

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

**FINANCIAL STATEMENTS AND  
SUPPLEMENTAL DATA**

December 31, 2023

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

TABLE OF CONTENTS

<u>Exhibit</u>	<u>Title</u>	<u>Page Number</u>
	<b>INDEPENDENT AUDITORS' REPORT</b>	
	Independent Auditors' Report.....	1
	<b>BASIC FINANCIAL STATEMENTS – REGULATORY BASIS</b>	
	<u>Current Fund</u>	
A	Comparative Statements of Assets, Liabilities, Reserves and Fund Balance.....	5
A-1	Comparative Statement of Operations and Changes in Fund Balance.....	7
A-2	Statement of Revenues.....	8
A-3	Statement of Expenditures.....	11
	<u>Trust Funds</u>	
B	Comparative Statements of Assets, Liabilities, Reserves and Fund Balance.....	15
	<u>General Capital Fund</u>	
C	Comparative Statements of Assets, Liabilities, Reserves and Fund Balance.....	16
C-1	Statement of Fund Balance.....	17
	<u>Payroll Fund</u>	
D	Comparative Statements of Assets, Liabilities, Reserves and Fund Balance.....	18
	<u>General Fixed Assets Account Group</u>	
E	Comparative Statements of Assets, Liabilities, Reserves and Fund Balance.....	19
	Notes to Financial Statements.....	20
	<b>SUPPLEMENTAL SCHEDULES</b>	
	<u>Current Fund</u>	
A-4	Schedule of Cash – Chief Financial Officer.....	46
A-5	Schedule of Taxes Receivable and Analysis of Property Tax Levy.....	47
A-6	Schedule of Tax Title Liens Receivable.....	48
A-7	Schedule of Property Acquired for Taxes.....	48
A-8	Schedule of Property Maintenance Receivable.....	48
A-9	Schedule of Revenue Accounts Receivable.....	49
A-10	Schedule of Prior Year Appropriation Reserves.....	50
A-11	Schedule of Local District School Taxes Payable.....	52
A-12	Schedule of Regional District School Taxes Payable.....	52
	<u>Federal and State Grant Fund</u>	
A-13	Schedule of Federal and State Grants Receivable.....	53
A-14	Schedule of Reserve for Federal and State Grants – Appropriated Reserves.....	54
A-15	Schedule of Reserve for Federal and State Grants – Unappropriated Reserves.....	55

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

TABLE OF CONTENTS

<u>Exhibit</u>	<u>Title</u>	<u>Page Number</u>
	<u>Trust Funds</u>	
B-1	Schedule of Cash – Chief Financial Officer.....	56
B-2	Schedule of Reserve for Animal Control Expenditures .....	57
B-3	Schedule of Deposits for Redemption of Tax Title Liens .....	58
B-4	Schedule of Premiums Received at Tax Sale .....	58
B-5	Schedule of Reserve for Uniform Construction Code Fees .....	59
B-6	Schedule of Due to State of New Jersey – Dog License Fund .....	59
B-7	Schedule of Miscellaneous Trust Reserves .....	60
	<u>General Capital Fund</u>	
C-2	Schedule of General Capital Cash .....	61
C-3	Analysis of General Capital Cash.....	61
C-4	Schedule of Deferred Charges to Future Taxation – Unfunded .....	62
C-5	Schedule of Capital Improvement Fund .....	63
C-6	Schedule of Improvement Authorizations.....	64
C-7	Schedule of Bond Anticipation Notes .....	65
C-8	Schedule of General Serial Bonds .....	66
C-9	Schedule of Bonds and Notes Authorized but not Issued .....	69
	<u>Payroll Fund</u>	
D-1	Schedule of Payroll Fund Cash.....	70
	<u>General Fixed Assets Account Group</u>	
E-1	Schedule of Investments in Fixed Assets.....	71
	<b>Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i></b> .....	72
	<b>OTHER SUPPLEMENTARY INFORMATION - UNAUDITED</b>	
	Comparative Statement of Operations and Change in Fund Balance – Current Fund .....	74
	Comparative Statement of Tax Levies and Collection Currently .....	75
	Property Acquired by Tax Title Lien Liquidation.....	76
	Officials in Office and Surety Bonds.....	77
	Schedule of Township's Proportionate Share of Net Pension Liability.....	78
	Schedule of Township's Contribution .....	79
	Schedule of Township's Proportionate Share of Net OPEB Liability.....	80
	General Comments and Responses .....	81
	Schedule of Current Year Findings and Recommendations .....	84
	Schedule of Prior Year Audit Findings .....	85

## **INDEPENDENT AUDITORS' REPORT**

## **INDEPENDENT AUDITORS' REPORT**

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

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

#### ***Opinions***

We have audited the accompanying financial statements – regulatory basis of the various funds and account group of the Township of Mount Holly, County of Burlington, State of New Jersey (the “Township”), as of and for the year ended December 31, 2023, and the related notes to financial statements, which collectively comprise the Township’s basic financial statements, as listed in the table of contents.

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

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective regulatory basis financial position of the Township as of December 31, 2023, and the respective regulatory basis revenues, expenditures, and changes in financial position for the year then ended in accordance with the financial reporting provisions of the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note A.

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

In our opinion, because of the significance of the matter discussed in the Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles section of our report, the financial statements do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Township as of December 31, 2023, or the changes in financial position for the year then ended.

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

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

## **INDEPENDENT AUDITORS' REPORT (CONTINUED)**

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

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

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

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

### ***Auditors' Responsibilities for the Audit of the Financial Statements***

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Township's internal control. Accordingly, no such opinion is expressed.

## **INDEPENDENT AUDITORS' REPORT (CONTINUED)**

### ***Auditors' Responsibilities for the Audit of the Financial Statements (Continued)***

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Township's ability to continue as a going concern for a reasonable period of time.

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

### ***Report on Summarized Comparative Information***

We have previously audited the Township's 2022 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated September 28, 2023, in accordance with the financial reporting provisions described in Note A. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2022, is consistent, in all material respects, with the audited financial statements from which it has been derived.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Township's basic financial statements. The supplemental schedules, as listed in the table of contents, as required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the supplemental schedules, as listed in the table of contents, are fairly stated, in all material respects, in relation to the basic financial statements as a whole, on the basis of accounting described in Note A.

### ***Other Information***

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

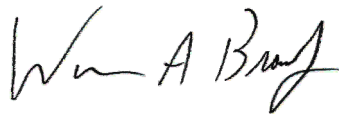
In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated.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

## INDEPENDENT AUDITORS' REPORT (CONTINUED)

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

In accordance with *Government Auditing Standards*, we have also issued our report dated July 16, 2024, on our consideration of the Township's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Township's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Township's internal control over financial reporting and compliance.

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



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

July 16, 2024

**BASIC FINANCIAL STATEMENTS – REGULATORY BASIS**

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

**A**

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

December 31, 2023 and 2022

<u>ASSETS</u>	<u>REFERENCE</u>	<u>2023</u>	<u>2022</u>
Regular Fund:			
Cash:			
Chief Financial Officer	A-4	\$ 3,545,980	\$ 3,833,140
Change Fund	A	750	750
Total Regular Fund		<u>3,546,730</u>	<u>3,833,890</u>
Due from State of New Jersey for Senior Citizen & Veteran Deductions		<u>2,982</u>	<u>4,365</u>
Receivables & Other Assets With Full Reserves:			
Delinquent Property Taxes Receivable	A-5	29,196	20,486
Tax Title Liens Receivable	A-6	328,199	344,257
Property Acquired for Taxes - Assessed Valuation	A-7	646,355	490,055
Property Maintenance Receivable	A-8	12,869	12,679
Revenue Accounts Receivable	A-9	3,419	3,416
Interfunds Receivable:			
Due From State and Federal Grants	A	227,517	29,483
Due From Animal Control Fund	B	660	847
Due From Trust Other	B	3,597	1,800
Due From Payroll Fund	D	10,021	11,114
Total Receivables & Other Assets With Full Reserves	A	<u>1,261,833</u>	<u>914,137</u>
Subtotal		<u>4,811,545</u>	<u>4,752,392</u>
Federal & State Grant Fund:			
Cash	A-4	-	524,109
Federal & State Aid Receivable	A-13	2,323,532	2,063,661
Total Federal & State Grant Fund		<u>2,323,532</u>	<u>2,587,770</u>
Total Assets		<u>\$ 7,135,077</u>	<u>\$ 7,340,162</u>

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

**A**

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

December 31, 2023 and 2022

<b><u>LIABILITIES, RESERVES &amp; FUND BALANCE</u></b>	<b><u>REFERENCE</u></b>	<b><u>2023</u></b>	<b><u>2022</u></b>
Regular Fund:			
Liabilities:			
Appropriation Reserves	A-3	\$ 446,386	\$ 396,031
Reserve for Encumbrances	A-3	231,026	448,965
Accounts Payable	A	40,333	
Prepaid Taxes	A	83,838	124,549
Tax Overpayments	A	13,289	7,267
Due County for Added & Omitted Taxes	A-5	60,637	37,015
Local School Taxes Payable	A-11	1	1
Regional School Taxes Payable	A-12	5	5
Due to State of New Jersey - Marriage License/Abatement	A	5,585	675
Due to Mount Holly MUA	A	3,563	3,110
Interfunds Payable:			
Due to Capital Fund	C	1,388	2,682
Reserve for Municipal Relief Funds	A	158,391	79,212
Reserve for Master Plan	A	15,513	15,513
Reserve for Flood	A	6	6
 Total Liabilities		 <u>1,059,961</u>	 <u>1,115,031</u>
 Reserves for Receivables & Other Assets	A	 1,261,833	 914,137
Fund Balance	A-1	<u>2,489,751</u>	<u>2,723,224</u>
 Subtotal		 <u>4,811,545</u>	 <u>4,752,392</u>
Federal & State Grant Fund:			
Reserve for Encumbrances	A-14	41,397	119,410
Appropriated Reserves	A-14	2,034,413	1,914,330
Unappropriated Reserves	A-15	20,205	524,547
Due to Current Fund	A	<u>227,517</u>	<u>29,483</u>
 Total Federal & State Grant Fund		 <u>2,323,532</u>	 <u>2,587,770</u>
 Total Liabilities, Reserves & Fund Balance		 <u>\$ 7,135,077</u>	 <u>\$ 7,340,162</u>

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

**A-1**

**CURRENT FUND  
COMPARATIVE STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCE**

Years Ended December 31, 2023 and 2022

	2023	2022
<b><u>REVENUE &amp; OTHER INCOME REALIZED</u></b>		
Fund Balance Utilized	\$ 790,000	\$ 640,000
Miscellaneous Revenue Anticipated	5,675,760	5,239,937
Receipts from Delinquent Taxes	83,220	56,077
Receipts from Current Taxes	22,113,051	21,235,171
Nonbudget Revenue	64,402	39,819
Other Credits to Income:		
Statutory Excess in Dog Licenses		518
Unexpended Balance of Appropriation Reserves	179,869	257,139
Interfund Liquidated		20,678
Prior Year Accounts Payable Canceled		35,737
	<u>28,906,302</u>	<u>27,525,076</u>
<b><u>EXPENDITURES</u></b>		
Budget & Appropriations:		
Operations Within "CAPS":		
Salaries and Wages	3,722,603	3,710,838
Other Expenses	4,800,727	4,366,002
Deferred Charges & Statutory Expenditures	1,147,110	1,075,978
Operations Excluded from "CAPS":		
Salaries and Wages	-	306,471
Other Expenses	768,883	217,799
Capital Improvements	80,000	125,000
Municipal Debt Service	1,480,169	1,316,139
Transferred to Board of Education	67,578	67,998
County Taxes	2,820,943	2,629,089
Due County for Added & Omitted	60,637	37,015
Local District School Tax	8,906,059	8,715,041
Regional High School Taxes	2,980,291	2,891,809
Special Fire District Taxes	1,451,992	1,217,360
Senior Citizens' & Veterans' Deductions Disallowed	5,633	6,451
Interfunds Created	57,150	-
	<u>28,349,775</u>	<u>26,682,990</u>
Total Expenditures	<u>28,349,775</u>	<u>26,682,990</u>
Excess in Revenue to Fund Balance	<u>556,527</u>	<u>842,086</u>
Fund Balance - Balance January 1	2,723,224	2,521,138
Decreased by: Utilization as Anticipated Revenue	<u>790,000</u>	<u>640,000</u>
Balance December 31	<u>\$ 2,489,751</u>	<u>\$ 2,723,224</u>

See notes to financial statements.

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

**A-2**

**CURRENT FUND  
STATEMENT OF REVENUES**

Year Ended December 31, 2023

	ANTICIPATED BUDGET	SPECIAL N.J.S.A. 40:4-87	REALIZED	EXCESS OR (DEFICIT)
Fund Balance Anticipated	\$ 790,000	\$ -	\$ 790,000	\$ -
<b>MISCELLANEOUS REVENUES</b>				
Licenses - Alcoholic Beverages	22,750		23,326	576
Licenses - Other	5,000		6,475	1,475
Fees & Permits	225,000		200,707	(24,293)
Municipal Court Fines & Costs	65,000		42,627	(22,373)
Interest & Costs on Taxes	85,000		85,914	914
Interest on Investments & Deposits	75,000		117,186	42,186
Housing Inspection Fees	88,000		102,400	14,400
Energy Receipts Tax	1,529,028		1,529,028	-
Municipal Relief Fund	79,212		79,212	
Urban Enterprise Zone	64,953		64,953	
USDA NRCS Urban Conservation		5,000	5,000	
Electric Charging Stations	150,000		150,000	
Neighborhood Preservation		125,000	125,000	
Statewide Insurance Fund Safety Grant		4,097	4,097	
Clean Communities Grant		22,875	22,875	
Storm Water Management Grant		285,000	285,000	
Storm Water Assistance		25,000	25,000	
NJDEP Asset Activation Planning		11,000	11,000	
Recycling Tonnage Grant	19,032		19,032	
Body Armor Grant	3,251		3,251	
Federal Bullet Proof Vest	2,629		2,629	
NJDCA Lead Grant Assistance Program		13,300	13,300	
American Recovery Plan	499,635		499,635	
State Rental of Parking Lots	10,000		10,104	104
Construction Code Office - Indirect Costs	21,000		21,000	-
Mt. Holly Memorial Health Alliance	385,000		397,594	12,594
County Rental of Parking Lots	98,203		98,203	-
Payment in Lieu of Taxes:				
Mt. Holly Sewerage Authority	458,000		458,000	-
West Rancocas	125,000		241,379	116,379
Senior Housing	15,000		16,835	1,835
Legacy/Children's Home	30,000		30,000	
Regency Park	174,350		200,016	25,666
Fermoor	525,000		431,488	(93,512)

