

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON,
STATE OF NEW JERSEY**

**FINANCIAL STATEMENTS AND
SUPPLEMENTAL DATA**

December 31, 2019

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

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**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

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INDEPENDENT AUDITORS' REPORT

INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and Members
of the Township Council
Township of Mount Holly
County of Burlington
Mount Holly, New Jersey 08060

Report on the Financial Statements

We have audited the accompanying financial statements – regulatory basis of the various funds and account group of the Township of Mount Holly, County of Burlington, State of New Jersey (the “Township”), as of and for the year ended December 31, 2019, and the related notes to financial statements, which comprise the Township’s basic financial statements, as listed in the table of contents.

Management’s Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with financial reporting provisions of the Division of Local Government Services, Department of Community Affairs, State of New Jersey; this includes 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' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors’ judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity’s preparation and fair presentation of the financial statements 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 entity’s internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of

INDEPENDENT AUDITORS' REPORT (CONTINUED)

Auditors' Responsibility (Continued)

significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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, these 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.

Adverse Opinion

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles" paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of each fund and account group of the Township as of December 31, 2019, and the changes in its financial position for the year then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each fund and account group of the Township, as of December 31, 2019, and the changes in its financial position for the year then ended in accordance with the financial reporting provisions of the Division of Local Government Services, Department of Community Affairs, State of New Jersey, as described in Note A.

Report on Summarized Comparative Information

We have previously audited the Township's 2018 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated August 26, 2019, 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, 2018, is consistent, in all material respects, with the audited financial statements from which it has been derived.

INDEPENDENT AUDITORS' REPORT (CONTINUED)

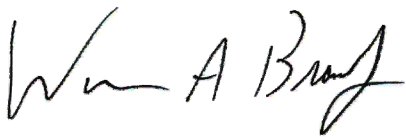
Report on Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that comprise the Township's basic financial statements. The supplemental schedules as required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The supplemental schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental schedules 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.

The supplementary information as listed in the table of contents has not been subject to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 14, 2020, 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 control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Township's internal control over financial reporting and compliance.



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

MERCADIEN, P.C.
CERTIFIED PUBLIC ACCOUNTANTS

September 14, 2020

BASIC FINANCIAL STATEMENTS – REGULATORY BASIS

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

A

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

December 31, 2019 and 2018

| <u>ASSETS</u> | <u>REFERENCE</u> | <u>2019</u> | <u>2018</u> |
|---|------------------|--------------------|------------------|
| Regular Fund: | | | |
| Cash: | | | |
| Chief Financial Officer | A-4 | \$2,242,789 | 1,994,774 |
| Change Fund | | 750 | 750 |
| | | <hr/> | <hr/> |
| Total Regular Fund | | 2,243,539 | 1,995,524 |
| | | <hr/> | <hr/> |
| Due from State of New Jersey for Senior Citizen & Veteran Deductions | | 8,360 | 7,185 |
| | | <hr/> | <hr/> |
| Receivables & Other Assets With Full Reserves: | | | |
| Delinquent Property Taxes Receivable | A-5 | 10,060 | 8,939 |
| Tax Title Liens Receivable | A-6 | 209,437 | 203,095 |
| Property Acquired for Taxes - Assessed Valuation | A-7 | 490,805 | 490,805 |
| Property Maintenance Receivable | A-8 | 2,442 | 1,971 |
| Revenue Accounts Receivable | A-9 | 17,447 | 20,252 |
| Interfunds Receivable: | | | |
| Due from State and Federal Grants | A | 361,340 | 361,339 |
| Due from Animal Control Fund | B | 4,265 | 3,063 |
| Due from Trust Other | B | 18,247 | 21,636 |
| Due from Payroll Fund | D | 5,775 | 105,750 |
| Due from General Capital Fund | C | 5,752 | 8,518 |
| | | <hr/> | <hr/> |
| Total Receivables & Other Assets With Full Reserves | | 1,125,570 | 1,225,368 |
| | | <hr/> | <hr/> |
| Subtotal | | 3,377,469 | 3,228,077 |
| | | <hr/> | <hr/> |
| Federal & State Grant Fund: | | | |
| Cash | A-4 | 313,702 | 367,544 |
| Federal & State Aid Receivable | A-13 | 2,730,084 | 2,255,429 |
| | | <hr/> | <hr/> |
| Total Federal & State Grant Fund | | 3,043,786 | 2,622,973 |
| | | <hr/> | <hr/> |
| Total Assets | | <u>\$6,421,255</u> | <u>5,851,050</u> |

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

A

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

December 31, 2019 and 2018

| <u>LIABILITIES RESERVES & FUND BALANCE</u> | <u>REFERENCE</u> | <u>2019</u> | <u>2018</u> |
|--|------------------|--------------------|------------------|
| Regular Fund: | | | |
| Liabilities: | | | |
| Appropriation Reserves | A-3 | \$480,567 | 370,275 |
| Reserve for Encumbrances | A-3 | 145,302 | 92,394 |
| Accounts Payable | | | 67,927 |
| Prepaid Taxes | | 86,417 | 69,188 |
| Tax Overpayments | | 5,735 | 2,756 |
| Due County for Added & Omitted Taxes | | 230 | 4,374 |
| Local School Taxes Payable | A-11 | 1 | 1 |
| Regional School Taxes Payable | A-12 | 5 | 5 |
| Due to State of New Jersey - Marriage License Fees | | 105 | 375 |
| Due to Mount Holly MUA | | 4,527 | 6,122 |
| Reserve for Master Plan | | 15,513 | 15,513 |
| Reserve for Flood | | 51,777 | |
| | | <hr/> | |
| Total Liabilities | | 790,179 | 628,930 |
| | | <hr/> | |
| Reserves for Receivables & Other Assets | | 1,125,570 | 1,225,368 |
| Fund Balance | A-1 | 1,461,720 | 1,373,779 |
| | | <hr/> | |
| Subtotal | | 3,377,469 | 3,228,077 |
| | | <hr/> | |
| Federal & State Grant Fund: | | | |
| Reserve for Encumbrances | A-14 | 33,651 | 35,216 |
| Appropriated Reserves | A-14 | 2,628,922 | 2,208,140 |
| Unappropriated Reserves | A-15 | 19,873 | 18,278 |
| Due to Current Fund | A | 361,340 | 361,339 |
| | | <hr/> | |
| Total Federal & State Grant Fund | | 3,043,786 | 2,622,973 |
| | | <hr/> | |
| Total Liabilities, Reserves & Fund Balance | | <u>\$6,421,255</u> | <u>5,851,050</u> |

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

A-1

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

Years Ended December 31, 2019 and 2018

| | 2019 | 2018 |
|--|-------------|------------|
| <u>REVENUE & OTHER INCOME REALIZED</u> | | |
| Fund Balance Utilized | \$550,000 | 760,000 |
| Miscellaneous Revenue Anticipated | 5,021,930 | 5,882,331 |
| Receipts from Delinquent Taxes | 83,242 | 38,656 |
| Receipts from Current Taxes | 19,112,699 | 18,817,515 |
| Nonbudget Revenue | 105,148 | 62,880 |
| Other Credits to Income: | | |
| Statutory Excess in Dog Licenses | 1,226 | 2,776 |
| Unexpended Balance of Appropriation Reserves | 155,427 | 224,392 |
| Interfund Liquidated | 118,789 | |
| Prior Year Accounts Payable Cancelled | 18,138 | 16,600 |
| | <hr/> | <hr/> |
| Total Revenue & Other Income Realized | 25,166,599 | 25,805,150 |
| <u>EXPENDITURES</u> | | |
| Budget & Appropriations: | | |
| Operations Within "CAPS": | | |
| Salaries and Wages | 3,937,010 | 3,931,941 |
| Other Expenses | 3,564,887 | 3,514,901 |
| Deferred Charges & Statutory Expenditures | 959,965 | 877,340 |
| Operations Excluded From "CAPS": | | |
| Salaries and Wages | | 1,002,191 |
| Other Expenses | 690,498 | 782,462 |
| Capital Improvements | 56,866 | 153,285 |
| Municipal Debt Service | 1,270,748 | 1,154,869 |
| Deferred Charges & Statutory Expenditures | | |
| Transferred to Board of Education | 68,014 | 68,610 |
| County Taxes | 2,492,016 | 2,441,094 |
| Due County for Added & Omitted Taxes | 230 | 4,374 |
| Local District School Taxes | 8,460,271 | 8,400,233 |
| Regional High School Taxes | 2,374,544 | 2,338,893 |
| Special Fire District Taxes | 617,845 | 617,845 |
| Senior Citizens' & Veterans' Deductions Disallowed | 4,750 | 4,500 |
| Refund of Prior Year Revenue | 31,014 | 32,659 |
| Interfunds Created | | 102,579 |
| | <hr/> | <hr/> |
| Total Expenditures | 24,528,658 | 25,427,776 |
| Excess in Revenue to Fund Balance | <hr/> | <hr/> |
| | 637,941 | 377,374 |
| Fund Balance - Balance January 1 | 1,373,779 | 1,756,405 |
| Decreased by: Utilization as Anticipated Revenue | 550,000 | 760,000 |
| | <hr/> | <hr/> |
| Balance December 31 | \$1,461,720 | 1,373,779 |

See notes to financial statements.

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

A-2

**CURRENT FUND
STATEMENT OF REVENUES**

Year Ended December 31, 2019

| | ANTICIPATED BUDGET | SPECIAL N.J.S.40:4-87 | REALIZED | EXCESS OR (DEFICIT) |
|---|-----------------------|--------------------------|-----------|------------------------|
| Fund Balance Anticipated | \$550,000 | | 550,000 | |
| MISCELLANEOUS REVENUES | | | | |
| Licenses - Alcoholic Beverages | 23,000 | | 22,876 | (124) |
| Licenses - Other | 14,000 | | 8,775 | (5,225) |
| Fees & Permits | 300,000 | | 279,541 | (20,459) |
| Municipal Court Fines & Costs | 285,000 | | 256,129 | (28,871) |
| Interest & Costs on Taxes | 85,000 | | 95,105 | 10,105 |
| Interest on Investments & Deposits | 50,000 | | 85,158 | 35,158 |
| Housing Inspection Fees | 125,000 | | 133,145 | 8,145 |
| Consolidated Municipal Property Tax Relief | 126,149 | | 126,149 | |
| Energy Receipts Tax | 1,392,382 | | 1,392,382 | |
| Rec Opportunities Ind Disabilities | 10,000 | | 10,000 | |
| Community Forestry Grant | 3,878 | | 3,878 | |
| Urban Enterprise Zone | 70,000 | | 70,000 | |
| NJDOT Grant | | 271,427 | 271,427 | |
| Neighborhood Preservation | | 125,000 | 125,000 | |
| Insurance Fund Safety Grant | | 4,180 | 4,180 | |
| Body Armor Replacement Program | 2,775 | | 2,775 | |
| Urban Tree Reforestation Project | | 40,172 | 40,172 | |
| Safe and Secure Communities Grant | | 60,000 | 60,000 | |
| Clean Communities Grant | 18,278 | 20,399 | 38,677 | |
| Alcohol Education & Rehabilitation Fund | | 482 | 482 | |
| Recycling Tonnage Grant | 12,845 | | 12,845 | |
| USDA AMS Farmers Market Promotion | | 46,088 | 46,088 | |
| Federal Body Armor Grant | | 728 | 728 | |
| State Rental of Parking Lots | 12,600 | | 12,188 | (412) |
| Construction Code Office - Indirect Costs | 11,000 | | 11,000 | |
| Mt. Holly Memorial Health Alliance | 240,000 | | 240,000 | |
| County Rental of Parking Lots | 98,203 | | 98,203 | |
| Payment in Lieu of Taxes: | | | | |
| Mt. Holly Sewerage Authority | 308,000 | | 308,000 | |
| Strober | 200,000 | | 346,960 | 146,960 |
| Senior Housing | 7,000 | | 11,475 | 4,475 |
| Legacy/Children's Home | 30,000 | | 30,000 | |
| Regency Park | 140,000 | | 142,172 | 2,172 |
| Fermoor | 335,000 | | 364,738 | 29,738 |

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

A-2

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

Year Ended December 31, 2019

| | ANTICIPATED BUDGET | SPECIAL N.J.S.40:4-87 | REALIZED | EXCESS OR (DEFICIT) |
|---|-----------------------|--------------------------|-------------------|------------------------|
| MISCELLANEOUS REVENUES | | | | |
| Service Contract - Mt. Holly MUA | 30,000 | | 30,000 | |
| Rent - 14 King Street | 40,000 | | 40,000 | |
| Contribution from Rancocas Valley Regional High School | 111,750 | | 111,750 | |
| Contribution from Mt. Holly BOE | 75,866 | | 75,866 | |
| Cable TV Franchise Fee | 114,066 | | 114,066 | |
| Total | 4,271,792 | 568,476 | 5,021,930 | 181,662 |
| Receipts from Delinquent Taxes | 7,000 | | 83,242 | 76,242 |
| Amount to be Raised by Support of Municipal Budget | 5,287,979 | | 5,304,866 | 16,887 |
| Budget Totals | 10,116,771 | 568,476 | 10,960,038 | \$274,791 |
| Nonbudget Revenues | | | 105,148 | |
| TOTAL REVENUES | \$10,116,771 | 568,476 | 11,065,186 | |

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

A-2

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

Year Ended December 31, 2019

ANALYSIS OF REALIZED REVENUES

| | |
|--|---------------------------|
| Allocation of Current Tax Collections: | |
| Revenue from Collections | \$19,112,699 |
| Allocated to School, County & Fire District Taxes | <u>13,944,906</u> |
| Balance for Support of Municipal Budget Appropriations | 5,167,793 |
| Increased by Appropriation - Reserve for Uncollected Taxes | <u>137,073</u> |
| Amount for Support of Municipal Budget Appropriations | <u><u>\$5,304,866</u></u> |
| Receipts from Delinquent Taxes: | |
| Taxes Receivable | \$9,211 |
| Tax Title Lien Receivable | <u>74,031</u> |
| Total | <u><u>\$83,242</u></u> |

ANALYSIS OF NONBUDGET REVENUE

| | |
|---|-------------------------|
| Miscellaneous Revenues not Anticipated: | |
| Police Fees | \$5,898 |
| Pedestrian Decoy Reimbursement | 5,170 |
| Street Openings | 11,838 |
| State DMV Fees | 4,866 |
| PILOT Payments | 8,650 |
| Senior Citizens' & Veterans' Administrative Fee | 1,550 |
| Tax Search Fees | 180 |
| 2018 School Resource Officer Fees | 46,875 |
| Miscellaneous | <u>20,121</u> |
| Total | <u><u>\$105,148</u></u> |

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

A-3

**CURRENT FUND
STATEMENT OF EXPENDITURES**

Year Ended December 31, 2019

| OPERATIONS - Within "CAPS" | APPROPRIATIONS | | EXPENDED | | UNEXPENDED BALANCE CANCELED | OVER- EXPENDED |
|--|----------------|------------------------------|--------------------|----------|-----------------------------------|-------------------|
| | BUDGET | BUDGET AFTER MODIFICATION | PAID OR CHARGED | RESERVED | | |
| General Government: | | | | | | |
| Administrative & Executive: | | | | | | |
| Salaries and Wages | \$155,336 | 155,336 | 154,040 | 1,296 | | |
| Other Expenses | 164,750 | 164,750 | 155,983 | 8,767 | | |
| Mayor and Council: | | | | | | |
| Salaries and Wages | 22,500 | 22,500 | 22,500 | | | |
| Other Expenses | 9,000 | 9,000 | 8,985 | 15 | | |
| Township Clerk: | | | | | | |
| Salaries and Wages | 120,900 | 95,900 | 94,189 | 1,711 | | |
| Other Expenses | 35,500 | 35,500 | 33,255 | 2,245 | | |
| Financial Administration: | | | | | | |
| Salaries and Wages | 96,600 | 84,600 | 81,600 | 3,000 | | |
| Other Expenses | 38,550 | 35,550 | 30,809 | 4,741 | | |
| Audit Services | 35,000 | 35,000 | 35,000 | | | |
| Revenue Administration (Tax Collection): | | | | | | |
| Salaries and Wages | 167,653 | 167,653 | 163,058 | 4,595 | | |
| Other Expenses | 30,100 | 30,100 | 24,811 | 5,289 | | |
| Assessment of Taxes: | | | | | | |
| Salaries and Wages | 16,236 | 16,236 | 16,236 | | | |
| Other Expenses | 26,900 | 11,900 | 7,361 | 4,539 | | |
| Legal Services & Costs: | | | | | | |
| Other Expenses | 171,000 | 191,000 | 175,774 | 15,226 | | |
| Engineering Services & Costs: | | | | | | |
| Other Expenses | 461,000 | 461,000 | 388,719 | 72,281 | | |
| Historical Preservation Committee: | | | | | | |
| Other Expenses | 3,000 | 3,000 | | 3,000 | | |
| Municipal Land Use Law (NJSA 40:55D-1): | | | | | | |
| Planning Board: | | | | | | |
| Salaries and Wages | 13,200 | 13,200 | 13,200 | | | |
| Other Expenses | 12,450 | 15,450 | 13,795 | 1,655 | | |
| Code Enforcement and Administration: | | | | | | |
| Inspection of Housing: | | | | | | |
| Salaries and Wages | 134,578 | 119,578 | 117,326 | 2,252 | | |
| Other Expenses | 1,500 | 1,500 | 1,114 | 386 | | |
| Insurance: | | | | | | |
| Employee Group Health Insurance | 764,298 | 726,298 | 582,482 | 143,816 | | |
| General Liability Insurance | 224,233 | 224,233 | 216,346 | 7,887 | | |
| Worker's Compensation | 193,747 | 193,747 | 193,747 | | | |
| Medical Waiver | 6,000 | 6,000 | 5,823 | 177 | | |
| Public Safety: | | | | | | |
| Police: | | | | | | |
| Salaries & Wages | 2,460,444 | 2,450,444 | 2,398,014 | 52,430 | | |
| Other Expenses | 173,177 | 173,177 | 150,823 | 22,354 | | |
| Emergency Management: | | | | | | |
| Other Expenses | 1,500 | 1,500 | 1,500 | | | |
| Public Works Functions: | | | | | | |
| Streets & Road Maintenance: | | | | | | |
| Salaries & Wages | 544,690 | 544,690 | 536,466 | 8,224 | | |
| Other Expenses | 72,200 | 72,200 | 64,753 | 7,447 | | |

