

*Report of Audit*  
*on the*  
*Financial Statements*  
*of the*  
*Township of Bridgewater*  
*in the*  
*County of Somerset*  
*New Jersey*  
*for the*  
*Year Ended*  
*December 31, 2022*



TOWNSHIP OF BRIDGEWATER

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TOWNSHIP OF BRIDGEWATER

PART I

INDEPENDENT AUDITOR'S REPORT ON  
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FINANCIAL STATEMENTS - REGULATORY BASIS - ALL FUNDS

NOTES TO FINANCIAL STATEMENTS - REGULATORY BASIS

SUPPLEMENTARY SCHEDULES - ALL FUNDS

YEAR ENDED DECEMBER 31, 2022 AND 2021



# SUPLEE, CLOONEY & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

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## **INDEPENDENT AUDITOR'S REPORT**

The Honorable Mayor and Members  
of the Township Council  
Township of Bridgewater  
County of Somerset  
Bridgewater, New Jersey 08807

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

#### ***Adverse and Unmodified Opinions***

We have audited the accompanying balance sheets - regulatory basis of the various individual funds and account group of the Township of Bridgewater (the "Township"), as of and for the year ended December 31, 2022 and 2021, the related statements of operations and changes in fund balance - regulatory basis for the years then ended, and the related statement of revenues - regulatory basis and statement of expenditures - regulatory basis of the various individual funds for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the Township's regulatory financial statements as listed in the table of contents.

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

In our opinion, because of the significance of the matter discussed in the "Matter Giving Rise to Adverse Opinion" 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 the various individual funds and account group of the Township as of December 31, 2022 and 2021, or the results of its operations and changes in fund balance for the years then ended or the revenues or expenditures for the year ended December 31, 2022.

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

In our opinion, the regulatory financial statements referred to above present fairly, in all material respects, the regulatory basis balances sheets of the various individual funds and account group as of December 31, 2022 and 2021, the regulatory basis statement of operations and changes in fund balance for the years then ended and the regulatory basis statement of revenues and expenditures and changes in fund balance for the year ended December 31, 2022 in accordance with the basis of financial reporting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division") as described in Note 1.



## **SUPLEE, CLOONEY & COMPANY**

### ***Basis for Adverse and Unmodified Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the audit requirements prescribed by the Division, the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (the "Uniform Guidance") the audit requirements of State of New Jersey OMB Circular 15-08 "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid." and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Our responsibilities under those standards and provisions are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Township and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our adverse and unmodified audit opinions.

### ***Matter Giving Rise to Adverse Opinion***

As described in Note 1 of the regulatory financial statements, the regulatory financial statements are prepared by the Township on the basis of the financial reporting provisions prescribed by the Division, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of New Jersey. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

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

Management is responsible for the preparation and fair presentation of the regulatory financial statements in accordance with the regulatory basis of accounting prescribed by the Division, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of regulatory financial statements that are free from material misstatement, whether due to fraud or error. In preparing the regulatory financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Township's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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

Our objectives are to obtain reasonable assurance about whether the regulatory financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, the Federal Uniform Guidance, State of New Jersey OMB 15-08 and audit requirements prescribed by the Division will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

## **SUPLEE, CLOONEY & COMPANY**

In performing an audit in accordance with GAAS, *Government Auditing Standards*, the Federal Uniform Guidance and New Jersey OMB 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid and audit requirements prescribed by the Division, we:

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

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

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Township 's regulatory financial statements. The supplementary information, schedules of expenditure of federal awards and state financial assistance and data listed in the table of contents as required by the Division, the Uniform Guidance and New Jersey OMB 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid are presented for purposes of additional analysis and are not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental information, schedules of expenditures of federal awards and state financial Assistance and data listed in the table of contents, as required by the Division, the Uniform Guidance and New Jersey OMB 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid are fairly stated, in all material respects, in relation to the regulatory financial statements as a whole.

## SUPLEE, CLOONEY & COMPANY

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

In accordance with *Government Auditing Standards*, we have also issued our report dated November 3, 2023 on our consideration of the Township's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Township's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Township's internal control over financial reporting and compliance.

  
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CERTIFIED PUBLIC ACCOUNTANTS

  
\_\_\_\_\_  
REGISTERED MUNICIPAL ACCOUNTANT NO. 439

November 3, 2023

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CURRENT FUND

TOWNSHIP OF BRIDGEWATER

CURRENT FUND

BALANCE SHEETS - REGULATORY BASIS

	<u>REF.</u>	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2022</u>	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2021</u>
<u>ASSETS</u>			
Cash	A-4	\$ 17,274,428.43	\$ 17,951,255.86
Change Fund	A-6	410.00	410.00
Petty Cash	A-5	1,000.00	1,000.00
Due State of New Jersey - Senior Citizens and Veterans	A-7	5,500.00	6,000.00
		<u>\$ 17,281,338.43</u>	<u>\$ 17,958,665.86</u>
Receivables and Other Assets with Full Reserves:			
Delinquent Property Taxes Receivable	A-8	\$ 1,133,823.61	\$ 1,144,310.16
Tax Title Liens Receivable	A-9	160,694.01	155,501.43
Property Acquired for Taxes - Assessed Valuation	A-10	422,300.00	422,300.00
Revenue Accounts Receivable	A-13	13,980.74	12,893.23
Interfunds Receivable	A-12	1,402,201.92	213,455.33
	A	<u>\$ 3,133,000.28</u>	<u>\$ 1,948,460.15</u>
Deferred Charges	A-33	\$ 546,106.50	\$ 530,000.00
	A	<u>\$ 20,960,445.21</u>	<u>\$ 20,437,126.01</u>
Grant Fund:			
Cash	A-4	\$ 627,257.18	\$ 1,149,688.47
Due Current Fund	A-26	18,534.46	
Grants Receivable	A-25	2,087,813.06	1,279,549.27
	A	<u>\$ 2,733,604.70</u>	<u>\$ 2,429,237.74</u>
	A	<u>\$ 23,694,049.91</u>	<u>\$ 22,866,363.75</u>

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

TOWNSHIP OF BRIDGEWATER

CURRENT FUND

BALANCE SHEETS - REGULATORY BASIS

	<u>REF.</u>	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2022</u>	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2021</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Appropriations Reserves	A-3:A-14	\$ 2,376,245.30	\$ 3,793,059.86
Prepaid Taxes	A-18	1,443,155.17	2,115,721.73
Encumbrances Payable	A-11	1,413,394.54	1,650,915.13
Accounts Payable	A-11	568,862.89	299,869.92
Tax Overpayments	A-17	2,107.02	262,379.46
Interfunds Payable	A-12	4,856,376.00	867,185.34
Reserve For:			
Sale of Municipal Assets	A-19	48,394.24	48,394.24
Marriage Licenses - Due State of NJ	A-28		925.00
Construction Code DCA - Due State of New Jersey	A-16	36,027.00	24,218.00
Insurance Damage	A-29		6,846.54
County Taxes Payable	A-20	31,931.96	298,955.70
Emergency Note Payable	A-30	300,000.00	400,000.00
Tax Appeals	A-15	483,939.86	483,939.86
Municipal Relief Aid	A-32	307,776.25	
State Library	A-31	8,934.00	8,934.00
		\$ 11,877,144.23	\$ 10,261,344.78
Reserve for Receivables and Other Assets	A	3,133,000.28	1,948,460.15
Fund Balance	A-1	5,950,300.70	8,227,321.08
	A	\$ 20,960,445.21	\$ 20,437,126.01
Grant Fund:			
Reserve for Grants - Unappropriated	A-24	\$ 172,567.77	\$ 123,892.40
Reserve for Grants - Appropriated	A-23	2,110,425.23	1,879,973.25
Due Current Fund	A-26		185,432.04
Accounts Payable	A-27	450,611.70	239,940.05
	A	\$ 2,733,604.70	\$ 2,429,237.74
	A	\$ 23,694,049.91	\$ 22,866,363.75

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

"A-1"

TOWNSHIP OF BRIDGEWATER

CURRENT FUND

STATEMENTS OF OPERATIONS AND  
CHANGES IN FUND BALANCE - REGULATORY BASIS

	<u>REF.</u>	<u>YEAR ENDED DECEMBER 31, 2022</u>	<u>YEAR ENDED DECEMBER 31, 2021</u>
<u>REVENUE AND OTHER INCOME REALIZED</u>			
Fund Balance Utilized	A-1:A-2	\$ 7,435,404.00	\$ 6,300,000.00
Miscellaneous Revenue Anticipated	A-2	16,446,405.35	18,234,930.04
Receipts From Delinquent Taxes	A-2	1,143,844.87	1,242,616.12
Receipts From Current Taxes	A-2	199,995,808.28	198,083,097.70
Non-Budget Revenue	A-2	945,074.64	896,647.66
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves	A-14	2,963,140.96	1,799,635.61
Accounts Payable Canceled	A-11		21,249.49
Tax Overpayments Canceled	A-17		1.94
<u>TOTAL REVENUE AND OTHER INCOME</u>		<u>\$ 228,929,678.10</u>	<u>\$ 226,578,178.56</u>
<u>EXPENDITURES</u>			
Budget Appropriations	A-3	\$ 44,830,882.85	\$ 44,206,385.59
Special Fire District Taxes	A-22	2,810,740.00	2,715,814.45
County Taxes	A-20	38,547,671.83	38,151,536.18
Regional School District Taxes	A-21	136,586,423.00	134,782,129.00
Prior Year Senior Citizens Disallowed	A-8	8,902.67	7,250.00
Refund of Prior Year Revenue	A-4	495.00	2,197.34
Interfunds Advanced		1,188,746.59	202,519.64
<u>TOTAL EXPENDITURES</u>		<u>\$ 223,973,861.94</u>	<u>\$ 220,067,832.20</u>
Excess in Revenue		\$ 4,955,816.16	\$ 6,510,346.36
Adjustments to Income Before Fund Balance:			
Expenditures Included Above Which are by Statute			
Deferred Charges to Budget of Succeeding Year	A-33	\$ 202,567.46	\$ 130,000.00
Statutory Excess to Fund Balance		\$ 5,158,383.62	\$ 6,640,346.36
Fund Balance, January 1	A	8,227,321.08	7,886,974.72
Decreased by:		\$ 13,385,704.70	\$ 14,527,321.08
Utilization as Anticipated Revenue	A-1:A-2	7,435,404.00	6,300,000.00
Fund Balance, December 31	A	<u>\$ 5,950,300.70</u>	<u>\$ 8,227,321.08</u>

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



TOWNSHIP OF BRIDGEWATER  
CURRENT FUND  
STATEMENT OF REVENUES - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2022

REF.	ANTICIPATED		REALIZED	EXCESS OR (DEFICIT)
	ANTICIPATED BUDGET	SPECIAL N.J.S. 40A:4-87		
Fund Balance Anticipated	A-1	\$ 7,435,404.00	\$ 7,435,404.00	
Miscellaneous Revenues:				
Licenses:				
Alcoholic Beverages	A-13	\$ 88,000.00	\$ 90,327.00	\$ 2,327.00
Other	A-2	48,000.00	47,658.00	(342.00)
Fees and Permits:				
Construction Code Official	A-2	1,250,000.00	1,496,814.20	246,814.20
Other	A-2	457,000.00	533,464.05	76,464.05
Municipal Court:				
Fines and Costs	A-13	200,000.00	194,358.10	(5,641.90)
Interest and Costs on Taxes	A-13	250,000.00	288,170.42	38,170.42
Interest on Investments and Deposits	A-13	180,000.00	338,260.51	178,260.51
Recreation Fees	A-2	120,000.00	132,898.91	12,898.91
Energy Receipts Tax	A-13	5,900,179.00	5,900,179.00	
Garden State Trust Fund	A-13	4,082.00	4,082.00	
Joint Services with County Library	A-13	123,500.00	101,556.67	(21,943.33)
Shared Municipal Court	A-13	270,000.00	129,504.77	(140,495.23)
Shared Resource Officer BOE	A-13	127,000.00	126,991.51	(8.49)
Shared Class III Officers	A-13	70,000.00	70,000.00	
Recycling Tonnage Grant	A-25	185,376.66	185,376.66	
Clean Communities Program	A-25	99,731.71	99,731.71	
Body Armor Replacement Fund	A-25	5,165.09	5,165.09	
Emergency Management	A-25	10,000.00	10,000.00	
Drunk Driving Enforcement Fund	A-25	8,995.60	8,995.60	
Municipal Aid Program	A-25	442,500.00	442,500.00	
Somerset County Recreation- Camp Cromwell Trails	A-25	350,000.00	350,000.00	
Department of Transportation	A-25		40,378.00	40,378.00
Life Hazard Use Fees	A-13	190,000.00	240,057.35	50,057.35
Suburban Cablevision Franchise Fee	A-13	540,000.00	533,437.31	(6,562.69)
Payment in Lieu of Taxes - Centerbridge I	A-13	182,000.00	108,776.80	(73,223.20)
Payment in Lieu of Taxes - Centerbridge II	A-13	26,500.00		(26,500.00)
Bridgewater Commons Rent and Royalty - In Lieu of Taxes	A-13	1,650,000.00	1,147,190.19	(502,809.81)
General Capital Fund Surplus	A-13	207,601.15	207,601.15	
Host Benefit Fees	A-13	320,000.00	361,492.50	41,492.50
Hotel Occupancy Tax	A-13	450,000.00	886,798.59	436,798.59
Debt Service Reimbursement - Open Space Trust Fund	A-13	56,759.21	56,759.21	
American Relief Plan- Revenue Loss	A-13	2,301,033.51	2,301,033.51	
Insurance Proceed Reserve	A-29	7,147.71	6,846.54	(301.17)
<u>Total Miscellaneous Revenues</u>	A-1	\$ 16,080,571.64	\$ 40,378.00	\$ 16,446,405.35
Receipts From Delinquent Taxes	A-1	\$ 1,000,000.00		\$ 1,143,844.87
Amount to be Raised by Taxes for Support of Municipal Budget:				
Local Tax for Municipal Purposes	A-2	\$ 23,220,841.54		\$ 24,850,973.45
<u>BUDGET TOTALS</u>		\$ 47,736,817.18	\$ 40,378.00	\$ 49,876,627.67
Non-Budget Revenues	A-2			\$ 945,074.64
		\$ 47,736,817.18	\$ 40,378.00	\$ 50,821,702.31
REF.	A-3	A-3		

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

TOWNSHIP OF BRIDGEWATER  
CURRENT FUND  
STATEMENT OF REVENUES - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2022

REF.

ANALYSIS OF REALIZED REVENUE

Allocation of Current Tax Collections:		
Collections	A-1:A-8	\$ 199,995,808.28
Allocated To:		
County Taxes	A-8	38,547,671.83
Regional School District Taxes	A-8	136,586,423.00
Special Fire District Taxes	A-8	2,810,740.00
		<u>\$ 177,944,834.83</u>
Balance for Support of Municipal Budget Appropriations		\$ 22,050,973.45
Add: Appropriation "Reserve for Uncollected Taxes"	A-3	<u>2,800,000.00</u>
Amount for Support of Municipal Budget Appropriations	A-2	<u>\$ 24,850,973.45</u>
Licenses - Other:		
Clerk		
Health Officer		\$ 7,820.00
Registrar		39,550.00
		<u>288.00</u>
	A-2:A-13	<u>\$ 47,658.00</u>
Other - Fees and Permits:		
Board of Health		
Police		\$ 5,025.00
Police Towing		31,594.77
Planning		29,950.00
Registrar		122,469.28
Engineering		13,949.00
Tax Assessor		3,001.60
Township Clerk		680.00
Fire		20.40
Zoning Board of Adjustment		290,833.00
Zoning		10,506.00
		<u>25,435.00</u>
	A-2:A-13	<u>\$ 533,464.05</u>

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

TOWNSHIP OF BRIDGEWATER  
CURRENT FUND  
STATEMENT OF REVENUES - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2022

	<u>REF.</u>	
Recreation Fees	A-13	\$ 134,690.11
Less: Refunds	A-4	<u>1,791.20</u>
	A-2	\$ <u>132,898.91</u>

ANALYSIS OF NON-BUDGET REVENUE

Miscellaneous Revenue Not Anticipated:		\$ 120,609.01	
JIF Award		28,040.00	
Engineering- Road Openings		112,651.08	
Cell Tower		6,445.02	
Refund of Prior Year Expenses		1,988.84	
Recycling		327,482.87	
Police Outside Overtime Administrative Fees		3,826.95	
Senior Citizens & Veterans Administrative Fees		150.00	
DMV Inspection Fines		1,703.49	
Forfeited Bail		7,127.38	
Bad Check Fees		1,192.80	
Homestead Rebate Mailing		2,210.00	
Tax Collector		144,880.80	
Hurricane IDA Reimbursement		<u>167,149.23</u>	
Miscellaneous	A-4		925,457.47
			<u>19,617.17</u>
Excess Reserve for Animal Expenditures	A-12		
<u>Total Non-Budget Revenue</u>	A-1:A-2		\$ <u>945,074.64</u>

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

TOWNSHIP OF BRIDGEWATER  
CURRENT FUND  
STATEMENT OF EXPENDITURES - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2022

	APPROPRIATIONS		EXPENDED			
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED	OVER-EXPENDITURE	UNEXPENDED CANCELED
HUMAN RESOURCES:						
Salaries and Wages	\$ 84,000.00	\$ 104,000.00	\$ 94,756.42	\$ 9,243.58	\$	\$
Other Expenses	40,000.00	55,651.61	51,561.61	4,090.00		
MAYOR'S OFFICE:						
Salaries and Wages	11,250.00	16,410.42	16,258.34	152.08		
Other Expenses	3,050.00	3,050.00	2,514.99	535.01		
TOWNSHIP COUNCIL:						
Salaries and Wages	27,000.00	27,000.00	27,000.00			
Other Expenses	8,750.00	8,750.00	8,374.17	375.83		
TOWNSHIP ADMINISTRATOR:						
Salaries and Wages	528,000.00	498,972.45	494,503.57	4,468.88		
Other Expenses	65,000.00	40,000.00	37,187.40	2,812.60		
PURCHASING DEPARTMENT:						
Salaries and Wages	78,000.00	73,000.00	73,000.00			
Other Expenses	32,000.00	32,000.00	31,164.24	835.76		
CENTRAL OFFICE SUPPLIES:						
Other Expenses	18,500.00	18,500.00	15,883.92	2,616.08		
POSTAGE:						
Other Expenses	15,000.00	15,000.00	14,294.36	705.64		
TOWNSHIP CLERK:						
Salaries and Wages	220,000.00	187,254.96	185,030.27	2,224.69		
Other Expenses	166,800.00	85,661.88	70,836.83	14,825.05		
ELECTIONS:						
Other Expenses	14,100.00	22,992.86	11,412.60	11,580.26		
FINANCIAL ADMINISTRATION:						
Salaries and Wages	150,000.00	132,803.85	123,512.19	9,291.66		
Other Expenses	25,000.00	25,000.00	19,202.86	6,797.14		
DIRECTOR OF FINANCE:						
Other Expenses	115,000.00	102,500.00	101,218.73	1,281.27		
Audit	65,000.00	65,000.00	65,000.00			
TAX COLLECTION:						
Salaries and Wages	83,000.00	83,000.00	77,960.29	5,039.71		
Other Expenses	43,000.00	43,000.00	41,109.16	1,890.84		
TAX ASSESSMENT:						
Salaries and Wages	200,000.00	177,417.00	177,417.00			
Other Expenses	48,000.00	122,838.77	102,838.77	20,000.00		
LEGAL SERVICES:						
Salaries and Wages	11,700.00	11,700.00	11,700.00			
Other Expenses	630,000.00	780,161.23	670,879.12	109,282.11		
ENGINEERING SERVICES:						
Salaries and Wages	229,000.00	198,176.05	194,317.67	3,858.38		
Other Expenses	151,000.00	151,000.00	147,245.22	3,754.78		
DIRECTOR OF MUNICIPAL SERVICES:						
Salaries and Wages	70,000.00	120,000.00	120,000.00			
Other Expenses	2,000.00	2,900.00	1,472.95	527.04		
INFORMATION TECHNOLOGY:						
Salaries and Wages	128,500.00	128,500.00	125,541.18	2,958.82		
Other Expenses	65,000.00	87,191.52	81,773.15	5,418.37		
REASSESSMENT PROGRAM:						
Other Expenses	72,961.00	39,132.12		39,132.12		
DIVISION OF PLANNING:						
Salaries and Wages	82,500.00	12,287.46	11,664.98	622.48		
Other Expenses	96,000.00	96,000.00	83,936.71	12,063.29		
PLANNING BOARD:						
Other Expenses	29,000.00	29,000.00	18,174.79	10,825.21		
BOARD OF ADJUSTMENT/ZONING:						
Salaries and Wages	45,000.00	100,393.98	100,393.98			
Other Expenses	30,000.00	30,000.00	20,073.00	9,927.00		
INSURANCE:						
Employee Group Insurance	6,665,000.00	6,871,123.60	6,571,264.01	299,859.59		
Other Insurance Premiums	870,000.00	870,000.00	870,000.00			
Health Benefits Waiver	75,605.00	75,605.00	75,422.20	182.80		
PUBLIC WORKS:						
STREETS AND ROADS:						
Salaries and Wages	1,180,000.00	1,050,000.00	994,614.11	55,385.89		
Other Expenses	275,000.00	255,000.00	220,759.75	34,240.25		
SNOW REMOVAL:						
Salaries and Wages	25,000.00	25,000.00		25,000.00		
Other Expenses	200,000.00	233,828.88	228,828.88	5,000.00		
PUBLIC BUILDINGS AND GROUNDS:						
Salaries and Wages	301,000.00	281,000.00	261,127.78	19,872.22		
Other Expenses	250,000.00	280,000.00	279,901.85	10,098.15		
VEHICLE MAINTENANCE:						
Salaries and Wages	330,000.00	330,000.00	289,361.29	40,638.71		
Other Expenses	175,000.00	175,000.00	150,811.56	24,188.44		
PARK MAINTENANCE:						
Salaries and Wages	620,000.00	620,000.00	571,260.57	48,739.43		
Other Expenses	103,500.00	103,500.00	54,636.44	48,863.56		

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

**CURRENT FUND**  
**STATEMENT OF EXPENDITURES - REGULATORY BASIS**  
**YEAR ENDED DECEMBER 31, 2022**

	APPROPRIATIONS		EXPENDED		OVER- EXPENDITURE	UNEXPENDED CANCELED
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED		
MUNICIPAL SERVICES REIMBURSEMENT-CONDOMINIUMS:	\$ 90,000.00	\$ 90,000.00	\$ 1,394.29	\$ 88,605.71	\$	\$
Other Expenses						
RECYCLING:	400,000.00	400,000.00	400,000.00			
Other Expenses						
MUNICIPAL COURT:	135,000.00	73,212.16	72,406.24	805.92		
Salaries and Wages	45,000.00	45,000.00	27,352.96	17,647.04		
Other Expenses						
PUBLIC DEFENDER:	30,000.00	30,000.00	20,600.00	9,400.00		
Other Expenses						
MAINTENANCE OF LIBRARY:	125,000.00	125,000.00	121,957.63	3,042.37		
Other Expenses						
VISITING NURSES SERVICES - CONTRIBUTION	11,000.00	11,000.00		11,000.00		
Other Expenses						
CONTRIBUTION TO REGIONAL CENTER PARTNERSHIP	15,000.00	15,000.00		15,000.00		
Other Expenses						
GREEN BROOK FLOOD CONTROL:	1,250.00	1,274.00	1,274.00			
Other Expenses						
PUBLIC SAFETY FUNCTION	523,808.61	523,808.61		523,808.61		
Hazardous Busing						
FIRE OFFICIAL:	172,000.00	172,000.00	141,801.67	30,198.33		
Salaries and Wages	55,000.00	55,000.00	19,242.25	35,757.75		
Other Expenses						
POLICE:	7,058,000.00	6,868,000.00	6,641,297.24	226,702.76		
Salaries and Wages	2,301,033.51	2,301,033.51	2,301,033.51			
Salaries and Wages- ARPA	455,198.00	470,016.56	426,633.32	43,383.24		
Other Expenses						
OFFICE OF EMERGENCY MANAGEMENT:	9,900.00	9,900.00	6,875.00	3,025.00		
Salaries and Wages	4,400.00	4,400.00	3,295.50	1,104.50		
Other Expenses	50,000.00	50,000.00	50,000.00			
AID TO VOLUNTEER AMBULANCE COMPANY						
HEALTH AND HUMAN SERVICES DIRECTOR:	141,000.00	141,000.00	141,000.00			
Salaries and Wages	1,150.00	1,150.00	266.60	863.40		
Other Expenses						
PUBLIC HEALTH SERVICES:	172,000.00	172,000.00	161,951.69	10,048.31		
Salaries and Wages	164,505.00	164,505.00	122,473.09	42,031.91		
Other Expenses						
ENVIRONMENTAL SERVICES:	1,025.00	1,025.00	952.63	72.37		
Other Expenses						
SENIOR CITIZEN SERVICES:	67,000.00	67,000.00	67,000.00			
Salaries and Wages	54,400.00	54,400.00	29,349.61	25,050.39		
Other Expenses						
DIVISION OF RECREATION:	270,000.00	332,257.64	332,257.64			
Salaries and Wages	88,000.00	88,000.00	81,002.19	6,997.81		
Other Expenses						
STATE UNIFORM CONSTRUCTION CODE CODE OFFICIAL:	912,000.00	912,000.00	907,635.50	4,364.50		
Salaries and Wages	127,000.00	129,500.00	53,063.61	76,436.39		
Other Expenses						
SALARY ADJUSTMENTS	75,000.00	75,000.00	64,825.67	10,174.33		
	300,000.00	300,000.00	278,338.45	21,661.55		
STREET LIGHTING	185,000.00	185,000.00	177,428.26	7,571.74		
TELEPHONE SERVICE	750,000.00	750,000.00	704,109.33	45,890.67		
FIRE HYDRANT SERVICES	850,000.00	850,000.00	842,989.85	7,010.15		
UTILITIES						
TOTAL OPERATIONS WITHIN "CAPS"	\$ 30,372,986.12	\$ 30,372,986.12	\$ 28,195,026.65	\$ 2,176,959.47	\$	\$
TOTAL OPERATIONS INCLUDING CONTINGENT WITHIN "CAPS"	\$ 30,372,986.12	\$ 30,372,986.12	\$ 28,195,026.65	\$ 2,176,959.47	\$	\$
DEFERRED CHARGES AND STATUTORY EXPENDITURES - MUNICIPAL - WITHIN "CAPS"						
STATUTORY EXPENDITURES						
CONTRIBUTION TO:						
Public Employees' Retirement System of NJ	\$ 1,126,899.00	\$ 1,126,899.00	\$ 1,126,899.00	\$ 10.00	\$	\$
Social Security System (O.A.S.I.)	1,215,000.00	1,215,000.00	1,213,717.41	1,282.59		
Police & Firemen's Retirement System of NJ	2,458,150.65	2,458,150.65	2,458,150.65			
Unemployment Compensation Insurance	50,000.00	50,000.00	44,101.97	5,898.03		
DCRP	40,000.00	40,000.00	25,317.71	14,682.29		
TOTAL DEFERRED CHARGES & STATUTORY EXPENDITURES - MUNICIPAL WITHIN "CAPS"	\$ 4,890,049.65	\$ 4,890,049.65	\$ 4,868,176.74	\$ 21,872.91	\$	\$
TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES WITHIN "CAPS"	\$ 35,263,035.77	\$ 35,263,035.77	\$ 33,064,203.39	\$ 2,198,832.38	\$	\$