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

**A-2**

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

Year Ended December 31, 2023

	ANTICIPATED BUDGET	SPECIAL N.J.S.A. 40:4-87	REALIZED	EXCESS OR (DEFICIT)
<b>MISCELLANEOUS REVENUES</b>				
Service Contract - Mt. Holly MUA	30,000		30,000	
Rent - 14 King Street	40,000		40,000	
Contribution from Rancocas Valley Regional High School	111,750		111,750	
Contribution from Mt. Holly BOE	75,866		75,886	20
Cable TV Franchise Fee	95,857		95,858	1
<b>Total</b>	<b>5,108,516</b>	<b>491,272</b>	<b>5,675,760</b>	<b>75,972</b>
Receipts from Delinquent Taxes	7,000		83,220	76,220
Amount to be Raised by Support of Municipal Budget	5,834,691		6,057,117	222,426
<b>Budget Totals</b>	<b>11,740,207</b>	<b>491,272</b>	<b>12,606,097</b>	<b>\$ 374,618</b>
Nonbudget Revenues			64,402	
<b>TOTAL REVENUES</b>	<b>\$ 11,740,207</b>	<b>\$ 491,272</b>	<b>\$ 12,670,499</b>	

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

**A-2**

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

Year Ended December 31, 2023

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**ANALYSIS OF REALIZED REVENUES**

Allocation of Current Tax Collections:	
Revenue From Collections	\$ 22,113,051
Allocated to School, County & Fire District Taxes	<u>16,219,922</u>
Balance for Support of Municipal Budget Appropriations	5,893,129
Increased by Appropriation - Reserve for Uncollected Taxes	<u>163,988</u>
Amount for Support of Municipal Budget Appropriations	<u>\$ 6,057,117</u>
Receipts from Delinquent Taxes:	
Taxes Receivable	\$ 17,549
Tax Title Lien Receivable	<u>65,671</u>
Total	<u>\$ 83,220</u>

**ANALYSIS OF NONBUDGET REVENUE**

Miscellaneous Revenues Not Anticipated:	
Police Fees	\$ 9,190
Street Openings	13,277
Pilot Payments	984
Senior Citizen & Vets Administrative Fee	1,165
Tax Search Fees	30
Foreclosure Premiums	9,200
Miscellaneous	<u>30,556</u>
Total	<u>\$ 64,402</u>

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

**CURRENT FUND  
STATEMENT OF EXPENDITURES**

Year Ended December 31, 2023

OPERATIONS	APPROPRIATIONS		EXPENDED		UNEXPENDED BALANCE CANCELED	OVER- EXPENDED
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED		
<b>General Government:</b>						
Administrative & Executive:						
Salaries and Wages	\$ 159,600	\$ 159,600	\$ 159,008	\$ 592	\$ -	\$ -
Other Expenses	158,000	198,000	192,933	5,067		
Mayor and Council:						
Salaries and Wages	22,500	22,500	22,500			
Other Expenses	500	500	448	52		
Township Clerk:						
Salaries and Wages	118,314	118,314	117,814	500		
Other Expenses	34,000	34,000	31,703	2,297		
Financial Administration:						
Salaries and Wages	103,097	103,097	98,097	5,000		
Other Expenses	42,350	32,350	19,148	13,202		
Audit Services	39,900	43,900	43,900			
Revenue Administration (Tax Collection):						
Salaries and Wages	176,000	161,000	160,856	144		
Other Expenses	25,000	25,000	24,598	402		
Assessment of Taxes:						
Salaries and Wages	17,575	17,575	17,575			
Other Expenses	26,900	6,900	4,595	2,305		
Legal Services & Costs:						
Other Expenses	190,000	190,000	145,967	44,033		
Engineering Services & Costs:						
Other Expenses	416,500	451,500	427,350	24,150		
<b>Municipal Land Use Law (NJSA 40:55D-1):</b>						
Planning Board:						
Salaries and Wages	13,200	13,200	12,792	408		
Other Expenses	11,950	11,950	10,971	979		
<b>Code Enforcement and Administration:</b>						
Inspection of Housing:						
Salaries and Wages	121,600	121,600	109,743	11,857		
Other Expenses	13,500	13,500	2,272	11,228		
<b>Insurance:</b>						
Employee Group Health Insurance	1,037,151	987,151	947,992	39,159		
General Liability Insurance	197,184	197,184	188,126	9,058		
Workers Compensation	220,847	220,847	219,659	1,188		
Medical Waiver	7,285	7,285	3,395	3,890		
<b>Public Safety:</b>						
Police:						
Salaries & Wages	2,139,853	2,083,853	2,014,318	69,535		
Salaries & Wages - ARP	499,635	499,635	499,635			
Other Expenses	170,450	170,450	168,976	1,474		
Emergency Management:						
Other Expenses	1,500	1,500		1,500		
<b>Public Works Functions:</b>						
Streets & Road Maintenance:						
Salaries & Wages	622,145	622,145	581,457	40,688		
Other Expenses	110,350	110,350	106,216	4,134		

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

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

Year Ended December 31, 2023

	APPROPRIATIONS		EXPENDED		UNEXPENDED BALANCE CANCELED	OVER- EXPENDED
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED		
<b>OPERATIONS - Within "CAPS"</b>						
<b>Public Works Functions (continued):</b>						
Public Buildings & Grounds:						
Salaries & Wages	\$ 12,500	\$ 12,500	\$ 10,065	\$ 2,435	\$ -	\$ -
Other Expenses	15,000	43,000	34,872	8,128		
Vehicle Maintenance:						
Other Expenses	50,000	65,000	55,954	9,046		
<b>Health &amp; Welfare:</b>						
Animal Control Services:						
Other Expenses	12,000	12,000	12,000			
Community Drug Alliance Program:						
Other Expenses	2,200	2,200		2,200		
<b>Park &amp; Recreation Functions:</b>						
Recreation Services & Programs:						
Salaries & Wages	74,363	74,363	70,416	3,947		
Other Expenses	3,000	3,000		3,000		
Celebration of Public Events:						
Other Expenses	45,000	45,000	45,000			
<b>Municipal Court:</b>						
Municipal Court:						
Salaries and Wages	190,856	190,856	188,165	2,691		
Other Expenses	12,750	12,750	9,666	3,084		
Municipal Prosecutor:						
Salaries and Wages	22,000	22,000	22,000			
Public Defender:						
Other Expenses - Contractual	525	525		525		
<b>Utility Expenses &amp; Bulk Purchase:</b>						
Electricity	40,000	40,000	34,036	5,964		
Street Lighting	240,000	244,000	244,000			
Telecommunication Costs	45,000	56,500	27,207	29,293		
Water	7,500	10,500	9,258	1,242		
Gasoline	100,000	100,000	70,300	29,700		
<b>Landfill/Solid Waste:</b>						
Garbage & Trash Removal:						
Other Expenses	582,750	582,750	580,028	2,722		
Sanitary Landfill:						
Contractual	380,000	380,000	357,037	22,963		
<b>Unclassified:</b>						
Accumulated Absences						
Contingency	1,500	1,500	1,500			
Total Operations Within "CAPS"	8,533,830	8,523,330	8,103,548	419,782		
Total Operations Including Contingent Within "CAPS"	8,533,830	8,523,330	8,103,548	419,782		
<b>Detail:</b>						
Salaries and Wages	3,793,603	3,722,603	3,584,806	137,797		
Other Expenses (Including Contingent)	4,740,227	4,800,727	4,518,742	281,985		

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

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

Year Ended December 31, 2023

	APPROPRIATIONS		EXPENDED		UNEXPENDED BALANCE CANCELED	OVER- EXPENDED
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED		
<b>OPERATIONS - Within "CAPS"</b>						
Deferred Charges & Statutory Expenditures - Municipal Within "CAPS":						
Statutory Expenditures:						
Public Employees Retirement System	256,226	256,226	256,226			
Police & Fire Pension Fund	700,384	700,384	700,384			
Social Security System (O.A.S.I.)	167,000	171,000	170,893	107		
DCRP	4,000	4,500	4,182	318		
Unemployment Fund	15,000	15,000	14,233	767		
Total Deferred Charges & Statutory Expenditures	1,142,610	1,147,110	1,145,918	1,192		
Total General Appropriations for Municipal Purposes Within "CAPS"	9,676,440	9,670,440	9,249,466	420,974		
<b>Mandated Expenditures Excluded From "CAPS": Other Operations - Excluded From "CAPS"</b>						
Shared Service Agreements	27,500	33,500	33,088	412		
Total Shared Services Agreements	27,500	33,500	33,088	412		
<b>Public and Private Programs Offset by Revenues:</b>						
Supplemental Fire Services	4,246	4,246	4,246			
NJ Urban Enterprise Zone:						
Other	64,953	64,953	64,953			
Clean Communities Program		22,875	22,875			
Neighborhood Preservation		125,000	125,000			
Electric Charging Station	150,000	150,000	150,000			
NJDCA Lead Grant Assistance		13,300	13,300			
State Body Armor	3,251	3,251	3,251			
USDA Grant		5,000	5,000			
Federal Bullet Proof Vest	2,629	2,629	2,629			
Statewide Insurance Fund Safety Grant		4,097	4,097			
NJDEP Asset Activation Planning		321,000	321,000			
Recycling Tonnage Grant	19,032	19,032	19,032			
Total Operations Excluded from "CAPS"	271,611	768,883	768,471	412	-	-
Detail:						
Salary and Wages	-	-	-	-		
Other Expenses	271,611	768,883	768,471	412	-	-
<b>Capital Improvements Excluded from "CAPS"</b>						
Capital Improvements:						
Public Works Equipment	80,000	80,000	55,000	25,000		
Electrical Stations						
Road Improvements						
Total Capital Improvement Excluded "CAPS"	80,000	80,000	55,000	25,000	-	-

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

**A-3**

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

Year Ended December 31, 2023

OPERATIONS - Excluded from "CAPS"	APPROPRIATIONS		EXPENDED		UNEXPENDED BALANCE CANCELED	OVER- EXPENDED
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED		
Municipal Debt Service:						
Payment of Bond Principal	830,000	830,000	830,000			
Interest on Bonds	435,108	435,108	435,108			
Payment of Bond Anticipation Notes	36,000	36,000	36,000			
Interest on Notes	179,062	179,062	179,061		1	
Total Municipal Debt Service	1,480,170	1,480,170	1,480,169		1	
Total General Appropriations - Municipal Purposes - Excluded From "CAPS"	1,831,781	2,329,053	2,303,640	25,412	1	
Subtotal General Appropriation Items	11,508,221	11,999,493	11,553,106	446,386	1	
Transferred to Board of Education for Use of Local Schools (N.J.S.A. 40:48-17 & 17.3)	67,998	67,998	67,578		420	
Reserve For Uncollected Taxes	163,988	163,988	163,988			
Total General Appropriations	\$ 11,740,207	\$ 12,231,479	\$ 11,784,672	\$ 446,386	\$ 421	\$ -
Budget		\$ 11,740,207				
Appropriation by 40A:4-87		491,272				
Total		\$ 12,231,479				
Deferred Charges:						
Reserve for Uncollected Taxes			\$ 163,988			
Federal and State Grant Funds			731,137			
Encumbrances			231,026			
Refunds			(453,726)			
Disbursed			11,112,247			
Total			\$ 11,784,672			

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

**B**

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

December 31, 2023 and 2022

<u>ASSETS</u>	REFERENCE	2023	2022
Dog License Fund:			
Cash - Chief Financial Officer	B-1	\$ 8,524	\$ 9,452
Total Dog License Fund		<u>8,524</u>	<u>9,452</u>
Other Funds:			
Cash - Chief Financial Officer	B-1	1,863,407	2,279,969
Forgivable Mortgage Receivable	B	<u>620,000</u>	<u>620,000</u>
Total Other Funds		<u>2,483,407</u>	<u>2,899,969</u>
Total Assets		<u>\$ 2,491,931</u>	<u>\$ 2,909,421</u>
 <u>LIABILITIES &amp; RESERVES</u>			
Dog License Fund:			
Due to Current Fund	A	\$ 660	\$ 847
Due to State of New Jersey	B-6	312	312
Reserve for Dog Fund Expenditures	B-2	<u>7,552</u>	<u>8,293</u>
Total Dog License Fund		<u>8,524</u>	<u>9,452</u>
Other Funds:			
Due to Current Fund	A	3,597	1,800
Due to State of New Jersey		4,507	2,892
Reserve for:			
Forgivable Mortgage Receivable	B	620,000	620,000
Tax Sale Premiums	B-4	600,800	1,034,300
Recreation Commission Funds	B-7	62,740	31,277
Law Enforcement Trust Fund	B-7	32,507	17,178
Federal & State Grants	B-7	65,756	65,756
Builder's Escrow	B-7	271,057	174,802
Recycling Program	B-7	9,169	8,567
Uniform Construction Code	B-5	287,072	311,614
Outside Police Services	B-7	61,316	251,937
Snow Removal	B-7	49,954	49,723
Public Defender	B-7	25	12,700
P.O.A.A. - Parking Fines	B-7	10,793	10,653
Redemption of Tax Sale Certificates	B-3	179,865	84,989
RCA Trust	B-7	96,096	145,679
Environmental Committee	B-7	996	996
Shade Tree	B-7	41	41
Urban Enterprise Zone	B-7	56,989	
Compensated Absences	B-7	<u>70,127</u>	<u>75,065</u>
Total Other Funds		<u>2,483,407</u>	<u>2,899,969</u>
Total Liabilities & Reserves		<u>\$ 2,491,931</u>	<u>\$ 2,909,421</u>

See notes to financial statements.

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

**C**

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

December 31, 2023 and 2022

	<u>REFERENCE</u>	<u>2023</u>	<u>2022</u>
<b><u>ASSETS</u></b>			
Cash & Investments	C-2	\$ 1,059,834	\$ 2,832,109
Due from Current Fund	A	1,388	2,682
Deferred Charges to Future Taxation:			
Funded		12,865,000	13,695,000
Unfunded	C-4	4,528,300	4,564,300
 Total Assets		 <u>\$ 18,454,522</u>	 <u>\$ 21,094,091</u>
 <b><u>LIABILITIES, RESERVES &amp; FUND BALANCE</u></b>			
Encumbrances Payable	C-6	\$ 60,457	\$ 124,800
Bond Anticipation Notes	C-7	4,453,000	4,489,000
Serial Bonds	C-8	12,865,000	13,695,000
Improvement Authorizations:			
Funded	C-6	1,463	31,463
Unfunded	C-6	851,680	2,553,299
Capital Improvement Fund	C-5	154	154
Fund Balance	C-1	222,768	200,375
 Total Liabilities, Reserves & Fund Balance		 <u>\$ 18,454,522</u>	 <u>\$ 21,094,091</u>
 Bonds and Notes Authorized But Not Issued	C-9	 <u>\$ 75,300</u>	 <u>\$ 75,300</u>

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

**C-1**

**GENERAL CAPITAL FUND  
STATEMENT OF FUND BALANCE**

Year Ended December 31, 2023

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Balance December 31, 2022		\$	200,375
Increased by:			
Premium	<u>22,393</u>		<u>22,393</u>
Balance December 31, 2023		\$	<u>222,768</u>

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

**D**

**PAYROLL FUND  
COMPARATIVE STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE**

December 31, 2023 and 2022

	<u>REFERENCE</u>	<u>2023</u>	<u>2022</u>
<b><u>ASSETS</u></b>			
Cash - Chief Financial Officer	D-1	\$ 10,021	\$ 11,114
Due from Current Fund	A		
Total		<u>\$ 10,021</u>	<u>\$ 11,114</u>
 <b><u>LIABILITIES</u></b>			
Due to Current Fund		<u>\$ 10,021</u>	<u>\$ 11,114</u>
Total		<u>\$ 10,021</u>	<u>\$ 11,114</u>

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

**E**

**GENERAL FIXED ASSETS ACCOUNT GROUP  
COMPARATIVE STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE**

December 31, 2023 and 2022

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	<u>2023</u>	<u>2022</u>
<b>General Fixed Assets</b>		
Land	\$ 7,076,829	\$ 7,076,829
Buildings & Contents	7,364,885	7,364,885
Vehicles & Equipment	<u>3,404,997</u>	<u>2,938,572</u>
 Total	 <u>\$ 17,846,711</u>	 <u>\$ 17,380,286</u>
 <b>Investment in General</b>		
Fixed Assets	 <u>\$ 17,846,711</u>	 <u>\$ 17,380,286</u>

See notes to financial statements.