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

A-3

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

Year Ended December 31, 2019

| | APPROPRIATIONS | | EXPENDED | | UNEXPENDED BALANCE CANCELED | OVER- EXPENDED |
|--|----------------|------------------------------|--------------------|----------|-----------------------------------|-------------------|
| | BUDGET | BUDGET AFTER MODIFICATION | PAID OR CHARGED | RESERVED | | |
| OPERATIONS - Within "CAPS" | | | | | | |
| Public Works Functions (continued): | | | | | | |
| Public Buildings & Grounds: | | | | | | |
| Salaries & Wages | 12,500 | 12,500 | 11,260 | 1,240 | | |
| Other Expenses | 15,000 | 15,000 | 11,854 | 3,146 | | |
| Vehicle Maintenance: | | | | | | |
| Other Expenses | 35,000 | 35,000 | 23,752 | 11,248 | | |
| Other Public Works Functions: | | | | | | |
| Other Expenses | 550 | 550 | | 550 | | |
| Special Emergency: | | | | | | |
| Other Expenses | | | | | | |
| Health & Welfare: | | | | | | |
| Animal Control Services: | | | | | | |
| Other Expenses | 12,000 | 12,000 | 12,000 | | | |
| Community Drug Alliance Program: | | | | | | |
| Other Expenses | 2,200 | 2,200 | 2,200 | | | |
| Park & Recreation Functions: | | | | | | |
| Recreation Services & Programs: | | | | | | |
| Salaries & Wages | 62,448 | 62,448 | 61,215 | 1,233 | | |
| Other Expenses | 3,000 | 3,000 | 3,000 | | | |
| Celebration of Public Events: | | | | | | |
| Other Expenses | 7,500 | 7,500 | 5,850 | 1,650 | | |
| Municipal Court: | | | | | | |
| Municipal Court: | | | | | | |
| Salaries and Wages | 169,925 | 169,925 | 169,159 | 766 | | |
| Other Expenses | 12,707 | 12,707 | 11,107 | 1,600 | | |
| Municipal Prosecutor: | | | | | | |
| Salaries and Wages | 22,000 | 22,000 | 18,333 | 3,667 | | |
| Public Defender: | | | | | | |
| Other Expenses - Contractual | 525 | 525 | - | 525 | | |
| Utility Expenses & Bulk Purchase: | | | | | | |
| Electricity | 60,000 | 60,000 | 38,747 | 21,253 | | |
| Street Lighting | 180,000 | 212,000 | 191,302 | 20,698 | | |
| Telecommunication Costs | 27,000 | 30,500 | 29,641 | 859 | | |
| Water | 5,500 | 6,000 | 5,842 | 158 | | |
| Gasoline | 65,000 | 65,000 | 61,075 | 3,925 | | |
| Landfill/Solid Waste: | | | | | | |
| Garbage & Trash Removal: | | | | | | |
| Other Expenses | 270,500 | 305,500 | 282,689 | 22,811 | | |
| Sanitary Landfill: | | | | | | |
| Contractual | 315,000 | 335,000 | 329,567 | 5,433 | | |
| Unclassified: | | | | | | |
| Accumulated Absences | 70,000 | 70,000 | 70,000 | | | |
| Contingency | 1,500 | 1,500 | 1,500 | | | |
| Total Operations Within "CAPS" | 7,505,897 | 7,501,897 | 7,027,802 | 474,095 | | |
| Total Operations Including Contingent Within "CAPS" | 7,505,897 | 7,501,897 | 7,027,802 | 474,095 | | |
| Detail: | | | | | | |
| Salaries and Wages | 3,999,010 | 3,937,010 | 3,856,596 | 80,414 | | |
| Other Expenses (Including Contingent) | 3,506,887 | 3,564,887 | 3,171,206 | 393,681 | | |

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

A-3

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

Year Ended December 31, 2019

| | APPROPRIATIONS | | EXPENDED | | UNEXPENDED BALANCE CANCELED | OVER- EXPENDED |
|--|------------------|------------------------------|--------------------|----------------|-----------------------------------|-------------------|
| | BUDGET | BUDGET AFTER MODIFICATION | PAID OR CHARGED | RESERVED | | |
| OPERATIONS - Within "CAPS" | | | | | | |
| Deferred Charges & Statutory Expenditures - Municipal Within "CAPS": | | | | | | |
| Statutory Expenditures: | | | | | | |
| Overexpenditure of Appropriations | | | | | | |
| Public Employees Retirement System | 201,630 | 201,630 | 201,630 | | | |
| Police & Fire Pension Fund | 586,835 | 586,835 | 586,835 | | | |
| Social Security System (O.A.S.I.) | 150,000 | 150,000 | 147,589 | 2,411 | | |
| DCRP | 2,500 | 2,500 | 1,334 | | 1,166 | |
| Unemployment Fund | 15,000 | 19,000 | 16,125 | | 2,875 | |
| Total Deferred Charges & Statutory Expenditures | 955,965 | 959,965 | 953,513 | 6,452 | | |
| Total General Appropriations for Municipal Purposes Within "CAPS" | 8,461,862 | 8,461,862 | 7,981,315 | 480,547 | | |
| Mandated Expenditures Excluded from "CAPS": | | | | | | |
| Other Operations - Excluded from "CAPS" | | | | | | |
| Refund of Prior Year Revenue | | | | | | |
| Public and Private Programs Offset by Revenues: | | | | | | |
| Supplemental Fire Services | 4,246 | 4,246 | 4,246 | | | |
| NJ Urban Enterprise Zone: | | | | | | |
| Police Patrol | | | | | | |
| Administration | 70,000 | 70,000 | 70,000 | | | |
| Clean Communities Program | 18,278 | 38,677 | 38,677 | | | |
| NJDOT - High Street | | 271,427 | 271,427 | | | |
| Body Armor Grant | | 728 | 728 | | | |
| Farmers Market Promotion | | 46,088 | 46,088 | | | |
| Disabilities | 10,000 | 10,000 | 10,000 | | | |
| Tree Reforestation | | 40,172 | 40,172 | | | |
| Neighborhood Preservation | | 125,000 | 125,000 | | | |
| County Parks Grant | 3,878 | 3,878 | 3,878 | | | |
| Community Development Block Grant | | | | | | |
| Alcohol Education and Rehab Grant | | 482 | 482 | | | |
| Bulletproof Vest Program | 2,775 | 2,775 | 2,775 | | | |
| Insurance Fund Safety Grant | | 4,180 | 4,180 | | | |
| Safe & Secure | | 60,000 | 60,000 | | | |
| Recycling Tonnage Grant | 12,845 | 12,845 | 12,845 | | | |
| Total Operations Excluded from "CAPS" | 122,022 | 690,498 | 690,498 | | | |
| Detail: | | | | | | |
| Salary and Wages | | | | | | |
| Other Expenses | 122,022 | 690,498 | 690,498 | | | |
| Capital Improvements Excluded from "CAPS" | | | | | | |
| Capital Improvements: | | | | | | |
| Public Works Equipment | 56,866 | 56,866 | 56,846 | | 20 | |
| Leaf Vacuum | | | | | | |
| Police Equipment | | | | | | |
| Total Capital Improvements Excluded from "CAPS" | 56,866 | 56,866 | 56,846 | 20 | | |

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

A-3

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

Year Ended December 31, 2019

| | APPROPRIATIONS | | EXPENDED | | UNEXPENDED BALANCE CANCELED | OVER- EXPENDED |
|--|---------------------|------------------------------|---------------------|----------------|-----------------------------------|-------------------|
| | BUDGET | BUDGET AFTER MODIFICATION | PAID OR CHARGED | RESERVED | | |
| OPERATIONS - Excluded from "CAPS" | | | | | | |
| Municipal Debt Service: | | | | | | |
| Payment of Bond Principal | 608,000 | 608,000 | 608,000 | | | |
| Interest on Bonds | 547,245 | 547,245 | 547,245 | | | |
| Payment of Bond Anticipation Notes | 32,000 | 32,000 | 32,000 | | | |
| Interest on Notes | 66,809 | 66,809 | 66,624 | | 185 | |
| Loan Repayment for Principal & Interest | 16,880 | 16,880 | 16,879 | | 1 | |
| Total Municipal Debt Service | 1,270,934 | 1,270,934 | 1,270,748 | | 186 | |
| Total General Appropriations - Municipal Purposes - Excluded From "CAPS" | 1,449,822 | 2,018,298 | 2,018,092 | 20 | 186 | |
| Subtotal General Appropriation Items | 9,911,684 | 10,480,160 | 9,999,407 | 480,567 | 186 | |
| Transferred to Board of Education for Use of Local Schools (N.J.S.A. 40:48-17 & 17.3) | 68,014 | 68,014 | 68,014 | | | |
| Reserve For Uncollected Taxes | 137,073 | 137,073 | 137,073 | | | |
| Total General Appropriations | <u>\$10,116,771</u> | <u>10,685,247</u> | <u>10,204,494</u> | <u>480,567</u> | <u>186</u> | |
| Budget | | \$10,116,771 | | | | |
| Appropriation by 40A:4-87 | | <u>568,476</u> | | | | |
| Total | | <u>\$10,685,247</u> | | | | |
| Reserve for Uncollected Taxes | | | \$137,073 | | | |
| Federal and State Grant Funds | | | 686,252 | | | |
| Encumbrances | | | 145,302 | | | |
| Refunds | | | (372,521) | | | |
| Disbursed | | | <u>9,608,388</u> | | | |
| Total | | | <u>\$10,204,494</u> | | | |

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

B

**TRUST FUNDS
STATEMENTS OF ASSETS, LIABILITIES AND RESERVES**

December 31, 2019 and 2018

| <u>ASSETS</u> | REFERENCE | 2019 | 2018 |
|---------------------------------------|-----------|-------------|-----------|
| Dog License Fund: | | | |
| Cash - Chief Financial Officer | B-1 | \$15,078 | 14,414 |
| Total Dog License Fund | | 15,078 | 14,414 |
| Other Funds: | | | |
| Cash - Chief Financial Officer | B-1 | 1,225,048 | 1,156,592 |
| Forgivable Mortgage Receivable | | 985,077 | 1,230,972 |
| Mortgage Receivable - Homeowners | | 57,095 | 68,366 |
| Total Other Funds | | 2,267,220 | 2,455,930 |
| Total Assets | | \$2,282,298 | 2,470,344 |
| <u>LIABILITIES & RESERVES</u> | | | |
| Dog License Fund: | | | |
| Due to Current Fund | A | 4,265 | 3,063 |
| Due to State of New Jersey | B-6 | 312 | 312 |
| Reserve for Dog Fund Expenditures | B-2 | 10,501 | 11,039 |
| Total Dog License Fund | | 15,078 | 14,414 |
| Other Funds: | | | |
| Due to Current Fund | B-7 | 18,247 | 21,636 |
| Due to State of New Jersey | | 41,961 | 40,893 |
| Reserve for: | | | |
| Forgivable Mortgage Receivable | | 985,077 | 1,230,972 |
| Mortgage Receivable - Homeowners | | 57,095 | 68,366 |
| Tax Sale Premiums | B-4 | 418,900 | 472,500 |
| Recreation Commission Funds | B-8 | 22,441 | 15,367 |
| Law Enforcement Trust Fund | B-8 | 16,285 | 16,668 |
| Federal & State Grants | B-8 | 28,031 | 28,031 |
| Builder's Escrow | B-8 | 103,816 | 99,026 |
| Recycling Program | B-8 | 9,247 | 8,544 |
| Uniform Construction Code | B-5 | 59,276 | 44,868 |
| Outside Police Services | B-8 | 308,452 | 169,751 |
| Snow Removal | B-8 | 51,294 | 54,999 |
| Public Defender | B-8 | 7,041 | 13,967 |
| P.O.A.A. - Parking Fines | B-8 | 14,540 | 13,580 |
| Redemption of Tax Sale Certificates | B-3 | 44,352 | 90,842 |
| RCA Trust | B-8 | 29,056 | 24,594 |
| Environmental Committee | B-8 | 1,396 | 1,421 |
| Shade Tree | B-8 | 40 | 3,640 |
| Trust Other | B-8 | | |
| Compensated Absences | B-8 | 50,673 | 36,265 |
| Total Other Funds | | 2,267,220 | 2,455,930 |
| Total Liabilities & Reserves | | \$2,282,298 | 2,470,344 |

See notes to financial statements.

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

C

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

December 31, 2019 and 2018

| <u>ASSETS</u> | <u>REFERENCE</u> | <u>2019</u> | <u>2018</u> |
|--|------------------|--------------|-------------|
| Cash & Investments | C-2 | \$201,820 | 267,017 |
| Deferred Charges to Future Taxation: | | | |
| Funded | C | 12,843,551 | 13,467,373 |
| Unfunded | C-4 | 5,953,500 | 5,985,500 |
| | | <hr/> | <hr/> |
| Total Assets | | \$18,998,871 | 19,719,890 |
| | | <hr/> <hr/> | <hr/> <hr/> |
| <u>LIABILITIES, RESERVES & FUND BALANCE</u> | | | |
| Due to Current Fund | A | 5,752 | 8,518 |
| Green Acres Loan Payable | C-9 | 28,551 | 44,373 |
| Bond Anticipation Notes | C-7 | 3,501,500 | 2,773,500 |
| Serial Bonds | C-8 | 12,815,000 | 13,423,000 |
| Improvement Authorizations: | | | |
| Funded | C-6 | 1,463 | 60,892 |
| Unfunded | C-6 | 2,478,254 | 3,241,256 |
| Capital Improvement Fund | C-5 | 30,124 | 30,124 |
| Fund Balance | C-1 | 138,227 | 138,227 |
| | | <hr/> | <hr/> |
| Total Liabilities, Reserves & Fund Balance | | \$18,998,871 | 19,719,890 |
| | | <hr/> <hr/> | <hr/> <hr/> |
| Bonds and Notes Authorized but not Issued | C-10 | \$2,452,000 | 3,212,000 |
| | | <hr/> <hr/> | <hr/> <hr/> |

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

C-1

**GENERAL CAPITAL FUND
STATEMENTS OF FUND BALANCE**

December 31, 2019

Balance December 31, 2019 and 2018

\$138,227

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

D

**PAYROLL FUND
STATEMENTS OF ASSETS AND LIABILITIES**

December 31, 2019 and 2018

| <u>ASSETS</u> | <u>REFERENCE</u> | <u>2019</u> | <u>2018</u> |
|--------------------------------|-------------------------|--------------------|--------------------|
| Cash - Chief Financial Officer | D-1 | \$42,735 | 143,058 |
| Total | | <u>\$42,735</u> | <u>143,058</u> |
| | | | |
| <u>LIABILITIES</u> | | | |
| Payroll Taxes Payable | D | \$36,960 | 37,308 |
| Due to Current Fund | A | 5,775 | 105,750 |
| Total | | <u>\$42,735</u> | <u>143,058</u> |

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

E

**GENERAL FIXED ASSETS GROUP
STATEMENTS OF ASSETS AND INVESTMENT IN GENERAL FIXED ASSETS**

December 31, 2019 and 2018

| | <u>2019</u> | <u>2018</u> |
|------------------------------|---------------------|-------------------|
| General Fixed Assets | | |
| Land | \$1,758,735 | 1,758,735 |
| Buildings & Contents | 9,052,860 | 9,052,860 |
| Vehicles & Equipment | 6,399,091 | 6,355,442 |
| | <hr/> | <hr/> |
| Total | <u>\$17,210,686</u> | <u>17,167,037</u> |
| | <hr/> | <hr/> |
| Investment in General | | |
| Fixed Assets | <u>\$17,210,686</u> | <u>17,167,037</u> |

NOTES TO FINANCIAL STATEMENTS

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of the Financial Reporting Entity

The Township of Mount Holly ("Township") is located in the County of Burlington, State of New Jersey. The governing body, the Township Committee, is comprised of five elected members who serve three-year terms.

The Governmental Accounting Standards Board (GASB) Statement No. 61 established criteria to be used to determine which component units should be included in the financial statements of an oversight entity. The primary criterion for including activities within the reporting entity, as set forth in the Statement, is the degree of oversight responsibility maintained by the reporting entity. However, the State of New Jersey, Division of Local Government Services requires the financial statements of the Township to be presented separately. As such, the financial statements of the Township include each board, body, officer or commission supported and maintained wholly or in part by funds appropriated by the Township, as required by N.J.S.40/1:5-5.

