

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

**FINANCIAL STATEMENTS AND  
SUPPLEMENTAL DATA**

December 31, 2019

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

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## **INTRODUCTORY SECTION**



# The Township of Hamilton

*Jeffrey S. Martin*  
Mayor

December 4, 2020

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

The annual financial report for the Township of Hamilton for the year ended December 31, 2019 is hereby submitted, as mandated by state statute. New Jersey state statutes require that the Township annually issue a report on its financial position and activity and that this report be audited by an independent registered municipal accountant. The responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the management of the Township.

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

  
Business Administrator

  
Chief Financial Officer

## **INDEPENDENT AUDITORS' REPORT**

## **INDEPENDENT AUDITORS' REPORT**

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

### **Report on the Financial Statements**

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

### **Management’s Responsibility for the Financial Statements**

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

### **Auditors’ Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in the *Government Auditing Standards*, issued by the Comptroller General of the United States, and requirements of audit prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors’ judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity’s preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Township’s internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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

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

As described in Note A of the financial statements, these financial statements are prepared by the Township on the basis of the financial reporting provisions of the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of the State of New Jersey.

The effects on the financial statements of the variances between the regulatory basis of accounting described in Note A and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

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

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

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

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

### **Other Matters**

The financial statements of the Township as of and for the year ended December 31, 2018, were audited by other auditors whose report dated August 26, 2019, expressed an unmodified opinion on those financial statements which were prepared in accordance with the financial reporting provisions of the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

### *Required Supplementary Information*

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

## INDEPENDENT AUDITORS' REPORT (CONTINUED)

### Other Matters (Continued)

#### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Township's basic financial statements. The supplemental schedules required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and the schedule of expenditures of federal awards as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements of Federal Awards*, as listed in the tables of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplemental schedules and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information, except for parts marked "unaudited", has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental schedules and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole, on the basis of accounting described in Note A. The information marked "unaudited" has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated December 4, 2020, on our consideration of the Township's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Township's internal control over financial reporting and compliance.



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

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

December 4, 2020

**BASIC FINANCIAL STATEMENTS – REGULATORY BASIS**

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

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

December 31, 2019

	Current and Grant	Capital	Trust Funds	Utility Fund Operating	Utility Fund Capital	Utility Fund Assessment	Fixed Asset Account Group	Totals	
								December 31, 2019	Memorandum Only December 31, 2018
<b>ASSETS AND OTHER DEBITS</b>									
Cash and Investments	\$ 16,400,735.23	\$ 4,983,385.19	\$ 22,213,540.63	\$ 4,333,781.95	\$ 11,393,656.88	\$ 467.10	\$ -	\$ 59,325,566.98	\$ 81,390,818.17
Federal and State Grants Receivable	1,200,772.21	-	-	-	-	-	-	1,200,772.21	1,717,572.17
Receivables and Other Assets									
Revenue Accounts Receivable	95,769.69	-	-	-	-	-	-	95,769.69	-
Delinquent Property Taxes and Utility Charges	57,025.88	-	-	-	-	-	-	57,025.88	21,206.09
Other Accounts Receivable	-	-	919,485.67	-	-	-	-	919,485.67	1,015,968.14
Assessments Receivable	-	-	761,545.88	2,392,923.73	-	-	-	3,154,469.61	1,978,803.82
Tax Title, Sewer, and Assessment Liens Receivable	3,145,507.68	-	899.49	95,705.86	-	-	-	3,242,113.03	3,213,719.41
Prepaid School Tax	-	-	-	-	-	-	-	-	1,035,070.02
Interfunds Receivable	-	-	-	-	-	-	-	-	10,589,641.59
Property Acquired for Taxes at Assessed Valuation	367,045.00	-	-	-	-	-	-	367,045.00	367,045.00
Due from State of New Jersey	274,228.48	265,831.78	-	-	8,650.65	-	-	548,710.91	754,159.03
Due from County of Mercer	-	157,500.00	-	-	-	-	-	157,500.00	157,500.00
Prospective Assessments Funded	-	-	2,069,073.50	-	-	-	-	2,069,073.50	2,267,073.50
Deferred Charges	-	88,748,087.36	-	-	-	-	-	88,748,087.36	97,211,082.15
Fixed Capital	-	-	-	-	134,215,182.90	-	-	134,215,182.90	134,215,182.90
Fixed Capital Authorized and Uncompleted	-	-	-	-	72,291,393.82	-	-	72,291,393.82	72,291,393.82
Fixed Assets	-	-	-	-	-	-	109,894,869.25	109,894,869.25	109,252,213.32
	<u>\$ 21,541,084.17</u>	<u>\$ 94,154,804.33</u>	<u>\$ 25,964,545.17</u>	<u>\$ 6,822,411.54</u>	<u>\$ 217,908,884.25</u>	<u>\$ 467.10</u>	<u>\$ 109,894,869.25</u>	<u>\$ 476,287,065.81</u>	<u>\$ 517,478,449.13</u>

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

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

December 31, 2019

	Current and Grant	Capital	Trust Funds	Utility Fund Operating	Utility Fund Capital	Utility Fund Assessment	Fixed Asset Account Group	Totals	
								December 31, 2019	Memorandum Only December 31, 2018
LIABILITIES, RESERVES AND FUND BALANCE									
Overpayments	\$ 20,900.91	\$ -	\$ -	\$ 7,018.03	\$ -	\$ -	\$ -	\$ 27,918.94	\$ 99,053.44
Appropriation Reserves	5,070,327.48	-	-	635,712.06	-	-	-	5,706,039.54	5,774,952.31
Prepaid Taxes, Assessments and Utility Charges	2,377,353.55	-	9,332.15	84,953.88	-	-	-	2,471,639.58	2,769,122.11
Federal and State Grants:									
Appropriated Reserves	2,100,017.17	-	-	-	-	-	-	2,100,017.17	2,384,056.25
Unappropriated Reserves	150,719.25	-	-	-	-	-	-	150,719.25	-
Reserve for Encumbrances	133,146.96	-	-	-	-	-	-	133,146.96	344,452.32
Other Liabilities and Reserves:									
Due to State of New Jersey	44,892.00	-	19.40	-	-	-	-	44,911.40	26,434.00
Due to County of Mercer	171,336.30	-	-	-	-	-	-	171,336.30	-
Reserve for Future Debt Service	-	263,940.90	-	363,439.24	-	-	-	627,380.14	976,993.35
Capital Improvement Fund	-	223,008.74	-	-	192,775.00	-	-	415,783.74	192,775.00
Interfunds Payable	-	-	-	-	-	-	-	-	10,589,641.59
Other Liabilities and Reserves	-	-	9,144,100.46	-	128,363,314.80	-	-	137,507,415.26	128,268,820.71
Improvement Authorizations	-	24,468,844.73	-	-	19,477,494.82	-	-	43,946,339.55	64,090,344.19
Encumbrances and Accounts Payable	1,676,466.01	2,321,298.03	517,854.00	389,336.73	4,740,305.00	-	-	9,645,259.77	7,631,783.62
Reserve for Tax Title Liens	-	-	2,826,928.67	-	-	-	-	2,826,928.67	2,716,928.67
Serial Bonds Payable	-	56,949,000.00	445,000.00	-	58,490,000.00	-	-	115,884,000.00	112,807,000.00
Bond Anticipation Notes Payable	-	8,022,333.00	-	-	6,379,000.00	-	-	14,401,333.00	37,798,000.00
Special Emergency Notes Payable	-	-	-	-	-	-	-	-	440,000.00
Green Trust Loans Payable	-	128,155.08	-	-	-	-	-	128,155.08	177,298.63
NJIB Loans Payable	-	1,775,750.88	-	-	265,288.25	-	-	2,041,039.13	2,355,455.96
Reserve for Receivables	3,665,348.25	-	-	2,488,629.59	-	-	-	6,153,977.84	5,861,767.77
Accrued Interest on Bonds and Notes	-	-	-	1,094,570.21	-	-	-	1,094,570.21	1,271,223.27
County and School Taxes Payable	-	-	-	-	-	-	-	-	582,552.37
Deposits for Tax Sale Redemption/Premiums	-	-	4,434,556.77	-	-	-	-	4,434,556.77	3,353,014.42
Escrow	-	-	8,586,751.72	-	-	-	-	8,586,751.72	8,317,018.61
Investment in General Fixed Assets	-	-	-	-	-	-	109,894,869.25	109,894,869.25	109,252,213.32
Fund Balance	6,130,576.29	2,472.97	2.00	1,758,751.80	706.38	467.10	-	7,892,976.54	9,397,547.22
	<u>\$ 21,541,084.17</u>	<u>\$ 94,154,804.33</u>	<u>\$ 25,964,545.17</u>	<u>\$ 6,822,411.54</u>	<u>\$ 217,908,884.25</u>	<u>\$ 467.10</u>	<u>\$ 109,894,869.25</u>	<u>\$ 476,287,065.81</u>	<u>\$ 517,478,449.13</u>

See note to financial statements.

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

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

Year Ended December 31, 2019

	Current Fund	Utility Operating Funds	Total
Revenues and Other Income Realized			
Fund Balance Utilized	\$ 6,600,000.00	\$ 1,099,900.00	\$ 7,699,900.00
Sewer Rents and Connection Fees	-	15,859,133.59	15,859,133.59
Miscellaneous Revenues Realized	11,993,169.54	973,339.89	12,966,509.43
State Aid	19,166,830.00	-	19,166,830.00
State and Federal Grants	130,852.78	-	130,852.78
Special Items	729,923.88	-	729,923.88
Receipts from Delinquent Taxes	326,212.07	-	326,212.07
Amounts to be Raised by Taxes for Support of Municipal Budget			
Local Tax for Municipal Purposes	67,661,557.50	-	67,661,557.50
Local Library Tax	2,976,091.00	-	2,976,091.00
Subtotal Revenues	<u>109,584,636.77</u>	<u>17,932,373.48</u>	<u>127,517,010.25</u>
Other Credits to Income			
Non-Budget Revenue	507,338.75	-	507,338.75
Prior Year Prepaid School Tax	1,035,070.02	-	1,035,070.02
Unexpended Balance of Prior Year Approp. Res. Lapsed	1,996,542.13	1,342,866.81	3,339,408.94
Total Revenues	<u>113,123,587.67</u>	<u>19,275,240.29</u>	<u>132,398,827.96</u>
Expenditures			
Current Fund Within CAPS:			
General Government	963,601.00	10,963,957.00	11,927,558.00
Department of Administration	1,004,961.00	-	1,004,961.00
Department of Finance	1,714,875.00	-	1,714,875.00
Department of Law	1,929,584.00	-	1,929,584.00
Department of Engineering, Planning & Inspection	4,253,300.60	-	4,253,300.60
Department of Economic Development/Technology	694,466.00	-	694,466.00
Department of Public Safety	24,026,825.96	-	24,026,825.96
Department of Public Works	23,183,082.48	-	23,183,082.48
Department of Health, Recreation and Welfare	3,521,067.00	-	3,521,067.00
Separate Board and Agencies	142,630.00	-	142,630.00
Unclassified Purposes	18,437,124.53	-	18,437,124.53
Deferred Charges and Statutory Expenditures	11,117,448.83	916,906.00	12,034,354.83
Current Fund Excluded From CAPS:			
General Government	4,878,567.00	-	4,878,567.00
Public and Private Programs	915,776.66	-	915,776.66
Capital Improvements	125,000.00	-	125,000.00
Debt Service	10,393,482.85	5,877,231.85	16,270,714.70
Reserve for Uncollected Taxes	680,101.63	-	680,101.63
Subtotal Expenditures	<u>107,981,894.54</u>	<u>17,758,094.85</u>	<u>125,739,989.39</u>
Other Charges	463,509.25	-	463,509.25
Total Expenditures	<u>108,445,403.79</u>	<u>17,758,094.85</u>	<u>126,203,498.64</u>
Statutory Excess to Fund Balance	4,678,183.88	1,517,145.44	6,195,329.32
Fund Balance - January 1	<u>8,052,392.41</u>	<u>1,341,506.36</u>	<u>9,393,898.77</u>
Subtotal	12,730,576.29	2,858,651.80	15,589,228.09
Decreased by: Utilized as Anticipated Revenue	<u>6,600,000.00</u>	<u>1,099,900.00</u>	<u>7,699,900.00</u>
Fund Balance - December 31	<u>\$ 6,130,576.29</u>	<u>\$ 1,758,751.80</u>	<u>\$ 7,889,328.09</u>

See notes to financial statements.

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

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

Year Ended December 31, 2019

	Budget as Modified	Actual	Variance
Revenues and Other Income Realized			
Fund Balance Utilized	\$ 6,600,000.00	\$ 6,600,000.00	\$ -
Miscellaneous Revenues Realized	11,234,232.97	11,993,169.54	758,936.57
State Aid	19,166,830.00	19,166,830.00	-
State and Federal Grants	130,852.78	130,852.78	-
Special Items	729,923.88	729,923.88	-
Receipts from Delinquent Taxes	180,000.00	326,212.07	146,212.07
Amounts to be Raised by Taxes for Support of Municipal Budget			
Local Tax for Municipal Purposes	66,972,558.73	67,661,557.50	688,998.77
Local Library Tax	2,976,091.00	2,976,091.00	-
Subtotal Revenues	<u>107,990,489.36</u>	<u>109,584,636.77</u>	<u>1,594,147.41</u>
Other Credits to Income	-	3,538,950.90	3,538,950.90
Total Revenues	<u>107,990,489.36</u>	<u>113,123,587.67</u>	<u>5,133,098.31</u>
Expenditures			
Current Fund Within CAPS:			
General Government	963,601.00	963,601.00	-
Department of Administration	1,004,961.00	1,004,961.00	-
Department of Finance	1,714,875.00	1,714,875.00	-
Department of Law	1,929,584.00	1,929,584.00	-
Department of Engineering, Planning & Inspection	4,253,300.60	4,253,300.60	-
Department of Economic Development/Technology	694,466.00	694,466.00	-
Department of Public Safety	24,026,825.96	24,026,825.96	-
Department of Public Works	23,183,082.48	23,183,082.48	-
Department of Health, Recreation and Welfare	3,521,067.00	3,521,067.00	-
Separate Board and Agencies	142,630.00	142,630.00	-
Unclassified Purposes	18,437,124.53	18,437,124.53	-
Deferred Charges and Statutory Expenditures	11,117,448.83	11,117,448.83	-
Current Fund Excluded From CAPS:			
General Government	4,878,567.00	4,878,567.00	-
Public and Private Programs	915,776.66	915,776.66	-
Capital Improvements	125,000.00	125,000.00	-
Debt Service	10,402,077.67	10,393,482.85	8,594.82
Reserve for Uncollected Taxes	680,101.63	680,101.63	-
Subtotal Expenditures	<u>107,990,489.36</u>	<u>107,981,894.54</u>	<u>8,594.82</u>
Other Charges	-	463,509.25	(463,509.25)
Total Expenditures	<u>107,990,489.36</u>	<u>108,445,403.79</u>	<u>(454,914.43)</u>
Statutory Excess to Fund Balance	<u>\$ -</u>	4,678,183.88	<u>\$ 4,678,183.88</u>
Fund Balance - January 1		8,052,392.41	
Decreased by: Utilized as Anticipated Revenue		<u>6,600,000.00</u>	
Fund Balance - December 31		<u>\$ 6,130,576.29</u>	

See notes to financial statements.

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

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

Year Ended December 31, 2019

	Budget as Modified	Actual	Variance
Revenues and Other Income Realized			
Fund Balance Anticipated	\$ 1,099,900.00	\$ 1,099,900.00	\$ -
Sewer Rents and Connection Fes	15,850,100.00	15,859,133.59	9,033.59
Miscellaneous Revenues	809,028.00	973,339.89	164,311.89
Subtotal Revenues	17,759,028.00	17,932,373.48	173,345.48
Other Credits to Income	-	1,342,866.81	1,342,866.81
Total Revenues	17,759,028.00	19,275,240.29	1,516,212.29
Expenditures			
Operating Expenses	10,963,957.00	10,963,957.00	-
Debt Service	5,878,165.00	5,877,231.85	933.15
Other Expenses	916,906.00	916,906.00	-
Total Expenditures	17,759,028.00	17,758,094.85	933.15
Statutory Excess to Fund Balance	\$ -	1,517,145.44	\$ 1,517,145.44
Fund Balance - January 1		1,341,506.36	
Decreased by: Utilized as Anticipated Revenue		1,099,900.00	
Fund Balance - December 31		\$ 1,758,751.80	

**INDIVIDUAL FUND FINANCIAL STATEMENTS**

**CURRENT FUND**

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

**A**

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

December 31, 2019 and 2018

	December 31,			December 31,	
	2019	2018		2019	2018
<u>Assets</u>			<u>Liabilities, Reserves and Fund Balances</u>		
Cash and Investments - Treasurer	\$ 15,213,943.06	\$ 17,421,513.04	Prepaid Taxes	\$ 2,377,353.55	\$ 2,590,737.18
Cash - Change Fund	3,681.00	3,281.00	Tax Overpayments	20,900.91	65,296.78
Due from State of N.J. Per Chap. 73, P.L. 1976	274,228.48	259,577.25	Accounts Payable	42,799.67	15,477.03
	<u>15,491,852.54</u>	<u>17,684,371.29</u>	Appropriation Reserves	5,070,327.48	4,292,337.06
Receivables and Other Assets With Full Reserves:			Special Emergency Notes Payable	-	440,000.00
Taxes Receivable	57,025.88	21,206.09	Due to General Capital	-	177,712.25
Tax Title Liens Receivable	3,145,507.68	3,110,849.78	Due to State of New Jersey:		
Prepaid School Tax	-	1,035,070.02	State Marriage License Fees	3,725.00	2,975.00
Property Acquired for Taxes at Assessed Value	367,045.00	367,045.00	DCA Training Fees	41,167.00	23,459.00
Revenue Accounts Receivable	95,769.69	67,188.67	Due County for Added Taxes	171,336.30	582,552.37
Due from Library	-	624.65	PILOT Payable	-	211,850.95
Due from Trust Other Fund	-	7,341.48	Reserve for Encumbrances	1,633,666.34	1,291,523.86
	<u>3,665,348.25</u>	<u>4,609,325.69</u>	Reserve for 2014 Revaluation Exp	-	378,057.40
Deferred Charges:				<u>9,361,276.25</u>	<u>10,071,978.88</u>
Special Emergency Authorization	-	440,000.00	Reserve for Receivables	3,665,348.25	4,609,325.69
Total Current Fund	<u>19,157,200.79</u>	<u>22,733,696.98</u>	Fund Balance	<u>6,130,576.29</u>	<u>8,052,392.41</u>
Grant Fund:			Total Current Fund	<u>19,157,200.79</u>	<u>22,733,696.98</u>
Cash and Investments - Treasurer	1,183,111.17	1,019,587.05	Grant Fund:		
State & Federal Grants Receivable	<u>1,200,772.21</u>	<u>1,708,921.52</u>	Reserve for Encumbrances	133,146.96	344,452.32
Total Grant Fund	<u>2,383,883.38</u>	<u>2,728,508.57</u>	Reserve for State & Federal Grants:		
Total Assets	<u>\$ 21,541,084.17</u>	<u>\$ 25,462,205.55</u>	Appropriated	2,100,017.17	2,384,056.25
			Unappropriated	<u>150,719.25</u>	<u>-</u>
			Total Grant Fund	<u>2,383,883.38</u>	<u>2,728,508.57</u>
			Total Liabilities, Reserves and Fund Balances	<u>\$ 21,541,084.17</u>	<u>\$ 25,462,205.55</u>

See notes to financial statements.

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

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

Years Ended December 31, 2019 and 2018

	2019	2018
<u>REVENUE AND OTHER CREDITS TO INCOME</u>		
Fund Balance Utilized	\$ 6,600,000.00	\$ 5,100,000.00
Miscellaneous Revenues Anticipated	32,020,776.20	30,612,709.11
Receipts from Delinquent Taxes	326,212.07	271,874.91
Receipts from Current Taxes	272,319,266.59	268,006,319.05
Non-Budget Revenue	507,338.75	599,413.51
Other Credits to Income:		
Prior Year Prepaid School Tax	1,035,070.02	-
Unexpended Balance of Prior Year Approp. Res. Lapsed	1,996,542.13	2,703,343.95
Total Revenue and Other Income	<u>314,805,205.76</u>	<u>307,293,660.53</u>
<u>EXPENDITURES</u>		
Budget Appropriations:		
Operations:		
Salaries and Wages	45,628,440.60	45,088,709.00
Other Expenses	40,037,420.63	38,532,071.55
Deferred Charges and Statutory Expenditures	11,117,448.83	10,323,819.22
Capital Improvements	125,000.00	325,000.00
Municipal Debt Service	10,393,482.85	10,141,588.86
Special District Taxes Levied	27,515,133.00	25,979,746.00
County Taxes Levied	55,717,730.72	54,946,059.59
Local District School Taxes Levied	119,128,856.00	115,534,757.00
Local District School Taxes Prepaid	-	1,035,070.02
Refund of Prior Year Revenue	350,381.95	353,726.17
Other	111,877.30	92,961.83
Prior Year's Senior Citizens'/Veterans' Deductions	1,250.00	5,000.00
Total Expenditures	<u>310,127,021.88</u>	<u>302,358,509.24</u>
Statutory Excess to Fund Balance	4,678,183.88	4,935,151.29
Fund Balance - January 1	<u>8,052,392.41</u>	<u>8,217,241.12</u>
Subtotal	12,730,576.29	13,152,392.41
Decreased by: Utilized as Anticipated Revenue	<u>6,600,000.00</u>	<u>5,100,000.00</u>
Fund Balance - December 31	<u>\$ 6,130,576.29</u>	<u>\$ 8,052,392.41</u>

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

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

Year Ended December 31, 2019

	Anticipated		Realized	Excess (Deficit)
	2019 Budget	N.J.S.A. 40A:4-87		
Surplus Anticipated	\$ 6,600,000.00	\$ -	\$ 6,600,000.00	\$ -
Miscellaneous Revenues:				
Licenses:				
Alcoholic Beverage	95,000.00	-	96,200.00	1,200.00
Other	180,000.00	-	200,730.81	20,730.81
Fees and Permits:				
Other	330,000.00	-	420,000.27	90,000.27
Fines and Costs:				
Municipal Court	940,000.00	-	1,210,777.90	270,777.90
Interest and Costs on Taxes	575,000.00	-	697,419.51	122,419.51
Interest on Investments and Deposits	800,000.00	-	867,072.07	67,072.07
Cable Franchise Fees	1,304,175.57	-	1,304,175.57	-
Housing, Site and Contractor Fees	940,000.00	-	1,010,943.80	70,943.80
Energy Receipts Tax	19,166,830.00	-	19,166,830.00	-
Payments in Lieu of Taxes - Low Cost Housing	300,000.00	-	319,721.74	19,721.74
Reimbursement for Administrative Service:				
Free Public Library	200,000.00	-	200,000.00	-
Sewer Operating Fund	175,000.00	-	175,000.00	-
Admin Fee - Police Outside Empl	1,275,000.00	-	1,275,000.00	-
Uniform Construction Code Fees	2,000,000.00	-	2,145,644.00	145,644.00
Reserve for Revaluation - Cancellation	378,057.40	-	378,057.40	-
Developers Escrow - Engineering & Planning Staff	210,000.00	-	186,006.34	(23,993.66)
Special Items:				
Alcohol Education & Rehab	-	17,682.44	17,682.44	-
Click It or Ticket Grant	-	5,500.00	5,500.00	-
Safe Routes to Schools (Klockner)	-	342,000.00	342,000.00	-
Body Armor	16,060.78	-	16,060.78	-
Drive Sober or GPO	-	5,500.00	5,500.00	-
Clean Communities	-	197,511.76	197,511.76	-
Community Steward Incent Prog	10,000.00	-	10,000.00	-
Dept of Justice	15,620.00	-	15,620.00	-
Municipal Alliance	78,832.00	-	78,832.00	-
Drunk Driving Enforcement	-	11,010.43	11,010.43	-
Drive Sober or GPO	4,840.00	-	4,840.00	-
Recycling Tonnage Grant	-	150,719.25	150,719.25	-
Distracted Driving	5,500.00	-	5,500.00	-
Septemberfest Sponsorships and Vendor Fees	50,000.00	-	30,370.00	(19,630.00)
Ecological Facility & Various Leases	150,000.00	-	79,213.06	(70,786.94)
HUD Administrative Reimbursements & HCVP	175,000.00	-	175,000.00	-
American Metro - Payment in Lieu of Taxes	475,000.00	-	548,037.85	73,037.85
Golf Center	87,000.00	-	79,419.00	(7,581.00)
Sayen House/Gardens, Kuser Rental Fees	110,000.00	-	106,173.95	(3,826.05)
Hotel Fees	360,000.00	-	363,206.27	3,206.27
Capital Fund - Reserve for Debt Service	125,000.00	-	125,000.00	-
Total Miscellaneous Revenues	<u>30,531,915.75</u>	<u>729,923.88</u>	<u>32,020,776.20</u>	<u>758,936.57</u>
Receipts from Delinquent Taxes	<u>180,000.00</u>	<u>-</u>	<u>326,212.07</u>	<u>146,212.07</u>

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

**A-2**

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

Year Ended December 31, 2019

	Anticipated		Realized	Excess (Deficit)
	2019 Budget	N.J.S.A. 40A:4-87		
Amount to be Raised by Taxation for Support of Municipal Budget:				
Local Tax for Municipal Purposes Including Reserve for Uncollected Taxes	66,972,558.73	-	67,661,557.50	688,998.77
Local Tax for Municipal Library	2,976,091.00	-	2,976,091.00	-
Total Amount to be Raised By Taxation	69,948,649.73	-	70,637,648.50	688,998.77
Budget Totals	107,260,565.48	729,923.88	109,584,636.77	1,594,147.41
Non-Budget Revenues	-	-	507,338.75	507,338.75
	<u>\$ 107,260,565.48</u>	<u>\$ 729,923.88</u>	<u>\$ 110,091,975.52</u>	<u>\$ 2,101,486.16</u>
Analysis of Non-Budget Revenues:				
Cellular Tower Rentals			\$ 22,597.44	
Recycling			3,198.25	
Homestead Rebate Admin Fee			8,980.80	
NFS Bad Checks			1,760.00	
Tax Office			275,834.53	
Other			154,617.33	
Wedding Ceremonies			17,050.00	
Restitution			672.93	
Plans/Specifications			3,727.47	
Sale of Municipal Assets			18,900.00	
			<u>\$ 507,338.75</u>	
<u>Analysis of Realized Revenues</u>				
Allocation of Current Tax Collection:				
Revenue from Collection:				
Collections by Cash:				
Year 2019	\$268,868,011.61			
Year 2018	2,590,737.18			
Sr. Cit. & Vet. Deduction Reimbursement	860,517.80		\$ 272,319,266.59	
School, County and Special District Taxes			202,361,719.72	
			69,957,546.87	
Add: Reserve for Uncollected Taxes			680,101.63	
			<u>\$ 70,637,648.50</u>	
Receipts from Delinquent Taxes:				
Delinquent Tax Collection			\$ 20,124.44	
Tax Title Lien Collection			306,087.63	
			<u>\$ 326,212.07</u>	

See notes to financial statements.