## **NOTES TO FINANCIAL STATEMENTS**

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

NOTES TO FINANCIAL STATEMENTS

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**A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Description of the Financial Reporting Entity**

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

The Governmental Accounting Standards Board ("GASB") Statement No. 14 established criteria to be used to determine which component units should be included in the financial statements of an oversight entity. The primary criterion for including activities within the reporting entity, as set forth in the Statement, is the degree of oversight responsibility maintained by the reporting entity. However, the Division of Local Government Services, Department of Community Affairs, State of New Jersey requires the financial statements of the Township to be presented separately. As such, the financial statements of the Township include each board, body, officer or commission supported and maintained wholly or in part by funds appropriated by the Township, as required by N.J.S.A. 40A:5-5.

**Description of Funds and Account Groups**

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

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

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

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

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

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

**Basis of Accounting, Measurement Focus and Basis of Presentation**

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

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

NOTES TO FINANCIAL STATEMENTS

---

**A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

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

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

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

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

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

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

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

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

**General Fixed Assets Account Group** - Property and equipment purchased by the Current and General Capital Funds are recorded at cost as expenditures at the time of purchase and are not capitalized or depreciated. They are maintained at cost with an equal reserve until disposal. Fixed assets acquired through grants and/or contributed capital are not accounted for separately.

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

NOTES TO FINANCIAL STATEMENTS

---

**A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

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

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

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

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

**Departures from U.S. Generally Accepted Accounting Principles** - The accounting principles and practices followed by the Township differ in some respects, which in some instances may be material from U.S. generally accepted accounting principles. The more significant differences are as follows:

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

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

NOTES TO FINANCIAL STATEMENTS

---

**A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

**B. BONDS AND NOTES AUTHORIZED BUT NOT ISSUED**

At December 31, 2023, the Township had authorized but not issued bonds and notes as follows:

General Capital Fund - Bonds and Notes	<u>\$</u>	<u>75,300</u>
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**C. CURRENT FUND BALANCE APPROPRIATED**

The following amounts of fund balance at December 31, 2023, were anticipated as revenue in the adopted 2024 budget:

	Balance December 31, 2023	Utilized 2024 Budget
Current Fund	<u>\$</u> 2,489,751	<u>\$</u> 1,125,000

**D. DEFERRED CHARGES TO BE RAISED IN SUCCEEDED BUDGETS**

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2023, there were no deferred charges that needed to be raised in the succeeding year's budget.

**E. DEFERRED DISTRICT SCHOOL TAXES**

School taxes are raised on a calendar year basis for both the local and regional high school districts; therefore, school taxes cannot and have not been deferred as of December 31, 2023.

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

NOTES TO FINANCIAL STATEMENTS

**F. CASH AND CASH EQUIVALENTS**

The Township is governed by the deposit limitations of New Jersey state law. The deposits held at December 31, 2023, and reported book balances are as follows:

	Type Deposits	Book Balances
Demand Deposits		\$ 6,487,766
Total Deposits		<u>\$ 6,487,766</u>

	Type	Book Balances
Demand Deposits by Fund		
Current		\$ 3,545,980
Dog Trust		8,524
Other Trust		1,863,407
Payroll		10,021
General Capital		<u>1,059,834</u>
Total		<u>\$ 6,487,766</u>

**Custodial Credit Risk** - Custodial credit risk is the risk that, in the event of a bank failure, the Township's deposits may not be returned. The Township does have a deposit policy for custodial credit risk. As of December 31, 2023, the Township's bank balance of \$6,615,676 was insured or collateralized as follows:

Insured	\$ 500,000
Collateralized in the Township's name under GUDPA (see Note G)	<u>6,115,676</u>
Total	<u>\$ 6,615,676</u>

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

NOTES TO FINANCIAL STATEMENTS

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**G. GOVERNMENTAL UNIT DEPOSIT PROTECTION ACT (“GUDPA”)**

The Township has deposited cash in 2023 with an approved public fund depository qualified under the provisions of GUDPA. In addition to savings and checking accounts the Township invests monies in certificates of deposits.

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

N.J.S.A. 17:9-41 et seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with GUDPA, a multiple financial institutional collateral pool, which was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey. Public depositories include state or federally chartered banks, savings banks or associations located in or having a branch office in the State of New Jersey, the deposits of which are federally insured.

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

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

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

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

NOTES TO FINANCIAL STATEMENTS

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**H. PENSION OBLIGATION**

A substantial number of the Township's employees participate in the following defined benefit pension plans: the Public Employees' Retirement System ("PERS") and the Police and Firemen's Retirement System ("PFRS"), which are administered and/or regulated by the New Jersey Division of Pensions and Benefits (the "Division"). Both plans have a board of trustees that is primarily responsible for its administration. The Division issues publicly available financial reports for each plan that includes financial statements and required supplementary information. Those reports may be obtained at <https://www.state.nj.us/treasury/pensions/annual-reports.shtml> or by writing to:

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

**Plan Descriptions** - PERS is a cost-sharing multiple-employer defined benefit pension plan which was established as of January 1, 1955. PFRS is a cost-sharing multiple-employer defined benefit pension plan administered by the Division. For additional information about PERS and PFRS, please refer to the Division's annual financial statements, which can be found at the link above.

The Defined Contribution Retirement Program ("DCRP") is a multiple-employer defined contribution pension fund established on July 1, 2007, under the provisions of Chapter 92, P.L. 2007, and Chapter 103, P.L. 2007 (N.J.S.A. 43:15C-1 et. seq.). The DCRP is a tax-qualified defined contribution money purchase pension plan under Internal Revenue Code ("IRC") 401(a) et seq. and is a governmental plan within the meaning of IRC 414(d). The DCRP provides benefits for eligible employees and their beneficiaries. Individuals covered under DCRP are employees enrolled in PERS on or after July 1, 2007, who earn a salary in excess of established "maximum compensation" limits; employees enrolled in PFRS after May 21, 2010, who earn a salary in excess of established "maximum compensation" limits; employees otherwise eligible to enroll in PERS on or after November 2, 2008, who do not earn the minimum annual salary for tier 3 enrollment but who earn a salary of at least \$5,000.00 annually; and employees otherwise eligible to enroll in PERS after May 21, 2010, who do not work the minimum number of hours per week required for tiers 4 or 5 enrollment, but who earn a salary of at least \$5,000.00 annually.

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

NOTES TO FINANCIAL STATEMENTS

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**H. PENSION OBLIGATION (CONTINUED)**

**Benefits Provided** - For PERS, vesting and benefit provisions are set by N.J.S.A. 43:15A. PERS provides retirement, death and disability benefits. All benefits vest after ten years of service.

The following represents the membership tiers for PERS:

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

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

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

The following represents the membership tiers for PFRS:

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

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

For DCRP, eligible members are provided with a defined contribution retirement plan intended to qualify for favorable federal income tax treatment under IRC Section 401(a), a noncontributory group life insurance plan and a noncontributory group disability benefit plan. A participant's interest in that portion of his or her defined contribution retirement plan account attributable to employee contributions shall immediately become and shall at all times remain fully vested and

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

NOTES TO FINANCIAL STATEMENTS

---

**H. PENSION OBLIGATION (CONTINUED)**

non-forfeitable. A participant's interest in that portion of his or her defined contribution retirement plan account attributable to employer contributions shall be vested and non-forfeitable on the date the participant commences the second year of employment or upon his or her attainment of age 65, while employed by an employer, whichever occurs first.

**Contributions** - The contribution policy for PERS and PFRS is set by N.J.S.A. 43:15A and 43:16A, respectively and requires contributions by active members and contributing employers. The local employers' contribution amounts are based on an actuarially determined rate, which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PERS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in state fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years beginning with the payments due in the fiscal year ended June 30, 2012, and will be adjusted by the rate of return on the actuarial value of assets. Township contributions to PERS amounted to \$262,291 for 2023. The employee contribution rate for PERS was 7.50% effective July 1, 2018. Township contributions to PFRS amounted to \$706,358 for 2023. The employee contribution rate for PFRS was ten percent of employees' annual compensation, as defined.

**PERS Special Funding Situation** - Under N.J.S.A. 43:16A-15, local participating employers are responsible for their own contributions based on actuarially determined amounts, except where legislation was passed that legally obligated the state if certain circumstances occurred. The legislation, which legally obligates the state, are Chapter 366, P.L. 2001 and Chapter 133, P.L. 2001. The amounts contributed on behalf of the local participating employers 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 non-employer contributing entity. Since the local participating employers do not contribute under this legislation directly to the plan (except for employer-specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers related to this legislation. For the special funding situation, the unaudited proportionate share of the net pension liability of the State of New Jersey ("State") related to the Township for the year ended December 31, 2023, was .0196993244% and \$8,865. Unaudited State contributions and pension expense for the year ended December 31, 2023, was \$8,865 and \$8,865, respectively.

**PFRS Special Funding Situation** - Under N.J.S.A. 43:16A-15, local participating employers are responsible for their own contributions based on actuarially determined amounts, except where legislation was passed that legally obligated the State if certain circumstances occurred. The legislation, which legally obligates the State, is as follows: Chapter 8, P.L. 2000, Chapter 318, P.L. 2001, Chapter 86, P.L. 2001, Chapter 511, P.L. 1991, Chapter 109, P.L. 1979, Chapter 247, P.L. 1993 and Chapter 201, P.L. 2001. The amounts contributed on behalf of the local participating employers under this legislation 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 local participating employers do not contribute under this legislation directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or

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

NOTES TO FINANCIAL STATEMENTS

**H. PENSION OBLIGATION (CONTINUED)**

inflows to report in the financial statements of the local participating employers related to this legislation. For the special funding situation, the unaudited proportionate share of the net pension liability of the State of New Jersey (“State”) related to the Township for the year ended December 31, 2023, was .05306180% and \$1,080,266. Unaudited State contributions and pension expense for the year ended December 31, 2023, was \$123,541 and \$122,878, respectively.

**DCRP** - The contribution policy is set by N.J.S.A. 43:15C-3 and requires contributions by active members and contributing employers. In accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members are required to contribute 5.5% of their annual covered salary. In addition to the employee contributions, the Township contributes 3% of the employees’ base salary, for each pay period, to Prudential Financial not later than the fifth business day after the date on which the employee is paid for that pay period. For the year ended December 31, 2023, the Township’s contributions were \$4,182. There were no forfeitures during the year.

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions** - At plan year ended June 30, 2023, the Township had a liability of \$2,842,532 for its proportionate share of the net pension liability in PERS and at plan year ended June 30, 2023, the Township had a liability of \$5,862,673 for its proportionate share of the net pension liability in PFRS. The PERS net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The PFRS net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

The Township’s proportion of the net pension liability was based on a projection of the Township’s long-term share of contributions to the pension plan relative to the projected contributions of all participating members of the plan, actuarial determined. At plan year ended June 30, 2023, the Township’s PERS proportion was 0.0196248149%, which was a slight decrease of 0.000693 from its proportion measured as of plan year ended June 30, 2022. At plan year ended June 30, 2023, the Township’s PFRS proportion was 0.0530617100% which was a slight decrease of 0.000791 from its proportion measured as of plan year ended June 30, 2022. The Township’s PERS pension expense for the plan year ended June 30, 2023, was a net benefit of \$24,276. The Township’s PFRS pension expense for the plan year ended June 30, 2023, was a net benefit of \$234,006.

At December 31, 2023, the Township had deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	PERS as of Plan Year Ended June 30, 2023		PFRS as of Plan Year Ended June 30, 2023	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 27,178	\$ 11,619	\$ 251,028	\$ 279,597
Changes in Assumptions	6,244	172,270	12,654	395,871
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	13,090		298,575	
Changes in Proportion	90,240	232,534	111,344	488,789
	<u>\$ 136,752</u>	<u>\$ 416,423</u>	<u>\$ 673,601</u>	<u>\$ 1,164,257</u>

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

NOTES TO FINANCIAL STATEMENTS

**H. PENSION OBLIGATION (CONTINUED)**

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)** - Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

PERS as of		PFRS as of	
Years Ending June 30,		Years Ending June 30,	
2023	\$ (263,028)	2023	\$ (308,309)
2024	(134,004)	2024	(197,028)
2025	(65,351)	2025	(187,691)
2026	142,571	2026	392,057
2027	(313)	2027	3,778
Thereafter	-	Thereafter	3,961
	<u>\$ (320,124)</u>		<u>\$ (293,231)</u>

The previous amounts do not include Township specific deferred outflows of resources and deferred inflows of resources related to changes in proportion. These amounts should be recognized (amortized) by the Township over the average of the expected remaining service lives of all plan members, which is 5.08, 5.04, 5.13, 5.16, 5.21, and 5.63, for the years 2023, 2022, 2021, 2020, 2019 and 2018, respectively.

**Actuarial Assumptions** - The total PERS pension liability for the plan year ended June 30, 2023, and the total PFRS pension liability for the plan year ended June 30, 2023, actuarial valuations were determined using the following actuarial assumptions, applied to all periods included in the measurement:

	<u>PERS - 2023</u>	<u>PFRS - 2023</u>
Inflation Rate		2.75%
Price	2.75%	
Wage	3.25%	
Salary Increases		
Based on years of service	2.75 - 6.55%	3.25 - 16.25%
Investment Rate of Return	7.00%	7.00%

For PERS, 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.

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

NOTES TO FINANCIAL STATEMENTS

**H. PENSION OBLIGATION (CONTINUED)**

**Actuarial Assumptions (Continued)** - The actuarial assumptions used in the July 1, 2022, valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2021.