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

TOWNSHIP OF BRIDGEWATER

CURRENT FUND

STATEMENT OF EXPENDITURES - REVOLUTORY BASIS

YEAR ENDED DECEMBER 31, 2022

	APPROPRIATIONS		EXPENDED		OVER- EXPENDITURE	UNEXPENDED CANCELED
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED		
OPERATIONS EXCLUDED FROM "CAPS"						
STORMWATER REGULATIONS:						
Other Expenses	\$ 9,000.00	\$ 9,000.00	\$ 9,000.00			
COVID 19 RELATED EXPENSES	10,000.00	10,000.00		10,000.00		
LOSAP	74,000.00	74,000.00		74,000.00		
SHARED SERVICES:						
MUNICIPAL LIBRARY:						
Other Expenses	123,500.00	123,500.00	103,814.76	19,685.25		
MUNICIPAL COURT:						
Salaries and Wages	270,000.00	270,000.00	270,000.00			
POLICE DEPARTMENT-SHARED RESOURCE OFFICER-BOE						
Salaries and Wages	127,000.00	127,000.00	97,448.11	29,551.89		
ANIMAL CONTROL:						
Other Expenses	155,000.00	155,000.00	155,000.00			
BOE CLASS III OFFICERS:						
Salaries and Wages	70,000.00	70,000.00	70,000.00			
TOTAL OTHER OPERATIONS - EXCLUDED FROM "CAPS"	\$ 838,500.00	\$ 838,500.00	\$ 705,262.86	\$ 133,237.14		
STATE AND FEDERAL PROGRAMS OFFSET BY REVENUES						
Clean Communities Program	\$ 99,731.71	\$ 99,731.71	\$ 99,731.71			
Body Armor Replacement Fund	5,165.09	5,165.09	5,165.09			
NJ DOT Municipal Aid Program	442,500.00	442,500.00	442,500.00			
Drunk Driving Enforcement Fund	8,995.60	8,995.60	8,995.60			
Recycling Tonnage Program	185,376.66	185,376.66	185,376.66			
Emergency Management Grant	10,000.00	10,000.00	10,000.00			
NJ Department of Transportation (N.J.S.A. 40A:4-67 +\$40,378.00)		40,378.00	40,378.00			
Somerset County recreation- Camp Cromwell	350,000.00	350,000.00	350,000.00			
TOTAL FOR STATE AND FEDERAL PROGRAMS OFFSET BY REVENUES	\$ 1,101,769.06	\$ 1,142,147.06	\$ 1,142,147.06			
TOTAL OPERATIONS EXCLUDED FROM "CAPS"	\$ 1,940,269.06	\$ 1,980,647.06	\$ 1,847,409.92	\$ 133,237.14		

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

TOWNSHIP OF BRIDGEWATER  
CURRENT FUND  
STATEMENT OF EXPENDITURES - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2022

	APPROPRIATIONS		EXPENDED		OVER-	UNEXPENDED
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED	EXPENDITURE	CANCELED
CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"						
Capital Improvement Fund	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 44,175.76	\$	\$
Purchase of Vehicles	75,000.00	75,000.00	30,824.22			
<b>TOTAL CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"</b>	<b>\$ 575,000.00</b>	<b>\$ 575,000.00</b>	<b>\$ 530,824.22</b>	<b>\$ 44,175.76</b>	<b>\$</b>	<b>\$</b>
MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS"						
Payment of Bond Principal	\$ 4,219,000.00	\$ 4,219,000.00	\$ 4,219,000.00		\$	\$ 124,992.50
Payment of Note Principal	524,992.50	524,992.50	400,000.00		152,655.56	
Interest on Bonds	1,447,439.85	1,447,439.85	1,600,000.00			223,887.29
Interest on Notes	449,080.00	449,080.00	225,192.71			
Improvement Authority	288,000.00	288,000.00	337,911.90		49,911.80	
<b>TOTAL MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS"</b>	<b>\$ 6,928,512.35</b>	<b>\$ 6,928,512.35</b>	<b>\$ 6,782,200.02</b>	<b>\$</b>	<b>\$ 202,567.46</b>	<b>\$ 348,879.79</b>
DEFERRED CHARGES - MUNICIPAL - EXCLUDED FROM "CAPS"						
Special Emergency Authorizations	130,000.00	130,000.00	130,000.00		\$	\$
Special Emergency Authorizations - 5 Years (N.J.S.A.40A:4-55)	100,000.00	100,000.00	100,000.00			
<b>TOTAL DEFERRED CHARGES - MUNICIPAL - EXCLUDED FROM "CAPS"</b>	<b>\$ 230,000.00</b>	<b>\$ 230,000.00</b>	<b>\$ 230,000.00</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES EXCLUDED FROM "CAPS"</b>	<b>\$ 9,673,781.41</b>	<b>\$ 9,714,159.41</b>	<b>\$ 9,390,434.16</b>	<b>\$ 177,412.92</b>	<b>\$ 202,567.46</b>	<b>\$ 348,879.79</b>
<b>SUBTOTAL GENERAL APPROPRIATIONS</b>	<b>\$ 44,936,817.18</b>	<b>\$ 44,977,195.18</b>	<b>\$ 42,454,637.55</b>	<b>\$ 2,376,245.30</b>	<b>\$ 202,567.46</b>	<b>\$ 348,879.79</b>
RESERVE FOR UNCOLLECTED TAXES	\$ 2,800,000.00	\$ 2,800,000.00	\$ 2,800,000.00	\$	\$	\$
<b>TOTAL GENERAL APPROPRIATIONS</b>	<b>\$ 47,736,817.18</b>	<b>\$ 47,777,195.18</b>	<b>\$ 45,254,637.55</b>	<b>\$ 2,376,245.30</b>	<b>\$ 202,567.46</b>	<b>\$ 348,879.79</b>
	REF.	A-2A-3	A-3	A-1A-3	AA-1	A-33
Budget	A-3		\$ 47,736,817.18			
Appropriation by 40A:4-87	A-2		40,376.00			
	A-3		\$ 47,777,195.18			
Reserve for Encumbrances Payable	A-11		\$	1,004,219.80		
Reserve for Grants Appropriated	A-23			1,142,147.06		
Deferred Charges	A-3			230,000.00		
Reserve for Uncollected Taxes	A-2			2,800,000.00		
Disbursements (net of refunds)	A-4			40,078,279.69		
	A-3			\$ 45,254,637.55		

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

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TRUST FUND

"B"

TOWNSHIP OF BRIDGEWATER

TRUST FUND

BALANCE SHEETS - REGULATORY BASIS

<u>ASSETS</u>	<u>REF.</u>	<u>BALANCE DECEMBER 31, 2022</u>	<u>BALANCE DECEMBER 31, 2021</u>
Animal Control Fund:			
Cash	B-2	\$ 96,059.36	\$ 75,669.49
		<u>\$ 96,059.36</u>	<u>\$ 75,669.49</u>
Other Funds:			
Cash	B-2	\$ 12,979,729.20	\$ 13,877,293.70
Due Current Fund	B-13	1,894,601.01	801,846.04
Due Sewer Utility Operating Fund	B-15	54,220.99	54,220.99
Due General Capital Fund	B-14		1,200,000.00
Deferred Charge	B-16	376,732.07	
		<u>\$ 15,305,283.27</u>	<u>\$ 15,933,360.73</u>
		<u>\$ 15,401,342.63</u>	<u>\$ 16,009,030.22</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Animal Control Fund:			
Due State Department of Health	B-10	\$ 31.20	\$
Due Current Fund	B-12	47,553.16	28,023.29
Reserve For Expenditures	B-9	45,967.00	47,646.20
Accounts Payable	B-11	2,508.00	
		<u>\$ 96,059.36</u>	<u>\$ 75,669.49</u>
Other Funds:			
Reserve for State Unemployment Insurance	B-6	\$ 23,265.77	\$ 25,251.40
Reserve for Law Enforcement Trust Fund	B-7	12,580.55	12,417.27
Reserve for Municipal Open Space Trust Deposits	B-8	3,294,373.83	3,324,769.24
Reserve for Tax Sale Premiums	B-4	1,935,500.00	2,048,200.00
Reserve for Redemption of Outside Liens	B-5	1,081.86	26,102.78
Reserve for Various Trust Deposits	B-3	10,038,481.26	10,496,620.04
		<u>\$ 15,305,283.27</u>	<u>\$ 15,933,360.73</u>
		<u>\$ 15,401,342.63</u>	<u>\$ 16,009,030.22</u>

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

GENERAL CAPITAL FUND

"C"

TOWNSHIP OF BRIDGEWATER  
GENERAL CAPITAL FUND  
BALANCE SHEETS - REGULATORY BASIS

	<u>REF.</u>	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2022</u>	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2021</u>
<u>ASSETS</u>			
Cash	C-2:C-3	\$ 2,784,440.98	\$ 10,272,357.85
Deferred Charges to Future Taxation:			
Funded	C-4	67,774,613.15	51,252,230.69
Unfunded	C-6	11,098,926.78	24,771,194.78
Due Sewer Utility Operating Fund	C-18	899,367.81	
Due Current Fund	C-15	2,943,240.53	22,944.76
		<u>\$ 85,500,589.25</u>	<u>\$ 86,318,728.08</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Serial Bonds Payable	C-10	67,156,000.00	\$ 50,430,000.00
Bond Anticipation Notes	C-11	8,539,000.00	22,454,000.00
Improvement Authority Loans Payable	C-14	618,613.15	822,230.69
Due Trust Other Fund	C-16		1,200,000.00
Due Sewer Utility Capital Fund	C-17	300,000.00	
Capital Improvement Fund	C-7	86,097.88	161,173.30
Improvement Authorizations:			
Funded	C-9	1,560,119.58	232,174.48
Unfunded	C-6:C-9	2,310,316.44	3,032,688.52
Reserve for:			
Capital Projects	C-8	150,000.00	150,000.00
Debt Service	C-13	8,801.15	7,601.15
Preliminary Expenses	C-5	5,000.00	5,000.00
Contracts Payable	C-12	4,191,708.49	7,220,946.33
Fund Balance	C-1	574,932.56	602,913.61
		<u>\$ 85,500,589.25</u>	<u>\$ 86,318,728.08</u>

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

"C-1"

TOWNSHIP OF BRIDGEWATER

GENERAL CAPITAL FUND

STATEMENT OF CAPITAL FUND BALANCE - REGULATORY BASIS

	<u>REF.</u>		
Balance, December 31, 2021	C		\$ 602,913.61
Increased by:			
Premium of Bond Sale	C-2	\$ 19,634.20	
Premium of Note Sale	C-2	<u>159,985.90</u>	
			179,620.10
			<u>\$ 782,533.71</u>
Decreased by-			
Utilized as Anticipated Revenue Current Fund	C-2		<u>207,601.15</u>
Balance, December 31, 2022	C		<u><u>\$ 574,932.56</u></u>

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

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SEWER UTILITY FUND

TOWNSHIP OF BRIDGEWATER  
SEWER UTILITY FUND  
BALANCE SHEETS - REGULATORY BASIS

<u>ASSETS</u>	<u>REF.</u>	<u>BALANCE DECEMBER 31, 2022</u>	<u>BALANCE DECEMBER 31, 2021</u>
<u>OPERATING FUND:</u>			
Cash	D-6	\$ 5,911,731.58	\$ 1,448,786.49
Change Fund	D-5	100.00	100.00
Due Sewer Utility Capital Fund	D-26		541,150.00
Due Current Fund	D-10		42,394.54
		<u>\$ 5,911,831.58</u>	<u>\$ 2,032,431.03</u>
Receivables with Full Reserves:			
Sewer Charges Receivable	D-8	\$ 1,328,509.75	\$ 382,710.79
	D	\$ 1,328,509.75	\$ 382,710.79
<u>TOTAL OPERATING FUND</u>	D	<u>\$ 7,240,341.33</u>	<u>\$ 2,415,141.82</u>
<u>CAPITAL FUND - REGULAR:</u>			
Cash	D-6:D-7	\$ 1,462,048.41	\$ 4,611,615.73
Due Sewer Operating Fund	D-27	413,325.09	
Due General Capital Fund	D-11	300,000.00	
Fixed Capital	D-16	20,972,049.58	20,972,049.58
Fixed Capital Authorized and Uncompleted	D-15	14,150,200.00	14,150,200.00
<u>TOTAL CAPITAL FUND</u>	D	<u>\$ 37,297,623.08</u>	<u>\$ 39,733,865.31</u>
	D	<u>\$ 44,537,964.41</u>	<u>\$ 42,149,007.13</u>

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



TOWNSHIP OF BRIDGEWATER  
SEWER UTILITY FUND  
BALANCE SHEETS - REGULATORY BASIS

	REF.	BALANCE DECEMBER 31, 2022	BALANCE DECEMBER 31, 2021
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
<u>OPERATING FUND:</u>			
Liabilities:			
Due Current Fund	D-10	\$ 1,354,648.76	\$ 54,220.99
Due Trust Other Fund	D-20	54,220.99	54,220.99
Due Sewer Utility Capital Fund	D-26	413,325.09	
Due General Capital Fund	D-12	899,367.81	
Appropriation Reserves	D-4; D-18	877,914.09	610,499.65
Encumbrances Payable	D-14	190,235.32	252,010.97
Accounts Payable	D-14	61,570.11	24,028.06
Sewer Overpayments	D-9	1,946.22	39,435.43
Sewer Connection Overpayment	D-31	550.00	550.00
Prepaid Sewer Charges	D-19	77,947.37	25,942.70
Accrued Interest on Bonds	D-29	70,760.83	9,458.99
Accrued Interest on Loans	D-28	1,768.69	1,395.83
		\$ 4,004,255.28	\$ 1,017,542.62
Reserve for Receivables	D	1,328,509.75	382,710.79
Fund Balance	D-1	1,907,576.30	1,014,888.41
<u>TOTAL OPERATING FUND</u>	D	\$ 7,240,341.33	\$ 2,415,141.82
<u>CAPITAL FUND - REGULAR:</u>			
Liabilities:			
Serial Bonds Payable	D-25	\$ 5,271,000.00	\$ 5,578,000.00
Special Emergency Note Payable	D-30	300,000.00	
EIT Loan Payable	D-21	266,788.12	304,186.40
Due Sewer Utility Operating Fund	D-27		541,150.00
Capital Improvement Fund	D-17	843.56	843.56
Improvement Authorizations:			
Funded	D-24	1,653,890.28	3,330,860.30
Unfunded	D-24	1,230,640.72	1,647,954.72
Contracts Payable	D-13	1,389,788.05	949,446.26
Reserve for Amortization	D-23	17,361,464.98	17,017,066.70
Deferred Reserve for Amortization	D-22	9,244,500.00	9,244,500.00
		\$ 36,718,915.71	\$ 38,614,007.94
Fund Balance	D-2	578,707.37	1,119,857.37
<u>TOTAL CAPITAL FUND</u>	D	\$ 37,297,623.08	\$ 39,733,865.31
	D	\$ 44,537,964.41	\$ 42,149,007.13

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

"D-1"

TOWNSHIP OF BRIDGEWATER

SEWER UTILITY FUND

STATEMENTS OF OPERATIONS AND CHANGES IN FUND BALANCE - REGULATORY BASIS

	<u>REF.</u>	<u>BALANCE DECEMBER 31, 2022</u>	<u>BALANCE DECEMBER 31, 2021</u>
<u>REVENUE AND OTHER INCOME REALIZED</u>			
Fund Balance	D-1:D-3	\$ 500,000.00	\$ 1,051,563.90
Sewer Use Charges	D-3	10,254,623.99	9,470,111.78
Township of Warren - Debt Service	D-3:D-6	73,350.34	48,900.22
Sewer Capital Fund Balance	D-3:D-6	541,150.00	541,150.00
Miscellaneous Revenue Not Anticipated	D-3:D-6	637,018.89	214,448.36
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves	D-18	524,463.35	280,134.66
<u>TOTAL INCOME</u>		<u>\$ 12,530,606.57</u>	<u>\$ 11,606,308.92</u>
<u>EXPENDITURES</u>			
Operating	D-4	\$ 10,267,759.26	\$ 10,454,878.90
Debt Service	D-4	598,389.02	539,106.65
Deferred Charges and Statutory Expenditures	D-4	140,000.00	139,685.00
Refund of Prior Year Revenue		131,770.40	
<u>TOTAL EXPENDITURES</u>		<u>\$ 11,137,918.68</u>	<u>\$ 11,133,670.55</u>
Excess in Revenue		\$ 1,392,687.89	\$ 472,638.37
Balance, January 1	D	1,014,888.41	1,593,813.94
		<u>\$ 2,407,576.30</u>	<u>\$ 2,066,452.31</u>
Decreased by:			
Utilization by Sewer Operating Budget	D-1	500,000.00	1,051,563.90
Fund Balance, December 31	D	<u>\$ 1,907,576.30</u>	<u>\$ 1,014,888.41</u>

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

TOWNSHIP OF BRIDGEWATER  
SEWER UTILITY CAPITAL FUND  
STATEMENT OF CAPITAL FUND BALANCE-REGULATORY BASIS

	<u>REF.</u>	
Balance, December 31, 2021	D	\$ 1,119,857.37
Decreased by:		
Disbursement - Sewer Operating Anticipated Revenue	D-6	<u>541,150.00</u>
Balance, December 31, 2022	D	\$ <u><u>578,707.37</u></u>

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

"D-3"

TOWNSHIP OF BRIDGEWATER

SEWER UTILITY FUND

STATEMENT OF REVENUES - REGULATORY BASIS

YEAR ENDED DECEMBER 31, 2022

	<u>REF.</u>	<u>ANTICIPATED</u>	<u>REALIZED</u>	<u>EXCESS OR (DEFICIT)</u>
Fund Balance	D-1	\$ 500,000.00	\$ 500,000.00	\$
Sewer Use Charges	D-1	9,730,000.00	10,254,623.99	524,623.99
Sewer Capital Fund Balance	D-1:D-6	541,150.00	541,150.00	
Township of Branchburg- Share of Operating Costs	D-1:D-6	20,000.00		(20,000.00)
Township of Warren- Contribution	D-1:D-6	215,150.00	73,350.34	(141,799.66)
<u>BUDGET TOTALS</u>	D-4	\$ 11,006,300.00	\$ 11,369,124.33	\$ 362,824.33
Non - Budget Revenue	D-1:D-3:D-6		637,018.89	637,018.89
		<u>\$ 11,006,300.00</u>	<u>\$ 12,006,143.22</u>	<u>\$ 999,843.22</u>
<u>ANALYSIS OF NON-BUDGET REVENUE:</u>				
Miscellaneous:				
Interest on Sewer Charges			\$ 71,638.31	
Sewer Connection Fees			43,462.00	
Interest on Investments and Deposits			48,728.20	
Hurricane IDA Emergency Repairs- Warren Township			470,670.38	
Miscellaneous			2,520.00	
	D-1:D-3:D-6		<u>\$ 637,018.89</u>	

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

TOWNSHIP OF BRIDGEWATER

SEWER UTILITY FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS

YEAR ENDED DECEMBER 31, 2022

	<u>APPROPRIATIONS</u>		<u>EXPENDED</u>		<u>CANCELED</u>
	<u>BUDGET</u>	<u>BUDGET AFTER MODIFICATION</u>	<u>PAID OR CHARGED</u>	<u>RESERVED</u>	
OPERATING:					
Salaries and Wages	\$ 1,800,000.00	\$ 1,800,000.00	\$ 1,695,895.76	\$ 104,104.24	\$
Other Expenses	857,840.86	857,840.86	845,237.42	12,603.44	
Somerset Raritan Valley Sewerage Authority	5,367,218.40	5,367,218.40	4,833,962.54	533,255.86	
Insurance:					
Group Health Insurance	1,930,000.00	1,930,000.00	1,702,349.51	227,650.49	
Liability Insurance	312,700.00	312,700.00	312,700.00		
<u>TOTAL OPERATING</u>	<u>\$ 10,267,759.26</u>	<u>\$ 10,267,759.26</u>	<u>\$ 9,390,145.23</u>	<u>\$ 877,614.03</u>	<u>\$</u>
DEBT SERVICE:					
Payment of Bond Principal	\$ 307,000.00	\$ 307,000.00	\$ 307,000.00	\$	\$
Interest on Bonds	250,115.74	250,115.74	250,115.74		1.72
NJEITF Principal	37,400.00	37,400.00	37,398.28		
NJEITF Interest	3,875.00	3,875.00	3,875.00		
<u>TOTAL DEBT SERVICE</u>	<u>\$ 598,390.74</u>	<u>\$ 598,390.74</u>	<u>\$ 598,389.02</u>	<u>\$</u>	<u>\$ 1.72</u>
STATUTORY EXPENDITURES:					
Statutory Expenditures:					
Social Security	\$ 140,000.00	\$ 140,000.00	\$ 139,699.94	\$ 300.06	\$
<u>TOTAL STATUTORY EXPENDITURES</u>	<u>\$ 140,000.00</u>	<u>\$ 140,000.00</u>	<u>\$ 139,699.94</u>	<u>\$ 300.06</u>	<u>\$</u>
	<u>\$ 11,006,150.00</u>	<u>\$ 11,006,150.00</u>	<u>\$ 10,128,234.19</u>	<u>\$ 877,914.09</u>	<u>\$ 1.72</u>
	<u>REF.</u>	<u>D-3</u>	<u>D-1</u>	<u>D:D-1</u>	
Disbursements	D-6		\$ 9,767,509.35		
Accrued Interest on Bonds	D-29		250,115.74		
Accrued Interest on Loans	D-28		3,875.00		
Encumbrances Payable	D-14		106,734.10		
			<u>\$ 10,128,234.19</u>		

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

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GENERAL FIXED ASSETS ACCOUNT GROUP

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TOWNSHIP OF BRIDGEWATER  
STATEMENT OF GENERAL FIXED ASSETS  
BALANCE SHEETS - REGULATORY BASIS

	BALANCE DECEMBER 31, 2022	BALANCE DECEMBER 31, 2021
FIXED ASSETS		
Land	\$ 122,863,410.00	\$ 122,863,410.00
Buildings	46,134,599.00	46,134,599.00
Machinery and Equipment	<u>13,696,637.00</u>	<u>13,738,852.00</u>
<u>TOTAL FIXED ASSETS</u>	<u>\$ 182,694,646.00</u>	<u>\$ 182,736,861.00</u>
RESERVE		
Investments in General Fixed Assets	<u>\$ 182,694,646.00</u>	<u>\$ 182,736,861.00</u>

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



NOTES TO FINANCIAL STATEMENTS

TOWNSHIP OF BRIDGEWATER

NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2022 AND 2021

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Township of Bridgewater is governed by the Mayor-Council Plan A form of government under the Optional Municipal Charter Law of 1960., known as the Faulkner Act. The Mayor is separately elected. Executive and administrative responsibility rests with the mayor, who is assisted by the Business Administrator. Department Heads are appointed by the Mayor, with consent of Council. The five (5) member Township Council exercises legislative responsibilities.

As defined by GAAP established by the GASB, the financial reporting entity consists of the primary government, as well as component units, which are legally separate organizations for which elected officials of the primary government are financially accountable. The Township is financially accountable for an organization if the Township appoints a voting majority of the organization's governing board and (1) the Township is able to significantly influence the programs or services performed or provided by the organizations; or (2) the Township is legally entitled to or can otherwise access the organization's resources; the Township is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the Township is obligated for the debt of the organization. Except as noted below, the financial statements of the Township include every board, body, officer or commission supported and maintained wholly or in part by funds appropriated by the Township, as required by N.J.S.A. 40A:5-5. Accordingly, the financial statements of the Township do not include the operations of the local school district, first aid organization, volunteer fire organization or library, inasmuch as their activities are administered by a separate board.

B. Description of Funds

The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. GASB codification establishes the presentation of basic financial statements into three fund types, the

The accounting policies of the Township of Bridgewater 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 financial transactions and accounts of the Township of Bridgewater are organized on the basis of funds and an account group which is different from the fund structure required by GAAP. A fund or account group is an accounting entity with a separate set of self-balancing accounts established to record the financial position and results of operation of a specific governmental activity. As required by the Division of Local Government Services, the Township accounts for its financial transactions through the following individual funds and account group:

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

Trust Fund – receipts, custodianship and disbursements of funds in accordance with the purpose of which each reserve was created.

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

Sewer Operating and Capital Funds – account for the operations and acquisition of capital facilities of the municipally-owned sewer utility.

General Fixed Assets Account Group – utilized to account for property, land, buildings and equipment that have been acquired by other governmental funds.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting

The accounting principles and practices prescribed for municipalities by the State of New Jersey differ in certain respects from generally accepted accounting principles applicable to local governmental units. The more significant accounting policies and differences in the State of New Jersey are as follows:

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

Revenues - are recorded when received in cash except for certain amounts which are due from other governmental units. Federal and state grants are realized as revenue when anticipated in the Township's budget. Receivables for property taxes are recorded with offsetting reserves on the balance sheet of the Township's Current Fund; accordingly, such amounts are not recorded as revenue until collected. Other amounts that are due the Township which are susceptible to accrual are also recorded as receivables with offsetting reserves and recorded as revenue when received. GAAP requires revenues to be recognized in the accounting period when they become susceptible to accrual, reduced by an allowance for doubtful accounts.

Expenditures - are recorded on the "budgetary" basis of accounting. Generally, expenditures are recorded when an amount is encumbered for goods or services through the issuance of a purchase order in conjunction with the Encumbrance Accounting System.

Outstanding encumbrances at December 31 are reported as a cash liability in the financial statements and constitute part of the Township's statutory Appropriation Reserve balance. Appropriation reserves covering unexpended appropriation balances are automatically created at December 31st of each year and recorded as liabilities except for amounts which may be canceled by the governing body. Appropriation reserves are available, until lapsed at the close of the succeeding year, to meet specific claims, commitments, or contracts incurred during the preceding fiscal year. Lapsed appropriation reserves are recorded as income. Appropriations for principal payments on outstanding general capital and utility bonds and notes are provided on the cash basis; interest on general capital indebtedness is on the cash basis, whereas interest on utility indebtedness is on the accrual basis.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

Encumbrances - Contractual orders at December 31 are reported as expenditures through the establishment of encumbrances payable. Under GAAP, encumbrances outstanding at year end are reported as reservations of fund balance because they do not constitute expenditures or liabilities.