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

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**CURRENT FUND  
STATEMENT OF EXPENDITURES**

Year Ended December 31, 2019

	2019 Budget	Budget After Modification	Paid	Expended Encumbered	Reserved	Unexpected Balance Canceled
Operations Within "CAPS"						
<u>GENERAL GOVERNMENT:</u>						
Office of the Mayor						
Salaries and Wages	\$ 371,755.00	\$ 371,755.00	\$ 345,309.25	\$ -	\$ 26,445.75	\$ -
Other Expenses	15,976.00	15,976.00	7,653.06	5,964.66	2,358.28	-
Township Council						
Salaries and Wages	78,639.00	78,639.00	78,332.04	-	306.96	-
Other Expenses	37,700.00	37,700.00	27,632.40	306.13	9,761.47	-
Office of the Municipal Clerk						
Salaries and Wages	332,723.00	332,723.00	311,499.36	-	21,223.64	-
Other Expenses	126,808.00	126,808.00	103,191.31	8,666.14	14,950.55	-
<u>DEPARTMENT OF ADMINISTRATION:</u>						
Business Administrator						
Salaries and Wages	220,198.00	222,198.00	205,268.13	-	16,929.87	-
Other Expenses	9,280.00	9,280.00	6,343.05	310.13	2,626.82	-
Human Resources						
Salaries and Wages	249,896.00	257,196.00	251,499.32	-	5,696.68	-
Other Expenses	9,150.00	9,150.00	7,876.88	263.07	1,010.05	-
Training	10,000.00	10,000.00	418.24	-	9,581.76	-
Division of Budget and Purchasing						
Salaries and Wages	332,709.00	332,709.00	308,811.11	-	23,897.89	-
Other Expenses	25,098.00	25,098.00	12,337.30	7,114.97	5,645.73	-
Postage Costs	139,330.00	139,330.00	137,694.53	61.76	1,573.71	-
<u>DEPARTMENT OF FINANCE:</u>						
Financial Administration:						
Salaries and Wages	319,900.00	349,900.00	331,373.89	-	18,526.11	-
Other Expenses	205,070.00	205,070.00	173,438.97	26,446.71	5,184.32	-
Annual Audit	65,870.00	65,870.00	65,870.00	-	-	-

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

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

Year Ended December 31, 2019

	2019 Budget	Budget After Modification	Expended			Unexpected Balance Canceled
			Paid	Encumbered	Reserved	
Operations Within "CAPS" (Cont'd.)						
<u>DEPARTMENT OF FINANCE: (CONT'D.)</u>						
Division of Assessments						
Salaries and Wages	410,202.00	413,902.00	395,663.98	-	18,238.02	-
Other Expenses	146,585.00	146,585.00	102,097.39	19,035.60	25,452.01	-
Division of Revenue Collection						
Salaries and Wages	468,048.00	468,048.00	425,648.47	-	42,399.53	-
Other Expenses	65,500.00	65,500.00	43,661.68	20,233.07	1,605.25	-
<u>DEPARTMENT OF LAW:</u>						
Legal Services						
Salaries and Wages	371,128.00	286,128.00	261,715.44	-	24,412.56	-
Other Expenses	106,400.00	191,400.00	114,280.92	52,925.83	24,193.25	-
Municipal Prosecutor						
Salaries and Wages	86,873.00	86,873.00	82,878.65	-	3,994.35	-
Municipal Court						
Salaries and Wages	1,163,923.00	1,163,923.00	999,423.71	-	164,499.29	-
Other Expenses	113,600.00	113,600.00	84,305.45	8,779.25	20,515.30	-
Public Defender						
Salaries and Wages	87,660.00	87,660.00	82,976.97	-	4,683.03	-
<u>DEPARTMENT OF ENGINEERING, PLANNING AND INSPECTIONS:</u>						
Division of Engineering						
Salaries and Wages	664,507.00	614,507.00	552,879.52	-	61,627.48	-
Other Expenses	175,255.00	154,855.00	58,839.52	46,377.65	49,637.83	-
Community Planning & Compliance						
Salaries and Wages	588,432.00	608,432.00	581,296.30	-	27,135.70	-
Other Expenses	12,860.00	12,860.00	4,033.77	735.00	8,091.23	-
Zoning Board						
Salaries and Wages	111,433.00	113,433.00	107,380.24	-	6,052.76	-
Other Expenses	450.00	450.00	222.20	182.24	45.56	-
Affordable Housing						
Salaries and Wages	225,587.60	225,587.60	42,687.91	-	182,899.69	-

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

**A-3**

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

Year Ended December 31, 2019

	2019 Budget	Budget After Modification	Expended			Unexpected Balance Canceled
			Paid	Encumbered	Reserved	
Operations Within "CAPS" (Cont'd.)						
<u>DEPARTMENT OF ENGINEERING,</u>						
<u>PLANNING AND INSPECTIONS (CONT'D.)</u>						
Office on Housing Inspections						
Salaries and Wages	402,483.00	402,483.00	369,259.44	-	33,223.56	-
Other Expenses	21,450.00	21,450.00	16,202.96	1,000.68	4,246.36	-
Uniform Construction Code						
Salaries and Wages	1,495,513.00	1,420,513.00	1,267,700.77	-	152,812.23	-
Other Expenses	678,730.00	678,730.00	648,396.21	115.00	30,218.79	-
<u>DEPARTMENT OF ECONOMIC DEVELOPMENT:</u>						
Salaries and Wages	364,064.00	384,064.00	371,891.51	-	12,172.49	-
Other Expenses	310,402.00	310,402.00	162,997.32	91,701.71	55,702.97	-
<u>DEPARTMENT OF PUBLIC SAFETY:</u>						
Police Division						
Salaries and Wages	22,706,180.00	22,706,180.00	21,627,682.20	-	1,078,497.80	-
Other Expenses	1,149,892.96	1,049,892.96	640,315.82	307,147.25	102,429.89	-
Purchase of Police Vehicles	220,000.00	220,000.00	6,834.94	212,965.50	199.56	-
Office of Emergency Management						
Other Expenses	50,753.00	50,753.00	16,333.25	11,261.61	23,158.14	-
<u>DEPARTMENT OF PUBLIC WORKS:</u>						
Public Works						
Salaries and Wages	4,370,901.00	4,270,901.00	4,087,067.13	-	183,833.87	-
Other Expenses	881,849.00	726,849.00	316,806.27	45,582.44	364,460.29	-
Other Public Works Functions						
Salaries and Wages	99,825.00	99,825.00	92,485.54	-	7,339.46	-
Other Expenses	18,530.00	18,530.00	10,737.18	719.07	7,073.75	-
Division of Buildings and Grounds						
Salaries and Wages	2,177,947.00	2,102,947.00	1,982,400.42	-	120,546.58	-
Other Expenses	482,038.00	482,038.00	419,141.16	48,046.55	14,850.29	-
Solid Waste Collection & Recycling						
Salaries and Wages	115,618.00	121,618.00	112,267.76	-	9,350.24	-
Other Expenses	4,660,000.00	4,660,000.00	4,441,352.14	50,967.74	167,680.12	-

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

**A-3**

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

Year Ended December 31, 2019

	2019 Budget	Budget After Modification	Expended			Unexpected Balance Canceled
			Paid	Encumbered	Reserved	
Operations Within "CAPS" (Cont'd.)						
<u>DEPARTMENT OF PUBLIC WORKS: (CON'TD)</u>						
Maintenance of Motor Vehicles						
Salaries and Wages	1,234,447.00	1,184,447.00	1,098,750.30	-	85,696.70	-
Other Expenses	604,628.00	679,628.00	586,292.93	75,323.86	18,011.21	-
Landfill/Solid Waste Disposal Costs	5,350,000.00	5,500,000.00	4,953,643.54	393,130.88	153,225.58	-
Maintenance of Parks						
Salaries and Wages	2,829,354.00	2,714,354.00	2,507,396.21	-	206,957.79	-
Other Expenses	367,179.00	367,179.00	228,093.60	50,885.61	88,199.79	-
Division of Citizen Response						
Salaries and Wages	251,983.00	251,983.00	209,967.40	-	42,015.60	-
Other Expenses	2,783.48	2,783.48	1,994.96	114.48	674.04	-
<u>DEPARTMENT OF HEALTH, RECREATION AND WELFARE:</u>						
Public Health Services						
Salaries and Wages	822,397.00	851,397.00	830,275.24	-	21,121.76	-
Other Expenses	204,574.00	179,574.00	161,705.98	8,793.67	9,074.35	-
Environmental Health Services						
Salaries and Wages	471,875.00	471,875.00	444,235.20	-	27,639.80	-
Other Expenses	16,614.00	16,614.00	8,215.38	2,573.29	5,825.33	-
Animal Control Services						
Salaries and Wages	456,159.00	377,159.00	323,610.56	-	53,548.44	-
Other Expenses	144,550.00	144,550.00	124,773.61	16,696.67	3,079.72	-
Division of Recreation						
Salaries and Wages	399,121.00	399,121.00	345,241.92	-	53,879.08	-
Other Expenses	497,420.00	472,420.00	355,092.01	56,443.93	60,884.06	-
Office of Sr. Citizens' Programs						
Salaries and Wages	456,867.00	430,867.00	383,967.68	-	46,899.32	-
Other Expenses	177,490.00	177,490.00	100,473.36	36,037.44	40,979.20	-

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

**A-3**

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

Year Ended December 31, 2019

	2019 Budget	Budget After Modification	Expended			Unexpected Balance Canceled
			Paid	Encumbered	Reserved	
Operations Within "CAPS" (Cont'd.)						
<u>SEPARATE BOARDS AND AGENCIES:</u>						
Environmental Commission (N.J.S.A. 40:56A-81 et seq.)						
Salaries and Wages	700.00	700.00	525.00	-	175.00	-
Other Expenses	3,640.00	3,640.00	2,338.66	-	1,301.34	-
Zoning Board of Adjustment						
Other Expenses	23,932.00	23,932.00	16,554.18	71.97	7,305.85	-
Economic Development Commission						
Salaries and Wages	1,000.00	1,000.00	1,000.00	-	-	-
Other Expenses	2,700.00	2,700.00	2,585.58	114.42	-	-
Planning Board						
Other Expenses	23,932.00	23,932.00	16,023.33	69.99	7,838.68	-
Board of Public Officers						
Salaries and Wages	400.00	700.00	550.00	-	150.00	-
Other Expenses	100.00	100.00	-	-	100.00	-
Municipal Alliance						
Salaries and Wages	450.00	450.00	375.00	-	75.00	-
Aid to Museum (N.J.S.A. 40:23-6.22)	6,550.00	6,550.00	6,550.00	-	-	-
Center for the Physically Limited (N.J.S.A. 40:13)	19,396.00	19,396.00	19,396.00	-	-	-
First Aid Organizations - Contributions	40,000.00	40,000.00	40,000.00	-	-	-
Cultural and Arts Commission						
Salaries and Wages	150.00	150.00	-	-	150.00	-
Other Expenses	850.00	850.00	140.75	648.00	61.25	-
Neighborhood Service Center - Contributions	10,000.00	10,000.00	10,000.00	-	-	-
Redevelopment Board						
Salaries and Wages	250.00	250.00	-	-	250.00	-
Other Expenses	4,580.00	4,580.00	-	-	4,580.00	-

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

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

Year Ended December 31, 2019

	2019 Budget	Budget After Modification	Expended			Unexpected Balance Canceled
			Paid	Encumbered	Reserved	
Operations Within "CAPS" (Cont'd.)						
<u>SEPARATE BOARDS AND AGENCIES (CONT'D.)</u>						
Shade Tree Commission						
Salaries and Wages	450.00	550.00	425.00	-	125.00	-
Other Expenses	300.00	300.00	175.00	-	125.00	-
Parks and Recreation Commission						
Salaries and Wages	100.00	100.00	-	-	100.00	-
Rent Leveling Board						
Salaries and Wages	700.00	700.00	700.00	-	-	-
Other Expenses	50.00	50.00	-	-	50.00	-
Senior Center Advisory Commission						
Salaries and Wages	1,000.00	1,000.00	-	-	1,000.00	-
Public Safety Commission						
Salaries and Wages	200.00	200.00	-	-	200.00	-
Special Needs Commission						
Salaries and Wages	600.00	600.00	-	-	600.00	-
Other Expenses	200.00	200.00	-	-	200.00	-
<u>UNCLASSIFIED PURPOSES:</u>						
Aid to Board of Fire Commissioners	15,000.00	15,000.00	15,000.00	-	-	-
Utility Expense and Bulk Purchase	3,099,260.00	3,099,260.00	2,666,802.54	25,827.37	406,630.09	-
Retirement Payouts	200,000.00	200,000.00	187,293.25	-	12,706.75	-
Other Insurance General Liability	542,588.00	542,588.00	542,588.00	-	-	-
Group Insurance	12,765,334.53	13,315,334.53	13,315,334.53	-	-	-
Self Insurance	1,194,942.00	1,194,942.00	1,194,942.00	-	-	-
Condominium Services Act	70,000.00	70,000.00	-	-	70,000.00	-
<b>Total Operations Within "CAPS"</b>	<b>79,871,517.57</b>	<b>79,871,517.57</b>	<b>73,607,441.68</b>	<b>1,633,641.34</b>	<b>4,630,434.55</b>	<b>-</b>
<b>DETAIL:</b>						
Salaries and Wages	44,944,347.60	44,409,747.60	41,609,711.82	-	2,800,035.78	-
Other Expenses	34,927,169.97	35,461,769.97	31,997,729.86	1,633,641.34	1,830,398.77	-

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

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

Year Ended December 31, 2019

	2019 Budget	Budget After Modification	Expended			Unexpected Balance Canceled
			Paid	Encumbered	Reserved	
<u>Operations Excluded from "CAPS"</u>						
<u>DEFERRED CHARGES AND STATUTORY EXPENDITURES - MUNICIPAL - WITHIN "CAPS"</u>						
Contributions to:						
Public Employees Retirement System	3,260,665.83	3,260,665.83	3,260,665.83	-	-	-
Social Security System (O.A.S.I.)	2,286,724.00	2,286,724.00	2,038,992.47	-	247,731.53	-
DCRP	25,000.00	25,000.00	2,146.82	-	22,853.18	-
Police and Firemen's Retirement Sys. of NJ	5,545,059.00	5,545,059.00	5,545,059.00	-	-	-
Total Deferred Charges and Statutory Expenditures - Municipal - Within "CAPS"	11,117,448.83	11,117,448.83	10,846,864.12	-	270,584.71	-
Total General Appropriations for Municipal Purposes Within "CAPS"	90,988,966.40	90,988,966.40	84,454,305.80	1,633,641.34	4,901,019.26	-
Maintenance of Free Public Library	2,976,091.00	2,976,091.00	2,976,091.00	-	-	-
Police Dispatch/911						
Salaries and Wages	1,218,693.00	1,218,693.00	1,085,587.62	-	133,105.38	-
Other Expenses	115,993.00	115,993.00	115,057.16	25.00	910.84	-
Supplemental Fire Services Program	127,790.00	127,790.00	127,790.00	-	-	-
Special Emergency Revaluation	440,000.00	440,000.00	440,000.00	-	-	-

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

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

Year Ended December 31, 2019

	2019 Budget	Budget After Modification	Expended			Unexpected Balance Canceled
			Paid	Encumbered	Reserved	
<u>Operations Excluded from "CAPS" (Cont'd.)</u>						
STATE AND FEDERAL PROGRAMS						
<u>OFF-SET BY REVENUES:</u>						
Alcohol Ed. And Rehab	-	17,682.44	17,682.44	-	-	-
Safe Routes to Schools (Klockner)	-	342,000.00	342,000.00	-	-	-
Click It or Ticket Grant	-	5,500.00	5,500.00	-	-	-
Clean Communities	-	197,511.76	197,511.76	-	-	-
Drunk Driving Enforcement	-	11,010.43	11,010.43	-	-	-
Distracted Driving	5,500.00	5,500.00	5,500.00	-	-	-
Municipal Alliance	78,832.00	78,832.00	78,832.00	-	-	-
Drive Sober or GPO	-	5,500.00	5,500.00	-	-	-
Body Armor	16,060.78	16,060.78	16,060.78	-	-	-
Justice Assistance	15,620.00	15,620.00	15,620.00	-	-	-
Drive Sober or GPO	4,840.00	4,840.00	4,840.00	-	-	-
Community Steward Incent Prog	10,000.00	10,000.00	10,000.00	-	-	-
Recycling Tonnage	-	150,719.25	150,719.25	-	-	-
Matching Funds for Historical Society	30,000.00	30,000.00	-	-	30,000.00	-
Matching Funds for Municipal Alliance	19,708.00	19,708.00	19,708.00	-	-	-
Matching Funds for Grants	5,292.00	5,292.00	-	-	5,292.00	-
<b>Total Operations Excluded from "CAPS"</b>	<b>5,064,419.78</b>	<b>5,794,343.66</b>	<b>5,625,010.44</b>	<b>25.00</b>	<b>169,308.22</b>	<b>-</b>
DETAIL:						
Salaries and Wages	1,218,693.00	1,218,693.00	1,085,587.62	-	133,105.38	-
Other Expenses	3,845,726.78	4,575,650.66	4,539,422.82	25.00	36,202.84	-

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

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

Year Ended December 31, 2019

	2019 Budget	Budget After Modification	Expended			Unexpected Balance Canceled
			Paid	Encumbered	Reserved	
<b>CAPITAL IMPROVEMENTS EXCLUDED FROM "CAPS"</b>						
Capital Improvement Fund	125,000.00	125,000.00	125,000.00	-	-	-
Total Capital Improvements Excluded from "CAPS"	125,000.00	125,000.00	125,000.00	-	-	-
<b>MUNICIPAL DEBT SERVICE EXCLUDED FROM "CAPS"</b>						
Payment of Bond Principal	7,450,000.00	7,450,000.00	7,450,000.00	-	-	-
Interest on Bonds	2,053,418.20	2,053,418.20	2,053,417.84	-	-	0.36
Principal Payment BANS	18,700.00	18,700.00	18,667.00	-	-	33.00
Interest on Notes	467,505.00	467,505.00	467,487.70	-	-	17.30
Special Emergency Note Interest	13,164.00	13,164.00	13,164.00	-	-	-
Special Assessment Interest	23,121.25	23,121.25	23,121.25	-	-	-
Green Trust Loan Program						
Payment of Principal	49,143.55	49,143.55	49,143.55	-	-	-
Payment of Interest	3,282.85	3,282.85	3,282.85	-	-	-
NJIB						
Payment of Principal	294,430.32	294,430.32	294,420.32	-	-	10.00
Payment of Interest	29,312.50	29,312.50	20,778.34	-	-	8,534.16
Total Municipal Debt Service Excluded from "CAPS"	10,402,077.67	10,402,077.67	10,393,482.85	-	-	8,594.82
Total General Appropriations for Municipal Excluded from "CAPS"	15,591,497.45	16,321,421.33	16,143,493.29	25.00	169,308.22	8,594.82
Subtotal General Appropriations	106,580,463.85	107,310,387.73	100,597,799.09	1,633,666.34	5,070,327.48	8,594.82
Reserve for Uncollected Taxes	680,101.63	680,101.63	680,101.63	-	-	-
Total General Appropriations	<u>\$ 107,260,565.48</u>	<u>\$ 107,990,489.36</u>	<u>\$ 101,277,900.72</u>	<u>\$ 1,633,666.34</u>	<u>\$ 5,070,327.48</u>	<u>\$ 8,594.82</u>
Adopted Budget		\$ 107,260,565.48				
Appropriated N.J.S.A. 40A:4-87		729,923.88				
		<u>\$ 107,990,489.36</u>				
Cash Disbursed			\$ 99,682,022.43			
State & Federal Grants Appropriated			915,776.66			
Reserve for Uncollected Taxes			680,101.63			
			<u>\$ 101,277,900.72</u>			

See notes to financial statements.

**TRUST FUND**

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

**B**

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

December 31, 2019 and 2018

	December 31,			December 31,	
	2019	2018		2019	2018
<u>Assets</u>			<u>Liabilities, Reserves and Fund Balance</u>		
Trust Assessment Fund:			Trust Assessment Fund:		
Cash and Investments - Treasurer	\$ 449,743.95	\$ 382,957.95	Prepaid Assessments	\$ 9,332.15	\$ 9,332.15
Assessments Receivable	761,545.88	828,331.88	Reserve for Assessments, Liens and Assessment Lien Interest and Costs	2,826,928.67	2,716,928.67
Assessment Lien, Interest & Costs	899.49	899.49	Serial Bonds Payable	445,000.00	753,000.00
Prospective Assessments Funded	2,069,073.50	2,267,073.50	Fund Balance	2.00	2.00
			Total Trust Assessment Fund	3,281,262.82	3,479,262.82
Total Trust Assessment Fund	3,281,262.82	3,479,262.82			
Animal Control Trust Fund:			Animal Control Trust Fund:		
Cash and Investments - Treasurer	80,998.10	96,883.40	Reserve for Animal Control Escrow	74,979.14	68,033.58
			Reserve for Encumbrances	5,937.00	5,937.00
			Due to State of NJ	62.56	22,891.22
			Due to State of NJ	19.40	21.60
Total Animal Control Trust Fund	80,998.10	96,883.40	Total Animal Control Trust Fund	80,998.10	96,883.40
Trust-Other Fund:			Trust-Other Fund:		
Cash and Investments - Treasurer	21,425,500.11	21,836,622.36	Reserve for Encumbrances	516,338.44	248,038.22
			Escrow Funds	7,356,322.25	7,193,092.13
			Performance Guarantees	1,305,235.05	1,305,235.05
			Due to Current Fund	-	7,341.48
			Deposits for Tax Sale Redemp./Premium	4,434,556.77	3,353,014.42
			Utilities Trust Reserve	154,812.22	208,265.64
			Developers Escrow	1,224,492.47	1,117,989.48
			Dedicated Law Enfor. Trust Fund	16,227.52	18,064.67
			Affordable Housing	5,293,649.56	5,196,491.35
			Flexible Spending Account	21,795.27	24,568.65
			Unemployment Trust	130,795.62	100,143.08
			Insurance Trust Reserve	45,953.13	816,884.30
			Off-Duty Police	389,172.30	1,473,036.75
			Storm Recovery	268,604.64	268,604.64
			Payroll Deductions Payable	76,391.17	505,752.50
			Green Trust Reserve	191,153.70	100.00
Total Trust-Other Fund	\$ 21,425,500.11	\$ 21,836,622.36	Total Trust-Other Fund	21,425,500.11	21,836,622.36

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

**B**

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

December 31, 2019 and 2018

	December 31,			December 31,	
	2019	2018		2019	2018
<u>Assets</u>			<u>Liabilities, Reserves and Fund Balance</u>		
Housing and Community Development Act of 1974:			Housing & Community Development Act of 1974:		
Cash and Investments - Treasurer	21,524.93	86,098.72	Reserve for Commun. Develop. Blk. Grant Projects	941,010.60	1,034,253.54
Accounts Receivable	919,485.67	948,154.82	Total Housing & Community Development Act of 1974	941,010.60	1,034,253.54
Total Housing and Community Development Act of 1974	941,010.60	1,034,253.54			
Self-Insurance Trust Fund:			Self-Insurance Trust Fund:		
Cash and Investments - Treasurer	14,186.48	23,379.65	Reserve for Insurance Claims: Worker's Compensation	14,186.48	23,379.65
Total Self Insurance Trust Fund	14,186.48	23,379.65	Total Self Insurance Trust Fund	14,186.48	23,379.65
HUD Housing Voucher Trust Fund:			HUD Housing Voucher Trust Fund:		
Cash and Investments - Treasurer	221,587.06	403,439.41	Reserve for HUD Housing Voucher Program Expenditures	220,134.06	341,551.05
			Accrued Payroll	-	60,435.36
			Accounts Payable	1,453.00	1,453.00
Total HUD Housing Voucher Trust Fund	221,587.06	403,439.41	Total HUD Housing Voucher Trust Fund	221,587.06	403,439.41
Total Trust Funds	<u>\$ 25,964,545.17</u>	<u>\$ 26,873,841.18</u>	Total Trust Funds	<u>\$ 25,964,545.17</u>	<u>\$ 26,873,841.18</u>

See notes to financial statements.

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

**B-1**

TRUST ASSESSMENT FUND  
STATEMENT OF REVENUES

Year Ended December 31, 2019

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	Budget Revenues	Realized
Deficit (General Budget)	<u>\$ 110,000.00</u>	<u>\$ 110,000.00</u>

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

**B-2**

TRUST ASSESSMENT FUND  
STATEMENT OF EXPENDITURES

Year Ended December 31, 2019

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	Budget Appropriation	Expended
Payment of Bond Principal	<u>\$ 110,000.00</u>	<u>\$ 110,000.00</u>

**GENERAL CAPITAL FUND**

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

**C**

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

December 31, 2019 and 2018

	<u>2019</u>	<u>2018</u>
<u>Assets</u>		
Cash and Investments - Treasurer	\$ 4,983,385.19	\$ 19,763,838.47
Due from State of NJ DOT	265,831.78	494,581.78
Due from County of Mercer	157,500.00	157,500.00
Due from Current Fund	-	177,712.25
Deferred Charges to Future Taxation:		
Funded	58,852,905.96	59,257,233.75
Unfunded	29,895,181.40	37,513,848.40
	<u>\$ 94,154,804.33</u>	<u>\$ 117,364,714.65</u>
<u>Liabilities, Reserves and Fund Balance</u>		
General Serial Bonds	\$ 56,949,000.00	\$ 57,015,000.00
Bond Anticipation Notes	8,022,333.00	15,641,000.00
Environmental Infrastructure Loan	1,775,750.88	2,064,935.12
Due to Sewer Operating	-	4,025,539.86
Due to Sewer Capital	-	6,379,048.00
Green Trust Project Loan Payable	128,155.08	177,298.63
Reserve for Encumbrances	2,321,298.03	1,956,714.48
Improvement Authorizations:		
Funded	6,586,469.15	7,829,689.90
Unfunded	17,882,375.58	21,854,151.01
Reserve for:		
Unallocated Grant Receipts	-	125,000.00
Capital Improvement Fund	223,008.74	98,008.74
Future Debt Service	263,940.90	195,855.94
Fund Balance	<u>2,472.97</u>	<u>2,472.97</u>
	<u>\$ 94,154,804.33</u>	<u>\$ 117,364,714.65</u>

There were Bonds and Notes Authorized but not Issued as of December 31, 2019 and 2018, in the amount of \$21,872,848.40.

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

**C-1**

**GENERAL CAPITAL FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE**

Year Ended December 31, 2019

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Balance - December 31, 2019 and 2018

\$ 2,472.97

**SEWER UTILITY FUND**

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

**D**

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

December 31, 2019 and 2018

	December 31,			December 31,	
	2019	2018		2019	2018
	<u>Assets</u>			<u>Liabilities, Reserves and Fund Balance</u>	
Operating Fund:			Operating Fund:		
Cash and Investments - Treasurer	\$ 4,333,781.95	\$ 1,410,710.78	Sewer Rents Overpayments	\$ 7,018.03	\$ 33,756.66
Due from General Capital	-	4,025,539.86	Prepaid Sewer Rents	84,953.88	169,052.78
Receivables With Offsetting Reserves:			Appropriation Reserves	635,712.06	1,482,615.25
Sewer Rents Receivable	2,392,923.73	1,150,471.94	Reserve for Encumbrances	389,336.73	356,958.91
Sewer Rent Liens Receivable	95,705.86	101,970.14	Reserve for Future Debt Service	363,439.24	781,137.41
	<u>2,488,629.59</u>	<u>1,252,442.08</u>	Accrued Interest on Bonds & Notes	1,094,570.21	1,271,223.27
				<u>2,575,030.15</u>	<u>4,094,744.28</u>
			Reserve for Receivables	2,488,629.59	1,252,442.08
Total Operating Fund	<u>6,822,411.54</u>	<u>6,688,692.72</u>	Fund Balance	1,758,751.80	1,341,506.36
			Total Operating Fund	<u>6,822,411.54</u>	<u>6,688,692.72</u>
Capital Fund:			Capital Fund:		
Cash and Investments - Treasurer	11,393,656.88	18,942,039.24	Serial Bonds	58,490,000.00	55,039,000.00
Account Receivable - State	8,650.65	8,650.65	Bond Anticipation Notes	6,379,000.00	22,157,000.00
Due from General Capital	-	6,379,048.00	NJ EIT Loan Payable	265,288.25	290,520.84
Fixed Capital	134,215,182.90	134,215,182.90	Reserve for Encumbrances	4,740,305.00	3,738,726.90
Fixed Capital - Auth. and Uncompl.	<u>72,291,393.82</u>	<u>72,291,393.82</u>	Improvement Authorizations:		
			Funded	3,615,978.27	8,492,536.70
			Unfunded	15,861,516.55	25,913,966.58
			Reserve for:		
Total Capital Fund	<u>217,908,884.25</u>	<u>231,836,314.61</u>	Capital Improvement Fund	192,775.00	192,775.00
			Reserve for Amortization	128,363,314.80	116,011,082.21
Assessment Fund:			Fund Balance	706.38	706.38
Cash and Investments - Treasurer	467.10	467.10	Total Capital Fund	<u>217,908,884.25</u>	<u>231,836,314.61</u>
Total Sewer Assessment Fund	<u>467.10</u>	<u>467.10</u>	Assessment Fund:		
			Fund Balance	467.10	467.10
Total Sewer Utility Fund	<u>\$ 224,731,762.89</u>	<u>\$ 238,525,474.43</u>	Total Sewer Assessment Fund	<u>467.10</u>	<u>467.10</u>
			Total Sewer Utility Fund	<u>\$ 224,731,762.89</u>	<u>\$ 238,525,474.43</u>

There were Bonds and Notes Authorized but Not Issued of \$13,008,973.67 as of December 31, 2019 and 2018.

See notes to financial statements.

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

**D-1**

**SEWER UTILITY OPERATING FUND  
STATEMENT OF REVENUES, EXPENDITURES, OPERATIONS AND CHANGE IN  
FUND BALANCE**

Year Ended December 31, 2019

	December 31,	
	2019	2018
<u>Revenue and Other Income Realized</u>		
Fund Balance Utilized	\$ 1,099,900.00	\$ 3,000,000.00
Sewer Rents	15,441,881.59	15,407,731.97
Sewer Connection Fees	417,252.00	493,394.18
Reserve for Future Debt Service	659,000.00	-
Miscellaneous Revenue not Anticipated	314,339.89	152,737.78
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves Lapsed	1,342,866.81	882,279.97
Total Revenues	<u>19,275,240.29</u>	<u>19,936,143.90</u>
<u>Expenditures</u>		
Budget Appropriations:		
Operating	10,963,957.00	12,643,874.00
Debt Service	5,877,231.85	5,609,988.78
Statutory Expenditures	916,906.00	875,042.00
Total Expenditures	<u>17,758,094.85</u>	<u>19,128,904.78</u>
Statutory Excess to Fund Balance	1,517,145.44	807,239.12
Balance - January 1	1,341,506.36	3,534,267.24
	2,858,651.80	4,341,506.36
Decreased by: Utilized in Sewer Operating Budget	1,099,900.00	3,000,000.00
Balance - December 31	<u>\$ 1,758,751.80</u>	<u>\$ 1,341,506.36</u>

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

**D-2**

SEWER UTILITY CAPITAL FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN  
FUND BALANCE

Year Ended December 31, 2019

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Balance - December 31, 2019 and 2018

\$ 706.38

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

**D-3**

SEWER UTILITY ASSESSMENT FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN  
FUND BALANCE

Year Ended December 31, 2019

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Balance - December 31, 2019 and 2018

\$ 467.10

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

**D-4**

**SEWER UTILITY OPERATING FUND  
STATEMENT OF REVENUES**

Year Ended December 31, 2019

	<u>Anticipated</u>	<u>Realized</u>	<u>(Deficit)/ Excess</u>
Operating Fund Balance			
Anticipated	\$ 1,099,900.00	\$ 1,099,900.00	\$ -
Sewer Rents	15,400,100.00	15,441,881.59	41,781.59
Sewer Connection Fees	450,000.00	417,252.00	(32,748.00)
Reserve for Debt Service	659,000.00	659,000.00	-
Miscellaneous	150,028.00	314,339.89	164,311.89
	<u>\$ 17,759,028.00</u>	<u>\$ 17,932,373.48</u>	<u>\$ 173,345.48</u>

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

**D-5**

**SEWER UTILITY OPERATING FUND  
STATEMENT OF EXPENDITURES**

Year Ended December 31, 2019

	2019 Budget	Budget after Modification	Expended		Reserved	Unexpended Balance Canceled
			Paid	Encumbered		
<b>Operating:</b>						
Salaries and Wages	\$ 4,711,581.00	\$ 4,511,581.00	\$ 4,153,630.09	\$ -	\$ 357,950.91	\$ -
Other Expenses	3,382,224.00	3,582,224.00	2,950,283.82	389,336.73	242,603.45	-
Group Insurance Plan for Employees Self-Insurance Program N.J.S.A. 40A:10-1 et seq.	2,594,161.00	2,594,161.00	2,594,161.00	-	-	-
Other Insurance and Surety Bond Premiums	189,806.00	189,806.00	189,806.00	-	-	-
86,185.00	86,185.00	86,185.00	-	-	-	-
<b>Debt Service:</b>						
Payment of Bond Principal	3,105,000.00	3,105,000.00	3,105,000.00	-	-	-
Payment of BANs	78,300.00	78,300.00	77,389.68	-	-	910.32
Interest on Bonds	2,007,625.00	2,007,625.00	2,007,609.58	-	-	15.42
Interest on Notes	659,000.00	659,000.00	659,000.00	-	-	-
EIT Loan Principal	25,240.00	25,240.00	25,232.59	-	-	7.41
EIT Loan Interest	3,000.00	3,000.00	3,000.00	-	-	-
<b>Statutory Expenditures:</b>						
<b>Contribution to:</b>						
Public Employees Retirement System	556,700.00	556,700.00	556,699.04	-	0.96	-
Social Security System (O.A.S.I.)	360,206.00	360,206.00	325,049.26	-	35,156.74	-
<b>Total Sewer Utility Appropriations</b>	<b>\$ 17,759,028.00</b>	<b>\$ 17,759,028.00</b>	<b>\$ 16,733,046.06</b>	<b>\$ 389,336.73</b>	<b>\$ 635,712.06</b>	<b>\$ 933.15</b>
Cash Disbursed			\$ 14,063,436.48			
Accrued Interest on Bonds and Notes			2,669,609.58			
			<u>\$ 16,733,046.06</u>			

See notes to financial statements.

**GENERAL FIXED ASSETS ACCOUNT GROUP**

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

**E**

GENERAL FIXED ASSETS ACCOUNT GROUP  
STATEMENT OF GENERAL FIXED ASSETS

<u>Assets</u>	<u>December 31, 2018</u>	<u>Additions</u>	<u>Disposals</u>	<u>December 31, 2019</u>
General Fixed Assets				
Land, Building & Building Improvements	\$ 84,842,900.64	\$ 449,400.00	\$ -	\$ 85,292,300.64
Equipment	11,019,148.10	19,608.94	-	11,038,757.04
Vehicles	13,390,164.58	173,646.99	-	13,563,811.57
	<u>\$ 109,252,213.32</u>	<u>\$ 642,655.93</u>	<u>\$ -</u>	<u>\$ 109,894,869.25</u>
<u>Reserve</u>				
Investment in General Fixed Assets	<u>\$ 109,252,213.32</u>	<u>\$ 642,655.93</u>	<u>\$ -</u>	<u>\$ 109,894,869.25</u>

See notes to financial statements.

