

Report of Audit

on the

Financial Statements

of the

Township of Hillside

in the

County of Union
New Jersey

for the

Year Ended
December 31, 2023

TOWNSHIP OF HILLSIDE

I N D E X

	<u>PAGES</u>
<u>PART I</u>	
Independent Auditor's Report	1-4
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on and Audit of Financial Statements Performed in Accordance with Government Auditing Standards	5-6
	<u>EXHIBITS</u>
<u>Current Fund:</u>	
Balance Sheets - Regulatory Basis	"A"
Statements of Operations and Changes in Fund Balance - Regulatory Basis	"A-1"
Statement of Revenues - Regulatory Basis - Year Ended December 31, 2023	"A-2"
Statement of Expenditures - Regulatory Basis - Year Ended December 31, 2023	"A-3"
<u>Trust Fund:</u>	
Balance Sheets - Regulatory Basis	"B"
<u>General Capital Fund:</u>	
Balance Sheets - Regulatory Basis	"C"
Statement of Fund Balance - Regulatory Basis	"C-1"
<u>Swim Pool Utility Fund:</u>	
Balance Sheets - Regulatory Basis	"D"
Statements of Operations and Changes in Operating Fund Balance-Regulatory Basis	"D-1"
<u>Public Assistance Trust Fund:</u>	
Balance Sheets - Regulatory Basis	"E"
<u>General Fixed Assets Account Group:</u>	
Balance Sheet - Regulatory Basis	"F"
	<u>PAGES</u>
Notes to Financial Statements	7-45

TOWNSHIP OF HILLSIDE

I N D E X (CONTINUED)

Supplementary Schedules - All Funds

EXHIBITS

Current Fund:

Schedule of Cash-Treasurer	"A-4"
Schedule of Cash-Collector	"A-5"
Schedule of Change Funds	"A-6"
Schedule of Reserve for Hurricane Sandy	"A-7"
Schedule of Due To/From State of New Jersey Senior Citizens' and Veterans' Deductions	"A-8"
Schedule of Taxes Receivable and Analysis of Property Tax Levy	"A-9"
Schedule of Tax Title Liens	"A-10"
Schedule of Sewer Use Charges Receivable	"A-11"
Schedule of Foreclosed Property	"A-12"
Schedule of Revenue Accounts Receivable	"A-13"
Schedule of Appropriation Reserves	"A-14"
Schedule of Reserve for Retirement	"A-15"
Schedule of Sewer Overpayments	"A-16"
Schedule of Tax Overpayments	"A-17"
Schedule of Prepaid Taxes	"A-18"
Schedule of Encumbrances Payable	"A-19"
Schedule of Grants Receivable - Grant Fund	"A-20"
Schedule of Reserve for Grants-Appropriated - Grant Fund	"A-21"
Schedule of Reserve for Grants-Unappropriated - Grant Fund	"A-22"
Schedule of Reserve for Fire Penalties and Assessments	"A-23"
Schedule of Reserve for Codification of Ordinances	"A-24"
Schedule of Due State of New Jersey - Summer Food - Grant Fund	"A-25"
Schedule of County Taxes Payable	"A-26"
Schedule of School Taxes Payable	"A-27"
Schedule of Interfunds	"A-28"
Schedule of Deferred Charges	"A-29"
Schedule of Reserve for Sale of Municipal Assets	"A-30"
Schedule of Accounts Payable	"A-31"
Schedule of Due Trust Other Fund - Grant Fund	"A-32"
Schedule of Due Swim Pool Capital Fund - Grant Fund	"A-33"
Schedule of Reserve for Municipal Relief Aid	"A-34"
Schedule of Reserve for Insurance Damages	"A-35"
Schedule of Reserve for Unallocated Receipts	"A-36"
Schedule of Deferred Charges	"A-37"
Schedule of Reserve for Pilot Revenue Due County	"A-38"

TOWNSHIP OF HILLSIDE

I N D E X (CONTINUED)

EXHIBITS

Trust Fund:

Schedule of Cash-Treasurer	"B-1"
Schedule of Reserve for Animal Control Fund Expenditures	"B-2"
Schedule of Reserve for Animal Control Fees Due State of New Jersey	"B-3"
Schedule of Community Development Block Grant Receivable	"B-4"
Schedule of Reserve for Community Development Block Grant	"B-5"
Schedule of Reserve for Facade Loan Repayments	"B-6"
Schedule of Reserve for Tax Sale Redemption	"B-7"
Schedule of Reserve for Retiree Prescription Account	"B-8"
Schedule of Reserve for State Unemployment Insurance	"B-9"
Schedule of Reserve for Flexible Spending Account	"B-10"
Schedule of Reserve for UEZ 2 nd Generation Fund	"B-11"
Schedule of Reserve for UEZ Revolving Loan Escrow	"B-12"
Schedule of Police Off-Duty Escrow	"B-13"
Schedule of Reserve for Local Law Enforcement Block Grant	"B-14"
Schedule of Reserve for Special Law Enforcement Trust	"B-15"
Schedule of Reserve for Miscellaneous Trust Deposits	"B-16"
Schedule of Reserve for Federal Law Enforcement Trust Fund	"B-17"
Schedule of Reserve for Building Department Escrow	"B-18"
Schedule of Interfunds - Trust Other Fund	"B-19"
Schedule of Interfunds - Animal Control Trust Fund	"B-20"
Schedule of Payroll Deductions (Receivable)/Payable	"B-21"
Schedule of Deferred Charges	"B-22"
Schedule of Miscellaneous Accounts Receivable	"B-23"

General Capital Fund:

Schedule of Cash-Treasurer	"C-2"
Analysis of Cash	"C-3"
Schedule of Deferred Charges to Future Taxation - Funded	"C-4"
Schedule of Grants Receivable	"C-5"
Schedule of Interfunds	"C-6"
Schedule of Demolition Loan Payable - Economic Development Authority	"C-7"
Schedule of Deferred Charges to Future Taxation-Unfunded	"C-8"
Schedule of Capital Improvement Fund	"C-9"
Schedule of Contracts Payable	"C-10"
Schedule of Improvement Authorizations	"C-11"
Schedule of Bond Anticipation Notes	"C-12"
Schedule of General Serial Bonds	"C-13"
Schedule of Infrastructure Loan Payable	"C-14"
Schedule of Reserve for Construction of Salt Shed	"C-15"
Schedule of Demolition Loan Receivable - State of New Jersey	"C-16"
Schedule of Reserve to Pay Debt Service	"C-17"
Schedule of Bonds and Notes Authorized But Not Issued	"C-18"

TOWNSHIP OF HILLSIDE

I N D E X (CONTINUED)

EXHIBITS

Swim Pool Utility Fund:

Schedule of Cash-Treasurer	"D-2"
Schedule of Interfunds	"D-3"
Schedule of Fixed Capital Authorized and Uncompleted - Capital Fund	"D-4"
Schedule of Improvement Authorizations - Capital Fund	"D-5"
Schedule of Capital Improvement Fund - Capital Fund	"D-6"
Schedule of Reserve for Amortization - Capital Fund	"D-7"
Schedule of Deferred Reserve for Amortization - Capital Fund	"D-8"
Schedule of Fixed Capital	"D-9"
Schedule of Interfunds - Capital Fund	"D-10"
Schedule of Bonds and Notes Authorized But Not Issued - Capital Fund	"D-11"

PART II

Statistical Data	46-50
Officials in Office and Surety Bonds	51
Comments and Recommendations	52-56

TOWNSHIP OF HILLSIDE

PART I

INDEPENDENT AUDITOR'S REPORT ON
AUDIT OF FINANCIAL STATEMENTS
AND SUPPLEMENTARY SCHEDULES AND DATA

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

FINANCIAL STATEMENTS - REGULATORY BASIS - ALL FUNDS

NOTES TO FINANCIAL STATEMENTS - REGULATORY BASIS

SUPPLEMENTARY SCHEDULES - ALL FUNDS

YEAR ENDED DECEMBER 31, 2023 AND
DECEMBER 31, 2022



SUPLEE, CLOONEY & COMPANY LLC

CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and Members
of the Township Committee
Township of Hillside
County of Union
Hillside, New Jersey 07205

Report on the Audit of the Financial Statements

Adverse and Unmodified Opinions

We have audited the accompanying balance sheets - regulatory basis of the various individual funds and account group of the Township of Hillside (the "Township"), as of and for the years ended December 31, 2023 and 2022, the related statements of operations and changes in fund balance - regulatory basis for the years then ended, and the related statement of revenues - regulatory basis and statement of expenditures - regulatory basis of the various individual funds for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Township's regulatory financial statements as listed in the table of contents.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the regulatory financial statements referred to above present fairly, in all material respects, the regulatory basis balances sheets of the various individual funds and account group as of December 31, 2023 and 2022, the regulatory basis statement of operations and changes in fund balance for the years then ended and the regulatory basis statement of revenues and expenditures and changes in fund balance for the year ended December 31, 2023 in accordance with the basis of financial reporting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division") as described in Note 1.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the "Matter Giving Rise to Adverse Opinion" paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the various individual funds and account group of the Township as of December 31, 2023 and 2022, or the results of its operations and changes in fund balance for the years then ended or the revenues or expenditures for the year ended December 31, 2023.

Basis for Adverse and Unmodified Opinions

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

Matter Giving Rise to Adverse Opinion

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

Responsibilities of Management for the Financial Statements

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

SUPLEE, CLOONEY & COMPANY LLC

In performing an audit in accordance with GAAS, *Government Auditing Standards* and audit requirements prescribed by the Division, we:

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

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Township's regulatory financial statements. The supplementary information, and data listed in the table of contents as required by the Division are presented for purposes of additional analysis and are not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental information, and data listed in the table of contents, as required by the Division are fairly stated, in all material respects, in relation to the regulatory financial statements as a whole.

SUPLEE, CLOONEY & COMPANY LLC

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 19, 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 Township's internal control over financial reporting and compliance.


CERTIFIED PUBLIC ACCOUNTANTS


REGISTERED MUNICIPAL ACCOUNTANT NO. 510

September 19, 2024



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

The Honorable Mayor and Members
of the Township Committee
Township of Hillside
County of Union
Hillside, New Jersey 07205

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the regulatory financial statements of the various individual funds and the account group of the Township of Hillside, as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Township's regulatory financial statements, and have issued our report thereon dated September 19, 2024. Our report disclosed that, as described in Note 1 to the financial statements, the Township of Hillside prepares its financial statements on a basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, that demonstrates compliance with a modified accrual basis and the budget laws of the State of New Jersey, which is a comprehensive basis of accounting other than U.S. generally accepted accounting principles.

Internal Control Over Financial Reporting

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

SUPLEE, CLOONEY & COMPANY LLC

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 of Hillside'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. However, we noted other matters involving internal control that we have reported to the Township of Hillside in the General Comments and Recommendation of this report.

Compliance and Other Matters

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

Purpose of This Report

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


CERTIFIED PUBLIC ACCOUNTANTS


REGISTERED MUNICIPAL ACCOUNTANT NO. 510

September 19, 2024

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CURRENT FUND

TOWNSHIP OF HILLSIDE

CURRENT FUND

BALANCE SHEETS - REGULATORY BASIS

<u>ASSETS</u>	<u>REF.</u>	<u>BALANCE DECEMBER 31, 2023</u>	<u>BALANCE DECEMBER 31, 2022</u>
Current Fund			
Cash - Treasurer	A-4	\$ 14,968,025.76	\$ 18,728,102.78
Cash - Change Fund	A-6	690.00	690.00
Due From State of New Jersey: Senior Citizens and Veterans Deductions	A-8	153,327.27	146,003.98
		<u>\$ 15,122,043.03</u>	<u>\$ 18,874,796.76</u>
Receivables and Other Assets with Full Reserves:			
Delinquent Property Taxes Receivable	A-9	\$ 1,034,611.58	\$ 1,469,509.79
Tax Title Liens Receivable	A-10	1,119,204.88	1,184,953.52
Sewer Charges Receivable	A-11	7,965.10	281,609.36
Foreclosed Property	A-12	320,400.00	320,400.00
Revenue Accounts Receivable	A-13	490,370.87	35,163.30
Prepaid School Taxes	A-27	3.94	3.98
Interfunds Receivable	A-28	20,662.64	20,630.65
	A	<u>\$ 2,993,219.01</u>	<u>\$ 3,312,270.60</u>
Deferred Charges:			
Overexpenditure of 2023 Appropriations	A-29	\$ 16,891.74	\$ 56,822.81
Overexpenditure of Appropriation Reserves	A-29	10,041.83	757.69
Expenditure Without an Appropriation	A-29	70,986.67	24,535.87
Emergency Authorization 40A: 4-46	A-29	546,751.29	243,496.89
		<u>\$ 644,671.53</u>	<u>\$ 325,613.26</u>
		<u>\$ 18,759,933.57</u>	<u>\$ 22,512,680.62</u>
Grant Fund:			
Grants Receivable	A-20	\$ 5,932,536.39	\$ 4,016,977.74
Deferred Charge:			
Overexpenditure of Appropriated Grant Reserves	A-37	7,209.26	8,552.25
Due Current Fund	A-28	75,617.56	442,374.97
Due Trust Other Fund	A-32	256,355.00	256,355.00
Due Swim Pool Capital Fund	A-33	22,952.50	22,952.50
		<u>\$ 6,294,670.71</u>	<u>\$ 4,747,212.46</u>
		<u>\$ 25,054,604.28</u>	<u>\$ 27,259,893.08</u>

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

TOWNSHIP OF HILLSIDE

CURRENT FUND

BALANCE SHEETS - REGULATORY BASIS

	<u>REF.</u>	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2023</u>	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2022</u>
<u>LIABILITIES, RESERVES AND FUND BALANCES</u>			
Liabilities:			
Appropriation Reserves	A-3:A-14	\$ 2,915,874.01	\$ 2,315,236.79
Sewer Overpayments	A-16	2,851.61	5,027.80
Tax Overpayments	A-17	72,914.12	110,230.99
Prepaid Taxes	A-18	357,400.50	366,981.55
Encumbrances Payable	A-19	503,543.31	1,047,341.47
Accounts Payable	A-31	244,165.75	365,240.92
County Taxes Payable	A-26	1,847.64	1,847.64
Interfunds Payable	A-28	4,421,115.57	3,952,258.76
Reserve For:			
Hurricane Sandy	A-7	72,136.30	72,136.30
Retirement	A-15	53,001.99	53,001.99
Fire Penalties and Assessments	A-23	30,256.65	30,256.65
Codification of Ordinances	A-24	189.38	189.38
Sale of Municipal Assets	A-30	10,500.00	10,500.00
Municipal Relief Aid	A-34	450,047.32	
Insurance Damages	A-35	76,810.86	76,810.86
PILOT Due County	A-38	12,105.46	
Unallocated Receipts - Net	A-36	49,689.45	49,689.45
		<u>\$ 9,274,449.92</u>	<u>\$ 8,456,750.55</u>
Reserve for Receivables and Other Assets	A	2,993,219.01	3,312,270.60
Fund Balance	A-1	<u>6,492,264.64</u>	<u>10,743,659.47</u>
		<u>\$ 18,759,933.57</u>	<u>\$ 22,512,680.62</u>
Grant Fund:			
Encumbrances Payable	A-19	\$ 202,081.00	\$ 329,141.43
Due State of New Jersey	A-25	6,193.03	25.04
Reserve for:			
Grants - Appropriated	A-21	6,049,742.69	4,349,080.05
Grants - Unappropriated	A-22	<u>36,653.99</u>	<u>68,965.94</u>
		<u>\$ 6,294,670.71</u>	<u>\$ 4,747,212.46</u>
		<u>\$ 25,054,604.28</u>	<u>\$ 27,259,893.08</u>

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

TOWNSHIP OF HILLSIDECURRENT FUNDSTATEMENTS OF OPERATIONS AND CHANGES IN FUND BALANCE - REGULATORY BASIS

	<u>REF.</u>	<u>YEAR ENDED</u> <u>DECEMBER</u> <u>31, 2023</u>	<u>YEAR ENDED</u> <u>DECEMBER</u> <u>31, 2022</u>
<u>REVENUE AND OTHER INCOME REALIZED</u>			
Fund Balance	A-1:A-2	\$ 6,252,000.00	\$ 3,075,000.00
Miscellaneous Revenues Anticipated	A-2	13,817,269.18	15,032,643.23
Receipts From Delinquent Taxes	A-2	1,521,838.96	3,895,150.36
Receipts From Current Taxes	A-2	72,156,945.09	70,379,005.50
Non-Budget Revenue	A-2	315,932.05	336,414.17
Other Credits to Income:			
Prepaid School Tax		0.04	2.02
Unexpended Balance of Appropriation Reserves	A-14	1,654,925.28	1,945,786.54
<u>TOTAL REVENUE AND OTHER INCOME REALIZED</u>		<u>\$ 95,718,910.60</u>	<u>\$ 94,664,001.82</u>
<u>EXPENDITURES</u>			
Budget Appropriations:			
Municipal Purposes	A-3	\$ 52,208,845.66	\$ 46,021,727.68
County Taxes	A-26	10,936,546.81	11,073,274.10
Local District School Tax	A-27	31,136,524.00	30,831,509.00
Interfunds Advanced		31.99	6,357.60
<u>TOTAL EXPENDITURES</u>		<u>\$ 94,281,948.46</u>	<u>\$ 87,932,868.38</u>
Excess in Revenue		\$ 1,436,962.14	\$ 6,731,133.44
Adjustments to Income Before Fund Balance:			
Expenditures Included Above Which are by Statute			
Deferred Charges to Budget of Succeeding Year		<u>563,643.03</u>	<u>324,675.57</u>
Regulatory Excess to Fund Balance		\$ 2,000,605.17	\$ 7,055,809.01
Fund Balance, January 1	A	<u>10,743,659.47</u>	<u>6,762,850.46</u>
		\$ 12,744,264.64	\$ 13,818,659.47
Decreased by:			
Utilization as Anticipated Revenue	A-1	<u>6,252,000.00</u>	<u>3,075,000.00</u>
Fund Balance, December 31	A	<u>\$ 6,492,264.64</u>	<u>\$ 10,743,659.47</u>

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

TOWNSHIP OF HILLSIDE
CURRENT FUND
STATEMENT OF REVENUES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2023

	<u>REF.</u>	<u>ANTICIPATED BUDGET</u>	<u>SPECIAL N.J.S. 40A:4-87</u>	<u>REALIZED</u>	<u>EXCESS OR (DEFICIT)</u>
Fund Balance Anticipated	A-1	\$ 6,252,000.00	\$ _____	\$ 6,252,000.00	\$ _____
Miscellaneous Revenues:					
Licenses:					
Other	A-2	27,000.00		27,484.25	484.25
Fees and Permits:					
Construction Code	A-2	600,000.00		13,198.46	(586,801.54)
Other	A-2	69,000.00		86,312.86	17,312.86
Fines and Costs:					
Municipal Court	A-13	287,000.00		279,955.65	(7,044.35)
Interest and Costs on Taxes	A-13	1,250,000.00		819,161.48	(430,838.52)
Interest on Investments and Deposits	A-13	98,000.00		267,827.23	169,827.23
Joint Sewer User Charges	A-11	3,450,000.00		3,870,337.91	420,337.91
Cable T.V. Franchise Fee	A-13	204,000.00		188,534.18	(15,465.82)
Ambulance Service Fees	A-13	340,000.00		360,409.40	20,409.40
Alarm Fees	A-13	21,000.00		58,144.54	37,144.54
Payment in Lieu of Taxes - Gargiulo	A-2	330,000.00		25,931.80	(304,068.20)
Energy Receipts Tax	A-13	4,344,524.00		4,344,524.00	
Body Armor Grant	A-20		2,787.73	2,787.73	
Recycling Tonnage Grant - 2018	A-20	16,623.02		16,623.02	
US Tennis Association Grant - Central Avenue	A-20	140.00		140.00	
NJACCHO	A-20	155,554.00	238,058.00	393,612.00	
American Rescue Plan Firefighters Grant	A-20	43,000.00		43,000.00	
2020 Recycling Tonnage Grant	A-20	19,345.49		19,345.49	
UEZ Grant 2021-2022	A-20		406,046.00	406,046.00	
Clean Communities Grant	A-20		38,968.42	38,968.42	
UC Means Green Garden Grant	A-20		500.00	500.00	
Central Avenue Spray Park Grant	A-20		250,000.00	250,000.00	
Youth Corps - Urban Gateway Enhancement Grant	A-20		32,000.00	32,000.00	
FEMA Stormdrains Hurricane Ida	A-20		46,300.85	46,300.85	
NJDEP Stormwater Protection	A-20		15,000.00	15,000.00	
NJDEP Green Acres	A-20		228,413.00	228,413.00	
NJDEP Green Acres Loan	A-20		76,137.00	76,137.00	
FEMA Hazard Mitigation Assistance Grant	A-20		533,887.01	533,887.01	
FEMA Central Avenue Culvert	A-20		35,635.58	35,635.58	
NJDOT Hillside Avenue	A-20		350,858.00	350,858.00	
UEZ 2023 Holiday Décor	A-20		55,000.00	55,000.00	
Assistance to Firefighters Grant Program	A-20		37,363.63	37,363.63	
Infrastructure and Municipal Aid Grant	A-20		18,280.00	18,280.00	
Bulletproof Vest Program	A-20	4,099.05		4,099.05	
Opioid Settlement	A-20	35,913.06		35,913.06	
Statewide Insurance Fund Risk Control Grant	A-20	8,936.90	9,634.00	18,570.90	
2023 Summer Funding	A-20	41,033.85		41,033.85	
DCA LIRG	A-20	85,000.00		85,000.00	
Recreation Grant	A-20	5,000.00		5,000.00	
Uniform Fire Safety Act	A-13	38,000.00		48,735.43	10,735.43
Sewer Trunk Surplus	A-13	203,000.00		287,199.40	84,199.40
Off-Duty Administrative Fees	A-13	350,000.00		350,000.00	
	A-1	\$ 12,026,169.37	\$ 2,374,867.22	\$ 13,817,269.18	\$ (583,767.41)
Receipts From Delinquent Taxes	A-1:A-2	2,000,000.00		1,521,838.96	(478,161.04)
Amount to be Raised by Taxes for Support of Municipal Budget:					
Local Tax for Municipal Purposes	A-9	29,713,031.41		30,784,739.65	1,071,708.24
Minimum Library Tax	A-9	869,653.38		869,653.38	
	A-2	30,582,684.79		31,654,393.03	1,071,708.24
<u>BUDGET TOTALS</u>		\$ 50,860,854.16	\$ 2,374,867.22	\$ 53,245,501.17	\$ 9,779.79
Non-Budget Revenue	A-1:A-2			315,932.05	315,932.05
		\$ 50,860,854.16	\$ 2,374,867.22	\$ 53,561,433.22	\$ 325,711.84
	<u>REF.</u>	A-3	A-3		

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

TOWNSHIP OF HILLSIDE

CURRENT FUND

STATEMENT OF REVENUES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2023

<u>ANALYSIS OF REALIZED REVENUE</u>	<u>REF.</u>	
Allocation of Current Tax Collections:		
Collected	A-1:A-9	\$ 72,156,945.09
Allocated to:		
School and County Taxes		<u>42,073,070.81</u>
Balance for Support of Municipal Budget Appropriations		\$ 30,083,874.28
Add: Reserve for Uncollected Taxes	A-3	<u>1,570,518.75</u>
Amount for Support of Municipal Budget Appropriations	A-2	<u>\$ 31,654,393.03</u>
Receipts from Delinquent Taxes:		
Delinquent Tax Collections	A-9	\$ 1,389,685.69
Tax Title Lien Collections	A-10	<u>132,153.27</u>
	A-2	<u>\$ 1,521,838.96</u>
Licenses - Other:		
Township Clerk	A-13	\$ 1,975.00
Board of Health	A-13	<u>25,509.25</u>
	A-2	<u>\$ 27,484.25</u>
Fees and Permits - Other:		
Township Clerk	A-13	\$ 10,156.08
Tax Assessor	A-13	220.00
Fire Department	A-13	30,607.05
Police Department	A-13	23,597.35
Public Works	A-13	<u>21,757.38</u>
		\$ 86,337.86
Less: Refunds	A-4	<u>25.00</u>
	A-2	<u>\$ 86,312.86</u>

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

TOWNSHIP OF HILLSIDE

CURRENT FUND

STATEMENT OF REVENUES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2023

REF.