Foreclosed Property - is recorded in the Current Fund at the assessed valuation when such property was acquired and is fully reserved. GAAP requires such property to be recorded in the General Fixed Assets Account Group at its market value.

Sale of Municipal Assets - The proceeds from the sale of municipal assets can be held in a reserve until anticipated as a revenue in a future budget. GAAP requires such proceeds to be recorded as a revenue in the year of sale.

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

General Fixed Assets - N.J.A.C. 5:30-5.6, Accounting for Governmental Fixed Assets, which differs in certain respects from generally accepted accounting principles, requires the inclusion of a statement of general fixed assets of the Township as part of its basic financial statements. General fixed assets are defined as nonexpendable personal property having a physical existence, a useful life of more than one year and an acquisition cost of \$5,000.00 or more per unit.

Public domain ("infrastructure") general fixed assets consisting of certain improvements other than buildings, such as roads, bridges, curbs and gutters, streets and sidewalks and drainage systems are not capitalized. No depreciation has been provided on general fixed assets or reported in the financial statements.

The Township has developed a fixed assets accounting and reporting system based on an inspection and valuation prepared by an independent appraisal firm. Fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Land is stated at the assessed value contained in the Township's most recent property revaluation. Buildings are stated at the most recent insurance replacement value. General Fixed Assets that have been acquired and are utilized in a governmental fund operation are accounted for in the General Fixed Assets Account Group rather than in a governmental fund.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

General Fixed Assets (Continued)

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

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

Inventories of Supplies - The cost of inventories of supplies for all funds are recorded as expenditures at the time individual items are purchased. The cost of inventories is not included on the various balance sheets. GAAP requires the cost of inventories to be reported as a current asset and equally offset by a fund balance reserve.

Fixed Capital - Sewer Utility

Accounting for utility fund "fixed capital" remains unchanged under the requirements of N.J.A.C. 5:30-5.6.

Property and equipment purchased by the Sewer Utility Fund are recorded in the capital account at cost and are adjusted for disposition and abandonment. The amounts shown do not purport to represent reproduction costs or current value. The fixed capital reported is as taken from the municipal records and does not necessarily reflect the true condition of such fixed capital. Contributions in aid of construction are not capitalized. The balance in the Reserve for Amortization account in the utility capital fund represent charges to operations for the cost of acquisitions of property, equipment and improvements. The utility does not record depreciation on fixed assets.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

Accounting and Financial Reporting for Pensions

Under the provisions of Governmental Accounting Standards Board (GASB) Statement No. 68 "Accounting and Financial Reporting for Pensions" and GASB Statement No. 71, "Pension Transition for Contributions Made Subsequent to the Measurement Date" (an amendment of GASB Statement No. 68), local government employers (or non-employer contributing entity in a special funding situation) are required to recognize a net pension liability measured as of a date (the measurement date) no earlier than the end of its prior fiscal year. If a state or local government employer or non-employer contributing entity makes a contribution to a defined benefit pension plan between the measurement date of the reported net pension liability and the end of the government's reporting period, Statement 68 requires that the government recognize its contribution as a deferred outflow of resources.

In addition, Statement 68 requires recognition of deferred outflows of resources and deferred inflows of resources for changes in the net pension liability of a state or local government employer or non-employer contributing entity that arise from other types of events.

Under GAAP, municipalities are required to recognize their proportionate share of net pension liability, deferred outflows of resources, deferred inflows of resources on the Statement of Net Position and the proportionate share of the pension related expense on the Statement of Activities.

New Jersey's municipalities and counties do not follow GAAP accounting principles and, as such, do not follow GASB requirements with respect to recording the net pension liability as a liability on their balance sheets. However, N.J.A.C. 5:30 6.1(c)(2) requires municipalities to disclose GASB 68 information in the Notes to the Financial Statements. The disclosure must meet the requirements of GASB 68.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions (OPEB)

The Governmental Accounting Standards Board (GASB) has issued Statement No. 75, *"Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions"*. This statement establishes standards for measuring and recognizing liabilities, deferred outflows and inflows of resources, and expenses for postemployment benefits other than pensions. The statement does not alter the amount of funds that must be budgeted for OPEB payment under existing state law.

Under GAAP, municipalities are required to recognize the OPEB liability in Statements of Revenues, Expenses, Changes in Net Position (balance sheets) and Notes to the Financial Statements in accordance with GASB 75. The liability required to be displayed by GASB 75 is displayed as a separate line item in the Unrestricted Net Position area of the balance sheet.

New Jersey's municipalities and counties do not follow GAAP accounting principles and, as such, do not follow GASB requirements with respect to recording the OPEB liability as a liability on their balance sheets. However, N.J.A.C. 5:30 6.1(c) (2) requires municipalities to disclose GASB 75 information in the Notes to the Financial Statements. The disclosure must meet the requirements of GASB 75.

D. Basic Financial Statements

The GASB codification also defines the financial statements of a governmental unit to be presented in the general-purpose financial statements to be in accordance with GAAP. The Township presents the financial statements listed in the table of contents of the "Requirements of Audit and Accounting Revision of 1987" as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and which differ from the financial statements required by GAAP.



NOTE 2: CASH AND CASH EQUIVALENTS

The Township considers petty cash, change funds, cash in banks and certificates of deposit as cash and cash equivalents.

A. Deposits

New Jersey statutes permit the deposit of public funds in institutions which are located in New Jersey and which meet the requirements of the Governmental Unit Deposit Protection Act (GUDPA) or the State of New Jersey Cash Management Fund. GUDPA requires a bank that accepts public funds to be a public depository. A public depository is defined as a state bank, a national bank, or a savings bank, which is located in the State of New Jersey, the deposits of which are insured by the Federal Deposit Insurance Corporation. The statutes also require public depositories to maintain collateral for deposits of public funds that exceed certain insurance limits. All collateral must be deposited with the Federal Reserve Bank or a banking institution that is a member of the Federal Reserve System and has capital funds of not less than \$25,000,000.00.

The Township of Bridgewater had the following cash and cash equivalents at December 31, 2022:

	Change Fund and Petty Cash	Cash in Bank	Additions	Deletions	Reconciled Balance
Cuurent Fund	\$1,410.00	\$18,021,406.45	\$877,761.04	\$1,624,739.06	\$17,275,838.43
Grant Fund		682,328.17		55,070.99	627,257.18
Animal Contol Fund		96,345.37		286.01	96,059.36
Trust Other Fund		13,494,244.64	3,000.00	517,515.44	12,979,729.20
General Capital Fund		3,203,576.72		419,135.74	2,784,440.98
Sewer Operating Fund	100.00	6,882,378.45		970,646.87	5,911,831.58
Sewer Capital Fund		1,462,568.41		520.00	1,462,048.41
	<u>\$1,510.00</u>	<u>\$43,842,848.21</u>	<u>\$880,761.04</u>	<u>\$3,587,914.11</u>	<u>\$41,137,205.14</u>

Custodial Credit Risk - Deposits - Custodial credit risk is the risk that in the event of a bank failure, the deposits may not be returned. The Township does not have a specific deposit policy for custodial credit risk other than those policies that adhere to the requirements of statute. As of December 31, 2022, based upon the coverage provided by FDIC and NJ GUDPA, no amount of the bank balance was exposed to custodial credit risk. Of the cash on balance in the bank \$1,250,000.00 was covered by Federal Depository Insurance and \$42,592,848.21 was covered by NJ GUDPA. The Township has no foreign currency risk exposure.

NOTE 2: CASH AND CASH EQUIVALENTS (CONTINUED)

B. Investments

The purchase of investments by the Township is strictly limited by the express authority of the New Jersey Local Fiscal Affairs Law, N.J.S.A. 40A:5-15.1. Permitted investments include any of the following type of securities:

1. Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;
2. Government money market mutual funds which are purchased from an investment company or investment trust which is registered with the Securities and Exchange Commission under the "Investment Company Act of 1940," 15 U.S.C. 80a-1 et seq., and operated in accordance with 17 C.F.R. § 270.2a-7 and which portfolio is limited to U.S. Government securities that meet the definition of an eligible security pursuant to 17 C.F.R. § 270.2a-7 and repurchase agreements that are collateralized by such U.S. Government securities in which direct investment may be made pursuant to paragraphs (1) and (3) of N.J.S.A. 5-15.1. These funds are also required to be rated by a nationally recognized statistical rating organization.
3. Any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligation bears a fixed rate of interest not dependent on any index or other external factor;
4. Bonds or other obligations of the Local Unit or bonds or other obligations of school districts of which the Local Unit is a part or within which the school district is located.
5. Bonds or other obligations, having a maturity date not more than 397 days from date of purchase, approved by the Division of Local Government Services of the Department of Community Affairs for investment by Local Units;
6. Local government investment pools that are fully invested in U.S. Government securities that meet the definition of eligible security pursuant to 17 C.F.R. § 270a-7 and repurchase agreements that are collateralized by such U.S. Government securities in which direct investment may be made pursuant to paragraphs (1) and (3) of N.J.S.A. 5-15.1. This type of investment is also required to be rated in the highest category by a nationally recognized statistical rating organization.
7. Deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281 (C. 52:18A-90.4); or

NOTE 2: CASH AND CASH EQUIVALENTS (CONTINUED)

8. Agreements for the repurchase of fully collateralized securities if:
  - a. the underlying securities are permitted investments pursuant to paragraphs (1) and (3) of this subsection;
  - b. the custody of collateral is transferred to a third party;
  - c. the maturity of the agreement is not more than 30 days;
  - d. the underlying securities are purchased through a public depository as defined in section 1 of P.L. 1970, c.236 (C. 17:19-41); and
  - e. a master repurchase agreement providing for the custody and security of collateral is executed.

The Township of Bridgewater's had no investments at December 31, 2022.

NOTE 3: LONG-TERM DEBT

The Local Bond Law, Chapter 40A:2, governs the issuance of bonds to finance general municipal capital expenditures. All bonds are retired in annual installments within the statutory period of usefulness. All bonds issued by the Township are general obligation bonds, backed by the full faith and credit of the Township. Bond Anticipation Notes, which are issued to temporarily finance capital projects, shall mature and be paid off within ten years or financed by the issuance of bonds.

SUMMARY OF STATUTORY DEBT CONDITION ANNUAL DEBT STATEMENT

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicates a statutory net debt of 0.770%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Regional School District Debt	\$ 7,475,631.91	\$ 7,475,631.91	\$
Sewer Utility Debt	8,516,284.60	8,516,284.60	
General Debt	<u>78,873,539.93</u>	<u>8,801.15</u>	<u>78,864,738.78</u>
	<u>\$ 94,865,456.44</u>	<u>\$ 16,000,717.66</u>	<u>\$ 78,864,738.78</u>

Net debt of \$78,864,738.78 divided by equalized valuation basis per N.J.S. 40A:2-2, as amended, of \$10,233,632,830.67 equals 0.770%.

NOTE 3: LONG-TERM DEBT (CONTINUED)

SUMMARY OF MUNICIPAL DEBT

	<u>YEAR 2022</u>	<u>YEAR 2021</u>	<u>YEAR 2020</u>
Issued:			
General:			
Bonds, Notes and Loans	\$ 76,313,613.15	\$ 73,706,230.69	\$ 67,556,597.99
Sewer Utility:			
Bonds, Notes and Loans	<u>5,837,788.12</u>	<u>5,882,186.40</u>	<u>6,216,584.68</u>
Total Issued	<u>\$ 82,151,401.27</u>	<u>\$ 79,588,417.09</u>	<u>\$ 73,773,182.67</u>
Less:			
Reserve for Debt Service	<u>\$ 8,801.15</u>	<u>\$ 7,601.15</u>	<u>\$ 7,601.15</u>
Total Deductions	<u>\$ 8,801.15</u>	<u>\$ 7,601.15</u>	<u>\$ 7,601.15</u>
Net Debt Issued	<u>\$ 82,142,600.12</u>	<u>\$ 79,580,815.94</u>	<u>\$ 73,765,581.52</u>
Authorized But Not Issued:			
General:			
Bonds and Notes	\$ 2,559,926.78	\$ 2,317,194.78	\$ 3,741,899.78
Sewer Utility:			
Bonds and Notes	<u>2,678,496.48</u>	<u>2,678,496.48</u>	<u>2,578,496.48</u>
Total Authorized But Not Issued	<u>\$ 5,238,423.26</u>	<u>\$ 4,995,691.26</u>	<u>\$ 6,320,396.26</u>
Net Bonds and Notes Issued and Authorized But Not Issued	<u><u>\$ 87,381,023.38</u></u>	<u><u>\$ 84,576,507.20</u></u>	<u><u>\$ 80,085,977.78</u></u>

BORROWING POWER UNDER N.J.S. 40A:2-6 AS AMENDED

Equalized Valuation Basis* - December 31, 2022	<u>\$ 10,233,632,830.67</u>
3-1/2 of Equalized Valuation Basis (Municipal)	\$ 358,177,149.07
Net Debt	<u>78,864,738.78</u>
Remaining Borrowing Power	<u><u>\$ 279,312,410.29</u></u>

\*Equalized Valuation Basis is the average of the equalized valuation of real estate, including improvements, and the assessed valuation of Class II Railroad Property of the Township of Bridgewater for the last three (3) preceding years.

NOTE 3: LONG-TERM DEBT (CONTINUED)

CALCULATION OF "SELF-LIQUIDATING PURPOSE" SEWER UTILITY PER N.J.S. 40A:2-45

Revenue from Fees, Rents, and Other Charges for Year and Fund Balance		\$ 12,006,143.22
Deductions:		
Operating and Maintenance Cost	\$ 10,267,759.26	
Debt Service	598,389.02	
Deferred Charges and Statutory Expenses	140,000.00	
Total Deductions		<u>11,006,148.28</u>
Excess in Revenue - Self Liquidating		\$ <u>999,994.94</u>

SCHEDULE OF DEBT SERVICE FOR PRINCIPAL AND INTEREST FOR BONDED DEBT ISSUED AND OUTSTANDING AT DECEMBER 31, 2022

Calendar Year	General Capital		Sewer Utility	
	Principal	Interest	Principal	Interest
2023	\$4,045,000.00	\$2,364,820.00	\$290,000.00	\$174,935.00
2024	4,120,000.00	2,205,070.00	310,000.00	161,060.00
2025	4,340,000.00	2,039,520.00	320,000.00	146,360.00
2026	4,425,000.00	1,850,920.00	330,000.00	131,160.00
2027	4,505,000.00	1,683,513.75	335,000.00	122,685.00
2028	4,590,000.00	1,508,220.00	345,000.00	112,560.00
2029	4,645,000.00	1,329,095.00	355,000.00	102,110.00
2030	4,700,000.00	1,150,688.75	365,000.00	91,335.00
2031	4,765,000.00	992,645.00	375,000.00	80,210.00
2032	4,812,000.00	841,585.00	381,000.00	68,830.00
2033	3,850,000.00	705,875.00	355,000.00	57,850.00
2034	3,905,000.00	586,075.00	370,000.00	47,200.00
2035	4,055,000.00	474,900.00	380,000.00	36,100.00
2036	3,129,000.00	355,893.76	380,000.00	24,225.00
2037	2,675,000.00	262,050.00	380,000.00	12,350.00
2038	1,500,000.00	176,300.00		
2039	1,535,000.00	123,800.00		
2040	1,560,000.00	62,400.00		
	<u>\$67,156,000.00</u>	<u>\$18,713,371.26</u>	<u>\$5,271,000.00</u>	<u>\$1,368,970.00</u>

NOTE 3: LONG-TERM DEBT (CONTINUED)

General Serial Bonds:

\$20,945,000.00 General Obligation Bonds of 2022 due in annual installments of \$780,000.00 to \$1,560,000.00 through 2040 at a variable interest rate	\$20,945,000.00
\$16,642,000.00 General Obligation Bonds of 2012 due in annual installments of \$510,000.00 to \$1,012,000.00 through 2032 at a variable interest rate	10,102,000.00
\$8,349,000.00 General Obligation Bonds of 2016 due in annual installments of \$250,000.00 to \$500,000.00 through 2036 at a variable interest rate	6,849,000.00
\$13,170,000.00 General Obligation Bonds of 2018 due in annual installments of \$450,000.00 to \$900,000.00 through 2037 at a variable interest rate	11,195,000.00
\$14,605,000.00 Governmental Loan Refunding Bonds of 2017 due in annual installments of \$30,000.00 to \$1,055,000.00 through 2035 at a variable interest rate	12,705,000.00
\$5,550,000.00 General Obligation Bonds of 2021 due in Annual installments of \$190,000.00 to \$375,000.00 through 2037 at a variable interest rate.	<u>5,360,000.00</u>
	<u>67,156,000.00</u>

Sewer Utility Serial Bonds:

\$636,000.00 General Obligation Bonds of 2012 due in annual installments of \$20,000.00 to \$40,000.00 through 2032 at a variable interest rate	\$391,000.00
\$5,740,000.00 General Obligation Bonds of 2018 due in annual installments of \$190,000.00 to \$380,000.00 through 2037 at a variable interest rate	<u>4,800,000.00</u>
	<u>\$5,271,000.00</u>

NOTE 3: LONG-TERM DEBT (CONTINUED)

SCHEDULE OF SOMERSET COUNTY IMPROVEMENT AUTHORITY LOANS  
ISSUED AND OUTSTANDING AT DECEMBER 31, 2022

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$252,702.82	\$11,837.98	\$264,540.80
2024	163,159.90	6,398.30	166,628.20
2025	79,834.86	3,468.30	81,622.10
2026	81,515.92	1,787.24	81,767.85
2027	41,399.65	251.93	41,399.65
	<u>\$618,613.15</u>	<u>\$23,743.75</u>	<u>\$635,958.60</u>

\$400,845.12 Improvement Authority Loan of 2019 due in monthly installments through 2024 at an interest rate of 2.7571%	\$167,618.13
\$538,547.62 Improvement Authority Loan of 2020 due in monthly installments through 2023 at an interest rate of 2.1725%	41,568.33
\$391,255.71 Improvement Authority Loan of 2021 due in monthly installments through 2027 at an interest rate of 2.0856%	357,541.99
\$290,929.93 Improvement Authority Loan of 2018 due in monthly installments through 2023 at an interest rate of 3.477%	<u>51,911.70</u>
	<u>\$618,613.15</u>

Bonds and Notes Authorized But Not Issued:

There is \$2,317,194.78 General Capital and \$2,678,496.48 Sewer Capital Bonds and Notes Authorized but not Issued at December 31, 2022.

NOTE 4: SHORT-TERM DEBT

The Township had the following short-term debt:

Bond Anticipation Notes:

	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Amount</u>
General Capital Fund	4.00%	8/1/2023	<u>\$8,539,000.00</u>

NOTE 4: SHORT-TERM DEBT (CONTINUED)

	<u>Rate</u>	<u>Date</u>	<u>Amount</u>
Emergency Note:			
Current Fund	0.032%	8/1/2023	<u>\$300,000.00</u>
Special Emergency Note:			
Sewer Utility Fund	4.00%	08/01/23	<u>\$300,000.00</u>

NOTE 5: FUND BALANCES APPROPRIATED

Fund balances at December 31, 2022, which were appropriated and included as anticipated revenue in their own respective funds for the year ending December 31, 2023, as introduced were as follows:

Current Fund	\$3,395,000.00
Sewer Utility Fund	\$ 610,000.00

NOTE 6: PROPERTY TAXES

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied based on the final adoption of the current year municipal budget, and are payable in four installments on February 1, May 1, August 1 and November 1. The Township bills and collects its own property taxes and also the taxes for the County and the Regional School District. The collections and remittance of county and school taxes are accounted for in the Current Fund. Township property tax revenues are recognized when collected in cash and any receivables are recorded with offsetting reserves on the balance sheet of the Township's Current Fund.

Taxes Collected in Advance - Taxes collected in advance and recorded as cash liabilities in the financial statements are as follows:

	<u>BALANCE DECEMBER 31, 2022</u>	<u>BALANCE DECEMBER 31, 2021</u>
Prepaid Taxes	<u>\$1,443,155.17</u>	<u>\$2,115,721.73</u>



NOTE 7: COMPENSATED ABSENCES

The Township of Bridgewater permits employees to accrue a limited amount of unused vacation and sick pay, which may be taken as time off or paid upon retirement or separation at an agreed-upon rate. It is estimated that the current cost of such unpaid compensation would approximate \$975,686.17. The Township annually appropriates the amounts that are required to be paid in that year's budget and no liability is accrued at December 31, 2022.

NOTE 8: PENSIONS PLANS

Substantially all eligible employees participate in the Public Employees' Retirement System (PERS), or the Police, Firemen's Retirement System (PFRS) or the Defined Contribution Retirement System (DCRP), which have been established by state statute and are administered by the New Jersey Division of Pensions and Benefits. The Division issues a publicly available financial report that includes the financial statements and required supplementary information for the Public Employees Retirement System, Police and Firemen's Retirement System and Consolidated Police and Firemen's Pension Fund. These reports may be obtained by writing to the Division of Pensions and Benefits, P.O. Box 295, Trenton, New Jersey, 08625 or are available online at [www.nj.gov/treasury/pensions/annrpts.shtml](http://www.nj.gov/treasury/pensions/annrpts.shtml).

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

Police and Firemen's Retirement System (PFRS) - The Police and Firemen's Retirement System (PFRS) was established as of July 1, 1944, under the provisions of N.J.S.A. 43:16A, to provide retirement, death, and disability benefits to its members. The PFRS is a cost-sharing multiple-employer plan. Membership is mandatory for substantially, all full-time county and municipal police or firemen or officer employees with police powers appointed after June 30, 1944.

Defined Contribution Retirement Program (DCRP) - The Defined Contribution Retirement Program (DCRP) was established July 1, 2007, under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, and was expanded under the provisions of Chapter 89, P.L. 2009. The DCRP provides eligible employees and their beneficiaries with a tax-sheltered, defined contribution retirement benefit, along with life insurance coverage and disability coverage.

NOTE 8: PENSION PLANS (CONTINUED)

Vesting and Benefit Provisions

The vesting and benefit provisions for PERS are set by N.J.S.A. 43:15A and 43:36. All benefits vest after ten years of service, except for medical benefits, which vest after 25 years of service. Members may seek early retirement after achieving 25 years of service credit or they may elect deferred retirement after achieving ten years of service credit, in which case, benefits would begin the first day of the month after the member attains normal retirement age.

The vesting and benefit provisions for PFRS are set by N.J.S.A. 43:16A and 43:36. All benefits vest after ten years of service, except for disability benefits, which vest after four years of service. Retirement benefits for age and service are available at age 55. Members may seek special retirement after achieving 25 years of creditable service or they may elect deferred retirement after achieving ten years of service.

Newly elected or appointed officials that have an existing DCRP account or are a member of another State-administered retirement system are immediately vested in the DCRP. For newly elected or appointed officials that do not qualify for immediate vesting in the DCRP, employee and employer contributions are held during the initial year of membership. Upon commencing the second year of DCRP membership, the member is fully vested. However, if a member is not eligible to continue in the DCRP for a second year of membership, the member may apply for a refund of the employee contributions from the DCRP, while the employer contributions will revert back to the employer. Employees are required to contribute 5.5% of their base salary and employers contribute 3.0%.

Funding Policy

The contribution policy for PERS is set by N.J.S.A. 43:15A 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 life insurance benefits is based on actual claims paid. For fiscal year 2022, 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. During 2022, PERS provides for employee contributions of 7.50% of employees' base salary.

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. The local employers' contribution amounts are based on an actuarially determined rate, which includes the normal cost and unfunded accrued liability. For the fiscal year 2022, the State contributed an amount less than the actuarially determined amount. During 2022, PFRS provides for employee contributions of 10.00% of employees' base salary.

NOTE 8: PENSION PLANS (CONTINUED)

Funding Policy (Continued)

The Township's share of pension, which is based upon the annual billings received from the state, amounted to \$3,610,357.36 for 2022, \$3,618,081.15 for 2021 and \$3,274,660.09 for 2020.

Certain Township employees are also covered by the Federal Insurance Contribution Act.

Accounting and Financial Reporting for Pensions – GASB #68

The Governmental Accounting Standards Board (GASB) has issued Statement No. 68 "Accounting and Financial Reporting for Public Employees Pensions" which requires the State of New Jersey to calculate and allocate, for note disclosure purposes only, the unfunded net pension liability of Public Employees Retirement System (PERS) and the Police and Firemen's Retirement System (PFRS) of the participating municipality as of December 31, 2022. The statement does not alter the amounts of funds that must be budgeted for pension payments under existing state law.

Under accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, any unfunded net pension liability of the municipality, allocated by the State of New Jersey, is not required to be reported in the financial statements as presented and any pension contributions required to be paid are raised in that year's budget and no liability is accrued at December 31, 2022

Public Employees Retirement System (PERS)

At June 30, 2022, the State reported a net pension liability of \$12,204,306.00 for the Township's proportionate share of the total net pension liability. The total pension liability for the June 30, 2022 measurement date was determined by an actuarial valuation as of July 1, 2021, which was rolled forward to June 30, 2022. The Township's proportion of the net pension liability was based on a projection of the Township's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2022, the Township's proportion was 0.0808694025 percent, which was a decrease of 0.0153540957 percent from its proportion measured as of June 30, 2021.

For the year ended June 30, 2022, the State recognized an actuarially determined pension benefit of \$2,120,457.00 for the Township's proportionate share of the total pension expense. The pension expense recognized in the Township's financial statements based on the April 1, 2022 billing was \$1,126,889.00.