## **NOTES TO FINANCIAL STATEMENTS**

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

NOTES TO FINANCIAL STATEMENTS

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**A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Reporting Entity**

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

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

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

**Description of Funds**

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

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

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

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

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

NOTES TO FINANCIAL STATEMENTS

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

**Description of Funds (Continued)**

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

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

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

**Basis of Accounting and Measurement Focus**

The basis of accounting as prescribed by the Division for its operating funds is generally a modified cash basis for revenue recognition and a modified accrual basis for expenditures. The operating funds utilize a "current financial resources" measurement focus.

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

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

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

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

NOTES TO FINANCIAL STATEMENTS

---

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

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

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

Revenues

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

Expenditures

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

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

NOTES TO FINANCIAL STATEMENTS

---

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

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

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

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

Compensated Absences

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

Property Acquired for Taxes

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

Self-Insurance Reserves

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

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

NOTES TO FINANCIAL STATEMENTS

---

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

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

Interfunds

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

Inventories of Supplies

The cost of inventories of supplies for all funds are recorded as expenditures at the time individual items are purchased. The cost of inventories are not included on the various balance sheets. Although the expenditure method of accounting for purchases of supplies is in accordance with GAAP, the cost of inventory on hand at the close of the year should be reported on the balance sheet with an offsetting nonspendable fund balance or reserve for conformity with GAAP.

Sale of Municipal Assets

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

Governmental Fixed Assets

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

Budgets and Budgetary Accounting

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

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

NOTES TO FINANCIAL STATEMENTS

---

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

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

Grants and Awards

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

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

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

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

Disclosures about Fair Value of Financial Instruments

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

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

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

Pension and Post-employment Benefit Expenses

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

Use of Estimates

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

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

NOTES TO FINANCIAL STATEMENTS

**B. CASH, CASH EQUIVALENTS AND INVESTMENTS**

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

Cash and Cash Equivalents

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

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

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

At December 31, 2019 and 2018, the Township had the following depository accounts. All deposits are carried at cost. The amounts of \$101,787.25 and \$133,505.98 held in agency and payroll accounts for the years ended December 31, 2019 and 2018, respectively, are not covered by GUDPA.

<u>Depository Account</u>	<u>Book Balance</u>	
	<u>December 31, 2019</u>	<u>December 31, 2018</u>
Cash (demand accounts)	\$ 59,321,297.48	\$ 81,387,126.17
Change funds (on-hand)	4,269.50	3,692.00
	<u>\$ 59,325,566.98</u>	<u>\$ 81,390,818.17</u>

  

<u>Depository Account</u>	<u>Bank Balance</u>	
	<u>December 31, 2019</u>	<u>December 31, 2018</u>
FDIC insured	\$ 600,743.17	\$ 1,250,000.00
GUDPA insured	59,765,223.35	81,706,455.54
	<u>\$ 60,365,966.52</u>	<u>\$ 82,956,455.54</u>

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

NOTES TO FINANCIAL STATEMENTS

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**B. CASH, CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)**

The Township follows the disclosure requirements of Governmental Accounting Standards Board Statement No. 40 *"Deposits and Investment Risk Disclosures"* (GASB 40) and accordingly, the Township has assessed the Custodial Risk, the Concentration of Credit Risk, and Interest Rate Risk of its cash and investments.

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

**Concentration of Credit Risk** — This is the risk associated with the amount of investments that the Township has with any one issuer that exceeds 5 percent or more of its total investments. Investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments are excluded from this requirement.

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

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

Investments

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

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

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

NOTES TO FINANCIAL STATEMENTS

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**B. CASH, CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)**

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

**C. ACCRUED SICK AND VACATION BENEFITS**

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

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

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

The Personnel Division maintains current records of each employee's status relating to earned and unused sick and vacation pay. An estimate of the cost of such unpaid compensation as of December 31, 2019 has been made by the Township in the amount of \$15,157,620.88. This amount represents the full value of compensated absences payable earned and has not been discounted to reflect the estimated termination payments anticipated by the Township. Termination payments are subject to eligibility requirements and payment caps as discussed above. No amounts have been reported as expenditures for any accumulations earned by employees during the current year or any prior periods. Expenditures for payment of accrued sick and vacation benefits are recorded in the period in which the payments are made.

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

NOTES TO FINANCIAL STATEMENTS

**D. INTERFUNDS**

The following Interfund balances remain on the balance sheets at December 31, 2019 and 2018:

Fund	2019		2018	
	Interfunds Receivable	Interfunds Payable	Interfunds Receivable	Interfunds Payable
Current fund	\$ -	\$ -	\$ 7,341.48	\$ 177,712.25
General trust fund	-	-	-	7,341.48
General capital fund	-	-	177,712.25	10,404,587.86
Sewer operating fund	-	-	4,025,539.86	-
Sewer capital fund	-	-	6,379,048.00	-
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,589,641.59</u>	<u>\$ 10,589,641.59</u>

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

**E. DEFERRED CHARGES TO BE RAISED IN SUCCEEDING BUDGETS**

The following deferred charges are shown on the December 31, 2019 and 2018, balance sheet of the Township's Current Fund.

	2019		2018	
	Amount	Raised in Succeeding Year Budget	Amount	Raised in Succeeding Year Budget
Current Fund	<u>\$ -</u>	<u>\$ -</u>	<u>\$440,000.00</u>	<u>\$440,000.00</u>

**F. TAX ABATEMENTS**

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

Program/Entity Name	PILOT 2019 Billing	Taxes if Billed in Full	Abated Taxes
Low Income Housing PILOT			
Pond Run Housing	\$ 154,856.00	\$ 295,476.74	\$ 140,620.74
Alvin E. Gershen	131,972.00	247,768.06	115,796.06
McCorristin Sq.	21,300.00	66,763.52	45,463.52
Project Freedom	11,593.75	112,906.30	101,312.55
	<u>319,721.75</u>	<u>722,914.62</u>	<u>403,192.87</u>
American Metro PILOT	548,037.85	1,054,854.00	506,816.15
Total	<u>\$ 867,759.60</u>	<u>\$ 1,777,768.62</u>	<u>\$ 910,009.02</u>

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

NOTES TO FINANCIAL STATEMENTS

**G. FUND BALANCES APPROPRIATED**

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

Fund	Year	Balance December 31,	Anticipated Succeeding Year
Current Fund	2019	\$ 6,130,576.29	\$ 3,384,650.00
	2018	8,052,392.41	6,600,000.00
	2017	8,217,241.12	5,100,000.00
	2016	7,592,924.72	4,500,000.00
Sewer Utility Operating Fund	2019	1,758,751.80	471,350.00
	2018	1,341,506.36	1,099,900.00
	2017	3,543,267.24	3,000,000.00
	2016	3,906,108.60	2,275,000.00

**H. ASSESSMENT AND COLLECTION OF PROPERTY TAXES**

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

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

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

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

NOTES TO FINANCIAL STATEMENTS

**H. ASSESSMENT AND COLLECTION OF PROPERTY TAXES (CONTINUED)**

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

Accelerated Tax Sale

Commencing with the year ended June 30, 2003, the Township of Hamilton held an accelerated tax sale as allowed by Chapter 99, P.L. 1996. An accelerated tax sale must be held for each subsequent year to keep tax revenues and cash flows consistent from year to year. A tax sale was held on December 18, 2019. The underlying tax collection rate for 2019 was 98.12% prior to the accelerated tax sale and 99.54% after the accelerated tax sale.

**I. DEBT, DEBT SERVICE AND STATUTORY DEBT CONDITION**

**Summary of Municipal Debt**

	2019	2018
<u>Issued</u>		
General Capital		
Bonds and Notes	\$ 64,971,333.00	\$ 72,656,000.00
Green Trust Program Loans	128,155.08	177,298.63
Infrastructure Loan	1,775,750.88	2,064,935.11
Trust Assessment Fund		
Bonds and Notes	445,000.00	753,000.00
Sewer Utility Capital Fund		
Bonds and Notes	64,869,000.00	77,196,000.00
Infrastructure Loan	265,288.25	290,520.84
Total Debt Issued	<u>132,454,527.21</u>	<u>153,137,754.58</u>
Less Funds Temporarily Held to Pay Bonds or Notes:		
General Capital	(263,940.90)	(195,855.94)
Sewer Utility Capital Fund	(363,439.24)	(781,137.41)
	<u>(627,380.14)</u>	<u>(976,993.35)</u>
Net Debt Issued	<u>131,827,147.07</u>	<u>152,160,761.23</u>
<u>Authorized but not Issued</u>		
General Capital		
Bonds and Notes	21,872,753.40	21,872,753.40
Trust Assessment Fund		
Bonds and Notes	95.00	95.00
Sewer Utility Capital Fund		
Bonds and Notes	13,008,973.67	13,008,973.67
Total Authorized but not Issued	<u>34,881,822.07</u>	<u>34,881,822.07</u>
Net Bonds and Notes Issued and Authorized but not Issued	<u>\$ 166,708,969.14</u>	<u>\$ 187,042,583.30</u>

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

NOTES TO FINANCIAL STATEMENTS

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

**Summary of Statutory Debt Condition – Annual Debt Statements**

The summarized statement of debt condition which follows is reported in accordance with the required method for preparation of the annual debt statement and indicates a statutory net debt of 1.001%. Net debt \$89,193,087.36 divided by equalized valuation basis per N.J.S.A 40A:2-2 as amended of \$8,911,849,679.33 equals 1.001%. The Township's remaining borrowing power is \$222,721,651.42 and 2.499%:

	Gross Debt	Deductions	Net Debt
Local School District	\$ 74,870,000.00	\$ 74,870,000.00	\$ -
Sewer Utility	78,143,261.92	78,143,261.92	-
General Capital	89,193,087.36	-	89,193,087.36
	<u>\$ 242,206,349.28</u>	<u>\$ 153,013,261.92</u>	<u>\$ 89,193,087.36</u>

Equalized Valuation Basis

2017 Equalized Valuation Basis of Real Property	\$ 8,741,465,695.00
2018 Equalized Valuation Basis of Real Property	8,901,118,956.00
2019 Equalized Valuation Basis of Real Property	9,092,964,387.00
Average Equalization Value	<u>\$ 8,911,849,679.33</u>

Borrowing Power Under N.J.S.A. 40A:2-6 as Amended

3 1/2 % of Equalized Valuation	\$ 311,914,738.78
Net Debt	89,193,087.36
Remaining Borrowing Power	<u>\$ 222,721,651.42</u>

**Summary of Regulatory Debt Condition – Annual Debt Statements**

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

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

	2019
Cash Receipts from Fees, Rents or Other Charges and Surplus Anticipated	<u>\$ 17,932,373.48</u>
Deductions	
Operating and Maintenance Cost	11,881,796.15
Debt Service per Utility Operating Fund	5,877,231.85
	<u>17,759,028.00</u>
	<u>\$ 173,345.48</u>

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

	2019
Excess in Revenues - Cash Basis	\$ 1,517,145.44
Add Capital Outlay	-
Deduct: Other Credits to Income	(1,343,799.96)
Excess in Revenues	<u>\$ 173,345.48</u>

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

**NOTES TO FINANCIAL STATEMENTS**

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

**Changes in Long-Term Municipal Debt**

	Balance December 31, 2018	Additions	Reductions	Balance December 31, 2019
<b>Bonds Payable</b>				
General Capital Fund	\$ 57,015,000.00	\$ 10,670,000.00	\$ 10,736,000.00	\$ 56,949,000.00
Trust Assessment Fund	753,000.00	335,000.00	643,000.00	445,000.00
Sewer Utility Capital Fund	55,039,000.00	10,138,000.00	6,687,000.00	58,490,000.00
Subtotal	<u>112,807,000.00</u>	<u>21,143,000.00</u>	<u>18,066,000.00</u>	<u>115,884,000.00</u>
<b>Infrastructure Loans Payable</b>				
General Capital Fund	2,064,935.12	-	289,184.24	1,775,750.88
Sewer Utility Capital Fund	290,520.84	-	25,232.59	265,288.25
Subtotal	<u>2,355,455.96</u>	<u>-</u>	<u>314,416.83</u>	<u>2,041,039.13</u>
<b>Green Trust Loans Payable</b>				
General Capital Fund	177,298.63	-	49,143.55	128,155.08
Total Long-Term Debt	<u>\$ 115,339,754.59</u>	<u>\$ 21,143,000.00</u>	<u>\$ 18,429,560.38</u>	<u>\$ 118,053,194.21</u>
<b>Bonds &amp; Notes Authorized but not Issued</b>				
General Capital Fund*	\$ 21,872,848.40	\$ -	\$ -	\$ 21,872,848.40
Sewer Utility Capital Fund	13,008,973.67	-	-	13,008,973.67
Total Bonds & Notes Authorized but not Issued	<u>\$ 34,881,822.07</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 34,881,822.07</u>
	Balance December 31, 2017	Additions	Reductions	Balance December 31, 2018
<b>Bonds Payable</b>				
General Capital Fund	\$ 64,183,000.00	\$ -	\$ 7,168,000.00	\$ 57,015,000.00
Trust Assessment Fund	863,000.00	-	110,000.00	753,000.00
Sewer Utility Capital Fund	58,049,000.00	-	3,010,000.00	55,039,000.00
Subtotal	<u>123,095,000.00</u>	<u>-</u>	<u>10,288,000.00</u>	<u>112,807,000.00</u>
<b>Infrastructure Loans Payable</b>				
General Capital Fund	2,351,424.25	-	286,489.13	2,064,935.12
Sewer Utility Capital Fund	315,587.10	-	25,066.26	290,520.84
Subtotal	<u>2,667,011.35</u>	<u>-</u>	<u>311,555.39</u>	<u>2,355,455.96</u>
<b>Green Trust Loans Payable</b>				
General Capital Fund	225,473.88	-	48,175.25	177,298.63
Total Long-Term Debt	<u>\$ 125,987,485.23</u>	<u>\$ -</u>	<u>\$ 10,647,730.64</u>	<u>\$ 115,339,754.59</u>
<b>Bonds &amp; Notes Authorized but not Issued</b>				
General Capital Fund*	\$ 24,024,848.40	\$ 13,639,000.00	\$ 15,791,000.00	\$ 21,872,848.40
Sewer Utility Capital Fund	12,588,021.67	6,800,000.00	6,379,048.00	13,008,973.67
Total Bonds & Notes Authorized but not Issued	<u>\$ 36,612,870.07</u>	<u>\$ 20,439,000.00</u>	<u>\$ 22,170,048.00</u>	<u>\$ 34,881,822.07</u>

\*The general debt includes the debt of the Trust Assessment Fund.

**Changes in Short-Term Municipal Debt**

	Balance December 31, 2018	Additions	Reductions	Balance December 31, 2019
<b>Bond Anticipation Notes</b>				
General Capital Fund	\$ 15,641,000.00	7,702,000.00	15,320,667.00	\$ 8,022,333.00
Sewer Utility Capital Fund	22,157,000.00	6,379,000.00	22,157,000.00	6,379,000.00
Total	<u>\$ 37,798,000.00</u>	<u>\$ 14,081,000.00</u>	<u>\$ 37,477,667.00</u>	<u>\$ 14,401,333.00</u>
	Balance December 31, 2017	Additions	Reductions	Balance December 31, 2018
<b>Bond Anticipation Notes</b>				
General Capital Fund	\$ 7,939,000.00	\$ 15,641,000.00	\$ 7,939,000.00	\$ 15,641,000.00
Sewer Utility Capital Fund	15,917,772.00	22,157,000.00	15,917,772.00	22,157,000.00
Total	<u>\$ 23,856,772.00</u>	<u>\$ 37,798,000.00</u>	<u>\$ 23,856,772.00</u>	<u>\$ 37,798,000.00</u>

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

NOTES TO FINANCIAL STATEMENTS

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

**Total Debt Issued and Outstanding Detail**

	2019	2018
<b>Capital Fund - Serial Bonds</b>		
\$17,425,000 general improvement refunding bonds of 2013, due in annual installments of \$1,615,000 through \$2,050,000 through August 1, 2025, interest at 4.00%	\$ 11,150,000.00	\$ 12,765,000.00
\$4,630,000 pension obligation refunding bonds of 2013, due in annual installments of \$535,000 through \$585,000 through August 1, 2023, interest at 2.11% through 3.12%	2,025,000.00	2,560,000.00
\$17,716,000 general improvement refunding bonds of 2010, due in annual installments of \$1,696,000 through \$1,700,000 through February 1, 2022, interest at 3.1% through 3.25%	1,700,000.00	6,796,000.00
\$8,046,000 general improvement bonds of 2014, due in annual installments of \$825,000 through \$900,000 through June 1, 2024, interest at 2.00% through 4.00%	4,421,000.00	5,246,000.00
\$14,703,000 general improvement bonds of 2015 due in annual installments of \$1,500,000 through \$1,600,000 through June 1, 2025, interest at 2.00% through 4.00%	9,538,000.00	11,038,000.00
\$19,773,000 general improvement bonds of 2017 due in annual installments of \$1,165,000 through \$2,325,000 through June 1, 2028, interest at 4.00% through 5.00%	17,445,000.00	18,610,000.00
\$7,600,000 general improvement bonds of 2019 due in annual installments of \$375,000 through \$750,000 through May 1, 2030, interest at 2.00% through 2.25%	7,600,000.00	-
\$3,070,000 general improvement refunding bonds of 2019 due in annual installments of \$20,000 through \$1,525,000 through November 1, 2022, interest at 2.00% through 4.00%	3,070,000.00	-
<b>Capital Fund - Green Trust Loans</b>		
\$115,841.25 Issac Pearson Acq., due in semi-annual installments of \$7,203.38 through March 6, 2022, interest at 2.00%	17,608.39	24,360.70
\$461,600 Veterans Park., due in semi-annual installments of \$28,703.76 through March 6, 2022, interest at 2.00%	70,166.04	97,072.42
\$265,655 Tyndale Farm Acq., due in semi-annual installments of \$16,519.28 through March 6, 2022, interest at 2.00%	40,380.65	55,865.51

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

NOTES TO FINANCIAL STATEMENTS

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

**Total Debt Issued and Outstanding Detail (Continued)**

	2019	2018
<b>Capital Fund - New Jersey Infrastructure Bank</b>		
\$1,435,000 infrastructure loan, due in annual installments of \$85,000 through \$110,000 through August 1, 2025, interest at 4.250% to 4.375%	532,716.81	612,480.74
\$4,028,778 infrastructure loan, principal only - due in semi-annual installments of \$4,408.24 to \$205,928.39 through August 1, 2025	1,243,034.07	1,452,454.38
<b>Capital Fund - Bond Anticipation Notes</b>		
Bond anticipation notes, date of original issue June 11, 2016, due date May 19, 2020, interest rate at 2.50% through 2.785%	8,022,333.00	15,641,000.00
<b>Total Capital Fund Debt</b>	<b>\$ 66,875,238.96</b>	<b>\$ 74,898,233.75</b>
<b>Trust Assessment Fund - Serial Bonds</b>		
\$1,523,000 assessment bonds of 2010, due in annual installments of \$103,000 through \$110,000 through February 1, 2025, interest at 3.125% through 3.625%	445,000.00	753,000.00
<b>Total Trust Assessment Fund Debt</b>	<b>\$ 445,000.00</b>	<b>\$ 753,000.00</b>
<b>Sewer Utility Fund - Serial Bonds</b>		
\$5,142,000 sewer utility bonds of 2010, due in annual installments of \$165,000 through \$290,000 through March 1, 2035, interest at 3.125% through 4.300%	\$ 175,000.00	\$ 3,922,000.00
\$16,505,000 sewer utility refunding bonds of 2013, due in annual installments of \$1,535,000 through \$1,935,000 through August 1, 2025, interest of 4.00%	10,550,000.00	12,085,000.00
\$14,687,000 sewer utility improvement bonds of 2014, due in annual installments of \$500,000 through \$650,000 through June 1, 2039, interest at 2.00% through 4.00%	12,412,000.00	12,912,000.00
\$2,300,000 sewer utility improvement bonds of 2014, due in annual installments of \$150,000 through \$200,000 through June 1, 2028, interest at 3.00% through 4.00%	1,675,000.00	1,825,000.00
\$3,035,000 sewer utility refunding series bonds of 2015 due in annual installments of \$280,000 through \$360,000 through August 1, 2025, interest at 4.00% through 5.00%	1,935,000.00	2,215,000.00

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

NOTES TO FINANCIAL STATEMENTS

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

**Total Debt Issued and Outstanding Detail (Continued)**

	2019	2018
<b>Sewer Utility Fund - Serial Bonds</b>		
\$23,480,000 sewer utility improvement bonds of 2017 (series B) due in annual installments of \$475,000 to \$940,000 through May 1, 2047, interest at 4.00% through 5.00%	21,605,000.00	22,080,000.00
\$3,556,000 sewer utility improvement bonds of 2019 due in annual installments of \$111,000 to \$220,000 through May 1, 2039, interest at 2.00% through 3.00%	3,556,000.00	-
\$3,112,000 sewer utility improvement bonds of 2019 due in annual installments of \$105,000 to \$200,000 through May 1, 2039, interest at 3.50% through 3.75%	3,112,000.00	-
\$3,470,000 sewer utility refunding bonds of 2019 due in annual installments of \$45,000 to \$270,000 through February 1, 2035, interest at 2.00% through 4.00%	3,470,000.00	-
<b>Sewer Utility Fund - Bond Anticipation Notes</b>		
Bond anticipation notes, date of original issue August 28, 2014 and June 11, 2016, due date May 21, 2019, interest rate at 2.88% to 3.00%	-	9,820,952.00
Bond anticipation notes, date of original issue June 11, 2016, due date May 21, 2019, interest rate at 3.00%	-	5,957,000.00
Bond anticipation notes, date of original issue May 22, 2018, due date May 19, 2020, interest rate at 2.5% through 2.785%	6,379,000.00	6,379,048.00
<b>Sewer Utility Fund - New Jersey Infrastructure Bank</b>		
\$126,650.65 infrastructure loan, due in annual installments of \$6,214.74 through \$8,841.65 through August 1, 2029, interest at 2.95% to 4.16%	74,985.08	81,324.36
\$4,028,778 infrastructure loan, principal only-due in semi-annual installments totaling \$19,017.85 through August 1, 2029	190,303.17	209,196.48
<b>Total Sewer Utility Fund Debt</b>	<b>\$ 65,134,288.25</b>	<b>\$ 77,486,520.84</b>
<b>Total Debt Issued and Outstanding</b>	<b>\$132,454,527.21</b>	<b>\$153,137,754.59</b>

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

NOTES TO FINANCIAL STATEMENTS

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

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

Years	General*		Sewer Utility		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2020	\$ 8,020,000.00	\$ 2,031,444.25	\$ 3,453,000.00	\$ 2,129,104.81	\$ 11,473,000.00	\$ 4,160,549.06
2021	8,035,000.00	1,701,734.85	3,530,000.00	1,932,511.27	11,565,000.00	3,634,246.12
2022	8,225,000.00	1,425,482.50	3,635,000.00	1,806,792.52	11,860,000.00	3,232,275.02
2023	8,000,000.00	1,149,966.30	3,800,000.00	1,666,189.39	11,800,000.00	2,816,155.69
2024	7,606,000.00	866,342.50	3,930,000.00	1,518,592.51	11,536,000.00	2,384,935.01
2025-2029	16,758,000.00	1,328,487.50	13,160,000.00	5,582,906.30	29,918,000.00	6,911,393.80
2030-2034	750,000.00	8,437.50	10,665,000.00	3,576,718.76	11,415,000.00	3,585,156.26
2035-2039	-	-	9,717,000.00	1,941,016.88	9,717,000.00	1,941,016.88
2040-2044	-	-	4,125,000.00	792,000.01	4,125,000.00	792,000.01
2045-2049	-	-	2,475,000.00	129,937.50	2,475,000.00	129,937.50
Total	<u>\$ 57,394,000.00</u>	<u>\$ 8,511,895.40</u>	<u>\$ 58,490,000.00</u>	<u>\$ 21,075,769.95</u>	<u>\$ 115,884,000.00</u>	<u>\$ 29,587,665.35</u>

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

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

Loan Agreements – New Jersey Infrastructure Bank

The Township has entered into four loan financing agreements for various improvement programs with the New Jersey Infrastructure Bank (formerly the New Jersey Environmental Infrastructure Trust). The improvement programs are financed through debt issued by the New Jersey Infrastructure Bank. During the year ended December 31, 2019, the Township made payments to the New Jersey Environmental Infrastructure Trust with respect to the loan improvement programs in the amount of \$314,416.83.

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

Years	General		Sewer Utility		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2020	\$ 279,088.37	\$ 25,700.00	\$ 25,415.92	\$ 2,811.38	\$ 304,504.29	\$ 28,511.38
2021	286,240.97	21,875.00	25,616.82	2,610.48	311,857.79	24,485.48
2022	293,187.47	17,937.50	25,832.61	2,394.70	319,020.08	20,332.20
2023	299,733.22	13,781.26	26,068.40	2,158.92	325,801.62	15,940.18
2024	305,878.21	9,406.26	26,322.22	1,905.10	332,200.43	11,311.36
2025-2029	311,622.64	4,812.50	136,032.28	5,204.44	447,654.92	10,016.94
Total	<u>\$ 1,775,750.88</u>	<u>\$ 93,512.52</u>	<u>\$ 265,288.25</u>	<u>\$ 17,085.02</u>	<u>\$ 2,041,039.13</u>	<u>\$ 110,597.54</u>

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

NOTES TO FINANCIAL STATEMENTS

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

Loan Agreements – New Jersey Department of Environmental Protection

The Township has entered into three loan financing agreements for the Isaac Pearson Acquisition, Veterans Park, and Tyndale Farm Acquisition projects with the New Jersey Department of Environmental Protection. The improvement programs are financed through debt issued by the New Jersey Department of Environmental Protection under the Green Acres Bond Act of 1978. During the year ended December 31, 2019, the Township made payments to the New Jersey Department of Environmental Protection with respect to the loan programs in the amount of \$49,143.55. Pursuant to the provisions of N.J.S.A. 40A:2-1 et seq., the combined outstanding principal of these loans has been included in the calculation of the Township's statutory debt condition.

Year	General	
	Principal	Interest
2020	\$ 50,131.34	\$ 2,295.09
2021	52,070.07	1,287.44
2022	25,953.67	259.54
2023	-	-
Total	<u>\$ 128,155.08</u>	<u>\$ 3,842.07</u>

**J. FIXED ASSETS**

Capital asset activity for the year ended December 31, 2019 and 2018, was as follows:

	Balance December 31, 2018	Additions	Reductions	Balance December 31, 2019
Land and buildings	\$ 84,842,900.64	\$ 449,400.00	\$ -	\$ 85,292,300.64
Equipment	11,019,148.10	19,608.94	-	11,038,757.04
Vehicles	13,390,164.58	173,646.99	-	13,563,811.57
Total	<u>\$ 109,252,213.32</u>	<u>\$ 642,655.93</u>	<u>\$ -</u>	<u>\$ 109,894,869.25</u>

	Balance December 31, 2017	Additions	Reductions	Balance December 31, 2018
Land and buildings	\$ 84,354,835.64	\$ 488,065.00	\$ -	\$ 84,842,900.64
Equipment	9,555,860.51	1,463,287.59	-	11,019,148.10
Vehicles	13,573,982.57	459,954.68	643,772.67	13,390,164.58
Total	<u>\$ 107,484,678.72</u>	<u>\$ 2,411,307.27</u>	<u>\$ 643,772.67</u>	<u>\$ 109,252,213.32</u>

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

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

NOTES TO FINANCIAL STATEMENTS

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**K. PENSION PLANS**

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

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

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

**Plan Descriptions**

PERS is a cost-sharing multiple-employer defined benefit pension plan which was established as of January 1, 1955. The vesting and benefit provisions are set by N.J.S.A. 43:15A. PERS provides retirement, death and disability benefits. All benefits vest after ten years of service. The following represents the membership tiers for PERS:

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

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

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

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

NOTES TO FINANCIAL STATEMENTS

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**K. PENSION PLANS (CONTINUED)**

**Plan Descriptions (Continued)**

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

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

The Defined Contribution Retirement Program (“DCRP”) is a multiple-employer defined contribution pension fund established on July 1, 2007, under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007 (N.J.S.A. 43:15C-1 et. seq.). The DCRP is a tax-qualified defined contribution money purchase pension plan under Internal Revenue Code (“IRC”) 401(a) et seq. and is a governmental plan within the meaning of IRC 414(d). The DCRP provides retirement benefits for eligible employees and their beneficiaries. Individuals covered under DCRP are employees enrolled in PERS on or after July 1, 2007, who earn a salary in excess of established “maximum compensation” limits; employees enrolled in PFRS after May 21, 2010, who earn a salary in excess of established “maximum compensation” limits; employees otherwise eligible to enroll in PERS on or after November 2, 2008, who do not earn the \$8,400.00 minimum annual salary for tier 3 enrollment but who earn a salary of at least \$5,000.00 annually; and employees otherwise eligible to enroll in PERS after May 21, 2010, who do not work the 32 minimum hours per week required for tiers 4 or 5 enrollment, but who earn a salary of at least \$5,000.00 annually. The maximum wage limit for 2019 is \$132,900 and is subject to annual adjustment. Members who earn in excess of the annual maximum wage will be enrolled in the DCRP in addition to the PERS.

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

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

NOTES TO FINANCIAL STATEMENTS

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**K. PENSION PLANS (CONTINUED)**

**Contributions**

The Township is billed annually for its normal contribution plus any accrued liability. Contribution to PERS from the Township was \$3,977,582 and \$3,976,422 for the plan years ended June 30, 2019 and 2018, respectively. Contribution to PFRS from the Township was \$5,495,628 and \$5,545,059 for the plan years ended June 30, 2019 and 2018, respectively. The Township's total payroll for all employees was \$44,409,748 and \$44,338,661 in December 31, 2019 and 2018, respectively. Total PERS covered payroll was \$25,447,183 and \$25,654,947 and total PFRS covered payroll was \$18,824,250 and \$18,683,714 in December 31, 2019 and 2018, respectively. Covered payroll refers to pensionable compensation, rather than total compensation, paid by the Township to active employees covered by the Plan.

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

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

A special funding situation exists for the local employers of the PFRS. The State of New Jersey, as a non-employer, is required to pay the additional costs incurred by local employers under Chapter 8, P.L. 2000; Chapter 318, P.L. 2001; Chapter 86, P.L. 2001; Chapter 511, P.L. 1991; Chapter 109, P.L. 1979; Chapter 247, P.L. 1993; and Chapter 201, P.L. 2001. The June 30, 2019, state special funding situation net pension liability amount of \$1,932,374,825 is the accumulated difference between the annual actuarially determined state obligation under the special funding situation and the actual state contribution through the valuation date. The state special funding situation pension expense of \$224,526,138 for the fiscal year ended June 30, 2019, is the actuarially determined contribution amount that the state owes for the fiscal year ended June 30, 2019. The pension expense is deemed to be a state administrative expense due to the special funding situation.