Description of Funds and Account Groups

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

Current Fund - resources and expenditures for governmental operation of a general nature, including federal and state grant funds.

Trust Fund - receipts, custodianship and disbursement of funds in accordance with the purpose for which each reserve was created, including dog license revenue and expenditures and sundry deposits held for satisfactory completion of specific work.

General Capital Fund - receipt and disbursement of funds for the acquisition of capital facilities, other than those acquired in the Current Fund.

Payroll Fund - is used for the receipt and disbursement of funds used to meet obligations to employees and payroll tax liability.

General Fixed Assets - is used to account for fixed assets used in governmental operations.

Basis of Accounting, Measurement Focus and Basis of Presentation

The modified accrual basis of accounting is followed, with minor exceptions. Modifications from the accrual basis follow:

Revenues - Revenues are recorded as received in cash except for certain amounts, which may be due from the State of New Jersey or the federal government as grants. The amounts recorded as property taxes receivable and consumer accounts receivable have not been included in revenue. Amounts that are due to the municipality which are susceptible of accrual are recorded as receivables with offsetting reserves.

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Accounting, Measurement Focus and Basis of Presentation (Continued)

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

Pension expenses are recorded on a cash basis as billed by the State of New Jersey. Thus, net pension liability and related deferred inflows and outflows are not recorded on the statements of assets, liabilities, reserves and fund balance.

Property Taxes - Property taxes are an enforceable lien on property as of January 1. Taxes are levied annually and are payable in quarterly installments on February 1, May 1, August 1 and November 1 of each year.

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

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

Insurance - Costs of insurance for all funds are recorded as expenditures at the time of payment. Insurance costs chargeable to future periods are not carried as prepayments.

Accrued Sick and Vacation Time - The Township allows employees to accrue vacation time. By contract and personnel policy employees may accrue sick time. The Township's payroll records do provide data on the number of hours accumulated. This amount is not reported as either an expenditure or liability.

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

General Fixed Assets Account Group - Property and equipment purchased by the Current and General Capital Funds are recorded as expenditures at the time of purchase and are not capitalized. No depreciation has been recorded. Fixed Assets acquired through grants in and/or contributed capitals have not been accounted for separately.

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Accounting, Measurement Focus and Basis of Presentation (Continued)

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

Budgets - The governing body prepares and approves by resolution an operating and capital budget for the Current Fund, which is then submitted for certification to the State of New Jersey, Department of Community Affairs, Division of Local Government Services. Upon the receipt of such certification and after a public hearing, the budget is then adopted by resolution. Transfers of budgeted amounts may be made by resolution of the Township Council subsequent to October 31 in the current budget year and up to March 31 of the following year.

Once adopted the Township may make emergency appropriations for purposes which are not known at the time the budget was adopted per N.J.S.A.40A:4-46. Also, the Township may make amendments to the budget for any special item of revenue made available by any public or private funding source per N.J.S.A.40A:4-8 7.

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

Departures from Accounting Principles Generally Accepted in the United States of America ("GAAP") - The accounting principles and practices followed by the Township differ in some respects, which in some instances may be material from GAAP applicable to local government units. The more significant differences are as follows:

- Taxes and other receivables are fully reserved.
- Interfund receivables in the Current Fund are fully reserved and recognized as revenue in the year of liquidation.
- Unexpended and uncommitted appropriations are reflected as expenditures.
- Overexpended appropriations and emergency appropriations are deferred to the succeeding year's operations.
- No provision is made for accumulated vested vacation and sick leave.
- Estimated losses arising from tax appeals and other contingencies are not recorded when it is probable that a loss has been incurred and the amount of such loss can be reasonably estimated.
- Depreciation expense is not calculated on fixed assets. It was not practicable to determine the effect of such differences.
- Pension expenses are recorded on a cash basis as billed by the State of New Jersey. Thus, net pension liability and related deferred outflows and inflows are not recorded on the statements of assets, liabilities, reserves and fund balance.

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Use of Estimates

The preparation of financial statements in accordance with accounting principles applicable to municipalities which have been prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

B. BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

At December 31, 2019, the Township has authorized but not issued bonds and notes as follows:

| | |
|--|---------------------|
| General Capital Fund - Bonds and Notes | <u>\$ 2,452,000</u> |
|--|---------------------|

C. CURRENT FUND BALANCE APPROPRIATED

The following amounts of fund balance at December 31, 2019, were anticipated as revenue in the adopted 2020 budget:

| | Balance <u>December 31, 2019</u> | Utilized <u>2020 Budget</u> |
|--------------|-------------------------------------|--------------------------------|
| Current Fund | <u>\$ 1,461,720</u> | <u>\$ 550,000</u> |

D. DEFERRED CHARGES TO BE RAISED IN SUCCEEDED BUDGETS

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2019, there were no deferred charges that needed to be raised in the succeeding year's budget.

E. DEFERRED DISTRICT SCHOOL TAXES

School taxes are raised on a calendar year basis for both the local and regional high school districts; therefore, school taxes cannot and have not been deferred as of December 31, 2019.

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

F. CASH AND CASH EQUIVALENTS

The Township is governed by the deposit limitations of New Jersey state law. The deposits held at December 31, 2019, and reported book balances are as follows:

| Type of Deposits | Book Balances |
|---|---------------------|
| Demand Deposits | \$ 4,041,922 |
| Total Deposits | <u>\$ 4,041,922</u> |
| Reconciliation of Statement of Comparative Balance Sheets | |
| Current | \$ 2,243,539 |
| Federal and State Grants | 313,702 |
| Dog Trust | 15,078 |
| Other Trust | 1,225,048 |
| Payroll | 42,735 |
| General Capital | <u>201,820</u> |
| Total Reconciliation of Comparative Balance Sheets | <u>\$ 4,041,922</u> |

Custodial Credit Risk — Custodial credit risk is the risk that, in the event of a bank failure, the Township's deposits may not be returned. The Township does have a deposit policy for custodial credit risk. As of December 31, 2019, the Township's bank balance of \$5,069,292 was insured or collateralized as follows:

| | |
|---|---------------------|
| Insured | \$ 359,545 |
| Collateralized in the Township's name under GUDPA (see Note G) | <u>4,709,747</u> |
| Total | <u>\$ 5,069,292</u> |

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

G. GOVERNMENTAL UNIT DEPOSIT PROTECTION ACT (GUDPA)

The Township has deposited cash in 2019 with an approved public fund depository qualified under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). In addition to savings and checking accounts the Township invests monies in certificates of deposits.

New Jersey municipal units are required by N.J.S.A. 40A:5-14 to deposit public funds in a bank or trust company having its place of business in the State of New Jersey and organized under the laws of the United States or of the State of New Jersey or in the New Jersey Cash Management Fund. N.J.S.A. 40A:5-15.1 provides a list of investments which may be purchased by New Jersey municipal units. In addition, other state statutes permit investments in obligations issued by local authorities and other state agencies.

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 GUDPA, a multiple financial institutional collateral pool, which was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey. Public depositories include state or federally chartered banks, savings banks or associations located in or having a branch office in the State of New Jersey, the deposits of which are federally insured.

Each depository participating in the GUDPA system must pledge collateral equal to at least 5% of the average amount of its public deposits and 100% of the average amount of its public funds in excess of the lesser of 75% of its capital funds or \$200 million. The minimum 5% pledge applies to institutions that are categorized as "well capitalized" by federal banking standards. The percentage of the required pledge will increase for institutions that are less than "well capitalized."

No collateral is required for amounts covered by the Federal Deposit Insurance Corporation ("FDIC") insurance. The collateral which may be pledged to support these deposits includes obligations of state and federal governments, insured securities and other collateral approved by the Department of Banking and Insurance. When the capital position of the depository deteriorates or the depository takes an unusually large amount of public deposits, the Department of Banking and Insurance requires additional collateral to be pledged.

If a governmental depository fails and the FDIC insurance does not insure or pay out the full amount of public deposits, the collateral pledged to protect these funds would first be liquidated and paid out. If this amount is insufficient, other institutions holding public funds would be assessed pro rata up to 4% of their uninsured public funds. Although these protections do not constitute a 100% guarantee of the safety of all funds, no governmental unit under GUDPA has ever lost protected deposits.

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

H. PENSION OBLIGATION

Public Employees' Retirement System (PERS)

Plan Description - The State of New Jersey, Public Employees' Retirement System (PERS) is a cost-sharing multiple-employer defined benefit pension plan administered by the State of New Jersey, Division of Pensions and Benefits (the Division). For additional information about PERS, please refer to the Division's Comprehensive Annual Financial Report (CAFR) which can be found at www.state.nj.us/treasury/pensions/annrpts.shtml.

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

The following represents the membership tiers for PERS:

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

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to tiers 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tiers 1 and 2 members before reaching age 60, tiers 3 and 4 before age 62 with 25 or more years of service credit, and tier 5 with 30 or more years of service credit before age 65. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the age at which a member can receive full early retirement benefits in accordance with their respective tier. Tier 1 members can receive an unreduced benefit from age 55 to age 60 if they have at least 25 years of service.

Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

Contributions - The contribution policy for PERS is set by N.J.S.A. 15A and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2019, the State's pension contribution was less than the actuarial determined amount. 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

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

H. PENSION OBLIGATION (CONTINUED)

Public Employees' Retirement System (PERS) (Continued)

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 Township's contributions to PERS amounted to \$201,630 for 2019.

The employee contribution rate was 7.5% effective July 1, 2018.

Net Pension Liability - At December 31, 2019, the Township's proportionate share of the PERS net pension liability is valued to be \$3,916,178. The net pension liability was measured as of June 30, 2019. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of June 30, 2018, to the measurement date of June 30, 2019. The Township's proportion of the net pension liability was based on the Township's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2019. The Township's proportion measured as of June 30, 2019, was .02173%, which was an increase of .00164% from its proportion measured as of June 30, 2018.

| | <u>December 31, 2019</u> |
|---|--------------------------|
| Actuarial valuation date | July 1, 2019 |
| Net Pension Liability | \$ 3,916,178 |
| Township's portion of the Plan's total Net Pension Liability | 0.02173% |

Actuarial Assumptions – The collective total pension liability for the June 30, 2019, measurement date was determined by an actuarial valuation as of July 1, 2018, which was rolled forward to June 30, 2019. This actuarial valuation used the following actuarial assumptions:

| | |
|---------------------------|---------------------------|
| Inflation Rate | |
| Price | 2.27% |
| Wage | 3.25% |
| Salary Increases | |
| Through 2026 | 2.00 - 6.00% |
| | Based on years of service |
| Thereafter | 3.00 - 7.00% |
| | Based on years of service |
| Investment Rate of Return | 7.00% |

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

H. PENSION OBLIGATION (CONTINUED)

Public Employees' Retirement System (PERS) (Continued)

Pre-retirement mortality rates were based on the Pub-2010 General Below-Median 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-2019.

The actuarial assumptions used in the July 1, 2018, valuation were based on the results of an actuarial experience study for the period July 1, 2014 to June 30, 2018.

Long-Term Expected Rate of Return - In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2019) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees, and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2019, are summarized in the following table:

| Asset Class | Target Allocation | Long-Term Expected Real Rates of Return |
|-----------------------------------|----------------------|--|
| Risk Mitigation Strategies | 3.00% | 4.67% |
| Cash Equivalents | 5.00% | 2.00% |
| U.S. Treasuries | 5.00% | 2.68% |
| Investment Grade Credit | 10.00% | 4.25% |
| High Yield | 2.00% | 5.37% |
| Private Credit | 6.00% | 7.92% |
| Real Assets | 2.50% | 9.31% |
| Real Estate | 7.50% | 8.33% |
| U.S. Equity | 28.00% | 8.26% |
| Non-U.S. Developed Markets Equity | 12.50% | 9.00% |
| Emerging Markets Equity | 6.50% | 11.37% |
| Private Equity | 12.00% | 10.85% |
| | 100.00% | |

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

H. PENSION OBLIGATION (CONTINUED)

Public Employees' Retirement System (PERS) (Continued)

Discount Rate - The discount rate used to measure the total pension liability was 6.28% as of June 30, 2018. This single blended discount rate was based on long-term expected rate of return on pension plan investments of 7.00%, and a municipal bond rate of 3.50% as of June 30, 2019, based on the Bond Buyer GO 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipals bonds with an average rating of AA/Aa or higher. 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 will be made based on the contribution rate in the most recent fiscal year. The State employer contributed 50% of the actuarially determined contributions and the local employers contributed 100% of their actuarially determined contributions. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2057. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2057 and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

Sensitivity of the Township's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate - The following presents the Township's proportionate share of the collective net pension liability calculated using the discount rate as disclosed above, as well as what the Township's proportionate share of the collective net pension 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 (5.28%) | At Current Discount Rate (6.28%) | At 1% Increase (7.28%) |
|-------|---------------------------|--|---------------------------|
| Local | \$ 4,946,769 | \$ 3,916,178 | \$ 3,047,759 |

Collective Deferred Outflows of Resources and Deferred Inflow of Resources

The following presents a summary of changes in the collective deferred outflows of resources and deferred inflows of resources for the year ended June 30, 2019:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|--------------------------------------|-------------------------------------|
| Differences Between Expected and Actual Experience | \$ 70,290 | \$ 17,300 |
| Changes of Assumptions | 391,045 | 1,359,293 |
| Net Difference Between Projected and Actual Earnings on Pension Plan Investments | | 61,818 |
| Changes in Proportion | 831,884 | 32,564 |
| | <u>\$ 1,293,219</u> | <u>\$ 1,470,975</u> |

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

H. PENSION OBLIGATION (CONTINUED)

Public Employees' Retirement System (PERS) (Continued)

The amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows for June 30, 2019:

| Year Ended December 31, | |
|-------------------------|---------------------|
| 2020 | \$ (23,693) |
| 2021 | (23,693) |
| 2022 | (23,693) |
| 2023 | (23,693) |
| 2024 | (23,694) |
| THEREAFTER | <u>(59,290)</u> |
| Total | <u>\$ (177,756)</u> |

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued PERS financial statements.

Police and Firemen's Retirement System (PFRS)

Plan Description – The State of New Jersey, Police and Firemen's Retirement System (PFRS) is a cost-sharing multiple-employer defined benefit pension plan administered by the State of New Jersey, Division of Pensions and Benefits (the Division). For additional information about PFRS, please refer to the Division's Comprehensive Annual Financial Report (CAFR) which can be found at www.state.nj.us/treasury/pensions/annrprts.shtml

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

The following represents the membership tiers for PFRS:

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

Service retirement benefits are available at age 55 and are generally determined to be 2% of final compensation for each year of creditable service, as defined, up to 30 years plus 1% for each year of service in excess of 30 years. Members may seek special retirement after achieving 25 years of creditable service, in which benefits would equal 65% (tiers 1 and 2 members) and 60% (tier 3 members) of final compensation plus 1 % for each year if 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.

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

H. PENSION OBLIGATION (CONTINUED)

Police and Firemen's Retirement System (PFRS) (Continued)

Contributions - The contribution policy for PFRS is set by N.J.S.A. 43:16A and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's contribution amount is based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. For fiscal year 2019, the State contributed an amount less than the actuarially determined amount. 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. The Township's contributions to PFRS amounted to \$586,835 for 2019.

The employee contributions for PFRS is ten percent of employees' annual compensation, as defined.

Special Funding Situation – Under N.J.S.A. 43:16A-15, local participating employers are responsible for their own contributions based on actuarially determined amounts, except where legislation was passed which legally obligated the State if certain circumstances occurred. The 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 to be 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 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 pension liability that is associated with the local participating employer. In addition, each local participating employer must recognize pension expense associated with the employer as well as revenue in an amount equal to the non-employer contributing entities' total proportionate share of the collective pension expense associated with the local participating employer.

Net Pension Liability - At December 31, 2019, the Township's proportionate share of the PFRS net pension liability is valued to be \$6,945,534. The net pension liability was measured as of June 30, 2019. The total pension liability used to calculate the net pension liability was determined using updated procedures to roll forward the total pension liability from an actuarial valuation as of June 30, 2018, to the measurement date of June 30, 2019. The Township's proportion of the net pension liability was based on the Township's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2019. The Township's

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

H. PENSION OBLIGATION (CONTINUED)

Police and Firemen's Retirement System (PFRS) (Continued)

proportion measured as of June 30, 2019, was .05675%, which was a decrease of .00327% from its proportion measured as of June 30, 2018.

| Actuarial Valuation Date | <u>December 31, 2019</u> July 1, 2019 |
|---|--|
| Net Pension Liability | \$ 6,945,534 |
| Township's Portion of the Plan's Total Net Pension Liability | 0.05675% |

Additionally, the State's proportionate share of the net pension liability attributable to the Township is \$1,096,713 as of December 31, 2019. The net pension liability was measured as of June 30, 2019. The total pension liability used to calculate the net pension liability was determined using updated procedures to roll forward the total pension liability from an actuarial valuation as of June 30, 2018, to the measurement date of June 30, 2019. The State's proportion of the net pension liability associated with the Township 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, actuarially determined. The State's proportion measured as of June 30, 2019, was .05675%, which was an increase of .00327% from its proportion measured as of June 30, 2018, which is the same proportion as the Township's.

| | |
|--|---------------------|
| Township's Proportionate Share of the Net Pension Liability | \$ 6,945,534 |
| State's Proportionate Share of the Net Pension Liability Associated with the Township | <u>1,096,713</u> |
| Total Net Pension Liability | <u>\$ 8,042,247</u> |

Actuarial Assumptions – The collective total pension liability for the June 30, 2019, measurement date was determined by an actuarial valuation as of July 1, 2018, which was rolled forward to June 30, 2019. This actuarial valuation used the following actuarial assumptions:

| | |
|---------------------------|---------------------------|
| Inflation Rate | |
| Price | 2.75% |
| Wage | 3.25% |
| Salary Increases: | |
| Through Future Years | 3.25 - 15.25% |
| | Based on years of service |
| Investment Rate of Return | 7.00% |

Pre-Retirement mortality rates were based on the Pub-2010 Safety Employee Mortality Table with a 105.6% adjustment for males and 102.5% adjustment for females, and with future improvement

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

H. PENSION OBLIGATION (CONTINUED)

Police and Firemen's Retirement System (PFRS) (Continued)

from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 Safety Retiree Below-Median Income Weighted Mortality Table with a 96.7% adjustment for males and 96.0% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. For beneficiaries (contingent annuitants), the Pub-2010 General Retiree Below-Median Income Weighted Mortality Table was used, unadjusted, and with future improvement from the base year 2010 on a generational basis. Disability rates were based on the Pub-2010 Safety Disabled Retiree Mortality Table with a 152.0% adjustment for males and 109.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2019.