ANALYSIS OF REALIZED REVENUE

Uniform Construction Code Fees:		
Cash Receipts	A-13	\$ 13,648.46
Less: Refunds	A-4	<u>450.00</u>
	A-2	\$ <u>13,198.46</u>
Payment in Lieu of Taxes - Gargiulo	A-13	\$ <u>25,931.80</u>
	A-2	\$ <u>25,931.80</u>

ANALYSIS OF NON-BUDGET REVENUE

Miscellaneous Revenue Not Anticipated:		
GovDeals Sale of Property		\$ 44,632.00
Senior Citizen Administrative Fee		1,580.59
Lamar Billboard Rental		11,000.00
Reimbursements		153,329.50
Miscellaneous		<u>87,594.27</u>
	A-4	298,136.36
Tax Collector	A-5	<u>17,795.69</u>
	A-2	\$ <u>315,932.05</u>

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

TOWNSHIP OF HILLSIDE
CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2023

	APPROPRIATIONS		EXPENDED		UNEXPENDED BALANCE CANCELED	OVER- EXPENDITURE
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED		
GENERAL APPROPRIATIONS - OPERATIONS WITHIN 'CAPS'						
GENERAL GOVERNMENT						
Administrative and Executive:						
Salaries and Wages	\$ 221,000.00	\$ 221,000.00	\$ 219,250.17	\$ 1,749.83	\$	
Other Expenses:						
Departmental Expenses	30,000.00	30,000.00	27,363.17	2,636.83		
Record Retention	90,000.00	90,000.00	72,000.00	18,000.00		
Township Council:						
Salaries and Wages	84,000.00	84,000.00	48,999.72	35,000.28		
Other Expenses	18,000.00	18,000.00	9,289.86	8,710.14		
Township Clerk:						
Salaries and Wages	295,000.00	257,294.65	251,451.63	5,843.02		
Other Expenses:						
Miscellaneous	50,000.00	50,000.00	11,164.96	38,835.04		
Advertising	15,000.00	15,000.00	5,250.32	9,749.68		
Elections:						
Other Expenses	50,000.00	50,000.00	38,649.24	11,350.76		
Financial Administration:						
Salaries and Wages	455,000.00	432,008.57	426,462.47	5,546.10		
Other Expenses	170,000.00	170,000.00	153,801.07	16,198.93		
Annual Audit	75,000.00	75,000.00	75,000.00			
Computer Service Department:						
Other Expenses	40,000.00	40,000.00	27,194.62	12,805.38		
Collection of Taxes:						
Salaries and Wages	178,000.00	170,379.68	157,053.36	13,326.32		
Other Expenses	60,000.00	60,000.00	54,354.40	5,645.60		
Assessment of Taxes:						
Salaries and Wages	98,000.00	95,025.19	88,114.52	6,910.67		
Other Expenses:						
Miscellaneous	15,000.00	15,000.00	7,539.94	7,369.06		
Legal Services and Costs:						
Salaries and Wages	134,000.00	137,000.00	135,800.92	1,199.08		
Other Expenses	335,000.00	335,000.00	295,252.81	39,747.19		
Municipal Prosecutor:						
Salaries and Wages	35,000.00	35,000.00	32,608.97	2,391.03		
Other Expenses	2,000.00	2,000.00		2,000.00		
Engineering Services:						
Other Expenses - General	200,000.00	200,000.00	171,895.28	28,104.72		
Buildings and Grounds:						
Salaries and Wages	200,000.00	176,713.22	123,400.34	53,312.88		
Other Expenses	105,000.00	105,000.00	100,658.30	4,441.70		
Municipal Land Use Law (N.J.S.A. 40:550-1):						
Planning Board:						
Salaries and Wages	2,500.00	2,500.00		2,500.00		
Other Expenses	60,000.00	60,000.00	7,340.34	52,059.66		

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

TOWNSHIP OF HILLSIDE
CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2023

	APPROPRIATIONS		BUDGET AFTER MODIFICATION	EXPENDED		UNEXPENDED BALANCE CANCELED	OVER- EXPENDITURE
	BUDGET			PAID OR CHARGED	RESERVED		
Office of Economic Development:							
Salaries and Wages	\$ 30,000.00	\$	30,000.00	\$ 29,007.84	\$ 992.36	\$	
Other Expenses	4,000.00		4,000.00		4,000.00		
Zoning Costs:							
Salaries and Wages	2,500.00		2,500.00	1,379.10	2,500.00		
Other Expenses	5,000.00		5,000.00		3,620.90		
Alcohol Beverage Control:							
Other Expenses	8,000.00		8,000.00	5,596.00	2,404.00		
Postage:							
Other Expenses	65,000.00		65,000.00	33,834.66	31,165.34		
Insurance:							
Group Insurance Plan for Employees	6,510,000.00		6,510,000.00	5,930,416.48	579,583.52		
Unemployment Insurance	90,000.00		90,000.00	39,734.35	50,265.65		
Workers Compensation Insurance Trust Fund	460,000.00		460,000.00	351,299.12	108,700.88		
Other Insurance Premiums	810,000.00		792,000.00	787,135.84	4,864.35		
New Jersey State Disability Insurance	49,000.00		49,000.00	(722.04)	49,722.04		
<u>PUBLIC SAFETY</u>							
Fire:							
Salaries and Wages	6,232,000.00		6,552,651.73	6,501,511.09	51,140.64		
Other Expenses:							
Miscellaneous	220,000.00		220,000.00	203,127.80	16,872.40		
Ambulance Services	40,000.00		40,000.00	18,404.37	21,595.63		
Uniform Fire Safety Act:							
Fire Official:							
Salaries and Wages	130,000.00		130,000.00	3,291.25	130,000.00		
Other Expenses	12,000.00		12,000.00		8,708.75		
Police:							
Salaries and Wages	8,350,000.00		8,911,638.47	8,886,954.07	24,684.40		
Other Expenses:							
Departmental Expenses	275,000.00		275,000.00	271,370.56	3,629.44		
Traffic Lights:							
Other Expenses	75,000.00		75,000.00	59,375.55	15,624.45		
School Crossing Guards:							
Salaries and Wages	225,000.00		176,138.18	159,192.69	16,945.49		
Garage Service and Repair:							
Salaries and Wages	120,000.00		100,000.00	90,504.74	9,495.26		
Other Expenses	100,000.00		100,000.00	86,181.92	13,818.08		
Office of Emergency Management:							
Salaries and Wages	9,000.00		9,000.00	8,307.44	692.56		
Other Expenses	20,000.00		20,000.00	7,262.44	12,737.56		
<u>STREETS AND ROADS</u>							
Road Repairs and Maintenance:							
Salaries and Wages	1,808,600.00		1,644,001.78	1,565,864.50	78,137.28		
Other Expenses	345,000.00		345,000.00	288,101.67	76,898.33		

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

TOWNSHIP OF HILLSIDE
CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2023

	APPROPRIATIONS		EXPENDED		UNEXPENDED BALANCE CANCELED	OVER- EXPENDITURE
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED		
SANITATION						
Garbage, Trash, and Recycling Collection:						
Other Expenses	\$ 2,700,000.00	\$ 2,700,000.00	\$ 2,132,620.64	\$ 567,379.36	\$	
Sewer System:						
Other Expenses	60,000.00	60,000.00	26,881.24	33,118.76		
Sewer Pumping System:						
Other Expenses	50,000.00	50,000.00	42,056.47	7,943.53		
HEALTH AND WELFARE						
Board of Health:						
Salaries and Wages	230,000.00	215,534.01	184,904.53	30,629.48		
Other Expenses	30,000.00	30,000.00	27,817.97	2,082.03		
Dog License Registration:						
Other Expenses	75,000.00	75,000.00	62,500.00	12,500.00		
RECREATION AND EDUCATION						
Community Recreation Commission:						
Salaries and Wages	240,000.00	241,896.28	241,840.26	156.02		
Other Expenses	17,000.00	17,000.00	10,661.49	6,338.51		
Senior Citizens:						
Salaries and Wages	170,000.00	177,764.65	177,153.57	610.68		
Other Expenses	19,000.00	19,000.00	12,609.62	6,390.38		
Celebration of Public Events:						
Mayor and Administration:						
Other Expenses	12,000.00	12,000.00	2,520.05	9,479.95		
Municipal Court:						
Salaries and Wages	335,000.00	343,652.33	336,564.43	7,087.90		
Other Expenses	40,000.00	40,000.00	27,281.27	12,718.73		
Public Defender:						
Other Expenses	18,000.00	18,000.00	14,350.00	3,650.00		
UNIFORM CONSTRUCTION CODE - APPROPRIATIONS OFFSET BY DEDICATED REVENUES IN J.A.C. 5:23-4.17)						
Sub-Officials:						
Building Inspector:						
Salaries and Wages	450,000.00	473,665.01	473,074.20	590.81		
Other Expenses	15,000.00	15,000.00	9,918.01	5,081.99		
UNCLASSIFIED						
Utilities - All (Includes Gasoline)	730,000.00	730,000.00	595,007.19	134,992.81		
Street Lighting	345,000.00	345,000.00	339,216.45	5,783.55		
Fire Hydrant Service	350,000.00	350,000.00	261,910.72	88,089.28		

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

TOWNSHIP OF HILLSIDE
CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2023

	APPROPRIATIONS		PAID OR CHARGED	EXPENDED	RESERVED	UNEXPENDED BALANCE CANCELED	OVER-EXPENDITURE
	BUDGET	BUDGET AFTER MODIFICATION					
UNCLASSIFIED							
Temporary and Summer Employees:							
Salaries and Wages	\$ 36,000.00	\$ 36,000.00	\$ 32,964.18	\$ 3,035.82	\$	\$	\$
Accumulated Leave Compensation							
Salaries and Wages	800,000.00	800,000.00	757,364.34	42,635.66			
Salary Adjustment Account	110,000.00	110,000.00	20,810.24	89,189.76			
TOTAL OPERATIONS WITHIN "CAPS":	\$ 35,984,600.00	\$ 36,411,466.75	\$ 33,637,745.52	\$ 2,773,721.23	\$	\$	\$
CONTINGENT	500.00	500.00		500.00			
TOTAL OPERATIONS INCLUDING CONTINGENT WITHIN "CAPS":	\$ 35,985,100.00	\$ 36,411,966.75	\$ 33,637,745.52	\$ 2,774,221.23	\$	\$	\$
DEFERRED CHARGES AND STATUTORY EXPENDITURES - MUNICIPAL WITHIN "CAPS"							
Deferred Charges:							
Emergency Authorizations	\$ 243,496.89	\$ 243,496.89	\$ 243,496.89	\$	\$	\$	\$
Overexpenditure of 2021 Appropriations	56,822.81	56,822.81	56,822.81				
Overexpenditure of Appropriation Reserves	757.69	757.69	757.69				
Overexpenditure of Trust Reserves	67,354.89	67,354.89	67,354.89				
Overexpenditure of Grant Reserves	8,552.25	8,552.25	8,552.25				
Expenditure without an Appropriation	24,535.87	24,535.87	24,535.87				
Statutory Expenditures:							
Contribution to:							
Public Employees Retirement System	768,373.00	768,373.00	748,574.49	19,798.51			16,891.74
Social Security (O. A. S.I.)	610,000.00	610,000.00	746,776.28				
Consolidated Police and Firemen's Pension Fund	90.00	90.00		90.00			
Police and Firemen's Retirement System of N.J.	4,356,060.00	4,356,060.00	4,356,054.44	5.56			
Defined Retirement Contribution Plan	13,000.00	13,000.00	10,151.40	2,848.60			
TOTAL DEFERRED CHARGES AND STATUTORY EXPENDITURES - MUNICIPAL WITHIN "CAPS":	\$ 6,151,043.40	\$ 6,270,927.94	\$ 6,265,077.01	\$ 22,742.67	\$	\$	\$ 16,891.74
TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES WITHIN "CAPS":	\$ 42,136,143.40	\$ 42,682,894.69	\$ 39,902,822.53	\$ 2,796,993.90	\$	\$	\$ 16,891.74
GENERAL APPROPRIATIONS-OPERATIONS EXCLUDED FROM "CAPS"							
Maintenance of Free Public Library	\$ 869,653.00	\$ 869,653.00	\$ 869,653.00	\$	\$	\$	\$
Joint Trunk Sewer	3,174,086.00	3,174,086.00	3,174,086.00				
Reserve for Tax Appeals	10,000.00	10,000.00		10,000.00			
INTERLOCAL MUNICIPAL SERVICE AGREEMENTS							
Union County Fire and EMS Dispatch Services	57,000.00	57,000.00	42,345.39	14,654.61			
Union County Health Officer	24,500.00	24,500.00	11,964.50	12,535.50			

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

TOWNSHIP OF HILLSIDE
CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2023

	APPROPRIATIONS		EXPENDED		UNEXPENDED BALANCE CANCELED	OVER- EXPENDITURE
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED		
PUBLIC AND PRIVATE PROGRAMS OFF-SET BY REVENUES						
Statewide Insurance Fund Risk Control Grant	8,936.80	8,936.80	8,936.80			
NJACCHO Enh Loc Pub Hlth Inf	155,554.00	155,554.00	155,554.00			
American Rescue Plan FF Grant	43,000.00	43,000.00	43,000.00			
Recreation Grant	5,000.00	5,000.00	5,000.00			
Local Recreation Improvement	85,000.00	85,000.00	85,000.00			
Summer Food Svc Program 2023	41,033.85	41,033.85	41,033.85			
Strengthening L.P. Health, C/PCT - 2022 (N.J.S.A. 40A:4-87 + \$406,046.00)	4,099.05	406,046.00	406,046.00			
2022 Bulletproof Vest Grant	4,099.05	4,099.05	4,099.05			
Clean Communities Program (N.J.S.A. 40A:4-87 + \$38,968.42)	35,913.06	38,968.42	38,968.42			
Opkold Settlement	500.00	500.00	500.00			
UC Means Green Community Garden (N.J.S.A. 40A:4-87 + \$500.00)	250,000.00	250,000.00	250,000.00			
Central Ave Spray Park Project (N.J.S.A. 40A:4-87 + \$250,000.00)	32,000.00	32,000.00	32,000.00			
Youth Corps --Urban Gateway Enhancement Program (N.J.S.A. 40A:4-87 + \$32,000.00)	46,300.85	46,300.85	46,300.85			
FEMA Storm Drains Hurricane Iida (N.J.S.A. 40A:4-87 + \$46,300.85)	36,560.00	36,560.00	36,560.00			
Infrastructure & Municipal Aid 2023 (N.J.S.A. 40A:4-87 + \$18,280.00)	15,000.00	15,000.00	15,000.00			
NJ DEP Stormwater Protection (N.J.S.A. 40A:4-87 + \$15,000.00)	228,413.00	228,413.00	228,413.00			
NJ DEP Green Acres (N.J.S.A. 40A:4-87 + \$228,413.00)	76,137.00	76,137.00	76,137.00			
NJ DEP Green Acres LOAN (N.J.S.A. 40A:4-87 + \$76,137.00)	533,887.01	533,887.01	533,887.01			
FEMA Hazard Mitigation Assistance (N.J.S.A. 40A:4-87 + \$533,887.01)	35,635.58	35,635.58	35,635.58			
FEMA Central Ave Culvert (N.J.S.A. 40A:4-87 + \$35,635.58)	9,634.00	9,634.00	9,634.00			
Statewide Risk Control (N.J.S.A. 40A:4-87 + \$9,634.00)	2,787.73	2,787.73	2,787.73			
Body Armor 2021 (N.J.S.A. 40A:4-87 + \$2,787.73)	238,058.00	238,058.00	238,058.00			
NJACCHO Enh LPH Inf (N.J.S.A. 40A:4-87 + \$238,058.00)	350,856.00	350,856.00	350,856.00			
NJ DOT Hillside Ave (N.J.S.A. 40A:4-87 + \$350,856.00)	55,000.00	55,000.00	55,000.00			
UEZ - 2023 Holiday Decorations (N.J.S.A. 40A:4-87 + \$55,000.00)	140.00	140.00	140.00			
US Tennis Association Gig Central Avenue	3,987.11	3,987.11	3,987.11			
Recycling Tonnage Grant 2016	12,635.91	12,635.91	12,635.91			
Recycling Tonnage Grant 2017	19,345.49	19,345.49	19,345.49			
Recycling Tonnage Grant 2020	37,363.63	37,363.63	37,363.63			
Assistance to Firefighters Grant Program (N.J.S.A. 40A:4-87 + \$37,363.63)	100,000.00	81,720.00	81,720.00			
Matching Funds for Grants		81,720.00				
TOTAL OPERATIONS-EXCLUDED FROM "CAPS"	\$ 4,649,884.37	\$ 7,024,751.59	\$ 6,905,841.48	\$ 118,910.11	\$	\$
CAPITAL IMPROVEMENT FUND - EXCLUDED FROM "CAPS"						
Capital Improvement Fund	370,000.00	370,000.00	370,000.00			
MUNICIPAL DEBT SERVICE-EXCLUDED FROM "CAPS"						
Payment of Bond Principal	1,120,000.00	1,120,000.00	1,120,000.00			\$
Interest on Bonds	588,568.76	588,568.76	588,568.76			
Interest on Notes	148,146.83	148,146.83	148,146.83			
N.J. Environmental Infrastructure Loan Program:						
Principal	58,029.55	58,029.55	58,029.55			
Interest	9,062.50	9,062.50	9,062.50			
N.J. Department of Community Affairs - Demolition Loan						
Principal	10,500.00	10,500.00	10,500.00			
TOTAL MUNICIPAL DEBT SERVICE-EXCLUDED FROM "CAPS"	\$ 1,934,307.64	\$ 1,934,307.64	\$ 1,934,307.64	\$	\$	\$

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

TOWNSHIP OF HILLSIDE
CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2023

	APPROPRIATIONS	BUDGET AFTER MODIFICATION	PAID OR CHARGED	EXPENDED	RESERVED	UNEXPENDED BALANCE CANCELED	OVER- EXPENDITURE
BUDGET	\$	\$	\$	\$	\$	\$	\$
DEFERRED CHARGES EXCLUDED FROM "CAPS":							
Judgements	200,000.00	200,000.00	180,000.00	180,000.00	20,000.00	20,000.00	-
TOTAL DEFERRED CHARGES EXCLUDED FROM "CAPS":	200,000.00	200,000.00	180,000.00	180,000.00	20,000.00	20,000.00	-
TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES EXCLUDED FROM "CAPS":	7,154,192.01	9,529,059.23	9,380,149.12	9,380,149.12	118,910.11	20,000.00	-
SUB-TOTAL GENERAL APPROPRIATIONS:	49,290,335.41	52,211,963.92	49,292,971.65	49,292,971.65	2,915,874.01	20,000.00	16,891.74
Reserve for Uncollected Taxes	1,570,518.75	1,570,518.75	1,570,518.75	1,570,518.75	-	-	-
TOTAL GENERAL APPROPRIATIONS:	50,860,854.16	53,782,472.67	50,863,490.40	50,863,490.40	2,915,874.01	20,000.00	16,891.74
REF.	A-2		A-1		A-A-1		A-1, A-29
Budget	\$	50,860,854.16					
Emergency Appropriation by 40A.4-46		546,751.29					
Appropriations by 40A.4-87		2,374,867.22					
		\$					
		53,782,472.67					
Reserve for Uncollected Taxes	A-2		1,570,518.75				
Encumbrances Payable	A-19		503,543.31				
Reserve for Grants Appropriated	A-21		2,807,792.99				
Deferred Charges:							
Overexpenditure of 2022 Appropriations	A-29		56,822.81				
Overexpenditure of Appropriation Reserves	A-29		757.69				
Emergency Authorization 40A.4-46	A-29		243,496.89				
Overexpenditure of Trust Reserves	A-29		67,354.89				
Overexpenditure of Grant Reserves	A-37		8,552.25				
Expenditure without an Appropriation	A-29		24,535.87				
Disbursed - Net	A-4		45,560,115.35				
			\$				
			50,863,490.40				

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

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TRUST FUND

"B"

TOWNSHIP OF HILLSIDE

TRUST FUND

BALANCE SHEETS - REGULATORY BASIS

<u>ASSETS</u>	<u>REF.</u>	<u>BALANCE DECEMBER 31, 2023</u>	<u>BALANCE DECEMBER 31, 2022</u>
Animal Control Fund:			
Cash	B-1	\$ 32,072.14	\$ 32,687.05
Due General Capital Fund	B-20	33.20	33.20
		<u>\$ 32,105.34</u>	<u>\$ 32,720.25</u>
Other Trust Funds:			
Cash	B-1	\$ 5,256,337.40	\$ 6,749,587.04
Community Development Block Grants Receivable	B-4	268,529.64	531,108.01
Interfunds Receivable	B-19	2,872,435.98	2,397,127.12
Miscellaneous Accounts Receivable	B-23		40,138.63
Deferred Charges - Overexpenditure of Reserve	B-22	1,002.00	67,354.89
		<u>\$ 8,398,305.02</u>	<u>\$ 9,785,315.69</u>
		<u>\$ 8,430,410.36</u>	<u>\$ 9,818,035.94</u>
<u>LIABILITIES, RESERVES AND FUND BALANCES</u>			
Animal Control Fund:			
Reserve for Animal Control Fund Expenditures	B-2	\$ 9,329.70	\$ 10,062.00
Due State of New Jersey	B-3	113.00	27.60
Interfunds Payable	B-20	22,662.64	22,630.65
		<u>\$ 32,105.34</u>	<u>\$ 32,720.25</u>
Other Trust Funds:			
Reserve for:			
Community Development Block Grants	B-5	\$ 433,861.71	\$ 619,945.72
Facade Loan Repayment	B-6	35,134.28	35,134.28
Tax Sale Redemption	B-7	546,656.39	327,008.33
Retiree Prescription Account	B-8	36,595.70	36,414.60
State Unemployment Insurance	B-9	154,762.69	128,546.85
Flexible Spending Account	B-10	1,226.14	1,225.00
UEZ Second Generation Fund	B-11	1,076,004.62	1,064,274.01
UEZ Revolving Loan Escrow	B-12	7,241.78	7,250.76
Police Off-Duty Escrow	B-13	363,446.62	278,098.29
Local Law Enforcement Block Grant	B-14	628.02	628.02
Special Law Enforcement	B-15	12,428.98	11,803.77
Miscellaneous Trust Deposits	B-16	4,912,091.89	6,526,863.80
Federal Law Enforcement Trust	B-17	789.28	
Building Department Escrow	B-18	506,048.93	479,080.54
Payroll Deductions Payable	B-21	54,339.31	11,993.04
Interfunds Payable	B-19	256,431.50	256,431.50
Due County of Union		617.18	617.18
		<u>\$ 8,398,305.02</u>	<u>\$ 9,785,315.69</u>
		<u>\$ 8,430,410.36</u>	<u>\$ 9,818,035.94</u>

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

GENERAL CAPITAL FUND

"C"

TOWNSHIP OF HILLSIDE

GENERAL CAPITAL FUND

BALANCE SHEETS - REGULATORY BASIS

	<u>REF.</u>	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2023</u>	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2022</u>
<u>ASSETS</u>			
Cash	C-2:C-3	\$ 12,075,095.54	\$ 10,310,422.50
Deferred Charges to Future Taxation:			
Funded	C-4	15,540,633.75	16,734,697.50
Unfunded	C-8	25,094,287.71	14,159,290.71
Grants Receivable	C-5	4,088,437.50	4,088,437.50
New Jersey Infrastructure Bank Receivable	C	8,720,000.00	1,250,000.00
Demolition Loan Receivable (State of NJ)	C-16	58,564.01	58,564.01
Interfunds Receivable	C-6	1,432,180.93	1,071,875.57
		<u>\$ 67,009,199.44</u>	<u>\$ 47,673,287.79</u>
<u>LIABILITIES, RESERVES AND FUND BALANCES</u>			
Interfunds Payable	C-6	\$ 32,712.60	\$ 32,712.60
Demolition Loan Payable (State of NJ)	C-7	52,500.00	63,000.00
Capital Improvement Fund	C-9	100,411.46	88,414.46
Contracts Payable	C-10	860,320.30	1,992,640.81
Bond Anticipation Note	C-12	6,730,521.00	3,761,000.00
Bond Anticipation Note - NJ Infrastructure Bank	C	8,720,000.00	1,250,000.00
General Serial Bonds Payable	C-13	15,050,000.00	16,170,000.00
Infrastructure Loan Payable	C-14	496,697.76	560,261.51
Reserve for Construction of Salt Shed	C-15	89,321.76	89,321.76
Reserve to Pay Debt Service	C-17	141,908.31	141,908.31
Improvement Authorizations:			
Funded	C-11	10,307,599.49	10,244,631.94
Unfunded	C-11	24,321,810.10	13,224,074.81
Fund Balance	C-1	105,396.66	55,321.59
		<u>\$ 67,009,199.44</u>	<u>\$ 47,673,287.79</u>