For PFRS, employee mortality rates were based on the Pub-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 Pub-2010 amount-weighted table with a 96.7% adjustment for males and 96.0% adjustment for females. Disability rates were based on the Pub-2010 amount-weighted mortality table with a 152.0% adjustment for males and 109.3% adjustment for females. Mortality improvement is based on Scale MP-2021.

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

In accordance with state statute, the long-term expected rate of return on plan investments (7.00% at plan year ended June 30, 2023, for PERS and June 30, 2022, for PFRS) is determined by the State Treasurer, after consultation with the directors of the Division of Investments and Division, the board of trustees, and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in PERS's and PFRS's target asset allocation, are summarized in the following table:

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

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

NOTES TO FINANCIAL STATEMENTS

**H. PENSION OBLIGATION (CONTINUED)**

**Discount Rate** - The discount rate used to measure the total pension liability was 7.00% as of June 30, 2023. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that employers and the non-employer contributing entity will be based on 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make 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.

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

**Sensitivity of the Township's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate** - The following presents the Township's proportionate share of the collective net pension liability calculated using the discount rate as disclosed above, as well as what the Township's proportionate share of the collective net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	At 1% Decrease (6.00%)	At Current Discount Rate (7.00%)	At 1% Increase (8.00%)
Township's proportionate share of PERS plan year ended June 30, 2023	<u>\$ 3,700,372</u>	<u>\$ 2,842,532</u>	<u>\$ 2,112,397</u>
	At 1% Decrease (6.00%)	At Current Discount Rate (7.00%)	At 1% Increase (8.00%)
Township's proportionate share of PFRS plan year ended June 30, 2023	<u>\$ 8,168,608</u>	<u>\$ 5,862,673</u>	<u>\$ 3,942,380</u>

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

NOTES TO FINANCIAL STATEMENTS

**I. PROPERTY TAXES**

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

**J. INTERFUNDS, RECEIVABLES AND PAYABLES**

The composition of interfund balances as of December 31, 2023, is as follows:

	Interfunds Receivable	Interfunds Payable
Current Fund	\$ 241,795	\$ 1,388
Federal and State Grant Fund		227,517
General Capital Fund	1,388	
Payroll Fund		10,021
Trust Fund - Animal Control		660
Trust Other Funds		3,597
Total Funds	<u>\$ 243,183</u>	<u>\$ 243,183</u>

**K. RISK MANAGEMENT**

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

**L. GENERAL LONG-TERM DEBT**

During the year ended December 31, 2022, the following changes occurred in long-term debt including loans:

	Balance December 31, 2022	Reduction	Balance December 31, 2023
General Capital Serial Bonds	\$ 13,695,000	\$ 830,000	\$ 12,865,000
Total	<u>\$ 13,695,000</u>	<u>\$ 830,000</u>	<u>\$ 12,865,000</u>

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

NOTES TO FINANCIAL STATEMENTS

**L. GENERAL LONG-TERM DEBT (CONTINUED)**

**Permanently Funded Debt**

General Obligation and Serial Bonds as of December 31, 2023, consists of the following:

Date of Issue	Purpose	Maturities	Interest Rate	Amount
October 31, 2013	General Obligation	2021 to 2025	Various	\$ 260,000
September 27, 2017	Refund Bond Series 2010	2021 to 2030	Various	3,170,000
November 7, 2018	General Obligation 2018	2021 to 2043	Various	3,380,000
July 22, 2020	Taxable General Obligation Refunding	2021 to 2038	Various	3,880,000
October 29, 2021	Taxable General Obligation Refunding	2021 to 2041	Various	2,175,000
				<u>\$ 12,865,000</u>

**Debt Service Requirements**

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

Year	Principal	Interest	Total
2024	\$ 885,000	\$ 1,294,629	\$ 1,294,629
2025	900,000	1,283,398	1,283,398
2026	795,000	1,151,030	1,151,030
2027	870,000	1,200,256	1,200,256
2028	885,000	1,187,146	1,187,146
2029-2033	3,455,000	4,589,155	4,589,155
2034-2039	3,635,000	4,287,433	4,287,433
2039-2043	1,440,000	1,606,760	1,606,760
	<u>\$ 12,865,000</u>	<u>\$ 16,599,805</u>	<u>\$ 16,599,805</u>

Bond Anticipation Notes issued as of December 31, 2023, are as follows:

Interest	Purpose	Rate	Amount
General Capital Fund	Restoration of Upper Buttonwood & Woolman Lakes	4.4875%	\$ 177,000
General Capital Fund	Restoration & Rehab of Mill Dam Park	4.4875%	2,200,000
General Capital Fund	Replacement of Buttonwood Lake Dam	4.4875%	734,200
General Capital Fund	Various Capital Improvements	4.4875%	430,100
General Capital Fund	Construction & Improvements to Real Property	4.4875%	570,000
General Capital Fund	Construction of Improvements at Buttonwood	4.4875%	142,500
General Capital Fund	Repair & Reconstruction of Union Mill Dam	4.4875%	199,200
Total			<u>\$ 4,453,000</u>

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

NOTES TO FINANCIAL STATEMENTS

**L. GENERAL LONG-TERM DEBT (CONTINUED)**

**Summary of Municipal Debt (Excluding Current Debt)**

**Summary of Municipal Debt  
(Excluding Current Debt)**

	2023	2022	2021
Issued -			
General - Bonds and Notes	\$ 17,318,000	\$ 18,184,000	\$ 15,751,300
Net Debt Issued	<u>17,318,000</u>	<u>18,184,000</u>	<u>15,751,300</u>
Authorized but not Issued:			
General - Bonds and Notes	<u>75,300</u>	<u>75,300</u>	<u>3,022,000</u>
Net Debt	<u>\$ 17,393,300</u>	<u>\$ 18,259,300</u>	<u>\$ 18,773,300</u>

**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 1.95%.

	<u>GROSS DEBT</u>	<u>DEDUCTIONS</u>	<u>NET DEBT</u>
Regional School District	\$ 3,807,971	\$ 3,807,971	\$ -
Local School District	4,765,000	4,765,000	-
General Debt	<u>17,393,300</u>	<u>-</u>	<u>17,393,300</u>
Total	<u>\$ 25,966,271</u>	<u>\$ 8,572,971</u>	<u>\$ 17,393,300</u>

Net debt, \$17,393,300 divided by Equalized Valuation Basis Per N.J.S.A. 40A:2-2 as amended, \$785,497,345 equals 2.214%.

**Equalized Valuation Basis:**

2023	\$ 891,746,060
2022	775,742,885
2021	<u>689,003,089</u>
Average	<u>\$ 785,497,345</u>

**Borrowing Power Under 40A:2-6**

3.5% of Equalized Valuation Basis (Municipal)	\$ 27,492,407
Net Debt	<u>17,393,300</u>
Remaining Borrowing Power	<u>\$ 10,099,107</u>

This information above is in agreement with the annual debt statement filed by the CFO.

New Jersey Statutes limit the debt of a municipality to 3.50% of the average of the last three preceding years' equalized valuations of the taxable real estate and improvements. The Township's statutory net debt at December 31, 2023, was 2.214%. The Township's remaining borrowing power is 1.286%.

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

NOTES TO FINANCIAL STATEMENTS

**L. GENERAL LONG-TERM DEBT (CONTINUED)**

**Lease Obligations**

At December 31, 2023, the Township has a lease agreement in effect for eleven copiers with a five (5) year term at an interest of 5.00%. This lease is under a long-term, noncancelable lease agreement.

The remaining future payments under the lease agreement for eleven copiers are as follows:

<u>Year</u>	<u>Amount</u>
2024	<u>\$ 850</u>
Total	<u>\$ 850</u>

Lease payments under this lease for the years 2023 and 2022 were \$10,194 and \$10,194, respectively.

On September 30, 2022, the Township entered into a lease for a mail machine with a five (5) year term at an interest rate of 6.25%. This lease is under a long-term, noncancelable lease agreement.

As of December 31, 2023, the lease payments are as follows:

<u>Year</u>	<u>Amount</u>
2024	<u>\$ 3,501</u>
2025	3,501
2026	3,501
2027	<u>2,335</u>
Total	<u>\$ 12,838</u>

Lease payments under this lease for the year 2023 and 2022 were \$3,501 and \$1,167, respectively.

**M. FIXED ASSETS**

The following schedule is a summarization of the changes in General Fixed Assets for the fiscal year ended December 31, 2023:

	<u>Balance</u> <u>December 31, 2022</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>December 31, 2023</u>
Land	\$ 7,076,829			\$ 7,076,829
Buildings and Contents	7,364,885			7,364,885
Vehicles and Equipment	2,938,572	466,425		3,404,997
Total	<u>\$ 17,380,286</u>	<u>\$ 466,425</u>	<u>\$ -</u>	<u>\$ 17,846,711</u>

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

NOTES TO FINANCIAL STATEMENTS

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**N. DEFERRED COMPENSATION SALARY ACCOUNT**

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

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

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

**O. ACCRUED SICK AND VACATION TIME**

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

The amount of accrual for compensated absences as of December 31, 2023, is as follows:

Vacation Time and Sick Time:	
Employees' Accrual	\$ 646,879
Township Share of Payroll Taxes	26,424
Total	<u>\$ 673,303</u>

This liability has not been recorded in the financial statements. Actual payment and funding for compensated absences occurs through budget appropriation in the annual operating budget and only during the year the employee terminates or retires (pay-as-you-go basis). As of December 31, 2023, the reserve balance is \$70,127.

**P. LITIGATION**

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

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

NOTES TO FINANCIAL STATEMENTS

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**Q. SERVICE AGREEMENT**

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

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

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

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

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

**R. ECONOMIC UNDERTAKING**

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

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

NOTES TO FINANCIAL STATEMENTS

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**R. ECONOMIC UNDERTAKING (CONTINUED)**

which is located north of and adjacent to the Gardens. This land was vacant and underutilized. The goal of the Redevelopment Plan is to create an attractive, safe and cohesive residential neighborhood that provides a variety of housing options that meet the needs of the Mount Holly community and to provide opportunities for commercial establishments that will serve the immediate area and the larger community.

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

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

On February 27, 2012, the Township introduced several ordinances, which allow the Township to move forward with the redevelopment of the Redevelopment Area through the sale and redevelopment of the vacant commercial area located north of the Gardens. These ordinances authorize the sale of this land for \$1,526,903.00 and the redevelopment of the land into an apartment complex containing 228 apartment units with shared recreational amenities such as a clubhouse and a swimming pool. Closing occurred in the fall of 2012.

The Township also sold a second parcel of land for the development of 60 townhouses. The Township received a total of \$1,073,098 for this parcel.

As of December 31, 2021, the Township has sold a third parcel of land which should be considered Phase 3 of the redevelopment which consists of 96 additional apartment units and 80 townhomes for a total of \$1,799,746 with 12,000 square feet of commercial space yet to be sold and built. The 96 Apartments have been completed and rented. The 80 Townhomes have been completed and sold. The Township is currently in discussions with the Developer regarding the implementation of the commercial space.

As part of the Redevelopment Plan the Township was required to acquire existing homes and provide new replacement housing for twenty (20) families. As of December 31, 2021, the Township has acquired all twenty (20) of these properties and these mortgages have been transferred to Republic Bank as per the Gardens Settlement Agreement.

The Township has one remaining phase left (phase 4) as part of the Redevelopment Plan. The Plan anticipates building 80 additional townhome units at a predetermined price in accordance with the Redevelopment Agreement. The Township is currently in discussion with the Developer to move forward with this phase.

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

NOTES TO FINANCIAL STATEMENTS

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**S. FORGIVABLE MORTGAGE RECEIVABLE**

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

The program provides funding and financial assistance that will be spent in a manner that is consistent with Council on Affordable Housing rules. Rehabilitation funding shall be used to address deficiencies in major systems and bring each housing unit to code. Financial assistance will be available for repair or replacement of substandard conditions within the housing unit in order to correct code violations. Once the funding or financial assistance is given to the approved occupant Township files the required lien on the owner-occupied property. The owner-occupants of the single-family homes that qualify will be required to repay the loan in full to the Township if they sell or vacate the unit within six years of the completion of work. Twenty-five percent of the loan shall be forgiven if the owner-occupant remains in the unit for seven (7) years after receiving the loan. Similarly, 25 percent of the loan shall be forgiven for each additional year the owner-occupant remains in the unit. Finally, after 10 years, the loan shall be forgiven. The amount of forgivable mortgage receivable as of December 31, 2023, is \$620,000.

**T. POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS**

The Township participates in the State Health Benefits Local Government Retired Employees Plan (the "SHBP" or "OPEB Plan"), a cost sharing multiple-employer defined post-retirement benefit plan, which is administered by the Division. The SHBP provides health care benefits to employees, retirees and their dependents. Rules governing the operation and administration of the program are found in Title 17, Chapter 9 of the New Jersey Administrative Code. SHBP provides medical, prescription drugs, mental health/substance abuse, and Medicare Part B reimbursement to retirees and their covered dependents. The Township does not offer the OPEB Plan to active employees but retired employees are eligible due to a special funding situation. The total number of retired participants eligible for benefits was 55 at December 31, 2022.

**General Information About the OPEB Plan** - The State Health Benefits Commission is the executive body established by statute to be responsible for the operation of the SHBP. The Division issues a publicly available financial report that includes financial statements and required supplementary information for the SHBP. That report may be obtained by writing to: State of New Jersey Division of Pensions and Benefits, P.O. Box 295, Trenton, NJ 08625-0295 or by visiting their website at <https://www.state.nj.us/treasury/pensions/financial-reports.shtml>.

The SHBP 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 post-retirement medical coverage to their employees must file a resolution with the Division. Under Chapter 88, local employers elect to provide benefit coverage based on the eligibility rules and regulations promulgated by the State Health Benefits Commission. Chapter 48 allows local employers to establish their own age and service eligibility for employer-paid health benefits coverage for retired employees. Under Chapter 48, the employer may assume the cost of post-retirement medical coverage for employees and their dependents who: 1) retired on a disability pension; or 2) retired with 25 or more years of

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

NOTES TO FINANCIAL STATEMENTS

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**T. POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)**

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 negotiation 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 post-retirement medical coverage. Local employers were required to file a resolution with the Division in order for their employees to qualify for State-paid retiree health benefits coverage under Chapter 330. The State also provides funding for retiree health benefits to survivors of local police officers and firefighters who die in the line of duty under Chapter 271, P.L.1989.

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

The GASB Statement No. 75 report of the Plan for the period ended June 30, 2023, was not available as of the date of this report. Per Local Finance Notice 2023-10, issued by the Division of Local Government Services, calendar year municipalities are able to include in their annual audits the most recent audited GASB 75 information published by the Division. Thus, the Township included in the note below disclosures based on the period ended June 30, 2022, audited Plan information.