NOTE 8: PENSION PLANS (CONTINUED)

Accounting and Financial Reporting for Pensions - GASB 68 (Continued)

Public Employees Retirement System (PERS) (Continued)

At June 30, 2022, the State reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Differences between expected and actual experience	\$ 311,853.00	\$ 60,568.00
Changes of assumptions	555,616.00	7,171,200.00
Net difference between projected and actual earnings on pension plan investments	585,412.00	
Changes in proportion and differences between Township contributions and proportionate Share of contributions	<u>573,697.00</u>	<u>1,558,709.00</u>
	<u>\$ 2,026,578.00</u>	<u>\$ 8,790,477.00</u>

Other local amounts reported by the State as the Township's proportionate share of deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in the State's actuarially calculated pension expense as follows:

Year Ended <u>June 30,</u>	<u>Amount</u>
2021	(\$2,326,116.40)
2022	(2,156,341.40)
2023	(1,316,714.40)
2024	(649,795.40)
2025	<u>(294,931.40)</u>
	<u>(\$6,763,899.00)</u>

NOTE 8: PENSION PLANS (CONTINUED)

Accounting and Financial Reporting for Pensions - GASB 68 (Continued)

Public Employees Retirement System (PERS) (Continued)

Actuarial Assumptions

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

Inflation	
Price	2.75%
Wage	3.25%
Salary Increases	
Through 2026	2.75-6.55%
	Based on
	Years of Service
Investment Rate of Return	7.00%

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

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

NOTE 8: PENSION PLANS (CONTINUED)

Accounting and Financial Reporting for Pensions - GASB 68 (Continued)

Public Employees Retirement System (PERS) (Continued)

Long-Term Rate of Return

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

<u>Assets Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
US Equity	27.00%	8.12%
Non-U.S. Developed Market Equity	13.50%	8.38%
Emerging Market Equity	5.50%	10.33%
Private Equity	13.00%	11.80%
Real Estate	8.00%	11.19%
Real Assets	3.00%	7.60%
High Yield	4.00%	4.95%
Private Credit	8.00%	8.10%
Investment Grade Credit	7.00%	3.38%
Cash Equivalents	4.00%	1.75%
U.S. Treasury's	4.00%	1.75%
Risk Mitigation Strategies	3.00%	4.91%

Discount Rate

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2022. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be based on 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments in determining the total pension liability.

NOTE 8: PENSION PLANS (CONTINUED)

Accounting and Financial Reporting for Pensions - GASB 68 (Continued)

Public Employees Retirement System (PERS) (Continued)

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

The following presents the Township's proportionate share of the net pension liability of the participating employers as of June 30, 2022 respectively, 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 was calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	June 30, 2022		
	1% Decrease <u>6.00%</u>	At Current Discount Rate <u>7.00%</u>	1% Increase <u>8.00%</u>
Township's proportionate share of the pension liability	\$15,678,958.00	\$12,204,306.00	\$9,247,237.00

Special Funding Situation

In accordance with 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. For PERS, the legislation which legally obligates the State is found in Chapter 133, P.L. 2001. This special funding situation is due to the State paying the additional normal cost related to benefit improvements from Chapter 133. Previously, this additional normal cost was paid from the Benefit Enhancement Fund (BEF). As of June 30, 2022, there is no net pension liability associated with this special funding situation as there was no accumulated difference between the annual additional normal cost under the special funding situation and the actual State contribution through the valuation date.

The amounts contributed by the State on behalf of the Township under this legislation is considered to be a special funding situation as defined by GASB Statement No. 68, and the State is treated as a nonemployer contributing entity. Since the Township does not contribute under this legislation directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to disclose in the notes to the financial statements of the Township related to this legislation.

NOTE 8: PENSION PLANS (CONTINUED)

Accounting and Financial Reporting for Pensions - GASB 68 (Continued)

Public Employees Retirement System (PERS) (Continued)

Special Funding Situation (Continued)

The non-employer contributing entities' total proportionate share of the non-employer contribution that is associated with the Township as of December 31, 2022 was 0.0811924885%, The non-employer contributing entities' contribution and employer pension expense and related revenue for the year ended June 30, 2022 was \$25,678.00.

Pension plan fiduciary net position

Detailed information about the pension plan's fiduciary net position is available in the separately issued Financial Report for the State of New Jersey Public Employees Retirement System (PERS). The report may be obtained at State of New Jersey Division of Pensions and Benefits P.O. Box 295 Trenton, New Jersey 08625-0295 <http://www.state.nj.us/treasury/pensions>.

Police and Firemen's Retirement System (PFRS)

At June 30, 2022, the State reported a net pension liability of \$24,692,972.00 for the Township's proportionate share of the total PFRS net pension liability. The total pension liability for the June 30, 2022 measurement date was determined by an actuarial valuation as of July 1, 2021, which was rolled forward to June 30, 2022. The Township's proportion of the net pension liability was based on a projection of the Township's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined.

At June 30, 2022, the Township's proportion was 0.2157277900 percent, which was an increase of 0.0049663800 percent from its proportion measured as of June 30, 2021.

For the year ended June 30, 2022, the State recognized an actuarially determined pension expense of \$165,806.00. The pension expense recognized in the Township's financial statements based on the April 1, 2022, billing was \$781,647.00.



NOTE 8: PENSION PLANS (CONTINUED)

Accounting and Financial Reporting for Pensions - GASB 68 (Continued)

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

At June 30, 2022, the State reported deferred outflows of resources and deferred inflows of resources related to PFRS from the following sources:

	Deferred Outflow of Resources	Deferred Inflow of Resources
Differences between expected and actual experience	\$ 1,117,670.00	\$ 1,512,780.00
Changes of assumptions	67,674.00	3,108,357.00
Net difference between projected and actual earnings on pension plan investments	2,261,151.00	
Changes in proportion and differences between Township contributions and proportionate share of contributions	<u>557,154.00</u>	<u>1,376,444.00</u>
	\$ <u>4,003,649.00</u>	\$ <u>5,997,581.00</u>

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30	Amount
2023	\$ (1,398,900.00)
2024	(953,127.00)
2025	(915,724.00)
2026	1,406,674.00
2027	(148,722.00)
Thereafter	<u>15,867.00</u>
	\$ <u>(1,993,932.00)</u>

NOTE 8: PENSION PLANS (CONTINUED)

Accounting and Financial Reporting for Pensions - GASB 68 (Continued)

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

Actuarial Assumptions

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

Inflation	
Price	2.75%
Wage	3.25%
Salary Increases	3.25-16.25%
	Based on years of Service
Investment Rate of Return	7.00%

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

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

NOTE 8: PENSION PLANS (CONTINUED)

Accounting and Financial Reporting for Pensions - GASB 68 (Continued)

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

Long-Term Rate of Return

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

<u>Assets Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
US Equity	27.00%	8.12%
Non-U.S. Developed Market Equity	13.50%	8.38%
Emerging Market Equity	5.50%	10.33%
Private Equity	13.00%	11.80%
Real Estate	8.00%	11.19%
Real Assets	3.00%	7.60%
High Yield	4.00%	4.95%
Private Credit	8.00%	8.10%
Investment Grade Credit	7.00%	3.38%
Cash Equivalents	4.00%	1.75%
U.S. Treasury's	4.00%	1.75%
Risk Mitigation Strategies	3.00%	4.91%

Discount Rate

The discount rate used to measure the total pension liability was 7.00% as of both June 30, 2022. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be based on 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments to determine the total pension liability.

NOTE 8: PENSION PLANS (CONTINUED)

Accounting and Financial Reporting for Pensions - GASB 68 (Continued)

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

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

The following presents the Township's proportionate share of the net pension liability of the participating employers as of June 30, 2022, calculated using the discount rate as disclosed above as well as what the Township's proportionate share of the net pension liability would be if it was calculated using a discount rate that is 1-percentage point lower or 1- percentage point higher than the current rate:

	June 30, 2022		
	1% Decrease <u>6.00%</u>	At Current Discount Rate <u>7.00%</u>	1% Increase <u>8.00%</u>
Township's proportionate share of the PFRS pension liability	\$33,881,423.00	\$24,692,972.00	\$17,043,540.00

Special Funding Situation

In accordance with 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.c. 2001, Chapter 86, P.L. 2001, Chapter 511, P.L. 1991, Chapter 109, P.c. 1979, Chapter 247, P.L. 1993 and Chapter 201, P.L. 2001. The amounts contributed by the State on behalf of the Township under this legislation is considered to be a special funding situation as defined by GASB Statement No. 68, and the State is treated as a nonemployer contributing entity. Since the Township does not contribute under this legislation directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to disclose in the notes to the financial statements of the Township related to this legislation.

NOTE 8: PENSION PLANS (CONTINUED)

Accounting and Financial Reporting for Pensions - GASB 68 (Continued)

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

Special Funding Situation

The non-employer contributing entities' total proportionate share of the collective net pension liability that is associated with the Township as of December 31, 2022 and 2021 is 0.02157276300% and 0.2107611843% respectively, the non-employer contributing entities' contribution for the year ended June 30, 2022 and 2021 was \$547,109.00 and \$376,371.00, respectively and the employer pension expense and related revenue for the year ended June 30, 2022 and 2021 was \$507,023.00 and \$482,527.00, respectively.

At June 30, 2022 and 2021, the State's proportionate share of the net pension liability attributable to the Township for the PFRS special funding situation is \$4,394,625.00 and \$4,332,617.00, respectively.

At June 30, 2022, the Township's and State of New Jersey's proportionate share of the PFRS net pension liability were as follows:

Township's Proportionate Share of Net Pension Liability	\$24,692,972.00
State of New Jersey Proportionate Share of Net Pension Liability Associated with the Township	<u>4,394,625.00</u>
	<u>\$29,087,597.00</u>

Pension plan fiduciary net position

Detailed information about the pension plan's fiduciary net position is available in the separately issued Financial Report for the State of New Jersey Police and Firemen's Retirement System (PFRS). The report may be obtained at State of New Jersey Division of Pensions and Benefits P.O. Box 295 Trenton, New Jersey 08625-0295 <http://www.state.nj.us/treasury/pensions>.

NOTE 9: LITIGATION

The Township is involved in several pending legal proceedings, the impact on the financial statements of which, either individually or in the aggregate, in the opinion of the Township's legal counsel would not be material.

NOTE 10: CONTINGENT LIABILITIES

The Township participates in several federal and state financial assistance grant programs. Entitlement to the funds is generally conditional upon compliance with terms and conditions of the grant agreements and applicable regulations, including the expenditures of funds for eligible purposes. These programs are subject to compliance and financial audits by the grantors or their representatives. As of December 31, 2022, the Township does not believe that any material liabilities will result from such audits.

NOTE 11: TAX APPEALS

There are several tax appeals filed with the State Tax Court of New Jersey requesting a reduction of assessments for the years 2022 and prior. Any reduction in assessed valuation will result in a refund of prior years taxes in the year of settlement, which may be funded from tax revenues through the establishment of a reserve or by the issuance of refunding bonds per N.J.S.A. 40A:2-51. The Township has established a reserve for this purpose in the Current Fund, the balance of which is \$483,939.86 at December 31, 2022.

NOTE 12: 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; injuries to employees; and natural disasters. The Township maintains commercial insurance coverage covering each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the Township. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

New Jersey Unemployment Compensation Insurance - The Township has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan, the Township is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The Township is billed quarterly for amounts due to the State. Below is a summary of Township contributions, employee contributions, reimbursements to the State for benefits paid, and the ending balance of the Township's expendable trust fund for the current and previous two years:

<u>Year</u>	<u>Employee Contributions</u>	<u>Township Contributions and Interest</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2022	\$ 23,433.12	\$ 283.50	\$ 25,702.25	\$ 23,265.77
2021	20,600.96		667.77	25,251.40
2020	22,337.35	50,000.00	164,664.95	5,318.21

NOTE 13: LENGTH OF SERVICE AWARDS PROGRAM

The Township of Bridgewater adopted an ordinance establishing a Length of Service Awards Program effective for 2003 for the members of the Bridgewater First Aid/Rescue Squad pursuant to N.J.S.A. 40A:14-183 et seq. Under this program, each volunteer of the Bridgewater First Aid/Rescue Squad that performs the minimum amount of service will have an annual amount up to \$1,265.25 deposited into a tax deferred account. The Township budgeted \$74,000.00 for the program in 2022.

The accompanying financial statements do not include the Township's Length of Service Awards Program's activities. The Township's Length of Service Awards Program's financial statements are contained in a separate review report, as required by state regulations.

The plan is administered by Lincoln Financial.

NOTE 14: INTERFUND RECEIVABLES AND PAYABLES

The following interfund balances remained on the balance sheet at December 31, 2022:

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
Current Fund	\$ 1,402,201.92	\$ 4,856,376.00
Grant Fund	18,534.46	
Animal Control Fund		47,553.16
Trust Other Fund	1,948,822.00	
General Capital Fund	3,842,608.34	300,000.00
Sewer Utility Operating Fund		2,721,562.7
Sewer Capital Fund	713,325.09	
	<u>\$ 7,925,491.81</u>	<u>\$ 7,925,491.81</u>

All balances resulted from the time lag between the dates that short-term loans were disbursed and payments between funds were received.

**NOTE 15: DEFERRED COMPENSATION PLAN**

The Township offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all Township employees, permits them to defer a portion of their salaries until future years. The Township does not make any contribution to the plan. The deferred compensation is not available to employees until retirement, death, disability, termination or financial hardships.

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

The Plan is administered by the Nationwide Retirement Solutions, Mass Mutual and AXA-Equitable.

The accompanying financial statements do not include the Township's Deferred Compensation Plan activities. The Township's Deferred Compensation Plan financial statements are contained in a separate review report.

**NOTE 16: ACCOUNTING AND FINANCIAL REPORTING FOR POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS – GASB 75**

The Governmental Accounting Standards Board (GASB) has issued Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions". This statement establishes standards for measuring and recognizing liabilities, deferred outflows and inflows of resources, and expenses for postemployment benefits other than pensions. OPEB obligations are non-pension benefits that the municipality has contractually or otherwise agreed to provide employees once they have retired and, in most instances, will be for retirement health, prescription and dental insurance coverage.

Under current New Jersey budget and financial reporting requirements, the municipality is not required to fund any amounts in excess of their current costs on a pay-as-you-go basis or to accrue funds, create a trust or issue debt to finance their other post-employment benefit liability. Additionally, the Township is not required to recognize any long-term obligations resulting from OPEB on their financial statements.



NOTE 16: ACCOUNTING AND FINANCIAL REPORTING FOR POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS – GASB 75 (CONTINUED)

Plan Description and Benefits Provided

The State Health Benefit Local Government Retired Employees Plan (the Plan) is a cost-sharing multiple-employer defined benefit other postemployment benefit (OPEB) plan with a special funding situation. It covers employees of local government employers that have adopted a resolution to participate in the Plan. The Plan meets the definition of an equivalent arrangement as defined in paragraph 4 of GASB Statement No. 75, *Accounting and Financial Reporting for the Postemployment Benefits Other Than Pensions*; therefore, assets are accumulated to pay associated benefits.

The Plan provides medical and prescription drug coverage to retirees and their covered dependents of the employers. Under the provisions of Chapter 88, P.L. 1974 and Chapter 48, P.L. 1999, local government employers electing to provide postretirement medical coverage to their employees must file a resolution with the Division. Under Chapter 88, local employers elect to provide benefit coverage based on the eligibility rules and regulations promulgated by the State Health Benefits Commission. Chapter 48 allows local employers to establish their own age and service eligibility for employer paid health benefits coverage for retired employees.

Under Chapter 48, the employer may assume the cost of postretirement medical coverage for employees and their dependents who: 1) retired on a disability pension; or 2) retired with 25 or more years of service credit in a State or locally administered retirement system and a period of service of up to 25 years with the employer at the time of retirement as established by the employer; or 3) retired and reached the age of 65 with 25 or more years of service credit in a State or locally administered retirement system and a period of service of up to 25 years with the employer at the time of retirement as established by the employer; or 4) retired and reached age 62 with at least 15 years of service with the employer. Further, the law provides that the employer paid obligations for retiree coverage may be determined by means of a collective negotiations' agreement.

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

The State also provides funding for retiree health benefits to survivors of local police officers and firefighters who die in the line of duty under Chapter 271, P.L.1989.

NOTE 16: ACCOUNTING AND FINANCIAL REPORTING FOR POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS – GASB 75 (CONTINUED)

Plan Description and Benefits Provided (Continued)

Pursuant to Chapter 78, P.L. 2011, future retirees eligible for postretirement medical coverage who have less than 20 years of creditable service on June 28, 2011 will be required to pay a percentage of the cost of their health care coverage in retirement provided they retire with 25 or more years of pension service credit. The percentage of the premium for which the retiree will be responsible will be determined based on the retiree's annual retirement benefit and level of coverage.

Contributions

The Township's contributions to SHBP for the years ended December 30, 2022 was \$2,894,709.03 which equaled the required contributions for the year.

Total Net OPEB Liability

At June 30, 2022, the Plan reported a Liability of \$48,940,703.00 for the Township's proportionate share of the collective Net OPEB liability. The total Net OPEB Liability measured as of June 30, 2022 was determined by an actuarial valuation as of June 30, 2021, which was rolled forward to June 30, 2022.

The Township's proportion of the Net OPEB Liability was based on the ratio of the plan members of an individual employer to the total members of the Plan's nonspecial funding situation during the measurement period July 1, 2021 through June 30, 2022.

At June 30, 2022, the Township's proportion was 0.303046 percent, which was an increase of 0.303046 percent from its proportion measured as of June 30, 2021.

For the year ended June 30, 2022, the State reported OPEB expense of \$8,961,917.00. This OPEB expense was based on the OPEB plans June 30, 2022 measurement date.

NOTE 16: ACCOUNTING AND FINANCIAL REPORTING FOR POSTEMPLOYMENT  
BENEFITS OTHER THAN PENSIONS – GASB 75 (CONTINUED)

At June 30, 2022, the State reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflow of Resources	Deferred Inflow of Resources
Differences between expected and actual experience	\$2,527,350.00	\$9,071,526.00
Changes of assumptions	6,531,340.00	16,702,518.00
Net difference between projected and actual earnings on OPEB plan investments	12,884.00	
Changes in proportion	<u>58,000,361.00</u>	<u></u>
	<u>\$67,071,935.00</u>	<u>\$25,774,044.00</u>

Other local amounts reported by the State as the Township's proportionate share of deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in the State's actuarially calculated pension (benefit)/expense as follows:

Year Ended June 30,	Amount
2023	\$7,165,356.20
2024	7,161,441.20
2025	8,094,951.20
2026	10,034,664.20
2027	11,249,113.20
2028-2029	<u>(2,407,635.00)</u>
	<u>\$41,297,891.00</u>

NOTE 16: ACCOUNTING AND FINANCIAL REPORTING FOR POSTEMPLOYMENT  
BENEFITS OTHER THAN PENSIONS – GASB 75 (CONTINUED)

Actuarial Assumptions and Other Inputs

The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

Salary Increases:

Public Employees Retirement System (PERS):

Initial fiscal year applied

Rate for all future years 2.75% to 6.55%

Police and Firemen's Retirement System (PFRS):

Rate for all future years 3.25% to 16.25%

Mortality

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

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

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

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

100% of active members are considered to participate in the Plan upon retirement.

Discount Rate

The discount rate for June 30, 2022 was 3.54%. This represents the municipal bond return rate as chosen by the State. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

NOTE 16: ACCOUNTING AND FINANCIAL REPORTING FOR POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS – GASB 75 (CONTINUED)

Sensitivity of the Township's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate

The following presents the Net OPEB Liability associated with the Township's as of June 30, 2022, calculated using the discount rate as disclosed above as well as what the Net OPEB Liability would be if it was calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	June 30, 2022		
	1.00% Decrease (2.54%)	At Discount Rate (3.54%)	1.00% Increase (4.54%)
Township's proportionate share of the Net OPEB Liability	\$56,732,127.15	\$48,940,703.11	\$42,671,773.49

Sensitivity of the Township's Proportionate Share of the Net OPEB Liability to Changes in Healthcare Trends

The following presents the total Net OPEB Liability associated with the Township's as of June 30, 2022, calculated using the healthcare trend rate as disclosed above as well as what the Net OPEB Liability would be if it was calculated using a healthcare trend rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	June 30, 2022		
	1.00% Decrease	Healthcare Cost Trend Rate	1.00% Increase
Township's proportionate share of the Net OPEB Liability	\$41,517,871.87	\$48,940,703.11	\$58,447,259.75

OPEB Plan Fiduciary Net Position

Detailed information about the OPEB plan's fiduciary net position is available in the separately issued Financial Report for the State of New Jersey State Health Benefits Local Government Retired Employees Plan. The report may be obtained at State of New Jersey Division of Pensions and Benefits P.O. Box 295 Trenton, New Jersey 08625-0295 <http://www.state.nj.us/treasury/pensions>.

NOTE 17: FIXED ASSETS

Below is a summary of the General Fixed Assets Account Group for the year ended December 31, 2022:

	Balance December 31, <u>2021</u>	<u>Additions</u>	<u>Deletions</u>	Balance December 31, <u>2022</u>
Land	\$122,863,410.00			\$122,863,410.00
Buildings	46,134,599.00			46,134,599.00
Machinery and Equipment	<u>13,738,852.00</u>	<u>\$337,667.00</u>	<u>\$379,882.00</u>	<u>13,696,637.00</u>
	<u>\$182,736,861.00</u>	<u>\$337,667.00</u>	<u>\$379,882.00</u>	<u>\$182,694,646.00</u>

NOTE 18: DEFERRED CHARGES

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2022 the following deferred charges are shown on the balance sheets of the various funds.

	BALANCE DECEMBER 31, 2022	RAISED IN 2023 BUDGET	BALANCE DEFERRED TO BUDGETS OF SUCCEEDING YEARS
Current Fund:			
N.J.S.A. 40A:4-53:			
Severance Pay	\$300,000.00	\$100,000.00	\$200,000.00
Over-expenditure of Appropriations	202,567.46		202,567.46
Over-expenditure of Appropriation Reserves	<u>43,539.04</u>		<u>43,539.04</u>
	<u>\$546,106.50</u>	<u>\$100,000.00</u>	<u>\$446,106.50</u>
Trust Fund:			
Over-expenditure of Salary Settlement Reserve	<u>\$376,732.07</u>		<u>\$376,732.07</u>

NOTE 19: SUBSEQUENT EVENTS

The Township of Bridgewater has evaluated subsequent events occurring after the financial statement date through November 3, 2023 which is the date the financial statements were available to be issue. The Township issued \$16,139,000 of Bond Anticipation Notes dated July 31, 2023 at 4.50%.

TOWNSHIP OF BRIDGEWATER  
SUPPLEMENTARY SCHEDULES – ALL FUNDS  
YEAR ENDED DECEMBER 31, 2022

## TOWNSHIP OF BRIDGEWATER

## CURRENT FUND

## SCHEDULE OF CASH - COLLECTOR-TREASURER

	REF.	CURRENT FUND	GRANT FUND
Balance, December 31, 2021	A	\$ 17,951,255.86	\$ 1,149,688.47
Increased by Receipts:			
Taxes Receivable	A-8	\$ 198,577,207.22	\$
State of New Jersey-Senior Citizens and Veterans Deductions	A-7	190,347.33	
Interfunds	A-12	11,721,777.92	
Petty Cash	A-5	500.00	
Revenue Accounts Receivable	A-13	15,299,202.95	
Miscellaneous Revenue Not Anticipated	A-2	925,457.47	
Tax Overpayments	A-17	191,086.48	
Prepaid Taxes	A-18	1,443,155.17	
Tax Title Liens	A-9	603.55	
Grants - Unappropriated	A-24		172,567.77
Grants Receivable	A-25		209,990.87
Construction Code DCA - Due State of NJ	A-16	119,024.00	
Marriage Licenses Due State of NJ	A-28	2,400.00	
Municipal Relief Aid	A-32	307,776.25	
Reserve for Emergency Note Payable	A-30	300,000.00	
		<u>229,078,538.34</u>	<u>382,558.64</u>
		\$ 247,029,794.20	\$ 1,532,247.11
Decreased by Disbursements:			
2022 Appropriations (net)	A-3	\$ 40,078,270.69	\$
Appropriation Reserves	A-14	1,824,881.68	
Accounts Payable	A-11	21,323.68	
Interfunds	A-12	8,901,716.68	
Petty Cash	A-5	500.00	
Tax Overpayments	A-17	203,988.27	
Regional School Taxes	A-21	136,586,423.00	
County Taxes	A-20	38,814,695.57	
Special Fire District Taxes	A-22	2,810,740.00	
Refund of:			
Recreation Fees	A-2	1,791.20	
Reserve for Emergency Note Payable	A-30	400,000.00	
Prior Year Revenue	A-1	495.00	
Construction Code DCA - Due State of NJ	A-16	107,215.00	
Marriage Licenses Due State of NJ	A-28	3,325.00	
Due Current Fund	A-26		203,966.50
Grants-Appropriated	A-23		701,023.43
		<u>229,755,365.77</u>	<u>904,989.93</u>
Balance, December 31, 2022	A	\$ <u>17,274,428.43</u>	\$ <u>627,257.18</u>



"A-5"

TOWNSHIP OF BRIDGEWATER

CURRENT FUND

SCHEDULE OF PETTY CASH

OFFICE

Police Department  
Finance Department

	BALANCE DECEMBER 31 2021	RECEIVED FROM TREASURER	DISBURSED TO TREASURER	BALANCE DECEMBER 31 2022
	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00
	<u>500.00</u>			<u>500.00</u>
	\$ <u>1,000.00</u>	\$ <u>500.00</u>	\$ <u>500.00</u>	\$ <u>1,000.00</u>
<u>REF.</u>	A	A-4	A-4	A-4

"A-6"

SCHEDULE OF CHANGE FUNDS

Balance, December 31, 2021  
and December 31, 2022

A

\$ 410.00

DETAIL

Tax Collector  
Police  
Township Clerk  
Municipal Court

\$ 200.00  
50.00  
50.00  
110.00  
\$ 410.00

"A-7"

TOWNSHIP OF BRIDGEWATER

CURRENT FUND

SCHEDULE OF DUE STATE OF NEW JERSEY  
FOR SENIOR CITIZENS AND VETERANS DEDUCTIONS

	<u>REF.</u>		
Balance, December 31, 2021 (Due From)	A	\$	6,000.00
Increased by:			
Senior Citizens Deductions Per Tax Billing	A-7	\$	26,750.00
Veterans Deductions Per Tax Billing	A-7		167,750.00
Senior Citizens and Veterans Deductions Allowed by Tax Collector	A-7		<u>4,250.00</u>
			198,750.00
Decreased by:			
Senior Citizens Deductions Disallowed by Collector- prior year	A-8		8,902.67
Received From State	A-4		<u>190,347.33</u>
			199,250.00
Balance, December 31, 2022 (Due From)	A	\$	<u><u>5,500.00</u></u>

ANALYSIS OF STATE SHARE OF 2022 SENIOR  
CITIZENS AND VETERANS DEDUCTIONS

Senior Citizens Deductions Per Tax Billing	A-7	\$	26,750.00
Veterans Deductions Per Tax Billing	A-7		167,750.00
Senior Citizens and Veterans Deductions Allowed by Tax Collector-2022 Taxes	A-7		<u>4,250.00</u>
		\$	<u><u>198,750.00</u></u>