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

TOWNSHIP OF HILLSIDE

GENERAL CAPITAL FUND

STATEMENT OF FUND BALANCE - REGULATORY BASIS

	<u>REF.</u>		
Balance, December 31, 2022	C	\$	55,321.59
Increased by:			
Premium on Bond Anticipation Note Issued	C-2		<u>50,075.07</u>
Balance, December 31, 2023	C	\$	<u><u>105,396.66</u></u>

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

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SWIM POOL UTILITY FUND

TOWNSHIP OF HILLSIDE

SWIM POOL UTILITY FUND

BALANCE SHEETS - REGULATORY BASIS

	<u>REF.</u>	BALANCE DECEMBER 31, 2023	BALANCE DECEMBER 31, 2022
<u>ASSETS</u>			
Operating Fund:			
Cash	D-2 ✓	\$ 422.52	\$ 422.52
Interfunds Receivable	D-3 ✓	33,127.07	33,127.07
		<u>\$ 33,549.59</u>	<u>\$ 33,549.59</u>
Capital Fund:			
Interfunds Receivable	D-10 ✓	\$ 115,599.69	\$ 10,584.06
Deferred Charge - Grant Receivable Cancelled			105,015.63
Fixed Capital	D-9 ✓	710,689.24	710,689.24
Fixed Capital Authorized and Uncompleted	D-4 ✓	281,926.39	281,926.39
		<u>\$ 1,108,215.32</u>	<u>\$ 1,108,215.32</u>
		<u>\$ 1,141,764.91</u>	<u>\$ 1,141,764.91</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Operating Fund:			
Liabilities:			
Interfunds Payable	D-3 ✓	\$ 15,104.29	\$ 15,104.29
		<u>\$ 15,104.29</u>	<u>\$ 15,104.29</u>
Fund Balance	D-1 ✓	18,445.30	18,445.30
		<u>\$ 33,549.59</u>	<u>\$ 33,549.59</u>
Capital Fund:			
Improvement Authorizations - Funded	D-5 ✓	\$ 2,273.90	\$ 2,273.90
Improvement Authorizations - Unfunded	D-5 ✓	100,600.00	100,600.00
Capital Improvement Fund	D-6 ✓	10,250.00	10,250.00
Reserve for:			
Amortization	D-7 ✓	790,689.24	790,689.24
Deferred Amortization	D-8 ✓	106,326.39	106,326.39
Interfunds Payable	D-10 ✓	98,075.79	98,075.79
		<u>\$ 1,108,215.32</u>	<u>\$ 1,108,215.32</u>
		<u>\$ 1,141,764.91</u>	<u>\$ 1,141,764.91</u>

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

TOWNSHIP OF HILLSIDE

SWIM POOL UTILITY FUND

STATEMENTS OF OPERATIONS
AND CHANGES IN OPERATING FUND BALANCE - REGULATORY BASIS

	<u>REF.</u>	YEAR ENDED DECEMBER <u>31, 2023</u>	YEAR ENDED DECEMBER <u>31, 2022</u>
Fund Balance, January 1	D ~	<u>18,445.30</u>	<u>18,445.30</u>
Fund Balance, December 31	D ~	<u>\$ 18,445.30</u>	<u>\$ 18,445.30</u>

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

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PUBLIC ASSISTANCE TRUST FUND

TOWNSHIP OF HILLSIDE

PUBLIC ASSISTANCE TRUST FUND

BALANCE SHEETS - REGULATORY BASIS

	BALANCE DECEMBER <u>31, 2023</u>	BALANCE DECEMBER <u>31, 2022</u>
<u>ASSETS</u>		
Due Current Fund	\$ <u>17,137.82</u>	\$ <u>17,137.82</u>
	\$ <u><u>17,137.82</u></u>	\$ <u><u>17,137.82</u></u>
<u>LIABILITIES AND RESERVES</u>		
Due State of New Jersey	\$ <u>17,137.82</u>	\$ <u>17,137.82</u>
	\$ <u><u>17,137.82</u></u>	\$ <u><u>17,137.82</u></u>

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

GENERAL FIXED ASSETS ACCOUNT GROUP

"F"

TOWNSHIP OF HILLSIDE
GENERAL FIXED ASSET ACCOUNT GROUP
BALANCE SHEET - REGULATORY BASIS

	BALANCE DECEMBER <u>2023</u>	BALANCE DECEMBER <u>31, 2022</u>
<u>FIXED ASSETS</u>		
Land	\$ 4,142,200.00	\$ 4,142,200.00
Buildings	4,725,000.00	4,725,000.00
Machinery and Equipment	<u>8,453,405.00</u>	<u>8,674,985.00</u>
<u>TOTAL FIXED ASSETS</u>	<u>\$ 17,320,605.00</u>	<u>\$ 17,542,185.00</u>
<u>RESERVE</u>		
Investments in General Fixed Assets	<u>\$ 17,320,605.00</u>	<u>\$ 17,542,185.00</u>

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

NOTES TO FINANCIAL STATEMENTS

TOWNSHIP OF HILLSIDE

NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2023 AND 2022

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Township of Hillside is an instrumentality of the State of New Jersey, established to function as a municipality. The Township Council consists of elected officials and is responsible for the fiscal control of the Township.

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

B. Description of Funds

The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. GASB codification establishes three fund types and two account groups to be used by general purpose governmental units when reporting financial position and results of operations in accordance with Generally Accepted Accounting Principles (GAAP).

The Accounting policies of the Township of Hillside 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.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Description of Funds (Continued)

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

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

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

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

Swim Pool Utility Operating and Capital Funds - account for the operations and acquisition of capital facilities of the municipally-owned Swim Pool Utility.

Public Assistance Trust Fund - receipt and disbursement of funds that provide assistance to certain residents of the Township pursuant to Title 44 of New Jersey statutes.

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

C. Basis of Accounting

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

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

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

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

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

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

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

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

General Fixed Assets - New Jersey Administrative Code (N.J.A.C. 5:30-5.6), Accounting for Governmental Fixed Assets, which differs in certain respects from generally accepted accounting principles, requires the inclusion of a statement of general fixed assets of the Township as part of its basic financial statements. General fixed assets are defined as nonexpendable personal and real property having a physical existence, a useful life of more than one year and an acquisition cost of \$500.00 or more per unit. Public domain ("infrastructure") general fixed assets consisting of certain improvements other than buildings, such as roads, bridges, curbs and gutters, streets and sidewalks and drainage systems are not capitalized. General Fixed Assets that have been acquired and are utilized in a governmental fund operation are accounted for in the General Fixed Asset Account Group rather than in a governmental fund. No depreciation has been provided on general fixed assets or reported in the financial statements. Fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Buildings and land are stated at the assessed value contained in the Township's most recent property revaluation.

The Township developed a fixed assets accounting and reporting system based on an inspection and valuation prepared by an independent appraisal firm.

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

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

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

Fixed Capital - Swim Pool Utility

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

Property and equipment purchased by the Swim Pool Utility Fund are recorded in the capital account at cost and are adjusted for disposition and abandonment. The amounts shown do not purport to represent reproduction costs or current value.

The fixed capital reported is as taken from the municipal records and does not necessarily reflect the true condition of such fixed capital. Contributions in aid of construction are not capitalized. The balances in the Reserve for Amortization and Deferred Reserve for Amortization accounts in the utility capital fund represent charges to operations for the cost of acquisitions of property, equipment and improvements. The utility does not record depreciation on fixed assets.

Accounting and Financial Reporting for Pensions

The Governmental Accounting Standards Board (GASB) approved Statement No. 68 Accounting and financial reporting for pensions administered by state and local government employers. This Statement improves accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local government employers about financial support for pensions that is provided by other entities. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for pensions with regard to providing decision useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency.

Under GAAP, municipalities are required to recognize the pension liability in Statements of Revenues, Expenses, Changes in Net Assets (balance sheets) and Notes to the Financial Statements in accordance with GASB 68. The liability required to be displayed by GASB 68 is displayed as a separate line item in the Unrestricted Net Assets area of the balance sheet.

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

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

The Governmental Accounting Standards Board (GASB) has issued Statement no. 75, "*Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*". This statement establishes standards for measuring and recognizing liabilities, deferred outflows and inflows of resources, and expenses for postemployment benefits other than pensions. It also requires the State of New Jersey to calculate and allocate to each participating member, for note disclosure purposes only, the OPEB net liability of New Jersey Health Benefits Local Government Retiree Plan (the Plan). The statement does not alter the amount of funds that must be budgeted for OPEB payment under existing state law.

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

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

The New Jersey Division of Local Government Services issued Local Finance Notice 2021-10 which allows local units to disclose the most recently available information as it relates to the New Jersey Division of Pensions & Benefits' reporting on GASB 75. As of the date of this report the information for the period ended June 30, 2023 was not available, therefore the information dated June 30, 2022 is disclosed.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

Leases

Under GAAP, lease receivables are measured at the present value of the lease payments expected to be received during the lease term. Payments are recorded as an inflow of resources in the period the payment is received. The deferred inflow of resources is recorded at the initiation of the lease in an amount equal to the initial recording of the lease receivable. The deferred inflow of resources is amortized in a systematic and rational manner over the lease term.

Lease liabilities represent obligations to make lease payments arising from the lease. Lease liabilities are recognized at the commencement date based on the present value of the expected lease payments over the lease term, less any lease incentives. Interest expense is recognized ratably over the contract term. The lease term may include options to extend or terminate the lease when it is reasonably certain that the option will be exercised. Payments for short-term leases with a term of 12 months or less are expensed as incurred and these leases are not included as lease liabilities or right-to-use assets on the statement of net position.

New Jersey's municipalities do not follow GAAP accounting principles and, as such, do not follow GASB requirements with respect to recording lease receivables, deferred outflows, lease liabilities, or deferred inflows on their balance sheets.

D. Basic Financial Statements

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

NOTE 2: CASH AND CASH EQUIVALENTS

The Township considers petty cash, change funds, cash in banks, deposits in the New Jersey Cash Management Fund and certificates of deposit as cash and cash equivalents.

A. Deposits

New Jersey statutes permit the deposit of public funds in public depositories which are located in New Jersey and which meet the requirements of the Governmental Unit Deposit Protection Act (GUDPA). GUDPA requires a bank that accepts public funds to be a public depository. A public depository is defined as a state bank, a national bank, or a savings bank, which is located in the State of New Jersey, the deposits of which are insured by the Federal Deposit Insurance Corporation. Under (GUDPA), if a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the full amount of the deposits to the governmental unit.

The Township of Hillside had the following cash and cash equivalents at December 31, 2023:

<u>Fund</u>	<u>Cash in Bank</u>	<u>Reconciling Items</u>	<u>Change Funds</u>	<u>Total</u>
Checking Accounts	\$33,368,636.99	(\$1,036,683.83)		\$32,331,953.16
Change Funds			\$690.00	690.00
Total Cash and Cash Equivalents	\$33,368,636.99	(\$1,036,683.83)	\$690.00	\$32,332,643.16

Custodial Credit Risk - Deposits - Custodial credit risk is the risk that in the event of a bank failure, the deposits may not be returned. The District does not have a specific deposit policy for custodial credit risk other than those policies that adhere to the requirements of statute. As of December 31, 2023, based upon the coverage provided by FDIC and NJGUDPA, no amount of the bank balance was exposed to custodial credit risk. Of the cash on balance in the bank of \$33,368,636.99, \$250,000.00 was covered by Federal Depository Insurance, \$33,118,636.99 was covered under the provisions of NJGUDPA.

B. Investments

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

NOTE 2: CASH AND CASH EQUIVALENTS (CONTINUED)

B. Investments (Continued)

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

NOTE 2: CASH AND CASH EQUIVALENTS (CONTINUED)

B. Investments (Continued)

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

As of December 31, 2023, the Township had no investments.

Based upon the limitations set forth by New Jersey Statutes 40A:5-15.1 and existing investment practices, the Township is generally not exposed to credit risks and interest rate risks for its investments, nor is it exposed to foreign currency risk for its deposits and investments.

NOTE 3: GOVERNMENTAL DEBT

Long-Term Debt

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

SUMMARY OF MUNICIPAL DEBT (EXCLUDING CURRENT AND OPERATING DEBT AND TYPE II SCHOOL DEBT)

	<u>2023</u>	<u>2022</u>	<u>2021</u>
Issued:			
General:			
Bonds, Notes and Loans	\$22,335,252.96	\$20,554,261.51	\$12,089,712.31
Less: Cash on Hands to Pay Notes	141,908.31	141,908.31	
Total Issued	<u>\$22,193,344.65</u>	<u>\$20,412,353.20</u>	<u>\$12,089,712.31</u>
Authorized But Not Issued:			
General:			
Bonds and Notes	18,363,766.71	10,398,290.71	7,206,938.71
Swim Pool Utility:			
Bonds and Notes	100,600.00	100,600.00	100,600.00
Total Authorized But Not Issued	<u>18,464,366.71</u>	<u>10,498,890.71</u>	<u>7,307,538.71</u>
Net Bonds and Notes Issued and and Authorized But Not Issued	<u>\$40,657,711.36</u>	<u>\$31,053,152.22</u>	<u>\$19,397,251.02</u>

NOTE 3: GOVERNMENTAL DEBT (CONTINUED)

SUMMARY OF REGULATORY DEBT CONDITION
(ANNUAL DEBT STATEMENT AS OF DECEMBER 31, 2023)

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 regulatory net debt of 1.530%.

	<u>GROSS DEBT</u>	<u>DEDUCTIONS</u>	<u>NET DEBT</u>
Swim Pool Debt	\$100,600.00	\$100,600.00	
General Debt	40,557,111.36	141,908.31	\$40,415,203.05
	\$40,657,711.36	\$242,508.31	\$40,415,203.05

NET DEBT \$40,415,203.05 DIVIDED BY EQUALIZED VALUATION BASIS PER N.J.S.A. 40A:2-2, AS AMENDED, \$2,641,183,297.33 EQUALS 1.530%.

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

Equalized Valuation Basis* - December 31, 2023	\$2,641,183,297.33
3-1/2 of Equalized Valuation Basis	92,441,415.41
Net Debt	40,415,203.05
Remaining Borrowing Power	\$52,026,212.36

*Equalized Valuation Basis is the average of the equalized valuations of Real Estate, including improvements, and the assessed valuation of Class II Rail Road Property of the Township for the last three (3) preceding years.

BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

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

General Capital Fund	\$18,363,766.71
Swim Pool Capital Fund	\$ 100,600.00

NOTE 3: GOVERNMENTAL DEBT (CONTINUED)

Long-Term Debt (Continued)

General Serial Bonds:	OUTSTANDING BALANCE DECEMBER <u>31, 2023</u>
\$7,530,000.00 2019 Bonds due in annual remaining installments of \$565,000.00 to \$610,000.00 through June 2033 at interest rates between 2.125% and 5.000%.	\$5,700,000.00
\$9,860,000.00 2022 Bonds due in annual remaining installments of \$510,000.00 to \$830,000.00 through May 2036 at interest rates between 3.750% and 4.000%.	<u>\$9,350,000.00</u>
	<u>\$15,050,000.00</u>

SCHEDULE OF ANNUAL DEBT SERVICE FOR PRINCIPAL AND INTEREST FOR BONDED DEBT ISSUED AND OUTSTANDING AS OF DECEMBER 31, 2023

<u>YEAR</u>	<u>GENERAL CAPITAL</u>		<u>TOTAL</u>
	<u>PRINCIPAL</u>	<u>INTEREST</u>	
2024	\$1,135,000.00	\$538,662.51	\$1,673,662.51
2025	1,115,000.00	488,418.76	1,603,418.76
2026	1,130,000.00	437,843.76	1,567,843.76
2027	1,150,000.00	395,068.76	1,545,068.76
2028	1,170,000.00	359,615.63	7,477,296.88
2029-2033	6,195,000.00	1,186,756.25	4,846,775.00
2034-2037	<u>3,155,000.00</u>	<u>257,700.00</u>	<u>3,412,700.00</u>
	<u>\$15,050,000.00</u>	<u>\$3,664,065.67</u>	<u>\$22,126,765.67</u>

NOTE 3: GOVERNMENTAL DEBT (CONTINUED)

Long-Term Debt (Continued)

ENVIRONMENTAL INFRASTRUCTURE TRUST LOANS

The Township has entered into three Environmental Infrastructure Trust Loan Agreements with the State of New Jersey for the Joint Meeting of Essex and Union Counties project. The loans are payable over 20 years.

The first Environmental Infrastructure Trust loan, 2006A dated 11/09/06, consists of two parts, an interest bearing portion of \$105,000.00 (the Trust Loan) and a non-interest bearing portion of \$300,397.00 (the Fund Loan). The rate of Interest on the Trust Loan is variable ranging from 4.00% to 5.00%.

Following are the maturities and debt schedule for the outstanding principal and interest on the loan:

Year	Trust Loan 2006A		Fund Loan	Total
	Principal	Interest	Principal	
2024	\$4,552.00	\$968.67	\$11,578.72	\$17,678.72
2025	9,466.94	752.56	20,594.94	31,444.94
2026	9,446.86	377.88	19,788.39	30,213.39
	<u>\$23,465.80</u>	<u>\$2,099.11</u>	<u>\$51,962.05</u>	<u>\$79,337.05</u>

The second Environmental Infrastructure Trust loan, 2010A dated 03/10/10, also consists of two parts, an interest-bearing portion of \$125,000.00 (the Trust Loan) and a non-interest bearing portion of \$122,926.00 (the Fund Loan). The rate of Interest on the Trust Loan is variable ranging from 4.00% to 5.00%.

Following are the maturities and debt schedule for the outstanding principal and interest on the loan:

Year	Trust Loan 2010A		Fund Loan	Total
	Principal	Interest	Principal	
2024	\$10,000.00	\$2,240.00	\$6,250.47	\$18,600.47
2025	9,000.00	1,840.00	6,250.47	18,200.47
2026	9,000.00	1,480.00	6,250.47	17,800.47
2027	10,000.00	1,120.00	6,250.47	17,450.47
2028	9,000.00	720.00	6,250.47	17,050.47
2029	9,000.00	360.00	6,250.56	16,650.56
	<u>\$56,000.00</u>	<u>\$7,760.00</u>	<u>\$37,502.91</u>	<u>\$105,752.91</u>

NOTE 3: GOVERNMENTAL DEBT (CONTINUED)

Long-Term Debt (Continued)

ENVIRONMENTAL INFRASTRUCTURE TRUST LOANS (CONTINUED)

The third Environmental Infrastructure Trust loan, 2015A-1 dated 05/28/15, also consists of two parts, an interest bearing portion of \$160,000.00 (the Trust Loan) and a non-interest bearing portion of \$389,341.00 (the Fund Loan). The rate of interest on the Trust Loan is variable ranging from 4.00% to 5.00%.

Following are the maturities and debt schedule for the outstanding principal and interest on the loan:

Year	Trust Loan JMECU		Fund Loan	Total
	Principal	Interest	Principal	
2024	\$10,000.00	\$4,700.00	\$19,797.00	\$34,497.00
2025	10,000.00	4,200.00	19,797.00	33,997.00
2026	10,000.00	3,700.00	19,797.00	33,497.00
2027	10,000.00	3,200.00	19,797.00	32,997.00
2028	10,000.00	2,800.00	19,797.00	32,597.00
2029	10,000.00	2,400.00	19,797.00	32,197.00
2030	10,000.00	2,000.00	19,797.00	31,797.00
2031	10,000.00	1,600.00	19,797.00	31,397.00
2032	10,000.00	1,200.00	19,797.00	30,997.00
2033	10,000.00	800.00	19,797.00	30,597.00
2034	10,000.00	400.00	19,797.00	30,197.00
	<u>\$110,000.00</u>	<u>\$27,000.00</u>	<u>\$217,767.00</u>	<u>\$354,767.00</u>

ENVIRONMENTAL INFRASTRUCTURE TRUST NOTES

The New Jersey IBank has \$8,720,000.00 in Notes outstanding at December 31, 2023 on Loans associated with the Township that have yet to be permanently financed. \$1,813.75 of accrued interest on these Note has accumulated as of December 31, 2023. This interest will be rolled into the final loan when permanent financing is obtained.

NEW JERSEY DEMOLITION LOAN

The Township has entered into A Demolition Loan Agreement with the State of New Jersey for the demolition of certain buildings within the Township in the amount of \$105,000.00. The loan is payable over 10 years and is interest-free with an annual payment of \$10,500.00 beginning May 1, 2019 and ending May 1, 2028. The loan balance at December 31, 2023 was \$52,500.00.

NOTE 3: GOVERNMENTAL DEBT (CONTINUED)

Short-Term Debt

BOND ANTICIPATION NOTES

Outstanding Bond Anticipation Notes are summarized as follows:

General Capital Fund:

<u>Ordinance Number</u>	<u>Date of Original Issue</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate</u>	<u>Balance December 31, 2023</u>
22-26	12/22/22	12/20/23	12/19/24	3.360%	\$ 3,761,000.00
23-14	12/20/23	12/20/23	12/19/24	3.360%	2,959,521.00
					<u>\$ 6,720,521.00</u>

At December 31, 2023 the Township's Capital Fund also reflects a New Jersey Infrastructure Bank (I-Bank) Note of \$1,250,000.00. The Note charges interest on funds drawn on short-term loans. The effective interest rate is set monthly to reflect costs associated with the I-Bank's borrowed funds blended with 0% interest funds appropriated to the I-Bank by the State for the Water Bank's Construction Financing Program. Loans may be structured to include all or part of construction period interest costs allowing borrowers to defer interest cost repayments for up to 36 months.

NOTE 4: FUND BALANCE APPROPRIATED

Fund balances, at December 31, 2023, which were appropriated and included as anticipated revenue in their own respective funds for the year ending December 31, 2024 were as follows:

Current Fund	<u>\$5,000,000.00</u>
Swim Pool Utility Fund	<u>\$-0-</u>

NOTE 5: PROPERTY TAXES

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

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

	BALANCE DECEMBER 31, <u>2023</u>	BALANCE DECEMBER 31, <u>2022</u>
Prepaid Taxes	<u>\$357,400.50</u>	<u>\$366,981.55</u>

NOTE 6: PENSION PLANS

Plan Descriptions

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

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

NOTE 6: PENSION PLANS (CONTINUED)

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

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

Vesting and Benefit Provisions

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

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

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

NOTE 6: PENSION PLANS (CONTINUED)

Funding Policy

The contribution policy for PERS is set by N.J.S.A. 43:15A and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount, which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group life insurance benefits is based on actual claims paid. For fiscal year 2023, the State's pension contribution was less than the actuarial determined amount. The local employers' contribution amounts are based on an actuarially determined rate, which includes the normal cost and unfunded accrued liability. During 2023, PERS provides for employee contributions of 7.50% of employees' base salary.

The contribution policy for PFRS is set by N.J.S.A. 43:16A and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's contribution amount is based on an actuarially determined rate, which includes the normal cost and unfunded accrued liability. The local employers' contribution amounts are based on an actuarially determined rate, which includes the normal cost and unfunded accrued liability. For the fiscal year 2023, the State contributed an amount less than the actuarially determined amount. During 2023, PFRS provides for employee contributions of 10.00% of employees' base salary.