The actuarial assumptions used in the July 1, 2018, valuation were based on the results of an actuarial experience study for the period July 1, 2013 to June 30, 2018.

Long-Term Expected Rate of Return - In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2019) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees, and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in PFRS's target asset allocation as of June 30, 2019, are summarized in the following table:

| <u>Asset Class</u> | <u>Target Allocation</u> | <u>Long-Term Expected Real Rates of Return</u> |
|-----------------------------------|------------------------------|--|
| Risk Mitigation Strategies | 3.00% | 4.67% |
| Cash Equivalents | 5.00% | 2.00% |
| U.S. Treasuries | 5.00% | 2.68% |
| Investment Grade Credit | 10.00% | 4.25% |
| High Yield | 2.00% | 5.37% |
| Private Credit | 6.00% | 7.92% |
| Real Assets | 2.50% | 9.31% |
| Real Estate | 7.50% | 8.33% |
| U.S. Equity | 28.00% | 8.26% |
| Non-U.S. Developed Markets Equity | 12.50% | 9.00% |
| Emerging Markets Equity | 6.50% | 11.37% |
| Private Equity | 12.00% | 10.85% |
| | <u>100.00%</u> | |

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

H. PENSION OBLIGATION (CONTINUED)

Police and Firemen’s Retirement System (PFRS) (Continued)

Discount Rate - The discount rate used to measure the total pension liability was 6.85% as of June 30, 2019. The single blended discount rate was based on long-term expected rate of return on pension plan investments of 7.00%, and a municipal bond rate of 3.5% as of June 30, 2019, based on the Bond Buyer GO 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipals bonds with an average rating of AA/Aa or higher. 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 made based on the contribution rate in the most recent fiscal year. The State employer contributed 50% of the actuarially determined contributions and the local employers contributed 100% of their actuarially determined contributions. Based on those assumptions, the plan’s fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2076. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2076, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

Sensitivity of the Township’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate - The following presents the Township’s proportionate share of the collective net pension liability calculated using the discount rate as disclosed above, as well as what the Township’s proportionate share of the collective net pension 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 (5.85%) | At Current Discount Rate (6.85%) | At 1% Increase (7.85%) |
|-------|---------------------------|--|---------------------------|
| Local | \$ 9,387,831 | \$ 6,945,534 | \$ 4,924,181 |

Collective Deferred Outflows of Resources and Deferred Inflow of Resources

The following presents a summary of changes in the collective deferred outflows of resources and deferred inflows of resources for the year ended June 30, 2019:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|--------------------------------------|-------------------------------------|
| Differences Between Expected and Actual Experience | \$ 58,629 | \$ 43,973 |
| Changes of Assumptions | 237,992 | 2,244,733 |
| Net Difference Between Projected and Actual Earnings on Pension Plan Investments | | 94,110 |
| Changes in Proportion | 789,455 | 617,156 |
| | <u>\$ 1,086,076</u> | <u>\$ 2,999,972</u> |

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

H. PENSION OBLIGATION (CONTINUED)

Police and Firemen's Retirement System (PFRS) (Continued)

The amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows for June 30, 2019:

| Year Ended December 31, | |
|-------------------------|-----------------------|
| 2020 | \$ (289,537) |
| 2021 | (289,537) |
| 2022 | (289,537) |
| 2023 | (289,537) |
| 2024 | (289,536) |
| THEREAFTER | <u>(466,212)</u> |
| Total | <u>\$ (1,913,896)</u> |

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued PFRS financial statements.

Defined Contribution Retirement Program

The Defined Contribution Retirement Program (DCRP) is a cost-sharing multiple-employer defined contribution pension fund which was established in 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.) and expanded under the provisions of Chapter 89, P.L. 2008 and Chapter 1, P.L. 2010. The DCRP provides eligible members and their beneficiaries with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Vesting and benefit provisions are established by N.J.S.A.43:15C-1 et. seq.

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members are required to contribute 5.5% of their annual covered salary. In addition to the employee contributions, the Township's contribution amounts for each pay period are transmitted to New Jersey Division of Pension and Benefits not later than the fifth business day after the date on which the employee is paid for that pay period. As of December 31, 2019, the Township has paid \$1,334.

The Township currently has four employees enrolled in DCRP.

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

I. PROPERTY TAXES

Property taxes are an enforceable lien on the assessed property. Taxes are due on a quarterly basis on February 1, May 1, August 1 and November 1. All unpaid taxes become delinquent eight days after the above due dates. The Township bills and collects its own property taxes as well as the taxes levied by the other taxing bodies within the municipality. Property tax revenues are recognized when collected. A reserve for uncollected taxes is established in the current operating budget to the extent that their collectability is improbable.

J. INTERFUNDS, RECEIVABLES AND PAYABLES

The composition of interfund balances as of December 31, 2019, is as follows:

| | Interfunds Receivable | Interfunds Payable |
|------------------------------|--------------------------|-----------------------|
| Current Fund | \$ 395,379 | |
| Federal and State Grant Fund | | \$ 361,340 |
| General Capital Fund | | 5,752 |
| Payroll Fund | | 5,775 |
| Trust Fund - Animal Control | | 4,265 |
| Trust Other Funds | | 18,247 |
| Total Funds | <u>\$ 395,379</u> | <u>\$ 395,379</u> |

K. RISK MANAGEMENT

The Township is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions and natural disasters. The Township maintains commercial insurance coverage for property, liability and surety bonds.

L. GENERAL LONG-TERM DEBT

During the year ended December 31, 2019, the following changes occurred in long-term debt including loans:

| | Balance December 31, 2018 | Reduction | Balance December 31, 2019 |
|------------------|------------------------------|-------------------|------------------------------|
| General Capital | | | |
| Serial Bonds | \$ 13,423,000 | \$ 608,000 | \$ 12,815,000 |
| Green Acres Loan | 44,373 | 15,822 | 28,551 |
| Total | <u>\$ 13,467,373</u> | <u>\$ 623,822</u> | <u>\$ 12,843,551</u> |

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

L. GENERAL LONG-TERM DEBT (CONTINUED)

Permanently Funded Debt

General Obligation Serial Bonds and Green Acres Loan as of December 31, 2019, consists of the following:

| <u>Date of Issue</u> | <u>Purpose</u> | <u>Maturities</u> | <u>Interest Rate</u> | <u>Amount</u> |
|----------------------|---------------------------------|-------------------|----------------------|----------------------|
| March 11, 2005 | Green Acres Loan | 2018 to 2021 | 2.00% | \$ 28,551 |
| October 31, 2013 | General Obligation | 2018 to 2025 | Various | 780,000 |
| October 31, 2013 | General Taxable Bonds | 2018 to 2038 | Various | 3,500,000 |
| June 22, 2010 | Acquisition of Property Gardens | 2018 to 2020 | Various | 285,000 |
| September 27, 2017 | Refund Bond Series 2010 | 2018 to 2030 | Various | 4,440,000 |
| November 7, 2018 | General Obligation 2018 | 2018 to 2043 | Various | 3,810,000 |
| | | | | <u>\$ 12,843,551</u> |

Debt Service Requirements

Schedule of Annual Debt Service for Principal and Interest for the next five (5) years and five-year increments thereafter for Bonded Debt issued and outstanding:

| <u>Year Ending December 31,</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|---------------------------------|----------------------|---------------------|----------------------|
| 2020 | \$ 641,140 | \$ 525,926 | \$ 1,167,066 |
| 2021 | 667,411 | 504,365 | 1,171,776 |
| 2022 | 670,000 | 485,576 | 1,155,576 |
| 2023 | 680,000 | 465,650 | 1,145,650 |
| 2024 | 730,000 | 443,652 | 1,173,652 |
| 2025-2029 | 3,580,000 | 1,832,403 | 5,412,403 |
| 2030-2034 | 2,400,000 | 1,190,423 | 3,590,423 |
| 2035-2039 | 2,675,000 | 569,400 | 3,244,400 |
| 2040-2043 | 800,000 | 94,000 | 894,000 |
| Total | <u>\$ 12,843,551</u> | <u>\$ 6,111,395</u> | <u>\$ 18,954,946</u> |

Bond Anticipation Notes issued as of December 31, 2019, are as follows:

| <u>Interest</u> | <u>Purpose</u> | <u>Rate</u> | <u>Amount</u> |
|----------------------|-----------------------------------|-------------|---------------------|
| General Capital Fund | Acquisition of Various Properties | 2.490% | \$ 2,219,000 |
| General Capital Fund | Various Capital Improvements | 1.770% | 522,500 |
| General Capital Fund | Various Capital Improvements | 2.250% | 760,000 |
| Total | | | <u>\$ 3,501,500</u> |

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

L. GENERAL LONG-TERM DEBT (CONTINUED)

New Jersey Statutes limit the debt of a municipality to 3.50% of the average of the last three preceding years' average equalized valuations of the taxable real estate and improvements. The Township's statutory net debt at December 31, 2019, was 3.028%. The Township's remaining borrowing power is .472%.

Summary of Municipal Debt (Excluding Current Debt)

| | 2019 | 2018 | 2017 |
|----------------------------|---------------|------------|------------|
| Issued - | | | |
| General - Bonds and Notes | \$ 16,345,051 | 16,240,873 | 16,836,383 |
| Net Debt Issued | 16,345,051 | 16,240,873 | 16,836,383 |
| Authorized But not Issued: | | | |
| General - Bonds and Notes | 2,452,000 | 3,212,000 | 3,212,000 |
| Net Debt | \$ 18,797,051 | 19,452,873 | 20,048,383 |

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

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicates a statutory net debt of 2.918%.

| | GROSS DEBT | DEDUCTIONS | NET DEBT |
|--------------------------|-------------------|-------------------|-----------------|
| Regional School District | \$ 4,470,495 | 4,470,495 | |
| Local School District | 5,884,000 | 5,884,000 | |
| General Debt | 18,797,051 | - | 18,797,051 |
| Total | \$ 29,151,546 | 10,354,495 | \$ 18,797,051 |

Net debt, \$18,797,051 divided by Average Equalized Valuation Basis Per N.J.S.A.40A:2-2 as amended, \$620,833,100 equals 3.028%.

Equalized Valuation Basis:

| | |
|---------|----------------------|
| 2019 | \$644,201,901 |
| 2018 | 615,508,645 |
| 2017 | 602,788,754 |
| Average | <u>\$620,833,100</u> |

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

L. GENERAL LONG-TERM DEBT (CONTINUED)

CAPITAL LEASE OBLIGATIONS:

At December 31, 2019, the Township had a capital lease agreement in effect for eleven copiers.

Capital Leases – Future minimum payments under a capital lease agreement for eleven copiers are as follows:

| <u>Year</u> | <u>Amount</u> |
|---|------------------|
| 2020 | \$ 10,194 |
| 2021 | 10,194 |
| 2022 | 10,194 |
| 2023 | 10,194 |
| 2024 | <u>850</u> |
| Total Minimum Lease Payments | 41,626 |
| Less: Amount Representing Interest | <u>4,715</u> |
| Present Value of Net Minimum Lease Payments | <u>\$ 36,911</u> |

Lease payments under Capital Leases for the years 2019 and 2018, were \$63,572 and \$54,228, respectively.

OPERATING LEASES:

On December 30, 2017, the Township entered into an operating lease for a mail machine. As of December 31, 2019, the minimum lease payments for the operating lease are as follows:

| <u>Fiscal Years Ending December 31,</u> | <u>Minimum Annual Lease Payments</u> |
|---|--|
| 2020 | \$ 4,288 |
| 2021 | 4,288 |
| 2022 | <u>3,931</u> |
| Total | <u>\$ 12,507</u> |

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

M. FIXED ASSETS

The following schedule is a summarization of the changes in General Fixed Assets for the fiscal year ended December 31, 2019:

| | Balance December 31, 2018 | Additions | Balance December 31, 2019 |
|----------------------------|------------------------------|---------------|------------------------------|
| Land | \$ 1,758,735 | | \$ 1,758,735 |
| Buildings and Improvements | 9,052,860 | | 9,052,860 |
| Vehicles and Equipment | 6,355,442 | 43,649 | 6,399,091 |
| Total | <u>\$ 17,167,037</u> | <u>43,649</u> | <u>\$ 17,210,686</u> |

N. DEFERRED COMPENSATION SALARY ACCOUNT

The Township offers its employees a Deferred Compensation Plan created in accordance with Internal Revenue Code (“IRC”) Section 457. The Plan, available to all Township employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are solely the property and rights of the participants and their beneficiaries, and are held in a custodial account as described in IRC Section 457(g). Such amounts are part of a common fund held with the assets of other Section 457 plans.

All assets of the Plan are held by two independent administrators; Nationwide Retirement Solutions, Inc. and AXA Equitable.

O. ACCRUED SICK AND VACATION TIME

Township employees are entitled to paid vacation and sick time depending on their length of service with the Township. Vacation days not used during the year may be accumulated and carried forward for two years. Vacation days not used within this time period are forfeited. Vacation time unused at termination is reimbursed to the employee at their current rate of pay. Unused sick leave may be accumulated and carried forward to subsequent years. One-half of accrued sick time is reimbursed to employees only if they meet the requirements of retirement according to the Public Employees' Retirement System or Police and Firemen's Retirement System. Sick time is reimbursed to the employee at their current rate of pay up to a maximum of 62 to 65 days depending on their job classification.

The amount of accrual for compensated absences as of December 31, 2019, is as follows:

| | |
|---------------------------------|-----------|
| Vacation Time and Sick Time: | |
| Employees Accrual | \$327,372 |
| Township Share of Payroll Taxes | 11,986 |

This liability has not been recorded in the financial statements. Actual payment and funding for compensated absences occurs through budget appropriation in the annual operating budget and only during the year the employee terminates or retires (pay-as-you-go basis).

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

P. LITIGATION

It is the Townships Counsel's opinion that there exists no litigation or contingent liability that may be pending against the Township that would have a material adverse effect on the financial position of the Township.

Q. SERVICE AGREEMENT

In 1978, the Township entered into a service agreement with the Mount Holly Municipal Utility Authority whereby the Township will pay the Authority any annual charges made and charged by the Authority in accordance with the service agreement. The annual charges made and to be charged by the Authority to and payable by the Township for or with respect to any fiscal year shall be the sum of money equal to any-deficiency in (a) the fund established by resolution or any other bond resolution for the payment of debt service and (b) any reserve fund for debt service below the bond's reserve requirement established therein. The Authority covenants that (a) the bond reserve requirement referred to above will not exceed the maximum annual debt service in any given year (excluding short-term debt) without the consent of the Township and (b) the requirements as to the payments of debt service therefrom and the priority of payments of revenues into various funds set forth in the resolution shall not be substantially altered or amended without the consent of the Township.

The Township will in each year make all budgetary and other provisions or appropriations necessary to provide for and authorize the payment by the Township to the Authority during each fiscal year of the estimated amount of the annual charges and the amount of any deficiency in prior annual charges (if any) stated in the certificate delivered in such fiscal year to the Township by the Authority.

The Authority will at all times take reasonable measures permitted by the act or otherwise by law to collect and enforce prompt payment of all service charges prescribed, fixed and charged in accordance with the 1978 service contract and the service agreement.

The Authority shall repay to the Township from the revenues collected by the Authority in the next succeeding fiscal year of the Authority, all monies by the Township to the Authority under the 1978 service contract, except service charges on property owned by the Township itself and including reasonable expenses of the Township. Such repayment shall be made without interest, except for any interest incurred by the Township in providing for such repayment. The 1978 service agreement states that failure by the Authority to make any such repayment shall not relieve the Township of the obligation to pay any annual charges, as described above.

In exchange for the service agreement, the Authority pays an annual sum of \$30,000 to the Township as a fee for the financial obligation accepted by the Township as long as the 1978 service agreement is in effect.

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

R. ECONOMIC UNDERTAKING

The Township previously determined to undertake a Redevelopment Project consisting of the acquisition of various parcels of real property in the Township, together with the demolition of any improvements thereon, as part of the Township's West End Redevelopment Plan ("Redevelopment Plan"). Located within the West End Redevelopment Area ("Redevelopment Area") in the Mount Holly Gardens ("Gardens"), a residential neighborhood originally comprised of 379 attached housing units built in the early 1950s. Over the past thirty years, the number of owner-occupied housing units in the Gardens declined to the point that the majority of the housing units were renter occupied and owned largely by absentee landlords. This led to a destabilizing effect on the development and resulted in declined building maintenance and property up-keep. The Redevelopment Area also includes a commercial area which is located north of and adjacent to the Gardens. This land was vacant and underutilized.