TOWNSHIP OF BRIDGEWATER

CURRENT FUND

## SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY

YEAR	BALANCE DECEMBER 31, 2021	2022 LEVY	ADDED TAXES	COLLECTIONS BY CASH		CANCELED	OVERPAYMENTS APPLIED	TRANSFERRED TO TAX TITLE LIENS	BALANCE DECEMBER 31, 2022
				2021	2022				
Prior	\$ 1,144,310.16	\$	\$ 8,902.67	\$	\$ 1,143,241.32	\$ 8,451.11	\$	\$	\$ 1,520.40
	\$ 1,144,310.16	\$	\$ 8,902.67	\$	\$ 1,143,241.32	\$ 8,451.11	\$	\$	\$ 1,520.40
2022		201,453,285.04		2,115,721.73	197,632,715.90	319,473.80	247,370.65	5,699.75	1,132,303.21
				2,115,721.73	198,775,957.22	327,924.91	247,370.65	5,699.75	1,133,823.61
A		A-8	A-7	A-2-A-18	A-2-A-8		A-2-A-17	A-9	A

## ANALYSIS OF 2022 PROPERTY TAX LEVY

	\$	198,323,004.41	
TAX YIELD		319,540.63	
General Property Tax		2,810,740.00	A-22
Added Taxes (54.4-63.1 et seq.)			
Special Fire District Tax	\$	201,453,285.04	A-8

## TAX LEVY

A-2-A-21			
	TAX LEVIED		
	Regional School District Tax (Abstract)	\$	31,041,873.62
	County Tax (Abstract)		4,454,794.19
	County Library Tax (Abstract)		3,019,072.06
	County Open Space (Abstract)	\$	38,515,739.87
			<u>31,931.96</u>
	Due County for Added Taxes (54:4-63.1 et seq.)		38,547,671.83
	Total County Taxes		
A-2-A-20			
	Special Fire District Tax	\$	23,220,841.54
	Local Tax for Municipal Purposes (Abstract)		287,608.67
	Add: Additional Tax Levied	\$	23,508,450.21
	Local Tax for Municipal Purposes Levied		<u>23,508,450.21</u>
A-8		\$	201,453,285.04

"A-9"

TOWNSHIP OF BRIDGEWATER

CURRENT FUND

SCHEDULE OF TAX TITLE LIENS

	<u>REF.</u>		
Balance, December 31, 2021	A	\$	155,501.43
Increased by:			
Taxes Accrued	A-8	\$	5,699.75
Interest & Costs on Tax Sale			<u>96.38</u>
			5,796.13
		\$	<u>161,297.56</u>
Decreased by:			
Receipts	A-4		<u>603.55</u>
Balance, December 31, 2022	A	\$	<u><u>160,694.01</u></u>

"A-10"

SCHEDULE OF PROPERTY ACQUIRED FOR TAXES  
(AT ASSESSED VALUATION)

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Balance, December 31, 2021 and December 31, 2022	A	\$	<u><u>422,300.00</u></u>
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"A-11"

TOWNSHIP OF BRIDGEWATER

CURRENT FUND

SCHEDULE OF RESERVE FOR ENCUMBRANCES/ACCOUNTS PAYABLE

	<u>REF.</u>		
Balance, December 31, 2021	A		\$ 1,950,785.05
Increased by:			
2022 Budget Appropriations	A-3	\$ 1,004,219.80	
Appropriation Reserves	A-14	<u>409,174.74</u>	
			\$ 1,413,394.54
			<u>\$ 3,364,179.59</u>
Decreased by:			
Disbursements	A-4	\$ 21,323.68	
Transferred to Appropriation Reserves	A-14	<u>1,350,598.48</u>	
			<u>1,371,922.16</u>
			<u>\$ 1,992,257.43</u>
Balance, December 31, 2022			
Reserve for Encumbrances	A		\$ 1,413,394.54
Reserve for Accounts Payable	A		<u>568,862.89</u>
			<u>\$ 1,982,257.43</u>

TOWNSHIP OF BRIDGEWATER

CURRENT FUND

SCHEDULE OF INTERFUNDS

	REF.	TOTAL	GRANT FUND	ANIMAL CONTROL TRUST FUND	OTHER TRUST FUND	GENERAL CAPITAL FUND	SEWER UTILITY OPERATING FUND
Balance, December 31, 2021							
Due To	A	\$ 867,185.34					
Due From	A	\$ 213,455.33	\$ 185,432.04	\$ 28,023.29	\$ 801,846.04	\$ 22,944.76	\$ 42,394.54
Receipts	A-4	\$ 11,721,777.92	\$ 203,966.50	\$ 1,329.06	\$ 4,643,864.57	\$ 5,553,545.45	\$ 1,319,072.34
Excess Animal Control Expenditures	A-2	19,617.17		19,617.17			
Disbursements	A-4	8,901,716.68		1,241.76	3,551,109.60	2,633,249.68	2,716,115.64
Balance, December 31, 2022							
Due To	A	\$ 4,856,376.00	\$ 18,534.46		\$ 1,894,601.01	\$ 2,943,240.53	\$ 1,354,648.76
Due From	A	1,402,201.92	\$	\$ 47,553.16			

TOWNSHIP OF BRIDGEWATER

CURRENT FUND

SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE

ACCOUNTS	REF.	BALANCE DECEMBER 31, 2021	ACCRUED IN 2022	COLLECTED	BALANCE DECEMBER 31, 2022
Licenses:					
Alcoholic Beverages	A-2	\$	\$ 90,327.00	\$ 90,327.00	\$
Other	A-2		47,658.00	47,658.00	
Fees and Permits	A-2		533,464.05	533,464.05	
Municipal Court:					
Fines and Costs	A-2	12,893.23	195,445.61	194,358.10	13,980.74
Interest and Costs on Taxes	A-2		288,170.42	288,170.42	
Interest on Investments and Deposits	A-2		338,260.51	338,260.51	
Recreation Fees	A-2		134,690.11	134,690.11	
Energy Receipts Tax	A-2		5,900,179.00	5,900,179.00	
Garden State Trust Fund	A-2		4,082.00	4,082.00	
Uniform Construction Code Fees	A-2		1,496,814.20	1,496,814.20	
Shared Municipal Court	A-2		129,504.77	129,504.77	
Shared Class III Officers	A-2		70,000.00	70,000.00	
Shared Resource Officer BOE	A-2		126,991.51	126,991.51	
Joint Services with County Library	A-2		101,556.67	101,556.67	
Life Hazard Use Fees	A-2		240,057.35	240,057.35	
Suburban Cablevision - Franchise Fee	A-2		533,437.31	533,437.31	
Payment in Lieu of Taxes-Centerbridge I	A-2		108,776.80	108,776.80	
Hotel Occupancy Tax	A-2		886,798.59	886,798.59	
Host Benefit Fees	A-2		361,492.50	361,492.50	
Debt Service Reimbursement - Open Space Trust Fund	A-2		56,759.21	56,759.21	
General Capital Fund Surplus	A-2		207,601.15	207,601.15	
Bridgewater Commons - Rent / Royalty / In Lieu Of	A-2		1,147,190.19	1,147,190.19	
American Relief Plan- Revenue Loss	A-2		2,301,033.51	2,301,033.51	
		\$ 12,893.23	\$ 15,300,290.46	\$ 15,299,202.95	\$ 13,980.74
REF.		A		A-4	A

TOWNSHIP OF BRIDGEWATER

CURRENT FUND

SCHEDULE OF 2021 APPROPRIATION RESERVES

	BALANCE DECEMBER 31, 2021	TRANSFERRED FROM ENCUMBRANCES PAYABLE	BALANCE AFTER MODIFICATION	PAID OR CHARGED	BALANCE LAPSED	OVER- EXPENDITURE
<u>SALARIES AND WAGES</u>	\$	\$	\$			\$
Mayor's Office	468.75		468.75		468.75	
Human Resources	11,825.90		11,825.90		9,619.24	
Township Council	1,125.77		1,125.77	2,206.66	1,125.77	
Township Administrator	20,892.03		20,892.03	2,760.00	18,132.03	
Purchasing Department	4,915.29		4,915.29	1,480.76	3,434.53	
Township Clerk	30,816.28		30,816.28	26,935.66	3,880.62	
Financial Administration	15,602.54		15,602.54	5,476.68	10,125.86	
Director of Finance	284.32		284.32		284.32	
Tax Collection	2,836.77		2,836.77	2,836.77		
Tax Assessment	21,067.39		21,067.39	21,067.39		
Legal Office	367.20		367.20		367.20	
Director of Municipal Services (Engineering)	23.07		23.07		23.07	
Engineering	35,351.79		35,351.79	7,220.72	28,131.07	
Information Technology	14,493.62		14,493.62	2,370.66	12,122.96	
Board of Adjustment/Zoning	4,532.96		4,532.96		4,532.96	
Division of Planning	4,354.58		4,354.58		4,354.58	
Police	164,767.53		164,767.53	1,072.08	163,695.45	
Office of Emergency Management	2,400.00		2,400.00		2,400.00	
Fire Official	6,652.20		6,652.20		6,652.20	
Municipal Court	314.17		314.17		314.17	
Streets and Roads	289,660.54		289,660.54	24,193.23	265,467.31	
Vehicle Maintenance	300.29		300.29		300.29	
Snow Removal	25,000.00		25,000.00		25,000.00	
Park Maintenance	138,361.73		138,361.73	2,491.93	135,869.80	
Public Buildings and Grounds	90,585.38		90,585.38	34.90	90,550.48	
Health and Human Services Director	2,610.00		2,610.00	5,424.80		
Public Health Services	13,712.93		13,712.93	5,721.55	8,288.13	
Senior Citizen Services	5,721.55		5,721.55	7,829.76		
Division of Recreation and Parks	26,953.44		26,953.44	33,950.10	19,123.68	
Construction Code Official	34,570.78		34,570.78	11,502.27	620.66	
Municipal Court - Shared Services	14,052.88		14,052.88	29,551.89	2,550.61	
Police Department- Shared Resource Office BOE	110,000.00		110,000.00		80,448.11	
BOE Class III Officers (Cap Waiver)	65,000.00		65,000.00		65,000.00	



TOWNSHIP OF BRIDGEWATER

CURRENT FUND

SCHEDULE OF 2021 APPROPRIATION RESERVES

	BALANCE DECEMBER 31, 2021	TRANSFERRED FROM ENCUMBRANCES PAYABLE	BALANCE AFTER MODIFICATION	PAID OR CHARGED	BALANCE LAPSED	OVER- EXPENDITURE
<u>OTHER EXPENSES</u>	\$	\$	\$	\$	\$	\$
Mayor's Office	1,474.70	5,183.50	1,474.70	5,135.50	1,474.70	
Human Resources	86.09	886.00	5,269.59	886.00	134.09	
Township Council	3.00	56,324.41	889.00	72,850.11	3.00	
Township Administrator	39,176.69	950.17	95,501.10	2,874.28	22,650.99	
Purchasing Department	950.17	2,498.17	3,448.34	2,431.96	574.06	
Central Office Supplies	1,020.73	3,073.11	4,093.84	651.76	1,661.88	
Postage	6,691.92	651.76	7,343.68	1,013.20	6,691.92	
Township Clerk	1,293.08	13.20	1,306.28	293.08	293.08	
Elections	6,062.01	17,212.50	6,062.01	6,456.95	6,062.01	
Financial Administration	12,534.07	21,963.41	29,746.57	20,978.59	23,289.62	
Director of Finance	8,739.15	4,317.13	30,702.56	4,272.28	9,723.97	
Tax Collection	136.42	8,658.00	4,453.55	8,658.00	181.27	
Assessment of Taxes	26,390.84	61,519.50	35,048.84	61,519.50	26,390.84	
Reassessment Program	88,612.45	71,538.42	160,150.87	79,243.84	80,907.03	
Legal Office	1,104,957.20	172,719.77	1,277,676.97	300,610.05	977,066.92	
Employee Group Insurance	5,380.55	9.00	5,389.55	954.50	4,435.05	
Health Benefits Waiver	1,871.02	17,446.25	1,671.02	17,445.00	1,671.02	
Director of Municipal Services (Engineering)	14,953.54	359.99	32,399.79	1,109.99	14,954.79	
Engineering	1,424.90	6,544.87	15,136.34	6,223.18	8,913.16	
IT Department	8,591.47	14,080.97	61,501.95	24,639.33	36,862.62	
Board of Adjustments (Zoning Board)	47,420.98	2,929.03	9,109.03	3,523.87	5,585.16	
Division of Planning	6,180.00	240,727.62	252,845.82	252,177.17	668.65	
Planning Board	12,118.20	46,137.39	1,134.19	45,804.34	1,134.19	
Police	1,134.19	4,566.22	51,144.28	1,824.45	5,339.94	
Office of Emergency Management	5,006.89	25,100.00	30,000.00	25,100.00	12,515.97	
Fire Official	9,774.20	86,008.19	97,951.46	94,836.89	4,900.00	
Municipal Court	4,900.00	25,470.35	25,470.35	42,402.31	3,114.57	
Public Defender	11,943.27	895.99	12,550.76	155,758.48	0.99	
Streets and Roads	895.99	157,804.98	158,394.05	44,664.75	12,550.76	
Storm Trash Pick Up	12,550.76	36,440.33	50,504.40		2,635.57	
Vehicle Maintenance	589.07				5,839.65	
Recycling	14,064.07					
Snow Removal						
Park Maintenance						

TOWNSHIP OF BRIDGEWATER

CURRENT FUND

SCHEDULE OF 2021 APPROPRIATION RESERVES

	BALANCE DECEMBER 31, 2021	TRANSFERRED FROM ENCUMBRANCES PAYABLE	BALANCE AFTER MODIFICATION	PAID OR CHARGED	BALANCE LAPSED	OVER- EXPENDITURE
<b>OTHER EXPENSES (CONTINUED)</b>						
Municipal Services Reimbursements: Condominiums	\$ 90,000.00	\$	\$ 90,000.00	\$ 39,341.64	\$ 50,658.36	\$
Public Buildings and Grounds	21,230.33	99,357.54	120,587.87	106,301.49	14,286.38	
Health and Human Resource Director	795.40	89.50	884.90		884.90	
Public Health Services	34,201.59	28,089.22	62,290.81	62,290.81		
Contribution to Regional Center Partnership	4,110.00		4,110.00		4,110.00	
Visiting Nurse Contribution	11,000.00		11,000.00		11,000.00	
Environmental Commission	849.95		849.95		849.95	
Senior Citizen Services	40,339.39	1,489.26	41,828.65	1,457.48	40,371.17	
Division of Recreation and Parks	36,873.30	20,792.80	57,665.90	15,703.86	41,962.04	
Maintenance of Library	12,271.05	12,031.38	24,302.43	13,439.29	10,863.14	
Green Brook Flood Control	0.72		0.72		0.72	
Public Safety- Hazardous Busing	0.41		0.41		0.41	
Construction Code Official	51,948.37	45,551.05	97,499.42	70,459.54	27,039.88	
Street Lighting	48,038.57		48,038.57	27,144.17	20,894.40	
Telephone Service	8,946.16		8,946.16			
Fire Hydrant Service	124,704.56		124,704.56	124,704.56		
Utilities	154,407.01		154,407.01	88,413.26	65,993.75	
Public Employees Retirement System	2.22		2.22		2.22	
Social Security System (O.A.S.I.)	315,905.04		315,905.04		315,905.04	
Defined Contribution Retirement Plan (DCRP)	22,237.63		22,237.63		22,237.63	
Length of Service Awards Program	24,403.96		24,403.96			
COVID 19 Related Expenses	3,551.17	1,000.00	4,551.17	67,943.00		43,539.04
Shared Service- Municipal Library	45,889.73	510.55	46,400.28	3,794.32	756.85	
Computer Equipment		20,000.00	20,000.00	2,951.64	43,448.64	
Purchase of Vehicles	75,000.00		75,000.00	19,910.76	89.24	
	\$ 3,793,059.86	\$ 1,360,598.48	\$ 5,153,658.34	\$ 2,234,056.42	\$ 2,963,140.96	\$ 43,539.04

REF.

Disbursements  
Reserve for Encumbrances Payable

A-4  
A-11

A-11

A-1

A-33

\$ 1,824,881.68  
409,174.74

\$ 2,234,056.42

"A-15"

TOWNSHIP OF BRIDGEWATER

CURRENT FUND

SCHEDULE OF RESERVE FOR TAX APPEALS

REF.

Balance, December 31, 2021  
and December 31, 2022

A

\$ 483,939.86

"A-16"

SCHEDULE OF RESERVE FOR CONSTRUCTION CODE DCA - DUE STATE OF N.J.

Balance, December 31, 2021

A

\$ 24,218.00

Increased by:  
Receipts

A-4

119,024.00  
\$ 143,242.00

Decreased by:  
Disbursements

A-4

107,215.00

Balance, December 31, 2022

A

\$ 36,027.00

"A-17"

TOWNSHIP OF BRIDGEWATER  
CURRENT FUND  
SCHEDULE OF TAX OVERPAYMENTS

	<u>REF.</u>		
Balance, December 31, 2021	A	\$	262,379.46
Increased by:			
Overpayments in 2022	A-4		191,086.48
		\$	<u>453,465.94</u>
Decreased by:			
Refunded	A-4	\$	203,988.27
Applied to Taxes	A-8		<u>247,370.65</u>
			451,358.92
Balance, December 31, 2022	A	\$	<u><u>2,107.02</u></u>

"A-18"

SCHEDULE OF PREPAID TAXES

Balance, December 31, 2021	A	\$	2,115,721.73
Increased by:			
Collection of 2023 Taxes	A-4		1,443,155.17
		\$	<u>3,558,876.90</u>
Decreased by:			
Applied to 2022 Taxes	A-8		<u>2,115,721.73</u>
Balance, December 31, 2022	A	\$	<u><u>1,443,155.17</u></u>

"A-19"

TOWNSHIP OF BRIDGEWATER

CURRENT FUND

SCHEDULE OF RESERVE FOR SALE OF MUNICIPAL ASSETS

REF.

Balance, December 31, 2021  
and December 31, 2022

A

\$ 48,394.24

"A-20"

SCHEDULE OF COUNTY TAXES PAYABLE

Balance, December 31, 2021

A

\$ 298,955.70

Increased by:  
2022 Levy  
Added Taxes

\$ 38,515,739.87  
31,931.96

A-1:A-8

38,547,671.83  
\$ 38,846,627.53

Decreased by:  
Payments

A-4

38,814,695.57

Balance, December 31, 2022

A

\$ 31,931.96

"A-21"

TOWNSHIP OF BRIDGEWATER

CURRENT FUND

SCHEDULE OF REGIONAL SCHOOL DISTRICT TAXES PAYABLE

	<u>REF.</u>	
Increased by:		
School Levy	A-1:A-8	\$ <u>136,586,423.00</u>
Decreased by:		
Payments	A-4	\$ <u><u>136,586,423.00</u></u>

"A-22"

SCHEDULE OF SPECIAL FIRE DISTRICT TAXES PAYABLE

Increased by:		
2022 Special District Tax Levy	A-1:A-8	\$ <u>2,810,740.00</u>
Decreased by:		
Payments	A-4	\$ <u><u>2,810,740.00</u></u>

TOWNSHIP OF BRIDGEWATER  
GRANT FUND  
SCHEDULE OF GRANTS APPROPRIATED

	BALANCE DECEMBER 31, 2021	2021 BUDGET APPROPRIATION	EXPENDED	BALANCE DECEMBER 31, 2022
Drunk Driving Enforcement Fund	\$ 29,250.37	\$ 8,995.60	\$ 3,666.00	\$ 34,579.97
Clean Communities Program	109,188.44	99,731.71	36,591.84	172,328.31
Municipal Alliance Program	12,205.81		21.06	12,184.75
Municipal Alliance Program Match	18,035.78		9,610.64	8,425.14
Safe & Secure Communities	212,400.00			212,400.00
Safe & Secure Communities & Match	442,679.46			442,679.46
Alcohol Education Rehabilitation	3,739.48			3,739.48
Body Armor Replacement Fund		5,165.09		5,165.09
Federal Bulletproof Vest Program	2,369.09			2,369.09
ROID - Match	2,000.00			2,000.00
Recycling Tonnage Program		185,376.66	48,293.00	137,083.66
Somerset County Youth Services Commission	548.08		13.76	534.32
Office of Emergency Management	65,396.00	10,000.00	28,466.78	46,939.22
Regional Center Partnership	38,320.00			38,320.00
NJ DOT - Highway Safety Fund - Safe Corridor	45.85	40,378.00	35,042.00	5,381.85
NJ DOT- Municipal Aid - Country Club Road - Section I	57,415.64			57,415.64
NJ DOT -Municipal Aid- Country Club Road - Phase VIII	42,204.89			42,204.89
NJ DOT -Municipal Aid- Steeple Chase Lane	78,257.93			78,257.93
NJ DOT -Municipal Aid- Stony Brook Dr Improvements Section 1	400,000.00		400,000.00	
NJ DOT -Municipal Aid- Rolling Hills Road Improvements		442,500.00		442,500.00
Somerset County Recreation - Camp Cromwell Trail Improvements		350,000.00	350,000.00	
Recreation Improvements for Upgrade to Kids Street	100,000.00			100,000.00
Sustainable New Jersey	2,212.50			2,212.50
Strengthening Local Public Health Capacity Training	4,817.63			4,817.63
Historic Preservation	256,531.30			256,531.30
Radon Awareness	2,005.00			2,005.00
Workplace Yoga	350.00			350.00
	<u>\$ 1,879,973.25</u>	<u>\$ 1,142,147.06</u>	<u>\$ 911,695.08</u>	<u>\$ 2,110,425.23</u>
	A	A-3		A
Disbursements	A-4		\$ 701,023.43	
Accounts Payable	A-27		\$ 450,611.70	
			\$ 1,151,635.13	
			239,940.05	
Less: Transferred from Accounts Payable	A-27		\$ 911,695.08	

TOWNSHIP OF BRIDGEWATER

GRANT FUND

SCHEDULE OF GRANTS UNAPPROPRIATED

	BALANCE DECEMBER 31, 2021	RECEIPTS	APPLIED TO RECEIVABLE	BALANCE DECEMBER 31, 2022
Drunk Driving Enforcement Fund	\$ 8,995.60	\$	\$ 8,995.60	\$
Body Armor Replacement Fund	5,165.09	8,128.29	5,165.09	8,128.29
Emergency Management	10,000.00	10,000.00	10,000.00	10,000.00
Clean Communities	99,731.71	100,439.48	99,731.71	100,439.48
Safe and Secure Communities		32,400.00		32,400.00
Youth Services Commission		16,000.00		16,000.00
MY Somerset County Grant		5,600.00		5,600.00
	<u>\$ 123,892.40</u>	<u>\$ 172,567.77</u>	<u>\$ 123,892.40</u>	<u>\$ 172,567.77</u>
REF.	A	A-4	A-25	A



TOWNSHIP OF BRIDGEWATER

GRANT FUND

SCHEDULE OF GRANTS RECEIVABLE

	BALANCE DECEMBER 31, 2021	BUDGET APPROPRIATION	RECEIPTS	UNAPPROPRIATED APPLIED	BALANCE DECEMBER 31, 2022
	\$	\$	\$	\$	\$
Drunk Driving Enforcement Fund		8,995.60		8,995.60	
Clean Communities Program		99,731.71		99,731.71	
Municipal Alliance Program	2,128.18		2,128.18		
Body Armor Replacement Fund	7,933.10	5,165.09		5,165.09	7,933.10
Federal Bulletproof Vest Partnership		10,000.00		10,000.00	
Emergency Management	20.00				20.00
Open Space Stewardship	178,585.00				178,585.00
Historic Preservation	5,000.00				5,000.00
Sustainable New Jersey		185,376.66	185,376.66		
Recycling Tonnage Program	45.85				45.85
NJ DOT - Highway Safety - Safe Corridors	77,156.67		22,486.03		54,670.64
NJ DOT - Municipal Aid Program - Country Club Road Section I	41,168.47				41,168.47
NJ DOT - Municipal Aid Program - Country Club Road Phase VIII	380,000.00				380,000.00
NJ DOT - Municipal Aid Program - Steeple Chase Lane	400,000.00				400,000.00
NJ DOT - Municipal Aid Program - Stony Brook Dr Imp. Section 1	442,500.00				442,500.00
NJ DOT - Municipal Aid Program- Rolling Hills Road Improvements	40,378.00				40,378.00
NJ DOT - Highway Safety- Safe Corridors	350,000.00				350,000.00
So. County Recreation grant- Camp Cromwell Trail Development	187,496.00				187,496.00
Body Worn Cameras	16.00				16.00
Radon Awareness					
	<u>\$ 1,279,549.27</u>	<u>\$ 1,142,147.06</u>	<u>\$ 209,990.87</u>	<u>\$ 123,892.40</u>	<u>\$ 2,087,813.06</u>
	A	A-2	A-4	A-24	A

REF.

"A-26"

TOWNSHIP OF BRIDGEWATER

GRANT FUND

SCHEDULE OF DUE CURRENT FUND

	<u>REF.</u>	
Balance, December 31, 2021 (Due To)	A	\$ 185,432.04
Decreased by:		
Disbursements	A-4	<u>203,966.50</u>
Balance, December 31, 2022 (Due From)	A	\$ <u><u>18,534.46</u></u>

"A-27"

SCHEDULE OF ACCOUNTS PAYABLE

Balance, December 31, 2021	A	\$ 239,940.05
Increased by:		
Grants Appropriated	A-23	<u>450,611.70</u>
		\$ <u>690,551.75</u>
Decreased by:		
Transferred to Grants Appropriated	A-23	<u>239,940.05</u>
Balance, December 31, 2022	A	\$ <u><u>450,611.70</u></u>

"A-28"

TOWNSHIP OF BRIDGEWATER

CURRENT FUND

SCHEDULE OF RESERVE FOR MARRIAGE LICENSES - DUE STATE OF NEW JERSEY

	<u>REF.</u>	
Balance, December 31, 2021	A	\$ 925.00
Increased by:		
Receipts	A-4	<u>2,400.00</u>
		\$ <u>3,325.00</u>
Decreased by:		
Paid to State	A-4	\$ <u><u>3,325.00</u></u>

"A-29"

SCHEDULE OF RESERVE FOR INSURANCE DAMAGE

Balance, December 31, 2021	A	\$ <u>6,846.54</u>
Decreased:		
Anticipated Revenue	A-2	\$ <u><u>6,846.54</u></u>

"A-30"

TOWNSHIP OF BRIDGEWATER

CURRENT FUND

SCHEDULE OF EMERGENCY NOTE PAYABLE

	<u>REF.</u>	
Balance, December 31, 2021	A	\$ 400,000.00
Increased by Receipts	A-4	<u>300,000.00</u>
		700,000.00
Decreased by: Disbursements	A-4	<u>400,000.00</u>
Balance, December 31, 2022	A	\$ <u>300,000.00</u>

"A-31"

SCHEDULE OF RESERVE FOR LIBRARY EXPENDITURES

Balance, December 31, 2021 and December 31, 2022	A	\$ <u>8,934.00</u>
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"A-32"

TOWNSHIP OF BRIDGEWATER

CURRENT FUND

SCHEDULE OF RESERVE FOR MUNICIPAL RELIEF AID

REF.