Certain portions of the cost are contributed by the employees. The Township's share of pension costs, which is based upon the annual billings received from the State, amounted to \$5,106,628.93 for 2023, \$4,529,154.35 for 2022 and \$4,597,636.29 for 2021.

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

NOTE 6: PENSION PLANS (CONTINUED)

Accounting and Financial Reporting for Pensions – GASB 68

The Governmental Accounting Standards Board (GASB) Statement No. 68 "Accounting and Financial Reporting for Public Employees Pensions" requires the State of New Jersey to calculate and allocate, for note disclosure purposes only, the unfunded net pension liability of Public Employees Retirement System (PERS) and the Police and Firemen's Retirement System (PFRS) of the participating municipality as of December 31, 2023. The statement does not alter the amounts of funds that must be budgeted for pension payments under existing state law.

Under accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, any unfunded net pension liability of the municipality, allocated by the State of New Jersey, is not required to be reported in the financial statements as presented and any pension contributions required to be paid are raised in that year's budget and no liability is accrued at December 31, 2023

Public Employees Retirement System (PERS)

At June 30, 2023, the State reported a net pension liability of \$7,864,719.00 for the Township's proportionate share of the total net pension liability. The total pension liability for the June 30, 2023 measurement date was determined by an actuarial valuation as of July 1, 2022, which was rolled forward to June 30, 2023. The Township's proportion of the net pension liability was based on a projection of the Township's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2023, the Township's proportion was 0.0542979573 percent, which was a decrease of 0.0044722074 percent from its proportion measured as of June 30, 2022.

For the year ended June 30, 2023, the State recognized an actuarially determined pension expense of \$167,167.00 for the Township's proportionate share of the total pension expense. The pension expense recognized in the Township's financial statements based on the April 1, 2023 billing was \$741,120.00.

NOTE 6: PENSION PLANS (CONTINUED)

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

Public Employees Retirement System (PERS) (Continued)

At June 30, 2023, the State reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	Deferred Outflow of <u>Resources</u>	Deferred Inflow of <u>Resources</u>
Differences between expected and actual experience	\$ 75,197.00	\$ 32,148.00
Changes of assumptions	17,277.00	476,636.00
Net difference between projected and actual earnings on pension plan investments	36,218.00	
Changes in proportion and differences between Township contributions and proportionate share of contributions	<u>479,397.00</u>	<u>713,420.00</u>
	<u>\$ 608,089.00</u>	<u>\$ 1,222,204.00</u>

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

Year Ended <u>June 30,</u>	<u>Amount</u>
2024	(\$462,032.60)
2025	(278,568.60)
2026	277,070.40
2027	(104,765.60)
2028	<u>(45,818.60)</u>
	<u>(\$614,115.00)</u>

NOTE 6: PENSION PLANS (CONTINUED)

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

Public Employees Retirement System (PERS) (Continued)

Actuarial Assumptions

The collective total pension liability for the June 30, 2023 measurement date was determined by an actuarial valuation as of July 1, 2022, which rolled forward to June 30, 2023. These actuarial valuations used the following assumptions:

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

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

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

NOTE 6: PENSION PLANS (CONTINUED)

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

Public Employees Retirement System (PERS) (Continued)

Long-Term Rate of Return

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

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

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 contributions from employers and the nonemployer contributing entity will be based on 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments in determining the total pension liability.

NOTE 6: PENSION PLANS (CONTINUED)

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

Public Employees Retirement System (PERS) (Continued)

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

The following presents the Township's proportionate share of the net pension liability of the participating employers as of June 30, 2023 respectively, calculated using the discount rate as disclosed above as well as what the Township's proportionate share of the collective net pension liability would be if it was calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	June 30, 2023		
	1% Decrease <u>6.00%</u>	At Current Discount Rate <u>7.00%</u>	1% Increase <u>8.00%</u>
Township's proportionate share of the pension liability	\$10,238,191.00	\$7,864,719.00	\$5,844,581.00

Special Funding Situation

In accordance with N.J.S.A. 43:16A-15, local participating employers are responsible for their own contributions based on actuarially determined amounts, except where legislation was passed which legally obligated the State if certain circumstances occurred. For PERS, the legislation which legally obligates the State is found in Chapter 133, P.L. 2001. This special funding situation is due to the State paying the additional normal cost related to benefit improvements from Chapter 133. Previously, this additional normal cost was paid from the Benefit Enhancement Fund (BEF). As of June 30, 2023, there is no net pension liability associated with this special funding situation as there was no accumulated difference between the annual additional normal cost under the special funding situation and the actual State contribution through the valuation date.

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

NOTE 6: PENSION PLANS (CONTINUED)

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

Public Employees Retirement System (PERS) (Continued)

Special Funding Situation (Continued)

The non-employer contributing entities' total proportionate share of the non-employer contribution that is associated with the Township as of December 31, 2023 was 0.0545041104% which was a decrease of 0.0045008504 percent from its proportion measured as of June 30, 2022. The non-employer contributing entities' contribution and employer pension expense and related revenue for the years ended June 30, 2023 and December 31, 2022 was \$24,527.00 and 18,661.00, respectively.

Pension plan fiduciary net position

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

Police and Firemen's Retirement System (PFRS)

At June 30, 2023, the State reported a net pension liability of \$35,185,423.00 for the Township's proportionate share of the total PFRS net pension liability. The total pension liability for the June 30, 2023 measurement date was determined by an actuarial valuation as of July 1, 2022, which was rolled forward to June 30, 2023. The Township's proportion of the net pension liability was based on a projection of the Township's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined.

At June 30, 2023, the Township's proportion was 0.3184552000 percent, which was a decrease of 0.0026525900 percent from its proportion measured as of June 30, 2022.

NOTE 6: PENSION PLANS (CONTINUED)

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

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

For the year ended June 30, 2023, the State recognized an actuarially determined pension expense of \$1,373,383.00. The pension expense recognized in the Township's financial statements based on the April 1, 2023, billing was \$4,176,178.00.

At June 30, 2023, the State reported deferred outflows of resources and deferred inflows of resources related to PFRS from the following sources:

	Deferred Outflow of Resources	Deferred Inflow of Resources
Differences between expected and actual experience	\$ 1,506,570.00	\$ 1,678,032.00
Changes of assumptions	75,942.00	2,375,859.00
Net difference between projected and actual earnings on pension plan investments	1,791,927.00	
Changes in proportion and differences between Township contributions and proportionate share of contributions	<u>2,649,183.00</u>	<u>3,513,722.00</u>
	<u>\$ 6,023,622.00</u>	<u>\$ 7,567,613.00</u>

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

Year Ended <u>June 30</u>	<u>Amount</u>
2024	\$ (1,542,201.80)
2025	(1,486,987.80)
2026	1,941,313.20
2027	(354,747.80)
2028	(108,003.80)
Thereafter	<u>6,637.00</u>
	<u>\$ (1,543,991.00)</u>

NOTE 6: PENSION PLANS (CONTINUED)

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

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

Actuarial Assumptions

The total pension liability for the June 30, 2023 measurement date was determined by an actuarial valuation as of July 1, 2022, which rolled forward to June 30, 2023. This actuarial valuation used the following assumptions:

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

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

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

NOTE 6: PENSION PLANS (CONTINUED)

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

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

Long-Term Rate of Return

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

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

NOTE 6: PENSION PLANS (CONTINUED)

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

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

Discount Rate

The discount rate used to measure the total pension liability was 7.00% as of both 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 nonemployer contributing entity will be based on 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments to determine the total pension liability.

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

The following presents the Township’s proportionate share of the net pension liability of the participating employers as of June 30, 2023, calculated using the discount rate as disclosed above as well as what the Township’s proportionate share of the net pension liability would be if it was calculated using a discount rate that is 1-percentage point lower or 1- percentage point higher than the current rate:

	<u>June 30, 2023</u>		
	<u>1%</u> Decrease <u>6.00%</u>	<u>At Current</u> Discount Rate <u>7.00%</u>	<u>1%</u> Increase <u>8.00%</u>
Township's proportionate share of the PFRS pension liability	\$49,024,727.00	\$35,185,423.00	\$23,660,591.00

NOTE 6: PENSION PLANS (CONTINUED)

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

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

Special Funding Situation

In accordance with N.J.S.A. 43:16A-15, local participating employers are responsible for their own contributions based on actuarially determined amounts, except where legislation was passed which legally obligated the State if certain circumstances occurred. The legislation which legally obligates the State is as follows: Chapter 8, P.L. 2000, Chapter 318, P.c. 2001, Chapter 86, P.L. 2001, Chapter 511, P.L. 1991, Chapter 109, P.c. 1979, Chapter 247, P.L. 1993 and Chapter 201, P.L. 2001. The amounts contributed by the State on behalf of the Township under this legislation is considered to be a special funding situation as defined by GASB Statement No. 68, and the State is treated as a nonemployer contributing entity. Since the Township does not contribute under this legislation directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to disclose in the notes to the financial statements of the Township related to this legislation.

The non-employer contributing entities' total proportionate share of the collective net pension liability that is associated with the Township as of December 31, 2023 and 2022 is 0.3184550000% and 0.32110752000% respectively, the non-employer contributing entities' contribution for the year ended June 30, 2023 and 2022 was \$741,442.00 and \$476,051.00, respectively and the employer pension expense and related revenue for the year ended June 30, 2023 and 2022 was \$737,465.00 and \$754,698.00, respectively.

At June 30, 2023 and 2022, the State's proportionate share of the net pension liability attributable to the Township for the PFRS special funding situation is \$6,483,323.00 and \$6,541,338.00, respectively.

At June 30, 2023, the Township's and State of New Jersey's proportionate share of the PFRS net pension liability were as follows:

Township's Proportionate Share of Net Pension Liability	\$35,185,423.00
State of New Jersey Proportionate Share of Net Pension Liability Associated with the Township	<u>6,483,323.00</u>
	<u>\$41,668,746.00</u>

Pension plan fiduciary net position

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

NOTE 6: PENSION PLANS (CONTINUED)

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

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

Discount Rate

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

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

The following presents the Township's proportionate share of the net pension liability of the participating employers as of June 30, 2023, calculated using the discount rate as disclosed above as well as what the Township's proportionate share of the net pension liability would be if it was calculated using a discount rate that is 1-percentage point lower or 1- percentage point higher than the current rate:

	June 30, 2023		
	1% Decrease <u>6.00%</u>	At Current Discount Rate <u>7.00%</u>	1% Increase <u>8.00%</u>
Township's proportionate share of the PFRS pension liability	\$49,024,727.00	\$35,185,423.00	\$23,660,591.00

NOTE 11: RISK MANAGEMENT (CONTINUED)

The Township has also established a self-insurance program in accordance with New Jersey Statute Chapter 40:10. The statute enables the governing body of any local unit to provide insurance coverage for its exposure to a wide variety of property and liability casualty risks. The Township self-insures for workers compensation exposure. The Township has purchased a separate excess workers' compensation policy for coverage of losses in excess of \$450,000.00 per occurrence.

At December 31, 2023, the Township's exposure for claims incurred under the above self-insurance programs is not presently determinable.

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

Year	Contributions		Amount Reimbursed	Ending Balance
	Township	Employee		
2023	-0-	\$27,521.65	\$1,305.81	\$154,762.69
2022	-0-	8,462.72	-0-	128,546.85
2021	-0-	-0-	-0-	120,084.13

In 2023, the Township did not transfer the entire Budget Appropriation to the Trust Fund. Instead, unemployment expenditures, totaling \$39,734.35, were charged directly to the 2023 Appropriations and \$3,376.11 was charged to the Appropriation Reserves.

NOTE 12: DEFERRED CHARGES TO BE RAISED IN SUCCEEDING BUDGETS

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2023, the following deferred charges are shown on the Balance Sheets of the Township:

	BALANCE DECEMBER 31 <u>2023</u>	2024 BUDGET APPROPRIATION	AMOUNT DEFERRED TO FUTURE YEARS
Current Fund:			
Emergency Authorization 40A:4-46	\$546,751.29	\$546,751.29	-0-
Expenditure without an Appropriation	70,986.67	70,986.67	-0-
Overexpenditure of Appropriations	16,891.74	16,891.74	-0-
Overexpenditure of Appropriation Reserves	10,041.83	10,041.83	-0-
Overexpenditure of Grant Appropriation Reserves	7,209.26	7,209.26	-0-
Trust Other Fund:			
Overexpenditure of Reserve	1,002.00	1,002.00	-0-

NOTE 13: DEFERRED COMPENSATION PLAN

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

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

The accompanying financial statements do not include the Township's Deferred Compensation Plans activities.

NOTE 14: INTERFUND RECEIVABLES AND PAYABLES

The following interfund balances remained on the balance sheet at December 31, 2023:

	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
Current Fund	\$ 20,662.64	4,421,115.57
Grant Fund	354,925.06	
Animal Control Trust Fund	33.20	22,662.64
Trust Other Fund	2,872,435.98	256,431.50
General Capital Fund	1,432,180.93	32,712.60
Swim Pool Operating Fund	33,127.07	15,104.29
Swim Pool Capital Fund	115,599.69	98,075.79
Public Assistance Trust Fund II	<u>17,137.82</u>	
	<u>\$ 4,846,102.39</u>	<u>\$ 4,846,102.39</u>

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

NOTE 15: ACCOUNTING AND FINANCIAL REPORTING FOR POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS – GASB 75

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

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

Plan Description and Benefits Provided

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

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

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

NOTE 15: ACCOUNTING AND FINANCIAL REPORTING FOR POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS – GASB 75 (CONTINUED)

Plan Description and Benefits Provided (Continued)

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

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

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

Contributions

The Township's contributions to SHBP for the years ended December 31, 2022, 2021 and 2020 were \$2,088,659.35, \$1,927,945.63, and \$1,865,458.48, respectively, which equaled the required contributions for each year.

Total Net OPEB Liability

At June 30, 2022, the Plan reported a Liability of \$49,092,671.00 for the Township's proportionate share of the collective Net OPEB liability. The total Net OPEB Liability measured as of June 30, 2022 was determined by an actuarial valuation as of June 30, 2021, which was rolled forward to June 30, 2022.

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

At June 30, 2022, the Township's proportion was 0.303987 percent, which was an increase of 0.006746 percent from its proportion measured as of June 30, 2021.

For the year ended June 30, 2022, the State reported OPEB expense of \$9,069,817.00. This OPEB expense was based on the OPEB plans June 30, 2022 measurement date.

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

NOTE 15: ACCOUNTING AND FINANCIAL REPORTING FOR POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS – GASB 75 (CONTINUED)

Total Net OPEB Liability (Continued)

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Differences between expected and actual experience	\$2,535,198.00	\$9,099,694.00
Changes of assumptions	6,551,620.00	16,754,382.00
Net difference between projected and actual earnings on OPEB plan investments	12,924.00	
Changes in proportion	<u>43,265,965.00</u>	<u>1,149,139.00</u>
	<u>\$52,365,707.00</u>	<u>\$27,003,215.00</u>

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

Year Ended	
<u>June 30,</u>	<u>Amount</u>
2023	\$3,974,878.20
2024	3,970,951.20
2025	4,907,360.20
2026	6,853,097.20
2027	8,071,316.20
2028-2029	<u>(2,415,111.00)</u>
	<u>\$25,362,492.00</u>

NOTE 15: ACCOUNTING AND FINANCIAL REPORTING FOR POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS – GASB 75 (CONTINUED)

Actuarial Assumptions and Other Inputs

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

Salary Increases:

Public Employees Retirement System (PERS):

Initial fiscal year applied

Rate for all future years 2.75% to 6.55%

Police and Firemen's Retirement System (PFRS):

Rate for all future years 3.25% to 16.25%

Mortality

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

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

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

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

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

Discount Rate

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

NOTE 15: ACCOUNTING AND FINANCIAL REPORTING FOR POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS – GASB 75 (CONTINUED)

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

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

	June 30, 2022		
	1.00% Decrease (2.54%)	At Discount Rate (3.54%)	1.00% Increase (4.54%)
Township's proportionate share of the Net OPEB Liability	\$56,908,288.30	\$49,092,670.81	\$42,804,275.28

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

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

	June 30, 2022		
	1.00% Decrease	Healthcare Cost Trend Rate	1.00% Increase
Township's proportionate share of the Net OPEB Liability	\$41,646,790.64	\$49,092,670.81	\$58,628,746.62

OPEB Plan Fiduciary Net Position

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

NOTE 16: FIXED ASSETS

Below is a summary of the General Fixed Assets Account Group for the year ended December 31, 2023:

	Balance December 31, <u>2022</u>	<u>Additions</u>	<u>Deletions</u>	Balance December 31, <u>2023</u>
Land	\$ 4,142,200.00	\$	\$	\$ 4,142,200.00
Buildings	4,725,000.00			4,725,000.00
Machinery and Equipment	<u>8,674,985.00</u>	<u>480,188.00</u>	<u>701,768.00</u>	<u>8,453,405.00</u>
	<u>\$ 17,542,185.00</u>	<u>\$ 480,188.00</u>	<u>\$ 701,768.00</u>	<u>\$ 17,320,605.00</u>

NOTE 17: SUBSEQUENT EVENTS

The Township has evaluated material subsequent events occurring after the financial statement date through September 19, 2024 which is the date the financial statements were available to be issued. Based upon this evaluation, the Township has determined that the following event needs to be disclosed:

On April 9, 2024, the Township adopted Ordinance O-24-09 which provides for the construction of a public library totaling \$4,400,000.00. Of this amount, \$4,190,000.00 is to be financed by the issuance of bonds and notes.

TOWNSHIP OF HILLSIDE
SUPPLEMENTARY SCHEDULES
YEAR ENDED DECEMBER 31, 2023

TOWNSHIP OF HILLSIDE

CURRENT FUND

SCHEDULE OF CASH - TREASURER

REF.	GRANT FUND	CURRENT FUND
	\$	\$
Balance, December 31, 2022	-0-	18,728,102.78
Increased by Receipts:		
Collector		78,316,173.08
Miscellaneous Revenue Not Anticipated		298,136.36
Senior Citizens and Veterans Deductions		79,029.45
Appropriation Reserves - Refunds		175,987.90
Revenue Accounts Receivable		6,312,800.40
Grants Receivable	816,277.86	
Reserve for:		
Municipal Relief Aid		450,047.32
County PILOT Portion		12,105.46
Grants - Unappropriated	25,364.13	
Interfunds Returned	1,241,399.64	1,681,104.03
Summer Food Overpayment Due State of NJ	6,157.99	
	2,089,209.62	87,325,384.00
	<u>2,089,209.62</u>	<u>106,053,486.78</u>
Decreased by Disbursements:		
2023 Appropriations		45,580,115.35
Appropriation Reserves		1,863,317.08
Interfunds Advanced		1,306,466.35
Refund of Tax Overpayments	847,809.98	39,589.00
Reserve for:		
Grants Appropriated	1,241,399.64	
County Taxes		10,936,546.81
Local District School Tax		31,136,523.96
Accounts Payable		151,440.80
Refund of:		
Uniform Construction Code Fees		450.00
Other Fees and Permits		25.00
	2,089,209.62	91,085,461.02
	<u>-0-</u>	<u>91,085,461.02</u>
Balance, December 31, 2023	\$	\$
		<u>14,968,025.76</u>

"A-5"

TOWNSHIP OF HILLSIDE

CURRENT FUND

SCHEDULE OF CASH - COLLECTOR

	<u>REF.</u>		
Increased by:			
Revenue Accounts Receivable	A-13	\$ 845,093.28	
Taxes Receivable	A-9	73,088,396.91	
Tax Title Liens	A-10	132,153.27	
Sewer Charges Receivable	A-11	3,868,161.72	
Tax Overpayments	A-17	7,171.71	
Prepaid Taxes	A-18	357,400.50	
Miscellaneous Revenue Not Anticipated	A-2	<u>17,795.69</u>	
			\$ <u>78,316,173.08</u>
			<u>78,316,173.08</u>
Decreased by:			
Payment to Treasurer	A-4		\$ <u><u>78,316,173.08</u></u>

"A-6"

TOWNSHIP OF HILLSIDE

CURRENT FUND

SCHEDULE OF CHANGE FUNDS

REF.

Balance, December 31, 2022 and December 31, 2023	A	\$	<u>690.00</u>
Tax Collector		\$	400.00
Municipal Court			40.00
Board of Health			50.00
Police			<u>200.00</u>
		\$	<u>690.00</u>

"A-7"

SCHEDULE OF RESERVE FOR HURRICANE SANDY

Balance, December 31, 2022 and December 31, 2023	A	\$	<u>72,136.30</u>
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"A-8"

TOWNSHIP OF HILLSIDE

CURRENT FUND

SCHEDULE OF DUE TO/FROM STATE OF NEW JERSEY
SENIOR CITIZENS' AND VETERANS' DEDUCTIONS

	<u>REF.</u>		
Balance, December 31, 2022 (Due From)	A	\$	146,003.98
Increased by:			
Senior Citizens' and Veterans' Deductions Per Tax Billings	A-8	\$	84,000.00
Senior Citizens' and Veterans' Deductions Granted by Tax Collector: Prior Year Taxes	A-8		<u>2,500.00</u>
			<u>86,500.00</u>
		\$	<u>232,503.98</u>
Decreased by:			
Cash Receipts	A-4	\$	79,029.45
Senior Citizens' Deductions Disallowed by Tax Collector: 2023 Taxes	A-8		<u>147.26</u>
		\$	<u>79,176.71</u>
Balance, December 31, 2023 (Due From)	A	\$	<u><u>153,327.27</u></u>

ANALYSIS OF REALIZED REVENUE

Senior Citizens' and Veterans' Deductions Per Tax Billings	A-8	\$	84,000.00
Senior Citizens' and Veterans' Deductions Granted by Tax Collector	A-8		<u>2,500.00</u>
		\$	<u>86,500.00</u>
Less: Senior Citizens' Deductions Disallowed by Tax Collector	A-8		<u>147.26</u>
	A-9	\$	<u><u>86,352.74</u></u>

TOWNSHIP OF HILLSIDE
CURRENT FUND

SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY

YEAR	BALANCE DECEMBER 31, 2022	2023 LEVY	ADDED TAXES	CASH COLLECTIONS 2022	2023	TRANSFERRED TO TAX TITLE LIENS	CANCELED	BALANCE DECEMBER 31, 2023
2014	\$ 5,563.85			\$	\$ 5,563.85			\$ 5,834.74
2015	6,739.07				904.33			804.34
2018	804.34							7,736.41
2019	7,736.41							7,811.18
2021	14,270.33		8,073.29		1,666.97		4,792.18	45,941.32
2022	1,434,395.79		8,073.29		1,381,550.54	5,518.84	9,458.38	68,127.99
	\$ 1,469,509.79	\$ 73,226,553.69	\$ 8,073.29	\$ 366,981.55	\$ 1,389,665.69	\$ 5,518.84	\$ 47,921.42	\$ 966,483.59
2023			8,073.29	366,981.55	71,789,953.54	54,911.59	48,213.42	
	\$ 1,469,509.79	\$ 73,226,553.69	\$ 8,073.29	\$ 366,981.55	\$ 73,179,649.23	\$ 60,430.43	\$ 53,005.60	\$ 1,034,611.58

REF. A A-2 A-10 A-2 A-18 A-10

Collections	\$ 73,088,396.91
State of New Jersey	86,352.74
Tax Overpayments Applied	4,899.58
	\$ 73,179,649.23

ANALYSIS OF 2023 PROPERTY TAX LEVY

TAX YIELD	
General Purpose Tax	\$ 72,560,895.76
Added Taxes (54.4-63.1 et seq.)	665,657.93
	\$ 73,226,553.69

TAX LEVY

Local District School Tax	\$ 10,837,149.96
County Tax	99,396.85
County Added	10,936,546.81
	\$ 29,713,031.41

Local Tax for Municipal Purposes

Minimum Library Tax	869,653.38
Add: Additional Taxes Levied	570,798.09
	\$ 31,153,482.88
	\$ 73,226,553.69

"A-10"