**Funding Policy** - Participating employers are contractually required to contribute based on the amount of premiums attributable to their retirees. Post-retirement medical benefits under the plan have been funded on a pay-as-you-go basis since 1994. Prior to 1994, medical benefits were funded on an actuarial basis. Contributions to pay for the health premiums of participating retirees in the SHBP are billed to the Township on a monthly basis. As a participating employer the Township will pay and remit to contributions to the State treasury contributions to cover the full cost of premiums for eligible pensioners on a basis comparable to the reimbursement made by the State to its eligible pensioners and their spouses in accordance with provisions of Chapter 75, Public Law of 1972.

The Township's contribution to the Plan for the year ended December 31, 2022, was \$38,976, which equaled the required contribution for the year.

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

NOTES TO FINANCIAL STATEMENTS

**T. POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)**

**Allocation Methodology** - GASB Statement No. 75 requires participating employers in the Plan to recognize their proportionate share of the collective net OPEB liability, collective deferred outflows of resources, collective deferred inflows of resources, and collective OPEB expense. The special funding situation's and nonspecial funding situation's net OPEB liability, deferred outflows of resources, deferred inflows of resources, and OPEB expense are based on separately calculated total OPEB liabilities. The nonspecial funding situation's net OPEB liability, deferred outflows of resources, deferred inflows of resources, and OPEB expense are further allocated to employers based on the ratio of the plan members of an individual employer to the total members of the Plan's nonspecial funding situation during the measurement period July 1, 2021 through June 30, 2022.

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

Therefore, these employers are considered to be in a special funding situation as defined by GASB Statement No. 75 and the State is treated as a non-employer contributing entity. Since the local participating employers do not contribute under this legislation directly to the SHBP, there is no net OPEB liability, deferred outflows of resources or deferred inflows of resources to report in the financial statements of the local participating employers related to this legislation. For the special funding situation, the unaudited proportionate share of the net pension liability of the State related to the Township for the year ended December 31, 2022, was .0158151% and \$5,335,714. Unaudited State pension expense (revenue) for the year ended December 31, 2022, was a balance of (\$875,169).

**Net OPEB Liability**

Components of Net OPEB Liability

The components of the collective net OPEB liability of the participating employers in the SHBP as of plan year ended June 30, 2022, are as follows:

	June 30, 2022
	<u>                    </u>
Total OPEB Liability	\$ 8,328,985
Plan Fiduciary Net Position	(30,369)
Net OPEB Liability	<u>\$ 8,359,354</u>
 Plan Fiduciary Net Position as a percentage of total OPEB liability	  -0.36%

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

NOTES TO FINANCIAL STATEMENTS

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**T. POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)**

The total OPEB liability as of plan year ended June 30, 2022, was determined by an actuarial valuation as of July 1, 2021, which was rolled forward to June 30, 2022. 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)	
Rate for all future years	2.75% - 6.55%
Based on years of service	
Police and Firemen's Retirement System (PFRS)	
Rate for all future years	3.25 - 16.25%
Based on years of service	
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. One hundred-percent of active members are considered to participate in the Plan upon retirement.

**Health Care Trend Assumptions** - For pre-Medicare medical benefits, the trend is initially 6.25% and decreases to a 4.5% long-term trend rate after seven years and for all future years. For post-65 PPO and HMO medical benefits, the actual fully-insured Medical Advantage trend rates for fiscal year 2023 through 2033 and all future years. The rates used for 2023 are -1.89% and -1.99%, respectively, trending to 4.5% in 2033 and for all future years. For prescription drug benefits, the initial trend rate is 8.0% and decreases to a 4.5% long-term trend rate after seven years and for all future years.

**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.

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

NOTES TO FINANCIAL STATEMENTS

**T. POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)**

**Sensitivity of Net OPEB Liability to Changes in the Discount Rate:**

The following presents the collective net OPEB liability of the participating employers as of June 30, 2022, calculated using the discount rate as disclosed above as well as what the collective 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:

	At 1% Decrease (2.54%)	At Current Discount Rate (3.54%)	At 1% Increase (4.54%)
Local	\$ 9,690,174	\$ 8,359,354	\$ 7,288,585

**Sensitivity of Net OPEB Liability to Changes in the Healthcare Trend Rate:**

The following presents the net OPEB liability 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:

	At 1% Decrease	At Current Healthcare Cost Trend Rate	At 1% Increase
Local	\$ 7,091,492	\$ 8,359,354	\$ 9,983,129

**Deferred Outflows of Resources and Deferred Inflows of Resources**

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 431,686	\$ 1,549,469
Changes in Assumptions	1,115,590	2,852,886
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	2,201	-
Changes in Proportion	8,779,572	304,121
	<u>\$ 10,329,049</u>	<u>\$ 4,706,476</u>

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

NOTES TO FINANCIAL STATEMENTS

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**T. POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)**

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

Years Ending June 30,	
2023	\$ (757,475)
2024	(758,144)
2025	(598,695)
2026	(267,381)
2027	(59,946)
Thereafter	(411,238)
	<u>\$ (2,852,878)</u>

The previous amounts do not include employer specific deferred outflows of resources and deferred inflows of resources related to the changes in proportion. These amounts should be recognized (amortized) by each employer over the average remaining service lives of all plan members, which are 7.82, 7.82, 7.87, 8.05, 8.14 and 8.04 years for the 2022, 2021, 2020, 2019, 2018 and 2017 amounts, respectively.

**U. SUBSEQUENT EVENTS**

The Township has evaluated all subsequent events occurring after December 31, 2023, through July 16, 2024, which is the date the financial statements were available to be issued. Management has determined no events have occurred that require disclosure.

## **SUPPLEMENTAL SCHEDULES**

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

**A-4**

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

Year Ended December 31, 2023

	<u>CURRENT FUND</u>	<u>FEDERAL &amp; STATE GRANT FUND</u>
Balance December 31, 2022	\$ 3,833,140	\$ 524,109
Increased by Receipts:		
Taxes Receivable	21,943,550	
Tax Title Liens Receivable	65,671	
Tax Overpayments	87,705	
Due from State of New Jersey - Senior Citizen & Veteran Deductions	58,250	
Prepaid Taxes	83,838	
Revenue Accounts Receivable	4,365,776	
Miscellaneous Revenue Not Anticipated	64,402	
Budget Refunds	454,168	
Property Maintenance Receivable	1,378	
Amount Due to State for Marriage Licenses/Funeral Licenses	5,460	
Municipal Relief Fund	158,390	
Canceled Prior Year Accounts Payable	52,281	
Due from Animal Control Fund	187	
Due from Trust Other Funds	164,094	
Due from Grant Fund	499,635	
Due from Current Fund		182,848
Due from TTL Redemption Funds	115,700	
Due from Mt. Holly MUA	77,704	
State & Federal Grants Receivable		446,354
Federal and State Grants Unappropriated		20,205
<b>Total</b>	<u>28,198,189</u>	<u>649,407</u>
<b>Subtotal</b>	<u>32,031,329</u>	<u>1,173,516</u>
Decreased by Disbursements:		
2023 Appropriations	11,112,247	
2022 Appropriation Reserve	541,427	
Refund Tax Overpayments	91,843	
County Taxes	2,857,958	
Local District School Taxes	8,906,059	
Regional High School District Taxes	2,980,291	
Fire District Taxes	1,451,992	
Due to Mt. Holly MUA	77,252	
Due from Trust Funds	57,182	
Due to Federal and State Grant Fund	182,848	
Due to Payroll Fund	110,000	
Due to TTL Redemption Fund	115,700	
Due to State of New Jersey	550	
Due to Current Fund		499,635
Reserve for Federal & State Grant Funds - Appropriated		673,881
<b>Total Disbursements</b>	<u>28,485,349</u>	<u>1,173,516</u>
Balance December 31, 2023	<u>\$ 3,545,980</u>	<u>\$ -</u>

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

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

Year Ended December 31, 2023

YEAR	BALANCE		ADDED TAXES	COLLECTED		DUE FROM STATE OF NEW JERSEY	OVER-PAYMENTS APPLIED	CANCELED	TRANSFERRED TO TAX TITLE LIENS	BALANCE DECEMBER 31, 2023
	DECEMBER 31, 2022	2023 LEVY		2022	2023					
2019	\$ 2,860	\$ -	\$ 2,418	\$ -	\$ 556	\$ -	\$ -	\$ -	\$ -	\$ 4,722
2020	1,125									1,125
2021	3,072									3,072
2022	13,429		5,445		16,993			9		1,872
Total	20,486		7,863		17,549			9		10,791
2023		22,238,288	1,703	124,550	21,926,001	62,500		6,454	102,081	18,405
Total	\$ 20,486	\$ 22,238,288	\$ 9,566	\$ 124,550	\$ 21,943,550	\$ 62,500	\$ -	\$ 6,463	\$ 102,081	\$ 29,196

Cash Receipts \$ 21,943,550

Total \$ 21,943,550

**ANALYSIS OF 2023 PROPERTY TAX LEVY**

**Tax Yield:**

General Purpose Tax	\$ 22,003,893
Added Taxes (54:4-63.1 et seq)	<u>234,395</u>
Total	<u>\$ 22,238,288</u>

**Tax Levy:**

Local District School Tax (Abstract)	\$ 8,906,059
Regional School District Tax	2,980,291
Fire District Tax (Abstract)	1,451,992
County Taxes:	
County Tax (Abstract)	\$ 2,400,818
County Open Space Tax (Abstract)	198,063
County Library Tax (Abstract)	222,062
Due County for Added & Omitted Taxes	<u>60,637</u>
	2,881,580
Local Tax For Municipal Purposes	5,834,691
Add: Additional Tax Levy	<u>183,675</u>
	6,018,366
Total Levy	<u>\$ 22,238,288</u>

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

**A-6**

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

Year Ended December 31, 2023

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Balance December 31, 2022		\$ 344,257
Increased by:		
Interest and Costs	\$ 18,650	
Transfer from Taxes Receivable - 2023	102,081	120,731
		<hr/>
Subtotal		464,988
Decreased by:		
Adjustment to Prior Year Balance	60,625	
Transfer to Foreclosure	10,493	
Collections	65,671	136,789
		<hr/>
Balance December 31, 2023		<u>\$ 328,199</u>

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

**A-7**

Year Ended December 31, 2023

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Balance December 31, 2022		\$ 490,055
Increased by:		
Transfer from Tax Title Liens	10,493	
Adjust to Assessed Value	145,807	156,300
		<hr/>
Balance December 31, 2023		<u>\$ 646,355</u>

**CURRENT FUND  
SCHEDULE OF PROPERTY MAINTENANCE RECEIVABLE**

**A-8**

Year Ended December 31, 2023

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Balance December 31, 2022		\$ 12,679
Increased by:		
Billings		<hr/> 1,568
Subtotal		14,247
Decreased by:		
Collections		<hr/> 1,378
Balance December 31, 2023		<u>\$ 12,869</u>

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

**A-9**

**CURRENT FUND  
SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE**

Year Ended December 31, 2023

	BALANCE DECEMBER 31, 2022	ACCRUED IN 2023	COLLECTED BY TREASURER	BALANCE DECEMBER 31, 2023
Municipal Clerk:				
Licenses:				
Alcoholic Beverages	\$ -	\$ 23,326	\$ 23,326	\$ -
Other Licenses		6,475	6,475	
Fees & Permits		200,707	200,707	
Service Contract - Mt. Holly MUA		30,000	30,000	
Cable TV Franchise Fee		95,858	95,858	
Payment In-Lieu of Taxes:				
Mt. Holly MUA		458,000	458,000	
Children's Home		30,000	30,000	
Stouber		241,379	241,379	
Regency Park		200,016	200,016	
Fermoor		431,488	431,488	
Presbyterian Home		16,835	16,835	
Mt Holly Memorial Health Alliance Donation		397,594	397,594	
State Rental of Parking Lots		10,104	10,104	
County Rental of Parking Lots		98,203	98,203	
Municipal Court - Fines & Costs	3,416	42,630	42,627	3,419
Construction Code Office - Indirect Costs		21,000	21,000	
Rent - 14 Kings Street		40,000	40,000	
Contribution from Rancocas Valley Regional High School		111,750	111,750	
Contribution from Mt. Holly BOE		75,886	75,886	
Energy Receipts Tax		1,529,028	1,529,028	
Housing Inspection Fees		102,400	102,400	
Interest and Costs on Taxes		85,914	85,914	
Interest on Investments		117,186	117,186	
<b>Total</b>	<b>\$ 3,416</b>	<b>\$ 4,365,779</b>	<b>\$ 4,365,776</b>	<b>\$ 3,419</b>

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

**A-10**

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

Year Ended December 31, 2023

OPERATIONS	BALANCE DECEMBER 31, 2023	BALANCE AFTER TRANSFERS	DISBURSED	BALANCE LAPSED	OVER- EXPENDED
<b>General Government:</b>					
Administrative & Executive:					
Salaries and Wages	\$ 90	\$ 90	\$ -	\$ 90	\$ -
Other Expenses	15,837	8,337	7,586	751	
Mayor and Council:					
Other Expenses	500	500	356	144	
Municipal Clerk:					
Salaries and Wages	1,002	1,002		1,002	
Other Expenses	6,212	12,912	12,817	95	
Financial Administration:					
Salaries and Wages	5,098	98		98	
Other Expenses	8,283	8,283	3,287	4,996	
Audit Services					
Assessment of Taxes:					
Salaries and Wages	663	663		663	
Other Expenses	3,155	3,155	1,965	1,190	
Collection of Taxes:					
Salaries and Wages	18,026	1,026		1,026	
Other Expenses	10,713	5,713	2,714	2,999	
Legal Services & Costs:					
Other Expenses	90,434	90,434	51,748	38,686	
Engineering Services & Costs:					
Other Expenses	159,251	166,151	165,949	202	
Historic Preservation Committee:					
Salaries and Wages	2,100	2,100		2,100	
Municipal Land Use Law (N.J.S.A. 40:55D-1):					
Planning Board:					
Salaries and Wages	1,161	1,161		1,161	
Other Expenses	8,368	3,768	1,202	2,566	
<b>Code Enforcement and Administration:</b>					
Inspection of Housing:					
Salaries and Wages	5,091	5,091		5,091	
Other Expenses	336	336	201	135	
<b>Insurance:</b>					
Medical Waiver	3,888	3,888		3,888	
General Liability Insurance	8,391	8,391		8,391	
Workers Compensation	1,229	1,229		1,229	
Employee Group Insurance	41,776	2,776	1,837	939	
<b>Public Safety:</b>					
Police:					
Salaries and Wages	66,554	6,554	1,032	5,522	
Other Expenses	103,633	103,833	80,036	23,797	
Emergency Management:					
Other Expenses	1,500	1,500		1,500	
<b>Public Works Functions:</b>					
Streets & Road Maintenance:					
Salaries and Wages	9,260	9,260	5,609	3,651	
Other Expenses	4,366	15,866	15,398	468	