The goal of the Redevelopment Plan is to create an attractive, safe and cohesive residential neighborhood that provides a variety of housing options that meet the needs of the Mount Holly community and to provide opportunities for commercial establishments that will serve the immediate area and the larger community.

In order to proceed with the implementation of the Redevelopment Plan, the Township entered into a redevelopment agreement with Keating Urban Partners, LLC ("Keating").

In order to complete the redevelopment of the area in accordance with the goals of the Redevelopment Plan, the Township began a process to acquire all the units in the Gardens, necessitating the relocation of its residents. The Township began this process several years ago. The Township's decision to select the Gardens complex is reflective of an opportunity to restore an aging and blighted residential complex to an attractive and functional market rate housing Redevelopment Plan which includes approximately 520 units of mixed-income housing and an approximate 54,000 square foot commercial area.

On February 27, 2012, the Township introduced several ordinances, which allow the Township to move forward with the redevelopment of the Redevelopment Area through the sale and redevelopment of the vacant commercial area located north of the Gardens. These ordinances authorize the sale of this land for \$1,526,903.00 and the redevelopment of the land into an apartment complex containing 228 apartment units with shared recreational amenities such as a clubhouse and a swimming pool. Closing occurred in the fall of 2012. Future costs for acquisition of the remaining Gardens units and relocation of its residents will be borne by Keating, thereby significantly limiting future Township debt in the implementation of the Redevelopment Plan. This area is considered Phase 1 of the Redevelopment Area.

The Township also has a second parcel of land for development of 60 townhouses. The Township received a total of \$1,073,098 for this parcel. As of December 31, 2019, the Township is continuing to make every effort to complete the redevelopment of phase 3. Phase 3 will consist of 96 additional apartment units, 80 Townhomes and 12,000 sq. feet of Commercial Space.

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

R. ECONOMIC UNDERTAKING (CONTINUED)

As part of the Redevelopment Plan the Township is required to acquire existing homes and provide new replacement housing for twenty (20) families. As of December 31, 2019, the Township has acquired fifteen of these properties which represent a mortgage receivable balance of \$66,783 resulting from the paying off of mortgages required by the Gardens Settlement Agreement. Further, in order to complete the remaining acquisitions, the Township may be required to provide additional mortgages in the approximate amount of \$113,069 and will be required to purchase a property for approximately \$77,000.

S. FORGIVABLE MORTGAGE RECEIVABLE

The Township implemented a scattered site housing rehabilitation program for owner-occupied single family and renter-occupied unit homes throughout the Township in 2002. This program is open to low or moderate-income owner-occupants of single-family dwelling units. The dwelling unit must be certified as substandard and the occupant must be certified as income eligible.

The program provides funding and financial assistance that will be spent in a manner that is consistent with COAH rules. Rehabilitation funding shall be used to address deficiencies in major systems and bring each housing unit to code. Financial assistance will be available for repair or replacement of substandard conditions within the housing unit in order to correct code violations.

Once the funding or financial assistance is given to the approved occupant the Township files the required lien on the owner-occupied property. The owner-occupants of the single-family homes that qualify will be required to repay the loan in full to the Township if they sell or vacate the unit within six years of the completion of work. Twenty-five percent of the loan shall be forgiven if the owner-occupant remains in the unit for seven years after receiving the loan. Similarly, twenty-five percent of the loan shall be forgiven for each additional year the owner-occupant remains in the unit. Finally, after ten years, the loan shall be forgiven. The amount of forgivable mortgage receivable as of December 31, 2019, is \$985,077.

T. SUBSEQUENT EVENTS

On July 22, 2020, the Township issued Taxable General Obligation Refunding Bonds, Series 2020 for \$4,090,000. The funds will be used to: (i) advance refund and redeem all of the Township's outstanding callable Taxable General Obligation Bonds, Series 2013, maturing November 15 in the years 2024 through 2038, both dates inclusive; and (ii) pay certain costs and expenses incidental to the issuance and delivery of the Bonds.

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, it is reasonably possible that revenues will decline significantly. It is unknown how long these conditions will last and what the complete financial effect will be to the Township.

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

U. POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS

Special Funding Situation

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

Therefore, these employers are considered to be in a special funding situation as defined by GASB Statement No. 75 and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute under this legislation directly to the plan, there is no net OPEB liability, deferred outflows of resources or deferred inflows of resources to report in the financial statements of the local participating employers related to this legislation. 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. The Township's unaudited portion of the nonemployer contributing entities' total proportionate share of the collective net OPEB liability as of December 31, 2019, is 0.164363% or \$9,082,237.

SUPPLEMENTAL SCHEDULES

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

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**CURRENT FUND
SCHEDULE OF CASH – CHIEF FINANCIAL OFFICER**

Year Ended December 31, 2019

| | <u>CURRENT FUND</u> | <u>FEDERAL & STATE GRANT FUND</u> |
|---|---------------------|---|
| Balance December 31, 2017 | \$1,994,774 | 367,544 |
| Increased by Receipts: | | |
| Taxes Receivable | 18,967,639 | |
| Tax Title Liens Receivable | 74,031 | |
| Tax Overpayments | 79,813 | |
| Due from State of New Jersey - Senior Citizen & Veteran Deductions | 77,500 | |
| Prepaid Taxes | 86,417 | |
| Revenue Accounts Receivable | 4,335,678 | |
| Miscellaneous Revenue not Anticipated | 96,238 | |
| Budget Refunds | 372,521 | |
| Property Maintenance Receivable | 170 | |
| Amount Due to State for Marriage Licenses/Funeral Licenses | 1,715 | |
| Due from Animal Control Fund | 24 | |
| Due from Trust Funds | 7,433 | |
| Due from Payroll Fund | 100,000 | |
| Due from TTL Redemption Funds | 261,400 | |
| Due from Mt. Holly MUA | 97,409 | |
| State & Federal Grants Receivable | | 193,318 |
| Reserve for Flood | 74,752 | |
| Federal and State Grants Unappropriated | | 19,873 |
| Total | <u>24,632,740</u> | <u>213,191</u> |
| Subtotal | <u>26,627,514</u> | <u>580,735</u> |
| Decreased by Disbursements: | | |
| 2019 Appropriations | 9,608,388 | |
| 2018 Appropriation Reserve | 307,242 | |
| Refund Tax Overpayments | 76,834 | |
| County Taxes | 2,496,391 | |
| Local District School Taxes | 8,460,271 | |
| Regional High School District Taxes | 2,374,544 | |
| Fire District Taxes | 617,845 | |
| Refund of Prior Year Revenue | 31,014 | |
| Due to Mt. Holly MUA | 99,004 | |
| Due to TTL Redemption Fund | 261,400 | |
| Accounts Payable | 10,528 | |
| Due to State of New Jersey | 1,525 | |
| Due to County - PILOT Payment | 16,764 | |
| Reserve for Flood | 22,975 | |
| Reserve for Federal & State Grant Funds - Appropriated | | 267,033 |
| Total Disbursements | <u>24,384,725</u> | <u>267,033</u> |
| Balance December 31, 2019 | <u>\$2,242,789</u> | <u>313,702</u> |

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

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**CURRENT FUND
SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY**

Year Ended December 31, 2019

| YEAR | BALANCE | 2019 LEVY | ADDED TAXES | COLLECTED | | DUE FROM STATE OF NEW JERSEY | OVER- PAYMENTS APPLIED | CANCELED | TRANSFERRED | BALANCE |
|-------|----------------------|------------|-------------|-----------|------------|------------------------------------|------------------------------|----------|--------------------------|---------|
| | DECEMBER 31, 2018 | | | 2018 | 2019 | | | | TO TAX TITLE LIENS | |
| 2016 | \$1,969 | | | | | | | | | 1,969 |
| 2017 | \$286 | | | | | | | | | 286 |
| 2018 | 6,684 | | 6,027 | | 9,211 | | | | 79 | 3,421 |
| Total | 8,939 | | 6,027 | | 9,211 | | | | 79 | 5,676 |
| 2019 | | 19,244,034 | | 69,188 | 18,958,428 | 82,925 | 2,158 | 62,105 | 64,846 | 4,384 |
| Total | \$8,939 | 19,244,034 | 6,027 | 69,188 | 18,967,639 | 82,925 | 2,158 | 62,105 | 64,925 | 10,060 |

Cash Receipts \$18,967,639

Total \$18,967,639

ANALYSIS OF 2019 PROPERTY TAX LEVY

Tax Yield:

General Purpose Tax \$19,232,656
 Added Taxes (54:4-63.1 et seq) 11,378
 Total \$19,244,034

Tax Levy:

Local District School Tax (Abstract) \$8,460,271
 Regional School District Tax 2,374,544
 Fire District Tax (Abstract) 617,845
 County Taxes:
 County Tax (Abstract) \$2,107,258
 County Open Space Tax (Abstract) 187,820
 County Library Tax (Abstract) 196,938
 Due County for Added & Omitted Taxes 230 2,492,246
 Local Tax For Municipal Purposes 5,287,979
 Add: Additional Tax Levy 11,149 5,299,128
 Total Levy \$19,244,034

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

A-6

**CURRENT FUND
SCHEDULE OF TAX TITLE LIENS RECEIVABLE**

Year Ended December 31, 2019

| | | |
|---------------------------------------|--------|-------------------------|
| Balance December 31, 2018 | | \$203,095 |
| Increased by: | | |
| Interest and Costs | \$299 | |
| Adjustment to Prior Year Balance | 15,149 | |
| Transfer from Taxes Receivable - 2018 | 79 | |
| Transfer from Taxes Receivable - 2019 | 64,846 | 80,373 |
| | | <hr/> |
| Subtotal | | 283,468 |
| Decreased by: | | |
| Collections | 74,031 | 74,031 |
| | | <hr/> |
| Balance December 31, 2019 | | <u><u>\$209,437</u></u> |

A-7

**CURRENT FUND
SCHEDULE OF PROPERTY ACQUIRED FOR TAXES**

December 31, 2019

| | |
|------------------------------------|-------------------------|
| Balance December 31, 2019 and 2018 | <u><u>\$490,805</u></u> |
|------------------------------------|-------------------------|

A-8

**CURRENT FUND
SCHEDULE OF PROPERTY MAINTENANCE RECEIVABLE**

Year Ended December 31, 2019

| | |
|---------------------------|-----------------------|
| Balance December 31, 2018 | \$1,971 |
| Increased by: | |
| Billings | 997 |
| | <hr/> |
| Subtotal | 2,968 |
| Decreased by: | |
| Collections | 526 |
| | <hr/> |
| Balance December 31, 2019 | <u><u>\$2,442</u></u> |

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

A-9

**CURRENT FUND
SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE**

Year Ended December 31, 2019

| | BALANCE DECEMBER 31, 2018 | ACCRUED IN 2019 | COLLECTED BY TREASURER | RECEIVABLE DECEMBER 31, 2019 |
|---|---------------------------------|-----------------------|------------------------------|------------------------------------|
| Municipal Clerk: | | | | |
| Licenses: | | | | |
| Alcoholic Beverages | | 22,876 | 22,876 | |
| Other Licenses | | 8,775 | 8,775 | |
| Fees & Permits | | 279,541 | 279,541 | |
| Service Contract - Mt. Holly MUA | | 30,000 | 30,000 | |
| Cable TV Franchise Fee | | 114,066 | 114,066 | |
| Payment In-Lieu of Taxes: | | | | |
| Mt. Holly MUA | | 308,000 | 308,000 | |
| Children's Home | | 30,000 | 30,000 | |
| Strober | | 346,960 | 346,960 | |
| Regency Park | | 142,172 | 142,172 | |
| Fermoor | | 364,738 | 364,738 | |
| Presbyterian Home | | 11,475 | 11,475 | |
| Mt. Holly Memorial Health Alliance Donation | | 240,000 | 240,000 | |
| State Rental of Parking Lots | | 12,188 | 12,188 | |
| County Rental of Parking Lots | | 98,203 | 98,203 | |
| Municipal Court - Fines & Costs | \$20,252 | 253,324 | 256,129 | 17,447 |
| Construction Code Office - Indirect Costs | | 11,000 | 11,000 | |
| Rent - 14 Kings Street | | 40,000 | 40,000 | |
| Contribution from Rancocas Valley Regional High School | | 111,750 | 111,750 | |
| Contribution from Mt. Holly BOE | | 75,866 | 75,866 | |
| Energy Receipts Tax | | 1,392,382 | 1,392,382 | |
| Consolidated Municipal Property Tax Relief | | 126,149 | 126,149 | |
| Housing Inspection Fees | | 133,145 | 133,145 | |
| Interest and Costs on Taxes | | 95,105 | 95,105 | |
| Interest on Investments | | 85,158 | 85,158 | |
| Total | \$20,252 | 4,332,873 | 4,335,678 | 17,447 |

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

A-10

**CURRENT FUND
SCHEDULE OF PRIOR YEAR APPROPRIATION RESERVES**

Year Ended December 31, 2019

| OPERATIONS | BALANCE DECEMBER 31, 2018 | BALANCE AFTER TRANSFERS | DISBURSED | BALANCE LAPSED | OVER- EXPENDED |
|---|---------------------------------|-------------------------------|-----------|-------------------|-------------------|
| General Government: | | | | | |
| Administrative & Executive: | | | | | |
| Salaries and Wages | \$3 | 3 | | 3 | |
| Other Expenses | 13,700 | 13,700 | 9,917 | 3,783 | |
| Mayor and Council: | | | | | |
| Other Expenses | 500 | 500 | | 500 | |
| Municipal Clerk: | | | | | |
| Salaries and Wages | 48 | 48 | | 48 | |
| Other Expenses | 2,245 | 2,245 | 557 | 1,688 | |
| Financial Administration: | | | | | |
| Other Expenses | 16,987 | 16,987 | 4,813 | 12,174 | |
| Assessment of Taxes: | | | | | |
| Salaries and Wages | 20 | 20 | | 20 | |
| Other Expenses | 4,764 | 4,764 | 13 | 4,751 | |
| Collection of Taxes: | | | | | |
| Salaries and Wages | 37 | 37 | | 37 | |
| Other Expenses | 3,633 | 3,633 | 177 | 3,456 | |
| Legal Services & Costs: | | | | | |
| Other Expenses | 24,144 | 24,144 | 19,614 | 4,530 | |
| Engineering Services & Costs: | | | | | |
| Other Expenses | 47,927 | 47,927 | 23,093 | 24,834 | |
| Historic Preservation Committee: | | | | | |
| Other Expenses | 3,000 | 3,000 | | 3,000 | |
| Municipal Land Use Law (N.J.S.A.40:55D-1): | | | | | |
| Planning Board: | | | | | |
| Salaries and Wages | 1,124 | 1,124 | | 1,124 | |
| Other Expenses | 5,045 | 5,045 | 2,948 | 2,097 | |
| Code Enforcement and Administration: | | | | | |
| Inspection of Housing: | | | | | |
| Salaries and Wages | 578 | 578 | | 578 | |
| Other Expenses | 2,722 | 2,722 | | 2,722 | |
| Insurance: | | | | | |
| Medical Waiver | 549 | 549 | | 549 | |
| General Liability Insurance | 9 | 9 | | 9 | |
| Employee Group Insurance | 149,285 | 149,285 | 144,618 | 4,667 | |
| Public Safety: | | | | | |
| Police: | | | | | |
| Salaries and Wages | 353 | 353 | | 353 | |
| Other Expenses | 6,245 | 6,245 | 2,846 | 3,399 | |
| Emergency Management: | | | | | |
| Other Expenses | 1,500 | 1,500 | | 1,500 | |
| Public Works Functions: | | | | | |
| Streets & Road Maintenance: | | | | | |
| Salaries and Wages | 7,440 | 7,440 | | 7,440 | |
| Other Expenses | 2,208 | 2,208 | 2,163 | 45 | |