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

NOTES TO FINANCIAL STATEMENTS

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**K. PENSION PLANS (CONTINUED)**

**Contributions (Continued)**

Under N.J.S.A. 43:16A-15, local participating employers are responsible for their own contributions based on actuarially determined amounts, except where legislation was passed that legally obligated the state if certain circumstances occurred. The legislation, which legally obligates the state, is as follows: Chapter 8, P.L. 2000; Chapter 318, P.L. 2001; Chapter 86, P.L. 2001; Chapter 511, P.L. 1991; Chapter 109, P.L. 1979; Chapter 247, P.L. 1993; and Chapter 201, P.L. 2001. The amounts contributed on behalf of the local participating employers under this legislation is considered a special funding situation as defined by GASB Statement No. 68 and the State of New Jersey is treated as a non-employer contributing entity. Since the local participating employers do not contribute under this legislation directly to the plan (except for employer-specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers related to this legislation. The State contribution for the years ended June 30, 2019 and 2018, was \$708,380 and \$617,419, respectively. The portion of the non-employer contributing entities' total proportionate share of the collective net pension liability that is associated with the Township is \$10,513,317 and \$10,425,129 and the expense and related revenue that the Township would record is \$1,221,561 and \$1,234,840, respectively.

The contribution policy for DCRP is set by N.J.S.A. 43:15C-3 and requires contributions by active members and contributing employers. In accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members are required to contribute 5.5% of their annual covered salary. In addition to the employee contributions, the Township contributes 3% of the employees' base salary, for each pay period, to Prudential Financial not later than the fifth business day after the date on which the employee is paid for that pay period. For the year ended June 30, 2019, the Township's contributions were \$2,146.82. There were no forfeitures during the year.

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

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

At June 30, 2019 and 2018, the Township had a liability of \$64,934,641 and \$68,834,705, respectively, for its proportionate share of the net pension liability in PERS and \$77,094,640 and \$76,749,342 for its proportionate share of the net pension liability in PFRS. The pension liability for the June 30, 2019, measurement date for both PERS and PFRS was determined by an actuarial valuation as of July 1, 2018, which was rolled forward to June 30, 2019. The Township's proportion of the net pension liability was based on a projection of the Township's long-term share of contributions to the pension plan relative to the projected contributions of all participating members of the plan, actuarial determined. At June 30, 2019, the Township's PERS proportion was 0.36038%, which was an increase of 0.01078 from its proportion of 0.34960% measured as of June 30, 2018. The Township's PFRS proportion was 0.54406%, which was a decrease of 0.02312 from its proportion of 0.56718% measured as of June 30, 2018.

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

NOTES TO FINANCIAL STATEMENTS

**K. PENSION PLANS (CONTINUED)**

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

The pension liability for the June 30, 2019, measurement date for both PERS and PFRS was determined by an actuarial valuation as of July 1, 2018, which was rolled forward to June 30, 2019.

At December 31, 2019 and 2018, the Township's deferred outflows of resources and deferred inflows of resources related to PERS were from the following sources, if GASB 68 was recognized:

	December 31, 2019			
	PERS		PFRS	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,165,492	\$ 286,853	\$ 562,032	\$ 421,538
Changes of assumptions	6,483,962	22,538,608	2,281,439	21,518,474
Net difference between projected and actual investment earnings on pension plan investments	-	1,025,019	-	902,155
Changes in proportion	4,836,725	1,200,217	231,458	3,326,382
Township contributions subsequent to the measurement date	3,505,416	-	5,495,628	-
	<u>\$15,991,595</u>	<u>\$25,050,697</u>	<u>\$ 8,570,557</u>	<u>\$26,168,549</u>

  

	December 31, 2018			
	PERS		PFRS	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,312,688	\$ 354,934	\$ 780,824	\$ 317,607
Changes of assumptions	11,342,819	22,009,678	6,587,898	19,669,531
Net difference between projected and actual investment on pension plan investments	-	645,672	-	419,888
Changes in proportion	3,672,484	1,883,097	658,677	824,575
Township contributions subsequent to the measurement date	3,477,401	-	5,545,059	-
	<u>\$19,805,392</u>	<u>\$24,893,381</u>	<u>\$13,572,458</u>	<u>\$21,231,601</u>

The Township's 2019 contributions after the measurement date of \$3,505,416 for PERS and \$5,495,628 for PFRS are reflected above as deferred outflows of resources related to pensions. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions would be recognized in pension expense on the GAAP basis as follows:

Year Ended December 31,	PERS Amount	PFRS Amount
2020	\$ 8,703,001.00	\$ 10,382,043.00
2021	(3,628,291.00)	(6,743,334.00)
2022	(7,541,157.00)	(11,480,960.00)
2023	(6,580,174.00)	(8,360,156.00)
2024	(3,213,551.00)	(4,599,537.00)
2025	(304,346.00)	(2,291,676.00)
Total	<u>\$ (12,564,518.00)</u>	<u>\$ (23,093,620.00)</u>

The average of the expected remaining service lives of all PERS plan members is 5.21, 5.63, 5.48, 5.57, 5.72 and 6.44 years for 2019, 2018, 2017, 2016, 2015 and 2014, respectively. The average of the expected remaining service lives of all PFRS plan members is 5.92, 5.73, 5.59, 5.58, 5.53 and 6.17 years for 2019, 2018, 2017, 2016, 2015 and 2014, respectively.

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

NOTES TO FINANCIAL STATEMENTS

**K. PENSION PLANS (CONTINUED)**

**Actuarial Assumptions**

The total pension liability in the June 30, 2019 and 2018, actuarial valuations were determined using the following actuarial assumptions, applied to all periods included in the measurement:

	2019	
	PERS	PFRS
Inflation Rate:		
Price	2.75%	2.75%
Wage	3.25%	3.25%
Salary Increases:		
Through 2026 (based on years of service)	2.00%-6.00%	
Thereafter (based on years of service)	3.00%-7.00%	
Through all future years (based on years of service)		3.25%-15.25%
Investment rate of return	7.00%	7.00%
	2018	
	PERS	PFRS
Inflation	2.25%	2.25%
Salary Increases:		
Through 2026 (based on age)	1.65%-4.15%	2.10%-8.98%
Thereafter (based on age)	2.65%-5.15%	3.10%-9.98%
Investment rate of return	7.00%	7.00%

Pre-retirement mortality rates for PERS were based on the Pub-2010 General Below-Median Income Employee Mortality Table with an 82.2% adjustment for males and 101.4% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 General Below-Median Income Healthy Retiree Mortality Table with a 91.4% adjustment for males and 99.7% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability retirement rates used to value disabled retirees were based on the Pub-2010 Non-Safety Disabled Retiree Mortality Table with a 127.7% adjustment for males and 117.2% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2019. The actuarial assumptions used in the July 1, 2018, valuation were based on the results of an actuarial experience study for the period July 1, 2014 to June 30, 2018.

Pre-retirement mortality rates for PFRS were based on the Pub-2010 Safety Employee Mortality Table with a 105.6% adjustment for males and 102.5% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 Safety Retiree Below-Median Income Weighted Mortality Table with a 96.7% adjustment for males and 96.0% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. For beneficiaries (contingent annuitants), the Pub-2010 General Retiree Below-Median Income Weighted Mortality Table was used, unadjusted, and with future improvement from the base year of 2010 on a generational basis. Disability rates were based on the Pub-2010 Safety Disabled Retiree Mortality Table with a 152.0% adjustment for males and 109.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2019. The actuarial assumptions used in the July 1, 2018, valuation were based on the results of an actuarial experience study for the period July 1, 2013 to June 30, 2018.

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

NOTES TO FINANCIAL STATEMENTS

**K. PENSION PLANS (CONTINUED)**

**Actuarial Assumptions (Continued)**

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2019 and 2018), is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions and Benefits, the board of trustees, and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2019 and 2018, are summarized in the following table:

Asset Class	June 30, 2019		June 30, 2018	
	Target Allocation	Long-term Expected Real Rate of Return	Target Allocation	Long-term Expected Real Rate of Return
Risk Mitigation	3.00%	4.67%	-	-
Cash Equivalents	5.00%	2.00%	5.50%	1.00%
U.S. Treasuries	5.00%	2.68%	3.00%	1.87%
Investment Grade Credit	10.00%	4.25%	10.00%	3.78%
High Yield	2.00%	5.37%	2.50%	6.82%
Real Asset	2.50%	9.31%	2.50%	11.83%
Real Estate	7.50%	8.33%	6.25%	9.23%
U.S. Equity	28.00%	8.26%	30.00%	8.19%
Non-U.S. Developed Markets Equity	12.50%	9.00%	11.50%	9.00%
Emerging Markets Equity	6.50%	11.37%	6.50%	11.64%
Private Equity	12.00%	10.85%	-	-
Private Credit	6.00%	7.92%	-	-
Global Diversified Credit	-	-	5.00%	7.10%
Credit Oriented Hedge Funds	-	-	1.00%	6.60%
Debt Related Private Equity	-	-	2.00%	10.63%
Debt Related Real Estate	-	-	1.00%	6.61%
Buyouts/Venture Capital	-	-	8.25%	13.08%
Absolute Return/Risk Mitigation	-	-	5.00%	5.51%
	<u>100.00%</u>		<u>100.00%</u>	

**Discount Rate**

The PERS discount rate used to measure the total pension liability was 6.28% as of June 30, 2019, and 5.66% as of June 30, 2018. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.00% and a municipal bond rate of 3.50% as of June 30, 2019, and 3.87% as of June 30, 2018, based on 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. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on 70% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers.

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

NOTES TO FINANCIAL STATEMENTS

**K. PENSION PLANS (CONTINUED)**

**Discount Rate (Continued)**

Based on those assumptions, the PERS plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2057. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through June 30, 2057, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

The PFRS discount rate used to measure the total pension liability was 6.85% as of June 30, 2019, and 6.51% as of June 30, 2018. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.00% and a municipal bond rate of 3.50% as of June 30, 2019, and 3.87% as of June 30, 2018, based on 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. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on 70% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the PFRS plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2076. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through June 30, 2076, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

Prior to July 1, 2017 valuation, it was assumed the State would make pension contributions on the June 30<sup>th</sup> following the valuation date. Effective with the July 1, 2017 valuation, Chapter 83, P.L. 2016 requires the State to make pension contributions on a quarterly basis of at least 25% by September 30, at least 50% by December 31, at least 75% by March 31, and at least 100% by June 30. Local contributions expected to be paid by April 1, following the valuation are discounted by the interest rate used at the valuation date.

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

The following presents the net pension liability of PERS and PFRS calculated using the discount rates as disclosed above as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage rate higher than the current rate:

	PERS		
	At 1% Decrease	At Current Discount Rate	At 1% Increase
June 30, 2019 Discount Rate - 6.28%	\$ 82,593,613	\$ 64,934,641	\$ 50,886,834
June 30, 2018 Discount Rate - 5.66%	86,551,710	68,834,705	53,971,271
	PFRS		
	At 1% Decrease	At Current Discount Rate	At 1% Increase
June 30, 2019 Discount Rate - 6.85%	\$ 104,203,860	\$ 77,094,640	\$ 54,657,855
June 30, 2018 Discount Rate - 6.51%	102,719,470	76,749,342	55,328,717

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

NOTES TO FINANCIAL STATEMENTS

**L. POST-RETIREMENT BENEFITS**

**Local Plan Description**

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

The Township’s Local OPEB Plan provides health benefits to all retired Township employees and their spouses, starting at age 55 and 25 years of service. The Local OPEB Plan is a comprehensive health benefits plan which pays for hospital services, doctor expenses and other medical related necessities which include prescription drugs, and mental health/substance abuse services, subject to provisions and limitations. The Local OPEB Plan is not a separate entity or trust and does not issue stand-alone financial statements. Assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB No. 75. In the Local OPEB Plan there were 566 active and 410 retired employees eligible for benefits at December 31, 2019. The Township funds the Local OPEB Plan in the amount of the current annual premium net of employee contributions for all retired participants. One-hundred percent of retirees are expected to participate.

**Local OPEB Plan Total OPEB Liability**

The Township’s Local OPEB Plan total OPEB liability of \$391,194,157 was measured as of December 31, 2019. The components of the Township’s Local OPEB Plan total OPEB liability as of December 31, 2019, is as follows:

	December 31, 2019
Total OPEB Liability	\$ 391,194,157
Plan Fiduciary Net Position	-
Net OPEB Liability	<u>\$ 391,194,157</u>
Plan Fiduciary Net Position as a % of total OPEB Liability	0%
	<b>Total OPEB Liability</b>
Balance at December 31, 2018	\$ 381,745,078
Changes for the year:	
Interest cost	13,724,409
Service cost	6,301,475
Changes in assumptions or other inputs:	
Difference between expected and actual experience	(24,971,662)
Changes in assumptions	23,796,621
Benefit payments	<u>(9,401,764)</u>
Net changes	9,449,079
Balance at December 31, 2019	<u>\$ 391,194,157</u>

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

NOTES TO FINANCIAL STATEMENTS

**L. POST-RETIREMENT BENEFITS (CONTINUED)**

**Actuarial Assumptions**

The Local OPEB Plan total OPEB liability as of December 31, 2019, was determined by an actuarial valuation as of December 31, 2019, using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified.

Inflation	3.00%
Salary increases	3.00%
Discount rate	3.26%
Healthcare cost trend rate	Range from 5.0% to 8.0%
Retirees' share of benefit-related costs	Subject to the requirements of Chapter 78

The discount rate was based on the S&P AA Municipal Bond Index 20-year High Grade Rate Index rate as of December 31, 2019. Mortality rates were based on the RP-2014 mortality table with MP-2016 projection. The actuarial assumptions used in the January 1, 2019, valuation were based on the results of an actuarial experience study for the period January 1, 2018 - December 31, 2018, rolled forward to December 31, 2019.

**Sensitivity of the Local OPEB Plan Total OPEB Liability**

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

	At 1% Decrease (2.26%)	At Current Discount Rate (3.26%)	At 1% Increase (4.26%)
Local Plan Total OPEB Liability	<u>\$ 453,847,963</u>	<u>\$ 391,194,157</u>	<u>\$ 328,540,352</u>

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

	At 1% Decrease (7.0% Decreasing to 4.0%)	At Current Healthcare Cost Trend Rate (8.0% Decreasing to 5.0%)	At 1% Increase (9.0% Decreasing to 6.0%)
Local Plan Total OPEB Liability	<u>\$ 325,397,762</u>	<u>\$ 391,194,157</u>	<u>\$ 469,369,228</u>

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

NOTES TO FINANCIAL STATEMENTS

**L. POST-RETIREMENT BENEFITS (CONTINUED)**

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

For the year ended December 31, 2019, the Township recognized OPEB expense of \$19,743,312. At December 31, 2019, the Township reported net deferred inflows of resources related to OPEB of \$1,580,722. This amount will be amortized in equal installments of over seven years starting in 2020.

	OPEB	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$21,977,826
Changes of assumptions	20,397,104	-
	<u>\$20,397,104</u>	<u>\$21,977,826</u>

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

Year Ending December 31,	Amount
2020	\$ (282,572)
2021	(282,572)
2022	(282,572)
2023	(282,572)
2024	(282,572)
Thereafter	(167,862)
Total	<u>\$ (1,580,722)</u>

**State Plan Description**

The Township also participates in a cost-sharing multiple-employer defined post-retirement benefit plan (the "State OPEB Plan"), which is administered by the State of New Jersey. The State OPEB Plan provides continued health care benefits to employees retiring after twenty-five years of service. Benefits, contributions, funding and the manner of administration are determined by the State of New Jersey Legislature. The Division of Pensions and Benefits charges the Township for its contributions. The total number of retired participants eligible for benefits was six at December 31, 2019. Another 165 plan members participated in December 31, 2019, related to the special funding allocation.

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

**TOWNSHIP OF HAMILTON  
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NOTES TO FINANCIAL STATEMENTS

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**L. POST-RETIREMENT BENEFITS (CONTINUED)**

**State OPEB Plan Description (Continued)**

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

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

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

**State OPEB Plan Allocation Methodology**

GASB Statement No. 75 requires participating employers in the State OPEB Plan to recognize their proportionate share of the collective net OPEB liability, collective deferred outflows of resources, collective deferred inflows of resources, and collective OPEB expense. The special funding situation's and nonspecial funding situation's net OPEB liability, deferred outflows of resources, deferred inflows of resources, and OPEB expense are based on separately calculated total OPEB liabilities. The nonspecial funding situation's net OPEB liability, deferred outflows of resources, deferred inflows of resources, and OPEB expense are further allocated to employers based on the ratio of the plan members of an individual employer to the total members of the State OPEB Plan's nonspecial funding situation during the measurement period July 1, 2018 through June 30, 2019.

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

NOTES TO FINANCIAL STATEMENTS

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**L. POST-RETIREMENT BENEFITS (CONTINUED)**

**State OPEB Plan Special Funding Situation**

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

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

**State OPEB Plan Net OPEB Liability**

The Township's proportionate share of the State OPEB Plan collective net OPEB liability is 0.004471% and \$605,645 as of December 31, 2019. The Township's unaudited portion of the non-employer contributing entities' total proportionate share of the State OPEB Plan collective net OPEB liability is 0.553468% and \$30,583,085 as of December 31, 2019.

The components of the Township's State OPEB Plan total OPEB liability as of December 31, 2019, are as follows:

	December 31, 2019
Total OPEB Liability	\$ 617,858
Plan Fiduciary Net Position	12,214
Net OPEB Liability	<u>\$ 605,645</u>
 Plan Fiduciary Net Position as a % of total OPEB Liability	  1.98%

**State OPEB Plan Actuarial Assumptions**

The State OPEB Plan net OPEB liability as of June 30, 2019, was determined by an actuarial valuation as of June 30, 2018, which was rolled forward to June 30, 2019. The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in. This actuarial valuation used the following actuarial assumption, applied to all periods in the measurement:

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

NOTES TO FINANCIAL STATEMENTS

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**L. POST-RETIREMENT BENEFITS (CONTINUED)**

**State OPEB Plan Actuarial Assumptions (Continued)**

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

PERS Mortality:

Pub-2010 General classification headcount weighted mortality with fully generational mortality improvement projections from the central year using Scale MP-2019

PFRS Mortality:

Pub-2010 Safety classification headcount weighted mortality with fully generational mortality improvement projections from the central year using Scale MP-2019

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

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

*Health Care Trend Assumptions.*

For pre-Medicare medical benefits, the trend is initially 5.7% and decreases to a 4.5% long term trend rate after eight years. For post-65 medical benefits, the actual fully insured Medicare Advantage trend rates for fiscal year 2020 are reflected. The assumed post-65 medical trend is 4.5% for all future years. For prescription drug benefits, the initial trend rate is 7.5% and decreases to a 4.5% long-term trend rate after eight years.

*Discount Rate*

The discount rate for June 30, 2019, was 3.5%. This represents the municipal bond return rate as chosen by the State. The source is the Bond Buyer GO 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

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

NOTES TO FINANCIAL STATEMENTS

**L. POST-RETIREMENT BENEFITS (CONTINUED)**

**Sensitivity of the State OPEB Plan Net OPEB Liability**

*Sensitivity to changes in the discount rate* - The following presents the State OPEB Plan collective net OPEB liability of the participating employers as of June 30, 2019, calculated using the discount rate as disclosed above as well as what the collective net OPEB liability would be if it was calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	At 1% Decrease (2.50%)	At Current Discount Rate (3.50%)	At 1% Increase (4.50%)
State Plan Net OPEB Liability	<u>\$ 700,280</u>	<u>\$ 605,645</u>	<u>\$ 528,742</u>

*Sensitivity to changes in the healthcare cost trend rate* - The following presents the State OPEB Plan net OPEB liability as of June 30, 2019, 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 one percentage point lower or one percentage point higher than the current rate:

	At 1% Decrease	Healthcare Cost Trend Rate	At 1% Increase
State Plan Net OPEB Liability	<u>\$ 511,090</u>	<u>\$ 605,645</u>	<u>\$ 726,266</u>

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

For the year ended December 31, 2019, the Township recognized State OPEB Plan expense of (\$132,427). At December 31, 2019, the Township reported net deferred inflows of resources related to the State OPEB Plan of \$1,044,549.

	State OPEB	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 177,114
Changes of assumptions	-	214,627
Net difference between projected and actual investment earnings on pension plan investments	499	-
Changes in proportion	-	653,307
	<u>\$ 499</u>	<u>\$ 1,045,048</u>

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

NOTES TO FINANCIAL STATEMENTS

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**L. POST-RETIREMENT BENEFITS (CONTINUED)**

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

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

<u>Year Ended December 31,</u>	<u>Amount</u>
2020	\$ (21,417)
2021	(63,634)
2022	(63,633)
2023	(63,691)
2024	(63,769)
Thereafter	<u>(115,098)</u>
Total	<u>\$ (391,242)</u>

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

**M. RISK MANAGEMENT**

Garden State Municipal Joint Insurance Fund

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

Summary of Risk Management Program

The GSMJIF provides the following coverage to its participants:

1. Worker’s Compensation

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

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

2. General Liability

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

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

**TOWNSHIP OF HAMILTON  
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NOTES TO FINANCIAL STATEMENTS

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**M. RISK MANAGEMENT (CONTINUED)**

3. Auto Liability

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

The Fund provides PIP limits of NJ Statutory amounts.

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

4. Property

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

5. Public Officials Liability ("POL")

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

Employment Practices Liability (EPL)

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

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

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

Workers Compensation: \$50,000 S.I.R.

Liability: \$50,000

Auto: \$1,000 Deductible (Qualified Vehicles Only)

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

Pre-2002 Risk Management

Effective for calendar year 1981, in response to rising premiums for traditional risk transfer insurance coverage, the Township instituted a self-insurance risk management program for claims relating to Worker's Compensation, General Liability and Automobile Liability. For loss years 1981 through 1985, the Township obtained reinsurance coverage and umbrella coverage which limited the Township's risk retention to \$100,000 per occurrence and \$375,000

**TOWNSHIP OF HAMILTON  
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NOTES TO FINANCIAL STATEMENTS

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**M. RISK MANAGEMENT (CONTINUED)**

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

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

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

Employee Health Benefits

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

**N. DEFERRED COMPENSATION PLAN**

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

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

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

As of December 31, 2019 and 2018, the amounts held in trust amounted to \$39,985,211.05 and \$29,035,659.78, respectively.

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

NOTES TO FINANCIAL STATEMENTS

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**O. CONTINGENT LIABILITIES**

Pending or Threatened Litigation

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

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

The Township provides services to the Township of Robbinsville through its sewer utility. Robbinsville disputed some of its bill from 2018 and 2019. These amounts are included as accounts receivable in the sewer utility operating fund, however, in accordance with the Division's accounting requirements, all accounts receivable are fully reserved. The Township settled a lawsuit with Robbinsville regarding the receivable for no fees or settlement and an agreement to share the cost of a new rate study between the Townships. The receivables and related reserves will be written off after year end.

**P. SUBSEQUENT EVENTS**

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

On May 18, 2020, the Township issued bond anticipation note Series 2020B in the amount of \$10,285,000 consisting of \$3,906,000 general improvement notes and \$6,379,000 in sewer utility notes. This bond anticipation note matures February 17, 2021.

On October 6, 2020 the Township approved the required ordinances and agreements to complete the consolidation of its nine autonomous fire districts into the Hamilton Township Fire Division. The new division will become part of the Township annual budget funded by municipal taxes. The change will be effective January 1, 2021.

## **SUPPLEMENTAL SCHEDULES**

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

**CURRENT FUND  
SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY  
Year Ended December 31, 2019**

Year	Balance December 31, 2018	2019 Levy	Collections 2018	By Cash 2019	Sr. Citizens' and Veterans' Deduction Reimbursement	Transfer to Tax Title Lien	Remitted and Canceled	Balance December 31, 2019
Prior Years	\$ 21,206.09	\$ -	\$ -	\$ 20,124.44	\$ 1,250.00	\$ -	\$ (12,354.44)	\$ 12,186.09
	21,206.09	-	-	20,124.44	1,250.00	-	(12,354.44)	12,186.09
2019	-	272,892,606.10	2,590,737.18	268,868,011.61	860,517.80	340,745.53	187,754.19	44,839.79
	<u>\$ 21,206.09</u>	<u>\$ 272,892,606.10</u>	<u>\$ 2,590,737.18</u>	<u>\$ 268,888,136.05</u>	<u>\$ 861,767.80</u>	<u>\$ 340,745.53</u>	<u>\$ 175,399.75</u>	<u>\$ 57,025.88</u>

Analysis of 2019 Property Tax Levy:

Tax Yield:

General Purpose	\$ 272,071,963.83
Omitted/Added Taxes (N.J.S.A. 54:4-63.1 et seq.)	820,642.27
	<u>\$ 272,892,606.10</u>

Tax Levy:

Local District School Tax (Abstract)	\$ 119,128,856.00
County Tax (Abstract)	53,283,420.12
County Open Space	2,262,974.30
County Added & Omitted	171,336.30
Special District Taxes	27,515,133.00
Local Tax for Municipal Purposes	66,972,558.73
Local Tax for Library Purposes	2,976,091.00
Add: Additional Tax for Mun. Purposes	582,236.65
	<u>\$ 272,892,606.10</u>

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

**A-5**

CURRENT FUND  
SCHEDULE OF TAX TITLE LIENS  
Year Ended December 31, 2019

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Balance - December 31, 2018	\$ 3,110,849.78
Increased by:	
Transfer from Taxes Receivable	<u>340,745.53</u>
	3,451,595.31
Decreased by:	
Collections	<u>306,087.63</u>
Balance - December 31, 2019	<u>\$ 3,145,507.68</u>

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

**A-6**

CURRENT FUND  
SCHEDULE OF OTHER ACCOUNTS RECEIVABLE  
Year Ended December 31, 2019

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Balance - December 31, 2018	\$ 67,188.67
Increased by:	
Billings	<u>28,581.02</u>
Balance - December 31, 2019	<u>\$ 95,769.69</u>

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

**A-7**

CURRENT FUND  
SCHEDULE OF TAXES PAYABLE (PREPAID)  
Year Ended December 31, 2019

	Balance December 31, 2018	Taxes Levied	Cash Disbursements	Balance December 31, 2019
County Taxes	\$ (2,709.02)	\$ 53,283,420.12	\$ (53,280,711.10)	\$ -
County - Open Space	0.01	2,262,974.30	(2,262,974.31)	-
County - Added & Omitted	585,261.38	171,336.30	(585,261.38)	171,336.30
Local School District Taxes	(1,035,070.02)	119,128,856.00	(118,093,785.98)	-
Special Districts Taxes	-	27,515,133.00	(27,515,133.00)	-
<b>Total</b>	<b>\$ (452,517.65)</b>	<b>\$ 202,361,719.72</b>	<b>\$(201,737,865.77)</b>	<b>\$ 171,336.30</b>

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

**CURRENT FUND  
SCHEDULE OF 2018 APPROPRIATION RESERVES  
Year Ended December 31, 2019**

	Balance December 31, 2018	Transfers	Encumbered December 31, 2018	Balance After Modification	Paid or Charged	Balance Lapsed
Operations Within "CAPS"						
Salaries and Wages:						
Office of the Mayor	\$ 58,041.11	\$ -	\$ -	\$ 58,041.11	\$ 15,490.85	\$ 42,550.26
Township Council	1,602.46	-	-	1,602.46	-	1,602.46
Office of the Township Clerk	18,217.65	-	-	18,217.65	13,670.86	4,546.79
Office of the Business Administrator	9,156.18	-	-	9,156.18	8,753.90	402.28
Division of Human Resources	28,232.25	-	-	28,232.25	8,162.05	20,070.20
Division of Budget and Purchasing	18,240.07	-	-	18,240.07	18,222.87	17.20
Office of Financial Admin.	28,842.71	-	-	28,842.71	15,961.13	12,881.58
Division of Assessments	29,860.66	-	-	29,860.66	17,205.30	12,655.36
Division of Revenue Collection	18,582.85	-	-	18,582.85	18,578.48	4.37
Legal Services	15,293.08	-	-	15,293.08	15,288.24	4.84
Municipal Prosecutor	3,661.50	-	-	3,661.50	3,661.31	0.19
Municipal Court	187,938.61	-	-	187,938.61	42,240.03	145,698.58
Public Defender	3,340.66	-	-	3,340.66	3,340.66	-
Division of Engineering	45,397.50	-	-	45,397.50	23,507.31	21,890.19
Affordable Housing	171,599.96	-	-	171,599.96	-	171,599.96
Community Planning & Compliance	28,467.28	-	-	28,467.28	23,994.68	4,472.60
Zoning Board	3,814.50	-	-	3,814.50	3,557.01	257.49
Housing Inspections	25,274.97	-	-	25,274.97	15,948.69	9,326.28
Uniform Construction Code	157,881.07	-	-	157,881.07	54,352.95	103,528.12
Economic Development	69,471.51	-	-	69,471.51	14,837.10	54,634.41
Police Division/Dept. of Public Safety	976,254.34	(20,000.00)	-	956,254.34	935,534.30	20,720.04
Office of Public Works	259,312.38	(70,000.00)	-	186,409.98	178,186.48	8,223.50
Other Public Works	6,363.50	-	-	6,363.50	3,831.44	2,532.06
Solid Waste Collection & Recycling	13,463.09	-	-	13,463.09	4,345.56	12,019.93
Maintenance of Motor Vehicles	137,135.04	(70,184.73)	-	66,950.31	45,504.57	21,445.74
Division of Buildings and Grounds	114,638.75	-	-	114,638.75	81,361.54	33,277.21
Maintenance of Parks	154,621.89	-	-	154,621.89	106,498.31	48,123.58
Citizens' Response	15,968.89	-	-	15,968.89	8,926.15	7,042.74
Public Health Services	63,695.04	-	-	63,695.04	35,623.79	28,071.25
Environmental Health Services	49,628.55	-	-	49,628.55	19,112.03	30,516.52
Animal Control Services	19,291.75	-	-	19,291.75	14,901.57	4,390.18

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

**CURRENT FUND  
SCHEDULE OF 2018 APPROPRIATION RESERVES (CONTINUED)  
Year Ended December 31, 2019**

	Balance December 31, 2018	Transfers	Encumbered December 31, 2018	Balance After Modification	Paid or Charged	Balance Lapsed
Salaries and Wages (cont'd)						
Director of Recreation	130,890.32	-	-	130,890.32	8,307.45	122,582.87
Sr. Citizens' Programs	36,021.86	-	-	36,021.86	15,716.96	20,304.90
Environmental Commission	-	-	-	-	-	-
Economic Development Comm.	-	-	-	-	-	-
Board of Public Officers	150.00	-	-	150.00	-	150.00
Municipal Alliance	250.00	-	-	250.00	-	250.00
Cultural and Arts Commission	150.00	-	-	150.00	-	150.00
Shade Tree Commission	100.00	-	-	100.00	-	100.00
Parks and Recreation Commission	75.00	-	-	75.00	-	75.00
Redevelopment Board	175.00	-	-	175.00	-	175.00
Public Safety Commission	200.00	-	-	200.00	-	200.00
Special Needs Commission	600.00	-	-	600.00	-	600.00
Office of the Mayor	3,341.08	-	9,221.39	12,562.47	3,778.42	8,784.05
Township Council	12,300.61	-	136.13	12,436.74	11,963.45	473.29
Office of the Township Clerk	15,451.43	-	35,199.69	50,651.12	34,177.05	16,474.07
Office of Business Administrator	815.53	-	95.00	910.53	-	910.53
Division of Human Resources	2,766.10	-	697.68	3,463.78	666.51	2,797.27
Training	7,651.14	-	2,258.86	9,910.00	2,258.86	7,651.14
Division of Budget and Purchasing	4,216.87	-	2,735.84	6,952.71	5,581.50	1,371.21
Postage Costs	1,501.95	-	763.32	2,265.27	1,970.27	295.00
Office of Director of Finance	42,165.33	-	269.50	42,434.83	8,396.55	34,038.28
Audit	14,799.00	-	-	14,799.00	-	14,799.00
Division of Assessments	9,099.01	-	15,166.58	24,265.59	24,265.33	0.26
Division of Revenue Collection	20,971.97	-	582.08	21,554.05	2,969.20	18,584.85
Legal Services	53,959.99	-	11,480.87	65,440.86	24,761.35	40,679.51
Municipal Court	26,191.49	-	6,343.80	32,535.29	8,315.44	24,219.85
Division of Engineering	9,860.96	-	117,877.98	127,738.94	70,098.16	57,640.78
Division of Economic Develop.	22,787.90	-	74,884.35	97,672.25	88,499.64	9,172.61
Community Planning & Compliance	6,619.62	-	-	6,619.62	-	6,619.62
Zoning Board	83.72	-	186.28	270.00	186.28	83.72