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

**A-10**

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

Year Ended December 31, 2023

OPERATIONS	BALANCE DECEMBER 31, 2022	BALANCE AFTER TRANSFERS	DISBURSED	BALANCE LAPSED	OVER- EXPENDED
<b>Public Works Functions (continued):</b>					
Public Buildings & Grounds:					
Salaries and Wages	\$ 2,260	\$ 2,260	\$ -	\$ 2,260	\$ -
Other Expenses	41	41		41	
Vehicle Maintenance:					
Other Expenses	23,143	23,143	19,765	3,378	
Other Public Works					
Other Expenses					
<b>Health &amp; Welfare:</b>					
Community Drug Alliance Program:					
Other Expenses	2,200	2,200		2,200	
<b>Parks &amp; Recreation:</b>					
Recreation Services & Programs:					
Salaries and Wages	4,638	4,638		4,638	
Other Expenses	1,441	1,441		1,441	
Celebration of Public Events:					
Other Expenses					
<b>Utility Expenses &amp; Bulk Purchases:</b>					
Electricity	6,824	6,824	3,456	3,368	
Street Lighting		23,000	22,892	108	
Telephone	612	2,512	2,413	99	
Water	115	115		115	
Gasoline	10,891	10,891	6,312	4,579	
<b>Municipal Court:</b>					
Municipal Court:					
Salaries and Wages	628	628		628	
Other Expenses	4,500	4,500	1,553	2,947	
Municipal Prosecutor:					
Salaries and Wages	1,833	1,833	1,833		
Public Defender - Contractual	525	525		525	
<b>Landfill &amp; Solid Waste Disposal Costs:</b>					
Garbage & Trash Removal:					
Other Expenses	45,694	107,894	68,266	39,628	
Sanitary Landfill:					
Contractual	29,498	55,198	55,047	151	
<b>Statutory Expenditures:</b>					
Social Security System	540	540		540	
DCRP	104	104		104	
Unemployment Fund	273	273	273	-	
Total General Appropriations for Municipal Purposes - Within "CAPS"	712,677	712,677	533,547	179,130	-
<b>Mandated Expenditures Excluded From "CAPS":</b>					
<b>Other Operations - Excluded From "CAPS"</b>					
Shared Service Agreements	3,073	3,073	2,334	739	
<b>Public and Private Programs Offset by Revenues:</b>					
Supplemental Fire Services	4,246	4,246	4,246	-	
<b>Capital Improvements Excluded from "CAPS"</b>					
Public Works Equipment	125,000	125,000	125,000	-	-
Subtotal General Appropriation Items	125,000	125,000	125,000	-	-
Transferred to Board of Education for Use of Local Schools (N.J.S.A. 40:48-17 & 17.3)					
Total General Appropriations	\$ 844,996	\$ 844,996	\$ 665,127	\$ 179,869	\$ -
Appropriation Reserves	\$ 396,031				
Encumbrances Payable	448,965		\$ 131,287		
Refunds			(442)		
Cash Disbursements			534,282		
Total	\$ 844,996	\$ 844,996	\$ 665,127		

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

**A-11**

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

Year Ended December 31, 2023

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Balance December 31, 2022	\$	1
Increased by: Levy Calendar Year 2023		<u>8,906,059</u>
Subtotal		8,906,060
Decreased by: Payments		<u>8,906,059</u>
Balance December 31, 2023	\$	<u>1</u>

**A-12**

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

Year Ended December 31, 2023

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Balance December 31, 2022	\$	5
Increased by: Levy Calendar Year 2023		<u>2,980,291</u>
Subtotal		2,980,296
Decreased by: Payments		<u>2,980,291</u>
Balance December 31, 2023	\$	<u>5</u>

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

**A-13**

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

Year Ended December 31, 2023

PROGRAM	BALANCE DECEMBER 31, 2022	2023 REVENUE	RECEIPTS	CANCELLED	BALANCE DECEMBER 31, 2023
<b>Federal Grants:</b>					
Transportation Enhancement Fund - Pedestrian Safety	\$ 71,748	\$ -	\$ -	\$ -	\$ 71,748
Small Cities CDBG - Rehabilitation	110,657		49,160		61,497
TAP Grant	163,016		145,960		17,056
USDA AMS Farmers Market Promotion	32,655				32,655
Bulletproof Vest Program		2,629	2,629		
USDA NRCS Urban Conservation		5,000			5,000
<b>Total Federal Grants</b>	<b>378,076</b>	<b>7,629</b>	<b>197,749</b>	<b>-</b>	<b>187,956</b>
<b>State Grants:</b>					
Sustainable New Jersey Small Grant Program	6,000				6,000
Sustainable New Jersey Grant - Roots to River Alcohol Education & Rehabilitation	5,895				5,895
NJ DOT - Park Drive	33,868				33,868
NJ DOT - Phase II High Street	40,249				40,249
NJ DOT - Smith Lane Improvements	40,714				40,714
NJ DOT - Commerce Street Bridge	65,779				65,779
NJ DOT - Holly Lane Improvements	26,836				26,836
NJ DOT - Levis Drive	582,979				582,979
Safe Routes to School Grant	125,000	125,000	125,000		125,000
EDA - Ankakas Lagoon/Mills	92,486				92,486
EDA - Holly Chemical Co., Inc.	11,650				11,650
EDA - Regal Custom Fixtures	3,737				3,737
Click-It-Ticket	4,916				4,916
Community Forestry	1,729				1,729
Urban Tree Reforestation Project	8,222				8,222
Distracted Driver	550				550
Recycling Tonnage Grant	10,310	19,032	19,032		10,310
Electrical Charging Stations	16,000	150,000			166,000
County Historic Grant	886		886		
ROID Grant	20,000				20,000
Neighborhood Prevention Program	12,500				12,500
USDA Community Facility Grant	25,200				25,200
Body Armor Fund		3,251	3,251		
Clean Communities Grant		22,875	22,875		
Insurance Fund Safety Grant	8,423	4,097	970		11,550
Stormwater Management		285,000			285,000
Stormwater Assistance		25,000	15,000		10,000
NJDCA Lead Grant Assistance Program		13,300	13,300		
NJDEP Asset Activation Planning		11,000	8,250		2,750
Urban Enterprise Zone		64,953	64,953		
<b>Total State Grants</b>	<b>1,145,585</b>	<b>723,508</b>	<b>273,517</b>	<b>-</b>	<b>1,595,576</b>
<b>County Grants:</b>					
County Parks Grant	540,000				540,000
<b>Total County Grants</b>	<b>540,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>540,000</b>
<b>Total</b>	<b>\$ 2,063,661</b>	<b>\$ 731,137</b>	<b>\$ 471,266</b>	<b>\$ -</b>	<b>\$ 2,323,532</b>
Cash			\$ 446,354		
Unappropriated Grants Realized			24,912		
			<u>\$ 471,266</u>		

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

**A-14**

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

Year Ended December 31, 2023

PROGRAM	BALANCE DECEMBER 31, 2022	TRANSFERRED FROM 2023 BUDGET APPROPRIATIONS	PRIOR YEAR ENCUMBRANCES RECLASSIFIED	REFUNDS	EXPENDED	CANCELED	BALANCE DECEMBER 31, 2023
<b>Federal Grants:</b>							
Transportation Enhancement Pedestrian Safety	\$ 120,916	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 120,916
Community Development Block Grant	28,656						28,656
Small Cities CDBG - 2016	3,086						3,086
Small Cities CDBG - 2021	107,000				86,260		20,740
Small Cities CDBG - Rehabilitation 2017	6,521						6,521
TAP Grant	15,388						15,388
USDA AMS Farmers Market Promotion	15,106						15,106
USDA NRCS Urban Conservation		5,000					5,000
<b>Total Federal Grants</b>	<b>296,673</b>	<b>5,000</b>	<b>-</b>	<b>-</b>	<b>86,260</b>	<b>-</b>	<b>215,413</b>
<b>State Grants:</b>							
NJ DOT - Holly Lane Improvements	53,653						53,653
NJ DOT - Smith Lane Improvements	87,658						87,658
NJ DOT - Levis Drive	582,979						582,979
Drunk Driving Enforcement Grant	11,329		179		583		10,925
Alcohol Education & Rehabilitation Fund	16,499						16,499
Recycling Tonnage Grant	57,202	19,032	20,101		23,625		72,710
NJ Urban Enterprise Zone	120,762	64,953	210		34,708		151,217
Click-It-Ticket	4,916						4,916
Distracted Driver	6,600						6,600
Clean Communities Grant	132,664	22,875					155,539
ROID Grant	15,903						15,903
Insurance Fund Safety Grant	12,540	4,097			4,072		12,565
NJ Economic Development Authority	32,876		17,755		17,755		32,876
Community Forestry	3,533						3,533
Urban Tree Reforestation Project	9,234						9,234
Safe Routes to School Grant	125,000						125,000
Safe and Secure Communities Grant	32,400						32,400
Bullet Proof Vest Program		2,629					2,629
Electrical Charging Stations	16,000	150,000			150,000		16,000
Body Armor Fund	2,166	3,251			3,252		2,165
Neighborhood Prevention Program	44,051	125,000	65,979		136,538		98,492
Community Facility Grant	25,200				25,200		-
NJDEP Asset Activation Planning		11,000			11,000		-
Stormwater Management		285,000					285,000
Stormwater Assistance		25,000					25,000
NJDCA Lead Grant Assistance Program		13,300					13,300
<b>Total State Grants</b>	<b>1,393,165</b>	<b>726,137</b>	<b>104,224</b>	<b>-</b>	<b>406,733</b>	<b>-</b>	<b>1,816,793</b>
<b>County Grants:</b>							
County Historic Grant	3,543				2,702		841
County Parks Grant	219,659				219,583	-	76
<b>Total County Grants</b>	<b>223,202</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>222,285</b>	<b>-</b>	<b>917</b>
<b>Local Grants:</b>							
Mt Holly Youth Soccer Program	1,000						1,000
NJ American Water	290						290
<b>Total Local Grants</b>	<b>1,290</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,290</b>
<b>Total</b>	<b>\$ 1,914,330</b>	<b>\$ 731,137</b>	<b>\$ 104,224</b>	<b>\$ -</b>	<b>\$ 715,278</b>	<b>\$ -</b>	<b>\$ 2,034,413</b>
					Cash Disbursed		\$ 673,881
					Encumbrances		41,397
					<b>Total</b>		<b>\$ 715,278</b>

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

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

December 31, 2023

PROGRAM	BALANCE DECEMBER 31, 2022	GRANTS RECEIVED	REVENUE IN 2023 BUDGET	BALANCE DECEMBER 31, 2023
Federal & State Grants:				
Recycling Tonnage Grant	\$ 19,032	\$ 13,101	\$ 19,032	\$ 13,101
American Recovery Plan	499,635		499,635	
Body Armor Fund	3,251	2,100	3,251	2,100
Bulletproof Vest Program	2,629	5,004	2,629	5,004
<b>Total Federal &amp; State Grants</b>	<b>\$ 524,547</b>	<b>\$ 20,205</b>	<b>\$ 524,547</b>	<b>\$ 20,205</b>

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

**B-1**

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

Year Ended December 31, 2023

	<u>DOG LICENSE</u>	<u>OTHER</u>
Balance December 31, 2022	\$ 9,452	\$ 2,279,969
Receipts:		
State Share of Dog License Fees	464	
Dog License Fees	4,126	
Late Fees	240	
Current Fund Budget	12,000	
RCA Trust Fund Deposits		16,485
P.O.A.A. Fines		140
Public Defenders Fees		750
Recreation Commission Funds		76,992
Builder's Escrow		329,655
Tax Sale Premiums		115,700
Uniform Construction Code Fees		231,152
Outside Police Services		194,902
Snow Removal		770
Law Enforcement Funds		15,329
Deposits for Tax Sale Redemptions		568,213
Due to State of New Jersey		14,440
Recycling Program		1,617
Urban Enterprise Zone		56,989
Due Current Fund	101	37,296
Total Receipts	<u>16,931</u>	<u>1,660,430</u>
Total Receipts & Balances	<u>26,383</u>	<u>3,940,399</u>
Disbursements:		
Paid to State of New Jersey	464	12,825
Expenditures Under N.J.S.A. 40:19-15.11	17,107	
Compensated Absences		4,938
Tax Sale Premiums Received		549,200
Public Defenders Fees		13,425
Recreation Commission Funds		45,529
Builder's Escrow		233,400
Uniform Construction Code Fees		255,694
Outside Police Officers		385,523
Law Enforcement Fund		-
Tax Sale Redemptions		473,337
Snow Removal		539
Environmental Committee		-
RCA Trust Fund Deposits		66,068
Due to Current Fund	289	35,499
Total Disbursements	<u>17,860</u>	<u>2,076,992</u>
Balance December 31, 2023	<u>\$ 8,523</u>	<u>\$ 1,863,407</u>

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

**B-1**

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

Year Ended December 31, 2023

	<u>DOG LICENSE</u>	<u>OTHER</u>
Balance Per Certification of:		
Investors Bank:		
Dog License	\$ 8,490	
Tax Sale Premiums		\$ 631,421
Recreation Commission Funds		63,499
Law Enforcement		32,507
Builder's Escrow		273,625
Recycling Program		9,069
Uniform Construction Code		286,766
Outside Police Services		54,182
Snow Removal		49,389
Public Defender		(100)
P.O.A.A. - Parking Fines		10,670
Tax Sale Redemptions		225,261
RCA Trust		96,096
Environmental Committee		1,013
State & Federal Grants		66,828
Compensated Absences		74,196
Shade Tree		40
Add: Deposit in Transit	419	30,301
Less: Outstanding Checks Per Permanent Record	<u>(385)</u>	<u>(98,345)</u>
Balance December 31, 2022	<u>\$ 8,524</u>	<u>\$ 1,863,407</u>

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

**B-2**

Year Ended December 31, 2023

Balance December 31, 2022	\$ 8,293
Increased by:	
Dog License Fees - Collected	\$ 4,126
Late Fees	240
Current Fund Budget	<u>12,000</u>
Subtotal	24,659
Decreased by:	
Expenditures Under N.J.S.A. 4:19-15.11:	17,107
Due to Current Fund for Excess Dog Fees	<u>17,107</u>
Balance December 31, 2023	<u>\$ 7,552</u>

**LICENSE FEES COLLECTED**

<u>YEAR</u>	<u>AMOUNT</u>
2022	\$ 3,947
2021	<u>4,167</u>
Total	<u>\$ 8,114</u>

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

**B-3**

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

Year Ended December 31, 2023

---

Balance December 31, 2022	\$ 84,989
Increased by:	
Cash Receipts	<u>568,213</u>
Subtotal	653,202
Decreased by:	
Cash Disbursements	<u>473,337</u>
Balance December 31, 2023	<u>\$ 179,865</u>

**B-4**

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

Year Ended December 31, 2023

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Balance December 31, 2022	\$ 1,034,300
Increased by:	
Premiums Received at Tax Sale - Due from Current	<u>115,700</u>
Subtotal	1,150,000
Decreased by:	
Premiums Refunded at Redemption	<u>549,200</u>
Balance December 31, 2023	<u>\$ 600,800</u>