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

A-10

**CURRENT FUND
SCHEDULE OF PRIOR YEAR APPROPRIATION RESERVES (CONTINUED)**

Year Ended December 31, 2019

| OPERATIONS | BALANCE DECEMBER 31, 2018 | BALANCE AFTER TRANSFERS | DISBURSED | BALANCE LAPSED | OVER- EXPENDED |
|---|---------------------------------|-------------------------------|----------------|-------------------|-------------------|
| Public Works Functions (Continued): | | | | | |
| Public Buildings & Grounds: | | | | | |
| Salaries and Wages | | | | | |
| Other Expenses | 5,109 | 5,109 | 1,478 | 3,631 | |
| Vehicle Maintenance: | | | | | |
| Other Expenses | 16,100 | 16,100 | 4,186 | 11,914 | |
| Other Public Works: | | | | | |
| Other Expenses | 550 | 550 | | 550 | |
| Health & Welfare: | | | | | |
| Animal Control Services: | | | | | |
| Other Expenses | | | | | |
| Community Drug Alliance Program: | | | | | |
| Other Expenses | 2,200 | 2,200 | | 2,200 | |
| Parks & Recreation: | | | | | |
| Recreation Services & Programs: | | | | | |
| Salaries and Wages | 489 | 489 | | 489 | |
| Other Expenses | 1,734 | 1,734 | | 1,734 | |
| Celebration of Public Events: | | | | | |
| Other Expenses | 1,350 | 1,350 | | 1,350 | |
| Utility Expenses & Bulk Purchases: | | | | | |
| Electricity | 12,802 | 12,802 | 3,737 | 9,065 | |
| Street Lighting | 20,363 | 20,363 | 16,843 | 3,520 | |
| Telephone | 3,603 | 3,603 | 1,682 | 1,921 | |
| Water | 1,167 | 1,167 | 34 | 1,133 | |
| Gasoline | 6,950 | 6,950 | 4,236 | 2,714 | |
| Fuel Oil | | | | | |
| Municipal Court: | | | | | |
| Municipal Court: | | | | | |
| Salaries and Wages | 1,158 | 1,158 | | 1,158 | |
| Other Expenses | 4,355 | 4,355 | 382 | 3,973 | |
| Municipal Prosecutor: | | | | | |
| Salaries and Wages | 1,833 | 1,833 | 1,833 | | |
| Public Defender - Contractual | 525 | 525 | | 525 | |
| Landfill & Solid Waste Disposal Costs: | | | | | |
| Garbage & Trash Removal: | | | | | |
| Other Expenses | 44,630 | 44,630 | 39,981 | 4,649 | |
| Sanitary Landfill: | | | | | |
| Contractual | 24,189 | 24,189 | 20,683 | 3,506 | |
| Statutory Expenditures: | | | | | |
| Police & Firemen's Pension Fund | | | | | |
| Social Security System | 11,125 | 11,125 | | 11,125 | |
| DCRP | 2,344 | 2,344 | | 2,344 | |
| Unemployment Fund | 2,928 | 2,928 | 1,408 | 1,520 | |
| Total General Appropriations for Municipal Purposes - Within "CAPS" | <u>459,570</u> | <u>459,570</u> | <u>307,242</u> | <u>152,328</u> | |
| Mandated Expenditures Excluded From "CAPS": | | | | | |
| Capital Improvements Excluded from "CAPS" | | | | | |
| Police Vehicle - SUV | | | | | |
| Public Works Equipment | 3,099 | 3,099 | | 3,099 | |
| Subtotal General Appropriation Items | <u>3,099</u> | <u>3,099</u> | | <u>3,099</u> | |
| Total General Appropriations | <u>\$462,669</u> | <u>462,669</u> | <u>307,242</u> | <u>155,427</u> | |
| Appropriation Reserves | \$370,275 | | | | |
| Encumbrances Payable | 92,394 | | | | |
| Accounts Payable | | | | | |
| Refunds | | | | | |
| Cash Disbursements | | | <u>307,242</u> | | |
| Total | <u>\$462,669</u> | | <u>307,242</u> | | |

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

A-11

**CURRENT FUND
SCHEDULE OF LOCAL DISTRICT SCHOOL TAXES PAYABLE**

Year Ended December 31, 2019

| | |
|---|-------------------|
| Balance December 31, 2018: School Taxes Payable | \$1 |
| Increased by: Levy Calendar Year 2019 | <u>8,460,271</u> |
| Subtotal | 8,460,272 |
| Decreased by: Payments | <u>8,460,271</u> |
| Balance December 31, 2019: School Taxes Payable | <u><u>\$1</u></u> |

A-12

**CURRENT FUND
SCHEDULE OF REGIONAL DISTRICT SCHOOL TAXES PAYABLE**

Year Ended December 31, 2019

| | |
|---|-------------------|
| Balance December 31, 2018: School Taxes Payable | \$5 |
| Increased by: Levy Calendar Year 2019 | <u>2,374,544</u> |
| Subtotal | 2,374,549 |
| Decreased by: Payments | <u>2,374,544</u> |
| Balance December 31, 2019: School Taxes Payable | <u><u>\$5</u></u> |

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

A-13

**FEDERAL AND STATE GRANT FUND
SCHEDULE OF FEDERAL AND STATE GRANTS RECEIVABLE**

Year Ended December 31, 2019

| PROGRAM | BALANCE DECEMBER 31, 2018 | 2019 REVENUE | RECEIPTS | CANCELLED | BALANCE DECEMBER 31, 2019 |
|--|---------------------------------|-----------------|--------------------------------|------------------|---------------------------------|
| Federal Grants: | | | | | |
| Transportation Enhancement Fund - Pedestrian Safety | \$71,748 | | | | 71,748 |
| Small Cities CDBG - High & Washington | 400,000 | | | | 400,000 |
| Small Cities CDBG - Rehabilitation | 111,311 | | 51,715 | | 59,596 |
| Bullet Proof Vest Program | 738 | 727 | 1,465 | | |
| USDA AMS Farmers Market Promotion | | 46,088 | | | 46,088 |
| Total Federal Grants | 583,797 | 46,815 | 53,180 | | 577,432 |
| State Grants: | | | | | |
| Sustainable New Jersey Small Grant Program | 8,000 | | 2,000 | | 6,000 |
| Sustainable New Jersey Grant - Roots to River | 2,017 | 3,878 | | | 5,895 |
| Alcohol Education & Rehabilitation | 1,656 | 482 | 482 | | 1,656 |
| NJDOT - Park Drive | 33,868 | | | | 33,868 |
| NJDOT - Phase II High Street | 206,076 | | | | 206,076 |
| NJDOT - Commerce Street Bridge | 263,115 | | | | 263,115 |
| NJDOT - Holly Lane Improvements | | 271,427 | | | 271,427 |
| Safe Routes to School Grant | 125,000 | | | | 125,000 |
| EDA - Ankokas Lagoon/Mills | 94,059 | | | | 94,059 |
| EDA - Holly Chemical Co., Inc. | 11,650 | | | | 11,650 |
| EDA - Regal Custom Fixtures | 3,737 | | | | 3,737 |
| Click-It-Ticket | 4,916 | | | | 4,916 |
| Community Forestry | 3,455 | | 1,726 | | 1,729 |
| Urban Tree Reforestation Project | | 40,172 | 3,600 | | 36,572 |
| Distracted Driver | 550 | | | | 550 |
| Recycling Tonnage Grant | 10,311 | 12,845 | 23,156 | | |
| Clean Communities Grant | | 38,677 | 38,677 | | |
| ROID Grant | | 10,000 | | | 10,000 |
| Body Armor Grant | | 2,775 | 2,775 | | |
| Safe and Secure Communities Grant | | 60,000 | 60,000 | | |
| Neighborhood Preservation Program | | 125,000 | 25,000 | | 100,000 |
| Insurance Fund Safety Grant | 4,222 | 4,180 | | | 8,402 |
| TAP Grant | 483,000 | | | | 483,000 |
| Urban Enterprise Zone | | 70,000 | | | 70,000 |
| Total State Grants | 1,255,632 | 639,436 | 157,416 | | 1,737,652 |
| County Grants: | | | | | |
| County Parks Grant | 415,000 | | | | 415,000 |
| Total County Grants | 415,000 | | | | 415,000 |
| Local Grants: | | | | | |
| Mt. Holly Youth Soccer Program | 1,000 | | 1,000 | | |
| Total Local Grants | 1,000 | | 1,000 | | |
| Total | \$2,255,429 | 686,251 | 211,596 | | 2,730,084 |
| | | | Cash | \$193,318 | |
| | | | Unappropriated Grants Realized | 18,278 | |
| | | | | <u>\$211,596</u> | |

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

A-14

**FEDERAL AND STATE GRANT FUND
SCHEDULE OF RESERVE FOR FEDERAL AND STATE GRANTS – APPROPRIATED RESERVES**

Year Ended December 31, 2019

| PROGRAM | BALANCE DECEMBER 31, 2018 | TRANSFERRED FROM 2019 BUDGET APPROPRIATIONS | PRIOR YEAR ENCUMBRANCES RECLASSIFIED | REFUNDS | EXPENDED CANCELED | BALANCE DECEMBER 31, 2019 |
|--|---------------------------------|--|--|---------|----------------------|---------------------------------|
| Federal Grants: | | | | | | |
| Bullet Proof Vest Program | \$1,844 | 727 | | | 1,475 | 1,096 |
| Transportation Enhancement Pedestrian Safety | 120,916 | | | | | 120,916 |
| Community Development Block Grant | 28,656 | | | | | 28,656 |
| Small Cities CDBG | 3,086 | | | | | 3,086 |
| Small Cities CDBG - High & Washington | 400,000 | | | | | 400,000 |
| Small Cities CDBG - Rehabilitation | 91,200 | | | | 37,340 | 53,860 |
| Body Armor Fund | 113 | 2,775 | 737 | | 737 | 2,888 |
| USDA AMS Farmers Market Promotion | | 46,088 | | | 8,046 | 38,042 |
| Total Federal Grants | 645,815 | 49,590 | 737 | | 47,598 | 648,544 |
| State Grants: | | | | | | |
| Sustainable New Jersey - Roots to River | 37 | | | | | 37 |
| NJDOT - Phase II High Street | 206,076 | | | | 35,155 | 170,921 |
| NJDOT - Commerce Street Bridge | 258,019 | | | | 11,571 | 246,448 |
| NJDOT - Holly Lane Improvements | | 271,427 | | | | 271,427 |
| Drunk Driving Enforcement Grant | 260 | | 299 | | 559 | |
| Alcohol Education & Rehabilitation Fund | 15,645 | 482 | | | 1,045 | 15,082 |
| Recycling Tonnage Grant | 37,330 | 12,845 | | | 5,842 | 44,333 |
| NJ Urban Enterprise Zone | 111,807 | 70,000 | | | 69,262 | 112,545 |
| TAP Grant | 483,000 | | | | 775 | 482,225 |
| Click-It-Ticket | 4,916 | | | | | 4,916 |
| Distracted Driver | 6,600 | | | | | 6,600 |
| Clean Communities Grant | 35,622 | 38,677 | | | | 74,299 |
| ROID Grant | | 10,000 | | | 2,472 | 7,528 |
| Insurance Fund Safety Grant | 12,540 | 4,180 | | | | 16,720 |
| NJ Economic Development Authority | 16,799 | | 20,284 | | 17,755 | 19,328 |
| Community Forestry | 3,435 | 3,878 | | | 3,817 | 3,496 |
| Urban Tree Reforestation Project | | 40,172 | | | 30,938 | 9,234 |
| Safe Routes to School Grant | 125,000 | | | | | 125,000 |
| Safe and Secure Communities Grant | | 60,000 | | | 60,000 | |
| Neighborhood Prevention Program | | 125,000 | | | | 125,000 |
| Total State Grants | 1,317,086 | 636,661 | 20,583 | | 239,191 | 1,735,139 |
| County Grants: | | | | | | |
| County Parks Grant | 243,949 | | 13,895 | | 13,895 | 243,949 |
| Total County Grants | 243,949 | | 13,895 | | 13,895 | 243,949 |
| Local Grants: | | | | | | |
| Mt. Holly Youth Soccer Program | 1,000 | | | | | 1,000 |
| NJ American Water | 290 | | | | | 290 |
| Total Local Grants | 1,290 | | | | | 1,290 |
| Total | \$2,208,140 | 686,251 | 35,215 | | 300,684 | 2,628,922 |
| | | | | | Cash Disbursed | \$267,033 |
| | | | | | Encumbrances | 33,651 |
| | | | | | Total | \$300,684 |

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

A-15

FEDERAL AND STATE GRANT FUND
SCHEDULE OF RESERVE FOR FEDERAL AND STATE GRANTS –
UNAPPROPRIATED RESERVES

December 31, 2019

| PROGRAM | BALANCE DECEMBER 31, 2018 | GRANTS RECEIVED | REVENUE IN 2019 BUDGET | BALANCE DECEMBER 31, 2019 |
|---|---------------------------------|--------------------|------------------------------|---------------------------------|
| Federal & State Grants: | | | | |
| Clean Communities Program | \$18,278 | | 18,278 | |
| Recycling Tonnage Grant | | 19,873 | | 19,873 |
| Total Federal & State Grants | \$18,278 | 19,873 | 18,278 | 19,873 |

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

B-1

**TRUST FUNDS
SCHEDULE OF CASH – CHIEF FINANCIAL OFFICER**

Year Ended December 31, 2019

| | <u>DOG LICENSE</u> | <u>OTHER</u> |
|---|--------------------|------------------|
| Balance December 31, 2018 | \$14,414 | 1,156,592 |
| Receipts: | | |
| State Share of Dog License Fees | 534 | |
| Dog License Fees | 4,968 | |
| Late Fees | 120 | |
| Current Fund Budget | 12,000 | |
| RCA Trust Fund Deposits | | 31,343 |
| P.O.A.A. Fines | | 960 |
| Public Defenders Fees | | 5,874 |
| Recreation Commission Funds | | 59,934 |
| Builder's Escrow | | 95,190 |
| Tax Sale Premiums | | 272,300 |
| Uniform Construction Code Fees | | 256,953 |
| Outside Police Services | | 620,313 |
| Snow Removal | | 16,951 |
| Law Enforcement Funds | | 2,826 |
| Deposits for Tax Sale Redemptions | | 686,217 |
| Shade Tree | | 2,745 |
| Due to State of New Jersey | | 13,927 |
| Recycling Program | | 703 |
| Environmental Committee | | 430 |
| Compensated Absences | | 70,000 |
| Due Current Fund | 262 | 19,788 |
| Total Receipts | <u>17,884</u> | <u>2,156,454</u> |
| Total Receipts & Balances | <u>32,298</u> | <u>3,313,046</u> |
| Disbursements: | | |
| Paid to State of New Jersey | 534 | 12,859 |
| Expenditures Under N.J.S.A. 40:19-15.11 | 16,400 | |
| Compensated Absences | | 55,592 |
| Tax Sale Premiums Received | | 325,900 |
| Public Defenders Fees | | 12,800 |
| Recreation Commission Funds | | 52,860 |
| Builder's Escrow | | 90,400 |
| Uniform Construction Code Fees | | 242,545 |
| Outside Police Officers | | 481,612 |
| Law Enforcement Fund | | 3,209 |
| Tax Sale Redemptions | | 732,707 |
| Snow Removal | | 20,656 |
| Environmental Committee | | 455 |
| RCA Trust Fund Deposits | | 26,881 |
| Shade Tree | | 6,345 |
| Due to Current Fund | 286 | 23,177 |
| Total Disbursements | <u>17,220</u> | <u>2,087,998</u> |
| Balance December 31, 2019 | <u>\$15,078</u> | <u>1,225,048</u> |

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

B-1

**TRUST FUNDS
SCHEDULE OF CASH – CHIEF FINANCIAL OFFICER (CONTINUED)**

Year Ended December 31, 2019

| | <u>DOG LICENSE</u> | <u>OTHER</u> |
|---|------------------------|------------------|
| Balance Per Certification of: | | |
| Investors Bank: | | |
| Dog License | \$15,078 | |
| Tax Sale Premiums | | 423,766 |
| Recreation Commission Funds | | 22,875 |
| Law Enforcement | | 16,285 |
| Builder's Escrow | | 109,545 |
| Recycling Program | | 9,393 |
| Uniform Construction Code | | 65,255 |
| Outside Police Services | | 312,460 |
| Snow Removal | | 52,256 |
| Public Defender | | 44,730 |
| P.O.A.A. - Parking Fines | | 14,772 |
| Tax Sale Redemptions | | 48,612 |
| RCA Trust | | 32,649 |
| Environmental Committee | | 1,415 |
| State & Federal Grants | | 28,492 |
| Compensated Absences | | 51,353 |
| Shade Tree | | 70 |
| Add: Deposit in Transit | | 108 |
| Less: Outstanding Checks Per Permanent Record | | (8,988) |
| Balance December 31, 2019 | <u>\$15,078</u> | <u>1,225,048</u> |

B-2

**TRUST FUNDS
SCHEDULE OF RESERVE FOR ANIMAL CONTROL EXPENDITURES**

Year Ended December 31, 2019

| | | |
|---|---------------|-----------------|
| Balance December 31, 2018 | | \$11,039 |
| Increased by: | | |
| Dog License Fees - Collected | \$4,968 | |
| Late Fees | 120 | |
| Current Fund Budget | <u>12,000</u> | <u>17,088</u> |
| Subtotal | | 28,127 |
| Decreased by: | | |
| Expenditures Under N.J.S.A.4:19-15.11: | 16,400 | |
| Due to Current Fund for Excess Dog Fees | <u>1,226</u> | <u>17,626</u> |
| Balance December 31, 2019 | | <u>\$10,501</u> |

LICENSE FEES COLLECTED

| YEAR | AMOUNT |
|-------|-----------------|
| 2018 | \$4,995 |
| 2017 | <u>5,506</u> |
| Total | <u>\$10,501</u> |

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

B-3

**TRUST FUNDS
SCHEDULE OF DEPOSITS FOR REDEMPTION OF TAX TITLE LIENS**

Year Ended December 31, 2019

| | |
|---------------------------|------------------------|
| Balance December 31, 2018 | \$90,842 |
| Increased by: | |
| Cash Receipts | <u>686,217</u> |
| Subtotal | 777,059 |
| Decreased by: | |
| Cash Disbursements | <u>732,707</u> |
| Balance December 31, 2019 | <u><u>\$44,352</u></u> |

B-4

**TRUST FUNDS
SCHEDULE OF PREMIUMS RECEIVED AT TAX SALE**

Year Ended December 31, 2019

| | |
|---------------------------------|-------------------------|
| Balance December 31, 2018 | \$472,500 |
| Increased by: | |
| Premiums Received at Tax Sale | <u>272,300</u> |
| Subtotal | 744,800 |
| Decreased by: | |
| Premiums Refunded at Redemption | <u>325,900</u> |
| Balance December 31, 2019 | <u><u>\$418,900</u></u> |

