.87%	852.21
2016	88,464	8,590,301,553	99,283,701	1,122	1.16%	79,018,514	0.92%	893.23
2015	88,464	8,516,370,352	96,613,194	1,092	1.13%	82,088,278	0.96%	927.93
2014	88,464	8,439,319,800	93,449,390	1,056	1.11%	86,524,759	1.03%	978.08
2013	88,464	8,422,856,565	90,664,310	1,025	1.08%	63,892,038	0.76%	722.24
2012	88,464	9,050,138,527	87,384,557	988	0.97%	64,634,899	0.71%	730.64

(1) Census information taken from <https://www.nj.gov/labor/labormarketinformation/demographics/population-household-estimates/>

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

Table 6

**RATIO OF ANNUAL DEBT SERVICE EXPENDITURES (GROSS) – CURRENT FUND
LAST TEN FISCAL YEARS (UNAUDITED)**

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>	<u>Total Current Fund Governmental Expenditures</u>	<u>Ratio of Total Debt Service to Current Fund Expenditures</u>
2021	\$ 9,333,673	\$ 1,913,181	\$ 11,246,855	\$ 148,591,305	7.57%
2020	8,247,933	2,269,829	10,517,762	107,059,533	9.82%
2019	7,812,231	2,581,252	10,393,483	107,981,895	9.63%
2018	7,612,664	2,528,924	10,141,588	101,005,521	10.04%
2017	5,855,000	1,996,809	7,851,809	102,750,834	7.64%
2016	5,486,616	1,957,572	7,444,188	101,338,498	7.35%
2015	4,215,332	1,924,945	6,140,277	97,914,639	6.27%
2014	4,458,192	1,601,891	6,060,083	99,030,638	6.12%
2013	3,679,109	1,673,678	5,352,787	99,576,077	5.38%
2012	3,851,477	2,088,123	5,939,600	99,154,956	5.99%

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

Table 7

**DEMOGRAPHIC STATISTICS LAST TEN FISCAL YEARS
(UNAUDITED)**

<u>Year</u>	<u>Unemployment Rate (1)</u>	<u>Total per Capita Income (2)</u>
2021	5.20%	\$ 71,790
2020	8.20%	71,790
2019	3.00%	69,080
2018	3.50%	66,343
2017	4.20%	66,343
2016	4.20%	63,471
2015	4.80%	62,674
2014	5.90%	61,315
2013	7.30%	57,623
2012	8.50%	58,969

(1) - Per NJ Department of Labor Statistics at
https://www.nj.gov/labor/lpa/employ/uirate/lfest_index.html

(2) - Information taken from
https://www.nj.gov/labor/lpa/industry/incpov/incpoverty_index.html

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

Table 8

MISCELLANEOUS STATISTICS (UNAUDITED)

Date of Incorporation	1842
Form of Government	Mayor - Council
Area in Square Miles	40
Miles of Streets	N/A

GENERAL COMMENTS

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

GENERAL COMMENTS

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

N.J.S.A. 40A:11-4 states "Every contract or agreement, for the performance of any work or the furnishing or hiring of any materials or supplies, the cost or the contract price whereof is to be paid with or out of public funds not included within the terms of Section 3 of this act, shall be made or awarded only after public advertising for bids and bidding therefore, except as is provided otherwise in this act or specifically by any other law. No work, materials or supplies shall be undertaken, acquired or furnished for a sum exceeding in the bid threshold as set forth in New Jersey Statute 40A.4:11-4". The amount of \$44,000 for the period January 1, 2021 through December 31, 2021, is the threshold set forth in the aforementioned statute for the year ended December 31, 2021.

The governing body of the Township has the responsibility of determining whether the expenditures in any category will exceed the threshold identified above within the fiscal year. Where question arises as to whether any contract or agreement might result in violation of the statute, the Township 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 and agreements for "Professional Services" per N.J.S.A. 40A:11-5.

Pay-to-Play Requirements

The responsibility for compliance with the Township's local ordinance and the statutory requirements relating to pay-to-play has been bifurcated. All matters relating to professional service contracts have been assigned to the Office of the Township Attorney, while compliance for non-professional services contracts remains with the Township Purchasing Agent. An anomaly exists in the "Pay-to-Play" statutes when they are matched with the Local Public Contract Law ("LPCL") requirements to determine compliance requirements. The threshold for Pay-to-Play is set at \$17,500, with no escalator provision. At the time c.271 was enacted, the bid threshold per the Local LPCL was also set at \$17,500. However, effective July 1, 2020, the bid threshold was increased to \$44,000. This created a gap for compliance, as under c.271, a contract not awarded using a fair & open process and exceeding \$17,500 triggers the filing of additional documentation relating to ownership of the contracting entity and disclosure of political contributions. Since "Pay-to-Play" laws cover all contracts (not just professional services as some believe) any contract (or aggregation of purchases of similar goods or services) that does not meet "fair and open" standards requires the Township to obtain the necessary c.271 documents. The provisions of c.271 became effective on January 1, 2006.