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

**B-5**

**TRUST FUNDS  
SCHEDULE OF RESERVE FOR UNIFORM CONSTRUCTION CODE FEES**

Year Ended December 31, 2023

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Balance December 31, 2022	\$	311,614
Increased by:		
Construction Code Fees Received		<u>231,152</u>
Subtotal		542,766
Decreased by:		
Disbursement of Construction Code Funds		<u>255,694</u>
Balance December 31, 2023	\$	<u>287,072</u>

**B-6**

**TRUST FUNDS  
SCHEDULE OF DUE TO STATE OF NEW JERSEY – DOG LICENSE FUND**

Year Ended December 31, 2023

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Balance December 31, 2022	\$	312
Increased by:		
Dog License Fees Collected:		
State Share		<u>464</u>
Subtotal		776
Decreased by:		
Payments		<u>464</u>
Balance December 31, 2023	\$	<u>312</u>

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

**B-7**

**TRUST FUNDS  
SCHEDULE OF MISCELLANEOUS TRUST RESERVES**

Year Ended December 31, 2023

	BALANCE		INCREASED BY			DECREASED BY		BALANCE	
	DECEMBER 31, 2022	RECEIPTS	INTEREST EARNINGS	OTHER	DISBURSEMENTS	OTHER	DECEMBER 31, 2023		
Recreation Commission Funds	\$ 31,277	\$ 76,992	\$ -	\$ -	\$ 45,529	\$ -	\$ 62,740		
Law Enforcement Funds	17,178	15,000	329				32,507		
Builder's Escrow	174,802	329,655			233,400		271,057		
Recycling Program	8,567	1,617			1,015		9,169		
Outside Police Services	251,937	194,902			385,523		61,316		
Snow Removal	49,723	770			539		49,954		
Public Defender	12,700	750			13,425		25		
P.O.A.A. - Parking Fines	10,653	140					10,793		
RCA Trust	145,679	14,901	1,584		66,068		96,096		
Compensated Absences	75,065				4,938		70,127		
Environmental Committee	996						996		
Shade Tree	41						41		
Urban Enterprise Zone	-	56,989					56,989		
Federal & State Grants	65,756						65,756		
<b>Total</b>	<b>\$ 844,374</b>	<b>\$ 691,716</b>	<b>\$ 1,913</b>	<b>\$ -</b>	<b>\$ 750,437</b>	<b>\$ -</b>	<b>\$ 787,566</b>		

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

**C-2**

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

Year Ended December 31, 2023

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Balance December 31, 2022		\$ 2,832,109
Increased by:		
Interest on Investments	\$ 28,704	
Premiums	22,393	
Due Current Fund	215,061	
Bond Anticipation Note Proceeds	4,453,000	
Bond Proceeds	<u>4,719,158</u>	4,719,158
Subtotal		7,551,267
Decreased by:		
Due Current Fund	27,410	
Bond Anticipation Note Principal and Interest	4,668,061	
Improvement Authorizations	<u>1,795,962</u>	6,491,433
Balance December 31, 2023		<u>\$ 1,059,834</u>

**C-3**

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

Year Ended December 31, 2023

---

Fund Balance		\$ 222,768
Capital Improvement Fund		154
Due to/(from) Current Fund		(1,388)
<b>Improvement Authorizations:</b>		
<b>Ordinance Numbers &amp; Descriptions</b>		
99-22 Acquisition of Various Equipment & Completion of Various Capital Improvements		1,463
10-17 The Gardens Redevelopment Project		3
16-14 Renovation & Rehabilitation of Mill Dam Park		150,585
16-15 Replacement of Buttonwood Lake Dam		9
17-15 Various Capital Improvements		80,727
17-16 Refunding Bond Ordinance GOB Series		(68,178)
21-16 Acquisition of Various Properties		539,543
22-09 Construction of Improvements at Buttonwood		35,417
22-11 Repair & Reconstruction of the Mill Dam		<u>38,274</u>
Total Cash & Investments		<u>\$ 1,059,834</u>



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

**C-5**

GENERAL CAPITAL FUND  
SCHEDULE OF CAPITAL IMPROVEMENT FUND

Year Ended December 31, 2023

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Balance December 31, 2023 and 2022

\$ 154

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

**GENERAL CAPITAL FUND  
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS**

Year Ended December 31, 2023

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	ORDINANCE		BALANCE DECEMBER 31, 2022		2023 AUTHORIZATIONS	ENCUMBRANCES RECLASSIFIED	PAID OR CHARGED	CANCELED	BALANCE DECEMBER 31, 2023	
		DATE	AMOUNT	FUNDED	UNFUNDED					FUNDED	UNFUNDED
99-22	Acquisition of Various Equipment Completion of Various Capital Improvements	07/23/91	1,447,000	\$ 1,463	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,463	\$ -
10-17	Acquisition of Various Properties	12/13/10	2,500,000		3						3
16-14	Renovation & Rehabilitation of Mill Dam Park	05/09/16	2,200,000		1,731,746		120,864	1,702,025		-	150,585
16-15	Replacement of Buttonwood Lake Dam	05/09/16	800,000		60,550		3,936	64,477		-	9
17-15	Various Capital Improvements	07/10/17	550,000		80,727						80,727
17-16	Refunding Bond Ordinance GOB Series 2010	07/10/17	695,000		6,822						6,822
21-16	Construction & Improvements to Real Property	12/13/21	600,000	30,000	570,000			60,457		-	539,543
22-09	Construction of Improvements at Buttonwood	06/27/22			64,877			29,460		-	35,417
22-11	Repair & Reconstruction of the Union Mill Dam	07/11/22			38,574						38,574
Total				\$ 31,463	\$ 2,553,299	\$ -	\$ 124,800	\$ 1,856,419	\$ -	\$ 1,463	\$ 851,680
								Cash Disbursement	\$ 1,795,962		
								Encumbrances Payable	60,457		
								Total	<u>\$ 1,856,419</u>		

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

**C-7**

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

Year Ended December 31, 2023

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	DATE OF ISSUE OF ORIGINAL NOTE	DATE OF ISSUE	DATE OF MATURITY	BALANCE DECEMBER 31, 2022	INCREASE	DECREASE	BALANCE DECEMBER 31, 2023
2009-11	Restoration of Upper Buttonwood & Woolman Lakes	09/02/22	09/27/23 09/02/22	09/26/24 09/28/23	\$ - 177,000	\$ 177,000	\$ - 177,000	\$ 177,000
2016-14	Restoration & Rehab of Mill Dam Park	09/02/22	09/27/23 09/02/22	09/26/24 09/28/23	2,200,000	2,200,000	2,200,000	2,200,000
2016-15	Replacement of Buttonwood Lake Dam	06/27/19	09/27/23 09/02/22	09/26/24 09/28/23	747,100	734,200	747,100	734,200
2017-15	Various Capital Improvements	10/12/17	09/27/23 09/02/22	09/26/24 09/28/23	453,200	430,100	453,200	430,100
2021-16	Contruction & Improvements to Real Property	09/02/22	09/27/23 09/02/22	09/26/24 09/28/23	570,000	570,000	570,000	570,000
2022-09	Construction of Improvements at Buttonwood	09/02/22	09/27/23 09/02/22	09/26/24 09/28/23	142,500	142,500	142,500	142,500
2022-11	Repair & Reconstruction of Union Mill Dam	09/02/22	09/27/23 09/02/22	09/26/24 09/28/23	199,200	199,200	199,200	199,200
Total					<u>\$ 4,489,000</u>	<u>\$ 4,453,000</u>	<u>\$ 4,489,000</u>	<u>\$ 4,453,000</u>
					Paid by Budget Appropriation	\$ -	\$ 36,000	
					Renewals	<u>4,453,000</u>	<u>4,453,000</u>	
Total					<u>\$ 4,453,000</u>	<u>\$ 4,489,000</u>		

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

**C-8**

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

Year Ended December 31, 2023

PURPOSE	DATE OF ISSUE	AMOUNT OF ORIGINAL ISSUE	MATURITIES OF BONDS OUTSTANDING		INTEREST RATE	BALANCE	ISSUED	PAID	BALANCE
			DATE	AMOUNT		DECEMBER 31, 2022			DECEMBER 31, 2023
Taxable Redevelopment General Obligation Refunding Bonds, Series 2017	09/27/17	\$ 4,610,000	06/01/24	415,000	2.890%	\$ 3,575,000	\$ -	\$ 405,000	\$ 3,170,000
			06/01/25	425,000	3.040%				
			06/01/26	440,000	3.140%				
			06/01/27	455,000	3.240%				
			06/01/28	465,000	3.380%				
			06/01/29	480,000	3.550%				
			06/01/30	490,000	3.550%				
General Obligation Bonds Series 2013	10/31/13	1,375,000	11/15/24	130,000	3.000%	390,000	-	130,000	260,000
			11/15/25	130,000	3.000%				

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

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

Year Ended December 31, 2023

PURPOSE	DATE OF ISSUE	AMOUNT OF ORIGINAL ISSUE	MATURITIES OF BONDS OUTSTANDING		INTEREST RATE	BALANCE DECEMBER 31, 2022	ISSUED	PAID	BALANCE DECEMBER 31, 2023
			DATE	AMOUNT					
General Taxable Bonds Series 2013	10/31/13	1,375,000	11/15/23	30,000	5.000%	30,000	-	30,000	-
Taxable Redevelopment General Obligation Bonds Series 2018	11/07/18	3,913,000	11/01/24	120,000	4.500%	3,495,000	-	115,000	3,380,000
			11/01/25	125,000	4.500%				
			11/01/26	130,000	4.500%				
			11/01/27	135,000	4.500%				
			11/01/28	140,000	4.500%				
			11/01/29	145,000	4.500%				
			11/01/30	150,000	4.500%				
			11/01/31	155,000	4.500%				
			11/01/32	165,000	4.500%				
			11/01/33	170,000	4.500%				
			11/01/34	175,000	4.500%				
			11/01/35	185,000	4.500%				
			11/01/36	190,000	4.500%				
			11/01/37	195,000	4.500%				
			11/01/38	200,000	4.500%				
			11/01/39	200,000	4.550%				
			11/01/40	200,000	4.600%				
			11/01/41	200,000	4.650%				
			11/01/42	200,000	4.700%				
			11/01/43	200,000	4.750%				

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

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

Year Ended December 31, 2023

PURPOSE	DATE OF ISSUE	AMOUNT OF ORIGINAL ISSUE	MATURITIES OF BONDS OUTSTANDING		INTEREST RATE	BALANCE DECEMBER 31, 2022	ISSUED	PAID	BALANCE DECEMBER 31, 2023
			DATE	AMOUNT					
Taxable General Obligation Refunding Bonds Series 2020	07/22/20	4,090,000	11/15/24	125,000	1.300%	3,940,000		60,000	3,880,000
			11/15/25	125,000	1.300%				
			11/15/26	125,000	2.100%				
			11/15/27	175,000	2.100%				
			11/15/28	175,000	2.100%				
			11/15/29	180,000	2.100%				
			11/15/30	230,000	2.100%				
			11/15/31	235,000	2.600%				
			11/15/32	240,000	2.600%				
			11/15/33	240,000	2.600%				
			11/15/34	325,000	2.600%				
			11/15/35	370,000	2.600%				
			11/15/36	380,000	2.600%				
			11/15/37	470,000	2.600%				
			11/15/38	485,000	2.600%				
Taxable General Obligation Bonds Series 2021	10/29/21	\$4,090,000	12/31/24	95,000	3.000%	2,265,000		90,000	2,175,000
			12/31/25	95,000	3.000%				
			12/31/26	100,000	3.000%				
			12/31/27	105,000	3.000%				
			12/31/28	105,000	2.000%				
			12/31/29	110,000	2.000%				
			12/31/30	110,000	2.100%				
			12/31/31	115,000	2.200%				
			12/31/32	120,000	2.300%				
			12/31/33	120,000	2.400%				
			12/31/34	125,000	2.500%				
			12/31/35	130,000	2.600%				
			12/31/36	130,000	2.700%				
			12/31/37	135,000	2.800%				
			12/31/38	140,000	2.850%				
12/31/39	145,000	2.900%							
12/31/40	145,000	2.950%							
12/31/41	150,000	3.000%							
Totals						\$ 13,695,000	\$ -	\$ 830,000	\$ 12,865,000

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

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

Year Ended December 31, 2023

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	BALANCE DECEMBER 31, 2022	2023 AUTHORIZATIONS	BOND ANTICIPATION NOTES ISSUED	BALANCE DECEMBER 31, 2023
17-16	Refunding Bond Ordinance GOB Series 2010	\$ 75,000	\$ -	\$ -	\$ 75,000
22-11	Repair & Reconstruction of the Union Mill Dam	300			300
	Total	<u>\$ 75,300</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 75,300</u>

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

**D-1**

**PAYROLL FUND  
SCHEDULE OF PAYROLL FUND CASH**

Year Ended December 31, 2023

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Balance December 31, 2022		\$	11,114
Increased by:			
Net Payroll & Payroll Deductions	\$	5,798,838	
Due Current Fund		113,953	5,912,791
			<hr/>
Subtotal			5,923,905
Decreased by:			
Net Payroll & Payroll Deductions		5,798,838	
Due Current Fund		115,046	5,913,884
			<hr/>
Balance December 31, 2023		\$	<u>10,021</u>

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

**E-1**

**GENERAL FIXED ASSETS ACCOUNT GROUP  
SCHEDULE OF INVESTMENTS IN FIXED ASSETS**

Year Ended December 31, 2023

	BALANCE DECEMBER 31, 2022	ADDITIONS	DELETIONS	BALANCE DECEMBER 31, 2023
General Fixed Assets:				
Land	\$ 7,076,829	\$ -	\$ -	\$ 7,076,829
Buildings & Contents	7,364,885			7,364,885
Vehicles and Equipment	2,938,572	466,425		3,404,997
<b>Total</b>	<b>\$ 17,380,286</b>	<b>\$ 466,425</b>	<b>\$ -</b>	<b>\$ 17,846,711</b>
Total Investment in General Fixed Assets	<b>\$ 17,380,286</b>	<b>\$ 466,425</b>	<b>\$ -</b>	<b>\$ 17,846,711</b>

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

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

We have audited, in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, and requirements of audit prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the financial statements of the Township of Mount Holly (the "Township"), as of and for the year ended December 31, 2023, and the related notes to financial statements, which comprise the Township's basic financial statements, as listed in the table of contents and have issued our report thereon dated July 16, 2024, in which we expressed an adverse opinion on the conformity of the financial statements with accounting principles generally accepted in the United States of America due to differences between those principles and accounting practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

**Report on Internal Control Over Financial Reporting**

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

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

Our consideration of internal control was for the limited purpose described in the 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 or significant deficiencies may exist that were not identified.