TOWNSHIP OF HILLSIDE

CURRENT FUND

SCHEDULE OF TAX TITLE LIENS

	<u>REF.</u>		
Balance, December 31, 2022	A		\$ 1,184,953.52
Increased by:			
Transferred from Property Taxes Receivable	A-9	\$ 60,430.43	
Transfer from Sewer Use Charges Receivable	A-11	4,500.00	
Year End Penalties		<u>1,474.20</u>	
			\$ <u>66,404.63</u>
			\$ <u>1,251,358.15</u>
Decreased by:			
Collections	A-2:A-5		<u>132,153.27</u>
Balance, December 31, 2023	A		\$ <u><u>1,119,204.88</u></u>

"A-11"

SCHEDULE OF SEWER USE CHARGES RECEIVABLE

Balance, December 31, 2022	A		\$ 281,609.36
Increased by:			
Levy			<u>3,601,193.65</u>
			\$ <u>3,882,803.01</u>
Decreased by:			
Collections	A-2:A-5	\$ 3,868,161.72	
Transferred to Lien	A-10	4,500.00	
Overpayments Applied	A-2:A-16	<u>2,176.19</u>	
			<u>3,874,837.91</u>
Balance, December 31, 2023	A		\$ <u><u>7,965.10</u></u>

TOWNSHIP OF HILLSIDE

CURRENT FUND

SCHEDULE OF FORECLOSED PROPERTY

<u>BLOCK</u>	<u>LOT</u>	BALANCE DECEMBER 31, <u>2022</u>	BALANCE DECEMBER 31, <u>2023</u>
606	15	\$ 40,000.00	\$ 40,000.00
305	19	500.00	500.00
401	68	25,000.00	25,000.00
602	10	91,700.00	91,700.00
1209	22	5,000.00	5,000.00
1417	37	80,000.00	80,000.00
1713	43	78,200.00	78,200.00
		<u> </u>	<u> </u>
		\$ <u>320,400.00</u>	\$ <u>320,400.00</u>
	<u>REF.</u>	A	A

TOWNSHIP OF HILLSIDE

CURRENT FUND

SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE

REF.	BALANCE DECEMBER 2022	ACCRUED	COLLECTED BY TREASURER	COLLECTOR	BALANCE DECEMBER 31, 2023
Clerk:					
Licenses:					
Other	\$	1,975.00	1,975.00	\$	\$
Fees and Permits		10,156.08	10,156.08		
Tax Assessor:					
Fees and Permits		220.00	220.00		
Board of Health:					
Licenses		25,509.25	25,509.25		
Fire Department:					
Fees and Permits		30,607.05	30,607.05		
Public Works Department:					
Fees and Permits		21,757.38	21,757.38		
Police Department:					
Fees and Permits		23,597.35	23,597.35		
Municipal Court:					
Fines and Costs	20,052.84	313,479.59	279,955.65		53,576.78
Interest and Costs on Taxes		819,161.48		819,161.48	
Interest on Investments and Deposits		267,827.23	267,827.23		
Cable T.V. Franchise Fees		188,534.18	188,534.18		
Ambulance Service Fees		360,409.40	360,409.40		
Alarm Fees		58,144.54	58,144.54		
Off Duty Administrative Fees		350,000.00	350,000.00		
Payment In Lieu of Taxes - Gargiulo		25,931.80		25,931.80	
Energy Receipts Tax		4,344,524.00	4,344,524.00		
Construction Code Official:					
Fees and Permits	15,110.46	435,332.09	13,648.46		436,794.09
Uniform Fire Safety Act		48,735.43	48,735.43		
Sewer Trunk Surplus		287,199.40	287,199.40		
	\$ 35,163.30	\$ 7,613,101.25	\$ 6,312,800.40	\$ 845,093.28	\$ 490,370.87
REF.	A		A-4	A-5	A

TOWNSHIP OF HILLSIDE
CURRENT FUND

SCHEDULE OF APPROPRIATION RESERVES

	BALANCE DECEMBER 31, 2022	BALANCE AFTER TRANSFERS	NET PAID OR CHARGED	UNEXPENDED BALANCE LAPSED	OVER- EXPENDITURE
SALARIES AND WAGES:					
Administrative and Executive Township Council	\$ 35,000.28	\$ 35,000.28	(545.95)	\$ 545.95	\$
Township Clerk	20,133.67	20,133.67	4,786.43	35,000.28	
Financial Administration	16,757.71	16,757.71	16,222.06	15,347.24	
Collection of Taxes	9,536.75	9,536.75	9,536.75	535.65	
Assessment of Taxes	6,965.21	6,965.21	5,683.44	1,281.77	
Legal/Professional Services and Costs	384.49	384.49	338.35	46.14	
Economic Development	9,999.90	9,999.90	1,153.85	8,846.05	
Municipal Prosecutor	13,272.51	13,272.51	6,303.64	13,272.51	\$10,041.83
Buildings and Grounds	16,261.81	(3,738.19)			
Planning Board	2,500.00	2,500.00		2,500.00	
Zoning Costs	1.85	1.85		1.85	
Police	54,036.59	54,036.59	(20,679.54)	74,716.13	
Fire	84,017.46	87,451.78	71,778.28	15,673.50	
Fire Official	69,423.07	59,423.07		59,423.07	
School Crossing Guards	19,111.66	19,111.66	12,826.20	6,285.46	
Garage Service and Repairs	40,393.60	40,393.60	3,498.66	36,894.94	
Emergency Management	5,884.65	5,884.65		5,884.65	
Road Repair & Maintenance	18,660.44	18,660.44	18,402.40	258.04	
Community Recreation Commission	8,351.37	8,351.37	3,536.22	4,815.15	
Senior Citizens	12,336.96	12,336.96	761.15	11,575.81	
Temporary & Summer Employees	18,256.00	18,256.00		18,256.00	
Municipal Court	2,324.75	2,324.75	2,024.75	300.00	
Board of Health	30,220.59	30,220.59	78.31	30,142.28	
Building Inspector	58,805.38	38,805.38	19,422.62	19,382.76	
Accumulated Absences	50,942.89	90,942.89		90,942.89	
Salary Adjustment Account	100,000.00	100,000.00	65,305.58	34,694.42	
Sub-Total Salaries and Wages	\$ 703,579.59	\$ 697,013.91	\$ 220,433.20	\$ 486,622.54	\$ 10,041.83

TOWNSHIP OF HILLSIDE
CURRENT FUND

SCHEDULE OF APPROPRIATION RESERVES

	BALANCE DECEMBER 31, 2022	BALANCE AFTER TRANSFERS	NET PAID OR CHARGED	UNEXPENDED BALANCE LAPSED	OVER- EXPENDITURE
OTHER EXPENSES:					
Administrative and Executive	\$ 306.47	\$ 11,597.13	\$ 11,430.36	\$ 166.77	\$
Township Council	13,475.76	15,200.76	11,296.90	3,903.86	
Township Clerk:					
Misc.	44,978.30	40,249.09	5,228.34	35,020.75	
Advertising	8,723.06	9,990.17	1,610.82	8,379.35	
Elections	30,706.60	30,706.60		30,706.60	
Financial Administration	8,162.84	33,732.17	32,182.68	1,549.49	
Annual Audit	6,550.00	6,550.00		6,550.00	
Computer Service Department: (Data Processing)	36,440.21	44,431.21	3,363.85	41,067.36	
Collection of Taxes	1,612.66	1,612.66	823.06	789.60	
Assessment of Taxes	2,531.64	90,033.20	84,822.50	5,210.70	
Legal/Professional Services and Costs	48,066.78	61,668.78	13,085.50	48,583.28	
Economic Development	5,000.00	5,000.00		5,000.00	
Municipal Prosecutor	4,000.00	4,000.00		4,000.00	
Engineering Services - General	68,411.40	155,452.01	123,768.25	31,683.76	
Public Buildings and Grounds	10,131.07	126,745.77	117,342.03	9,403.74	
Planning Board	54,557.04	54,557.04	1,032.00	53,525.04	
Zoning Costs	2,386.83	2,386.83	1,667.50	719.33	
Alcohol Beverage Control	2,423.00	8,000.00	8,000.00		
Postage	1,000.00	9,212.30	5,382.78	3,829.52	
Group Insurance Plan for Employees	67,740.28	181,052.38	143,606.56	37,445.82	
Unemployment Compensation Insurance	3,376.11	3,376.11			
Workers Compensation Insurance Trust Fund	157,290.41	157,290.41	93.51	157,196.90	
New Jersey State Disability Insurance	45,046.40	45,046.40		45,046.40	

TOWNSHIP OF HILLSIDE

CURRENT FUND

SCHEDULE OF APPROPRIATION RESERVES

	BALANCE DECEMBER 31, 2022	BALANCE AFTER TRANSFERS	NET PAID OR CHARGED	UNEXPENDED BALANCE LAPSED	OVER- EXPENDITURE
<u>OTHER EXPENSES (CONTINUED):</u>	\$	\$	\$	\$	
Other Insurance Premiums	60,906.00	40,906.00		40,906.00	
Fire:					
Miscellaneous	28,864.79	68,212.18	52,470.87	15,741.31	
Ambulance Services	20,657.97	22,418.21	3,093.88	19,324.33	
Fire Official	9,592.18	9,592.18		9,592.18	
Police Department	852.13	63,406.10	43,904.87	19,501.23	
Traffic Lights	379.20	9,834.58	9,134.28	700.30	
Garage Service and Repairs	44,370.51	57,923.98	10,836.65	46,987.33	
Emergency Management	5,900.00	10,000.00	4,100.00	5,900.00	
Roads Repair & Maintenance	447.25	163,459.57	138,683.31	24,776.26	
Garbage, Trash and Recycling Collection	382,335.99	496,670.80	350,994.90	145,675.90	
Sewer System	49,148.00	85,700.00	65,412.01	20,287.99	
Sewer Pumping System	33,985.37	41,795.37	37,480.00	4,315.37	
Board of Health	6,730.45	8,133.33	3,078.32	5,055.01	
Dog License Regulation	10,000.00	23,750.00	13,750.00	10,000.00	
Community Recreation Commission	7,098.36	7,098.36	245.24	6,853.12	
Senior Citizens	2,311.56	2,585.30	721.92	1,863.38	
Celebration of Public Events:					
Mayor and Administration	5,220.00	5,220.00	190.64	5,029.36	
Council	7,000.00	7,000.00		7,000.00	
Municipal Court		8,873.03	6,572.38	2,300.65	
Public Defender	500.00	500.00	500.00		
Building Inspector (Code Enforcement)	7,522.83	7,862.16	3,805.97	4,056.19	
Utilities- All	22,559.91	83,511.04	65,016.55	18,494.49	
Street Lighting	71,037.90	111,037.90	109,650.03	1,387.87	
Fire Hydrant Service	51,491.95	52,892.05	32,414.58	20,477.47	

TOWNSHIP OF HILLSIDE
CURRENT FUND

SCHEDULE OF APPROPRIATION RESERVES

	BALANCE DECEMBER 31, 2022	BALANCE AFTER TRANSFERS	NET PAID OR CHARGED	UNEXPENDED BALANCE LAPSED	OVER- EXPENDITURE
<u>OTHER EXPENSES (CONTINUED):</u>					
Health Benefit Waiver	\$ 31,666.66	\$ 31,666.66	\$	\$ 31,666.66	\$
Contingent	500.00	500.00		500.00	
Public Employees Retirement System (PERS)	13,978.65	13,978.65		13,978.65	
Social Security (O.A.S.I.)	90.00	90.00	(56,309.10)	56,309.10	
Consolidated Police and Firemen's Pension Fund	4,570.96	4,570.96		4,570.96	
Defined Retirement Contribution Plan	14,484.92	14,484.92	13,838.36	646.56	
Union County Fire & EMS Dispatch Services	24,000.00	24,000.00		24,000.00	
Union County Health Officer	5,536.80	15,000.00	15,000.00		
Prior Year Bills		10,000.00	4,463.20		
Reserve for Tax Appeals	65,000.00	65,000.00		5,536.80	
Matching Funds for Grants				65,000.00	
Sub-Total Other Expenses	1,611,657.20	2,665,564.35	1,497,261.61	1,168,302.74	
	\$ 2,315,236.79	\$ 3,362,578.26	\$ 1,717,694.81	\$ 1,654,925.28	\$ 10,041.83
REF. A				A-1	A-29
Appropriation Reserves	\$	2,315,236.79			
Transferred from Encumbrances		1,047,341.47			
	\$	3,362,578.26			
Cash Disbursements - Net	\$	1,863,317.08			
Transferred to Accounts Payable		30,365.63			
	\$	1,893,682.71			
Less: Refunds		175,987.90			
	\$	1,717,694.81			

"A-15"

TOWNSHIP OF HILLSIDE

CURRENT FUND

SCHEDULE OF RESERVE FOR RETIREMENT

	<u>REF.</u>	
Balance, December 31, 2022 and December 31, 2023	A	\$ <u>53,001.99</u>

"A-16"

SCHEDULE OF SEWER OVERPAYMENTS

Balance, December 31, 2022	A	\$ 5,027.80
Decreased by: Applied	A-11	<u>2,176.19</u>
Balance, December 31, 2023	A	\$ <u>2,851.61</u>

"A-17"

TOWNSHIP OF HILLSIDE

CURRENT FUND

SCHEDULE OF TAX OVERPAYMENTS

	<u>REF.</u>		
Balance, December 31, 2022	A	\$	110,230.99
Increased by:			
Overpayments	A-5		<u>7,171.71</u>
		\$	117,402.70
Decreased by:			
Refunded	A-4	\$	39,589.00
Applied	A-9		<u>4,899.58</u>
			<u>44,488.58</u>
Balance, December 31, 2023	A	\$	<u><u>72,914.12</u></u>

"A-18"

SCHEDULE OF PREPAID TAXES

Balance, December 31, 2022	A	\$	366,981.55
Increased by:			
Collection of 2024 Taxes	A-5		<u>357,400.50</u>
		\$	724,382.05
Decreased by:			
Applied to 2023 Taxes	A-9		<u>366,981.55</u>
Balance, December 31, 2023	A	\$	<u><u>357,400.50</u></u>

TOWNSHIP OF HILLSIDE

CURRENT FUND

SCHEDULE OF ENCUMBRANCES PAYABLE

	<u>REF.</u>			
Balance, December 31, 2022:				
Current Fund	A	\$	1,047,341.47	
Grant Fund	A		<u>329,141.43</u>	
				\$ 1,376,482.90
Increased by:				
2023 Appropriations	A-3	\$	503,543.31	
Reserve for Grants Appropriated	A-21		<u>202,081.00</u>	
				<u>705,624.31</u>
				\$ 2,082,107.21
Decreased by:				
Transferred to Appropriation Reserves	A-14	\$	1,047,341.47	
Transferred to Grants Appropriated	A-21		<u>329,141.43</u>	
				<u>1,376,482.90</u>
Balance, December 31, 2023				\$ <u><u>705,624.31</u></u>
Current Fund	A	\$	503,543.31	
Grant Fund	A		<u>202,081.00</u>	
				\$ <u><u>705,624.31</u></u>

TOWNSHIP OF HILLSIDE
GRANT FUND

SCHEDULE OF GRANTS RECEIVABLE

	BALANCE DECEMBER 31, 2022	2023 BUDGET	AMENDMENTS	CASH RECEIPTS	UNAPPROPRIATED APPLIED	BALANCE DECEMBER 31, 2023
Clean Communities Program	\$ 0.00	\$ 16,623.02	\$ 38,968.42	\$ 38,968.42	\$ 16,623.02	\$ 0.00
Recycling Tonnage Grant - 2020	0.00	0.00				0.00
Body Armor Replacement Fund	1,776.91	19,345.49	2,787.73	19,345.49		0.00
Mayor's Advisory Council on Drug & Alcohol Abuse						4,564.64
FY2015	353.84					353.84
FY2016	575.03					575.03
FY2017	6.87					6.87
FY2020	20,800.00					20,800.00
Summer Food Service Program - 2013	27,319.33					27,319.33
Summer Food Service Program - 2016	31,544.64					31,544.64
Summer Food Service Program - 2017	40,973.90					40,973.90
Summer Food Service Program - 2018	8,832.99					8,832.99
Summer Food Service Program - 2019	11,329.02					11,329.02
Summer Feeding Program - 2020	31,128.58					31,128.58
Summer Food Service Program - 2021	25,202.97			860.00		24,342.97
County of Union - Field of Dreams Grant	50,000.00					50,000.00
County of Union - Green the Streets	125,000.00					125,000.00
County of Union - Open Space Grant	20,000.00					20,000.00
Kids Recreation Trust Fund 2018	9,666.58					9,666.58
Greening Union County	15,000.00					15,000.00
Greening Union County	11,000.00					11,000.00
Greening Union County - 2018	2,100.00					2,100.00
Edward Byrne Memorial Justice Assistance Grant	37,604.40					37,604.40
Edward Byrne Memorial Justice Assistance Grant	14,067.90					14,067.90
Neighborhood Stabilization Program (ARRA)	100,000.00					100,000.00
NJ DOT - Highway Safety Grant	12,413.93					12,413.93
NJ DOT - Distracted Driving Grant	6,600.00					6,600.00
DOT - Burnett Street - 2014	51,967.80					51,967.80
DOT - Hollywood Ave Section II	31,898.70					31,898.70
DOT - Westminster Ave	10,662.21					10,662.21
DOT - Bloy Street	63,514.00					63,514.00
NJDOT - Plymouth Rd	37,388.39					37,388.39
NJDOT - Williamson Ave	88,606.01					88,606.01
Evans Terminal Storm Water Replacement	250,000.00					250,000.00
UEZ - Streets & Roads Summer Work Program	57,000.00					57,000.00
FEEMA - OEM Hazard Mitigation	198,580.00					198,580.00

TOWNSHIP OF HILLSIDE

GRANT FUND

SCHEDULE OF GRANTS RECEIVABLE

	BALANCE DECEMBER 31, 2022	2023 BUDGET	AMENDMENTS	CASH RECEIPTS	UNAPPROPRIATED APPLIED	BALANCE DECEMBER 31, 2023
NJ DOT - Safe Corridor - 2015	\$ 64,096.19					\$ 64,096.19
NJ DOT - Safe Corridor - 2018	19,171.44					19,171.44
Infrastructure & Municipal Aid Grant - 2015	5,776.37					5,776.37
Infrastructure & Municipal Aid Grant - 2017	6,332.50					6,332.50
Infrastructure & Municipal Aid Grant - 2018	475.00					475.00
2019 Infrastructure Municipal Aid	2,565.62					2,565.62
2020 Infrastructure Municipal Aid	4,377.56					4,377.56
2021 Infrastructure Municipal Aid	20,525.06					20,525.06
2019 Union County Kids Trust	8,121.00					8,121.00
NJDEP Green Acres	912,515.00					912,515.00
Strengthening L.P. Health, CPCT - 2021	17,101.00			235,759.45		17,101.00
Strengthening L.P. Health, CPCT - 2022	274,735.00		406,046.00			38,975.55
2024 Strengthening Local Public Health Capacity						406,046.00
Pedestrian Safety, Enforcement and Education	15,000.00					15,000.00
Greening Union County	2,500.00					2,500.00
Union County Kids Recreation Grants	43,055.00					43,055.00
DOT - Street Improvements to Virginia St. & Woodruff Ave	398,793.00					398,793.00
HEART Grant	500.00			500.00		0.00
Urban Enterprise Zone	552,747.00					552,747.00
Urban Enterprise Zone	272,877.00					272,877.00
Greening Union County - 2022	2,800.00					2,800.00
Recreation Grant					5,000.00	0.00
U.S. Tennis Association Grant - Central Ave		5,000.00			140.00	0.00
Opioid Settlement		140.00			35,913.06	0.00
2022 Bulletproof Vest Grant		35,913.06				0.00
NJACCHO		4,099.05				4,099.05
DCA ARP Firefighter Grant		155,554.00				260,826.32
Statewide Insurance Fund Risk Control Grant		43,000.00	238,058.00	132,765.68		43,000.00
2023 Summer Feeding		8,936.90	9,634.00	18,570.90		0.00
DCA Local Recreation Improvement Grant (LIRG)		41,033.85		41,033.85		0.00
Central Ave Spray Park Project		85,000.00				85,000.00
FEMA Storm Drains Hurricane Ida						250,000.00
NJ DEP Stormwater Protection						32,000.00
2023 Green Acres Program						46,300.85
Hazard Mitigation Assistance Grant						15,000.00
FEMA Central Avenue Culvert						304,550.00
Assistance to Firefighters Grant Program						533,887.01
2023 Infrastructure and Municipal Aid Grant Program						35,635.58
DOT - Hillside Avenue						37,363.63
UC Mean Green Community Grant						18,280.00
						350,856.00
						55,000.00
						500.00
						211,653.22
						55,000.00
						500.00
						816,277.86
						57,676.08
						5,932,536.39

REF.

A

A-22

A-4

A-2

A-2

A

TOWNSHIP OF HILLSIDE

GRANT FUND

SCHEDULE OF RESERVE FOR GRANTS-APPROPRIATED

	BALANCE DECEMBER 31, 2022	MODIFIED	2023 BUDGET	PAID OR CHARGED	BALANCE DECEMBER 31, 2023	OVEREXPENDITURE
	\$	\$	\$	\$	\$	\$
Alcohol Education & Rehabilitation Program	4,251.97	4,251.97	38,968.42	48,158.17	4,251.97	
Clean Communities Program	110,538.44	110,538.44			101,503.69	
Drunk Driving Enforcement Fund	1,148.20	1,148.20			1,148.20	
Recycling Tonnage Grant	68,549.86	68,739.86	35,968.51	190.00	104,518.37	
Body Armor Replacement Grant	13,526.30	13,526.30	2,787.73	10,041.73	6,272.30	
Solid Waste Grant	32,823.14	32,823.14			32,823.14	
Mayor's Advisory Council on Drug & Alcohol Abuse FY2018 Grant:(07/01/17-06/30/18)						
County Share	1,023.00	1,023.00		1,023.00		
Local Match		115.00		115.00		
FY2019 Grant:(07/01/18-06/30/19)						
County Share	19,777.00	20,800.00			20,800.00	
Local Match	5,200.00	5,200.00			5,200.00	
FY2020 Grant:(07/01/19-06/30/20)						
County Share	20,800.00	20,800.00			20,800.00	
Local Match	5,200.00	5,200.00			5,200.00	
Impaired Driving Grant	3,900.00	3,900.00			3,900.00	
Comcast Government & Community Affairs Grant	33,823.28	33,823.28			33,823.28	
County of Union - Green the Streets	101,789.15	101,789.15			101,789.15	
County of Union - Green the Streets - Match	21,647.92	21,647.92			21,647.92	
NJDOT - Hollywood Ave Section II	5,116.93	5,116.93			5,116.93	
NJDOT - Burnett Street	18,902.59	18,902.59			18,902.59	
NJDOT - Long Avenue Section Four	11,072.06	11,072.06			11,072.06	
NJDOT - Bloy Street 2019	159,044.26	310,680.46		151,636.20	159,044.26	
NJDOT - Plymouth Rd	147,779.00	147,779.00		147,410.15	368.85	
NJDOT - Williamson Ave	301.43	103,510.67		103,209.24	301.43	
NJDOT - Street Improvements to Virginal St. & Woodruff Ave	329,503.00	398,793.00	350,856.00	232,241.55	398,793.00	
NJDOT - Hillside Avenue					118,614.45	
Nursing Services Grant	6,677.76	6,677.76			6,677.76	
NJ Prevention Network for Senior Citizen's Get Active Walking	1,296.63	1,296.63			1,296.63	
Economic Development/UEZ	26,062.88	26,062.88			26,062.88	
Edward Byrne Memorial Justice Assistance Grant	5,456.05	5,456.05			5,456.05	
Green Communities Program - Match	1,500.00	1,500.00			1,500.00	
Greening Union County	25.00	25.00			25.00	
Homeland Security FEMA Grant - Match	4,316.44	4,316.44			4,316.44	
Kids Recreation Trust Fund 2018	9,666.58	9,666.58			9,666.58	
Neighborhood Stabilization Program (ARRA)	100,000.00	100,000.00			100,000.00	
Nonpublic Nursing Aid Grant	15,150.00	15,150.00			15,150.00	
Summer Food Service Program 2016	4,621.67	4,621.67			4,621.67	
Summer Food Service Program 2017	31,277.47	31,277.47			31,277.47	
Summer Food Service Program 2019	47,162.30	47,162.30			47,162.30	
Summer Food Service Program 2021	12,406.59	12,406.59			11,169.09	
Summer Food 159	38,941.11	38,941.11			38,941.11	
UEZ Green the Streets	200,000.00	200,000.00		1,237.50	200,000.00	
UEZ Liberty Avenue	12,633.90	12,633.90			12,633.90	
UEZ Relocation Grant - Crane Group International	200,000.00	200,000.00			200,000.00	