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

B-5

TRUST FUNDS

SCHEDULE OF RESERVE FOR UNIFORM CONSTRUCTION CODE FEES

Year Ended December 31, 2019

| | |
|---|------------------------|
| Balance December 31, 2018 | \$44,868 |
| Increased by: | |
| Construction Code Fees Received | <u>256,953</u> |
| Subtotal | 301,821 |
| Decreased by: | |
| Disbursement of Construction Code Funds | <u>242,545</u> |
| Balance December 31, 2019 | <u><u>\$59,276</u></u> |

B-6

TRUST FUNDS

SCHEDULE OF DUE TO STATE OF NEW JERSEY – DOG LICENSE FUND

Year Ended December 31, 2019

| | |
|-----------------------------|---------------------|
| Balance December 31, 2018 | \$312 |
| Increased by: | |
| Dog License Fees Collected: | |
| State Share | <u>534</u> |
| Subtotal | 846 |
| Decreased by: | |
| Payments | <u>534</u> |
| Balance December 31, 2019 | <u><u>\$312</u></u> |

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

B-7

**TRUST FUNDS
SCHEDULE OF DUE TO/FROM CURRENT FUND**

Year Ended December 31, 2019

| | | |
|-------------------------------|---------------|------------------------|
| Balance December 31, 2018 | | \$21,636 |
| Increased by: | | |
| Interest Earned | \$9,960 | |
| Receipts from Current Fund | <u>9,828</u> | <u>19,788</u> |
| Subtotal | | 41,424 |
| Decreased by: | | |
| Disbursements to Current Fund | <u>23,177</u> | <u>23,177</u> |
| Balance December 31, 2019 | | <u><u>\$18,247</u></u> |

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

B-8

**TRUST FUNDS
SCHEDULE OF MISCELLANEOUS TRUST RESERVES**

Year Ended December 31, 2019

| | BALANCE | INCREASED BY | | | DECREASED BY | | BALANCE |
|-----------------------------|----------------------|----------------|----------------------|-------|----------------|-------|----------------------|
| | DECEMBER 31, 2018 | RECEIPTS | INTEREST EARNINGS | OTHER | DISBURSEMENTS | OTHER | DECEMBER 31, 2019 |
| Recreation Commission Funds | \$15,367 | 59,934 | | | 52,860 | | 22,441 |
| Law Enforcement Funds | 16,668 | 2,552 | 274 | | 3,209 | | 16,285 |
| Builder's Escrow | 99,026 | 95,190 | | | 90,400 | | 103,816 |
| Recycling Program | 8,544 | 703 | | | | | 9,247 |
| Outside Police Services | 169,751 | 620,313 | | | 481,612 | | 308,452 |
| Snow Removal | 54,999 | 16,951 | | | 20,656 | | 51,294 |
| Public Defender | 13,967 | 5,874 | | | 12,800 | | 7,041 |
| P.O.A.A. - Parking Fines | 13,580 | 960 | | | | | 14,540 |
| RCA Trust | 24,594 | 30,454 | 889 | | 26,881 | | 29,056 |
| Compensated Absences | 36,265 | 70,000 | | | 55,592 | | 50,673 |
| Environmental Committee | 1,421 | 430 | | | 455 | | 1,396 |
| Shade Tree | 3,640 | 2,745 | | | 6,345 | | 40 |
| Federal & State Grants | 28,031 | | | | | | 28,031 |
| Total | \$485,853 | 906,106 | 1,163 | | 750,810 | | 642,312 |

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

C-2

**GENERAL CAPITAL FUND
SCHEDULE OF GENERAL CAPITAL CASH**

Year Ended December 31, 2019

| | | |
|---|------------------|-------------------------|
| Balance December 31, 2018 | | \$267,017 |
| Increased By: | | |
| Interest on Investments | \$5,752 | |
| Due Current Fund | 85,650 | |
| Bond Proceeds | | |
| Bond Anticipation Note Proceeds | <u>3,501,500</u> | <u>3,592,902</u> |
| Subtotal | | 3,859,919 |
| Decreased By: | | |
| Due Current Fund | 8,518 | |
| Bond Anticipation Note Renewal | 2,741,500 | |
| Bond Anticipation Note Principal and Interest Improvement Authorizations | <u>85,650</u> | <u>3,658,099</u> |
| | | |
| Balance December 31, 2019 | | <u><u>\$201,820</u></u> |

C-3

**GENERAL CAPITAL FUND
ANALYSIS OF GENERAL CAPITAL CASH**

Year Ended December 31, 2019

| | |
|---|-------------------------|
| Fund Balance | \$138,227 |
| Capital Improvement Fund | 30,124 |
| Due to/(from) Current Fund | 5,752 |
| Improvement Authorizations: | |
| Ordinance Numbers & Descriptions | |
| 99-22 Acquisition of Various Equipment & Completion of Various Capital Improvements | 1,463 |
| 05-16 Acquisition of Various Properties | |
| 09-11 Restoration of Upper Buttonwood & Woolman Lakes | (100,848) |
| 10-17 The Gardens Redevelopment Project | 3 |
| 16-14 Renovation & Rehabilitation of Mill Dam Park Dam Park | (20,000) |
| 16-15 Replacement of Buttonwood Lake Dam | 119,050 |
| 17-15 Various Capital Improvements | 80,727 |
| 17-16 Refunding Bond Ordinance GOB Series | <u>(52,678)</u> |
| Total Cash & Investments | <u><u>\$201,820</u></u> |

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

C-5

**GENERAL CAPITAL FUND
SCHEDULE OF CAPITAL IMPROVEMENT FUND**

Year Ended December 31, 2019

| | |
|------------------------------------|------------------------|
| Balance December 31, 2019 and 2018 | <u><u>\$30,124</u></u> |
|------------------------------------|------------------------|

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

C-6

**GENERAL CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS**

Year Ended December 31, 2019

| ORDINANCE NUMBER | IMPROVEMENT DESCRIPTION | ORDINANCE | | BALANCE DECEMBER 31, 2018 | | 2019 AUTHORIZATIONS | ENCUMBRANCES RECLASSIFIED | PAID OR CHARGED | REFUNDS | BALANCE DECEMBER 31, 2019 | |
|---------------------|---|-----------|-------------|---------------------------|-----------|------------------------|------------------------------|--------------------|---------|---------------------------|-----------|
| | | DATE | AMOUNT | FUNDED | UNFUNDED | | | | | FUNDED | UNFUNDED |
| 99-22 | Acquisition of Various Equipment Completion of Various Capital Improvements | 7/23/91 | \$1,447,000 | 1,463 | | | | | | 1,463 | |
| 05-16 | Acquisition of Various Properties | 7/25/05 | 44,000 | 19,429 | | | | 19,429 | | | |
| 09-11 | Restoration of Upper Buttonwood & Woolman Lakes | 6/8/09 | 177,000 | | 176,444 | | | 100,292 | | | 76,152 |
| 10-17 | Acquisition of Various Properties | 12/13/10 | 2,500,000 | | 3 | | | | | | 3 |
| 16-14 | Renovation & Rehabilitation of Mill Dam Park | 5/9/16 | 2,200,000 | | 2,200,000 | | | 20,000 | | | 2,180,000 |
| 16-15 | Replacement of Buttonwood Lake Dam | 5/9/16 | 800,000 | 40,000 | 760,000 | | | 680,950 | | | 119,050 |
| 17-15 | Various Capital Improvements | 7/10/17 | 550,000 | | 82,487 | | | 1,760 | | | 80,727 |
| 17-16 | Refunding Bond Ordinance GOB Series 2010 | 7/10/17 | 695,000 | | 22,322 | | | | | | 22,322 |
| Total | | | \$60,892 | 3,241,256 | | | | 822,431 | | 1,463 | 2,478,254 |
| Cash Disbursement | | | | | | | | 822,431 | | | |
| Total | | | | | | | | 822,431 | | | |

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

C-7

**GENERAL CAPITAL FUND
SCHEDULE OF BOND ANTICIPATION NOTES**

Year Ended December 31, 2019

| ORDINANCE NUMBER | IMPROVEMENT DESCRIPTION | DATE OF ISSUE OF NOTE | DATE OF ISSUE | DATE OF MATURITY | BALANCE DECEMBER 31, 2018 | INCREASE | DECREASE | BALANCE DECEMBER 31, 2019 |
|------------------------------|---------------------------------------|-----------------------------|----------------------|----------------------|---------------------------------|--------------------|------------------|---------------------------------|
| 2010-17 | Acquisition of Various Properties | 3/24/11 | 11/06/19 11/07/18 | 11/05/20 11/06/19 | \$2,251,000 | 2,219,000 | 2,251,000 | 2,219,000 |
| 2017-15 | Various Capital Improvements | 10/12/17 | 10/08/19 10/10/18 | 10/07/20 10/09/19 | 522,500 | 522,500 | 522,500 | 522,500 |
| 2016-15 | Replacement of Buttonwood Lake Dam | 06/27/19 | 06/27/19 | 06/26/20 | | 760,000 | | 760,000 |
| Total | | | | | <u>\$2,773,500</u> | <u>3,501,500</u> | <u>2,773,500</u> | <u>3,501,500</u> |
| Paid by Budget Appropriation | | | | | | | 32,000 | |
| Bonds Sold | | | | | | \$760,000 | | |
| Renewals | | | | | | <u>2,741,500</u> | <u>2,741,500</u> | |
| Total | | | | | | <u>\$3,501,500</u> | <u>2,773,500</u> | |

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

C-8

**GENERAL CAPITAL FUND
SCHEDULE OF GENERAL SERIAL BONDS**

Year Ended December 31, 2019

| PURPOSE | DATE OF ISSUE | AMOUNT OF ORIGINAL ISSUE | MATURITIES OF BONDS OUTSTANDING | | INTEREST RATE | BALANCE DECEMBER 31, 2018 | ISSUED | REFUNDED | PAID | BALANCE DECEMBER 31, 2019 |
|--|------------------|--------------------------------|------------------------------------|-----------|------------------|---------------------------------|--------|----------|---------|---------------------------------|
| | | | DATE | AMOUNT | | | | | | |
| Taxable Redevelopment General Obligation Bonds Series 2010 | 6/22/10 | \$5,725,000 | 6/1/20 | \$285,000 | 5.500% | 550,000 | | | 265,000 | 285,000 |
| Taxable Redevelopment General Obligation Refunding Bonds Series 2017 | 9/27/17 | 4,610,000 | 6/1/20 | 85,000 | 2.050% | 4,525,000 | | | 85,000 | 4,440,000 |
| | | | 6/1/21 | 385,000 | 2.300% | | | | | |
| | | | 6/1/22 | 395,000 | 2.480% | | | | | |
| | | | 6/1/23 | 405,000 | 2.680% | | | | | |
| | | | 6/1/24 | 415,000 | 2.890% | | | | | |
| | | | 6/1/25 | 425,000 | 3.040% | | | | | |
| | | | 6/1/26 | 440,000 | 3.140% | | | | | |
| | | | 6/1/27 | 455,000 | 3.240% | | | | | |
| | | | 6/1/28 | 465,000 | 3.380% | | | | | |
| | | | 6/1/29 | 480,000 | 3.550% | | | | | |
| 6/1/30 | 490,000 | 3.550% | | | | | | | | |
| General Obligation Bonds Series 2013 | 10/31/13 | 1,375,000 | 11/15/20 | 130,000 | 2.000% | 910,000 | | | 130,000 | 780,000 |
| | | | 11/15/21 | 130,000 | 2.250% | | | | | |
| | | | 11/15/22 | 130,000 | 2.500% | | | | | |
| | | | 11/15/23 | 130,000 | 3.000% | | | | | |
| | | | 11/15/24 | 130,000 | 3.000% | | | | | |
| | | | 11/15/25 | 130,000 | 3.000% | | | | | |

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

C-8

**GENERAL CAPITAL FUND
SCHEDULE OF GENERAL SERIAL BONDS (CONTINUED)**

Year Ended December 31, 2019

| PURPOSE | DATE OF ISSUE | AMOUNT OF ORIGINAL ISSUE | MATURITIES OF BONDS OUTSTANDING | | INTEREST RATE | BALANCE DECEMBER 31, 2018 | ISSUED | REFUNDED | PAID | BALANCE DECEMBER 31, 2019 |
|--|---------------|--------------------------|---------------------------------|---------|---------------|---------------------------|--------|----------|---------|---------------------------|
| | | | DATE | AMOUNT | | | | | | |
| General Taxable Bonds Series 2013 | 10/31/13 | 1,375,000 | 11/15/20 | 25,000 | 4.000% | 3,525,000 | | | 25,000 | 3,500,000 |
| | | | 11/15/21 | 35,000 | 4.000% | | | | | |
| | | | 11/15/22 | 35,000 | 4.000% | | | | | |
| | | | 11/15/23 | 30,000 | 5.000% | | | | | |
| | | | 11/15/24 | 65,000 | 5.000% | | | | | |
| | | | 11/15/25 | 65,000 | 5.000% | | | | | |
| | | | 11/15/26 | 70,000 | 5.000% | | | | | |
| | | | 11/15/27 | 120,000 | 5.500% | | | | | |
| | | | 11/15/28 | 125,000 | 5.500% | | | | | |
| | | | 11/15/29 | 130,000 | 5.500% | | | | | |
| | | | 11/15/30 | 185,000 | 5.500% | | | | | |
| | | | 11/15/31 | 195,000 | 5.500% | | | | | |
| | | | 11/15/32 | 205,000 | 5.500% | | | | | |
| | | | 11/15/33 | 210,000 | 5.500% | | | | | |
| | | | 11/15/34 | 300,000 | 5.500% | | | | | |
| | | | 11/15/35 | 355,000 | 5.500% | | | | | |
| | | | 11/15/36 | 375,000 | 5.500% | | | | | |
| 11/15/37 | 475,000 | 5.500% | | | | | | | | |
| 11/15/38 | 500,000 | 5.500% | | | | | | | | |
| Taxable Redevelopment General Obligation Bonds Series 2018 | 11/07/18 | 3,913,000 | 11/01/20 | 100,000 | 4.500% | 3,913,000 | | | 103,000 | 3,810,000 |
| | | | 11/01/21 | 105,000 | 4.500% | | | | | |
| | | | 11/01/22 | 110,000 | 4.500% | | | | | |
| | | | 11/01/23 | 115,000 | 4.500% | | | | | |
| | | | 11/01/24 | 120,000 | 4.500% | | | | | |
| | | | 11/01/25 | 125,000 | 4.500% | | | | | |
| | | | 11/01/26 | 130,000 | 4.500% | | | | | |
| | | | 11/01/27 | 135,000 | 4.500% | | | | | |
| | | | 11/01/28 | 140,000 | 4.500% | | | | | |

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

C-8

**GENERAL CAPITAL FUND
SCHEDULE OF GENERAL SERIAL BONDS (CONTINUED)**

Year Ended December 31, 2019

| PURPOSE | DATE OF ISSUE | AMOUNT OF ORIGINAL ISSUE | MATURITIES OF BONDS OUTSTANDING DATE | AMOUNT | INTEREST RATE | BALANCE DECEMBER 31, 2018 | ISSUED | REFUNDED | PAID | BALANCE DECEMBER 31, 2019 |
|---|------------------|--------------------------------|--|---------|------------------|---------------------------------|--------|----------|------|---------------------------------|
| Taxable Redevelopment General Obligation Bonds Series 2018 | 11/07/18 | 3,913,000 | 11/01/29 | 145,000 | 4.500% | | | | | |
| | | | 11/01/30 | 150,000 | 4.500% | | | | | |
| | | | 11/01/31 | 155,000 | 4.500% | | | | | |
| | | | 11/01/32 | 165,000 | 4.500% | | | | | |
| | | | 11/01/33 | 170,000 | 4.500% | | | | | |
| | | | 11/01/34 | 175,000 | 4.500% | | | | | |
| | | | 11/01/35 | 185,000 | 4.500% | | | | | |
| | | | 11/01/36 | 190,000 | 4.500% | | | | | |
| | | | 11/01/37 | 195,000 | 4.500% | | | | | |
| | | | 11/01/38 | 200,000 | 4.500% | | | | | |
| | | | 11/01/39 | 200,000 | 4.550% | | | | | |
| | | | 11/01/40 | 200,000 | 4.600% | | | | | |
| | | | 11/01/41 | 200,000 | 4.650% | | | | | |
| | | | 11/01/42 | 200,000 | 4.700% | | | | | |
| | | | 11/01/43 | 200,000 | 4.750% | | | | | |
| Totals | | | | | | \$13,423,000 | | 608,000 | | 12,815,000 |

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

C-9

**GENERAL CAPITAL FUND
SCHEDULE OF GREEN ACRES TRUST LOAN**

Year Ended December 31, 2019

| PURPOSE | AMOUNT OF ORIGINAL ISSUE | MATURITIES OF BONDS OUTSTANDING | | INTEREST RATE | BALANCE | ISSUED | PAID | BALANCE |
|------------------------------|--------------------------------|------------------------------------|---------|------------------|----------------------|--------|--------|----------------------|
| | | DATE | AMOUNT | | DECEMBER 31, 2018 | | | DECEMBER 31, 2019 |
| Improvement to Mill Dam Park | \$248,195 | 3/11/20 | \$8,030 | 2.000% | \$44,373 | | 15,822 | 28,551 |
| | | 9/11/20 | 8,110 | 2.000% | | | | |
| | | 3/11/21 | 8,191 | 2.000% | | | | |
| | | 9/11/21 | 4,219 | 2.000% | | | | |
| Totals | | | | | \$44,373 | | 15,822 | 28,551 |