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

**CURRENT FUND  
SCHEDULE OF 2018 APPROPRIATION RESERVES (CONTINUED)  
Year Ended December 31, 2019**

	Balance December 31, 2018	Transfers	Encumbered December 31, 2018	Balance After Modification	Paid or Charged	Balance Lapsed
Other Expenses:						
Uniform Construction Code	13,902.38	-	3,243.46	17,145.84	4,118.46	13,027.38
Housing Inspections	3,174.44	-	1,250.00	4,424.44	1,250.00	3,174.44
Police Division/Dept. of Public Safety	122,397.63	-	152,842.58	275,240.21	117,424.47	157,815.74
Office of Emergency Management	1,172.18	-	22,730.89	23,903.07	20,107.80	3,795.27
Purchase of Police Cars	580.96	-	117,701.54	118,282.50	117,889.54	392.96
Office of Public Works	52,892.57	-	26,018.37	78,910.94	21,492.40	57,418.54
Other Public Works Functions	9,047.88	-	871.00	9,918.88	936.00	8,982.88
Division of Bldgs. and Grounds	4,167.83	5,000.00	45,601.32	54,769.15	53,170.18	1,598.97
Solid Waste Collection & Recycling	161,549.43	70,000.00	90,433.92	321,983.35	321,983.07	0.28
Maintenance of Motor Vehicles	16,861.58	-	50,671.00	67,532.58	37,892.22	29,640.36
Landfill/Solid Waste Disposal Costs	28,437.90	65,184.73	316,541.99	410,164.62	410,164.62	-
Maintenance of Parks	58,397.84	-	58,497.40	116,895.24	43,378.49	73,516.75
Division of Citizen Response	1,065.63	-	114.48	1,180.11	114.48	1,065.63
Public Health Services	38,318.57	-	68,438.07	106,756.64	59,546.13	47,210.51
Environmental Health Services	5,774.02	-	690.00	6,464.02	510.80	5,953.22
Animal Control Services	36,238.93	-	10,881.37	47,120.30	36,235.85	10,884.45
Division of Recreation	52,098.13	-	10,075.64	62,173.77	9,848.57	52,325.20
Office of Senior Citizens' Programs	31,025.59	-	6,310.62	37,336.21	2,993.83	34,342.38
Environmental Comm.	85.36	-	-	85.36	-	85.36
Zoning Board of Adjustment	24,162.75	-	355.85	24,518.60	955.85	23,562.75
Economic Development Comm.	-	-	265.52	265.52	-	265.52
Planning Board	21,562.07	-	624.10	22,186.17	848.10	21,338.07
Board of Public Officers	100.00	-	-	100.00	-	100.00
First Aid Organizations	-	-	10,000.00	10,000.00	10,000.00	-
Redevelopment Board	4,580.00	-	-	4,580.00	-	4,580.00
Shade Tree Commission	26.51	-	-	26.51	-	26.51
Cultural and Arts Commission	850.00	-	-	850.00	-	850.00

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

**A-8**

**CURRENT FUND  
SCHEDULE OF 2018 APPROPRIATION RESERVES (CONTINUED)  
Year Ended December 31, 2019**

	Balance December 31, 2018	Transfers	Encumbered December 31, 2018	Balance After Modification	Paid or Charged	Balance Lapsed
Other Expenses (cont'd)						
Rent Leveling Board	50.00	-	-	50.00	-	50.00
Special Needs Commission	200.00	-	-	200.00	-	200.00
Retirement Payouts	56,013.37	-	-	56,013.37	-	56,013.37
Utility Expense and Bulk Purchase	6,493.92	20,000.00	19,465.39	45,959.31	39,955.13	6,004.18
Condominium Services Act	60,000.00	-	-	60,000.00	47,217.12	12,782.88
DCRP	19,901.41	-	-	19,901.41	232.40	19,669.01
Social Security System (O.A.S.I.)	205,991.23	-	-	205,991.23	87,674.52	118,316.71
<b>Total Operations Within "CAPS"</b>	<b>4,193,605.79</b>	<b>-</b>	<b>1,291,523.86</b>	<b>5,485,129.65</b>	<b>3,508,451.61</b>	<b>1,976,678.04</b>
Operations Excluded From "CAPS"						
Salaries and Wages:						
Police Dispatch/911	58,788.42	-	-	58,788.42	48,867.18	9,921.24
Other Expenses:						
Police Dispatch/911	4,650.85	-	-	4,650.85	-	4,650.85
Matching Funds for Grants	35,292.00	-	-	35,292.00	30,000.00	5,292.00
<b>Total Operations Excluded from "CAPS"</b>	<b>98,731.27</b>	<b>-</b>	<b>-</b>	<b>98,731.27</b>	<b>78,867.18</b>	<b>19,864.09</b>
<b>Total Appropriation Reserves</b>	<b>\$ 4,292,337.06</b>	<b>\$ -</b>	<b>\$ 1,291,523.86</b>	<b>\$ 5,583,860.92</b>	<b>\$ 3,587,318.79</b>	<b>\$ 1,996,542.13</b>

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

**A-9**

CURRENT FUND  
SCHEDULE OF PREPAID TAXES  
Year Ended December 31, 2019

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Balance - December 31, 2018	\$ 2,590,737.18
Increased by:	
2019 Prepaid Tax Collections	<u>2,377,353.55</u>
	4,968,090.73
Decreased by:	
Applied to 2019 Taxes	<u>2,590,737.18</u>
Balance - December 31, 2019	<u><u>\$ 2,377,353.55</u></u>

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

**A-10**

CURRENT FUND  
SCHEDULE OF TAX OVERPAYMENTS  
Year Ended December 31, 2019

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Balance - December 31, 2018	\$ 65,296.78
Increased by:	
Overpayments in 2019	<u>20,900.91</u>
	86,197.69
Decreased by:	
Refunds	<u>65,296.78</u>
Balance - December 31, 2019	<u><u>\$ 20,900.91</u></u>

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

**A-11**

CURRENT FUND  
SCHEDULE OF DUE FROM STATE OF NEW JERSEY  
Year Ended December 31, 2019

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Balance - December 31, 2018		\$ 259,577.25
Increased by:		
Allowable Deductions Per Tax Billings (Abstract)	\$ 868,500.00	
2019 Deductions Allowed by Collector	<u>21,000.00</u>	
		<u>889,500.00</u>
		1,149,077.25
Decreased by:		
Cash Received	845,866.57	
2019 Deductions Disallowed by Collector	<u>28,982.20</u>	
		<u>874,848.77</u>
Balance - December 31, 2019		<u><u>\$ 274,228.48</u></u>
<u>Analysis of Realized Revenue for 2019:</u>		
Deductions Allowed Per Tax Billings	\$ 868,500.00	
2019 Deductions Allowed/Disallowed by Collector (net)	<u>(7,982.20)</u>	
Realized as Revenue - 2019		<u><u>\$ 860,517.80</u></u>

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

**A-12**

**GRANT FUND  
SCHEDULE OF STATE AND FEDERAL GRANTS ACCOUNTS RECEIVABLE  
Year Ended December 31, 2019**

Grant/Aid Program	Balance December 31, 2018	Realized in 2019 Budget	Received 2019	Grant Account Adjustments	Balance December 31, 2019
Transportation Trust	\$ 12,345.00	\$ -	\$ -	\$ -	\$ 12,345.00
NJ DOT Speed Humps	1,879.49	-	-	-	1,879.49
Klockner Rd.	14,070.38	-	-	-	14,070.38
Smart Future Grant	25,000.00	-	-	-	25,000.00
SFY 2006					
College of NJ E. State St. Corridor Revitalization	26,328.43	-	-	-	26,328.43
Wildlife Habitat Incentive Program	7,650.00	-	-	-	7,650.00
SFY 2008					
Klockner Road FY 2007 (Rt. 33 to E. State St.)	1,555.56	-	-	-	1,555.56
SFY 2010					
NJ Health Officer Mini Grant	2,500.00	-	-	-	2,500.00
Paris Grant SFY 10	16,625.00	-	-	-	16,625.00
CDBG Recovery Grant	0.01	-	-	-	0.01
TY 2010					
Over the Limit Under Arrest	600.00	-	-	-	600.00
CY 2011					
Child Passenger Safety	3,100.00	-	-	-	3,100.00
Regional Trails	4,000.00	-	-	-	4,000.00
Bullet Proof Vest	3,564.00	-	-	-	3,564.00
Over the Limit Under Arrest	600.00	-	-	-	600.00
Child Passenger Safety	2,200.00	-	-	-	2,200.00
CY 2012					
Municipal Alliance	17,200.70	-	1,936.43	-	15,264.27
Recreational Trails Program	7,013.00	-	-	-	7,013.00
NJ Turnpike Phase II - Ch. 159	87.06	-	-	-	87.06
CY 2013					
Safe Routes to Schools	15,984.15	-	15,984.15	-	-
NNL Turnpike Phase III	38.00	-	-	-	38.00
CY 2014					
Municipal Alliance	10,022.79	-	10,022.79	-	-
Bulletproof Vest Program	19,134.91	-	-	(9,523.22)	9,611.69
CY 2015					
Distracted Driving	50.00	-	-	-	50.00
Bulletproof Vest Program	11,169.18	-	-	(11,169.18)	-

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

**GRANT FUND  
SCHEDULE OF STATE AND FEDERAL GRANTS ACCOUNTS RECEIVABLE (CONTINUED)  
Year Ended December 31, 2019**

Grant/Aid Program	Balance December 31, 2018	Realized in 2019 Budget	Received 2019	Grant Account Adjustments	Balance December 31, 2019
CY 2016					
Recreational Trails	24,000.00	-	24,000.00	-	-
NJDOT Whitehorse-Hamilton Square	275,000.00	-	275,000.00	-	-
NJDOT Safe Streets to Schools	47,250.00	-	29,647.60	-	17,602.40
Bulletproof Vest Partnership	12,233.65	-	11,271.15	(962.50)	-
CY 2017					
NJ ACCHO Mini Grant	1,500.00	-	-	-	1,500.00
NJDOT Whitehorse Hamilton Sq Rd	275,000.00	-	206,250.00	-	68,750.00
NJDOT Muni Aid Hughes Drive	305,000.00	-	305,000.00	-	-
Distracted Driving	5,500.00	-	-	-	5,500.00
Drunk Driving Enforcement	10,400.38	-	-	-	10,400.38
Drive Sober Get Pulled Over	165.00	-	-	-	165.00
CY 2018					
Municipal Alliance	29,472.83	-	29,472.83	-	-
NJDOT Yardville Hamilton Sq Rd	505,300.00	-	-	-	505,300.00
Justice Assistance	-	-	-	4,956.90	4,956.90
Justice Assistance	94.00	-	-	16,698.00	16,792.00
Justice Assistance	15,288.00	-	-	-	15,288.00
CY 2019					
Municipal Alliance	-	78,832.00	31,180.46	-	47,651.54
Justice Assistance	-	15,620.00	14,835.90	-	784.10
Distracted Driving	-	5,500.00	5,500.00	-	-
Drive Sober Get Pulled Over	-	4,840.00	4,840.00	-	-
Body Armor Grant	-	16,060.78	16,060.78	-	-
Community Stewardship Incentive	-	10,000.00	-	-	10,000.00
Recycling Tonnage	-	150,719.25	150,719.25	-	-
Clean Communities	-	197,511.76	197,511.76	-	-
Alcohol Ed & Rehab	-	17,682.44	17,682.44	-	-
Safe Routes to Schools (Klockner)	-	342,000.00	-	-	342,000.00
Click It or Ticket	-	5,500.00	5,500.00	-	-
Drunk Driving Enforcement	-	11,010.43	11,010.43	-	-
Drive Sober Get Pulled Over	-	5,500.00	5,500.00	-	-
	<u>\$ 1,708,921.52</u>	<u>\$ 860,776.66</u>	<u>\$ 1,368,925.97</u>	<u>\$ -</u>	<u>\$ 1,200,772.21</u>

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

**GRANT FUND  
SCHEDULE OF RESERVE FOR STATE AND FEDERAL GRANTS APPROPRIATED  
Year Ended December 31, 2019**

	Balance December 31, 2018	Transferred 2019 Budget	Encumbered December 31, 2018	Paid or Charged	Encumbered December 31, 2019	Canceled	Balance December 31, 2019
Parking Adjudication	\$ 330.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 330.00
NJ DOT Livable Comm. Anchor Thread Park	8,347.00	-	-	-	-	-	8,347.00
NJ DOT Quakerbridge & Young Rd.	22,295.00	-	-	-	-	-	22,295.00
SFY 2005							
Klockner Rd.	15,625.94	-	-	-	-	-	15,625.94
Smart Grant	25,000.00	-	-	-	-	-	25,000.00
SFY 2007							
Wildlife Habitat Incentive Program	7,650.00	-	-	-	-	-	7,650.00
SFY 2008							
Alcohol Education & Rehab. Fund	204.46	-	-	-	-	-	204.46
Public Health Priority	29,117.00	-	-	-	-	-	29,117.00
SFY 2010							
Alcohol Education and Rehab	8,627.25	-	-	4,050.00	-	-	4,577.25
NJ Health Officer Mini Grant	2,500.00	-	-	-	-	-	2,500.00
Municipal Alliance	2,230.08	-	-	-	-	-	2,230.08
NJ Forestry Service Stimulus ARRA	7,000.00	-	-	-	-	-	7,000.00
TY 2010							
Over the Limit Under Arrest	600.00	-	-	-	-	-	600.00
OEM Exercise Management Program	9,547.69	-	-	-	-	-	9,547.69
Hepatitis B Inoculation	1,400.00	-	-	-	-	-	1,400.00
Regional Fugitive Task Force	12,000.00	-	-	-	-	-	12,000.00
CY 2011							
Child Passenger Safety	3,100.00	-	-	-	-	-	3,100.00
Safe and Secure Communities	4,585.00	-	-	-	-	-	4,585.00
H1N1 Corrective Actions Grant	0.89	-	-	-	-	-	0.89
2010 Smart Growth Planning Grant	500.00	-	-	-	-	-	500.00
Municipal Alliance	1,255.96	-	-	-	-	-	1,255.96
Regional Trails	4,000.00	-	-	-	-	-	4,000.00
Justice Assistance Recovery Act	12,444.80	-	-	-	-	-	12,444.80
Child Passenger Safety	2,200.00	-	-	-	-	-	2,200.00
CY 2012							
Municipal Alliance	456.64	-	-	-	-	-	456.64
Emergency Management Performance	4,185.23	-	-	-	-	-	4,185.23
Recreation Trails Program	7,012.99	-	-	-	-	-	7,012.99
Justice Assistance I	18,799.00	-	-	-	-	-	18,799.00
Alcohol Education & Rehab	8,902.93	-	-	1,804.35	-	-	7,098.58

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

**A-13**

**GRANT FUND  
SCHEDULE OF RESERVE FOR STATE AND FEDERAL GRANTS APPROPRIATED (CONTINUED)  
Year Ended December 31, 2019**

	Balance December 31, 2018	Transferred 2019 Budget	Encumbered December 31, 2018	Paid or Charged	Encumbered December 31, 2019	Canceled	Balance December 31, 2019
Turnpike Phase II	249,390.58	-	-	-	31,450.00	-	217,940.58
2012 Sustainable Land Use Planning Grant	2,500.00	-	-	-	-	-	2,500.00
CY 2013							
Municipal Alliance	687.16	-	-	-	-	-	687.16
Safe Streets to Transit Program	717.60	-	-	-	-	-	717.60
Safe Routes to Schools Program	0.06	-	-	-	-	-	0.06
Clean Communities	1,180.58	-	-	-	-	-	1,180.58
NNL Turnpike Phase III	266,008.31	-	-	-	-	-	266,008.31
Municipal Court Alcohol Ed. Rehab	12,613.15	-	-	-	-	-	12,613.15
CY 2014							
Municipal Alliance (6 months)	973.11	-	-	-	-	-	973.11
Sustainable Energy Grant	5,000.00	-	-	-	-	-	5,000.00
ANJEC Vernal Pool Cert	2,500.00	-	-	-	-	-	2,500.00
Municipal Alliance	145.36	-	-	-	-	-	145.36
Emergency Management Assistance	10,000.00	-	-	-	-	-	10,000.00
Alcohol Education Rehab	11,638.78	-	-	892.32	-	-	10,746.46
Small Grants Program	5,000.00	-	-	-	-	-	5,000.00
CY 2015							
Distracted Driving	50.00	-	-	-	-	-	50.00
Municipal Alliance	1,335.70	-	-	-	-	-	1,335.70
Alcohol Education Rehab	729.36	-	-	600.00	-	-	129.36
CY 2016							
Municipal Alliance	465.59	-	-	-	-	-	465.59
Edward Byrne JAG 2016	16,208.00	-	-	-	-	-	16,208.00
Recycling Tonnage	2,000.00	-	-	-	2,000.00	-	-
Emergency Management Assistance	11,417.20	-	-	-	-	-	11,417.20
Clean Communities	236.92	-	-	236.92	-	-	-
NJDOT Whitehorse-Hamilton Sq.	275,000.00	-	-	-	-	275,000.00	-
Alcohol Education and Rehab	2,714.82	-	-	-	-	-	2,714.82
NJDOT Safe Streets to Schools	15,038.40	-	-	-	-	-	15,038.40

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

**GRANT FUND  
SCHEDULE OF RESERVE FOR STATE AND FEDERAL GRANTS APPROPRIATED (CONTINUED)  
Year Ended December 31, 2019**

	Balance December 31, 2018	Transferred 2019 Budget	Encumbered December 31, 2018	Paid or Charged	Encumbered December 31, 2019	Canceled	Balance December 31, 2019
<b>CY2017</b>							
NJ ACCHO Mini Grant	1,500.00	-	-	-	-	-	1,500.00
NJDOT Whitehorse Hamilton Sq. Rd	-	-	275,000.00	275,000.00	-	-	-
Recycling Tonnage	48,272.85	-	8,852.15	49,166.96	6,858.04	-	1,100.00
Emergency Management Assistance	9,400.00	-	-	-	-	-	9,400.00
Alcohol Education and Rehab	12,739.25	-	-	1,300.00	-	-	11,439.25
NJDOT Muni Aid Hughes Drive	305,000.00	-	-	-	-	305,000.00	-
Municipal Alliance	1,813.59	-	-	-	-	-	1,813.59
NJACCHO Health	2,320.00	-	-	-	-	-	2,320.00
Drunk Driving Enforcement	5,353.13	-	-	1,425.00	316.98	-	3,611.15
Distracted Driving	5,500.00	-	-	-	-	-	5,500.00
Drunk Driving Enforcement	10,221.38	-	179.00	948.25	179.00	-	9,273.13
Drive Sober Get Pulled Over	165.00	-	-	-	-	-	165.00
<b>CY2018</b>							
Municipal Alliance	16,865.72	-	51,579.51	67,933.81	-	-	511.42
NJDHSS Lead Abatement	46,386.00	-	-	493.45	79.10	-	45,813.45
NJDOT Yardville Hamilton Sq. Road	505,300.00	-	-	-	-	-	505,300.00
Recycling Tonnage	124,189.17	-	-	22,304.63	28,557.30	-	73,327.24
Department of Justice	4,956.90	-	-	-	-	-	4,956.90
NJ Div. Law & Public Safety	4,700.00	-	-	-	-	-	4,700.00
Clean Communities	106,801.37	-	8,841.66	115,643.03	-	-	-
Justice Assistance	16,792.00	-	-	-	-	-	16,792.00
Alcohol Education and Rehab	13,474.84	-	-	650.00	-	-	12,824.84
Click It or Ticket	5,500.00	-	-	-	-	-	5,500.00
Drunk Driving Enforcement	8,048.51	-	-	-	-	-	8,048.51
Justice Assistance	15,288.00	-	-	-	-	-	15,288.00
<b>CY2019</b>							
Municipal Alliance	-	78,832.00	-	2,222.02	48,837.71	-	27,772.27
Justice Assistance	-	15,620.00	-	-	-	-	15,620.00
Distracted Driving	-	5,500.00	-	-	-	-	5,500.00
Drive Sober Get Pulled Over	-	4,840.00	-	-	-	-	4,840.00
Body Armor	-	16,060.78	-	9,381.58	6,679.20	-	-
Community Stewardship Incentive	-	10,000.00	-	-	-	-	10,000.00
Recycling Tonnage	-	150,719.25	-	149,000.00	-	-	1,719.25
Clean Communities	-	197,511.76	-	73,068.78	8,189.63	-	116,253.35
Alcohol Education and Rehab	-	17,682.44	-	-	-	-	17,682.44
Safe Routes to Schools (Klockner)	-	342,000.00	-	-	-	-	342,000.00
Click It or Ticket	-	5,500.00	-	-	-	-	5,500.00
Drunk Driving Enforcement	-	11,010.43	-	-	-	-	11,010.43
Drive Sober Get Pulled Over	-	5,500.00	-	-	-	-	5,500.00
	<b>\$ 2,384,056.25</b>	<b>\$ 860,776.66</b>	<b>\$ 344,452.32</b>	<b>\$ 776,121.10</b>	<b>\$ 133,146.96</b>	<b>\$ 580,000.00</b>	<b>\$ 2,100,017.17</b>

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

**A-14**

GRANT FUND  
SCHEDULE OF STATE AND FEDERAL GRANTS UNAPPROPRIATED  
Year Ended December 31, 2019

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Grant/Aid Program	Balance December 31, 2018	Received 2019	Balance December 31, 2019
Recycling Tonnage	\$ -	\$ 150,719.25	\$ 150,719.25
	<u>\$ -</u>	<u>\$ 150,719.25</u>	<u>\$ 150,719.25</u>

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

**B-3**

**ANIMAL CONTROL FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN RESERVE –  
REGULATORY BASIS  
Year Ended December 31, 2019**

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Balance - December 31, 2018		\$ 68,033.58
Increased by:		
2019 Dog License and Other Related Fees		<u>34,532.70</u>
		102,566.28
Decreased by:		
Encumbrances	\$ 62.56	
Expenditures per R.S. 4:19-15.11	<u>27,524.58</u>	
		<u>27,587.14</u>
 Balance - December 31, 2019		 <u><u>\$ 74,979.14</u></u>

License Fees Collected:

<u>Year</u>	<u>Amount</u>
2017	\$43,931.00
2018	<u>40,944.50</u>
	 <u><u>\$84,875.50</u></u>

Note: R.S. 4:19-15.11

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

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

**B-4**

**TRUST ASSESSMENT FUND  
ANALYSIS OF TRUST ASSESSMENT CASH AND INVESTMENTS  
Year Ended December 31, 2019**

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	Balance December 2018	Receipts	Balance December 2019
Trust Surplus	\$ 2.00	\$ -	\$ 2.00
Assessment Bonds of 1985	3,332.64	-	3,332.64
Assessment Bonds of 1992	(97,210.84)	-	(97,210.84)
Assessment Bonds of 2010	467,502.00	66,786.00	534,288.00
Prepaid Assessments	9,332.15	-	9,332.15
	<u>\$ 382,957.95</u>	<u>\$ 66,786.00</u>	<u>\$ 449,743.95</u>

( ) Denotes Deficit

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

**TRUST ASSESSMENT FUND  
SCHEDULE OF ASSESSMENTS RECEIVABLE  
Year Ended December 31, 2019**

<u>Order Number</u>	<u>Improvement Descriptions</u>	<u>Date of Confirmation</u>	<u>Balance</u>	<u>Collections</u>	<u>Balance</u>	<u>Balance Pledge to</u>	
			<u>December 31, 2018</u>		<u>December 31, 2019</u>	<u>Assessment Bonds</u>	<u>Reserve</u>
04-36	Roadway Improvements	11/5/10	\$ 828,331.88	\$66,786.00	\$ 761,545.88	\$685,314.58	\$76,231.30
			828,331.88	66,786.00	761,545.88	685,314.58	76,231.30
Assessment Lien Receivable Prior Years			899.49	-	899.49	-	899.49
			<u>\$ 829,231.37</u>	<u>\$66,786.00</u>	<u>\$ 762,445.37</u>	<u>\$685,314.58</u>	<u>\$77,130.79</u>

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

**B-6**

**TRUST FUND  
SCHEDULE OF CASH AND RESERVE ACTIVITY  
Year Ended December 31, 2019**

	Balance December 31, 2018	Receipts	Disbursements	Adjustments	Balance December 31, 2019
<b>Trust Assessment:</b>					
Prepaid Assessments	\$ 9,332.15	\$ -	\$ -	\$ -	\$ 9,332.15
Assessments Receivable	(828,331.88)	66,786.00	-	-	(761,545.88)
Assessment Liens & Costs	(899.49)	-	-	-	(899.49)
Prospective Assessments Funded	(2,267,073.50)	-	-	198,000.00	(2,069,073.50)
Reserve for Assessments	2,716,928.67	-	-	110,000.00	2,826,928.67
Serial Bonds Payable	753,000.00	-	-	(308,000.00)	445,000.00
Assessment Fund Balance	2.00	-	-	-	2.00
<b>Total</b>	<b>382,957.95</b>	<b>66,786.00</b>	<b>-</b>	<b>-</b>	<b>449,743.95</b>
<b>Animal Control:</b>					
Due NJ - State License Fees	21.60	6,422.60	(6,424.80)	-	19.40
Reserve for Encumbrance	22,891.22	62.56	(22,891.22)	-	62.56
Escrow	5,937.00	-	-	-	5,937.00
Animal Control Reserves	68,033.58	58,472.20	(51,526.64)	-	74,979.14
<b>Total</b>	<b>96,883.40</b>	<b>64,957.36</b>	<b>(80,842.66)</b>	<b>-</b>	<b>80,998.10</b>
<b>Trust - Other Funds:</b>					
Res for Encumbrances (Trust)	167,380.17	309,373.41	(167,380.17)	-	309,373.41
Res for Encumbrances (Ins. Reserves)	41,863.99	81,097.69	(41,863.99)	-	81,097.69
Res for Encumbrances (Utilities Reserves)	38,794.06	57,849.97	(38,794.06)	-	57,849.97
Res for Encumbrances (COAH)	-	64,432.45	-	-	64,432.45
Res for Encumbrances (Law Enf)	-	3,584.92	-	-	3,584.92
Affordable Housing Fund - COAH	5,196,491.35	797,383.82	(700,225.61)	-	5,293,649.56
Due to Trust Reg (COAH)	13,000.00	-	(13,000.00)	-	-
Due from COAH (Trust Reg)	(13,000.00)	13,000.00	-	-	-
Flexible Spending Account	24,568.65	28,027.91	(30,801.29)	-	21,795.27
Dedicated Law Enforcement Trust	18,064.67	3,269.38	(5,106.53)	-	16,227.52
Developers Escrow Fund	1,117,989.48	386,673.60	(280,170.61)	-	1,224,492.47
Due to Current (Dev Escrow)	7,341.48	-	(7,341.48)	-	-
Other Escrow Funds	7,193,092.13	1,842,080.47	(1,678,850.35)	-	7,356,322.25

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

**B-6**

**TRUST FUND  
SCHEDULE OF CASH AND RESERVE ACTIVITY (CONTINUED)  
Year Ended December 31, 2019**

	Balance December 31, 2018	Receipts	Disbursements	Adjustments	Balance December 31, 2019
Performance Guarantees	1,305,235.05	-	-	-	1,305,235.05
Deposits for Tax Sale Redemptions	3,353,014.42	10,998,251.93	(9,916,709.58)	-	4,434,556.77
Payroll Deductions Payable	505,752.50	14,505,858.75	(14,935,220.08)	-	76,391.17
Insurance Trust Reserve	816,884.30	25,128,438.44	(25,899,369.61)	-	45,953.13
Utilities Trust Reserve	208,265.64	2,555,924.41	(2,609,377.83)	-	154,812.22
Unemployment Trust	100,143.08	64,727.48	(34,074.94)	-	130,795.62
Storm Recovery Trust	268,604.64	-	-	-	268,604.64
Green Trust	100.00	221,333.70	(30,280.00)	-	191,153.70
Off-Duty Police	1,473,036.75	3,848,760.91	(4,932,625.36)	-	389,172.30
<b>Total</b>	<b>21,836,622.36</b>	<b>60,910,069.24</b>	<b>(61,321,191.49)</b>	<b>-</b>	<b>21,425,500.11</b>
Workers Comp. Insurance Claims	23,379.65	358.14	(9,551.31)	-	14,186.48
<b>Total</b>	<b>23,379.65</b>	<b>358.14</b>	<b>(9,551.31)</b>	<b>-</b>	<b>14,186.48</b>
Housing and Community Development:					
Accounts Receivable	(948,154.82)	686,161.15	(657,492.00)	-	(919,485.67)
Reserve for Community Dev.	1,034,253.54	696,027.16	(789,270.10)	-	941,010.60
<b>Total</b>	<b>86,098.72</b>	<b>1,382,188.31</b>	<b>(1,446,762.10)</b>	<b>-</b>	<b>21,524.93</b>
HUD Housing Voucher Program					
Reserve for HUD Housing Voucher Program	341,551.05	1,659,782.66	(1,781,199.65)	-	220,134.06
Accrued Salaries and Wages	60,435.36	-	(60,435.36)	-	-
Accounts Payable	1,453.00	-	-	-	1,453.00
<b>Total</b>	<b>403,439.41</b>	<b>1,659,782.66</b>	<b>(1,841,635.01)</b>	<b>-</b>	<b>221,587.06</b>
<b>Grand Total</b>	<b>\$22,829,381.49</b>	<b>\$64,084,141.71</b>	<b>\$(64,699,982.57)</b>	<b>\$ -</b>	<b>\$22,213,540.63</b>