TOWNSHIP OF HILLSIDE

GRANT FUND

SCHEDULE OF RESERVE FOR GRANTS-APPROPRIATED

	BALANCE DECEMBER 31, 2022	MODIFIED	2023 BUDGET	PAID OR CHARGED	BALANCE DECEMBER 31, 2023	OVEREXPENDITURE
	\$	\$	\$	\$	\$	\$
Urban Enterprise Zone - Summer Work Program 2015	19,000.00	19,000.00	19,000.00		19,000.00	
Urban Enterprise Zone - Summer Work Program 2014	4,415.00	4,415.00	4,415.00		4,415.00	
Urban Enterprise Zone - Summer Work Program 2013	1,080.00	1,080.00	1,080.00		1,080.00	
U Text U Drive grant	5,500.00	5,500.00	5,500.00		5,500.00	
NJDOT Distracted Drivers	3,000.00	3,000.00	3,000.00		3,000.00	
Recycling Enhancement	4,700.00	4,700.00	4,700.00		4,700.00	
Clean Communities Program	11,239.03	11,239.03	11,239.03		11,239.03	
FY2017 Urban Aid						
FY2018 Urban Aid						
NJ Heroes Too Grant	1,671.85	1,671.85		1,575.00	96.85	
Kids Recreation Trust Fund 2019	8,121.00	8,121.00		15,330.26	4,361.42	7,209.26
2020 Summer Feeding Program	4,361.42	4,361.42			912,515.00	
NJDEP Green Acres	912,515.00	912,515.00			440.00	
AAA Safety Grant	440.00	440.00			3,522.99	
Strengthening L.P. Health, CPCT - 2021	197,014.64	197,014.64		8,085.85	186,928.79	
Strengthening L.P. Health, CPCT - 2022				247,303.27	158,742.73	
2024 Strengthening Local Public Health Capacity	4,971.00	4,971.00	406,046.00		4,971.00	
Pedestrian Safety, Enforcement and Education	2,500.00	2,500.00			2,500.00	
Greening Union County	43,055.00	43,055.00			43,055.00	
Union County Kids Recreation Grants - 2021	250.00	250.00			250.00	
HEART Grant	825,624.00	825,624.00			825,624.00	
Urban Enterprise Zone			55,000.00		55,000.00	
UEZ - 2023 Holiday Décor	192,315.00	192,315.00			192,315.00	
FEIMA - OEM Hazard Mitigation	3,850.00	3,850.00			3,850.00	
Hillside Outdoor Music Event (H.O.M.E.)	50,000.00	50,000.00			50,000.00	
2015 Infrastructure and Municipal Aid Grant Program	5,776.37	5,776.37			5,776.37	
2016 Infrastructure Municipal Aid	50,000.00	50,000.00			50,000.00	
2017 Infrastructure Municipal Aid	23,222.50	23,222.50			23,222.50	
2019 Infrastructure Municipal Aid	2,565.62	2,565.62			2,565.62	
2020 Infrastructure Municipal Aid	29,688.78	29,688.78			29,688.78	
2023 Infrastructure and Municipal Aid Grant Program			18,280.00		18,280.00	
2023 Infrastructure and Municipal Aid Grant Program - Match			18,280.00		18,280.00	
Opioid Settlement			35,913.06		35,913.06	
Public Assistance Grant (FEIMA Central Ave Culvert)			35,635.58		35,635.58	
Hazard Mitigation Assistance Grant			533,887.01	47,645.00	486,242.01	
NJ Department of Environmental Protection for the Stormwater			15,000.00		15,000.00	
Public Assistance Grant (FEIMA Storm Drains)			46,300.85		46,300.85	
2023 Green Acres Program			304,550.00	176,513.68	128,036.32	
2023 Youth Corps - Urban Gateway Enhancement Program			32,000.00	22,050.61	9,949.39	
Central Ave Spray Park Project			250,000.00		250,000.00	
UC Means Green Community Grant			500.00		500.00	
DCA Local Recreation Improvement Grant (LIRG)			85,000.00		85,000.00	

TOWNSHIP OF HILLSIDE

GRANT FUND

SCHEDULE OF RESERVE FOR GRANTS-APPROPRIATED

	BALANCE DECEMBER 31, 2022	MODIFIED	BUDGET	PAID OR CHARGED	BALANCE DECEMBER 31, 2023	OVEREXPENDITURE
Recreation Grant	\$	\$	\$ 5,000.00	\$ 2,259.91	\$ 2,740.09	\$
DCA ARP Firefighter Grant			43,000.00	39,076.32	3,923.68	
NJACCHO			393,612.00	85,299.33	308,312.67	
18 NJDOT Highway Safety	31,491.93	31,491.93			31,491.93	
Union County Open Space	20,000.00	20,000.00			20,000.00	
FEMA Assistance to Firefighters	55,000.00	55,000.00	37,363.63	34,896.82	55,000.00	
2018 Infrastructure Municipal Aid	2,800.00	2,800.00			2,800.00	
Greening Union County - 2022			140.00		140.00	
U.S. Tennis Association Grant - Central Ave			4,099.05		4,099.05	
2022 Bulletproof Vest Grant			18,570.90	18,570.90		
Statewide Insurance Fund Risk Control Grant			41,033.85	41,033.85		
2023 Summer Feeding					4,099.05	
	\$ 4,349,080.05	\$ 4,678,221.48	\$ 2,807,792.59	\$ 1,443,480.64	\$ 6,049,742.89	\$ 7,209.26
	A	A	A-20	A	A	A-37
REF						
Reserve	\$	\$ 4,349,080.05				
Transferred from Encumbrance Payable		329,141.43				
	\$	\$ 4,678,221.48				
Grants Receivable		\$	\$ 2,789,512.59			
Local Match			18,280.00			
		\$	\$ 2,807,792.59			
Cash Disbursement			\$	\$ 1,241,399.64		
Transferred to Encumbrances Payable				202,081.00		
				\$ 1,443,480.64		

TOWNSHIP OF HILLSIDE

GRANT FUND

SCHEDULE OF RESERVE FOR GRANTS-UNAPPROPRIATED

	BALANCE DECEMBER 31, <u>2022</u>	CASH <u>RECEIPTS</u>	<u>APPLIED</u>	BALANCE DECEMBER 31, <u>2023</u>
Recycling Tonnage Grant	\$ 16,623.02	\$	\$ 16,623.02	\$ 0.00
Body Armor Fund	0.00	4,659.23		4,659.23
Recycling Tonnage Grant	0.00			0.00
Summer Food Serve	11,289.86			11,289.86
Opioid Settlement	35,913.06	20,704.90	35,913.06	20,704.90
Recreation Grant	5,000.00		5,000.00	0.00
US Tennis Association. Gtg Central Ave	140.00		140.00	0.00
	<u>\$ 68,965.94</u>	<u>\$ 25,364.13</u>	<u>\$ 57,676.08</u>	<u>\$ 36,653.99</u>
<u>REF.</u>	A	A-4	A-20	A

"A-23"

TOWNSHIP OF HILLSIDE

CURRENT FUND

SCHEDULE OF RESERVE FOR FIRE PENALTIES AND ASSESSMENTS

REF.

Balance, December 31, 2022 and December 31, 2023	A	\$ <u>30,256.65</u>
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"A-24"

SCHEDULE OF RESERVE FOR CODIFICATION OF ORDINANCES

Balance, December 31, 2022 and December 31, 2023	A	\$ <u>189.38</u>
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"A-25"

GRANT FUND

SCHEDULE OF DUE STATE OF NEW JERSEY - SUMMER FOOD

Balance, December 31, 2022	A	\$ 25.04
Increased by:		
Cash Receipts	A-4	<u>6,167.99</u>
Balance, December 31, 2023	A	\$ <u>6,193.03</u>

"A-26"

TOWNSHIP OF HILLSIDE

CURRENT FUND

SCHEDULE OF COUNTY TAXES PAYABLE

	<u>REF.</u>		
Balance, December 31, 2022	A		\$ 1,847.64
Increased by:			
Tax Levy	A-9	\$ 10,837,149.96	
Added Taxes	A-9	<u>99,396.85</u>	
			<u>10,936,546.81</u>
			\$ <u>10,938,394.45</u>
Decreased by:			
Payments	A-4		<u>10,936,546.81</u>
Balance, December 31, 2023	A		\$ <u><u>1,847.64</u></u>

"A-27"

SCHEDULE OF SCHOOL TAXES PAYABLE

Balance December 31, 2022 (Prepaid)	A		\$ (3.98)
Increased by:			
Levy	A-1:A-9		<u>31,136,524.00</u>
			\$ <u>31,136,520.02</u>
Decreased by:			
Disbursements	A-4		<u>31,136,523.96</u>
Balance December 31, 2023 (Prepaid)	A		\$ <u><u>(3.94)</u></u>

TOWNSHIP OF HILLSIDE

CURRENT FUND

SCHEDULE OF INTERFUNDS

REF.	TOTAL	ANIMAL CONTROL TRUST FUND	TRUST OTHER FUND	GENERAL CAPITAL FUND	SWIM POOL UTILITY OPERATING FUND	SWIM POOL UTILITY CAPITAL FUND	GRANT FUND	PUBLIC ASSISTANCE TRUST FUND II
Balance, December 31, 2022								
Due From	A \$ 20,630.65 \$	20,630.65 \$	\$	\$	\$	\$	\$	\$
Due To	A 3,952,258.76		2,362,447.72	992,232.05	33,050.57	105,015.63	442,374.97	17,137.82
Receipts:								
Treasurer	A-4 1,681,104.03	42.60	463,251.45	370,000.00		0.00	847,809.98	
Deferred Charges Raised in Budget	A-3 75,907.14		67,354.89				8,552.25	
Disbursements	A-4 1,306,486.35	74.59	55,297.48	9,694.64			1,241,399.64	
Balance, December 31, 2023								
Due From	A \$ 20,662.64 \$	20,662.64 \$	\$	\$	\$	\$	\$	\$
Due To	A 4,421,115.57		2,837,756.58	1,352,537.41	33,050.57	105,015.63	75,617.56	17,137.82

TOWNSHIP OF HILLSIDE

CURRENT FUND

SCHEDULE OF DEFERRED CHARGES

	BALANCE DECEMBER 31, 2022	ADDED IN 2023	RAISED IN 2023 BUDGET	BALANCE DECEMBER 31, 2023
Emergency Authorization - 40A:4-46	\$ 243,496.89	\$ 546,751.29	\$ 243,496.89	\$ 546,751.29
Overexpenditure of Appropriations	56,822.81	16,891.74	56,822.81	16,891.74
Overexpenditure of Appropriation Reserves	757.69	10,041.83	757.69	10,041.83
Expenditure without an Appropriation	24,535.87	70,986.67	24,535.87	70,986.67
	<u>\$ 325,613.26</u>	<u>\$ 644,671.53</u>	<u>\$ 325,613.26</u>	<u>\$ 644,671.53</u>

REF.

A

A-3:A-14

A-3

A

"A-30"

TOWNSHIP OF HILLSIDE

CURRENT FUND

SCHEDULE OF RESERVE FOR SALE OF MUNICIPAL ASSETS

REF.

Balance, December 31, 2022 and
December 31, 2023

A

\$ 10,500.00

"A-31"

TOWNSHIP OF HILLSIDE

CURRENT FUND

SCHEDULE OF ACCOUNTS PAYABLE

	<u>REF.</u>		
Balance, December 31, 2022	A	\$	365,240.92
Increased by:			
Transferred from Appropriation Reserves	A-14		30,365.63
		\$	<u>395,606.55</u>
Decreased by:			
Cash Disbursements	A-4		<u>151,440.80</u>
Balance, December 31, 2023	A	\$	<u><u>244,165.75</u></u>

"A-32"

TOWNSHIP OF HILLSIDE

GRANT FUND

SCHEDULE OF DUE TRUST OTHER FUND

	<u>REF.</u>	
Balance, December 31, 2022 and December 31, 2023 (Due from)	A	\$ <u>256,355.00</u>

"A-33"

SCHEDULE OF DUE SWIM POOL CAPITAL FUND

Balance, December 31, 2022 and December 31, 2023	A	\$ <u>22,952.50</u>
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TOWNSHIP OF HILLSIDE

CURRENT FUND

SCHEDULE OF RESERVE FOR MUNICIPAL RELIEF AID

	<u>REF.</u>	
Increased by:		
Cash Receipts	A-4	\$ <u>450,047.32</u>
Balance, December 31, 2023	A	\$ <u><u>450,047.32</u></u>

"A-35"

TOWNSHIP OF HILLSIDE

CURRENT FUND

SCHEDULE OF RESERVE FOR INSURANCE DAMAGES

REF.

Balance, December 31, 2022 and
December 31, 2023

A

\$ 76,810.86

"A-36"

SCHEDULE OF RESERVE FOR UNALLOCATED RECEIPTS

Balance, December 31, 2022 and
December 31, 2023

A

\$ 49,689.45

TOWNSHIP OF HILLSIDE

GRANT FUND

SCHEDULE OF DEFERRED CHARGES

	BALANCE DECEMBER 31, 2022	ADDED IN 2023	RAISED IN 2023 BUDGET	BALANCE DECEMBER 31, 2023
Overexpenditure of Grant Reserves	\$ 8,552.25	\$ 7,209.26	\$ 8,552.25	\$ 7,209.26
	<u>\$ 8,552.25</u>	<u>\$ 7,209.26</u>	<u>\$ 8,552.25</u>	<u>\$ 7,209.26</u>

REF.

A

A-21

A-3

A

TOWNSHIP OF HILLSIDE

CURRENT FUND

SCHEDULE OF RESERVE FOR PILOT REVENUE DUE COUNTY

	<u>REF.</u>	
Increased by:		
Cash Receipts	A-4	\$ <u>12,105.46</u>
Balance, December 31, 2023	A	\$ <u><u>12,105.46</u></u>

TOWNSHIP OF HILLSIDE

TRUST FUND

SCHEDULE OF CASH - TREASURER

REF.		ANIMAL CONTROL	OTHER
		\$	\$
B	Balance, December 31, 2022	32,667.05	6,749,587.04
	Increased by Receipts:		
B-2	Animal Control Fees	5,517.70	
B-3	Dog Registration Fees - Due State of New Jersey	1,320.00	
B-4	Community Development Block Grant Receivable		582,328.37
	Reserve for:		
B-7	Tax Sale Redemption		1,622,901.85
B-8	Retiree Prescription Account		181.10
B-9	State Unemployment Insurance		27,521.65
B-10	Flexible Spending		10.51
B-11	UEZ 2nd Generation Fund		11,730.61
B-12	UEZ Revolving Loan Escrow		1.02
B-13	Police Off Duty Escrow		1,524,090.33
B-15	Special Law Enforcement Trust		625.21
B-16	Miscellaneous Trust Deposits		561,434.53
B-17	Federal Law Enforcement Trust		789.28
B-18	Building Department Escrow		125,931.14
B-19:B-20	Interfunds Receivable	355.59	13,983,726.43
B-21	Payroll Deductions Payable		28,409,456.10
		7,193.29	46,890,866.76
		39,880.34	53,640,453.80
	Decreased by Disbursements:		
B-2	Animal Control Expenditures	6,250.00	
B-3	New Jersey State Board of Health	1,234.60	
	Reserve for:		
B-5	Community Development Block Grant		505,634.01
B-7	Tax Sale Redemption		1,403,253.79
B-9	State Unemployment Insurance		1,305.81
B-10	Flexible Spending		9.37
B-12	UEZ Revolving Loan Escrow		10.00
B-13	Police Off Duty Escrow		1,438,742.00
B-16	Miscellaneous Trust Deposits		2,177,208.44
B-18	Building Department Escrow		98,962.75
B-19:B-20	Interfunds Payable		14,391,660.40
B-21	Payroll Deductions Payable		28,367,109.83
		7,808.20	48,384,116.40
	Balance, December 31, 2023	32,072.14	5,256,337.40

"B-2"

TOWNSHIP OF HILLSIDE

TRUST FUND

SCHEDULE OF RESERVE FOR ANIMAL CONTROL FUND EXPENDITURES

	<u>REF.</u>	
Balance, December 31, 2022	B	\$ 10,062.00
Increased by:		
Dog License Fees	B-1	5,517.70
		<u>\$ 15,579.70</u>
Decreased by:		
Cash Disbursements	B-1	<u>6,250.00</u>
Balance, December 31, 2023	B	<u><u>\$ 9,329.70</u></u>

LICENSE FEES COLLECTED

<u>YEAR</u>	<u>AMOUNT</u>
2021	4,923.00
2022	<u>5,753.40</u>
	<u><u>\$ 10,676.40</u></u>

"B-3"

SCHEDULE OF RESERVE FOR ANIMAL CONTROL FEES DUE STATE OF NEW JERSEY

Balance, December 31, 2022	B	\$ 27.60
Increased by:		
Cash Receipts	B-1	1,320.00
		<u>\$ 1,347.60</u>
Decreased by:		
Cash Disbursements	B-1	<u>1,234.60</u>
Balance, December 31, 2023	B	<u><u>\$ 113.00</u></u>

TOWNSHIP OF HILLSIDE

TRUST FUND

SCHEDULE OF COMMUNITY DEVELOPMENT BLOCK GRANT RECEIVABLE

<u>PROGRAM DESCRIPTION</u>	<u>BALANCE DECEMBER 31, 2022</u>	<u>GRANTS APPROVED BY COUNTY OF UNION</u>	<u>CASH RECEIPTS</u>	<u>BALANCE DECEMBER 31, 2023</u>
Program Year 45:				
Buie Center Youth Recreation	\$ 1,444.60	\$	\$	1,444.60
Program Year 46:				
Road Resurfacing	139,413.41			139,413.41
Program Year 47:				
Senior Center Roof	50,000.00		50,000.00	
Road Resurfacing	130,000.00		130,000.00	
Buie Center Youth Recreation	26,000.00		26,000.00	
Program Year 48:				
Road Resurfacing	80,000.00		80,000.00	
Maternal Child Health Care	18,000.00		18,000.00	
Code Enforcement	50,000.00		50,000.00	
Senior Health Care	12,500.00		12,500.00	
Buie Center Youth Recreation	13,000.00		13,000.00	
Senior Citizens Social Services	10,750.00		10,750.00	
Program Year 49:				
Road Resurfacing		115,000.00		115,000.00
Maternal Child Health Care		18,000.00	18,000.00	
Code Enforcement		24,000.00	11,328.37	12,671.63
Senior Health Care		12,500.00	12,500.00	
Buie Center Youth Repair & Renovations		125,000.00	125,000.00	
Buie Center Youth Recreation		13,000.00	13,000.00	
Senior Citizens Social Services		12,250.00	12,250.00	
	<u>\$ 531,108.01</u>	<u>\$ 319,750.00</u>	<u>\$ 582,328.37</u>	<u>\$ 268,529.64</u>

REF.

B

B-5

B-1

B

TOWNSHIP OF HILLSIDE

TRUST FUND

SCHEDULE OF RESERVE FOR COMMUNITY DEVELOPMENT BLOCK GRANT

<u>PROGRAM DESCRIPTION</u>	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2022</u>	<u>GRANTS</u> <u>APPROVED BY</u> <u>COUNTY OF UNION</u>	<u>EXPENDED</u>	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2023</u>
	\$	\$	\$	\$
Program Year 45:	1,444.60			1,444.60
Buie Center Youth Recreation	27,665.00			27,665.00
Buie Center Roof Replacement				
Program Year 46:	8,160.60			8,160.60
Buie Center Youth Recreation	9,386.00			9,386.00
Maternal Child Health Care	9,918.75			9,918.75
Code Enforcement	124,291.82			124,291.82
Road Resurfacing				
Program Year 47:	11,800.00		11,800.00	
Senior Center Roof	130,000.00		130,000.00	
Road Resurfacing	12,500.00			12,500.00
Senior Citizens Health Care Program	18,000.00			18,000.00
Maternal Child Health Care	9,000.00			9,000.00
Senior Citizens Program	26,000.00		26,000.00	
Buie Center Youth Recreation	24,000.00			24,000.00
Code Enforcement	3,003.89			3,003.89
Youth Recreation	20,525.06		20,525.06	
Municipal Aid Grant				
Program Year 48:	80,000.00		80,000.00	
Road Resurfacing	18,000.00		18,000.00	
Maternal Child Health Care	50,000.00		50,000.00	
Code Enforcement	12,500.00		12,500.00	
Senior Health Care	13,000.00		13,000.00	
Buie Center Youth Recreation	10,750.00		10,750.00	
Senior Citizens Social Services				
Program Year 49:	115,000.00		115,000.00	
Road Resurfacing	18,000.00		18,000.00	
Maternal Child Health Care	24,000.00		5,758.95	18,241.05
Code Enforcement	12,500.00			12,500.00
Senior Health Care	125,000.00		109,500.00	15,500.00
Buie Center Youth Recreation	13,000.00			13,000.00
Senior Citizens Social Services	10,750.00			10,750.00
Program Year 49:	115,000.00		115,000.00	
Road Resurfacing	18,000.00		18,000.00	
Maternal Child Health Care	24,000.00		5,758.95	18,241.05
Code Enforcement	12,500.00			12,500.00
Senior Health Care	125,000.00		109,500.00	15,500.00
Buie Center Youth Repair & Renovations	13,000.00			13,000.00
Buie Center Youth Recreation	12,250.00			12,250.00
Senior Citizens Social Services				
	\$ 619,945.72	\$ 319,750.00	\$ 505,834.01	\$ 433,861.71

REF.

B

B-4

B-1

B

"B-6"

TOWNSHIP OF HILLSIDE

TRUST FUND

SCHEDULE OF RESERVE FOR FACADE LOAN REPAYMENTS

REF.