Increased by:			
Receipts	A-4	\$	<u>307,776.25</u>
Balance, December 31, 2022	A	\$	<u><u>307,776.25</u></u>

"A-33"

SCHEDULE OF DEFERRED CHARGES

Balance, December 31, 2021	A	\$	530,000.00
Increased by:			
2022 Appropriations	A-1:A-3	\$	202,567.46
2021 Appropriation Reserves	A-14		<u>43,539.04</u>
			<u>246,106.50</u>
		\$	<u>776,106.50</u>
Decreased by:			
2022 Appropriations	A-3		<u>230,000.00</u>
		\$	<u>546,106.50</u>
Balance, December 31, 2022	A		
Overexpenditure of 2022 Appropriations		\$	202,567.46
Overexpenditure of 2021 Appropriation Reserves			<u>43,539.04</u>
N.J.S.A. 40A: 4-53 Severance Pay			<u>300,000.00</u>
		\$	<u><u>546,106.50</u></u>

TOWNSHIP OF BRIDGEWATER

TRUST FUND

SCHEDULE OF CASH - TREASURER

REF.		ANIMAL CONTROL	OTHER
B	Balance, December 31, 2021	\$ 75,669.49	\$ 13,877,293.70
	Increased by Receipts:		
B-9	Reserve for Animal Control Expenditures		
B-10	Due State of New Jersey	\$ 22,459.20	
B-3	Reserve for Various Trust Deposits	2,122.80	
B-8	Reserve for Municipal Open Space Trust Deposits		
B-4	Reserve for Tax Sale Premiums		12,274,235.35
B-5	Reserve for Redemption of Outside Liens		77,491.05
B-6	Reserve for State Unemployment Insurance		1,929,900.00
B-7	Reserve for Law Enforcement Trust Fund		1,202,891.25
B-14	Due General Capital Fund		23,716.62
B-12:B-13	Due Current Fund	1,241.76	163.28
		<u>25,823.76</u>	<u>1,200,000.00</u>
		\$ 101,493.25	\$ 20,259,507.15
	Decreased by Disbursements:		
B-12:B-13	Due Current Fund		
B-10	New Jersey State Board of Health	\$ 1,329.06	
B-9	Expenditures Under R.S.4:19-15.11	2,091.60	
B-3	Reserve for Various Trust Deposits	2,013.23	
B-4	Reserve for Tax Sale Premiums		4,843,864.57
B-5	Reserve for Redemption of Outside Liens		
B-8	Reserve for Municipal Open Space Trust Deposits		12,732,374.23
B-16	Deferred Charge- Overexpenditure of Reserve		2,042,600.00
B-6	Reserve for State Unemployment Insurance		1,227,912.07
			107,886.46
			376,732.07
		<u>5,433.89</u>	<u>25,702.25</u>
B	Balance, December 31, 2022	\$ 96,059.36	\$ 21,157,071.65
			<u>\$ 12,979,729.20</u>

TOWNSHIP OF BRIDGEWATER

TRUST FUND

SCHEDULE OF RESERVE FOR VARIOUS TRUST DEPOSITS

<u>ACCOUNT</u>	<u>BALANCE DECEMBER 31, 2021</u>	<u>INCREASED BY</u>	<u>DECREASED BY</u>	<u>BALANCE DECEMBER 31, 2022</u>
	\$			\$
Escrow/Other Accounts	1,021,104.34	270,247.26	234,693.27	1,056,658.33
Public Defender	10,580.37	3,150.00		13,730.37
Police Offense Adjudication Act	5,181.00	118.00	1,156.00	4,143.00
Fire Fines and Penalties	80,247.86	14,325.00	34,772.00	59,800.86
Fire Penalties Due Departments	27,470.00	19,525.00	15,245.00	31,750.00
Storm Recovery	214,531.87		104,544.45	109,987.42
Salary Settlements	162,226.31		162,226.31	
Police Outside Overtime	26,347.08	777,018.23	777,018.23	26,347.08
Recreation	23,587.59	181,915.29	177,051.96	28,450.92
COAH	4,308,267.00	174,164.27	1,143,096.89	3,339,334.38
Site Inspections	824,336.05	151,541.43	211,504.05	764,373.43
Performance Bonds	2,801,580.46	342,558.78	39,753.24	3,104,386.00
Professional Fees Escrow	880,085.65	599,433.09	363,834.34	1,115,684.40
Maintenance Escrow	26,521.62	39.50	6,218.27	20,342.85
Payroll Deductions Payable	84,552.84	9,740,199.60	9,461,260.22	363,492.22
	\$	\$	\$	\$
	10,496,620.04	12,274,235.45	12,732,374.23	10,038,481.26
	B	B-2	B-2	B
<u>REF.</u>				

A detailed analysis of the various deposits is on file in the office of the Township Treasurer.

"B-4"

TOWNSHIP OF BRIDGEWATER

TRUST FUND

SCHEDULE OF RESERVE FOR TAX SALE PREMIUMS

	<u>REF.</u>	
Balance, December 31, 2021	B	\$ 2,048,200.00
Increased by:		
Receipts	B-2	<u>1,929,900.00</u>
		\$ 3,978,100.00
Decreased by:		
Disbursements	B-2	<u>2,042,600.00</u>
Balance, December 31, 2022	B	<u>\$ 1,935,500.00</u>

"B-5"

SCHEDULE OF RESERVE FOR REDEMPTION OF OUTSIDE LIENS

Balance, December 31, 2021	B	\$ 26,102.78
Increased by:		
Receipts	B-2	<u>1,202,891.25</u>
		\$ 1,228,994.03
Decreased by:		
Disbursements	B-2	<u>1,227,912.07</u>
Balance, December 31, 2022	B	<u>\$ 1,081.96</u>



TOWNSHIP OF BRIDGEWATER

TRUST FUND

SCHEDULE OF RESERVE FOR STATE UNEMPLOYMENT INSURANCE

	<u>REF.</u>		
Balance, December 31, 2021	B		\$ 25,251.40
Increased by:			
Receipts		\$ 23,433.12	
Interest Earned on Deposit		<u>283.50</u>	
	B-2		<u>23,716.62</u>
			\$ <u>48,968.02</u>
Decreased by:			
Disbursements	B-2		<u>25,702.25</u>
Balance, December 31, 2022	B		\$ <u><u>23,265.77</u></u>

"B-7"

TOWNSHIP OF BRIDGEWATER

TRUST FUND

SCHEDULE OF RESERVE FOR LAW ENFORCEMENT TRUST FUND

	<u>REF.</u>		
Balance, December 31, 2021	B	\$	12,417.27
Increased by:			
Interest Earned on Deposit	B-2		<u>163.28</u>
Balance, December 31, 2022	B	\$	<u><u>12,580.55</u></u>

"B-8"

TOWNSHIP OF BRIDGEWATER

TRUST FUND

SCHEDULE OF RESERVE FOR MUNICIPAL OPEN SPACE TRUST DEPOSITS

	<u>REF.</u>		
Balance, December 31, 2021	B		\$ 3,324,769.24
Increased by:			
Interest Earned on Deposit		\$ 16,854.69	
Receipts		<u>60,636.36</u>	
	B-2		<u>77,491.05</u>
			\$ 3,402,260.29
Decreased by:			
Disbursements	B-2		<u>107,886.46</u>
Balance, December 31, 2022	B		<u>\$ 3,294,373.83</u>

"B-9"

TOWNSHIP OF BRIDGEWATER

TRUST FUND

SCHEDULE OF RESERVE FOR ANIMAL CONTROL TRUST FUND EXPENDITURES

	<u>REF.</u>		
Balance, December 31, 2021	B		\$ 47,646.20
Increased by:			
Cat License Fees Collected		\$ 195.00	
Dog License Fees Collected		21,033.20	
Late Fees		796.00	
Kennel/Pet Shop Licenses		<u>435.00</u>	
			<u>22,459.20</u>
			\$ 70,105.40
Decreased by:			
Expenditures Under R.S.4:19-15.11	B-2	\$ 2,013.23	
Transfer Accounts Payable	B-11	2,508.00	
Excess Reserve for Expenditures Due Current Fund	B-12	<u>19,617.17</u>	
			<u>24,138.40</u>
Balance, December 31, 2022	B		\$ <u><u>45,967.00</u></u>

LICENSE FEES COLLECTED

<u>YEAR</u>	<u>AMOUNT</u>
2021	\$ 22,698.00
2020	<u>23,269.00</u>
	<u>\$ 45,967.00</u>

"B-10"

TOWNSHIP OF BRIDGEWATER

TRUST FUND

SCHEDULE OF DUE STATE DEPARTMENT OF HEALTH - ANIMAL CONTROL TRUST FUND

	<u>REF.</u>	
Increased by:		
State Registration Fees Collected	B-2	\$ 2,122.80
Decreased by:		
Paid to State Department of Health	B-2	<u>2,091.60</u>
		\$ <u>31.20</u>
Balance, December 31, 2022	B	

"B-11"

SCHEDULE OF ACCOUNTS PAYABLE - ANIMAL CONTROL FUND

Increased by:		
Reserve for Expenditures	B-9	\$ <u>2,508.00</u>
		\$ <u>2,508.00</u>
Balance, December 31, 2022	B	

"B-12"

TOWNSHIP OF BRIDGEWATER

TRUST FUND

SCHEDULE OF DUE CURRENT FUND - ANIMAL CONTROL TRUST FUND

	<u>REF.</u>		
Balance, December 31, 2021 (Due To)	B		\$ 28,023.29
Increased by:			
Excess Reserve for Animal Control Expenditures	B-9	\$ 19,617.17	
Receipts	B-2	<u>1,241.76</u>	
			20,858.93
Decreased by:			\$ 48,882.22
Disbursements	B-2		<u>1,329.06</u>
Balance, December 31, 2022 (Due To)	B		\$ <u>47,553.16</u>

"B-13"

SCHEDULE OF DUE CURRENT FUND - OTHER TRUST FUND

Balance, December 31, 2021 (Due From)	B		\$ 801,846.04
Increased by:			
Disbursements	B-2		4,643,864.57
			\$ <u>5,445,710.61</u>
Decreased by:			
Receipts	B-2		<u>3,551,109.60</u>
Balance, December 31, 2022 (Due From)	B		\$ <u>1,894,601.01</u>

"B-14"

TOWNSHIP OF BRIDGEWATER

TRUST FUND

SCHEDULE OF DUE GENERAL CAPITAL FUND - OTHER TRUST FUND

	<u>REF.</u>	
Balance, December 31, 2021 (Due From)	B	\$ <u>1,200,000.00</u>
Decreased by:		
Receipts	B-2	\$ <u><u>1,200,000.00</u></u>

"B-15"

SCHEDULE OF DUE SEWER OPERATING FUND - OTHER TRUST FUND

Balance, December 31, 2021 and December 31, 2022 (Due From)	B	\$ <u>54,220.99</u>
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"B-16"

TOWNSHIP OF BRIDGEWATER

TRUST FUND

SCHEDULE OF DEFERRED CHARGE

	<u>REF.</u>	
Increased by:		
Disbursements	B-2	\$ <u>376,732.07</u>
Balance, December 31, 2022		
(Overexpenditure of reserve for Salary Settlements)	B	\$ <u><u>376,732.07</u></u>



"C-2"

TOWNSHIP OF BRIDGEWATER  
GENERAL CAPITAL FUND  
SCHEDULE OF CASH - TREASURER

	<u>REF.</u>		
Balance, December 31, 2021	C		\$ 10,272,357.85
Increased by Receipts:			
Capital Improvement Fund	C-7	\$ 500,000.00	
Deferred Unfunded	C-6	1,109,000.00	
Reserve for Payment of Debt Service	C-13	1,200.00	
Fund Balance	C-1	179,620.10	
Bond Anticipation Notes	C-11	8,539,000.00	
Due Current Fund	C-15	2,633,249.68	
Due Sewer Utility Capital Fund	C-17	300,000.00	
Sale of Bonds	C-6	<u>20,945,000.00</u>	
			<u>34,207,069.78</u>
			\$ <u>44,479,427.63</u>
Decreased by Disbursements:			
Contracts Payable	C-12	\$ 11,780,472.24	
Due Current Fund	C-15	5,553,545.45	
Due Trust Other Fund	C-16	1,200,000.00	
Due Sewer Utility Operating Fund	C-18	899,367.81	
Fund Balance	C-1	207,601.15	
Bond Anticipation Notes	C-11	<u>22,054,000.00</u>	
			<u>41,694,986.65</u>
Balance, December 31, 2022	C		\$ <u><u>2,784,440.98</u></u>

"C-3"

TOWNSHIP OF BRIDGEWATER

GENERAL CAPITAL FUND

ANALYSIS OF CAPITAL CASH AND INVESTMENTS

	BALANCE DECEMBER 31, 2022
Capital Improvement Fund	
Fund Balance	\$ 86,097.88
Reserve for Capital Projects	574,932.56
Reserve for Preliminary Expenses	150,000.00
Reserve for Debt Service	5,000.00
Due Current Fund	8,801.15
Due Sewer Utility Operating Fund	(2,943,240.53)
Due Sewer Utility Capital Fund	300,000.00
Contracts Payable	(899,367.81)
Unexpended Proceeds of Bond Anticipation Notes (Listed on C-6)	4,191,708.49
Funded Improvement Authorizations	1,011,639.29
Unfunded Improvements Expended (Listed on C-6)	1,560,119.58
	<u>(1,261,249.63)</u>
	\$ <u>2,784,440.98</u>

REF.

C

"C-4"

TOWNSHIP OF BRIDGEWATER

GENERAL CAPITAL FUND

SCHEDULE OF DEFERRED CHARGES  
TO FUTURE TAXATION - FUNDED

	<u>REF.</u>		
Balance, December 31, 2021	C		\$ 51,252,230.69
Increased by:			
Bond Sale	C-6	\$ 20,945,000.00	
Improvement Authority Loans	C-14	<u>391,255.71</u>	
			21,336,255.71
			\$ <u>72,588,486.40</u>
Decreased by:			
Improvement Authority Loans Paid by Budget	C-14	\$ 594,873.25	
Bonds Paid by Budget	C-10	<u>4,219,000.00</u>	
			4,813,873.25
Balance, December 31, 2022	C		\$ <u><u>67,774,613.15</u></u>

"C-5"

SCHEDULE OF RESERVE FOR PRELIMINARY EXPENSES

Balance, December 31, 2021 and December 31, 2022	C	\$ <u><u>5,000.00</u></u>
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"C-7"

TOWNSHIP OF BRIDGEWATER  
GENERAL CAPITAL FUND  
SCHEDULE OF CAPITAL IMPROVEMENT FUND

	<u>REF.</u>	
Balance, December 31, 2021	C	\$ 161,173.30
Increased by:		
2022 Budget Appropriation	C-2	\$ <u>500,000.00</u> 661,173.30
Decreased by:		
Appropriated to Finance Improvements	C-9	<u>575,075.42</u>
Balance, December 31, 2022	C	\$ <u><u>86,097.88</u></u>

"C-8"

SCHEDULE OF RESERVE FOR CAPITAL PROJECTS

Balance, December 31, 2021 and December 31, 2022	C	\$ <u><u>150,000.00</u></u>
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TOWNSHIP OF BRIDGEWATER

GENERAL CAPITAL FUND

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

Ordinance	BALANCE - DECEMBER 31, 2021		2022		CONTRACTS PAYABLE CANCELED	BALANCE - DECEMBER 31, 2022	
	FUNDED	UNFUNDED	AUTHORIZATIONS	EXPENDED		FUNDED	UNFUNDED
07-02 Construction of Municipal Complex	\$ 94,617.82	\$	\$		\$	\$ 94,617.82	\$
08-03 Various Road and Drainage Improvements	1,775.67					1,775.67	
08-04 Various Improvements	816.36					816.36	
10-03 Various Improvements	4,337.50					4,337.50	
11-06 Various Improvements	13,715.70					13,715.70	
11-07 Various Improvements	1,205.00					1,205.00	
13-06 Various Road Improvements	71,722.35					71,722.35	
16-13 Various Road Improvements	4,322.50					4,322.50	
16-14 Acquisition of Various Public Equipment	39,634.94					39,634.94	
17-14 Various Road Improvements	26.34					26.34	
17-15 Acquisition of Various Public Works Equipment	0.30				43,041.30	43,067.64	
18-07 Various Road Improvements		16,672.25		9,305.00		0.30	
18-10 Various Acquisitions and Improvements		102,520.47				7,367.25	
19-11 Various Public Works Equipment		41,730.84				102,520.47	
19-13 Various Road Improvements		131,460.00		128,121.29		41,730.84	
20-15 Various Road Improvements		460,608.96		456,722.03		3,338.71	
20-20 Demolition of Existing Bldg on Mountain Top Road		30,967.00				3,886.93	
21-07 Various Road Improvements		2,167,796.19		1,073,161.81		1,094,338.38	30,967.00
21-25 Improvements to Various Streets, Roads & Infrastructure		80,934.01			944,441.14		295.00
22-03 Various Road Improvements			8,000,000.00	7,958,052.71			1,025,375.15
22-09 Stream Bank Restoration Project			989,150.00	475.00			41,947.29
22-31 Bridgewater Senior Center COVID-19 Resiliency Project			254,778.42			18,983.00	969,692.00
22-34 Installation of Audio Visual Equip for Council Chambers			112,879.00	112,879.00		12,738.42	242,040.00
	\$ 232,174.48	\$ 3,032,688.52	\$ 9,356,807.42	\$ 9,738,716.84	\$ 987,482.44	\$ 1,560,119.58	\$ 2,310,316.44
	C	C		C-12	C-12	C	C-C-6
Deferred Charges To Future Taxation - Unfunded			\$ 8,781,732.00				
Capital Improvement Fund			575,075.42				
			\$ 9,356,807.42				

REF.  
C-6  
C-7

TOWNSHIP OF BRIDGEWATER

GENERAL CAPITAL FUND

SCHEDULE OF SERIAL BONDS PAYABLE

PURPOSE	DATE OF ISSUE	AMOUNT OF ORIGINAL ISSUE	OUTSTANDING DECEMBER 31, 2022		INTEREST RATE	BALANCE DECEMBER 31, 2021		INCREASED	DECREASED	BALANCE DECEMBER 31, 2022
			DATE	AMOUNT		\$	\$			
General Improvement Refunding Bonds General Improvements	5/19/19	\$ 2,108,000.00	4/1/2023-2026	1,010,000.00	3.000%	\$ 684,000.00	\$	\$ 684,000.00	\$	
	4/1/12	16,642,000.00	04/01/2027	1,010,000.00	3.125%					
			4/1/2028-2029	1,010,000.00	3.250%					
			04/01/2030	1,010,000.00	3.375%					
			04/01/2031	1,010,000.00	3.500%					
			04/01/2032	1,012,000.00	3.500%					10,102,000.00
General Improvement Refunding Bonds General Improvements	10/1/12	5,655,000.00	08/01/2023	455,000.00	4.000%	11,112,000.00	\$	600,000.00		
	8/1/2016	8,349,000.00	08/01/2024	460,000.00	4.000%					
			08/01/2025	470,000.00	4.000%					
			08/01/2026	480,000.00	2.000%					
			08/01/2027	485,000.00	2.000%					
			08/01/2028-2029	500,000.00	2.000%					
			08/01/2030-2031	500,000.00	2.125%					
			08/01/2032-2034	500,000.00	2.250%					
			08/01/2035	500,000.00	2.375%					
			08/01/2036	499,000.00	2.500%					
General Improvement Refunding Bonds	8/24/2017	14,605,000.00	09/01/2023	935,000.00	4.000%	7,099,000.00	\$	250,000.00		6,849,000.00
			09/01/2024	935,000.00	4.000%					
			09/01/2025	930,000.00	5.000%					
			09/01/2026	965,000.00	5.000%					
			09/01/2027	975,000.00	5.000%					
			09/01/2028	980,000.00	5.000%					
			09/01/2029	990,000.00	5.000%					
			09/01/2030	1,000,000.00	4.000%					
			09/01/2031	1,000,000.00	3.000%					
			09/01/2032	990,000.00	3.000%					
General Improvement Bonds	8/9/2018	13,170,000.00	09/01/2033	980,000.00	3.000%	13,635,000.00	\$	930,000.00		12,705,000.00
			09/01/2034	970,000.00	3.000%					
			09/01/2035	1,055,000.00	3.000%					
			08/01/2023	585,000.00	5.000%					
			08/01/2024	615,000.00	5.000%					
			08/01/2025	640,000.00	5.000%					
			08/01/2026	655,000.00	2.500%					
			08/01/2027	675,000.00	3.000%					
			08/01/2028	700,000.00	3.000%					
			08/01/2029	720,000.00	3.000%					
		08/01/2030	740,000.00	3.000%						
		08/01/2031	765,000.00	3.000%						
		08/01/2032	785,000.00	3.000%						
		08/01/2033	815,000.00	3.000%						
		08/01/2034	840,000.00	3.000%						
		08/01/2035	865,000.00	3.325%						
		08/01/2036	895,000.00	3.125%						
		08/01/2037	900,000.00	3.250%						
					11,750,000.00			555,000.00		11,195,000.00

TOWNSHIP OF BRIDGEWATER

GENERAL CAPITAL FUND

SCHEDULE OF SERIAL BONDS PAYABLE

PURPOSE	DATE OF ISSUE	AMOUNT OF ORIGINAL ISSUE	OUTSTANDING		INTEREST RATE	BALANCE DECEMBER 31, 2021	INCREASED	DECREASED	BALANCE DECEMBER 31, 2022
			DATE	AMOUNT					
General Improvement Bonds	8/1/2021	5,550,000.00	08/01/2023	280,000.00	2.000%				
			08/01/2024	280,000.00	2.750%				
			8/1/2025-2026	350,000.00	4.000%				
			08/01/2027	360,000.00	4.000%				
			08/01/2028	370,000.00	4.000%				
			08/01/2029	370,000.00	3.000%				
			8/1/2030-2037	375,000.00	2.000%	\$ 5,550,000.00	\$	190,000.00	\$ 5,360,000.00
General Improvement Bonds	8/1/2022	20,945,000.00	08/01/2023	780,000.00	5.000%				
			08/01/2024	820,000.00	5.000%				
			08/01/2025	940,000.00	5.000%				
			08/01/2026	965,000.00	5.000%				
			08/01/2027	1,000,000.00	5.000%				
			08/01/2028	1,030,000.00	5.000%				
			01/09/1900	1,055,000.00	5.000%				
			09/01/2030	1,075,000.00	4.000%				
			08/01/2031	1,115,000.00	4.000%				
			08/01/2032	1,150,000.00	4.000%				
			08/01/2033	1,180,000.00	4.000%				
			08/01/2034	1,220,000.00	3.125%				
			08/01/2035	1,260,000.00	3.250%				
			09/01/2036	1,360,000.00	3.375%				
			08/01/2037	1,400,000.00	3.500%				
			08/01/2038	1,500,000.00	3.500%				
			08/01/2039	1,535,000.00	4.000%				
			08/01/2040	1,560,000.00	4.000%				
						\$ 50,430,000.00	\$ 20,945,000.00	\$ 4,219,000.00	\$ 67,156,000.00
						C	C-4	C-4	C

REF.

REF.





"C-12"

TOWNSHIP OF BRIDGEWATER

GENERAL CAPITAL FUND

SCHEDULE OF RESERVE FOR CONTRACTS PAYABLE

	<u>REF.</u>		
Balance, December 31, 2021	C		\$ 7,220,946.33
Increased by:			
Charges to Improvement Authorizations	C-9		9,738,716.84
			<u>\$ 16,959,663.17</u>
Decreased by:			
Disbursements	C-2	\$ 11,780,472.24	
Canceled	C-9	<u>987,482.44</u>	
			<u>12,767,954.68</u>
Balance, December 31, 2022	C		<u><u>\$ 4,191,708.49</u></u>

"C-13"

TOWNSHIP OF BRIDGEWATER  
GENERAL CAPITAL FUND  
SCHEDULE OF RESERVE FOR PAYMENT OF DEBT SERVICE

	<u>REF.</u>	
Balance, December 31, 2021	C	\$ 7,601.15
Increased by:		
Receipts	C-2	<u>1,200.00</u>
Balance, December 31, 2022	C	\$ <u>8,801.15</u>

"C-14"

SCHEDULE OF IMPROVEMENT AUTHORITY LOANS PAYABLE

Balance, December 31, 2021	C	\$ 822,230.69
Increased by:		
Improvement Authority Loans	C-4	<u>391,255.71</u>
		\$ 1,213,486.40
Decreased by:		
Payment on Loans	C-4	<u>594,873.25</u>
Balance, December 31, 2022	C	\$ <u>618,613.15</u>

"C-15"

TOWNSHIP OF BRIDGEWATER

GENERAL CAPITAL FUND

SCHEDULE OF DUE CURRENT FUND

	<u>REF.</u>	
Balance, December 31, 2021 (Due From)	C	\$ 22,944.76
Increased by: Disbursements	C-2	<u>5,553,545.45</u>
		\$ 5,576,490.21
Decreased by: Receipts	C-2	<u>2,233,249.68</u>
Balance, December 31, 2022 (Due From)	C	<u>\$ 3,343,240.53</u>

"C-16"

SCHEDULE OF DUE TRUST OTHER FUND

Balance, December 31, 2021 (Due To)	C	\$ <u>1,200,000.00</u>
Decreased by: Disbursements	C-2	\$ <u>1,200,000.00</u>

"C-17"

TOWNSHIP OF BRIDGEWATER

GENERAL CAPITAL FUND

SCHEDULE OF DUE SEWER UTILITY CAPITAL FUND

	<u>REF.</u>	
Increased by:		
Receipts	C-2	\$ <u>300,000.00</u>
Balance, December 31, 2022		
(Due To)	C	\$ <u><u>300,000.00</u></u>

"C-18"

SCHEDULE OF DUE SEWER UTILITY OPERATING FUND

Increased by:		
Disbursements	C-2	\$ <u>899,367.81</u>
Balance, December 31, 2022		
(Due From)	C	\$ <u><u>899,367.81</u></u>

"C-19"

TOWNSHIP OF BRIDGEWATER

GENERAL CAPITAL FUND

SCHEDULE OF BONDS AND NOTES  
AUTHORIZED BUT NOT ISSUED

<u>ORDINANCE</u> <u>NUMBER</u>	<u>IMPROVEMENT DESCRIPTION</u>	<u>BALANCE</u> <u>DECEMBER 31, 2022</u>
06-14	Various Road Improvements	\$ 226,899.78
20-20	Demolition of Existing Bldg on Mountain Top Road	190,000.00
21-07	Various Road Improvements	295.00
21-25	Improvements to Various Streets, Roads & Infrastructures	1,900,000.00
22-09	Stream Bank Restoration Project	692.00
22-31	Bridgewater Senior Center COVID-19 Resiliency Project	242,040.00
		<hr/>
		\$ 2,559,926.78
		<hr/>

"D-5"

TOWNSHIP OF BRIDGEWATER

SEWER UTILITY FUND

SCHEDULE OF CHANGE FUND

REF.