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

**B-7**

TRUST ASSESSMENT FUND  
SCHEDULE OF PROSPECTIVE ASSESSMENTS – FUNDED  
Year Ended December 31, 2019

Capital Ordinance Number	Improvement Description	Balance December 31, 2018	Canceled	Balance December 31, 2019	Balance Pledge to	
					Reserve	Assessment Bonds
4875	Constr. & Acquis. of Curbs and Sidewalks Various Streets	\$ 52,657.00	\$ -	\$ 52,657.00	\$ 52,657.00	\$ -
4876	Constr. of Water Mains - Paterson, etc.	24,406.50	-	24,406.50	24,406.50	-
4885	Constr. of New Roads - Murray, Hewitt Aves.	200,000.00	-	200,000.00	200,000.00	-
5064	Road Constr. Along Estates Blvd.	350,000.00	-	350,000.00	350,000.00	-
5066	Curb Improv. Along Various Rds.	10,005.00	-	10,005.00	10,005.00	-
5071	Curb Improv. Along Various Rds.	10,005.00	-	10,005.00	10,005.00	-
5087	Install. of New Water Line	20,000.00	-	20,000.00	20,000.00	-
04-06	Roadway Improvements-Variou	<u>1,600,000.00</u>	<u>198,000.00</u>	<u>1,402,000.00</u>	<u>957,000.00</u>	<u>445,000.00</u>
		<u>\$2,267,073.50</u>	<u>\$ 198,000.00</u>	<u>\$ 2,069,073.50</u>	<u>\$ 1,624,073.50</u>	<u>\$ 445,000.00</u>

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

**B-8**

**TRUST ASSESSMENT FUND  
SCHEDULE OF RESERVE FOR ASSESSMENTS,  
LIENS AND ASSESSMENT LIEN INTEREST AND COSTS  
Year Ended December 31, 2019**

Capital Ordinance Number	Improvement Description	Balance December 31, 2018	Current Budget for Deficit	Balance December 31, 2019
<u>ASSESSMENTS RECEIVABLE</u>				
822	Basin Rd., Boxwood, Bucknell, Evelyn, Laura, Lehigh, Sandalwood Aves. - Water Mains	\$ 3,048.37	\$ -	\$ 3,048.37
04-36	Roadway Improvements-Variou	1,598,932.31	110,000.00	1,708,932.31
<u>PROSPECTIVE ASSESSMENTS FUNDED</u>				
4875	Curbs and Sidewalks - Var. Sts.	52,657.00	-	52,657.00
4876	Water Mains - Patterson, etc.	24,406.50	-	24,406.50
4885	New Roads - Murray, Hewitt Aves.	200,000.00	-	200,000.00
5064	Road Constr. Along Estates Blvd.	319,985.00	-	319,985.00
<u>PROSPECTIVE ASSESSMENTS FUNDED</u>				
04-06	Roadway Improvements-Variou	517,000.00	-	517,000.00
<u>ASSESSMENT LIENS</u>				
5051	Jefferson, Johnston Aves. Redfern St., Ridge Ave., Samuel, Stockton St. - Curbs	899.49	-	899.49
		<u>\$ 2,716,928.67</u>	<u>\$ 110,000.00</u>	<u>\$ 2,826,928.67</u>

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

TRUST ASSESSMENT FUND  
SCHEDULE OF ASSESSMENT SERIAL BONDS  
Year Ended December 31, 2019

Issue	Date of Issue	Original Issue	Bonds Outstanding December 31, 2019		Interest Rate	Balance December 31, 2018	Increase	Decrease	Balance December 31, 2019
			Date	Amount					
Special Assessment Bonds, Series 2010C	3/10/2010	\$ 1,523,000.00	2020	\$ 110,000.00	3.125%	\$ 753,000.00	\$ -	\$ 643,000.00	\$ 110,000.00
Special Assessment Refunding Bonds 2019	10/31/2019	335,000.00	2021	75,000.00	4.000%	-	335,000.00	-	335,000.00
			2022	70,000.00	4.000%				
			2023	65,000.00	4.000%				
			2024	65,000.00	4.000%				
			2025	60,000.00	4.000%				
						<u>\$ 753,000.00</u>	<u>\$335,000.00</u>	<u>\$643,000.00</u>	<u>\$ 445,000.00</u>

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

**C-2**

**GENERAL CAPITAL FUND  
ANALYSIS OF CASH AND INVESTMENTS  
Years Ended December 31, 2019 and 2018**

	<u>2019</u>	<u>2018</u>
Fund Balance	\$ 2,472.97	\$ 2,472.97
Capital Improvement Fund	223,008.74	98,008.74
Reserve for Encumbrances	2,321,298.03	1,956,714.48
Reserve for Future Debt Service	263,940.90	195,855.94
Due to Sewer Operating Fund	-	4,025,539.86
Due to Sewer Capital	-	6,379,048.00
Due from Current	-	(177,712.25)
Mercer At Play	-	125,000.00
Grants Receivable	(423,331.78)	(652,081.78)
<u>CAP.</u>		
<u>NO.</u>	<u>IMPROVEMENT AUTHORIZATIONS</u>	
	<u>General Improvements</u>	
5129	Various Capital Improvements	6,413.60
		6,413.60
5130	Acquisition of Real Property	(62,290.09)
		(62,290.09)
5133	Improve. to Various Public Facilities	(40,000.00)
		(40,000.00)
5135	Various Capital Improvements	15,894.72
		15,894.72
5137	Various Capital Improvements	455.93
		455.93
02-012	Various Capital Improvements	(15,314.31)
		(15,314.31)
04-037/04-043	Various Road Improvements	20,119.31
		20,119.31
05-002/051008	Braghelli Tract Purchase	(69,978.77)
		(69,978.77)
05-049	Various Capital Improvements	2,273.29
		2,273.29
07-009	Reconstruction of Various Roads	546.03
		546.03
07-020	Various Capital Improvements	24,650.82
		26,983.32
08-004	Various Capital Improvements	35.73
		35.73
08-065	Various Capital Improvements	4,924.59
		4,924.59
09-004	Various Capital Improvements	1,692.82
		182,776.97
09-031	Various Capital Improvements	999,756.70
		1,004,302.57
10-032	Various Road Improvements	1,142,169.38
		978,758.72
11-016	Animal Shelter	0.67
		0.67
11-017	Various Capital Improvements	1,130,917.61
		1,137,002.67
12-031	Various Capital Improvements	1,785,194.71
		1,090,336.48
13-046	Various Capital Improvements	1,556,934.28
		1,228,806.44
14-031	Various Capital Improvements	2,013,907.77
		1,294,157.47
15-020	Various Capital Improvements	2,306,942.37
		2,241,706.70
16-022	Various Capital Improvements	(3,388,647.88)
		3,117,854.38
17-016	Various Capital Improvements	(2,757,110.60)
		(5,214,823.59)
18-032	Various Capital Improvements	(2,533,397.35)
		227,031.12
	<u>Local Improvements</u>	
5028	Curb Improv. Along George Dye Road and Youngs Road	(95.00)
		(95.00)
04-036	Special Assessments	-
		183,113.56
	<u>\$ 4,983,385.19</u>	<u>\$ 19,763,838.47</u>

( ) Denotes Deficit

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

**GENERAL CAPITAL FUND  
SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION – UNFUNDED  
Year Ended December 31, 2019**

Capital Number	Date	Improvement Description	Balance December 31, 2018	2019 Authorization	Budget Appropriation	Bonds Issued	Balance December 31, 2019	Analysis of Balance - December 31, 2019		
								Bond Anticipation Notes	Expenditures	Unexpended Balance of Improvement Authorization
<u>General Improvements</u>										
5130	10/8/1999	Acquisition of Real Property	\$ 62,290.09	\$ -	\$ -	\$ -	\$ 62,290.09	\$ -	\$ 62,290.09	\$ -
5133	11/26/1999	Improv. to Var. Public Facilities	40,000.00	-	-	-	40,000.00	-	40,000.00	-
5135	6/8/2000	Various Capital Improvements	1,389.00	-	-	-	1,389.00	-	-	1,389.00
02-012	4/10/2002	Various Capital Improvements	15,314.31	-	-	-	15,314.31	-	15,314.31	-
04-037	10/13/2004	Various Improvements (3,423,000)	63.00	-	-	-	63.00	-	-	63.00
05-002	3/8/2005	Braghelli Tract Purchase (7,150,740)	121,036.00	-	-	-	121,036.00	-	69,978.77	51,057.23
05-049	1/25/2006	Various Capital Improvements	317,257.00	-	16,686.00	-	300,571.00	300,344.00	-	227.00
09-031	12/1/2009	Various Capital Improvements	870.00	-	870.00	-	-	-	-	-
10-032	11/08/2010	Various Road Improvements	21,296.00	-	1,111.00	-	20,185.00	19,989.00	-	196.00
15-020	09/10/2015	Various Capital Improvements	7,600,284.00	-	-	7,600,000.00	284.00	-	-	284.00
16-022	8/15/2016	Various Capital Improvements	7,702,950.00	-	-	-	7,702,950.00	7,702,000.00	-	950.00
17-015	5/24/2017	Open Space Acquisitions	8,550,000.00	-	-	-	8,550,000.00	-	-	8,550,000.00
17-016	5/24/2017	Various Capital Improvements	7,380,983.00	-	-	-	7,380,983.00	-	5,214,823.59	2,166,159.41
18-032	8/13/2018	Various Capital Improvements	5,700,000.00	-	-	-	5,700,000.00	-	-	5,700,000.00
<u>Local Improvements</u>										
5028	3/15/1983	Curb Improv. Along George Dye Rd. and Youngs Road	95.00	-	-	-	95.00	-	95.00	-
			<u>\$ 37,513,827.40</u>	<u>\$ -</u>	<u>\$ 18,667.00</u>	<u>\$ 7,600,000.00</u>	<u>\$ 29,895,181.40</u>	<u>\$ 8,022,333.00</u>	<u>\$ 5,402,501.76</u>	<u>\$ 16,470,346.64</u>
Unexpended Balances of Unfunded Improvement Authorizations										\$ 17,882,375.58
Less: Unexpended Proceeds of Bond Anticipation Notes										(1,412,028.94)
										<u>\$ 16,470,346.64</u>

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

**C-4**

**GENERAL CAPITAL FUND  
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS  
Year Ended December 31, 2019**

Number	Capital Ordinance			Balance December 31, 2018		Encumbered	Paid or Charged	Encumbered	Canceled	Balance December 31, 2019	
	Improvement Description	Date	Amount	Funded	Unfunded	December 31, 2018		December 31, 2019		Funded	Unfunded
<b>General Improvements:</b>											
5129	Various Capital Improvements	7/30/1999	\$ 2,400,000.00	\$ 6,413.60	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,413.60	\$ -
5135	Various Capital Improvements	6/8/2000	5,806,632.00	15,894.72	1,389.00	-	-	-	-	15,894.72	1,389.00
5137	Various Capital Improvements	12/20/2000	1,708,000.00	455.93	-	-	-	-	-	455.93	-
04-037	Various Road Improvements	10/13/2004	3,423,000.00	20,119.31	63.00	-	-	-	-	20,119.31	63.00
05-002	Braghelli Tract Purchase	3/8/2005	7,150,740.00	-	51,057.23	-	51,057.23	-	-	-	-
05-049	Various Capital Improvements	12/6/2005	3,986,587.00	-	2,500.29	-	2,500.29	-	-	-	-
07-009	Reconstruction of Various Roads	5/15/2007	414,698.88	546.03	-	-	-	-	-	546.03	-
07-020	Various Capital Improvements	6/5/2007	3,015,000.00	26,983.32	-	-	26,983.32	-	-	-	-
08-004	Various Capital Improvements	2/19/2008	1,026,000.00	35.73	-	-	35.73	-	-	-	-
08-065	Various Capital Acquisitions	10/21/2008	1,470,000.00	4,924.59	-	-	4,924.59	-	-	-	-
09-004	Various Capital Improvements	2/3/2009	8,797,589.00	182,776.97	-	26.00	182,776.97	26.00	-	-	-
09-031	Various Capital Improvements	12/2/2009	8,869,216.00	1,003,432.57	870.00	-	22,656.30	-	-	980,776.27	870.00
10-032	Various Capital Improvements	11/08/2010	8,400,000.00	957,658.72	21,296.00	86,236.65	115,929.29	54,541.25	-	873,424.83	21,296.00
11-016	Animal shelter	04/19/2011	500,000.00	0.67	-	-	-	-	-	0.67	-
11-017	Various Capital Improvements	04/19/2011	7,521,025.00	1,137,002.67	21.00	1,250.00	172,995.66	1,250.00	-	964,007.01	21.00
12-031	Various Capital Improvements	08/21/2012	8,500,000.00	1,090,336.48	-	242,188.42	213,578.60	61,440.22	-	1,057,506.08	-
13-046	Various Capital Improvements	11/19/2013	7,500,000.00	1,228,806.44	-	-	81,366.09	183,913.09	-	963,527.26	-
14-031	Various Capital Improvements	05/20/2014	8,100,000.00	1,294,157.47	-	24,291.84	47,977.26	16,674.61	-	1,253,797.44	-
15-020	Various Capital Improvements	09/10/2015	8,000,296.00	-	2,241,990.70	521,307.69	476,208.31	161,415.90	-	-	2,125,674.18
16-022	Various Capital Improvements	8/15/2016	8,108,365.00	-	3,118,804.38	151,486.80	85,843.98	335,571.77	-	-	2,848,875.43
17-015	Open Space Acquisitions	5/24/2017	9,000,000.00	450,000.00	8,550,000.00	-	-	-	-	450,000.00	8,550,000.00
17-016	Various Capital Improvements	5/24/2017	8,269,455.00	-	2,166,159.41	708,710.24	649,068.10	260,833.25	-	-	1,964,968.30
18-032	Various Capital Improvements	8/13/2018	6,305,000.00	227,031.12	5,700,000.00	221,216.84	2,533,397.35	1,245,631.94	-	-	2,369,218.67
<b>Local Improvements:</b>											
04-036	Special Assessment	10/13/2004	1,600,000.00	183,113.56	-	-	-	-	183,113.56	-	-
				<b>\$7,829,689.90</b>	<b>\$21,854,151.01</b>	<b>\$1,956,714.48</b>	<b>\$4,667,299.07</b>	<b>\$2,321,298.03</b>	<b>\$183,113.56</b>	<b>\$6,586,469.15</b>	<b>\$17,882,375.58</b>

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

**C-5**

**GENERAL CAPITAL FUND  
SCHEDULE OF GENERAL SERIAL BONDS  
Year Ended December 31, 2019**

PURPOSE	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding - December 31, 2019		Interest Rate	Balance December 31, 2018	Increased	Decreased	Balance December 31, 2019
			Date	Amount					
General Improvement Bonds	3/1/2010	\$ 17,716,000.00	2/1/2020	\$ 1,700,000.00	3.125%	\$ 6,796,000.00	\$ -	\$ 5,096,000.00	\$ 1,700,000.00
Refunding Series 2013	4/30/2013	17,425,000.00	8/1/2020	1,680,000.00	4.000%	12,765,000.00	-	1,615,000.00	11,150,000.00
			8/1/2021	1,745,000.00	4.000%				
			8/1/2022	1,815,000.00	4.000%				
			8/1/2023	1,890,000.00	4.000%				
			8/1/2024	1,970,000.00	4.000%				
			8/1/2025	2,050,000.00	4.000%				
Refunding Series 2013 - Pension	4/30/2013	4,630,000.00	8/1/2020	585,000.00	2.460%	2,560,000.00	-	535,000.00	2,025,000.00
			8/1/2021	440,000.00	2.770%				
			8/1/2022	480,000.00	3.020%				
			8/1/2023	520,000.00	3.120%				
General Improvement Bonds	6/1/2014	8,046,000.00	6/1/2020	840,000.00	2.000%	5,246,000.00	-	825,000.00	4,421,000.00
			6/1/2021	885,000.00	4.000%				
			6/1/2022	900,000.00	2.000%				
			6/1/2023	900,000.00	2.000%				
			6/1/2024	896,000.00	2.125%				
General Improvement Bonds	6/1/2015	14,703,000.00	6/1/2020	1,545,000.00	4.000%	11,038,000.00	-	1,500,000.00	9,538,000.00
			6/1/2021	1,595,000.00	3.000%				
			6/1/2022	1,600,000.00	2.000%				
			6/1/2023	1,600,000.00	2.250%				
			6/1/2024	1,600,000.00	2.375%				
			6/1/2025	1,598,000.00	2.500%				
General Improvement Bonds	5/3/2017	19,773,000.00	5/15/2020	1,165,000.00	4.000%	18,610,000.00	-	1,165,000.00	17,445,000.00
			5/15/2021	1,165,000.00	5.000%				
			5/15/2022	1,165,000.00	5.000%				
			5/15/2023-5/15/2028	2,325,000.00	5.000%				
General Improvement Bonds	5/7/2019	7,600,000.00	5/15/2020	375,000.00	2.000%	-	7,600,000.00	-	7,600,000.00
			5/15/2021	605,000.00	2.250%				
			5/15/2022	670,000.00	2.250%				
			5/15/2023	700,000.00	2.250%				
			5/15/2024-5/15/2030	750,000.00	2.250%				
Refunding Series 2019	10/31/2019	3,070,000.00	11/13/2020	20,000.00	2.000%	-	3,070,000.00	-	3,070,000.00
			11/13/2021-11/13/2022	1,525,000.00	4.000%				
						<u>\$ 57,015,000.00</u>	<u>\$ 10,670,000.00</u>	<u>\$ 10,736,000.00</u>	<u>\$ 56,949,000.00</u>

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

**C-6**

GENERAL CAPITAL FUND  
SCHEDULE OF LOANS PAYABLE  
NEW JERSEY INFRASTRUCTURE BANK  
Year Ended December 31, 2019

Project Description	Issue Date	Amount of Loan	Interest Rate	Maturities of Loans		Balance December 31, 2018	Increased*	Decreased	Balance December 31, 2019	
				Date	Amount					
Infrastructure Water Loan	8/1/2006	\$ 1,435,000.00	4.500%	8/1/2020	\$ 85,000.00	\$ 612,480.74	\$ 5,236.07	\$ 85,000.00	\$ 532,716.81	
			4.375%	8/1/2021	90,000.00					
			4.375%	8/1/2022	95,000.00					
			4.375%	8/1/2023	100,000.00					
			4.375%	8/1/2024	105,000.00					
			4.375%	8/1/2025	110,000.00					
Infrastructure Water Loan - Principal Only	8/1/2006	4,028,778.00		<u>YEAR</u>	<u>SEMI-ANNUAL PRINCIPAL</u>		1,452,454.38	0.01	209,420.32	1,243,034.07
					<u>February 1</u>	<u>August 1</u>				
				2020	23,541.18	179,261.05				
				2021	20,037.48	184,917.35				
				2022	16,430.73	190,470.60				
				2023	12,623.61	195,823.47				
				2024	8,616.11	200,975.96				
	2025	4,408.24	205,928.39							
						<u>\$ 2,064,935.12</u>	<u>\$ 5,236.08</u>	<u>\$ 294,420.32</u>	<u>\$ 1,775,750.88</u>	

\* = Per NJIB internal audit report

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

**C-7**

GENERAL CAPITAL FUND  
SCHEDULE OF PROJECT LOANS PAYABLE  
NEW JERSEY DEPARTMENT OF ENVIRONMENTAL PROTECTION GREEN TRUST PROGRAM  
Year Ended December 31, 2019

Project Description	Issue Date	Amount of Loan	Interest Rate	Loan Repayment Period	Scheduled Semi-annual Payment*	Balance December 31, 2018	Decreased	Balance December 31, 2019
Issac Pearson Acquisition	6/4/2002	\$ 115,841.25	2.00%	3/6/03-3/6/2022	\$ 7,203.38	\$ 24,360.70	\$ 6,752.31	\$ 17,608.39
Veterans Park Extension	6/4/2002	461,600.00	2.00%	3/6/03-3/6/2022	28,703.76	97,072.42	26,906.38	70,166.04
Tyndale Farm Acquisition	6/4/2002	265,655.00	2.00%	3/6/03-3/6/2022	16,519.28	55,865.51	15,484.86	40,380.65
*Principal and Interest						<u>\$ 177,298.63</u>	<u>\$ 49,143.55</u>	<u>\$ 128,155.08</u>

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

**C-8**

GENERAL CAPITAL FUND  
SCHEDULE OF CAPITAL IMPROVEMENT FUND  
Year Ended December 31, 2019

Balance December 31, 2018	\$ 98,008.74
Increased By:	
Budgeted Appropriations	<u>\$ 125,000.00</u>
	<u>125,000.00</u>
	223,008.74
Decreased By:	
Appropriations to Finance Improvement Authorizations	<u>-</u>
Balance December 31, 2019	<u>\$ 223,008.74</u>

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

**C-9**

**GENERAL CAPITAL FUND  
SCHEDULE OF BOND ANTICIPATION NOTES  
Year Ended December 31, 2019**

Capital Number	Improvement Description	Date of Original Issue	Date of Issue	Date of Maturity	Interest Rate	Balance December 31, 2018	Increased	Decreased	Balance December 31, 2019
15-020	Various Capital Improvements	6/11/2016	5/22/2018	5/21/2019	3.00%	\$ 7,600,000.00	\$ -	\$ 7,600,000.00	\$ -
09-031	Various Capital Improvements	6/11/2016	5/22/2018	5/21/2019	2.875%	870.00	-	870.00	-
16-022	Various Capital Improvements	5/22/2018	5/7/2019	5/19/2020	2.50%	7,702,000.00	7,702,000.00	7,702,000.00	7,702,000.00
05-049	Various Capital Improvements	6/11/2016	5/7/2019	5/19/2020	2.79%	317,030.00	300,344.00	317,030.00	300,344.00
10-032	Various Road Improvements	6/11/2016	5/7/2019	5/19/2020	2.79%	21,100.00	19,989.00	21,100.00	19,989.00
						<u>\$ 15,641,000.00</u>	<u>\$ 8,022,333.00</u>	<u>\$ 15,641,000.00</u>	<u>\$ 8,022,333.00</u>

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

**C-10**

**GENERAL CAPITAL FUND  
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED  
Year Ended December 31, 2019**

Capital Number	Improvement Description	Balance - December 31, 2018		BANs Redeemed	BANs Issued	Balance - December 31, 2019	
		Capital Fund	Trust Fund			Capital Fund	Trust Fund
<u>General Improvements</u>							
5130	Acquisition of Real Property	\$ 62,290.09	\$ -	\$ -	\$ -	\$ 62,290.09	\$ -
5133	Improvement to Various Public Facilities	40,000.00	-	-	-	40,000.00	-
5135	Various Capital Improvements	1,389.00	-	-	-	1,389.00	-
02-012	Various Capital Improvements	15,314.31	-	-	-	15,314.31	-
04-037	Various Road Improvements	63.00	-	-	-	63.00	-
05-002	Braghelli Tract Purchase	121,036.00	-	-	-	121,036.00	-
05-049	Various Capital Improvements	227.00	-	300,344.00	300,344.00	227.00	-
10-032	Various Road Improvements	196.00	-	19,989.00	19,989.00	196.00	-
11-017	Various Capital Improvements	21.00	-	-	-	21.00	-
15-020	Various Capital Improvements	284.00	-	-	-	284.00	-
16-022	Various Capital Improvements	950.00	-	7,702,000.00	7,702,000.00	950.00	-
17-015	Open Space Acquisitions	8,550,000.00	-	-	-	8,550,000.00	-
17-016	Various Capital Improvements	7,380,983.00	-	-	-	7,380,983.00	-
18-032	Various Capital Improvements	5,700,000.00	-	-	-	5,700,000.00	-
<u>Local Improvements</u>							
5028	Curb Improv. Along George Dye Rd. and Youngs Rd.	-	95.00	-	-	-	95.00
		<u>\$ 21,872,753.40</u>	<u>\$ 95.00</u>	<u>\$ 8,022,333.00</u>	<u>\$ 8,022,333.00</u>	<u>\$ 21,872,753.40</u>	<u>\$ 95.00</u>

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

**D-6**

SEWER UTILITY ASSESSMENT FUND  
ANALYSIS OF CASH AND INVESTMENTS  
Year Ended December 31, 2019

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	Balance December 31, 2018	Balance December 31, 2019
Fund Balance	<u>\$ 467.10</u>	<u>\$ 467.10</u>
	<u><u>\$ 467.10</u></u>	<u><u>\$ 467.10</u></u>

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

**D-7**

**SEWER UTILITY CAPITAL FUND  
ANALYSIS OF CASH AND INVESTMENTS  
Year Ended December 31, 2019**

		2019	2018
Fund Balance		\$ 706.38	\$ 706.38
Accounts Receivable EIT Loan		(8,650.65)	(8,650.65)
Reserve for Encumbrances		4,740,305.00	3,738,726.90
Capital Improvement Fund		192,775.00	192,775.00
Capital Ordinance Number	Improvement Authorizations		
<u>General Improvements:</u>			
6623	Construction of a Sanitary Sewer Main - Whitehorse-Mercerville Road	(44,290.00)	(44,290.00)
6642	Construction of a Sewer Interceptor Line	(14,000.00)	(14,000.00)
6645	Various Sewer Capital Improvements	(434.00)	(434.00)
6646	Improvement to San. Sewer System	-	2,300.00
6652	Various Sewer Capital Improvements	-	14,297.60
6661	Various Capital Improvements	(0.41)	(0.41)
6664	Replacement of Sewer Lines	(33,272.00)	(33,272.00)
6667	Sewer Capital Improvements	-	3,782.48
6670	Improvements to Sewer System	(0.26)	(0.26)
03-006	Wastewater Utilities Capital Program	56,150.00	90,273.58
04-038/04-044	Various Sewer Capital Improvements	-	304,668.94
06-030	Various Sewer Capital Improvements	200.36	158,161.82
08-069	Various Sewer Capital Improvements	-	150,195.94
10-011	Various Sewer Capital Improvements	-	333,076.26
10-031	Various Sewer Capital Improvements	-	273,607.58
11-015	Various Sewer Capital Improvements	18,255.90	1,477,943.91
12-030	Various Sewer Capital Improvements	488,042.10	2,154,607.33
13-021	Various Sewer Capital Improvements	3,053,329.91	3,803,228.84
14-030	Various Sewer Capital Improvements	20.58	4,818,272.58
15-019	Various Sewer Capital Improvements	47,585.68	4,291,706.12
16-023	Various Sewer Capital Improvements	4,659,232.43	(1,488,929.46)
17-021	Various Sewer Capital Improvements	(1,154,069.74)	(1,068,144.10)
18-031	Various Sewer Capital Improvements	(608,229.40)	(208,571.14)
		<u>\$ 11,393,656.88</u>	<u>\$ 18,942,039.24</u>

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

**D-8**

SEWER UTILITY OPERATING FUND  
SCHEDULE OF SEWER RENTS RECEIVABLE  
Year Ended December 31, 2019

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Balance - December 31, 2018		\$ 1,150,471.94
Increased by:		
Sewer Rents Charged in 2019		<u>16,684,333.38</u>
		17,834,805.32
Decreased by:		
Cash Receipts	\$ 15,272,828.81	
Prepaid Sewer Rents Applied	<u>169,052.78</u>	
		<u>15,441,881.59</u>
Balance - December 31, 2019		<u><u>\$ 2,392,923.73</u></u>

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

**D-9**

SEWER UTILITY OPERATING FUND  
SCHEDULE OF SEWER RENT LIENS RECEIVABLE  
Year Ended December 31, 2019

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Balance - December 31, 2018		\$ 101,970.14
Increased by:		
Interest and Costs		<u>10,371.67</u>
		112,341.81
Decreased by:		
Collection		<u>16,635.95</u>
Balance - December 31, 2019		<u><u>\$ 95,705.86</u></u>

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

**D-10**

SEWER UTILITY OPERATING FUND  
SCHEDULE OF FIXED CAPITAL  
Year Ended December 31, 2019

	Balance December 31, 2018	Additions by Capital Outlay	Balance December 31, 2019
Fixed Capital - Prior Years	\$ 3,874,314.36	\$ -	\$ 3,874,314.36
Land and Land Rights	392,052.51	-	392,052.51
Structures and Buildings	263,047.09	-	263,047.09
Collecting System	43,198,968.37	-	43,198,968.37
Pumping Station	5,551,204.10	-	5,551,204.10
Treatment and Disposal System	45,452,903.99	-	45,452,903.99
Interest During Construction	3,225,659.66	-	3,225,659.66
Engineering Costs	19,217,501.99	-	19,217,501.99
Miscellaneous Equipment	7,841,515.86	-	7,841,515.86
Miscellaneous Expenses	5,078,534.00	-	5,078,534.00
Water Use Reduction Equipment	119,480.97	-	119,480.97
	<u>\$ 134,215,182.90</u>	<u>\$ -</u>	<u>\$ 134,215,182.90</u>

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

**D-11**

**SEWER UTILITY CAPITAL FUND  
SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED  
Year Ended December 31, 2019**

Ordinance				Balance		Balance
Number	Improvement Description	Date	Amount	December 31, 2018	2019 Authorized	December 31, 2019
6646	Improvements to Sanitary Sewer System	4/21/1987	\$ 3,761,000.00	\$ 1,708.00	\$ -	\$ 1,708.00
6652	Various Sewer Capital Improvements	4/16/1991	4,090,000.00	14,297.60	-	14,297.60
03-006	Wastewater Utility Cap. Improv.	4/2/2003	2,300,000.00	88,750.83	-	88,750.83
04-038/04-044	Klockner Pump Station	10/13/2004	1,350,000.00	110,235.80	-	110,235.80
04-038/04-044	Pond Run Pump Station	10/13/2004	844,950.00	8,943.10	-	8,943.10
04-038/04-044	Runyon Court Sewer	10/13/2004	17,500.00	400.00	-	400.00
04-038/04-044	Overlook Avenue Sewer Line	10/13/2004	83,500.00	0.80	-	0.80
06-30	Equipment Control	5/18/2005	3,554,500.00	100,248.73	-	100,248.73
06-30	Sewer & Road Improvements	5/18/2005	350,000.00	69,173.21	-	69,173.21
06-30	Utility Trucks	5/18/2005	83,000.00	0.36	-	0.36
08-069	Various Sewer Utility Improvements	12/24/2008	5,399,500.00	75,885.39	-	75,885.39
10-011	Treatment Plant Improvements	5/13/2010	2,502,000.00	2,502,000.00	-	2,502,000.00
10-011	Pump Station Repairs	5/13/2010	1,120,000.00	1,120,000.00	-	1,120,000.00
10-011	Collection System Rehabilitation	5/13/2010	3,718,500.00	3,718,500.00	-	3,718,500.00
10-011	Vehicles and Equipment	5/13/2010	448,500.00	448,500.00	-	448,500.00
10-011	Collection System Rehabilitation	5/13/2010	5,200,000.00	5,200,000.00	-	5,200,000.00
10-031	Various Sewer Capital Improvements	11/8/2010	8,400,000.00	8,400,000.00	-	8,400,000.00
11-015	Various Sewer Capital Improvements	4/19/2011	5,880,000.00	5,880,000.00	-	5,880,000.00
12-030	Various Sewer Capital Improvements	8/21/2012	5,000,000.00	5,000,000.00	-	5,000,000.00
13-021	Various Sewer Capital Improvements	7/10/2013	7,400,000.00	7,400,000.00	-	7,400,000.00
14-030	Various Sewer Capital Improvements	6/10/2014	6,900,000.00	6,900,000.00	-	6,900,000.00
15-019	Various Sewer Capital Improvements	10/10/2015	5,957,000.00	5,957,000.00	-	5,957,000.00
16-023	Various Sewer Capital Improvements	8/15/2016	6,376,050.00	6,379,050.00	-	6,379,050.00
17-021	Various Sewer Capital Improvements	6/7/2017	6,116,700.00	6,116,700.00	-	6,116,700.00
18-031	Various Sewer Capital Improvements	9/11/2018	6,800,000.00	6,800,000.00	-	6,800,000.00
				<u>\$ 72,291,393.82</u>	<u>\$ -</u>	<u>\$ 72,291,393.82</u>