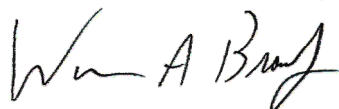
**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS (CONTINUED)**

**Report on Compliance and Other Matters**

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

**Purpose of this Report**

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



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

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

July 16, 2024

**OTHER SUPPLEMENTARY INFORMATION - UNAUDITED**

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

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

	YEAR 2023		YEAR 2022	
	AMOUNT	PERCENT	AMOUNT	PERCENT
Revenue and Other Income Realized				
Fund Balance Utilized	\$ 790,000	2.73%	\$ 640,000	2.33%
Miscellaneous - from Other Than Local Property Tax Levies	5,920,031	20.48%	5,593,828	20.32%
Collection of Delinquent Taxes & Tax Title Liens	83,220	0.29%	56,077	0.20%
Collection of Current Tax Levy	22,113,051	76.50%	21,235,171	77.15%
Total Income	28,906,302	100.00%	27,525,076	100.00%
Expenditures				
Budget Expenditures - Municipal Purposes	12,067,070	42.56%	11,186,225	41.92%
County Taxes	2,881,580	10.16%	2,666,104	9.99%
Local & Regional School Taxes	11,886,350	41.93%	11,606,850	43.50%
Fire District Taxes	1,451,992	5.12%	1,217,360	4.56%
Other Expenditures	62,783	0.22%	6,451	0.02%
Total Expenditures	28,349,775	100.00%	26,682,990	100.00%
Excess in Revenue to Fund Balance	556,527		842,086	
Fund Balance January 1	2,723,224		2,521,138	
Less: Utilization as Anticipated Revenue	790,000		640,000	
Fund Balance December 31	\$ 2,489,751		\$ 2,723,224	

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

**COMPARATIVE STATEMENT 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.

YEAR	TAX LEVY	CURRENTLY	
		CASH COLLECTIONS	PERCENTAGE OF COLLECTION
2023	\$ 22,238,288	\$ 22,113,051	99.44%
2022	21,397,133	21,235,171	99.24%
2021	20,854,539	20,717,146	99.34%
2020	19,794,647	19,696,831	99.51%
2019	19,244,034	19,112,699	99.32%

**Comparison of Tax Rate Information**

	2023	2022	2021
Total Tax Rate	<u>\$3.356</u>	<u>\$3.238</u>	<u>\$3.185</u>
Apportionment of Tax Rate:			
Municipal	0.890	0.866	0.837
County	0.430	0.404	0.406
Local School	1.358	1.337	1.338
Regional High School	0.454	0.444	0.427
Fire District	0.224	0.187	0.177

**Net Valuation Taxable:**

2023	<u>\$ 656,012,432</u>		
2022		<u>\$ 651,671,850</u>	
2021			<u>\$ 653,210,286</u>

**Delinquent Taxes and Tax Title Liens**

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

YEAR ENDED DECEMBER 31	AMOUNT OF TAX TITLE LIENS	AMOUNT OF DELINQUENT TAXES	TOTAL DELINQUENT	PERCENTAGE OF TAX LEVY
2023	\$ 328,199	\$ 29,196	\$ 357,395	1.61%
2022	344,257	20,486	364,743	1.70%
2021	285,943	10,918	296,861	1.42%

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

**PROPERTY ACQUIRED BY TAX TITLE LIEN LIQUIDATION**

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

<u>Year</u>	<u>Amount</u>
2023	\$ 646,355
2022	490,805
2021	490,805
2020	490,805
2019	490,805

**Comparative Schedule of Fund Balance**

<u>Current Fund</u>	<u>December 31</u>	<u>Utilized in Budget of Succeeding Year</u>	<u>Percentage of Fund Balance Used</u>
2023	\$ 2,489,751	\$ 1,125,000	45.19%
2022	2,723,224	790,000	29.01%
2021	2,521,138	640,000	25.39%
2020	1,250,712	550,000	43.97%
2019	1,461,720	550,000	37.63%

## OFFICIALS IN OFFICE AND SURETY BONDS

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

<b>NAME</b>	<b>TITLE</b>	<b>NAME OF CORPORATE SURETY</b>
Christopher Banks	Mayor	
Jason Jones	Deputy Mayor	
Tara Astor	Committeewoman	
James Codianni	Committeeman	
Lew Brown	Committeeman	
Josh Brown	Township Manager/Administrator	(A)
Denise Muchowski	Certified Finance Officer	(A)
Lisa Hyczka	Tax Collector	(A)
Sherri Groves	Court Administrator (Retired 11/27/23)	(A)
Jaime Wisnieski	Acting Court Administrator (Effective 11/28/23)	(A)
William Sitzler	Judge of Municipal Court	(A)

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

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

**SCHEDULE OF TOWNSHIP'S PROPORTIONATE SHARE OF NET PENSION LIABILITY**

PERS - Last 10 Fiscal Years										
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Township's proportion of the net pension liability	0.0196248149%	0.0203184966%	0.0196624379%	0.0205342191%	0.0217342262%	0.02009416%	0.0192823090%	0.0188827889%	0.0122733624%	0.0121010123%
Township's proportionate share of net pension liability	\$ 2,842,532	\$ 3,066,341	\$ 2,329,311	\$ 3,348,594	\$ 3,916,178	\$ 3,956,441	\$ 4,488,613	\$ 5,592,540	\$ 2,755,124	\$ 2,265,640
Township's covered-employee payroll	1,578,000	1,502,609	1,463,970	1,477,782	1,489,369	1,496,000	1,395,971	1,299,455	1,242,907	884,429
Township's proportionate share of net pension liability as a % of payroll	180.14%	204.07%	159.11%	226.60%	262.94%	264.47%	321.54%	430.38%	221.67%	256.17%
Total pension liability	8,243,781.77	8,336,530.62	7,910,844.55	8,070,884.73	9,017,848.61	8,526,268.27	8,648,572.01	9,342,202.81	5,290,994.99	4,728,043.46
Plan fiduciary net position	5,377,285.33	5,244,221.05	5,581,534.01	4,722,290.60	5,074,427.10	4,569,828.33	4,159,958.68	3,749,662.34	2,535,871.07	2,462,403.00
Plan fiduciary net position as a % of total pension liability	65.23%	62.91%	70.56%	58.51%	56.27%	53.60%	48.10%	40.14%	47.93%	52.08%

PFRS Plan - Last 10 Fiscal Years										
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Township's proportion of the net pension liability	0.0530617100%	0.0538528500%	0.0566047362%	0.0552075806%	0.0567546764%	0.0600252238%	0.0454134031%	0.0510600114%	0.0557690262%	0.054694821%
Township's proportionate share of net pension liability	\$ 5,862,673	\$ 6,164,189	\$ 4,137,326	\$ 7,133,548	\$ 6,945,534	\$ 8,122,402	\$ 8,629,734	\$ 9,753,768	\$ 9,289,176	\$ 6,880,101
State's proportionate share of net pension liability	1,080,266	1,097,045	1,163,622	1,107,094	1,096,698	1,103,294	966,603	819,075	814,629	740,871
Township's covered-employee payroll	1,880,991	1,955,859	1,904,512	1,959,356	1,885,092	1,882,095	1,873,646	1,692,770	1,603,016	1,771,103
Township's proportionate share of net pension liability as a % of payroll	311.68%	315.17%	217.24%	364.08%	368.45%	431.56%	460.59%	576.20%	579.48%	388.46%
Total pension liability	23,268,183.16	22,928,218.01	23,314,972.80	21,483,837.11	22,975,162.35	24,586,363.57	18,833,478.89	22,030,633.47	23,124,328.26	20,273,286.97
Plan fiduciary net position	16,325,244.33	15,666,984.06	18,014,024.40	14,350,289.56	14,932,914.81	15,360,667.18	11,037,241.82	11,457,790.57	13,020,522.94	12,652,314.55
Plan fiduciary net position as a % of total pension liability	70.16%	68.33%	77.26%	66.80%	65.00%	62.48%	58.60%	52.01%	56.31%	62.41%

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

Notes to the Required Supplementary Information

- There were no benefit changes.
- The PERS and PFRS discount rates changed from the measurement date of June 30, 2013, of 5.55% and 6.45% to 5.39% and 6.32%, respectively, as of the measurement date of June 30, 2014.
- The PERS and PFRS discount rates changed from the measurement date of June 30, 2014, of 5.39% and 6.32% to 4.90% and 5.79%, respectively, as of the measurement date of June 30, 2015.
- The PERS and PFRS discount rates changed from the measurement date of June 30, 2015, of 4.90% and 5.79% to 3.98% and 5.55%, respectively, as of the measurement date of June 30, 2016.
- The PERS and PFRS discount rates changed from the measurement date of June 30, 2016, of 3.98% and 5.55% to 5.00% and 6.14%, respectively, as of the measurement date of June 30, 2017.
- The PERS and PFRS discount rates changed from the measurement date of June 30, 2017, of 5.00% and 6.14% to 5.66% and 6.51%, respectively, as of the measurement date of June 30, 2018.
- The PERS and PFRS discount rates changed from the measurement date of June 30, 2018, of 5.66% and 6.51% to 6.28% and 6.85%, respectively, as of the measurement date of June 30, 2019.
- The PERS and PFRS discount rates changed from the measurement date of June 30, 2019, of 6.28% and 6.85% to 7.00% and 6.28%, respectively, as of the measurement date of June 30, 2020.
- The PERS and PFRS discount rates did not change from the measurement date of June 30, 2020, to the measurement date of June 30, 2021.
- The PERS and PFRS discount rates did not change from the measurement date of June 30, 2021, to the measurement date of June 30, 2022.
- The PERS and PFRS discount rates did not change from the measurement date of June 30, 2022, to the measurement date of June 30, 2023.

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

**SCHEDULE OF TOWNSHIP'S CONTRIBUTION**

PERS - Last 10 Fiscal Years										
	Years Ended June 30,									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Contractually required contribution	\$ 262,291	\$ 256,226	\$ 230,270	\$ 224,634	\$ 211,410	\$ 199,872	\$ 178,630	\$ 167,752	\$ 105,518	\$ 99,759
Contributions in relation to the contractually required contribution	262,291	256,226	230,270	224,634	211,410	199,872	178,630	167,752	105,518	99,759
Township's covered-employee payroll	1,578,000	1,502,609	1,463,970	1,477,782	1,489,369	1,496,000	1,395,971	1,299,455	1,242,907	884,429
Contributions as a % of covered-employee payroll	16.62%	17.05%	15.73%	15.20%	14.19%	13.36%	12.80%	12.91%	8.49%	11.28%

PFRS - Last 10 Fiscal Years										
	Years Ended June 30,									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Contractually required contribution	\$ 706,358	\$ 700,385	\$ 659,708	\$ 616,763	\$ 573,285	\$ 586,835	\$ 494,717	\$ 416,313	\$ 453,319	\$ 420,094
Contributions in relation to the contractually required contribution	706,358	700,385	659,708	616,763	573,285	586,835	494,717	416,313	453,319	420,094
Township's covered-employee payroll	1,880,991	1,955,859	1,904,512	1,959,356	1,885,092	1,882,095	1,873,646	1,692,770	1,603,016	1,771,103
Contributions as a % of covered-employee payroll	37.55%	35.81%	34.64%	31.48%	30.41%	31.18%	26.40%	24.59%	28.28%	23.72%

See independent auditors' report.

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

**SCHEDULE OF TOWNSHIP'S PROPORTIONATE SHARE OF NET OPEB LIABILITY**

	Last 6 Fiscal Years*					
	2022	2021	2020	2019	2018	2017
Township's proportion of the net OPEB liability	0.051762%	0.053056%	N/A	N/A	N/A	N/A
State's proportion of the net OPEB liability	0.158151%	0.160010%	0.201696%	0.164363%	0.165400%	0.158074%
Township's proportionate share of net OPEB liability	\$ 8,359,354	\$ 9,549,964	N/A	N/A	N/A	N/A
State's proportionate share of net OPEB liability	5,335,714	6,178,559	\$ 11,017,247	\$ 9,082,237	\$ 10,277,699	\$ 13,745,187
Contributions	\$ 38,976	\$ 31,507	N/A	N/A	N/A	N/A

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

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

We have audited the financial statements and transactions of the Township of Mount Holly in the County of Burlington for the year ended December 31, 2023. In accordance with requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the following are the *General Comments and Recommendations* for the year then ended.

### **GENERAL COMMENTS AND RESPONSES**

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

N.J.S.A. 40A:11-4 - Every contract or agreement, for the performance of any work or furnishing or hiring of any materials or supplies, the cost or the contract price whereof is to be paid with or out of public funds not included within the terms of Section 3 of this act, shall be made or awarded only by the governing body of the contracting unit after public advertising for bids and bidding therefore, except as is provided otherwise in this act or specifically by any other Law. No work, materials or supplies shall be undertaken, acquired or furnished for a sum exceeding in the aggregate base bid threshold of \$44,000 except by contract or agreement. The base bid and quote thresholds have been increased because the Township appointed a temporary Qualified Purchasing Agent.

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

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

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

#### **Contracts and Agreements Requiring Solicitation of Quotations**

The examination of expenditures did not reveal any individual payments, contracts or agreements in excess of \$6,600 "for the performance of any work or the furnishing or hiring of any materials or supplies", other than those where bids had been previously sought by public advertisement or where a resolution had been previously adopted under the provision of N.J.S.A. 40A:11-6.1.

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

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

The governing body on January 4, 2023, adopted the following resolution authorizing interest to be charged on delinquent taxes:

**“BE IT RESOLVED** by the Township Committee of the Township of Mount Holly, County of Burlington, State of New Jersey, the rate of interest charged on delinquent taxes or assessments on any installment made ten (10) days after the date upon which the same became payable, shall not exceed eight (8) percent per annum of the first One Thousand Five Hundred Dollars (\$1,500.00) of the delinquency, and eighteen (18) percent per annum on any amount in excess of One Thousand Five Hundred Dollars (\$1,500.00).

**BE IT FURTHER RESOLVED**, that where interest on delinquent tax payments is one dollar (\$1.00) or less, payment and collection of said interest is hereby waived.”

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

## **Delinquent Taxes and Tax Title Liens**

The delinquent taxes at December 31, 2023, included 2022, 2021, 2020, and 2019 real estate taxes only.

The last tax sale was held on December 12, 2023, and was complete.

## **Examination of Bills**

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

## **Municipal Court**

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

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

## **Capital Ordinances and Grant Balances**

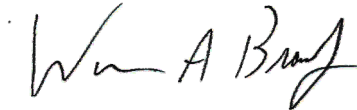
While auditing the grants receivable it is recommended that management review the disposition of older grant balances, capital ordinances and cancel them as needed.

## Acknowledgment

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

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

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Warren A. Broudy". The signature is written in a cursive style with a large initial "W" and "B".

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

July 16, 2024

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

**SCHEDULE OF CURRENT YEAR FINDINGS AND RECOMMENDATIONS**

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None noted.

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

**SCHEDULE OF PRIOR YEAR AUDIT FINDINGS**

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None Noted