Balance, December 31, 2022		
December 31, 2023	B	\$ <u>35,134.28</u>

"B-7"

SCHEDULE OF RESERVE FOR TAX SALE REDEMPTION

Balance, December 31, 2022	B	\$ 327,008.33
Increased by:		
Cash Receipts	B-1	<u>1,622,901.85</u>
		\$ <u>1,949,910.18</u>
Decreased by:		
Cash Disbursements	B-1	<u>1,403,253.79</u>
Balance, December 31, 2023	B	\$ <u>546,656.39</u>

"B-8"

SCHEDULE OF RESERVE FOR RETIREE PRESCRIPTION ACCOUNT

Balance, December 31, 2022	B	\$ 36,414.60
Increased by:		
Cash Receipts	B-1	<u>181.10</u>
Balance, December 31, 2023	B	\$ <u>36,595.70</u>

"B-9"

TOWNSHIP OF HILLSIDE

TRUST FUND

SCHEDULE OF RESERVE FOR STATE UNEMPLOYMENT INSURANCE

	<u>REF.</u>		
Balance, December 31, 2022	B	\$	128,546.85
Increased by:			
Employee Contributions	B-1		27,521.65
		\$	<u>156,068.50</u>
Decreased by:			
Cash Disbursements	B-1		<u>1,305.81</u>
Balance, December 31, 2023	B	\$	<u><u>154,762.69</u></u>

"B-10"

SCHEDULE OF RESERVE FOR FLEXIBLE SPENDING ACCOUNT

Balance, December 31, 2022	B	\$	1,225.00
Increased by:			
Cash Receipts	B-1		10.51
		\$	<u>1,235.51</u>
Decreased by:			
Cash Disbursements	B-1		<u>9.37</u>
Balance, December 31, 2023	B	\$	<u><u>1,226.14</u></u>

"B-11"

TOWNSHIP OF HILLSIDE

TRUST FUND

SCHEDULE OF RESERVE FOR UEZ 2ND GENERATION FUND

	<u>REF.</u>		
Balance, December 31, 2022	B	\$	1,064,274.01
Increased by:			
Cash Receipts	B-1		<u>11,730.61</u>
Balance, December 31, 2023	B	\$	<u><u>1,076,004.62</u></u>

"B-12"

SCHEDULE OF RESERVE FOR UEZ REVOLVING LOAN ESCROW

Balance, December 31, 2022	B	\$	7,250.76
Increased by:			
Cash Receipts	B-1		<u>1.02</u>
		\$	<u>7,251.78</u>
Decreased by:			
Cash Disbursements	B-1		<u>10.00</u>
Balance, December 31, 2023	B	\$	<u><u>7,241.78</u></u>

"B-13"

TOWNSHIP OF HILLSIDE

TRUST FUND

SCHEDULE OF POLICE OFF-DUTY ESCROW

	<u>REF.</u>		
Balance, December 31, 2022	B	\$	278,098.29
Increased by:			
Cash Receipts	B-1		<u>1,524,090.33</u>
		\$	<u>1,802,188.62</u>
Decreased by:			
Cash Disbursements	B-1		<u>1,438,742.00</u>
Balance, December 31, 2023	B	\$	<u><u>363,446.62</u></u>

"B-14"

SCHEDULE OF RESERVE FOR LOCAL LAW ENFORCEMENT BLOCK GRANT

Balance, December 31, 2022 and December 31, 2023	B	\$	<u><u>628.02</u></u>
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"B-15"

SCHEDULE OF RESERVE FOR SPECIAL LAW ENFORCEMENT TRUST

Balance, December 31, 2022	B	\$	11,803.77
Increased by:			
Cash Receipts	B-1		<u>625.21</u>
Balance, December 31, 2023	B	\$	<u><u>12,428.98</u></u>

TOWNSHIP OF HILLSIDE

TRUST FUND

SCHEDULE OF RESERVE FOR MISCELLANEOUS TRUST DEPOSITS

DESCRIPTION	BALANCE DECEMBER 31, 2022	RECEIPTS	EXPENDED	OVEREXPENDITURE	BALANCE DECEMBER 31, 2023
Tax Sale Premium	\$ 4,543,150.17	\$ 441,900.00	\$ 2,116,100.00	\$	\$ 2,868,950.17
Zoning and Planning Escrow	4,480.00				4,480.00
D.C.A. Fees Due State of New Jersey	2,030.00	23,378.00			23,378.00
Electrical Inspection Fees	3,045.00	4,697.00	8,744.00	1,002.00	2,030.00
Elevator Inspection Fees	1,391.24				1,391.24
Police Department Donations	70,481.04		5,570.54		64,910.50
Fire Fines and Penalties (UFC Fees)	7,760.46				7,760.46
Fire Department Donations	14,285.00	8,647.00			22,932.00
UFC Training	202.34				202.34
National Night Out	3,566.34				3,566.34
Hillside Street Fair	1,929.00	1,832.00			3,761.00
Marriage License Fees Due State of New Jersey	510.70	11,875.00	4,173.62		8,212.08
Board of Health	515.00				515.00
Burial Permit Fees Due State of New Jersey	3,158.56				3,158.56
Medicare	4,605.75				4,056.48
Senior Citizens Funds	31,934.62	14,529.00	15,078.27		47,655.64
Recreation Trust	17,752.75	37,461.59	21,740.57		18,271.31
Parking Offence Adjudication Act	5,803.00	1,370.00	851.44		4,095.50
Public Defender	1,702,958.13	3,242.50	4,950.00		1,702,958.13
UEZ Funds Unappropriated	2,970.43				2,970.43
Environmental Health Commission	4,935.60				4,935.60
Street Opening Deposits	1,950.00				1,950.00
Entranceway Signage Project	3,575.00				3,575.00
Musicfest		11,677.44			11,677.44
Alcohol Education and Rehabilitation Fund	89,936.21				89,936.21
Hardware Escrow - Deposit on Sale of Property	701.84				701.84
Home Festival	160.75				160.75
DWI	3,074.87	825.00			3,899.87
Miscellaneous Deposits					
Total Miscellaneous	\$ 6,526,863.80	\$ 561,434.53	\$ 2,177,208.44	\$ 1,002.00	\$ 4,912,091.89

REF.

B

B-1

B-1

B-22

B

"B-17"

TOWNSHIP OF HILLSIDE

TRUST FUND

SCHEDULE OF RESERVE FOR FEDERAL LAW ENFORCEMENT TRUST FUND

REF.

Increased by:		
Cash Receipts	B-1	\$ <u>789.28</u>
Balance, December 31, 2023	B	\$ <u><u>789.28</u></u>

"B-18"

SCHEDULE OF RESERVE FOR BUILDING DEPARTMENT ESCROW

Balance, December 31, 2022	B	\$ 479,080.54
Increased by:		
Cash Receipts	B-1	<u>125,931.14</u>
		\$ <u>605,011.68</u>
Decreased by:		
Cash Disbursements	B-1	<u>98,962.75</u>
Balance, December 31, 2023	B	\$ <u><u>506,048.93</u></u>

TOWNSHIP OF HILLSIDE

TRUST OTHER FUND

SCHEDULE OF INTERFUNDS

<u>REF.</u>	<u>TOTAL</u>	<u>CURRENT FUND</u>	<u>ANIMAL CONTROL TRUST FUND</u>	<u>GENERAL CAPITAL FUND</u>	<u>GRANT FUND</u>	<u>SWIM POOL OPERATING</u>
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Balance, December 31, 2022

Due From	B	\$ 2,397,127.12	\$ 2,362,447.72	\$ 2,000.00	\$ 32,679.40	\$
Due To	B	<u>256,431.50</u>			<u>256,355.00</u>	<u>76.50</u>

Receipts

B-1	13,983,726.43					
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Disbursements

B-1	14,391,680.40					
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Deferred Charge

B-22	<u>67,354.89</u>					
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Balance, December 31, 2023

Due From	B	\$ 2,872,435.98	\$ 2,837,756.58	\$ 2,000.00	\$ 32,679.40	\$
Due To	B	<u>256,431.50</u>			<u>256,355.00</u>	<u>76.50</u>

TOWNSHIP OF HILLSIDE

ANIMAL CONTROL TRUST FUND

SCHEDULE OF INTERFUNDS

	<u>REF.</u>	<u>TOTAL</u>	<u>CURRENT FUND</u>	<u>TRUST OTHER FUND</u>	<u>GENERAL CAPITAL FUND</u>
Balance, December 31, 2022					
Due From	B	\$ 33.20	\$	\$	\$ 33.20
Due To	B	\$ <u>22,630.65</u>	<u>20,630.65</u>	<u>2,000.00</u>	<u> </u>
Receipts	B-1	<u>355.59</u>	<u>355.59</u>	<u> </u>	<u> </u>
Disbursements	B-1	<u>323.60</u>	<u>323.60</u>	<u> </u>	<u> </u>
Balance, December 31, 2023					
Due From	B	\$ <u>33.20</u>			\$ <u>33.20</u>
Due To	B	\$ <u><u>22,662.64</u></u>	\$ <u><u>20,662.64</u></u>	\$ <u><u>2,000.00</u></u>	<u> </u>

TOWNSHIP OF HILLSIDE

TRUST FUND

SCHEDULE OF PAYROLL DEDUCTIONS PAYABLE

	<u>REF.</u>	
Balance, December 31, 2022	B	\$ 11,993.04
Increased by:		
Cash Receipts	B-1	<u>28,409,456.10</u>
		\$ 28,421,449.14
Decreased by:		
Cash Disbursements	B-1	<u>28,367,109.83</u>
Balance, December 31, 2023	B	<u><u>\$ 54,339.31</u></u>

TOWNSHIP OF HILLSIDE

TRUST FUND

SCHEDULE OF DEFERRED CHARGES

<u>DESCRIPTION</u>	<u>BALANCE DECEMBER 31, 2022</u>	<u>OVEREXPENDITURE</u>	<u>RAISED IN CURRENT BUDGET</u>	<u>BALANCE DECEMBER 31, 2023</u>
Overexpenditure of: Miscellaneous Trust Reserves	\$ 67,354.89	\$ 1,002.00	\$ 67,354.89	\$ 1,002.00
	<u>\$ 67,354.89</u>	<u>\$ 1,002.00</u>	<u>\$ 67,354.89</u>	<u>\$ 1,002.00</u>
<u>REF.</u>	B	B-16	B-19	B

"B-23"

TOWNSHIP OF HILLSIDE

TRUST FUND

SCHEDULE OF MISCELLANEOUS ACCOUNTS RECEIVABLE

	<u>REF.</u>		
Balance, December 31, 2022	B	\$	40,138.63
Decreased by:			
Cash Receipts	B-1		<u>40,138.63</u>

TOWNSHIP OF HILLSIDE

GENERAL CAPITAL FUND

SCHEDULE OF CASH - TREASURER

	<u>REF.</u>		
Balance, December 31, 2022	C		\$ 10,310,422.50
Increased by:			
Capital Improvement Fund	C-9	\$ 370,000.00	
Interfunds Returned	C-6	92,270.59	
Bond Anticipation Note	C-12	6,730,521.00	
Premium on Bond Anticipation Note Issued	C-1	<u>50,075.07</u>	
			<u>7,242,866.66</u>
			\$ 17,553,289.16
Decreased by:			
Contracts Payable	C-10	\$ 1,264,617.67	
Interfunds Advanced	C-6	452,575.95	
Bond Anticipation Note	C-12	<u>3,761,000.00</u>	
			<u>5,478,193.62</u>
Balance, December 31, 2023	C		\$ <u>12,075,095.54</u>

"C-3"

TOWNSHIP OF HILLSIDE

GENERAL CAPITAL FUND

ANALYSIS OF CASH

<u>DESCRIPTION</u>	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2023</u>
Capital Improvement Fund	\$ 100,411.46
Contracts Payable	860,320.30
Reserve for Construction of Salt Shed	89,321.76
Reserve to Pay Debt Service	141,908.31
Grants Receivable	(4,088,437.50)
Improvement Authorizations Funded (Set Forth on Exhibit "C-11")	10,307,599.49
Improvement Authorizations Expended (Set Forth on Exhibit "C-8")	(638,371.61)
Unexpended Proceeds of Bond Anticipation Notes	6,596,415.00
Interfunds Receivable	(1,432,180.93)
Interfunds Payable	32,712.60
Fund Balance	<u>105,396.66</u>
	<u>\$ 12,075,095.54</u>

REF.

C

TOWNSHIP OF HILLSIDE

GENERAL CAPITAL FUND

SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - FUNDED

	<u>REF.</u>		
Balance, December 31, 2022	C		\$ 16,734,697.50
Decreased by:			
Budget Appropriation to Pay Serial Bonds	C-13	\$ 1,120,000.00	
Budget Appropriation to Pay Loans Payable:			
Demolition Loan	C-7	10,500.00	
Infrastructure Loans	C-14	58,029.55	
Infrastructure Loans - Adjustment		<u>5,534.20</u>	
			<u>1,194,063.75</u>
Balance, December 31, 2023	C		\$ <u>15,540,633.75</u>

TOWNSHIP OF HILLSIDE

GENERAL CAPITAL FUND

SCHEDULE OF GRANTS RECEIVABLE

	<u>REF.</u>	
Balance, December 31, 2022 and December 31, 2023	C	\$ <u>4,088,437.50</u>
<u>Analysis of Balance</u>		
NJ Library Construction Bond		\$ 3,996,437.50
Community Development Block Grant		<u>92,000.00</u>
		\$ <u>4,088,437.50</u>

TOWNSHIP OF HILLSIDE

GENERAL CAPITAL FUND

SCHEDULE OF INTERFUNDS

	<u>REF.</u>	<u>TOTAL</u>	<u>CURRENT FUND</u>	<u>TRUST OTHER FUND</u>	<u>SWIM POOL UTILITY OPERATING FUND</u>	<u>SWIM POOL UTILITY CAPITAL FUND</u>	<u>ANIMAL CONTROL FUND</u>
Balance, December 31, 2022							
Due from	C	\$ 1,071,875.57	\$ 992,232.05	\$	\$ 4,520.23	\$ 75,123.29	\$
Due to	C	<u>32,712.60</u>		<u>32,679.40</u>			<u>33.20</u>
Receipts	C-2	<u>92,270.59</u>	<u>92,270.59</u>				
Disbursements	C-2	<u>452,575.95</u>	<u>452,575.95</u>				
Balance, December 31, 2023							
Due from	C	\$ 1,432,180.93	\$ 1,352,537.41	\$	\$ 4,520.23	\$ 75,123.29	\$
Due to	C	<u>32,712.60</u>		<u>32,679.40</u>			<u>33.20</u>

TOWNSHIP OF HILLSIDE

GENERAL CAPITAL FUND

ECONOMIC DEVELOPMENT AUTHORITY

SCHEDULE OF DEMOLITION LOAN PAYABLE

<u>PURPOSE</u>	<u>DATE OF ISSUE</u>	<u>ORIGINAL ISSUE</u>	<u>MATURITIES OF LOAN OUTSTANDING</u>		<u>INTEREST RATE</u>	<u>BALANCE DECEMBER 31, 2022</u>	<u>BALANCE DECEMBER 31, 2023</u>
			<u>DATE</u>	<u>AMOUNT</u>			
Underground Storage Tank Loan	2018	\$ 105,000.00	2024	10,500.00	0.00%		
			2025	10,500.00	0.00%		
			2026	10,500.00	0.00%		
			2027	10,500.00	0.00%		
			2028	10,500.00	0.00%		
						\$ 63,000.00	\$ 52,500.00
						<u>\$ 63,000.00</u>	<u>\$ 52,500.00</u>

REF. C C-4 C

TOWNSHIP OF HILLSIDE
GENERAL CAPITAL FUND

SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION-UNFUNDED

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	ANALYSIS OF BALANCE, DECEMBER 31, 2023				UNFUNDED IMPROVEMENT AUTHORIZATIONS
		BALANCE DECEMBER 31, 2022	2023 AUTHORIZATIONS	BALANCE DECEMBER 31, 2023	BOND ANTICIPATION NOTES	
02-023	Demolition of Unsafe Buildings and Structures at Various Locations	\$ 15,914.00	\$	\$ 15,914.00	\$	\$
02-024	Township's Portion of Joint Meeting Capital Improvement Plan	2,070.57		2,070.57		2,070.57
06-016	Townships Portion of Joint Meeting Capital Improvement Plan	9,687.13		9,687.13		9,687.13
09-017	Township's Portion of Joint Meeting Capital Improvement Plan	493,779.00		493,779.00		493,779.00
14-16	Acquisition of a Sewer Jet Vacuum Machine	108,174.00		108,174.00		108,174.00
18-06	Demolition of Unsafe Building & Structures	53,314.01		53,314.01		53,314.01
18-23	Capital Improvements projects for the Joint Meeting of Essex & Union County	900,000.00		900,000.00		900,000.00
19-16	Acquisition of Vehicles and Equipment	352.00		352.00		352.00
20-13	Township's Allocable Share of the Flood Mitigation Project of the Joint Meeting of Essex and Union County	1,815,000.00		1,815,000.00		1,815,000.00
22-05	Rehabilitation of North Ave Pump Station	2,465,000.00		2,465,000.00		2,465,253.09
22-06	Purchase of a Street Sweeper	335,000.00		335,000.00		335,000.00
22-19	Phase II of Local Units Allocable Share of the Flood Mitigation Facilities Project of the Joint Meeting of Essex and Union County	2,700,000.00		2,700,000.00		2,700,000.00
22-26	Reconstruction and Renovation of Swimming Pool	3,761,000.00		3,761,000.00	3,761,000.00	
22-27	Phase I of Flood Mitigation Facilities Project of the Joint Meeting of Essex and Union County	1,500,000.00		1,500,000.00		1,500,000.00
23-02	Phase IV, V and VI of Local Units Allocable Share of the Flood Mitigation Facilities Project of the Joint Meeting of Essex and Union County	3,775,000.00	3,775,000.00	3,775,000.00		3,775,000.00
23-12	2023 Road Improvements	4,190,476.00	4,190,476.00	4,190,476.00		4,190,476.00
23-14	Various 2023 Acquisitions and Capital Improvements	2,969,521.00	2,969,521.00	2,969,521.00	2,969,521.00	
		\$ 14,159,290.71	\$ 10,934,997.00	\$ 25,094,287.71	\$ 6,730,521.00	\$ 638,371.61
						\$ 17,725,395.10
						\$ 24,321,810.10
						\$ 6,596,415.00
						\$ 17,725,395.10

Unexpended Improvement Authorizations-Unfunded
Less: Unexpended Proceeds of Bond Anticipation Notes

REE. C C-11 C-3

"C-9"

TOWNSHIP OF HILLSIDE

GENERAL CAPITAL FUND

SCHEDULE OF CAPITAL IMPROVEMENT FUND

	<u>REF.</u>	
Balance, December 31, 2022	C	\$ 88,414.46
Increased by:		
Budget Appropriation	C-2	<u>370,000.00</u>
		\$ 458,414.46
Decreased by:		
Improvement Authorizations	C-11	<u>358,003.00</u>
Balance, December 31, 2023	C	<u>\$ 100,411.46</u>

"C-10"

SCHEDULE OF CONTRACTS PAYABLE

Balance, December 31, 2022	C	\$ 1,992,640.81
Increased by:		
Contracts Payable:		
Improvement Authorizations	C-11	<u>132,297.16</u>
		\$ 2,124,937.97
Decreased by:		
Cash Disbursements	C-2	<u>1,264,617.67</u>
Balance, December 31, 2023	C	<u>\$ 860,320.30</u>

TOWNSHIP OF HILLSIDE
 GENERAL CAPITAL FUND
 SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	DATE	ORDINANCE AMOUNT	BALANCE DECEMBER 31, 2022		2023 AUTHORIZATIONS	CONTRACTS PAYABLE	BALANCE DECEMBER 31, 2023	
				FUNDED	UNFUNDED			FUNDED	UNFUNDED
18-06	Demolition of Unsafe Building & Structures	07/10/18	\$ 106,000.00	\$ 53,314.01	\$	\$	\$ 53,314.01		
18-15	Lifts for Public Work Garage	10/09/18	54,525.00	54,525.00			54,525.00		
18-19; 22-04	2018 Capital Acquisitions, Improvements and Equipment	11/27/18	10,819,437.50	8,877,029.80		156,669.60	8,720,360.00		
18-23	Capital Improvements projects for the joint meeting of Essex & Union Coun	11/27/18	900,000.00	900,000.00			900,000.00		
19-16	Acquisition of Vehicles and Equipment	08/27/19	1,030,000.00	138,724.59			138,724.59	352.00	
20-13	Township's Allocable Share of the Flood Mitigation Project of the Joint Meeting of Essex and Union County	08/25/20	1,815,000.00	1,815,000.00				1,815,000.00	
20-17	Various Public Improvements	12/15/20	1,582,000.00	27,902.77		(274,007.30)	301,910.07		
21-19	Various Public Improvements & Acquisitions	10/13/21	2,053,500.00	655,285.03		78,024.03	577,261.00		
22-05	Rehabilitation of North Ave Pump Station	03/22/22	2,465,000.00	2,465,000.00		8,746.91		2,456,253.09	
22-06	Purchase of a Street Sweeper	03/22/22	335,000.00	57,093.80		(277,905.20)		335,000.00	
22-08	2022 Capital Acquisitions and Improvements	05/10/22	839,300.00	485,914.95		122,924.95	362,990.00		
22-19	Phase II of Local Units Allocable Share of the Flood Mitigation Facilities	07/19/22	2,700,000.00	2,700,000.00				2,700,000.00	
22-26	Project of the Joint Meeting of Essex and Union County	10/12/22	3,950,000.00	3,733,315.00				3,733,315.00	
22-27	Reconstruction and Renovation of Swimming Pool and Union County	11/22/22	1,500,000.00	1,500,000.00				1,500,000.00	
23-02	Phase IV, V and VI of Local Units Allocable Share of the Flood Mitigation Facilities Project of the Joint Meeting of Essex and Union County	02/28/23	3,775,000.00	3,775,000.00		62,845.17	146,578.83	3,775,000.00	
23-12	2023 Road Improvements	08/15/23	4,400,000.00	4,400,000.00				4,190,476.00	
23-14	Various 2023 Acquisitions and Capital Improvements	10/10/23	3,118,000.00	3,118,000.00		254,800.00		2,863,100.00	
			\$ 10,244,631.94	\$ 13,224,074.81	\$ 11,293,000.00	\$ 132,297.16	\$ 10,307,699.49	\$ 24,321,810.10	

REF. C C C C-3 C-10 C-C-8

C-8 C-9

Deferred Charges - Unfunded
 Capital Improvement Fund

\$ 10,934,997.00
 358,003.00
 \$ 11,293,000.00

TOWNSHIP OF HILLSIDE

GENERAL CAPITAL FUND

SCHEDULE OF BOND ANTICIPATION NOTES

<u>ORDINANCE</u>	<u>IMPROVEMENT DESCRIPTION</u>	<u>DATE OF ORIGINAL NOTE</u>	<u>DATE OF ISSUE</u>	<u>DATE OF MATURITY</u>	<u>INTEREST RATE</u>	<u>BALANCE DECEMBER 31, 2022</u>	<u>INCREASED</u>	<u>DECREASED</u>	<u>BALANCE DECEMBER 31, 2023</u>
22-26	Reconstruction and Renovation of Swimming Pool	12/22/2022	12/20/2023	12/19/2024	3.360%	3,761,000.00 \$	3,761,000.00 \$	3,761,000.00 \$	3,761,000.00
23-14	Various 2023 Acquisitions and Capital Improvements	12/20/2023	12/20/2023	12/19/2024	3.360%		2,969,521.00		2,969,521.00
					\$	<u>3,761,000.00 \$</u>	<u>6,730,521.00 \$</u>	<u>3,761,000.00 \$</u>	<u>6,730,521.00</u>
					<u>REF.</u>	C	C-2	C-2	C

TOWNSHIP OF HILLSIDE
GENERAL CAPITAL FUND

SCHEDULE OF GENERAL SERIAL BONDS

PURPOSE	DATE OF ISSUE	ORIGINAL ISSUE	MATURITIES OF LOAN OUTSTANDING		INTEREST RATE	BALANCE DECEMBER 31, 2022	DECREASED	BALANCE DECEMBER 31, 2023	
			DATE	AMOUNT					
General Improvement Bonds 2019	6/13/2019	\$ 7,530,000.00	2024	\$ 610,000.00	5.000%				
			2025	570,000.00	5.000%				
			2026	565,000.00	5.000%				
			2027	565,000.00	5.000%				
			2028	565,000.00	2.125%				
			2029	565,000.00	2.250%				
			2030	565,000.00	3.000%				
			2031	565,000.00	3.000%				
			2032	565,000.00	3.000%				
			2033	565,000.00	3.000%				
						\$ 6,310,000.00	\$ 610,000.00	\$ 5,700,000.00	
	General Improvement Bonds 2022	5/25/2022	9,860,000.00	2024	525,000.00	3.750%			
				2025	545,000.00	4.000%			
			2026	565,000.00	4.000%				
			2027	585,000.00	4.000%				
			2028	605,000.00	4.000%				
			2029	630,000.00	4.000%				
			2030	650,000.00	4.000%				
			2031	675,000.00	4.000%				
			2032	695,000.00	4.000%				
			2033	720,000.00	4.000%				
			2034	750,000.00	4.000%				
			2035	775,000.00	4.000%				
			2036	800,000.00	4.000%				
		2037	830,000.00	4.000%					
					\$ 9,860,000.00	\$ 510,000.00	\$ 9,350,000.00		
					\$ 16,170,000.00	\$ 1,120,000.00	\$ 15,050,000.00		

REF.

C

C-4

C

"C-14"

TOWNSHIP OF HILLSIDE

GENERAL CAPITAL FUND

SCHEDULE OF INFRASTRUCTURE LOAN PAYABLE

	<u>REF.</u>		
Balance, December 31, 2022	C		\$ 560,261.51
Decreased by:			
Loan Paid by Budget	C-4	\$ 58,029.55	
Loan Adjustment	C-4	<u>5,534.20</u>	
			<u>63,563.75</u>
Balance, December 31, 2023	C		\$ <u><u>496,697.76</u></u>

"C-15"

TOWNSHIP OF HILLSIDE

GENERAL CAPITAL FUND

SCHEDULE OF RESERVE FOR CONSTRUCTION OF SALT SHED

REF.