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

**D-12**

SEWER UTILITY CAPITAL FUND  
SCHEDULE OF RESERVE FOR CAPITAL IMPROVEMENT FUND  
Year Ended December 31, 2019

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Balance - December 31, 2018 and 2019

\$ 192,775.00

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

**D-13**

SEWER UTILITY OPERATING FUND  
SCHEDULE OF 2018 APPROPRIATION RESERVES  
Year Ended December 31, 2019

	Balance December 31, 2018	Reserve for Encumbrances December 31, 2018	Amount After Modification	Paid or Charged	Balance Lapsed
Operating:					
Salaries and Wages	\$ 689,842.15	\$ -	\$ 689,842.15	\$ 196,636.46	\$ 493,205.69
Other Expenses	741,269.40	356,958.91	1,098,228.31	284,680.14	813,548.17
Statutory Expenditures:					
Contribution to:					
Social Security Sys. (O.A.S.I.)	51,503.70	-	51,503.70	15,390.75	36,112.95
	<u>\$ 1,482,615.25</u>	<u>\$ 356,958.91</u>	<u>\$ 1,839,574.16</u>	<u>\$ 496,707.35</u>	<u>\$ 1,342,866.81</u>

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

**D-14**

SEWER UTILITY OPERATING FUND  
SCHEDULE OF SEWER RENTS OVERPAYMENTS  
Year Ended December 31, 2019

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Balance - December 31, 2018	\$ 33,756.66
Increased by:	
Cash Receipts	<u>7,018.03</u>
	40,774.69
Decreased by:	
Overpayments Applied	6,174.38
Refunded	<u>27,582.28</u>
Balance - December 31, 2019	<u><u>\$ 7,018.03</u></u>

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

**D-15**

SEWER UTILITY OPERATING FUND  
SCHEDULE OF PREPAID SEWER RENTS  
Year Ended December 31, 2019

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Balance - December 31, 2018	\$ 169,052.78
Increased by:	
Cash Receipts	<u>84,953.88</u>
	254,006.66
Decreased by:	
Applied to Sewer Rents Receivable	<u>169,052.78</u>
Balance - December 31, 2019	<u><u>\$ 84,953.88</u></u>

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

**D-16**

SEWER UTILITY OPERATING FUND  
SCHEDULE OF ACCRUED INTEREST ON BONDS AND NOTES  
Year Ended December 31, 2019

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Balance - December 31, 2018	\$ 1,271,223.27
Increased by:	
Charged to 2019 Budget Appropriation	<u>2,669,609.58</u>
	3,940,832.85
Decreased by:	
Cash Disbursed	<u>2,846,262.64</u>
Balance - December 31, 2019	<u><u>\$ 1,094,570.21</u></u>

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

**D-16**

SEWER UTILITY OPERATING FUND  
SCHEDULE OF ACCRUED INTEREST ON BONDS AND NOTES (CONTINUED)  
Year Ended December 31, 2019

Analysis of Balance - December 31, 2019

Principal Outstanding December 31, 2019	Interest Rate	From	To	Period	Accrued Interest Amount
<u>NJIB Notes</u>					
\$ 265,288.25	0.62%	08/01/19	12/31/2019	5 months	\$ 685.33
<u>Bond Anticipation Notes</u>					
6,379,000.00	2.50%	05/19/19	12/31/2019	221 days	97,899.93
<u>Serial Bonds</u>					
295,000.00	4.00%	08/01/19	12/31/2019	5 Months	4,916.67
305,000.00	2.00%	08/01/19	12/31/2019	5 Months	2,541.67
310,000.00	5.00%	08/01/19	12/31/2019	5 Months	6,458.33
325,000.00	5.00%	08/01/19	12/31/2019	5 Months	6,770.83
340,000.00	4.71%	08/01/19	12/31/2019	5 Months	6,672.50
360,000.00	4.67%	08/01/19	12/31/2019	5 Months	7,005.00
175,000.00	3.125%	08/01/19	12/31/2019	5 Months	2,278.65
1,595,000.00	4.000%	08/01/19	12/31/2019	5 Months	26,583.33
1,655,000.00	4.000%	08/01/19	12/31/2019	5 Months	27,583.33
1,720,000.00	4.000%	08/01/19	12/31/2019	5 Months	28,666.67
1,790,000.00	4.000%	08/01/19	12/31/2019	5 Months	29,833.33
1,855,000.00	4.000%	08/01/19	12/31/2019	5 Months	30,916.67
1,935,000.00	4.000%	08/01/19	12/31/2019	5 Months	32,250.00
500,000.00	4.000%	12/01/19	12/31/2019	1 Month	1,666.67
525,000.00	2.000%	12/01/19	12/31/2019	1 Month	875.00
550,000.00	2.000%	12/01/19	12/31/2019	1 Month	916.67
565,000.00	2.125%	12/01/19	12/31/2019	1 Month	1,000.52
575,000.00	2.250%	12/01/19	12/31/2019	1 Month	1,078.13
600,000.00	2.500%	12/01/19	12/31/2019	1 Month	1,250.00
650,000.00	3.000%	12/01/19	12/31/2019	1 Month	1,625.00
650,000.00	3.000%	12/01/19	12/31/2019	1 Month	1,625.00
650,000.00	3.000%	12/01/19	12/31/2019	1 Month	1,625.00
650,000.00	3.000%	12/01/19	12/31/2019	1 Month	1,625.00

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

**D-16**

SEWER UTILITY OPERATING FUND  
SCHEDULE OF ACCRUED INTEREST ON BONDS AND NOTES (CONTINUED)  
Year Ended December 31, 2019

Principal Outstanding December 31, 2019	Interest Rate	From	To	Period	Accrued Interest Amount
650,000.00	3.125%	12/01/19	12/31/2019	1 Month	1,692.71
650,000.00	3.250%	12/01/19	12/31/2019	1 Month	1,760.42
650,000.00	3.250%	12/01/19	12/31/2019	1 Month	1,760.42
650,000.00	3.250%	12/01/19	12/31/2019	1 Month	1,760.42
650,000.00	3.250%	12/01/19	12/31/2019	1 Month	1,760.42
650,000.00	3.500%	12/01/19	12/31/2019	1 Month	1,895.83
650,000.00	3.500%	12/01/19	12/31/2019	1 Month	1,895.83
650,000.00	3.500%	12/01/19	12/31/2019	1 Month	1,895.83
650,000.00	3.500%	12/01/19	12/31/2019	1 Month	1,895.83
647,000.00	3.500%	12/01/19	12/31/2019	1 Month	1,887.08
150,000.00	3.000%	12/01/19	12/31/2019	1 Month	375.00
175,000.00	3.000%	12/01/19	12/31/2019	1 Month	437.50
175,000.00	3.250%	12/01/19	12/31/2019	1 Month	473.96
175,000.00	3.500%	12/01/19	12/31/2019	1 Month	510.42
200,000.00	3.500%	12/01/19	12/31/2019	1 Month	583.33
200,000.00	3.500%	12/01/19	12/31/2019	1 Month	583.33
200,000.00	4.000%	12/01/19	12/31/2019	1 Month	666.67
200,000.00	4.000%	12/01/19	12/31/2019	1 Month	666.67
200,000.00	4.000%	12/01/19	12/31/2019	1 Month	666.67
475,000.00	4.000%	05/15/19	12/31/2019	7.5 Months	11,875.00
475,000.00	5.000%	05/15/19	12/31/2019	7.5 Months	14,843.75
475,000.00	5.000%	05/15/19	12/31/2019	7.5 Months	14,843.75
525,000.00	5.000%	05/15/19	12/31/2019	7.5 Months	16,406.25
530,000.00	5.000%	05/15/19	12/31/2019	7.5 Months	16,562.50
605,000.00	5.000%	05/15/19	12/31/2019	7.5 Months	18,906.25
940,000.00	5.000%	05/15/19	12/31/2019	7.5 Months	29,375.00
940,000.00	5.000%	05/15/19	12/31/2019	7.5 Months	29,375.00
940,000.00	5.000%	05/15/19	12/31/2019	7.5 Months	29,375.00
835,000.00	5.000%	05/15/19	12/31/2019	7.5 Months	26,093.75
825,000.00	4.000%	05/15/19	12/31/2019	7.5 Months	20,625.00
830,000.00	3.000%	05/15/19	12/31/2019	7.5 Months	15,562.50
830,000.00	3.000%	05/15/19	12/31/2019	7.5 Months	15,562.50
830,000.00	3.000%	05/15/19	12/31/2019	7.5 Months	15,562.50

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

**D-16**

**SEWER UTILITY OPERATING FUND  
SCHEDULE OF ACCRUED INTEREST ON BONDS AND NOTES (CONTINUED)  
Year Ended December 31, 2019**

<u>Principal Outstanding December 31, 2019</u>	<u>Interest Rate</u>	<u>From</u>	<u>To</u>	<u>Period</u>	<u>Accrued Interest Amount</u>
825,000.00	3.125%	05/15/19	12/31/2019	7.5 Months	16,113.28
825,000.00	3.125%	05/15/19	12/31/2019	7.5 Months	16,113.28
825,000.00	3.250%	05/15/19	12/31/2019	7.5 Months	16,757.81
825,000.00	3.250%	05/15/19	12/31/2019	7.5 Months	16,757.81
825,000.00	3.250%	05/15/19	12/31/2019	7.5 Months	16,757.81
825,000.00	3.250%	05/15/19	12/31/2019	7.5 Months	16,757.81
825,000.00	3.375%	05/15/19	12/31/2019	7.5 Months	17,402.34
825,000.00	3.375%	05/15/19	12/31/2019	7.5 Months	17,402.34
825,000.00	3.500%	05/15/19	12/31/2019	7.5 Months	17,952.66
825,000.00	3.500%	05/15/19	12/31/2019	7.5 Months	18,046.88
825,000.00	3.500%	05/15/19	12/31/2019	7.5 Months	18,046.88
825,000.00	3.500%	05/15/19	12/31/2019	7.5 Months	18,046.88
825,000.00	3.500%	05/15/19	12/31/2019	7.5 Months	18,046.88
825,000.00	3.500%	05/15/19	12/31/2019	7.5 Months	18,046.88
111,000.00	2.000%	05/15/19	12/31/2019	7.5 Months	1,387.50
115,000.00	2.250%	05/15/19	12/31/2019	7.5 Months	1,617.19
115,000.00	2.250%	05/15/19	12/31/2019	7.5 Months	1,617.19
120,000.00	2.250%	05/15/19	12/31/2019	7.5 Months	1,687.50
120,000.00	2.250%	05/15/19	12/31/2019	7.5 Months	1,687.50
125,000.00	2.250%	05/15/19	12/31/2019	7.5 Months	1,757.81
130,000.00	2.250%	05/15/19	12/31/2019	7.5 Months	1,828.13
175,000.00	2.250%	05/15/19	12/31/2019	7.5 Months	2,460.94
180,000.00	2.250%	05/15/19	12/31/2019	7.5 Months	2,531.25
200,000.00	2.250%	05/15/19	12/31/2019	7.5 Months	2,812.50
200,000.00	2.250%	05/15/19	12/31/2019	7.5 Months	2,812.50
210,000.00	2.500%	05/15/19	12/31/2019	7.5 Months	3,281.25
215,000.00	2.500%	05/15/19	12/31/2019	7.5 Months	3,359.38
220,000.00	3.000%	05/15/19	12/31/2019	7.5 Months	4,125.00
220,000.00	3.000%	05/15/19	12/31/2019	7.5 Months	4,125.00
220,000.00	3.000%	05/15/19	12/31/2019	7.5 Months	4,125.00
220,000.00	3.000%	05/15/19	12/31/2019	7.5 Months	4,125.00
220,000.00	3.000%	05/15/19	12/31/2019	7.5 Months	4,125.00
220,000.00	3.000%	05/15/19	12/31/2019	7.5 Months	4,125.00
220,000.00	3.000%	05/15/19	12/31/2019	7.5 Months	4,125.00
107,000.00	3.500%	05/15/19	12/31/2019	7.5 Months	2,340.63
105,000.00	3.500%	05/15/19	12/31/2019	7.5 Months	2,296.88
110,000.00	3.500%	05/15/19	12/31/2019	7.5 Months	2,406.25

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

**D-16**

SEWER UTILITY OPERATING FUND  
SCHEDULE OF ACCRUED INTEREST ON BONDS AND NOTES (CONTINUED)  
Year Ended December 31, 2019

Principal Outstanding December 31, 2019	Interest Rate	From	To	Period	Accrued Interest Amount
110,000.00	3.500%	05/15/19	12/31/2019	7.5 Months	2,406.25
115,000.00	3.500%	05/15/19	12/31/2019	7.5 Months	2,515.63
120,000.00	3.500%	05/15/19	12/31/2019	7.5 Months	2,625.00
125,000.00	3.500%	05/15/19	12/31/2019	7.5 Months	2,734.38
130,000.00	3.500%	05/15/19	12/31/2019	7.5 Months	2,843.75
150,000.00	3.500%	05/15/19	12/31/2019	7.5 Months	3,281.25
150,000.00	3.500%	05/15/19	12/31/2019	7.5 Months	3,281.25
165,000.00	3.500%	05/15/19	12/31/2019	7.5 Months	3,609.38
170,000.00	3.500%	05/15/19	12/31/2019	7.5 Months	3,718.75
175,000.00	3.500%	05/15/19	12/31/2019	7.5 Months	3,828.13
190,000.00	3.500%	05/15/19	12/31/2019	7.5 Months	4,156.25
195,000.00	3.500%	05/15/19	12/31/2019	7.5 Months	4,265.63
195,000.00	3.550%	05/15/19	12/31/2019	7.5 Months	4,326.56
200,000.00	3.600%	05/15/19	12/31/2019	7.5 Months	4,500.00
200,000.00	3.650%	05/15/19	12/31/2019	7.5 Months	4,562.50
200,000.00	3.700%	05/15/19	12/31/2019	7.5 Months	4,625.00
200,000.00	3.750%	05/15/19	12/31/2019	7.5 Months	4,687.50
45,000.00	2.000%	02/01/19	12/31/2019	11 Months	825.00
175,000.00	4.000%	02/01/19	12/31/2019	11 Months	6,416.67
180,000.00	4.000%	02/01/19	12/31/2019	11 Months	6,600.00
190,000.00	4.000%	02/01/19	12/31/2019	11 Months	6,966.67
195,000.00	4.000%	02/01/19	12/31/2019	11 Months	7,150.00
205,000.00	4.000%	02/01/19	12/31/2019	11 Months	7,516.67
215,000.00	4.000%	02/01/19	12/31/2019	11 Months	7,883.33
225,000.00	4.000%	02/01/19	12/31/2019	11 Months	8,250.00
230,000.00	4.000%	02/01/19	12/31/2019	11 Months	8,433.33
245,000.00	4.000%	02/01/19	12/31/2019	11 Months	8,983.33
255,000.00	2.125%	02/01/19	12/31/2019	11 Months	4,967.19
260,000.00	2.250%	02/01/19	12/31/2019	11 Months	5,362.50
270,000.00	2.375%	02/01/19	12/31/2019	11 Months	5,878.13
270,000.00	2.500%	02/01/19	12/31/2019	11 Months	6,187.50
260,000.00	2.500%	02/01/19	12/31/2019	11 Months	5,958.33
250,000.00	2.500%	02/01/19	12/31/2019	11 Months	5,729.17
<u>\$ 58,490,000.00</u>					<u>\$ 1,094,570.21</u>

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

**D-17**

**SEWER UTILITY CAPITAL FUND  
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS  
Year Ended December 31, 2019**

Number	Ordinance Improvement Description	Date	Amount	Balance - December 31, 2018		Encumbrances December 31, 2018	2019 Adjustment	Paid or Charged	Encumbrances December 31, 2019	Canceled	Balance - December 31, 2019	
				Funded	Unfunded						Funded	Unfunded
6646	General Improvement: Improv. to San. Sewer System	4/21/1987	\$ 3,761,000.00	\$ 2,300.00	\$ -	\$ -	\$ -	\$ 1,224.26	\$ 1,075.74	\$ -	\$ -	\$ -
6652	Various Capital Improvements	4/16/1991	4,090,000.00	14,297.60	-	-	-	-	14,297.60	-	-	-
6667	Various Capital Improvements	11/26/1999	2,637,000.00	3,782.48	-	-	-	3,782.48	-	-	-	-
03-006	Wastewater Util. Cap. Prog.	4/2/2003	2,300,000.00	90,273.58	-	-	56,150.00	34,123.58	56,150.00	-	56,150.00	-
04-038/04-044	Klockner Pump Station	10/13/2004	1,350,000.00	110,235.80	-	-	-	106,152.80	4,083.00	-	-	-
04-038/04-044	Pond Run Pump Station	10/13/2004	844,950.00	8,943.10	-	-	-	-	-	-	-	-
04-038/04-044	Pump Station Alarm Radio	10/13/2004	265,000.00	185,089.24	-	5,700.00	-	185,089.24	5,700.00	-	-	-
04-038/04-044	Dewatering Facility Air Quality	10/13/2004	58,000.00	-	-	58,000.00	-	-	58,000.00	-	-	-
04-038/04-044	RBC Main Effluent	10/13/2004	40,000.00	-	-	10,630.00	-	-	10,630.00	-	-	-
04-038/04-044	Runyon Court Sewer	10/13/2004	17,500.00	400.00	-	-	-	400.00	-	-	-	-
04-038/04-044	Support Sanitary Sewer	10/13/2004	300,000.00	0.80	-	-	-	0.80	-	-	-	-
06-030	Equipment Control	1/25/2006	3,554,500.00	101,488.25	-	8,599.17	-	101,488.25	8,599.17	-	-	-
06-030	Sewer & Road Improvements	1/25/2006	350,000.00	56,673.21	-	12,500.00	-	45,967.14	23,006.07	-	200.00	-
06-030	Utility Trucks	1/25/2006	83,000.00	0.36	-	-	-	-	-	-	0.36	-
08-069	Various Capital Improvements	12/24/2008	5,399,500.00	150,195.94	275.00	36,850.36	-	150,470.94	36,850.36	-	-	-
10-011	Various Capital Improvements	3/1/2010	12,989,000.00	333,076.26	-	63,736.82	-	395,175.57	1,637.51	-	-	-
10-031	Various Capital Improvements	11/8/2010	8,400,000.00	-	273,607.58	1,937,160.60	-	1,282,578.79	928,189.39	-	-	-
11-015	Various Capital Improvements	4/19/2011	5,880,000.00	1,477,943.91	-	-	-	626,948.24	832,739.77	-	18,255.90	-
12-030	Various Capital Improvements	8/21/2012	5,000,000.00	2,154,607.33	-	73,707.22	-	23,076.24	1,717,196.21	-	488,042.10	-
13-021	Various Capital Improvements	7/10/2013	7,400,000.00	3,803,228.84	-	878,481.97	-	894,731.15	733,649.75	-	3,053,329.91	-
14-030	Various Capital Improvements	6/10/2014	6,900,000.00	-	4,818,272.58	-	-	-	-	4,818,252.00	-	20.58
15-019	Various Capital Improvements	10/10/2015	5,957,000.00	-	4,291,706.12	168,517.79	-	40,632.06	157,273.17	4,214,733.00	-	47,585.68
16-023	Various Capital Improvements	8/15/2016	6,379,050.00	-	4,890,120.54	36,589.00	-	214,024.57	53,452.54	-	-	4,659,232.43
17-021	Various Capital Improvements	6/7/2017	6,116,700.00	-	5,048,555.90	247,268.97	-	314,025.85	18,891.76	-	-	4,962,907.26
18-031	Various Capital Improvements	9/11/2018	6,800,000.00	-	6,591,428.86	200,985.00	-	465,610.30	135,032.96	-	-	6,191,770.60
				<b>\$ 8,492,536.70</b>	<b>\$ 25,913,966.58</b>	<b>\$ 3,738,726.90</b>	<b>\$ 56,150.00</b>	<b>\$ 4,894,445.36</b>	<b>\$ 4,796,455.00</b>	<b>\$ 9,032,985.00</b>	<b>\$ 3,615,978.27</b>	<b>\$ 15,861,516.55</b>

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

**D-18**

**SCHEDULE OF RESERVE FOR AMORTIZATION  
SEWER UTILITY CAPITAL FUND  
Year Ended December 31, 2019**

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Balance - December 31, 2018		\$ 116,011,082.21
Increased by:		
Serial Bonds Paid by Operating Budget	\$3,105,000.00	
Serial Bonds Escrowed for Refunding	3,582,000.00	
EIT Loans Paid By Operating Budget	25,232.59	
Bond Anticipation Notes Cancelled	9,032,985.00	
Bond Anticipation Notes Paid by Operating Budget	<u>77,015.00</u>	
		<u>15,822,232.59</u>
Decreased by:		
Serial Bonds Issued	<u>3,470,000.00</u>	
		<u>3,470,000.00</u>
Balance - December 31, 2019		<u><u>\$ 128,363,314.80</u></u>

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

**D-19**

**SEWER UTILITY CAPITAL FUND  
SCHEDULE OF SEWER SERIAL BONDS  
Year Ended December 31, 2019**

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding - December 31, 2019		Interest Rate	Balance December 31, 2018	Increased	Decreased	Balance December 31, 2019
			Date	Amount					
Sewer Utility Bonds	3/1/2010	\$ 5,142,000.00	3/1/2020	\$ 175,000.00	3.125%	\$ 3,922,000.00	\$ -	\$ 3,747,000.00	\$ 175,000.00
Sewer Utility Refunding Bonds	4/30/2013	16,505,000.00	8/1/2020	1,595,000.00	4.000%	12,085,000.00	-	1,535,000.00	10,550,000.00
			8/1/2021	1,655,000.00	4.000%				
			8/1/2022	1,720,000.00	4.000%				
			8/1/2023	1,790,000.00	4.000%				
			8/1/2024	1,855,000.00	4.000%				
			8/1/2025	1,935,000.00	4.000%				
Sewer Utility Tax Exempt	6/1/2014	14,687,000.00	6/1/2020	500,000.00	4.000%	12,912,000.00	-	500,000.00	12,412,000.00
			6/1/2021	525,000.00	2.000%				
			6/1/2022	550,000.00	2.000%				
			6/1/2023	565,000.00	2.125%				
			6/1/2024	575,000.00	2.250%				
			6/1/2025	600,000.00	2.500%				
			6/1/2026-6/1/2029	650,000.00	3.000%				
			6/1/2030	650,000.00	3.125%				
			6/1/2031-6/1/2034	650,000.00	3.250%				
			6/1/2035-6/1/2038	650,000.00	3.500%				
			6/1/2039	647,000.00	3.500%				
Sewer Utility Taxable	6/1/2014	2,300,000.00	6/1/2020	150,000.00	3.000%	1,825,000.00	0.00	150,000.00	1,675,000.00
			6/1/2021	175,000.00	3.000%				
			6/1/2022	175,000.00	3.250%				
			6/1/2023	175,000.00	3.500%				
			6/1/2024	200,000.00	3.500%				
			6/1/2025	200,000.00	3.500%				
			6/1/2026-6/1/2028	200,000.00	4.000%				

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

**D-19**

**SEWER UTILITY CAPITAL FUND  
SCHEDULE OF SEWER SERIAL BONDS (CONTINUED)  
Year Ended December 31, 2019**

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds		Interest Rate	Balance December 31, 2018	Increased	Decreased	Balance December 31, 2019
			Outstanding - December 31, 2019	Date					
Sewer Series 2015	8/1/2015	3,035,000.00	8/1/2020	295,000.00	4.000%	2,215,000.00	-	280,000.00	1,935,000.00
			8/1/2021	305,000.00	2.000%				
			8/1/2022	310,000.00	5.000%				
			8/1/2023	325,000.00	5.000%				
			8/1/2024	340,000.00	4.710%				
			8/1/2025	360,000.00	4.670%				
Sewer Series 2017 B	5/15/2017	23,480,000.00	5/15/2020	475,000.00	4.000%	22,080,000.00	-	475,000.00	21,605,000.00
			5/15/2021	475,000.00	5.000%				
			5/15/2022	475,000.00	5.000%				
			5/15/2023	525,000.00	5.000%				
			5/15/2024	530,000.00	5.000%				
			5/15/2025	605,000.00	5.000%				
			5/15/26-5/15/28	940,000.00	5.000%				
			5/15/29-5/15/47	15,700,000.00	various				
Sewer Series 2019 Tax Exempt	5/7/2019	3,556,000.00	5/19/2020	111,000.00	2.000%	-	3,556,000.00	-	3,556,000.00
			5/19/2021	115,000.00	2.250%				
			5/19/2022	115,000.00	2.250%				
			5/19/2023	120,000.00	2.250%				
			5/19/2024	120,000.00	2.250%				
			5/19/2025	125,000.00	2.250%				
			5/19/2026	130,000.00	2.250%				
			5/19/2027	175,000.00	2.250%				
			5/19/2028	180,000.00	2.250%				
			5/19/2029	200,000.00	2.250%				
			5/19/2030	200,000.00	2.250%				
			5/19/2031	210,000.00	2.500%				
			5/19/2032	215,000.00	2.500%				
			5/19/33-5/19/39	220,000.00	3.000%				

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

**D-19**

SEWER UTILITY CAPITAL FUND  
SCHEDULE OF SEWER SERIAL BONDS (CONTINUED)  
Year Ended December 31, 2019

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds		Interest Rate	Balance December 31, 2018	Increased	Decreased	Balance December 31, 2019
			Outstanding - December 31, 2019	Date					
Sewer Series 2019 Taxable	5/7/2019	3,112,000.00	5/19/2020	107,000.00	3.500%	-	3,112,000.00	-	3,112,000.00
			5/19/2021	105,000.00	3.500%				
			5/19/2022	110,000.00	3.500%				
			5/19/2023	110,000.00	3.500%				
			5/19/2024	115,000.00	3.500%				
			5/19/2025	120,000.00	3.500%				
			5/19/2026	125,000.00	3.500%				
			5/19/2027	130,000.00	3.500%				
			5/19/2028	150,000.00	3.500%				
			5/19/2029	150,000.00	3.500%				
			5/19/2030	165,000.00	3.500%				
			5/19/2031	170,000.00	3.500%				
			5/19/2032	175,000.00	3.500%				
			5/19/2033	190,000.00	3.500%				
			5/19/2034	195,000.00	3.500%				
			5/19/2035	195,000.00	3.550%				
			5/19/2036	200,000.00	3.600%				
			5/19/2037	200,000.00	3.650%				
			5/19/2038	200,000.00	3.700%				
			5/19/2039	200,000.00	3.750%				

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

**D-19**

SEWER UTILITY CAPITAL FUND  
SCHEDULE OF SEWER SERIAL BONDS (CONTINUED)  
Year Ended December 31, 2019

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds		Interest Rate	Balance December 31, 2018	Increased	Decreased	Balance December 31, 2019
			Outstanding - December 31, 2019	Date					
Sewer Series 2019 Refunding	10/31/2019	3,470,000.00	2/1/2020	45,000.00	2.000%	-	3,470,000.00	-	3,470,000.00
			2/1/2021	175,000.00	4.000%				
			2/1/2022	180,000.00	4.000%				
			2/1/2023	190,000.00	4.000%				
			2/1/2024	195,000.00	4.000%				
			2/1/2025	205,000.00	4.000%				
			2/1/2026	215,000.00	4.000%				
			2/1/2027	225,000.00	4.000%				
			2/1/2028	230,000.00	4.000%				
			2/1/2029	245,000.00	4.000%				
			2/1/2030	255,000.00	2.125%				
			2/1/2031	260,000.00	2.250%				
			2/1/2032	270,000.00	2.375%				
			2/1/2033	270,000.00	2.500%				
			2/1/2034	260,000.00	2.500%				
			2/1/2035	250,000.00	2.500%				
						<u>\$ 55,039,000.00</u>	<u>\$ 10,138,000.00</u>	<u>\$ 6,687,000.00</u>	<u>\$ 58,490,000.00</u>

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

**D-20**

SEWER UTILITY CAPITAL FUND  
SCHEDULE OF LOAN PAYABLE - NEW JERSEY INFRASTRUCTURE BANK  
Year Ended December 31, 2019

Project Description	Issue Date	Amount of Loan	Interest Rate	Maturities of Loans		Balance December 31, 2018	Decreased	Balance December 31, 2019
				Date	Amount			
Infrastructure Water Loan	8/1/2010	\$ 126,650.65	3.14%	8/1/2020	\$ 6,398.07	\$ 81,324.36	\$ 6,339.28	\$ 74,985.08
				8/1/2021	6,598.97			
			3.46%	8/1/2022	6,814.76			
			3.60%	8/1/2023	7,050.55			
			3.70%	8/1/2024	7,304.37			
			3.80%	8/1/2025	7,574.63			
			3.90%	8/1/2026	7,862.47			
			3.99%	8/1/2027	8,169.10			
			4.08%	8/1/2028	8,495.05			
			4.16%	8/1/2029	8,841.65			
			<u>Year</u>	<u>Semi-annual Principal</u>				
				<u>1-Feb</u>	<u>1-Aug</u>			
Infrastructure Water Loan - Principal Only	8/1/2010	4,028,778.00	2020	6,339.28	12,678.57	209,196.48	18,893.31	190,303.17
			2021	6,339.28	12,678.57			
			2022	6,339.28	12,678.57			
			2023	6,339.28	12,678.57			
			2024	6,339.28	12,678.57			
			2025	6,339.28	12,678.57			
			2026	6,339.28	12,678.57			
			2027	6,339.28	12,678.57			
			2028	6,339.28	12,678.57			
			2029	6,339.41	12,678.57			
						<u>\$ 290,520.84</u>	<u>\$ 25,232.59</u>	<u>\$ 265,288.25</u>

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

**D-21**

SEWER UTILITY CAPITAL FUND  
SCHEDULE OF BOND ANTICIPATION NOTES  
Year Ended December 31, 2019

Capital Ordinance Number	Improvement Description	Date of Original Issue	Date of Issue	Date of Maturity	Interest Rate	Balance December 31, 2018	Increased	Paydowns	Decreased	Balance December 31, 2019
10-031	Various Capital Improvements	8/28/2014	5/22/2018	5/21/2019	2.875%	\$ 3,112,000.00	\$ -	\$ -	\$ 3,112,000.00	\$ -
14-030	Various Capital Improvements	8/28/2014	5/22/2018	5/21/2019	3.00%	6,708,952.00	-	-	6,708,952.00	-
15-019	Various Capital Improvements	6/11/2016	5/22/2018	5/21/2019	3.00%	5,957,000.00	-	76,967.00	5,880,033.00	-
16-023	Various Capital Improvements	5/22/2018	5/22/2018	5/21/2019	3.00%	6,379,048.00	6,379,000.00	48.00	6,379,000.00	6,379,000.00
						<u>\$ 22,157,000.00</u>	<u>\$ 6,379,000.00</u>	<u>\$ 77,015.00</u>	<u>\$ 22,079,985.00</u>	<u>\$ 6,379,000.00</u>

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

**D-22**

**SEWER UTILITY CAPITAL FUND  
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED  
Year Ended December 31, 2019**

Capital Number	Ordinance Date	Improvement Description	Balance December 31, 2018	Authorized 2019	Balance December 31, 2019
6623	6/6/1973	Construction of San. Sewer Main - Whitehorse Mercerville Road	\$ 44,290.00	\$ -	\$ 44,290.00
6642	3/22/1984	Construction of a Sewer Interceptor Line	14,000.00	-	14,000.00
6645	4/16/1986	Various Sewer Capital Improv.	434.00	-	434.00
6661	5/17/1995	Various Capital Improvement	0.41	-	0.41
6664	5/28/1997	Replacement of Sewer Lines	33,272.00	-	33,272.00
6670	6/8/2000	Various Capital Improvement	0.26	-	0.26
08-069	3/1/2010	Various Capital Improvement	275.00	-	275.00
16-023	8/15/2016	Various Capital Improvement	2.00	-	2.00
17-021	6/7/2017	Various Capital Improvement	6,116,700.00	-	6,116,700.00
18-031	9/11/2018	Various Capital Improvement	6,800,000.00	-	6,800,000.00
			<u>\$ 13,008,973.67</u>	<u>\$ -</u>	<u>\$ 13,008,973.67</u>

**REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)**

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

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

PERS - Last 10 Fiscal Years

	2019	2018	2017	2016	2015	2014	2013
Township's proportion of the net pension liability	0.3603780%	0.3496011%	0.3299722%	0.3385549%	0.3421040%	0.3484885%	0.3477481%
Township's proportionate share of net pension liability	64,934,641	68,834,705	76,812,253	100,270,328	76,795,495	65,246,580	66,461,574
Township's covered-employee payroll	25,654,947	24,664,786	23,522,663	23,077,632	23,410,294	28,250,162	27,288,857
Township's proportionate share of net pension liability as a % of payroll	253.11%	279.08%	326.55%	434.49%	328.04%	230.96%	243.55%
Total pension liability	149,526,091	148,341,227	148,000,341	167,498,994	147,479,603	136,159,585	129,613,703
Plan fiduciary net position	84,591,450	79,506,522	71,188,088	67,228,756	70,684,108	70,913,005	63,152,129
Plan fiduciary net position as a % of total pension liability	56.57%	53.60%	48.10%	40.14%	47.93%	52.08%	48.72%

PFRS Plan - Last 10 Fiscal Years

	2019	2018	2017	2016	2015	2014	2013
Township's proportion of the net pension liability	0.5440620%	0.5671840%	0.5681413%	0.5696386%	0.5694478%	0.5520024%	0.5739572%
Township's collective proportionate share of net pension liability	77,094,640	87,174,471	97,534,288	117,953,357	103,168,188	76,913,962	83,414,744
Township's covered-employee payroll	18,683,714	18,605,490	18,631,147	18,453,698	18,719,706	22,589,838	21,821,143
Township's proportionate share of net pension liability as a % of payroll	412.63%	468.54%	523.50%	639.19%	551.12%	340.48%	382.27%
Total pension liability	220,244,635	232,318,857	235,614,943	245,779,418	236,118,470	204,606,281	201,949,121
Plan fiduciary net position	143,149,995	145,144,386	138,080,655	127,826,061	132,950,282	127,692,319	118,534,377
Plan fiduciary net position as a % of total pension liability	65.00%	62.48%	58.60%	52.01%	56.31%	62.41%	58.70%

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

Notes to the Required Supplementary Information

- There were no benefit changes.