Balance, December 31, 2021  
and December 31, 2022

D

\$ 100.00

"D-6"

TOWNSHIP OF BRIDGEWATER  
SEWER UTILITY FUND  
SCHEDULE OF CASH - COLLECTOR-TREASURER

	<u>REF.</u>	<u>OPERATING</u>	<u>CAPITAL</u>
Balance, December 31, 2021	D	\$ <u>1,448,786.49</u>	\$ <u>4,611,615.73</u>
Increased by Receipts:			
Sewer Charges Receivable	D-8	\$ 10,035,257.38	\$
Miscellaneous Revenue Not Anticipated	D-1:D-3	637,018.89	
Due Current Fund	D-10	2,716,115.64	
Due Sewer Capital Fund	D-26	1,500,000.00	
Due General Capital Fund	D-12	899,367.81	
Due Sewer Utility Operating Fund	D-27		545,524.91
Sewer Overpayments	D-9	25,129.90	
Special Emergency Note Payable	D-30		300,000.00
Township of Warren - Debt Service	D-1:D-3	73,350.34	
Sewer Capital Fund Balance	D-1:D-3	541,150.00	
Prepaid Sewer Charges	D-19	77,947.37	
		\$ <u>16,505,337.33</u>	\$ <u>845,524.91</u>
		\$ <u>17,954,123.82</u>	\$ <u>5,457,140.64</u>
Decreased by Disbursements:			
2022 Budget Appropriations	D-4	\$ 9,767,509.35	\$
2021 Appropriation Reserves	D-18	217,004.00	
Fund Balance	D-2		541,150.00
Due Current Fund	D-10	1,319,072.34	
Due General Capital Fund	D-11		300,000.00
Sewer Overpayments	D-9	965.60	
Due Sewer Utility Operating Fund	D-27		1,500,000.00
Due Sewer Capital Fund	D-26	545,524.91	
Bond Anticipation Notes Payable	D-30		
Contracts Payable	D-13		1,653,942.23
Accrued Interest on Bonds	D-29	188,813.90	
Accrued Interest on Loans	D-28	3,502.14	
		\$ <u>12,042,392.24</u>	\$ <u>3,995,092.23</u>
Balance, December 31, 2022	D:D-7	\$ <u>5,911,731.58</u>	\$ <u>1,462,048.41</u>



"D-7"

TOWNSHIP OF BRIDGEWATER

SEWER UTILITY FUND

ANALYSIS OF SEWER UTILITY CAPITAL CASH

BALANCE  
DECEMBER  
31, 2022

SEWER:	
Fund Balance	\$ 578,707.37
Contracts Payable	1,389,788.05
Due Sewer Operating Fund	(413,325.09)
Due General Capital Fund	(300,000.00)
Capital Improvement Fund	843.56
Improvement Authorizations - Funded:	
Ord. # 16-12 Various Sewer Utility Improvements	337,533.95
Ord. # 18-09 Various Sewer Utility Improvements	848,965.71
Ord. # 19-12 Various Sewer Utility Improvements	53,983.18
Ord. # 21-13 Imp to Gilbridge & Middlebrook Pump Stations	413,407.44
Bonds and Notes Authorized but not Issued	(2,678,496.48)
Unfunded Improvements Expended	<u>1,230,640.72</u>
	<u>\$ 1,462,048.41</u>

REF.

D:D-6

"D-8"

TOWNSHIP OF BRIDGEWATER

SEWER UTILITY FUND

SCHEDULE OF SEWER USE CHARGES RECEIVABLE

	<u>REF.</u>		
Balance, December 31, 2021	D		\$ 382,710.79
Increased by:			
Sewer Charges Levied (Net)			11,255,204.41
			<u>\$ 11,637,915.20</u>
Decreased By:			
Collections	D-6	\$ 10,035,257.38	
Fund Balance Applied	D-2	131,770.40	
Prepaid Applied	D-19	25,942.70	
Sewer Overpayments Applied	D-9	61,653.51	
Canceled		<u>54,781.46</u>	
			<u>10,309,405.45</u>
Balance, December 31, 2022	D		<u><u>\$ 1,328,509.75</u></u>

"D-9"

TOWNSHIP OF BRIDGEWATER

SEWER UTILITY FUND

SCHEDULE OF SEWER USE CHARGE OVERPAYMENTS

	<u>REF.</u>		
Balance, December 31, 2021	D		\$ 39,435.43
Increased by:			
Receipts	D-6		<u>.25,129.90</u>
			\$ 64,565.33
Decreased by:			
Applied	D-8	\$ 61,653.51	
Refunded	D-6	<u>965.60</u>	
			<u>62,619.11</u>
Balance, December 31, 2022	D		<u><u>\$ 1,946.22</u></u>

"D-10"

TOWNSHIP OF BRIDGEWATER

SEWER UTILITY FUND

SCHEDULE OF DUE CURRENT FUND

	<u>REF.</u>	
Balance, December 31, 2021		
Due From	D	\$ 42,394.54
Increased by:		
Disbursements	D-6	1,319,072.34
		\$ <u>1,361,466.88</u>
Decreased by:		
Receipts	D-6	<u>2,716,115.64</u>
Balance, December 31, 2022		
Due To	D	\$ <u><u>1,354,648.76</u></u>

"D-11"

TOWNSHIP OF BRIDGEWATER  
SEWER UTILITY CAPITAL FUND  
SCHEDULE OF DUE GENERAL CAPITAL FUND

	<u>REF.</u>	
Increased by:		
Disbursements	D-6	\$ <u>300,000.00</u>
Balance, December 31, 2022 (Due From)	D	\$ <u><u>300,000.00</u></u>

"D-12"

SEWER UTILITY FUND  
SCHEDULE OF DUE GENERAL CAPITAL FUND

Receipts	D-6	\$ <u>899,367.81</u>
Balance, December 31, 2022 (Due To)	D	\$ <u><u>899,367.81</u></u>

"D-13"

TOWNSHIP OF BRIDGEWATER  
SEWER UTILITY CAPITAL FUND  
SCHEDULE OF CONTRACTS PAYABLE

	<u>REF.</u>	
Balance, December 31, 2021	D	\$ 949,446.26
Increased by:		
Charges to Improvement Authorizations	D-24	<u>2,094,284.02</u>
		\$ <u>3,043,730.28</u>
Decreased by:		
Disbursements	D-6	<u>1,653,942.23</u>
Balance, December 31, 2022	D	\$ <u><u>1,389,788.05</u></u>

TOWNSHIP OF BRIDGEWATER

SEWER UTILITY FUND

SCHEDULE OF ENCUMBRANCES AND ACCOUNTS PAYABLE

	<u>REF.</u>		
Balance, December 31, 2021	D		\$ 276,039.03
Increased by:			
2022 Appropriations	D-4	\$ 106,734.10	
2021 Appropriation Reserves	D-18	<u>83,501.22</u>	
			190,235.32
			<u>\$ 466,274.35</u>
Decreased by:			
2021 Appropriation Reserves	D-18		<u>214,468.92</u>
			<u>\$ 251,805.43</u>
Balance, December 31, 2022			
Reserve for Encumbrances Payable	D		\$ 190,235.32
Reserve for Accounts Payable	D		<u>61,570.11</u>
			<u>\$ 251,805.43</u>

"D-15"

TOWNSHIP OF BRIDGEWATER

SEWER UTILITY CAPITAL FUND

SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED

<u>ORDINANCE NUMBER</u>	<u>IMPROVEMENT DESCRIPTION</u>	<u>ORDINANCE DATE</u>	<u>BALANCE DECEMBER 31, 2022 AND 2021</u>
15-07	Various Sewer Utility Improvements	05/14/15	1,560,000.00
16-12	Various Sewer Utility Improvements	06/20/16	3,225,000.00
17-20	Various Sewer Utility Improvements	08/21/17	3,719,700.00
18-09	Various Sewer Utility Improvements	05/21/18	1,745,500.00
19-12	Various Sewer Utility Improvements	07/01/19	2,000,000.00
21-13	Imp to Gilbridge & Middlebrook Pump Stations	06/21/21	1,500,000.00
21-24	Middlebrook Trunk Sewer Renovations	12/20/21	400,000.00
			<u>\$ 14,150,200.00</u>
		<u>REF.</u>	D

"D-16"

SCHEDULE OF FIXED CAPITAL

<u>ACCOUNT</u>	<u>BALANCE DECEMBER 31, 2022 AND 2021</u>
Bridgewater Trunk Sewer	\$ 1,040,000.00
Somerset Shopping Center Trunk Sewer Crossing #3 Trunk Sewer and North Branch Trunk Sewer Section 2	1,200,000.00
North Branch Trunk Sewer Connection	2,915,519.36
Vanderveer Trunk	300,000.00
Improvements to Ivy Lane	126,034.63
Purchase of Equipment	460,930.87
Middlebrook Trunk Sewer Connection	8,588,727.14
Gilbridge Pump Station	1,224,610.00
Bradley Gardens Sewer System	655,733.15
Finderne Section Sewer System	488,035.94
North trunk Line Manhole Rehabilitation	819,191.78
Various Sewer Improvements	1,730,027.61
Relining Sewer Mains- Bradley Gardens, Finderne and Somerville Roads	1,423,239.10
	<u>\$ 20,972,049.58</u>
	<u>REF.</u> D



"D-17"

TOWNSHIP OF BRIDGEWATER  
SEWER UTILITY CAPITAL FUND  
SCHEDULE OF CAPITAL IMPROVEMENT FUND

Balance, December 31, 2021  
and December 31, 2022

REF.

D

\$ 843.56

TOWNSHIP OF BRIDGEWATER

SEWER UTILITY FUND

SCHEDULE OF 2021 APPROPRIATION RESERVES

	BALANCE DECEMBER 31, 2021	BALANCE AFTER MODIFICATION	PAID OR CHARGED	BALANCE LAPSED
Operating:				
Salaries and Wages	\$ 27,092.84	\$ 27,092.84	\$	27,092.84
Other Expenses	275,877.45	490,345.37	276,600.23	213,745.14
Somerset Raritan Valley Sewerage Authority	167,844.36	167,845.36	1.00	167,844.36
Statutory Expenditures:				
Contribution to Social Security System	139,685.00	139,685.00	23,903.99	115,781.01
	<u>\$ 610,499.65</u>	<u>\$ 824,968.57</u>	<u>\$ 300,505.22</u>	<u>\$ 524,463.35</u>
REF.	D			D-1
Balance, December 31, 2021	\$	610,499.65		
Transfer of Encumbrances Payable	D-14	214,468.92		
	\$	<u>824,968.57</u>		
Disbursements	D-6		\$ 217,004.00	
Transfer to Accounts Payable	D-14		<u>83,501.22</u>	
			<u>\$ 300,505.22</u>	

"D-19"

TOWNSHIP OF BRIDGEWATER

SEWER UTILITY FUND

SCHEDULE OF PREPAID SEWER CHARGES

	<u>REF.</u>	
Balance, December 31, 2021	D	\$ 25,942.70
Increased by:		
Receipts	D-6	<u>77,947.37</u>
		\$ 103,890.07
Decreased by:		
Prepaid Applied	D-8	<u>25,942.70</u>
Balance, December 31, 2022	D	<u>\$ 77,947.37</u>

"D-20"

TOWNSHIP OF BRIDGEWATER

SEWER UTILITY FUND

SCHEDULE OF DUE TRUST OTHER FUND

REF.

Balance, December 31, 2021  
and December 31, 2022 (Due To)

D

\$ 54,220.99

"D-21"

TOWNSHIP OF BRIDGEWATER

SEWER UTILITY CAPITAL FUND

SCHEDULE OF ENVIRONMENTAL INFRASTRUCTURE TRUST LOAN PAYABLE

	<u>REF.</u>	
Balance, December 31, 2021	D	\$ 304,186.40
Decreased by:		
Loans Paid by Budget	D-4	<u>37,398.28</u>
Balance, December 31, 2022	D	\$ <u><u>266,788.12</u></u>

"D-22"

TOWNSHIP OF BRIDGEWATER

SEWER UTILITY CAPITAL FUND

SCHEDULE OF DEFERRED RESERVE FOR AMORTIZATION

<u>ORDINANCE NUMBER</u>	<u>IMPROVEMENT DESCRIPTION</u>	<u>DATE</u>	<u>BALANCE DECEMBER 31, 2021 AND 2022</u>
16-12	Various Sewer Utility Improvements	07/12/16	\$ 1,700,000.00
17-20	Various Sewer Utility Improvements	08/21/17	2,299,000.00
18-09	Various Sewer Utility Improvements	05/21/18	1,745,500.00
19-12	Various Sewer Utility Improvements	07/01/19	2,000,000.00
21-13	Imp to Gilbridge & Middlebrook Pump Stations	06/21/21	1,500,000.00
			<u>\$ 9,244,500.00</u>
		<u>REF.</u>	D

"D-23"

TOWNSHIP OF BRIDGEWATER

SEWER UTILITY CAPITAL FUND

SCHEDULE OF RESERVE FOR AMORTIZATION

	<u>REF.</u>		
Balance, December 31, 2021	D		\$ 17,017,066.70
Increased by:			
EIT Loan Payable Paid by Operating Budget	D-21	\$ 37,398.28	
Serial Bonds Paid by Operating Budget	D-25	<u>307,000.00</u>	
			<u>344,398.28</u>
Balance, December 31, 2022	D		\$ <u>17,361,464.98</u>

## SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

ORDINANCE	IMPROVEMENT DESCRIPTION	ORDINANCE AMOUNT	BALANCE, DECEMBER 31, 2021			BALANCE, DECEMBER 31, 2022	
			FUNDED	UNFUNDED		FUNDED	UNFUNDED
09-10	Improvements to the Sanitary Sewer System	\$ 1,300,000.00	\$	167.00	\$		
15-07	Various Sewer Utility Improvements	1,560,000.00		281,799.61		167.00	
16-12	Various Sewer Utility Improvements	3,225,000.00				281,799.61	
17-20	Various Sewer Utility Improvements	3,719,700.00	533,693.95		337,533.95		
18-09	Various Sewer Utility Improvements	1,745,500.00		965,988.11		948,674.11	
19-12	Various Sewer Utility Improvements	2,000,000.00	1,717,529.77		848,965.71		
21-13	Imp to Gilbridge & Middlebrook Pump Stations	1,500,000.00	225,927.55		53,983.18		
21-24	Middlebrook Trunk Sewer Renovations	400,000.00	853,709.03		413,407.44		
				400,000.00			
		\$	3,330,860.30	\$ 1,647,954.72	\$ 1,653,890.28	\$ 1,230,640.72	
REF.			D	D	D	D	



TOWNSHIP OF BRIDGEWATER  
SEWER UTILITY CAPITAL FUND  
SCHEDULE OF SEWER SERIAL BONDS PAYABLE

	DATE OF ISSUE	ORIGINAL ISSUE	MATURITIES OF BONDS OUTSTANDING		INTEREST RATE	BALANCE DECEMBER 31, 2021	DECREASED	BALANCE DECEMBER 31, 2022
			DATE	AMOUNT				
Sewer Utility Refunding Bonds Sewer Utility Bonds	5/19/19	\$ 112,000.00		\$	3.000%			
	4/1/12	636,000.00	04/01/2023	35,000.00	3.000%			
			4/1/2024-2026	40,000.00	3.125%			
			04/01/2027	40,000.00	3.250%			
			4/1/2028-2029	40,000.00	3.375%			
Sewer Utility Bonds			04/01/2030	40,000.00	3.500%			
			04/01/2031	40,000.00	3.500%			
			04/01/2032	36,000.00	5.000%			
	8/9/18	5,740,000.00	08/01/2023	255,000.00	5.000%	415,000.00	25,000.00	391,000.00
			08/01/2024	270,000.00	5.000%			
			08/01/2025	280,000.00	5.000%			
			08/01/2026	290,000.00	2.500%			
			08/01/2027	295,000.00	3.000%			
			08/01/2028	305,000.00	3.000%			
			08/01/2029	315,000.00	3.000%			
			08/01/2030	325,000.00	3.000%			
			08/01/2031	335,000.00	3.000%			
			08/01/2032	345,000.00	3.000%			
			08/01/2033	355,000.00	3.000%			
			08/01/2034	370,000.00	3.125%			
			8/1/2035-2036	380,000.00	3.250%			
			08/01/2037	380,000.00				
						5,125,000.00	245,000.00	4,880,000.00
						5,578,000.00	307,000.00	5,271,000.00
						D	D-4	D

REF.

"D-26"

TOWNSHIP OF BRIDGEWATER

SEWER UTILITY FUND

SCHEDULE OF DUE SEWER UTILITY CAPITAL FUND

	<u>REF.</u>	
Balance, December 31, 2021 (Due From)	D	\$ 541,150.00
Increased by:		
Disbursements	D-6	545,524.91
		\$ <u>1,086,674.91</u>
Decreased by:		
Receipts	D-6	1,500,000.00
Balance, December 31, 2022 (Due To)	D	\$ <u><u>413,325.09</u></u>

"D-27"

SEWER UTILITY CAPITAL FUND

SCHEDULE OF DUE SEWER UTILITY OPERATING FUND

Balance, December 31, 2021 (Due To)	D	\$ 541,150.00
Increased by:		
Receipts	D-6	545,524.91
		\$ <u>1,086,674.91</u>
Decreased by:		
Disbursements	D-6	1,500,000.00
Balance, December 31, 2022 (Due From)	D	\$ <u><u>413,325.09</u></u>

"D-28"

TOWNSHIP OF BRIDGEWATER  
SEWER UTILITY FUND  
SCHEDULE OF ACCRUED INTEREST ON LOANS

	<u>REF.</u>	
Balance, December 31, 2021	D	\$ 1,395.83
Increased by:		
Budget Appropriation Charges	D-4	\$ <u>3,875.00</u> 5,270.83
Decreased by:		
Interest Paid	D-6	<u>3,502.14</u>
Balance, December 31, 2022	D	\$ <u><u>1,768.69</u></u>

"D-29"

SCHEDULE OF ACCRUED INTEREST ON BONDS

Balance, December 31, 2021	D	\$ 9,458.99
Increased by:		
Budget Appropriation Charges	D-4	\$ <u>250,115.74</u> 259,574.73
Decreased by:		
Interest Paid	D-6	<u>188,813.90</u>
Balance, December 31, 2022	D	\$ <u><u>70,760.83</u></u>

"D-30"

TOWNSHIP OF BRIDGEWATER

SEWER UTILITY CAPITAL FUND

SCHEDULE OF SPECIAL EMERGENCY NOTE PAYABLE

<u>ORDINANCE NUMBER</u>	<u>IMPROVEMENT DESCRIPTION</u>	<u>DATE OF ORIGINAL ISSUE</u>	<u>DATE OF ISSUE</u>	<u>DATE OF MATURITY</u>	<u>INTEREST RATE</u>	<u>INCREASED</u>	<u>BALANCE DECEMBER 31, 2022</u>
21-24	Middlebrook Trunk Sewer Renovations	08/01/22	08/01/22	08/01/23	4.00%	\$ 300,000.00	\$ 300,000.00
						\$ 300,000.00	\$ 300,000.00
					<u>REF.</u>	D-6	D

"D-31"

TOWNSHIP OF BRIDGEWATER

SEWER UTILITY FUND

SCHEDULE OF CONNECTION CHARGES RECEIVABLE

REF.

Balance, December 31, 2021  
and December 31, 2022 (Overpayment)

D

\$ 550.00

"D-32"

TOWNSHIP OF BRIDGEWATER

SEWER UTILITY FUND

SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

<u>ORDINANCE</u>	<u>IMPROVEMENT DESCRIPTION</u>	<u>BALANCE DECEMBER 31, 2022</u>
	Sewer Utility Capital Fund:	
98-11	Purchase of Equipment	\$ 380.87
09-10	Improvements to the Sanitary Sewer System	167.00
13-05	Various Sewer Utility Improvements	319,458.61
15-07	Various Sewer Utility Improvements	837,790.00
17-20	Various Sewer Utility Improvements	1,420,700.00
21-24	Middlebrook Trunk Sewer Renovations	<u>100,000.00</u>
		<u>\$ 2,678,496.48</u>

PART II

TOWNSHIP OF BRIDGEWATER

SINGLE AUDIT SECTION

REPORT ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN  
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

REPORT ON COMPLIANCE WITH REQUIREMENTS  
APPLICABLE TO MAJOR FEDERAL AND STATE FINANCIAL  
ASSISTANCE PROGRAMS AND ON INTERNAL CONTROL OVER COMPLIANCE  
REQUIRED BY THE UNIFORM GUIDANCE AND  
NEW JERSEY OMB CIRCULAR 15-08

SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND  
STATE FINANCIAL ASSISTANCE

NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL  
AWARDS AND STATE FINANCIAL ASSISTANCE

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS



# SUPLEE, CLOONEY & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

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**INDEPENDENT AUDITOR'S 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**

The Honorable Mayor and Members  
of the Township Council  
Township of Bridgewater  
County of Somerset  
Bridgewater, New Jersey 08807

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the regulatory financial statements of the various individual funds and the account group of the Township of Bridgewater, as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the Township's regulatory financial statements, and have issued our report thereon dated November 3, 2023. Our report disclosed that, as described in Note 1 to the financial statements, the Township of Bridgewater prepares its financial statements on a basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, that demonstrates compliance with a modified accrual basis and the budget laws of the State of New Jersey, which is a comprehensive basis of accounting other than U.S. generally accepted accounting principles.

### ***Internal Control Over Financial Reporting***

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

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



## SUPLEE, CLOONEY & COMPANY

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

### ***Compliance and Other Matters***

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

### ***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 entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

  
\_\_\_\_\_  
CERTIFIED PUBLIC ACCOUNTANTS

  
\_\_\_\_\_  
REGISTERED MUNICIPAL ACCOUNTANT NO. 439

November 3, 2023



# SUPLEE, CLOONEY & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE  
WITH REQUIREMENTS APPLICABLE TO MAJOR FEDERAL AND  
STATE FINANCIAL ASSISTANCE PROGRAMS AND  
INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE  
UNIFORM GUIDANCE AND NEW JERSEY OMB CIRCULAR 15-08**

The Honorable Mayor and Members  
of the Township Council  
Township of Bridgewater  
County of Somerset  
Bridgewater, New Jersey 08807

***Report on Compliance for Each Major Federal and State Program***

We have audited the Township of Bridgewater's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the *New Jersey OMB State Grant Compliance Supplement* that could have a direct and material effect on each of the Township of Bridgewater's major federal and state programs for the year ended December 31, 2022. The Township's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of the Township of Bridgewater's major federal and state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance 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 the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and New Jersey OMB Circular 15-08. Those standards, the Uniform Guidance and New Jersey OMB Circular 15-08 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal or state program occurred. An audit includes examining, on a test basis, evidence about the Township of Bridgewater's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

## SUPLEE, CLOONEY & COMPANY

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Township of Bridgewater's compliance.

### ***Opinion on Each Major Federal and State Program***

In our opinion, the Township of Bridgewater complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended December 31, 2022

### ***Report on Internal Control Over Compliance***

Management of the Township of Bridgewater is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Township of Bridgewater's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal and state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal and state program and to test and report on internal control over compliance in accordance with the Uniform Guidance and New Jersey OMB Circular 15-08, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Township of Bridgewater's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of State of New Jersey the Uniform Guidance and State of New Jersey OMB Circular 15-08. Accordingly, this report is not suitable for any other purpose.

  
CERTIFIED PUBLIC ACCOUNTANTS

  
REGISTERED MUNICIPAL ACCOUNTANT NO. 439

November 3, 2023

## TOWNSHIP OF BRIDGEWATER

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2022

FEDERAL AL NUMBER	FEDERAL GRANTOR/PASS THROUGH GRANTOR/PROGRAM TITLE	GRANTOR'S NUMBER	GRANT AWARD AMOUNT	GRANT PERIOD FROM TO	2022 RECEIPTS	2022 EXPENDITURES	CUMULATIVE EXPENDITURES DECEMBER 31, 2022
16.607	U.S. Department of Justice Federal Bulletproof Partnership Program - FY 2021	BYP-21094942	\$ 9,301.60	Continuous	\$	\$	\$ 6,932.51
					\$	\$	\$ 6,932.51
21.027	U.S. Department of Treasury Coronavirus State and Local Fiscal Recovery Funds	21-100-022-8030-687	\$ 2,301,033.51	6/16/21 12/31/26	\$ 2,301,033.51	\$ 2,301,033.51	\$ 2,301,033.51
	Pass Through From State of New Jersey				\$ 2,301,033.51	\$ 2,301,033.51	\$ 2,301,033.51
66.605	Sustainable New Jersey - Radon Protection	4820-100-047	\$ 2,000.00	Continuous	\$	\$	\$ 1,995.00
66.605	Sustainable New Jersey - Radon Protection		2,000.00	Continuous	\$	\$	\$ 1,995.00
97.042	Department of Homeland Security Emergency Management Assistance	1200-100-066-1200-264-YEMR-6120	5,000.00	Continuous			4,762.50
97.042	Emergency Management Assistance	1200-100-066-1200-264-YEMR-6120	10,000.00	Continuous			3,712.52
97.042	Emergency Management Assistance	1200-100-066-1200-264-YEMR-6120	5,000.00	Continuous			2,500.00
97.042	Emergency Management Assistance	1200-100-066-1200-264-YEMR-6120	5,000.00	Continuous			
97.042	Emergency Management Assistance	1200-100-066-1200-264-YEMR-6120	5,000.00	Continuous			
97.042	Emergency Management Assistance	1200-100-066-1200-264-YEMR-6120	7,000.00	Continuous			28.98
97.042	Emergency Management Assistance	1200-100-066-1200-264-YEMR-6120	9,400.00	Continuous		8,456.78	8,456.78
97.042	Emergency Management Assistance	1200-100-066-1200-264-YEMR-6120	20,000.00	Continuous		10,000.00	10,000.00
97.042	Emergency Management Assistance	1200-100-066-1200-264-YEMR-6120	10,000.00	Continuous			
97.042	Emergency Management Assistance	1200-100-066-1200-264-YEMR-6120	10,000.00	Continuous	10,000.00	10,000.00	10,000.00
					\$ 10,000.00	\$	
97.036	Public Assistance- Hurricane IDA	1200-100-066-1200-100-C84	144,880.80	9/5/21 3/5/23	\$ 615,551.18	\$ 28,456.78	\$ 38,460.78
					\$	\$ 615,551.18	\$ 615,551.18
	<b>TOTAL FEDERAL FINANCIAL ASSISTANCE</b>				\$ 2,926,584.69	\$ 2,945,041.47	\$ 2,964,972.98

The accompanying notes to schedules of financial assistance are an integral part of this schedule.