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

C-10

**GENERAL CAPITAL FUND
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED**

Year Ended December 31, 2019

| ORDINANCE NUMBER | IMPROVEMENT DESCRIPTION | BALANCE DECEMBER 31, 2018 | 2019 AUTHORIZATIONS | SERIAL BONDS ISSUED | BOND ANTICIPATION NOTES ISSUED | BALANCE DECEMBER 31, 2019 |
|---------------------|---|---------------------------------|------------------------|------------------------|--------------------------------------|---------------------------------|
| 09-11 | Restoration of Upper Buttonwood & Woolman | \$177,000 | | | | 177,000 |
| 16-14 | Renovation & Rehabilitation of Mill Dam Park | 2,200,000 | | | | 2,200,000 |
| 16-15 | Replacement of Buttonwood Lake Dam | 760,000 | | | 760,000 | |
| 17-16 | Refunding Bond Ordinance GOB Series 2010 | 75,000 | | | | 75,000 |
| | Total | <u>\$3,212,000</u> | | | <u>760,000</u> | <u>2,452,000</u> |

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

D-1

**PAYROLL FUND
SCHEDULE OF PAYROLL FUND CASH**

Year Ended December 31, 2019

| | | |
|----------------------------------|----------------|------------------------|
| Balance December 31, 2018 | | \$143,058 |
| Increased by: | | |
| Net Payroll & Payroll Deductions | \$5,627,312 | |
| Due Current Fund | <u>3,049</u> | <u>5,630,361</u> |
| Subtotal | | 5,773,419 |
| Decreased by: | | |
| Net Payroll & Payroll Deductions | 5,630,684 | |
| Due Current Fund | <u>100,000</u> | <u>5,730,684</u> |
| Balance December 31, 2019 | | <u><u>\$42,735</u></u> |

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

E-1

GENERAL FIXED ASSETS ACCOUNT GROUP
SCHEDULE OF INVESTMENTS IN FIXED ASSETS

Year Ended December 31, 2019

| | Balance December 31, 2018 | Additions | Reclassified | Balance December 31, 2019 |
|---|---------------------------------|---------------|--------------|---------------------------------|
| General Fixed Assets: | | | | |
| Land | \$1,758,735 | | | 1,758,735 |
| Buildings & Contents | 9,052,860 | | | 9,052,860 |
| Vehicles and Equipment | 6,355,442 | 43,649 | | 6,399,091 |
| Total | 17,167,037 | 43,649 | | 17,210,686 |
| | | | | |
| Total Investment in General Fixed Assets | <u>\$17,167,037</u> | <u>43,649</u> | | <u>17,210,686</u> |

**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 Mount Holly
County of Burlington
Mount Holly, New Jersey 08060

We have audited, in accordance with 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 of the Township of Mount Holly (the "Township"), as of and for the year ended December 31, 2019, and the related notes to financial statements, which collectively comprise the Township's basic financial statements, and have issued our report thereon dated September 14, 2020, 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.

Internal Control Over Financial Reporting

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

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

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

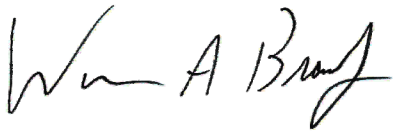
INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS (CONTINUED)

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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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



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

MERCADIEN, P.C.
CERTIFIED PUBLIC ACCOUNTANTS

September 14, 2020

SUPPLEMENTARY INFORMATION

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

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

Years Ended December 31, 2019

| | YEAR 2019 | | YEAR 2018 | |
|--|--------------------|----------------|-------------------|----------------|
| | AMOUNT | PERCENT | AMOUNT | PERCENT |
| Revenue and Other Income Realized | | | | |
| Fund Balance Utilized | \$550,000 | 2.19% | 760,000 | 2.95% |
| Miscellaneous - from Other Than Local Property Tax Levies | 5,420,658 | 21.54% | 6,188,979 | 23.98% |
| Collection of Delinquent Taxes & Tax Title Liens | 83,242 | 0.33% | 38,656 | 0.15% |
| Collection of Current Tax Levy | <u>19,112,699</u> | <u>75.94%</u> | <u>18,817,515</u> | <u>72.92%</u> |
| Total Income | <u>25,166,599</u> | <u>100.00%</u> | <u>25,805,150</u> | <u>100.00%</u> |
| Expenditures | | | | |
| Budget Expenditures - Municipal Purposes | 10,547,988 | 43.00% | 11,485,599 | 45.17% |
| County Taxes | 2,492,246 | 10.16% | 2,445,468 | 9.62% |
| Local & Regional School Taxes | 10,834,815 | 44.17% | 10,739,126 | 42.23% |
| Fire District Taxes | 617,845 | 2.52% | 617,845 | 2.43% |
| Other Expenditures | <u>35,764</u> | <u>0.15%</u> | <u>139,738</u> | <u>0.55%</u> |
| Total Expenditures | <u>24,528,658</u> | <u>100.00%</u> | <u>25,427,776</u> | <u>100.00%</u> |
| Excess in Revenue to Fund Balance | <u>637,941</u> | | <u>377,374</u> | |
| Fund Balance January 1 | 1,373,779 | | 1,756,405 | |
| Less: | | | | |
| Utilization as Anticipated Revenue | <u>550,000</u> | | <u>760,000</u> | |
| Fund Balance December 31 | <u>\$1,461,720</u> | | <u>1,373,779</u> | |

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

COMPARATIVE STATEMENT OF TAX LEVIES AND COLLECTION CURRENTLY

Year Ended December 31, 2019

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

| YEAR | TAX LEVY | CURRENTLY | |
|------|--------------|------------------|--------------------------|
| | | CASH COLLECTIONS | PERCENTAGE OF COLLECTION |
| 2019 | \$19,244,034 | 19,112,699 | 99.32% |
| 2018 | 18,935,333 | 18,817,515 | 99.38% |
| 2017 | 18,466,949 | 18,334,882 | 99.28% |
| 2016 | 18,049,251 | 17,962,050 | 99.52% |
| 2015 | 17,817,886 | 17,741,250 | 99.57% |

Comparison of Tax Rate Information

| | 2019 | 2018 | 2017 |
|----------------------------|----------------|----------------|----------------|
| Total Tax Rate | <u>\$2.992</u> | <u>\$2.939</u> | <u>\$2.863</u> |
| Apportionment of Tax Rate: | | | |
| Municipal | 0.822 | 0.791 | 0.746 |
| County | 0.389 | 0.380 | 0.381 |
| Local School | 1.315 | 1.307 | 1.279 |
| Regional High School | 0.369 | 0.364 | 0.361 |
| Fire District | 0.097 | 0.097 | 0.096 |

Net Valuation Taxable:

| | | | |
|------|----------------------|----------------------|----------------------|
| 2019 | <u>\$643,182,624</u> | | |
| 2018 | | <u>\$643,167,058</u> | |
| 2017 | | | <u>\$644,771,768</u> |

Delinquent Taxes and Tax Title Liens

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

| YEAR ENDED DECEMBER 31 | AMOUNT OF TAX TITLE LIENS | AMOUNT OF DELINQUENT TAXES | TOTAL DELINQUENT | PERCENTAGE OF TAX LEVY |
|---------------------------|---------------------------------|----------------------------------|---------------------|---------------------------|
| 2019 | \$209,437 | 10,060 | 219,497 | 1.14% |
| 2018 | \$203,095 | 8,939 | 212,034 | 1.12% |
| 2017 | \$148,182 | 20,444 | 168,626 | 0.91% |

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

PROPERTY ACQUIRED BY TAX TITLE LIEN LIQUIDATION

Year Ended December 31, 2019

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

| <u>Year</u> | <u>Amount</u> |
|-------------|---------------|
| 2019 | \$490,805 |
| 2018 | 490,805 |
| 2017 | 490,805 |
| 2016 | 490,805 |
| 2015 | 490,805 |

Comparative Schedule of Fund Balance

| <u>Current Fund</u> | <u>December 31</u> | <u>Utilized in Budget of Succeeding Year</u> | <u>Percentage of Fund Balance Used</u> |
|---------------------|--------------------|--|--|
| 2019 | \$1,461,720 | 550,000 | 37.63% |
| 2018 | 1,373,779 | 550,000 | 40.04% |
| 2017 | 1,766,405 | 760,000 | 43.03% |
| 2016 | 1,665,969 | 700,000 | 42.02% |
| 2015 | 1,549,272 | 579,750 | 37.42% |

OFFICIALS IN OFFICE AND SURETY BONDS

The following officials were in office at December 31, 2019:

| NAME | TITLE | AMOUNT OF BOND | NAME OF CORPORATE SURETY |
|----------------------|--------------------------------|-----------------------|---------------------------------|
| Jason Jones | Mayor | | |
| Richard DiFolco | Deputy Mayor | | |
| Katherine McCandless | Committeewoman | | |
| James Codianni | Committeeman | | |
| Lew Brown | Committeeman | | |
| Josh Brown | Township Manager/Administrator | | (A) |
| Denise Muchowski | Certified Finance Officer | | (A) |
| Theresa Kramer | Tax Collector | | (A) |
| Sherri Groves | Acting Court Administrator | | (A) |
| William Sitzler | Judge of Municipal Court | | (A) |

(A) Statewide Insurance Fund – Employee is covered up to \$1,000,000 blanket bond under the Township's crime act policy as allowed per state statute.

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SCHEDULE OF TOWNSHIP'S PROPORTIONATE SHARE OF NET PENSION LIABILITY

Year Ended December 31, 2019

| PERS - Last 10 Fiscal Years | | | | | | |
|---|---------------|---------------|---------------|---------------|---------------|---------------|
| | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 |
| Township's proportion of the net pension liability | 0.0217342262% | 0.0200941600% | 0.0192823090% | 0.0188827889% | 0.0122733624% | 0.0121010123% |
| Township's proportionate share of net pension liability | 3,916,178 | 3,956,441 | 4,488,613 | 5,592,540 | 2,755,124 | 2,265,640 |
| Township's covered-employee payroll | 1,489,369 | 1,496,000 | 1,395,971 | 1,299,455 | 1,242,907 | 884,429 |
| Township's proportionate share of net pension liability as a % of payroll | 262.94% | 264.47% | 321.54% | 430.38% | 221.67% | 256.17% |
| Total pension liability | 9,017,849 | 8,526,268 | 8,648,572 | 9,342,203 | 5,290,995 | 4,728,043 |
| Plan fiduciary net position | 5,101,671 | 4,569,828 | 4,159,959 | 3,749,662 | 2,535,871 | 2,462,403 |
| Plan fiduciary net position as a % of total pension liability | 56.57% | 53.60% | 48.10% | 40.14% | 47.93% | 52.08% |
| PFRS Plan - Last 10 Fiscal Years | | | | | | |
| | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 |
| Township's proportion of the net pension liability | 0.0567546764% | 0.0600252238% | 0.0558990601% | 0.0510600114% | 0.0557690262% | 0.0546948208% |
| Township's collective proportionate share of net pension liability | 6,945,534 | 8,122,402 | 8,629,734 | 9,753,768 | 9,289,176 | 6,880,101 |
| Township's covered-employee payroll | 1,885,092 | 1,882,095 | 1,873,646 | 1,692,770 | 1,603,016 | 1,771,103 |
| Township's proportionate share of net pension liability as a % of payroll | 368.45% | 431.56% | 460.59% | 576.20% | 579.48% | 388.46% |
| Total pension liability | 22,975,162 | 24,586,364 | 23,182,006 | 22,030,633 | 23,124,328 | 20,273,287 |
| Plan fiduciary net position | 14,932,915 | 15,360,667 | 13,585,669 | 11,457,791 | 13,020,523 | 12,652,315 |
| Plan fiduciary net position as a % of total pension liability | 65.00% | 62.48% | 58.60% | 52.01% | 56.31% | 62.41% |

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.

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SCHEDULE OF TOWNSHIP'S CONTRIBUTION

Year Ended December 31, 2019

| | PERS - Last 10 Fiscal Years | | | | | |
|--|-----------------------------|------------|------------|------------|------------|-----------|
| | Years Ended June 30, | | | | | |
| | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 |
| Contractually required contribution | \$ 211,410 | \$ 199,872 | \$ 178,630 | \$ 167,752 | \$ 105,518 | \$ 99,759 |
| Contributions in relation to the contractually required contribution | 211,410 | 199,872 | 178,630 | 167,752 | 105,518 | 99,759 |
| Agency's covered-employee payroll | 1,489,369 | 1,496,000 | 1,395,971 | 1,299,455 | 1,242,907 | 884,429 |
| Contributions as a % of covered-employee payroll | 14.19% | 13.36% | 12.80% | 12.91% | 8.49% | 11.28% |

| | PFRS - Last 10 Fiscal Years | | | | | |
|--|-----------------------------|------------|------------|------------|------------|------------|
| | Years Ended June 30, | | | | | |
| | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 |
| Contractually required contribution | \$ 573,285 | \$ 586,835 | \$ 494,717 | \$ 416,313 | \$ 453,319 | \$ 420,094 |
| Contributions in relation to the contractually required contribution | 573,285 | 586,835 | 494,717 | 416,313 | 453,319 | 420,094 |
| Agency's covered-employee payroll | 1,885,092 | 1,882,095 | 1,873,646 | 1,692,770 | 1,603,016 | 1,771,103 |
| Contributions as a % of covered-employee payroll | 30.41% | 31.18% | 26.40% | 24.59% | 28.28% | 23.72% |

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

To the Honorable Mayor and
Members of the Township Council
Township of Mount Holly
Mount Holly, New Jersey 08060

We have audited the financial statements and transactions of the Township of Mount Holly in the County of Burlington for the year ended December 31, 2019. In accordance with requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the following are the *General Comments* and *Recommendations* for the year then ended.

GENERAL COMMENTS

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

N.J.S.A.40A:11-4 - Every contract or agreement, for the performance of any work or furnishing or hiring of any materials or supplies, the cost or the contract price whereof is to be paid with or out of public funds not included within the terms of Section 3 of this act, shall be made or awarded only by the governing body of the contracting unit after public advertising for bids and bidding therefore, except as is provided otherwise in this act or specifically by any other law. No work, materials or supplies shall be undertaken, acquired or furnished for a sum exceeding in the aggregate of \$17,500 except by contract or agreement.

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

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

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

Contracts and Agreements Requiring Solicitation of Quotations

The examination of expenditures did not reveal any individual payments, contracts or agreements in excess of \$2,625 "for the performance of any work or the furnishing or hiring of any materials or supplies", other than those where bids had been previously sought by public advertisement or where a resolution had been previously adopted under the provision of N.J.S.A.40A:11-6.1.

Collection of Interest on Delinquent Taxes

The statute provides the method for authorizing interest and the maximum rate to be charged for the nonpayment of taxes or assessments on or before the date when they would become delinquent.

The governing body on January 2, 2019, adopted the following resolution authorizing interest to be charged on delinquent taxes:

“BE IT RESOLVED by the Township Committee of the Township of Mount Holly, County of Burlington, State of New Jersey, the rate of interest charged on delinquent taxes or assessments on any installment made ten days after the date upon which the same became payable, shall not exceed eight percent per annum of the first One Thousand Five Hundred Dollars of the delinquency, and eighteen percent per annum on any amount in excess of One Thousand Five Hundred Dollars.

BE IT FURTHER RESOLVED, that where interest on delinquent tax payments is one dollar or less, payment and collection of said interest is hereby waived.”

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

Delinquent Taxes and Tax Title Liens

The delinquent taxes at December 31, 2019, included 2018, 2017 and 2016 real estate taxes only.

The last tax sale was held on December 17, 2019, and was complete.

Examination of Bills

A test check of paid bills was made and each bill, upon proper approval, was considered as a separate and individual contract unless the records disclosed it to be a partial payment or estimate.

Municipal Court

A separate report of the Municipal Court transactions was filed in accordance with the requirements of the Local Finance Board.

As part of the test of the Municipal Court records, no attempt was made to differentiate between fines due the Township, County or State, or to pass upon the authenticity of the preparation and procedures for complaints issued.

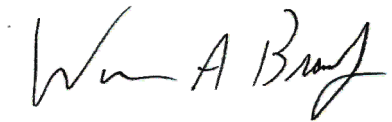
Acknowledgment

We received the complete cooperation of all the Township Officials and employees and we greatly appreciate the courtesies extended to the members of the audit team.

The problems and weaknesses noted in our review were not of such magnitude that they would affect our ability to express an opinion on the financial statements taken as a whole.

Should you have any questions concerning our comments or recommendations, or should you desire any assistance in implementing our recommendations, please call me.

Respectfully submitted,

A handwritten signature in black ink that reads "Warren A. Broudy". The signature is written in a cursive style with a large, stylized 'W' and 'B'.

Warren A. Broudy, Certified Public Accountant
Registered Municipal Accountant No. CR554

September 14, 2020

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SCHEDULE OF CURRENT YEAR FINDINGS AND RECOMMENDATIONS

Year Ended December 31, 2019

None reported.

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS

Year Ended December 31, 2019

Prior Year Findings

Condition

The Municipal Court general bank reconciliation contained recurring unidentified amounts to balance the account.

Status

This condition has been resolved.