Collection of Interest on Delinquent Taxes and Assessments

N.J.S.A. 54:4-67 provides the method for authorizing interest and the maximum rates to be charged for the nonpayment of taxes or assessments on or before the date when they would become delinquent. The Township and governing body, on January 5, 2021, adopted a resolution authorizing interest to be charged on delinquent taxes and assessments, as follows:

- 8% Interest on amounts up to \$1,500 on Delinquent Tax and Assessment Accounts
- 18% Interest on amounts from \$1,500 and above on Delinquent Tax and Assessment Accounts after the ten (10) day grace period

This resolution also included the provision of N.J.S.A. 54:4-67 to include a penalty of 6% to be charged to delinquencies in excess of \$10,000 at the end of the calendar year. An examination of the collector's records indicated that interest on delinquencies was calculated in accordance with the foregoing resolution, for items tested.

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

GENERAL COMMENTS (CONTINUED)

Delinquent Taxes and Tax Title Liens

The tax sale for 2021 delinquencies was held on December 16, 2021. A tax sale was held as permitted by Chapter 99, P.L. 1996. A tax sale has been held in each subsequent year. The Township maintains a foreclosure program for tax title liens that become subject to In Rem Foreclosure. Subject liens have been assigned to attorneys and are in the process of foreclosure.

Investment of Funds

The Chief Financial Officer had most of the idle funds of the Township invested in the interest-bearing investments or cash accounts from January 1, 2021 to December 31, 2021. Earnings from the investments are shown as cash in the applicable accounts of the Township as of December 31, 2021, and are reflected as revenue in the current fund. The investment program instituted by the finance officer was complete with minimal balances remaining in demand accounts. This policy complied with N.J.S.A. 40A.4:5-14 in all respects. All cash accounts and investments held by the Township, including those transferred from the fire districts in the consolidation process, were directly confirmed as of December 31, 2021.

Purchase Order System and Encumbrance System

The Township's budgetary operation is on a full encumbrance system with the exception of payrolls and other direct costs. All purchases are made directly by the purchasing department or subsequently confirmed on an emergency basis. Outstanding encumbrances were reviewed at the close of the year, and adjustments and cancellations were made where appropriate to reflect actual commitments outstanding for budgetary control. Certain open-ended contracts were processed outside of the contracts module available in the accounting system instead using open purchase orders to track contract awards, per unit rates, disbursements made and any increases or decreases in the open-ended contract identified. Contract changes, rates and disbursement activity were reviewed and approved by appropriate departmental, purchasing and finance staff but the Township is in the process of reviewing and standardizing this process across departments and transaction or contract type.

Condition of Records - Tax Collector Office

The records maintained by the Tax Collector were audited. Computerized cash receipt records were agreed to daily and monthly deposit reports and tax reports with immaterial exceptions noted for items tested related to classifications of receipts between property and sewer taxes and tax year, NSF checks and special assessments. No exceptions were noted in the testing of computerized real estate tax billings, PILOTs, tax abatements or other billing deductions or adjustments for real estate taxes.

Condition of Records - Finance Department

The Finance Department utilized a computerized general ledger accounting system during 2021. General ledgers were maintained for all funds. The Township is currently in compliance with New Jersey Administrative Code 5:30-5.7, establishment and maintenance of a general ledger. A fixed asset tracking system or subsidiary ledger is also maintained.

The resolution for the annual cash management plan identifying authorized signers and custodians of accounts was not updated in 2021 for new staffing and accounts noted in 2021. This was resolved after the December 31, 2021, year end upon hiring of a new permanent chief financial officer.

Escrow deposit accounts were not segregated by account in the general ledger system for funds held in Township escrow bank accounts.

**TOWNSHIP OF HAMILTON
COUNTY OF MERCER, STATE OF NEW JERSEY**

GENERAL COMMENTS (CONTINUED)

Condition of Records - Finance Department (Continued)

Errors were noted in the processing of payroll rate increases and 1099 tax forms in 2021. Pay increases as of January 1, 2021, were not processed properly. A correcting retro payroll was completed later in the year to correct for the missed increases. Forms 1099 were prepared without the proper tax ID information.

Budgetary Records

The Township maintains a detailed, computerized subsidiary ledger for each of its adopted budgets. Budget transfers were properly approved and recorded in the allowable transfer periods between allowable budget line items.

Cybersecurity

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