TOWNSHIP OF BRIDGEWATER

SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE  
YEAR ENDED DECEMBER 31, 2022

STATE GRANT/PROGRAM TITLE <u>Department of Environmental Protection</u>	STATE ACCOUNT NUMBER	GRANT PERIOD		GRANT AWARD AMOUNT	2022 RECEIPTS	2022 EXPENDITURES	CUMULATIVE EXPENDITURES DECEMBER 31, 2022
		FROM	TO				
Clean Communities Program							
2012	4900-765-042-4900-004-VCMC-6020	01/01/12	12/31/12	74,559.24	\$	\$	74,559.24
2013	4900-765-042-4900-004-VCMC-6020	01/01/13	12/31/13	87,538.56			87,538.56
2014	4900-765-042-4900-004-VCMC-6020	01/01/14	12/31/14	82,105.59			82,105.59
2015	4900-765-042-4900-004-VCMC-6020	01/01/15	12/31/15	100,034.35			100,034.35
2016	4900-765-042-4900-004-VCMC-6020	01/01/16	12/31/16	114,384.48			114,384.48
2019	4900-765-042-4900-004-VCMC-6020	01/01/19	12/31/19	103,948.33			76,182.30
2020	4900-765-042-4900-004-VCMC-6020	01/01/20	12/31/20	93,722.91			12,301.60
2021	4900-765-042-4900-004-VCMC-6020	01/01/21	12/31/21	99,731.71		36,591.84	36,591.84
2022	4900-765-042-4900-004-VCMC-6020	01/01/22	12/31/22	100,439.48	100,439.48		
'Unappropriated							
Recycling Tonnage Program							
2016	4900-752-042-4900-001-V42Y-6020	Continuous	Continuous	114,698.00			114,698.00
2017	4900-752-042-4900-001-V42Y-6020	Continuous	Continuous	56,478.92			56,478.92
2018	4900-752-042-4900-001-V42Y-6020	Continuous	Continuous	100,147.10			100,147.10
2019	4900-752-042-4900-001-V42Y-6020	Continuous	Continuous	116,801.89			116,801.89
2020	4900-752-042-4900-001-V42Y-6020	Continuous	Continuous	44,639.49			44,639.49
2021	4900-752-042-4900-001-V42Y-6020	Continuous	Continuous	44,542.30			44,542.30
2022	4910-100-042-4910-001-V42Y-6020	Continuous	Continuous	185,376.66	185,376.66	48,293.00	48,293.00
					285,816.14	84,884.84	1,109,297.56
Department of Law and Public Safety							
Safe and Secure Communities Program							
2017	1020-100-066-232-YCJF-6120	01/01/17	12/31/17	60,000.00	\$	\$	549.70
2018	1020-100-066-232-YCJF-6120	01/01/18	12/31/18	60,000.00			59,450.30
2019	1020-100-066-232-YCJF-6120	01/01/19	12/31/19	60,000.00			
2021	1020-100-066-232-YCJF-6120	01/01/21	12/31/21	92,400.00			
2022	1020-100-066-232-YCJF-6120	01/01/22	12/31/22	32,400.00	32,400.00		
'Unappropriated							
Drunk Driving Enforcement Fund							
2015	6400-100-078-6400-YYYY	Continuous	Continuous	13,688.13			11,462.78
2016	6400-100-078-6400-YYYY	Continuous	Continuous	11,537.24		426.00	
2018	6400-100-078-6400-YYYY	Continuous	Continuous	6,629.99			5,337.50
2019	6400-100-078-6400-YYYY	Continuous	Continuous	8,017.64			1,660.00
2020	6400-100-078-6400-YYYY	Continuous	Continuous	8,551.65		3,240.00	4,380.00
2021	6400-100-078-6400-YYYY	Continuous	Continuous	8,995.60			
2022	9735-760-098-Y900-001-X100-6020	Continuous	Continuous	4,532.90			2,864.12
Alcohol Education Rehabilitation Fund							
2012	9735-760-098-Y900-001-X100-6020	Continuous	Continuous	3,928.04			3,435.48
2016	9735-760-098-Y900-001-X100-6020	Continuous	Continuous	1,222.46			1,000.00
2017	9735-760-098-Y900-001-X100-6020	Continuous	Continuous	952.02			930.00
2018	9735-760-098-Y900-001-X100-6020	Continuous	Continuous	1,333.66			
2020	9735-760-098-Y900-001-X100-6020	Continuous	Continuous				
Body Armor Replacement Fund							
2020	1020-718-066-1020-001-YCJF-0120	Continuous	Continuous	7,214.76			7,214.76
2022	1020-718-066-1020-001-YCJF-0120	Continuous	Continuous	5,165.09			
2022	1020-718-066-1020-001-YCJF-0120	01/01/22	12/31/22	8,128.29	8,128.29		
'Unappropriated							

TOWNSHIP OF BRIDGEWATER

SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE  
YEAR ENDED DECEMBER 31, 2022

STATE GRANT/PROGRAM TITLE	STATE ACCOUNT NUMBER	GRANT PERIOD FROM TO	GRANT AWARD AMOUNT	2022 RECEIPTS	2022 EXPENDITURES	CUMULATIVE EXPENDITURES DECEMBER 31, 2022
Department of Law and Public Safety (continued)						
Body Worn Camera Grant Program						
2021						
Pass Through from County of Somerset			187,496.00			187,496.00
			\$	40,528.29	\$ 3,666.00	\$ 285,780.64
Municipal Alliance on Alcoholism and Drug Abuse						
2019						
Recreation Grant - Camp Cromwell Trail Development	SC-ALL-18-03	07/01/18 06/30/19	36,208.25	2,128.18	21.06	24,023.50
			350,000.00		350,000.00	350,000.00
			\$	2,128.18	350,021.06	374,023.50
Department of Transportation						
Municipal Aid - Country Club Road - Section I			175,000.00			
Municipal Aid - Country Club Road - Phase VIII			200,000.00	22,486.03		117,584.36
Municipal Aid - Steeple Chase Lane	2018-078-6320-480-AMF		380,000.00			157,795.11
Municipal Aid - Stony Brook Drive - Section 1			400,000.00		400,000.00	301,742.07
Municipal Aid - Rolling Hills Road Improvements			442,500.00			400,000.00
Highway Safety - Safe Corridors			46,014.48			
Highway Safety - Safe Corridors	2017-078-6100-100-051		40,378.00			45,988.63
			\$	22,486.03	35,042.00	35,042.00
				\$	435,042.00	1,058,132.17
TOTAL STATE AID AND STATE GRANT FINANCIAL ASSISTANCE			\$	350,958.64	\$ 873,613.90	\$ 2,827,233.87

The accompanying notes to schedules of financial assistance are an integral part of this schedule.

TOWNSHIP OF BRIDGEWATER

NOTES TO THE SCHEDULE OF EXPENDITURES OF  
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE

YEAR ENDED DECEMBER 31, 2022

NOTE 1. GENERAL

The accompanying schedules of expenditures of financial assistance present the activity of all federal and state financial assistance programs of the Township of Bridgewater, County of Somerset, New Jersey. All federal and state financial assistance received directly from federal or state agencies, as well as federal financial assistance passed through other governmental agencies is included on the Schedule of Expenditures of Federal Awards and State Financial Assistance.

NOTE 2. BASIS OF ACCOUNTING

The accompanying schedules of expenditures of financial assistance are presented on the prescribed basis of accounting, modified accrual basis with certain exceptions, prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, that demonstrates compliance with the budget laws of New Jersey, which is a comprehensive basis of accounting, other than U.S. generally accepted accounting principles. The basis of accounting, with exception, is described in Note 1 to the Township's financial statements - regulatory basis. The Township has elected not to use the 10 percent de minimus indirect cost rate as allowed under the uniform Guidance.

NOTE 3. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

Amounts reported in the accompanying schedules of expenditures agree with the amounts reported in the related federal and state financial report.

#### NOTE 4. RELATIONSHIP TO FINANCIAL STATEMENTS - REGULATORY BASIS

Amounts reported in the accompanying schedules agree with amounts reported in the Township's regulatory basis financial statements. These amounts are reported in either the Current Fund, Grant Fund or Sewer Utility Operating Fund.

##### Receipts:

	<u>Federal</u>	<u>State</u>	<u>Other</u>	<u>Total</u>
Current Fund	\$ 2,445,914.31	\$	\$	\$ 2,445,914.31
Grant Fund	10,000.00	350,958.64	21,600.00	382,558.64
Sewer Utility Fund	<u>470,670.38</u>	<u></u>	<u></u>	<u>470,670.38</u>
	<u>\$ 2,926,584.69</u>	<u>\$ 350,958.64</u>	<u>\$ 21,600.00</u>	<u>\$ 3,299,143.33</u>

##### Expenditures:

	<u>Federal</u>	<u>State</u>	<u>Other</u>	<u>Total</u>
Current Fund	\$ 2,445,914.30	\$	\$	\$ 2,445,914.30
Grant Fund	28,456.78	873,613.90	9,624.40	911,695.08
Sewer Utility Fund	<u>470,670.38</u>	<u></u>	<u></u>	<u>470,670.38</u>
	<u>\$ 2,945,041.46</u>	<u>\$ 873,613.90</u>	<u>\$ 9,624.40</u>	<u>\$ 3,828,279.76</u>

#### NOTE 5. OTHER

Matching contributions expended by the Township in accordance with terms of the various grants are not reported in the accompanying schedules.



TOWNSHIP OF BRIDGEWATER  
SOMERSET COUNTY, NEW JERSEY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED DECEMBER 31, 2022

**Section I - Summary of Auditor's Results**

**Financial Statements**

- |  |            |
|--|------------|
| (1) Type of Auditor Report Issued:   | Unmodified |
| (2) Internal Control over Financial Reporting:                                       |            |
| (a) Material weaknesses identified?  | No         |
| (b) Significant deficiencies that are not considered to be material weaknesses?      | No         |
| (3) Noncompliance material to the financial statements to be noted during the audit? | No         |

**Federal Programs(s)**

- |   |            |
|---|------------|
| (1) Internal Control Over Major Federal Programs:   |            |
| (a) Material weaknesses identified?   | No         |
| (b) Significant deficiencies that are not considered to be material weaknesses?   | No         |
| (2) Type of Auditor's Report issued on compliance for major federal program(s)?   | Unmodified |
| (3) Any audit findings disclosed that are required to be reported in accordance with Circular OMB 15-08 and listed in Section III of this schedule? | No         |

- (4) Identification of Major Federal Program(s):

<u>Program</u>	<u>Assistance Listing Number</u>
U.S. Department of Treasury Coronavirus State and Local Fiscal Recovery Funds	21.027

- (5) Program Threshold Determination:
- |  |
|--|
| Type A State Program Threshold > \$750,000.00  |
| Type B State Program Threshold <= \$750,000.00 |

- |   |     |
|---|-----|
| (6) Auditee qualified as a low-risk auditee under the Uniform Guidance? | Yes |
|---|-----|

TOWNSHIP OF BRIDGEWATER  
SOMERSET COUNTY, NEW JERSEY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED DECEMBER 31, 2022

**Section I - Summary of Auditor's Results (Continued)**

**State Program(s)**

(1) Internal Control Over Major State Programs:

- |   |    |
|---|----|
| (a) Material weaknesses identified?   | No |
| (b) Significant deficiencies that are not considered to be material weaknesses? | No |

(2) Type of Auditor's Report issued on compliance for major state program(s)?	Unmodified
---	------------

(3) Any audit findings disclosed that are required to be reported in accordance with Circular OMB 15-08 and listed in Section III of this schedule?	No
---	----

(4) Identification of Major State Program(s):

<u>Program</u>	<u>Grant/Project Number</u>
Municipal Aid- Stoney Brook Drive Section 1	2021-078-6320-480

(5) Program Threshold Determination:

Type A State Program Threshold > \$750,000.00

Type B State Program Threshold <= \$750,000.00

(6) Auditee qualified as a low-risk auditee under OMB Circular 15-08?	No
---	----

TOWNSHIP OF BRIDGEWATER  
SOMERSET COUNTY, NEW JERSEY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED DECEMBER 31, 2022

**Section II - Financial Statement Audit - Reported Findings Under Government Auditing Standards**

**Internal Control Findings**

None Reported

**Compliance Findings**

None Reported

**Section III - Findings and Questioned Costs Relative to Major Federal and State Programs**

Federal Programs - None Reported

State Programs - None Reported

TOWNSHIP OF BRIDGEWATER  
SOMERSET COUNTY, NEW JERSEY

SCHEDULE OF PRIOR YEAR FINDINGS

Not Applicable

PART III

TOWNSHIP OF BRIDGEWATER

STATISTICAL DATA

LIST OF OFFICIALS

COMMENTS AND RECOMMENDATIONS

YEAR ENDED DECEMBER 31, 2022

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

	YEAR 2022		YEAR 2021	
	AMOUNT	%	AMOUNT	%
<u>REVENUE AND OTHER INCOME REALIZED</u>				
Fund Balance Utilized	\$ 7,435,404.00	3.25%	\$ 6,300,000.00	2.78%
Miscellaneous - From Other Than				
Local Property Tax Levies	20,354,620.95	8.89%	20,952,464.74	9.25%
Collection of Delinquent Taxes				
and Tax Title Liens	1,143,844.87	0.50%	1,242,616.12	0.55%
Collections of Current Tax Levy	199,995,808.28	87.36%	198,083,097.70	87.42%
<u>Total Revenue</u>	<u>\$ 228,929,678.10</u>	<u>100.00%</u>	<u>\$ 226,578,178.56</u>	<u>100.00%</u>
<u>EXPENDITURES</u>				
Budget Expenditures:				
Municipal Purposes	\$ 44,830,882.85	20.02%	\$ 44,206,385.59	20.09%
County Taxes	38,547,671.83	17.21%	38,151,536.18	17.34%
Regional School Taxes	136,586,423.00	60.98%	134,782,129.00	61.25%
Special Fire District Taxes	2,810,740.00	1.25%	2,715,814.45	1.23%
Other Expenditures	1,198,144.26	0.54%	211,966.98	0.09%
<u>Total Expenditures</u>	<u>\$ 223,973,861.94</u>	<u>100.00%</u>	<u>\$ 220,067,832.20</u>	<u>100.00%</u>
Excess in Revenue	\$ 4,955,816.16		\$ 6,510,346.36	
Adjustments to Income Before Fund Balance;				
Expenditures Included Above Which are by Statute				
Deferred Charges to Budget of Succeeding Year	\$ 202,567.46		130,000.00	
Excess in Revenue	\$ 5,158,383.62		\$ 6,640,346.36	
Fund Balance - January 1	8,227,321.08		7,886,974.72	
	\$ 13,385,704.70		\$ 14,527,321.08	
Less: Utilization as Anticipated Revenue	7,435,404.00		6,300,000.00	
Fund Balance, December 31	<u>\$ 5,950,300.70</u>		<u>\$ 8,227,321.08</u>	

COMPARATIVE STATEMENT OF OPERATIONS AND  
CHANGE IN FUND BALANCE - SEWER UTILITY OPERATING FUND

	YEAR 2022		YEAR 2021	
	AMOUNT	%	AMOUNT	%
<u>REVENUE AND OTHER INCOME REALIZED</u>				
Fund Balance Utilized	\$ 500,000.00	3.99%	\$ 1,051,563.90	9.06%
Collection of Sewer Use Charges	10,254,623.99	81.84%	9,470,111.78	81.59%
Miscellaneous	1,775,982.58	14.17%	1,084,633.24	9.35%
<u>Total Revenue</u>	<u>\$ 12,530,606.57</u>	<u>100.00%</u>	<u>\$ 11,606,308.92</u>	<u>100.00%</u>
<u>EXPENDITURES</u>				
Budget Expenditures:				
Operating	\$ 10,267,759.26	92.19%	\$ 10,454,878.90	93.90%
Deferred Charges and Statutory Expenditures	140,000.00	1.26%	139,685.00	1.25%
Debt Service	598,389.02	5.38%	539,106.65	4.85%
Miscellaneous	131,770.40	1.18%		
<u>Total Expenditures</u>	<u>\$ 11,137,918.68</u>	<u>100.00%</u>	<u>\$ 11,133,670.55</u>	<u>100.00%</u>
Excess in Revenue	\$ 1,392,687.89		\$ 472,638.37	
Fund Balance, January 1	1,014,888.41		1,593,813.94	
\$ 2,407,576.30			\$ 2,066,452.31	
Less: Utilization as Anticipated Revenue	500,000.00		1,051,563.90	
<u>Fund Balance, December 31</u>	<u>\$ 1,907,576.30</u>		<u>\$ 1,014,888.41</u>	

### COMPARATIVE SCHEDULE OF TAX RATE INFORMATION

	<u>2022</u>	<u>2021</u>	<u>2020</u>
Tax Rate	<u>\$2.034</u>	<u>\$2.079</u>	<u>\$2.075</u>
Appointment of Tax Rate:			
Municipal	\$0.238	\$0.238	\$0.238
County	0.395	0.404	0.404
Local School	<u>1.401</u>	<u>1.437</u>	<u>1.433</u>

### Assessed Valuation:

Year 2022	<u>\$ 9,754,393,100.00</u>		
Year 2021		<u>\$ 9,378,421,822.00</u>	
Year 2020			<u>\$ 9,234,102,163.00</u>

### COMPARISON OF TAX LEVIES AND COLLECTION CURRENTLY

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

<u>YEAR</u>	<u>TAX LEVY</u>	<u>CASH</u> <u>COLLECTIONS</u>	<u>CURRENTLY</u> <u>PERCENTAGE</u> <u>OF</u> <u>COLLECTION</u>
2022	\$201,453,285.04	\$199,995,808.28	99.27%
2021	199,279,970.40	198,083,097.70	99.39%
2020	194,920,057.65	193,629,842.28	99.33%



### DELINQUENT TAXES AND TAX TITLE LIENS

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

<u>DECEMBER 31, YEAR</u>	<u>AMOUNT OF TAX TITLE LIENS</u>	<u>AMOUNT OF DELINQUENT TAXES</u>	<u>TOTAL DELINQUENT</u>	<u>PERCENTAGE OF TAX LEVY</u>
2022	\$160,694.01	\$1,133,823.61	\$1,294,517.62	0.64%
2021	155,501.43	1,144,310.16	1,299,811.59	0.65%
2020	151,389.85	1,241,984.51	1,393,374.36	0.71%

### PROPERTY ACQUIRED BY TAX TITLE LIEN LIQUIDATION

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

<u>YEAR</u>	<u>AMOUNT</u>
2022	\$422,300.00
2021	422,300.00
2020	422,300.00

COMPARATIVE SCHEDULE OF FUND BALANCES

	<u>YEAR</u>	<u>BALANCE</u> <u>DECEMBER 31</u>	<u>UTILIZED IN BUDGET</u> <u>OF SUCCEEDING</u> <u>YEAR</u>
Current Fund	2022	\$ 5,950,300.70	\$ 3,395,000.00
	2021	8,227,321.08	7,435,404.00
	2020	7,886,975.28	6,300,000.00
	2019	8,522,905.42	5,000,000.00
	2018	7,297,940.65	5,053,779.00
Sewer Utility Operating Fund	2022	\$ 1,901,576.30	\$ 610,000.00
	2021	1,014,888.41	500,000.00
	2020	1,593,813.94	1,051,563.90
	2019	2,127,703.28	1,490,524.83
	2018	5,650,570.25	4,678,888.00

EQUALIZED VALUATIONS – REAL PROPERTY

<u>Year</u>	
2022	\$10,233,632,830.67
2021	9,643,762,689.67
2020	9,378,535,807.33

## OFFICIALS IN OFFICE AND SURETY BONDS

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

<u>NAME</u>	<u>TITLE</u>	<u>AMOUNT OF BOND</u>	<u>NAME OF SURETY</u>
Matthew Moench	Mayor		
Allen Kurdyla	Council Member - President		
Michael Kirsh	Council Member - Vice President		
Howard Norgalis	Council Member		
Filipe Pedroso	Council Member		
Timothy Ring	Council Member		
Michael Pappas	Township Administrator, Registrar and Director of Administration & Finance	*	
Wells Winegar	Deputy Township Administrator, Director of Constituent Relations	*	
Holman, Frenia, Allison	Acting Chief Finance Officer		
Christopher Corsini, Esq.	Township Attorney	*	
Linda Doyle	Municipal Clerk, Assessment Search Officer	\$25,000.00	Penn National Insurance
Grace Karanja	Deputy Municipal Clerk	*	
Rose Witt	Qualified Purchasing Agent	*	
Darrow Murdock	Tax Collector, Tax Search Officer, Sewer Collector	\$650,000.00	Penn National Insurance
Anthony DiRado	Tax Assessor	*	
Christine Madrid	Director of Human Resources	*	
Steve Rodzinak	Construction Code Official	*	
Scarlett Doyle	Township Planner	*	
Thomas Genova	Director of Municipal Services	*	

OFFICIALS IN OFFICE AND SURETY BONDS (CONTINUED)

<u>NAME</u>	<u>TITLE</u>	<u>AMOUNT OF BOND</u>	<u>NAME OF SURETY</u>
William Burr	Township Engineer	*	
Richard Shimp	Superintendent of Public Works	*	
Katherine Howes	Municipal Court Judge	*	
Jenni Peterson	Interim Court Administrator	\$75,000.00	Penn National Insurance
Paul Payne	Police Chief to August 31, 2022	*	
John Mitzak	Police Chief from October 17, 2022	*	
Thomas Scalera	Fire Official	*	
Rachel Barrett	Superintendent of Recreation	*	

\*All officials and employees (except as noted) handling and collecting Township funds are covered by a blanket position bond for faithful performance for \$1,000,000.00. The blanket position bond is written by the Pennsylvania National Mutual Insurance Company.

All of the bonds were examined and were properly executed.

COMMENTS AND RECOMMENDATIONS

## GENERAL COMMENTS

### CONTRACTS AND AGREEMENTS REQUIRED TO BE ADVERTISED FOR N.J.S.A. 40A:11-4

"Every contract or agreement, for the performance of any work or the furnishing or hiring of any materials or supplies, the cost or the contract price whereof is to be paid with or out of public funds not included within the terms of Section 3 of this act, shall be made or awarded only by the governing body of the contracting unit after public advertising for bids and bidding therefore, except as is provided otherwise in this act or specifically by any other law. No work, materials or supplies shall be undertaken, acquired or furnished for a sum exceeding in the aggregate the amount set forth in, or the amount calculated by the Governor pursuant to Section 3 P.L. 1971 C. 198 (C. 40A:11-3), except by contract or agreement."

Effective July 1, 2020, the bid threshold in accordance with N.J.S.A. 40A:11-4 is \$17,500.00 or up to \$44,000.00 if the Municipality has a Qualified Purchasing Agent. On July 6, 2020 the Township elected to increase its bid threshold to \$44,000.00 by resolution of the governing body.

The governing body of the Municipality has the responsibility of determining whether the expenditures in any category will exceed \$44,000.00 within the fiscal year. Where the question arises as to whether any contract or agreement might result in violation of the statute, the Township Counsel's opinion should be sought before a commitment is made.

The minutes indicated that bids were requested by public advertising for the following items:

- Service and Repair to HVAC Systems
- Sanitary Sewer and Pumping Station Rehabilitation
- Stony Brook Drive Improvement Project Sections 1 & 2
- Police Uniforms, Shoes and Leather Gear
- Custodial Services
- 2022 Roadway Improvement Projects
- Snow Removal

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

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

Our examination of expenditures did not reveal any individual payments, contracts or agreements in excess of \$44,000.00 for the performance of any work or the furnishing or hiring of any materials or supplies, other than those where bids had been previously sought by public advertisement or where a resolution had been previously adopted under the provisions of N.J.S.A. 40A:11-6.

## COLLECTION OF INTEREST ON DELINQUENT TAXES AND ASSESSMENTS

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

The Governing Body on January 6, 2022 adopted the following resolution pursuant to the provisions of R.S. 54:4-67 fixing the rate of delinquent taxes and assessments at 8% per annum on the first \$1,500.00 and a rate of 18% per annum on any amount in excess of \$1,500.00 becoming delinquent after the due date and if the delinquency is in excess of \$10,000.00 and remains in arrears beyond December 31<sup>st</sup>, an additional penalty of 6% shall be charged if payment of any installment is made within ten days after the date upon which the same becomes payable. Sanitary Sewer Charges are fixed at a delinquent rate of 18% per annum on all delinquent charges after the due date.

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

## DELINQUENT TAXES AND TAX TITLE LIENS

The last tax sale was held on October 21, 2022 and was complete.

Inspection of Tax Sale Certificates on file revealed that all Tax Sale Certificates were available for audit.

The following is a comparison of the number of tax title liens (including sewer) receivable on December 31<sup>st</sup> of the last five years:

<u>YEAR</u>	<u>NUMBER OF LIENS</u>
2022	25
2021	26
2020	27
2019	28
2018	28

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

## VERIFICATION OF DELINQUENT TAXES AND OTHER CHARGES

A test verification of delinquent charges and current payments was made in accordance with the regulations of the Division of Local Government Services, consisting of the mailing of verification notices as follows:

### TYPE

Payments of 2023 Taxes	50
Payments of 2022 Taxes	50
Delinquent Taxes	25
Payment of Sewer Utility Charges	50
Delinquent Sewer Utility Charges	25

## OTHER COMMENTS

### Interfunds

Transactions invariably occur in one fund which requires a corresponding entry to be made in another fund, thus creating interfund balances. References to the various balance sheets show the interfund balances remaining at year end. As a general rule, all interfund balances should be closed out as of the end of the year.

### General Ledger

Per N.J.A.C. 5:30-5.7, Municipalities are required to maintain general ledgers for all funds. General Ledgers are the permanent fiscal records which provide a summary of all financial transactions as they have been recorded in the books of original entry utilizing a double entry accounting system. Through the use of general ledgers, the books of original entry and supporting subsidiary ledgers, financial statements would be prepared. By not maintaining General Ledgers, errors and irregularities that could have a negative impact on the Township may not be detected in a timely manner which in turn could lead to a misstatement of the financial statements. During our audit we noted that general ledgers were not accurately maintained by the Township. Several accounts required material adjusting journal entries to accurately reflect the financial position of the Township.

### Budget

Our audit of expenditures revealed that there were overexpenditures in the Current Fund Appropriations, the Current Fund Appropriations and Trust Fund Salary Reserve.



## RECOMMENDATIONS

That all General Ledgers be accurately maintained in accordance with N.J.A.C. 5:30-5.7

That interfund balances be liquidated at year end.

That sufficient appropriation balances be available prior to the commitment or payment of funds.