Balance, December 31, 2022 and
December 31, 2023

C

\$ 89,321.76

"C-16"

SCHEDULE OF DEMOLITION LOAN RECEIVABLE - STATE OF NEW JERSEY

Balance, December 31, 2022 and
December 31, 2023

C

\$ 58,564.01

"C-17"

TOWNSHIP OF HILLSIDE

GENERAL CAPITAL FUND

SCHEDULE OF RESERVE TO PAY DEBT SERVICE

REF.

Balance, December 31, 2022 and
December 31, 2023

C

\$ 141,908.31

TOWNSHIP OF HILLSIDE

GENERAL CAPITAL FUND

SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

<u>ORDINANCE NUMBER</u>	<u>IMPROVEMENT DESCRIPTION</u>	<u>BALANCE DECEMBER 31, 2023</u>
02-023	Demolition of Unsafe Buildings and Structures at Various Locations	\$ 15,914.00
02-024	Townships Portion of Joint Meeting Capital Improvement Plan	2,070.57
06-016	Townships Portion of Joint Meeting Capital Improvement Plan	9,687.13
09-017	Township's Portion of Joint Meeting Capital Improvement Plan	493,779.00
14-16	Acquisition of a Sewer Jet Vacuum Machine	108,174.00
18-06	Demolition of Unsafe Building & Structures	53,314.01
18-23	Capital Improvements projects for the joint meeting of Essex & Union County	900,000.00
19-16	Acquisition of Vehicles and Equipment	352.00
20-13	Township's Allocable Share of the Flood Mitigation Project of the Joint Meeting of Essex and Union County	1,815,000.00
22-05	Rehabilitation of North Avenue Pump Station	2,465,000.00
22-06	Purchase of Street Sweeper	335,000.00
22-19	Phase II of Local Units Allocable Share of the Flood Mitigation Facilities Project of the Joint Meeting of Essex and Union County	2,700,000.00
22-27	Phase I of Flood Mitigation Facilities Project of the Joint Meeting of Essex and Union County	1,500,000.00
23-02	Phase IV, V and VI of Local Units Allocable Share of the Flood Mitigation Facilities Project of the Joint Meeting of Essex and Union County	3,775,000.00
23-12	2023 Road Improvements	<u>4,190,476.00</u>
		\$ <u><u>18,363,766.71</u></u>

"D-2"

TOWNSHIP OF HILLSIDE

SWIM POOL UTILITY FUND

SCHEDULE OF CASH - TREASURER

	<u>REF.</u>	<u>OPERATING</u>
Balance, December 31, 2022 and December 31, 2023	D	\$ <u>422.52</u>

TOWNSHIP OF HILLSIDE

SWIM POOL UTILITY OPERATING FUND

SCHEDULE OF INTERFUNDS

<u>REF.</u>	<u>TOTAL</u>	<u>CURRENT</u>	<u>GENERAL</u>	<u>PAYROLL</u>	<u>SWIM POOL</u>
		<u>FUND</u>	<u>CAPITAL</u>	<u>AGENCY</u>	<u>UTILITY</u>
			<u>FUND</u>		<u>CAPITAL</u>
					<u>FUND</u>
D	\$ 33,127.07	\$ 33,050.57		\$ 76.50	
D	<u>15,104.29</u>		<u>4,520.23</u>		<u>10,584.06</u>

Balance, December 31, 2022
 and December 31, 2023
 Due From
 Due to

TOWNSHIP OF HILLSIDE

SWIM POOL CAPITAL FUND

SCHEDULE OF FIXED CAPITAL
AUTHORIZED AND UNCOMPLETED

<u>IMPROVEMENT DESCRIPTION</u>	<u>ORDINANCE</u>		<u>BALANCE</u>	<u>BALANCE</u>
	<u>DATE</u>	<u>AMOUNT</u>	<u>DECEMBER 31, 2022</u>	<u>DECEMBER 31, 2023</u>
Rebuild Swim Pool Complex	06/04/84	\$ 3,000.00	\$ 160.94	\$ 160.94
Rehabilitation of Municipal Pool	11/09/88	285,000.00	1,149.82	1,149.82
Various Improvements of Municipal Pool	06/12/12	150,000.00	150,000.00	150,000.00
Various Improvements of Municipal Pool	10/03/12	175,000.00	<u>130,615.63</u>	<u>130,615.63</u>
			<u>\$ 281,926.39</u>	<u>\$ 281,926.39</u>
		<u>REF.</u>	D	D

TOWNSHIP OF HILLSIDE

SWIM POOL CAPITAL FUND

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

<u>IMPROVEMENT DESCRIPTION</u>	<u>ORDINANCE</u>		<u>BALANCE</u> <u>DECEMBER 31, 2022</u> <u>AND DECEMBER 31, 2023</u>	
	<u>DATE</u>	<u>AMOUNT</u>	<u>FUNDED</u>	<u>UNFUNDED</u>
General Improvement:				
Rebuild Swimming Pool Complex	06/04/84	\$ 3,000.00	\$ 160.94	\$
Rehabilitation of Municipal Pool	11/09/88	285,000.00	1,149.82	
Various Improvements of Municipal Pool	06/12/12	150,000.00	963.14	
Various Improvements of Municipal Pool	10/03/12	175,000.00		100,600.00
			<u>\$ 2,273.90</u>	<u>\$ 100,600.00</u>
		<u>REF.</u>	D	D

"D-6"

TOWNSHIP OF HILLSIDE

SWIM POOL CAPITAL FUND

SCHEDULE OF CAPITAL IMPROVEMENT FUND

REF.

Balance, December 31, 2022 and
December 31, 2023

D

\$ 10,250.00

"D-7"

SCHEDULE OF RESERVE FOR AMORTIZATION

Balance, December 31, 2022 and
December 31, 2023

D

\$ 790,689.24

TOWNSHIP OF HILLSIDE

SWIM POOL CAPITAL FUND

SCHEDULE OF DEFERRED RESERVE FOR AMORTIZATION

<u>IMPROVEMENT DESCRIPTION</u>	<u>ORDINANCE</u>	BALANCE DECEMBER 31, <u>2022</u>	BALANCE DECEMBER 31, <u>2023</u>
Rebuild Swimming Pool Complex	425	\$ 160.94	\$ 160.94
Rehabilitation of Municipal Pool	441	1,149.82	1,149.82
Various Improvements of Municipal Pool	12-011	<u>105,015.63</u>	<u>105,015.63</u>
		<u>\$ 106,326.39</u>	<u>\$ 106,326.39</u>
	<u>REF.</u>	D	D

TOWNSHIP OF HILLSIDE
SWIM POOL UTILITY FUND
SCHEDULE OF FIXED CAPITAL

<u>ORDINANCE</u> <u>NUMBER</u>	<u>IMPROVEMENT DESCRIPTION</u>	<u>BALANCE</u> <u>DECEMBER 31,</u> <u>2022</u>	<u>BALANCE</u> <u>DECEMBER 31,</u> <u>2023</u>
332	Construction of Swimming Pool, Central Avenue Playground	\$ 318,000.00	\$ 318,000.00
423	Improvement of Pool Complex	20,000.00	20,000.00
425	Rebuild Swimming Pool Complex	2,839.06	2,839.06
432	Swimming Pool Facilities	86,000.00	86,000.00
441	Rehabilitation of Municipal Pool	<u>283,850.18</u>	<u>283,850.18</u>
		<u>\$ 710,689.24</u>	<u>\$ 710,689.24</u>
		<u>REF.</u> D	D

TOWNSHIP OF HILLSIDE

SWIM POOL CAPITAL FUND

SCHEDULE OF INTERFUNDS

	<u>REF.</u>	<u>TOTAL</u>	<u>CURRENT FUND</u>	<u>GENERAL CAPITAL FUND</u>	<u>SWIM POOL UTILITY OPERATING FUND</u>	<u>GRANT FUND</u>
Balance, December 31, 2022						
Due from	D	\$ 10,584.06	\$	\$	\$ 10,584.06	\$
Due to	D	<u>98,075.79</u>		<u>75,123.29</u>		<u>22,952.50</u>
		<u>105,015.63</u>	<u>105,015.63</u>			
Deferred Charge - Grants Receivable Canceled						
Balance, December 31, 2023						
Due from	D	\$ <u>115,599.69</u>	\$ <u>105,015.63</u>	\$	\$ <u>10,584.06</u>	\$
Due to	D	<u>98,075.79</u>		<u>75,123.29</u>		<u>22,952.50</u>

"D-11"

TOWNSHIP OF HILLSIDE

SWIM POOL CAPITAL FUND

SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

<u>ORDINANCE NUMBER</u>	<u>IMPROVEMENT DESCRIPTION</u>	<u>BALANCE DECEMBER 31, 2023</u>
12-018	Various Improvements of Municipal Pool	\$ <u>100,600.00</u>
		\$ <u>100,600.00</u>

PART II

TOWNSHIP OF HILLSIDE

STATISTICAL DATA

LIST OF OFFICIALS

GENERAL COMMENTS AND RECOMMENDATIONS

YEAR ENDED DECEMBER 31, 2023

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

	<u>DECEMBER 31, 2023</u>		<u>DECEMBER 31, 2022</u>	
	<u>AMOUNT</u>	<u>%</u>	<u>AMOUNT</u>	<u>%</u>
<u>REVENUE AND OTHER INCOME REALIZED</u>				
Fund Balance	\$ 6,252,000.00	6.53%	\$ 3,075,000.00	3.25%
Miscellaneous - From Other Than Local Property				
Tax Levies	15,788,126.55	16.49%	17,314,845.96	18.29%
Collection of Delinquent Taxes and				
Tax Title Liens	1,521,838.96	1.59%	3,895,150.36	4.11%
Collection of Current Tax Levy	<u>72,156,945.09</u>	<u>75.38%</u>	<u>70,379,005.50</u>	<u>74.35%</u>
TOTAL INCOME	\$ 95,718,910.60	100.00%	\$ 94,664,001.82	100.00%
<u>EXPENDITURES</u>				
Budget Expenditures:				
Municipal Purposes	\$ 52,208,845.66	55.38%	\$ 46,021,727.68	52.34%
County Taxes	10,936,546.81	11.60%	11,073,274.10	12.59%
Local School Taxes	31,136,524.00	33.02%	30,831,509.00	35.06%
Other Expenditures	<u>31.99</u>	<u>0.00%</u>	<u>6,357.60</u>	<u>0.01%</u>
TOTAL EXPENDITURES	\$ 94,281,948.46	100.00%	\$ 87,932,868.38	100.00%
<u>Excess in Revenue</u>	<u>\$ 1,436,962.14</u>		<u>\$ 6,731,133.44</u>	
Adjustment to Income Before Fund Balance:				
Expenditures Included Above Which are by Statute				
Deferred Charges to Budgets of Succeeding Years	<u>563,643.03</u>		<u>324,675.57</u>	
Regulatory Excess to Fund Balance	\$ 2,000,605.17		\$ 7,055,809.01	
Fund Balance, January 1	<u>10,743,659.47</u>		<u>6,762,850.46</u>	
	<u>\$ 12,744,264.64</u>		<u>\$ 13,818,659.47</u>	
Less: Utilization as Anticipated Revenue	<u>6,252,000.00</u>		<u>3,075,000.00</u>	
Fund Balance, December 31	<u>\$ 6,492,264.64</u>		<u>\$ 10,743,659.47</u>	

COMPARATIVE STATEMENT OF OPERATIONS AND
CHANGES IN FUND BALANCE - SWIM POOL UTILITY FUND

	<u>DECEMBER 31, 2023</u>		<u>DECEMBER 31, 2022</u>	
	<u>AMOUNT</u>	<u>%</u>	<u>AMOUNT</u>	<u>%</u>
<u>REVENUE AND OTHER INCOME REALIZED</u>				
Miscellaneous Revenues	\$		\$	
Deficit (General Budget)				
<u>TOTAL INCOME</u>	\$		\$	
<u>EXPENDITURES</u>				
Debt Service	\$		\$	
Deferred Charges and Statutory Expenditures				
<u>TOTAL EXPENDITURES</u>	\$		\$	
Excess/(Deficit) in Revenue	\$		\$	
Fund Balance, January 1	18,445.30		18,445.30	
Fund Balance, December 31	\$ <u>18,445.30</u>		\$ <u>18,445.30</u>	

COMPARATIVE SCHEDULE OF TAX RATE INFORMATION

	<u>2023</u>	<u>2022</u>	<u>2021</u>
Tax Rate	<u>8.013</u>	<u>7.939</u>	<u>7.887</u>
Apportionment of Tax Rate:			
Local Municipal	3.282	3.220	3.202
Municipal Library	0.096	0.089	0.082
County	1.153	1.182	1.179
County Open Space	0.043	0.040	0.037
Local School	3.439	3.408	3.387

ASSESSED VALUATION:

2023	<u>\$905,539,695.00</u>		
2022		<u>\$904,690,073.00</u>	
2021			<u>\$901,258,405.00</u>

COMPARISON OF TAX LEVIES AND COLLECTION CURRENTLY

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

<u>YEAR</u>	<u>TAX LEVY</u>	<u>CASH</u> <u>COLLECTION</u>	<u>CURRENTLY</u> <u>PERCENTAGE OF</u> <u>COLLECTIONS</u>
2023	\$73,226,553.69	\$72,156,945.09	98.54%
2022	\$71,905,554.33	\$70,379,005.50	97.88%
2021	\$71,739,798.85	\$69,639,242.76	97.07%

DELINQUENT TAXES AND TAX TITLE LIENS

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

<u>YEAR</u>	<u>AMOUNT OF TAX TITLE LIENS</u>	<u>AMOUNT OF DELINQUENT TAXES</u>	<u>TOTAL DELINQUENT</u>	<u>PERCENTAGE OF TAX LEVY</u>
2023	\$1,119,204.88	\$1,034,611.58	\$2,153,816.46	2.94%
2022	1,184,953.52	1,469,509.79	2,654,463.31	3.69%
2021	1,145,698.83	3,897,016.23	5,042,715.06	7.03%

PROPERTY ACQUIRED BY TAX TITLE LIEN LIQUIDATION

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

<u>YEAR</u>	<u>AMOUNT</u>
2023	\$320,400.00
2022	\$320,400.00
2021	\$2,280,100.00

COMPARATIVE SCHEDULE OF FUND BALANCE

	<u>YEAR</u>	<u>BALANCE</u> <u>DECEMBER 31</u>	<u>UTILIZED IN</u> <u>BUDGET OF</u> <u>SUCCEEDING YEAR</u>
Current Fund	December 31, 2023	\$6,492,264.64	\$5,000,000.00
	December 31, 2022	\$10,743,659.47	\$6,252,000.00
	December 31, 2021	\$6,762,850.46	\$3,075,000.00
	December 31, 2020	\$3,621,346.50	\$1,773,500.00
	December 31, 2019	\$4,203,750.66	\$2,750,000.00

	<u>YEAR</u>	<u>BALANCE</u> <u>DECEMBER 31</u>	<u>UTILIZED IN</u> <u>BUDGET OF</u> <u>SUCCEEDING YEAR</u>
Swim Pool Utility Operating Fund	December 31, 2023	\$18,445.30	-0-
	December 31, 2022	\$18,445.30	-0-
	December 31, 2021	\$18,445.30	-0-
	December 31, 2020	\$18,445.30	-0-
	December 31, 2019	\$18,445.30	-0-

EQUALIZED VALUATIONS - REAL PROPERTY

<u>YEAR</u>	<u>AMOUNT</u>
2023	\$2,641,183,297.33
2022	\$2,401,525,797.33
2021	\$2,397,025,153.00

OFFICIALS IN OFFICE

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

<u>NAME</u>	<u>TITLE</u>	<u>AMOUNT OF BOND</u>
Dahlia O. Vertreese	Mayor	*
Craig Epps	Council President	*
Lisa Bonanno	Councilwoman	*
Robert Rios	Councilman	*
Gerald Pateesh Freedman	Councilman	*
Andrea Hyatt	Councilwoman	*
Christopher Mobley	Councilman	*
Donald DeAugustine	Councilman	*
Shauyn Walker	Acting Township Clerk (left 09/23)	*
Sylvia A. Vason	Acting Township Clerk (from 09/23)	*
Glynn Jones	Chief Financial Officer	*
Sonya Wingate	Tax Collector/Tax Search Officer	*
Marvin Braker	Municipal Judge	*
Seth Dombeck	Chief Municipal Judge	*
Jessica Ciuia	Court Administrator (left 06/23)	*
Veronica Acosta	Deputy Court Administrator / Acting Court Administrator	*
Gracia Montilus	Township Attorney	*
Arthur Figuerredo	Construction Code Official	*
Robin Kaufman	Health Administrator	*
Matthew Cove	Officer in Charge	*
Rashawn Carey	Fire Chief	*
Milva Alcantara	Municipal Prosecutor	*
Landry Belizaire	Municipal Prosecutor	*

*These employees that are statutorily required to be bonded are covered under the Statewide Insurance Fund for \$2,000,000.00

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COMMENTS AND RECOMMENDATIONS

GENERAL COMMENTS

CONTRACTS AND AGREEMENT REQUIRED TO BE ADVERTISED FOR (N.J.S.A. 40A:11-4)

Every contract or agreement for the performance of any work or the furnishing or hiring of any materials or supplies, the cost or the contract price whereof is to be paid with or out of public funds, not included within the terms of Section 3 of this act, shall be made or awarded only by the governing body of the contracting unit after public advertising for bids and bidding therefore, except as is provided otherwise in this act or specifically by any other law. No work, material or supplies shall be undertaken, acquired or furnished for a sum exceeding in the aggregate the amount set forth in or the amount calculated by the Governor pursuant to Section 3 of P.L. 1971 c.189 (C.40A:11-3), except by contract or agreements.

Effective July 1, 2020, the bid threshold in accordance with N.J.S.A. 40A:11-4 is \$17,500.00 or up to \$44,000.00 if the entity has a Qualified Purchasing Agent. The Township of Hillside has not appointed a Qualified Purchasing Agent and therefore their bid threshold remains at \$17,500.00

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

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

- Resurfacing of Various Roadways
- Pump Station Improvements

In as much 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.

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

- Auditing and Accounting Services
- Legal Services
- Engineering Services
- Consultant Services
- Insurance Broker
- Financial and Accounting Services

In addition, purchases utilizing state contracts were made for the following:

- | | |
|------------------------|---------------------------|
| Fuel | Fire Department Equipment |
| Rock Salt | Computer Equipment |
| Postage | Lektriever File System |
| Public Safety Supplies | Fire Vehicles |

DELINQUENT TAXES AND TAX TITLE LIENS

The last tax sale was held on December 22, 2023.

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

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

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

<u>YEAR</u>	<u>NUMBER OF LIENS</u>
2023	28
2022	25
2021	26

VERIFICATION OF DELINQUENT TAXES AND OTHER CHARGES

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

<u>TYPE</u>	<u>NUMBER MAILED</u>
Payments of 2023 Taxes	50
Delinquent Taxes	50

OTHER COMMENTS

Interfunds

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

OTHER COMMENTS (CONTINUED)

Chief Financial Officer

General Ledger

The records maintained in the Finance Office were not maintained in an accurate condition during 2023. General Ledgers, as required by N.J.A.C. 5:30-5.7, were not completely maintained for any funds.

Bank Reconciliations

The Bank Reconciliation for the Current bank account did not agree to the General Ledger.

Appropriations Ledgers

Our analysis of the Township's various appropriation ledgers revealed the following:

Current Fund:

- The 2023 Appropriations included various line items that were over expended by a total of \$16,891.74.
- The 2022 Appropriation Reserves included a line item that was over expended by \$10,041.83.
- An expenditure without an Appropriation occurred in the amount of \$70,986.67.
- Expenditures were charged directly to the Salary adjustment account line item which, per Division of Local Government directives are non-spending appropriations

Trust Other Fund:

- The Police Off-Duty Trust reserve was not reconciled to a detail analysis.
- There was one trust fund reserve over expended by a total of \$1,002.00.

Grant Fund:

- There are many inactive grant receivable and reserves balance at December 31, 2023. These balances should be reviewed for validity and proper disposition.
- There was one grant reserve over expended by a total of \$7,209.26.

Encumbrance Accounting System

The Township has not maintained a complete encumbrance accounting system in accordance with the N.J.A.C. 5:30-5.2. A significant number of purchase orders tested were determined to be confirming orders; that is, purchases were made for goods or services without providing a written purchase order to the Chief Financial Officer to encumber on a timely basis. In effect, the controls that minimize the possibility of over expenditures and unauthorized purchases are not in operation.

OTHER COMMENTS (CONTINUED)

Tax Collector

The detailed analysis of Outside Liens and Tax Sale Premiums at December 31, 2023 were not reconciled to the cash on deposit.

Purchasing

In accordance with N.J.A.C. 40A: 11-3 the Township has established their bid threshold at \$17,500.00. Our examination of the Township's financial records revealed eleven vendors that were paid in excess of \$17,500.00 without proper approval of the governing body.

During the course of our audit we noted one professional contract service awards in which the vendor was paid in excess of the Not to Exceed Amount in the award. In addition, one bid award selected for testing had an unapproved change order paid in the amount of \$6,296.00.

Payroll

Our audit of the Net Payroll and Payroll Agency Accounts disclosed that a detailed analysis of the account balances was not maintained during 2023.

Other Departments

The Building and Fire Departments are not remitting receipts to the Finance Department on a monthly basis.

During our audit of the Township's Departments, we noted several instances where deposits were not made with in 48 as required by N.J.S.A. 40A:5-15.

Community Development Block Grant

Our examination of the financial records for the Community Development Block Grant Program revealed that the current year grant awards were not properly established on the system. In addition, prior year grants were drawn down but were not charged out to the Community Development Block Grant Trust Fund.

Municipal Court

During our audit it was noted that the Municipal Court Bank Accounts were not reconciled on a monthly basis.

We also noted that Municipal Court Fines and Fees were not remitted to the proper agencies by the 15th of the succeeding month.

Other

Per Local Finance Notice 2017-15, the New Jersey Division of Local Government Services requires the auditor to submit a dedicated UCC Enforcement Fee Report along with the annual audit. We were unable to complete this report as the Township's Annual Uniform Construction Code Report, from which this report would be prepared, had not been completed.

RECOMMENDATIONS

- *That General Ledgers for all funds be currently and completely maintained and proven to subsidiary records on a monthly basis.
 - *That sufficient appropriation balances be available prior to the commitment or payment of funds.
 - *That the Township maintain a complete encumbrance accounting system in compliance with N.J.A.C 5:30-5.2.
 - *That all inactive Grant Receivable and Reserve accounts be examined for validity.
 - *That a detailed analysis of the balances in the Net Payroll and Payroll Agency Account be prepared on a monthly basis.
 - *That the detailed analysis of Outside Liens and Tax Sale Premiums be reconciled to the Cash on Deposit on a monthly basis.
 - *That the Current Bank Account bank reconciliation be reconciled to the cash in the General Ledger on a monthly basis.
 - *That the balance in the Police Off-Duty Trust be analyzed and reconciled to the Trust Other General Ledger on a monthly basis.
 - *That all claims be approved by the Township Council prior to payment in accordance with the N.J.S.A. 40A: 5-17.
 - *That all contracts in excess of the bid threshold be awarded by resolution of the governing body in accordance with N.J.S.A 40A: 11-3.
 - *That payments to vendors under professional service contracts be better monitored so that payments made do not exceed contract award amounts and that all professional service contracts be made available for audit.
 - *That all receipts for the Building and Fire department be remitted to the Finance Office on a monthly basis.
 - *That all Township's Departments deposit be made within 48 of receipt as required by N.J.S.A. 40A:5-15.
 - *That Community Development Block Grants be properly established on the financial records and that expenditures submitted for drawdown be properly recorded in the Community Development Block grant trust fund.
 - *That the Township prepare and file the Annual Uniform Construction Code Report.
- That the Salary Adjustment budget line item not be directly charged and that its use be restricted to Title and Text budget amendment as required by DLGS regulations.
- That the Municipal Court Bank Accounts be reconciled on monthly basis.
- That Municipal Court Fines and Fees be remitted to the proper agencies by the 15th of the succeeding month.