- The PERS and PFRS discount rates changed from the measurement date of June 30, 2013, of 5.55% and 6.45% to 5.39% and 6.32%, respectively, as of the measurement date of June 30, 2014.
- The PERS and PFRS discount rates changed from the measurement date of June 30, 2014, of 5.39% and 6.32% to 4.90% and 5.79%, respectively, as of the measurement date of June 30, 2015.
- The PERS and PFRS discount rates changed from the measurement date of June 30, 2015, of 4.90% and 5.79% to 3.98% and 5.55%, respectively, as of the measurement date of June 30, 2016.
- The PERS and PFRS discount rates changed from the measurement date of June 30, 2016, of 3.98% and 5.55% to 5.00% and 6.14%, respectively, as of the measurement date of June 30, 2017.
- The PERS and PFRS discount rates changed from the measurement date of June 30, 2017, of 5.00% and 6.14% to 5.66% and 6.51%, respectively, as of the measurement date of June 30, 2018.
- The PERS and PFRS discount rates changed from the measurement date of June 30, 2018, of 5.66% and 6.51% to 6.28% and 6.85%, respectively, as of the measurement date of June 30, 2019.

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

**SCHEDULE OF CONTRIBUTIONS – PERS AND PFRS (UNAUDITED)**

	PERS - Last 10 Fiscal Years						
	Years Ended June 30,						
	2019	2018	2017	2016	2015	2014	2013
Contractually required contribution	\$ 3,505,416	\$3,477,401	\$3,056,840	\$ 3,007,673	\$2,941,177	\$2,872,889	\$2,620,211
Contributions in relation to the contractually required contribution	3,505,416	3,477,401	3,056,840	3,007,673	2,941,177	2,872,889	2,620,211
Agency's covered employee payroll	25,447,183	25,654,947	24,664,786	23,522,663	23,077,632	23,410,294	28,250,162
Contributions as a % of covered-employee payroll	13.78%	13.55%	12.39%	12.79%	12.74%	12.27%	9.28%
	PFRS - Last 10 Fiscal Years						
	Years Ended June 30,						
	2019	2018	2017	2016	2015	2014	2013
Contractually required contribution	\$ 5,495,628	\$5,545,059	\$5,028,155	\$4,644,495	\$4,628,761	\$4,239,760	\$4,187,464
Contributions in relation to the contractually required contribution	5,495,628	5,545,059	5,028,155	4,644,495	4,628,761	4,239,760	4,187,464
Agency's covered employee payroll	18,824,250	18,683,714	18,605,490	18,631,147	18,453,698	18,719,706	22,589,838
Contributions as a % of covered-employee payroll	29.19%	29.68%	27.03%	24.93%	25.08%	22.65%	18.54%

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

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

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

	Last 10 Fiscal Years			
	2019	2018	2017	2016
Proportion of the net OPEB liability - State Plan	0.004471%	0.005794%	0.006672%	0.842600%
Proportionate share of net OPEB liability - State Plan	\$ 605,645	\$ 907,724	\$ 1,362,141	\$ 1,855,256
Net OPEB liability - Local Plan	\$ 391,194,157	\$ 381,745,078	\$ 306,080,000	\$ 292,580,000
Contributions to State Plan	\$ 30,474	\$ 74,626	\$ 73,463	\$ 58,455
Contributions to Local Plan	\$ 9,401,764	\$ 6,223,385	\$ 6,100,000	\$ 5,850,000
Township's covered employee payroll	\$ 53,513,105	\$ 53,096,226	\$ 51,590,000	\$ 51,580,000
Township's proportionate share of the net OPEB liability as a percentage of covered employee payroll	732.16%	720.68%	595.93%	570.83%
Plan fiduciary net position as a percentage of the total OPEB Liability	1.98%	1.97%	1.03%	1.69%

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

## **SUPPLEMENTARY INFORMATION**

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

**STATEMENT OF OPERATIONS AND CHANGE IN FUND BALANCE - CURRENT FUND  
Year Ended December 31, 2019**

	2019	
	Amount	%
<b>REVENUE AND OTHER CREDITS TO INCOME</b>		
Fund Balance Utilized	\$ 6,600,000.00	2.10%
Miscellaneous Revenues Anticipated	32,020,776.20	10.17%
Receipts from Delinquent Taxes	326,212.07	0.10%
Receipts from Current Taxes	272,319,266.59	86.50%
Non-Budget Revenue	507,338.75	0.16%
Other Credits to Income:		
Prior Year Prepaid School Tax	1,035,070.02	0.33%
Unexpended Balance of Prior Year Approp. Res. Lapsed	1,996,542.13	0.63%
Total Revenue and Other Income	<u>314,805,205.76</u>	<u>100%</u>
<b>EXPENDITURES</b>		
Budget Appropriations:		
Operations:		
Salaries and Wages	45,628,440.60	14.71%
Other Expenses	40,037,420.63	12.91%
Deferred Charges and Statutory Expenditures	11,117,448.83	3.58%
Capital Improvements	125,000.00	0.04%
Municipal Debt Service	10,393,482.85	3.35%
Special District Taxes Levied	27,515,133.00	8.87%
County Taxes Levied	55,717,730.72	17.97%
Local District School Taxes Levied	119,128,856.00	38.41%
Refund of Prior Year Revenue	350,381.95	0.11%
Other	111,877.30	0.04%
Prior Year's Senior Citizens'/Veterans Deductions'	1,250.00	0.00%
Total Expenditures	<u>310,127,021.88</u>	<u>100%</u>
Statutory Excess to Fund Balance	4,678,183.88	
Fund Balance - January 1	<u>8,052,392.41</u>	
Subtotal	12,730,576.29	
Decreased by: Utilized as Anticipated Revenue	<u>6,600,000.00</u>	
Fund Balance - December 31	<u>\$ 6,130,576.29</u>	

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

STATEMENT OF OPERATIONS AND CHANGE IN FUND BALANCE -  
SEWER UTILITY OPERATING FUND  
Year Ended December 31, 2019

	2019	
	Amount	%
<u>Revenue and Other Income Realized</u>		
Fund Balance Utilized	\$ 1,099,900.00	5.71%
Sewer Rents	15,441,881.59	80.11%
Sewer Connection Fees	417,252.00	2.16%
Reserve for Future Debt Service	659,000.00	3.42%
Miscellaneous Revenue not Anticipated	314,339.89	1.63%
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves Lapsed	1,342,866.81	6.97%
Total Revenues	<u>19,275,240.29</u>	<u>100%</u>
<u>Expenditures</u>		
Budget Appropriations:		
Operating	10,963,957.00	61.74%
Debt Service	5,877,231.85	33.10%
Statutory Expenditures	916,906.00	5.16%
Total Expenditures	<u>17,758,094.85</u>	<u>100%</u>
Statutory Excess to Fund Balance	1,517,145.44	
Balance - January 1	<u>1,341,506.36</u>	
	2,858,651.80	
Decreased by: Utilized in Sewer Operating Budget	<u>1,099,900.00</u>	
Balance - December 31	<u>\$ 1,758,751.80</u>	

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

**SCHEDULE OF TAX RATE INFORMATION  
Years Ended December 31, 2019, 2018 and 2017**

	2019	2018	2017
<u>Tax Rate:</u>	\$ 2.835	\$ 2.818	\$ 2.752
<u>Apportionment of Tax Rate:</u>			
Municipal	\$ 0.776	\$ 0.789	\$ 0.769
Library	0.034	0.034	0.033
County	0.618	0.612	0.604
Local School	1.381	1.357	1.320
Open Space	0.026	0.026	0.026
<u>Fire District Tax Rate:</u>			
Fire District 1	\$ 0.090	\$ 0.120	\$ 0.110
Fire District 2	0.290	0.270	0.270
Fire District 3	0.720	0.690	0.600
Fire District 4	0.560	0.490	0.470
Fire District 5	0.730	0.720	0.600
Fire District 6	0.230	0.220	0.210
Fire District 7	0.160	0.160	0.150
Fire District 8	0.450	0.430	0.330
Fire District 9	0.330	0.320	0.290
<u>Assessed Valuation (Taxable):</u>			
2019	\$ 8,628,979,995		
2018		\$ 8,517,051,329	
2017			\$ 8,510,085,105

Comparison of Tax Levies and Collections:

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 Collections</u>	<u>% of Collection</u>
2019	\$272,892,606.10	\$272,319,266.59	99.79%
2018	268,686,505.47	268,006,319.05	99.75%
2017	259,244,975.93	258,350,944.77	99.66%

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

**DELINQUENT TAXES AND TAX TITLE LIENS  
Years Ended December 31, 2019, 2018 and 2017**

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>
2019	\$ 3,145,507.68	\$ 57,025.88	\$ 3,202,533.56	1.17%
2018	3,110,849.78	21,206.09	3,132,055.87	1.17%
2017	2,939,673.24	63,064.58	3,002,737.82	1.16%

Property Acquired for Tax Title Lien Liquidation:

<u>Year</u>	<u>Amount</u>
2019	\$ 367,045.00
2018	367,045.00
2017	367,045.00

Comparison of Sewer Utility Levies and Collections:

<u>Year</u>	<u>Levy</u>	<u>Collections</u>	<u>% of Collection</u>
2019	\$ 16,684,333.38	\$ 15,441,881.59	92.55%
2018	16,557,579.91	15,407,731.97	93.06%
2017	16,105,621.79	15,158,471.20	94.12%

Comparative Schedule of Fund Balances:

<u>Fund</u>	<u>Year Ended</u>	<u>Balance</u>	<u>Utilized in Budget of Succeeding Year</u>
Current Fund	2019	\$ 6,130,576.29	\$ 3,384,650.00
	2018	8,052,392.41	6,600,000.00
	2017	8,217,241.12	5,100,000.00
Sewer Utility - Operating Fund	2019	\$ 1,758,751.80	\$ 471,350.00
	2018	1,341,506.36	1,099,900.00
	2017	3,534,267.24	3,000,000.00

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

**OFFICIALS IN OFFICE AND SURETY BONDS  
Year Ended December 31, 2019**

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

<u>Name</u>	<u>Title</u>	<u>Amount of Bond</u>	<u>Name of Corporate Surety</u>
Kelly A. Yaede	Mayor		
Jeffrey Martin	President		
Richard Tighe	Vice President		
Anthony Carabelli	Council person		
Ralph Mastrangelo	Council person		
Ileana Schirmer	Council person		
Eileen A. Gore	Municipal Clerk		
Alison J. Salvatore	Deputy Municipal Clerk		
David Kenny	Business Administrator		
John Barrett	Chief Financial Officer		
Donald Kosul	Tax Assessor		
Lindsay Burbage	Township Attorney		
David Carothers	Director of Public Works		
Carrie Feuer	Director of Water Pollution Control		
Jeffrey Plunkett	Director of Health, Recreation and Welfare		
R. Douglas Hoffman	Presiding Municipal Judge	\$ 1,000,000	Selective Insurance/JIF
Kenneth Lozier	Municipal Judge	1,000,000	Selective Insurance/JIF
Danielle Peacock	Tax Collector, Tax Search Officer	1,000,000	Selective Insurance/JIF
Richard Williams	Township Engineer		
Raymond Lumio	Bldg. Inspector, Supt. Of Division Of Inspections		
James Stevens	Chief of Police		
Lynn Hoagland	Court Administrator, Court Clerk	1,000,000	Selective Insurance/JIF
Marie Moulds	Deputy Court Administrator		

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

All surety bonds in effect were examined or verified.

## **SINGLE AUDIT SECTION**

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

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

Year Ended December 31, 2019

Federal Department/Pass-Through Grantor/Program	CFDA Number	Passed Through Entity Identifying Number	Grant Award	Grant Period/Year	2019			Cumulative Expenditures
					Cash Receipts	Grant Expenditures	Subrecipient Expenditures	
Department of Housing and Urban Development:								
Community Development Block Grants	14.218	N/A	\$ 12,913,040.00	Prior Years Through 2019	\$ 686,161.15	\$ 562,005.96	\$ -	12,016,556.82
Section 8 Housing Choice Voucher Program	14.871	N/A		Prior Years Through 2019	1,515,062.00	1,653,752.00	-	11,237,535.69
Total Department of Housing and Urban Development:					2,201,223.15	2,215,757.96	-	23,254,092.51
Total Expenditures of Federal Awards					<u>\$ 2,252,292.70</u>	<u>\$ 2,215,757.96</u>	<u>\$ -</u>	<u>\$ 23,291,995.96</u>

See notes to schedule of expenditures of federal awards.

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

**NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS**

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**A. GENERAL**

The accompanying schedules of expenditures of federal awards present the activity of all federal assistance programs of the Township of Hamilton. The Township is defined in Note A to the financial statements. To the extent identified, the federal programs that passed through other governmental agencies is included on the schedules of expenditures of federal awards.

**B. BASIS OF ACCOUNTING**

The accompanying schedules of financial assistance are presented using the modified accrual basis of accounting in accordance with the "Requirements of Audit" as promulgated by the State of New Jersey, Department of Community Affairs, Division of Local Government Services. Such principles and practices are designed primarily for determining compliance with legal provisions and budgetary restrictions and as a means of reporting on the stewardship of public officials with respect to public funds. Under this method of accounting, the Township accounts for its financial transactions through separate funds, which differ from the funds required by accounting principles generally accepted in the United States of America ("GAAP").

Modifications to the accrual basis:

- a. Expenditures are recorded on the Schedules of Expenditures of Federal Awards when encumbered.
- b. Prepaid expenditures are not recorded.
- c. Obligations for employees' vested vacation and sick leave are recorded when paid.
- d. Revenues are recorded when anticipated in the budget.
- e. Property and equipment purchased are recorded as expenditures at the time of purchase and are not capitalized.

**C. RELATIONSHIP TO FINANCIAL STATEMENTS**

Amounts reported in the accompanying schedules agree with amounts reported in the Township's basic financial statements – regulatory basis. Financial assistance revenues and expenditures are reported in the Township's basic financial statements on the basis of accounting prescribed by the State of New Jersey, Department of Community Affairs, Division of Local Government Services.

**D. RELATIONSHIP TO FEDERAL REPORTS**

Amounts reported in the accompanying schedules of expenditures of federal awards agree with the amounts reported in the related federal reports, where required.

**E. INDIRECT COST RATE**

The Township does not have an indirect cost allocation plan nor does it use the de minimis rate of 10%.

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

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
Year Ended December 31, 2019**

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**Section I - Summary of Auditors' Results**

*Basic Financial Statements*

Type of auditors' report issued: *Unmodified*

Internal control over financial reporting:

- Material weaknesses identified?  yes  no
- Significant deficiencies identified?  yes  none reported
- Noncompliance material to financial statements noted?  yes  no

*Federal Awards*

Internal control over major programs:

- Material weaknesses identified?  yes  no
- Significant deficiency identified?  yes  none reported

Type of auditors' report issued on compliance for major federal programs: *Unmodified*

Any audit findings disclosed that are required to be reported in accordance with 2 CFR Section 200.516(a)?  yes  no

Identification of major programs:

CFDA Number	Program
14.218	Community Development Block Grants

Dollar threshold used to determine Type A and Type B Programs:

\$ 750,000

Auditee qualified as low-risk auditee?

yes  no

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

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
Year Ended December 31, 2019**

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**Section II – Financial Statement Findings**

**Finding 2019-001**

Criteria

Capital improvement ordinances in the General Capital Fund and the Sewer Utility Capital Fund should not have cash deficits for more than five years.

Condition

Bond ordinances in the General Capital Fund and the Sewer Utility Capital Fund have cash deficits for more than five years.

Cause

Inadequate monitoring and management of the status of funding for authorized capital improvements.

Effect

Various capital improvement ordinances with cash deficits at December 31, 2019.

Recommendation

We recommend that the Township fund capital improvements through an appropriation in the next annual budget to provide the necessary funding for these bond ordinances that currently have cash deficits.

Management's Response to Finding

The Township is in agreement with this finding and has completed corrective action by raising the necessary funding to eliminate the cash deficits in the 2020 budget adopted in June 2020.

**Finding 2019-002**

Criteria

All grant receivables and related reserves should be evaluated regularly to determine collectability and accounts should be adjusted accordingly and in a timely manner.

Condition

The Township had various outstanding grant receivable balances that have not been collected, as well as various appropriated reserve balances that have not been expended as of December 31, 2019.

Cause

Inadequate monitoring and management of grant receivables and related reserve balances.

Effect

An overstatement or understatement of grant receivables and related reserve balances.

Recommendation

We recommend that the Township regularly review each grant receivable and appropriated reserve balance for appropriateness and cancel any balances by resolution that are no longer collectible or spendable.

Management's Response to Finding

The Township is in agreement with this finding and has completed corrective action by completing grant receivable and related reserve cancellation resolutions in 2020.

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

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
Year Ended December 31, 2019

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**Section III – Findings and Questioned Costs Relating to Federal Awards**

None reported.

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

**SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS  
Year Ended December 31, 2019**

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**Finding 2018-001**

Condition

It was noted that there were goods purchased or services rendered with purchase order dates after the goods were received or services were performed.

Status: This finding was resolved in the current year.

**Finding 2018-002**

Condition

Bond ordinances in the General Capital Fund and the Sewer Utility Capital Fund had cash deficits for more than five years.

Status: This finding remained in the current year. See finding 2019-001.

**Finding 2018-003**

Condition

The Township had a number of older outstanding grant receivables balances that have not been collected, as well as a number of older grant appropriated reserves balances that have not been expended as of December 31, 2018.

Status: This finding remained in the current year. See finding 2019-002.

**Finding 2018-004**

Condition

Determination of the allowability and permissibility under the Township's administrative code regarding the crediting of unused vacation time from a previous government occupation for a management level Township employee could not be made.

Status: This finding was resolved in the current year.

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, and requirements of audit prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the financial statements of the Township of Hamilton, County of Mercer, State of New Jersey (the "Township"), as of and for the year ended December 31, 2019, and the related notes to financial statements, which comprise the Township's basic financial statements, and have issued our report thereon dated December 4, 2020, in which we expressed an adverse opinion on the conformity of the financial statements with accounting principles generally accepted in the United States of America due to differences between those principles and accounting practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

**Internal Control Over Financial Reporting**

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Township's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as findings 2019-001 and 2019-002 to be significant deficiencies.

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

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

**Compliance and Other Matters**

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

**Township's Response to Findings**

The Township's response to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The Township's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

**Purpose of this Report**

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



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

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

December 4, 2020

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON THE SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY UNIFORM GUIDANCE**

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

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

We have audited Township of Hamilton, County of Mercer, State of New Jersey's (the "Township") compliance with the types of compliance requirements described in the OMB Compliance Supplement that could have a direct and material effect on the Township's major federal program for the year ended December 31, 2019. The Township's major federal program is identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

**Management's Responsibility**

Management is responsible for compliance with federal and state statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

**Auditors' Responsibility**

Our responsibility is to express an opinion on compliance for the Township's major federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* ("Uniform Guidance"). Those standards and Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on each major federal and state program occurred. An audit includes examining, on a test basis, evidence about the Township's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

**Opinion on Each Major Federal Program**

In our opinion, the Township complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended December 31, 2019.

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON THE SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY UNIFORM GUIDANCE (CONTINUED)**

**Report on Internal Control Over Compliance**

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

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be a material weakness. However, a material weakness may exist that has not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



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

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

December 4, 2020

**STATISTICAL SECTION (UNAUDITED)**

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

**Table 1**

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

Year	General Government	Administration	Insurances & Postage	Finance	Law	Engineering, Planning & Inspections	Economic Development/Technology
2019	\$ 963,601	\$ 1,004,961	\$ 15,052,865	\$ 1,714,875	\$ 1,929,584	\$ 2,154,058	\$ 694,466
2018	871,794	1,090,538	14,607,427	1,747,444	1,828,979	1,714,112	712,525
2017	916,223	1,069,651	13,872,017	1,750,079	1,790,866	2,002,316	669,325
2016	780,609	925,648	15,892,396	1,732,794	1,729,915	1,844,486	755,483
2015	765,764	891,304	16,035,600	1,667,828	1,733,982	1,928,860	695,965
2014	748,728	897,782	15,966,286	1,655,967	1,722,745	1,941,535	633,757
2013	634,591	1,086,572	18,726,584	1,630,923	1,620,071	1,869,473	616,984
2012	857,211	971,421	15,953,796	1,567,141	1,646,180	2,158,583	642,730
2011	760,391	921,965	15,700,426	1,368,049	1,637,507	1,539,753	774,790
TY 2010	389,401	533,513	9,136,914	690,026	783,661	750,540	288,591

  

Year	Public Safety	Public Works	Health, Recreation & Welfare	Separate Boards & Agencies	Uniform Construction Code Appropriation	Unclassified Purposes	Deferred Charges & Statutory Expenditures
2019	\$ 24,026,826	\$ 23,183,082	\$ 3,521,067	\$ 142,630	\$ 2,099,243	\$ 3,384,260	\$ 11,117,449
2018	23,195,486	22,324,601	3,540,213	168,858	1,931,329	4,016,246	10,323,819
2017	23,841,949	21,651,820	3,457,065	202,188	1,844,122	3,157,502	9,807,405
2016	23,376,300	21,279,501	3,270,273	186,368	1,852,885	3,446,720	9,564,307
2015	22,808,705	20,754,685	3,243,074	188,918	1,815,441	3,560,929	9,029,569
2014	22,242,797	20,513,866	3,104,541	189,143	1,793,099	3,516,772	8,778,457
2013	22,294,054	20,170,229	2,698,607	163,863	1,760,053	3,955,118	8,943,570
2012	22,549,786	21,432,021	3,110,778	192,608	1,968,355	3,982,172	8,890,652
2011	22,337,609	22,262,426	3,223,939	188,588	1,734,181	3,951,700	9,289,422
TY 2010	10,949,754	11,290,762	1,644,376	109,958	899,046	1,828,337	944,882

  

Year	Operations Excluded from CAPS	State & Federal Grants	Capital Improvements	Deferred Charges Excluded from CAPS	Debt Service	Reserve for Uncollected Taxes	Total (1)
2019	\$ 4,878,567	\$ 915,777	\$ 125,000	\$ -	\$ 10,402,078	\$ 680,102	\$ 107,990,489
2018	4,809,158	1,062,072	325,000	-	10,141,588	886,669	105,297,858
2017	4,778,739	1,099,676	415,000	-	9,324,604	1,100,290	102,750,837
2016	4,663,766	926,553	410,000	-	7,444,188	1,256,306	101,338,498
2015	4,667,726	667,395	419,175	-	6,148,100	899,442	97,922,462
2014	7,136,120	864,561	394,860	-	6,060,083	900,240	99,061,339
2013	3,477,394	2,792,848	398,677	-	5,352,787	1,383,678	99,576,076
2012	4,214,114	1,381,323	379,150	-	5,939,570	1,300,000	99,137,591
2011	5,295,784	1,159,534	400,000	-	5,740,819	1,263,809	99,550,692
TY 2010	2,353,645	106,626	600,000	-	3,585,762	2,000,000	48,885,794

(1) Excludes taxes allocated to county and school.  
During TY 2010 the Township converted back to a calendar year.

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

**Table 2**

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

Year	Taxes (1)	Delinquent Taxes	Fees, Permits, Fines and Licenses	Construction Code Fees	In Lieu of Taxes	State Aid	From Other Funds
2019	\$ 70,637,649	\$ 326,212	\$ 6,608,824	\$ 2,145,644	\$ 1,053,353	\$ 19,166,830	\$ 175,000
2018	72,432,426	271,875	5,569,450	2,002,139	973,043	19,166,830	780,395
2017	69,513,308	366,116	5,418,970	2,228,525	840,005	19,166,830	874,067
2016	69,088,488	37,005	5,024,221	3,024,442	745,373	19,166,830	874,067
2015	64,392,419	156,579	4,283,906	2,692,203	614,000	19,166,830	680,331
2014	64,087,414	430,079	4,577,038	2,352,951	223,000	19,166,830	754,331
2013	63,259,610	448,261	3,781,392	2,031,012	223,000	19,166,830	754,331
2012	62,826,326	566,516	3,677,150	1,696,081	223,000	19,166,830	861,943
2011	63,524,839	1,989,124	3,702,598	2,488,885	223,000	19,166,830	589,000
TY 2010	28,963,765	61,715	1,068,428	1,044,370	215,585	15,985,780	310,000

  

Year	Appropriation Reserves Lapsed	Sale of Municipal Assets	Other Special Items of Revenue	State and Federal Grants	Surplus Anticipated	Non-Budget Revenues & Other Items	Total
2019	\$ 1,996,542	\$ 18,900	\$ 2,010,349	\$ 860,777	\$ 6,600,000	\$ 1,523,509	\$ 113,123,588
2018	2,703,344	-	1,124,087	1,007,072	5,100,000	599,414	111,730,075
2017	2,083,322	83,737	543,857	1,074,676	4,500,000	1,259,341	107,952,754
2016	1,039,146	-	993,296	901,553	4,500,000	901,232	106,295,653
2015	1,848,367	-	732,313	642,395	3,200,000	1,656,242	100,065,585
2014	1,783,383	-	1,235,471	839,561	2,400,000	991,604	98,841,662
2013	154,888	-	4,973,944	1,777,988	4,500,000	1,493,565	102,564,821
2012	2,224,385	94,357	1,518,135	1,383,823	7,029,271	3,162,463	104,430,280
2011	2,058,395	60,185	3,684,177	1,134,534	7,856,297	1,965,105	108,442,969
TY 2010	3,523,423	50,000	24,860	106,626	-	463,833	51,818,385

(1) Excludes taxes allocated to county and school  
During TY 2010 the Township converted back to a calendar year.

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

**Table 3**

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

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Year	Net Assessed Valuation Taxable	Market Valuation	Percentage of Net Assessed to Market Value
2019	\$ 8,628,979,995	\$ 9,120,000,072	94.62%
2018	8,517,051,329	8,928,283,025	95.39%
2017	8,510,085,105	8,768,832,490	97.05%
2016	8,473,551,847	8,653,838,044	97.92%
2015	5,165,540,985	8,713,857,913	59.28%
2014	5,166,302,640	8,660,503,656	59.65%
2013	5,157,770,396	8,281,583,808	62.28%
2012	5,158,330,794	9,160,155,030	56.31%
2011	5,158,310,796	9,128,138,022	56.51%
2010	5,181,260,831	9,839,082,474	52.66%

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

**Table 4**

**SCHEDULE OF TEN LARGEST TAXPAYERS – 2019  
LAST TEN FISCAL FUND (UNAUDITED)**

Taxpayer	Business Type	2019 Assessed Valuation	As a Percent of Total Net Assessed Taxable Valuation
JDN Real Estate	Real Estate	\$ 412,754,604	4.85%
PSEG	Industrial	144,600,000	1.70%
QB Partners	Office	130,995,800	1.54%
Cabot Holdings	Real Estate	102,311,500	1.20%
Bell Atlantic	Personal Property	98,015,004	1.15%
Levin Properties	Real Estate	68,724,800	0.81%
Reckson-Matrix	Real Estate	44,448,700	0.52%
Hamilton Station Apartments	Real Estate	26,971,100	0.32%
Kuser Village	Real Estate	24,853,200	0.29%
Sharbell Hamilton LLC	Residential Lots & Apartments	19,882,200	0.23%
		<u>\$ 1,073,556,908</u>	<u>12.61%</u>

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

**Table 5**

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

Year	Population (1)	Average Equalized Valuation	Net Debt	Net Debt per Capita	Ratio of Net Debt to Equalized Valuation	Net Debt Excluding Authorized not Issued		
						Debt	Ratio of Debt to Equalized Valuation	Debt per Capita
2019	88,464	\$8,911,849,679	\$89,193,087	1,008	1.00%	\$67,320,239	0.76%	760.99
2018	88,464	8,756,239,486	98,047,896	1,108	1.12%	76,175,048	0.87%	861.09
2017	88,464	8,617,061,159	99,415,057	1,124	1.15%	75,390,209	0.87%	852.21
2016	88,464	8,590,301,553	99,283,701	1,122	1.16%	79,018,514	0.92%	893.23
2015	88,464	8,516,370,352	96,613,194	1,092	1.13%	82,088,278	0.96%	927.93
2014	88,464	8,439,319,800	93,449,390	1,056	1.11%	86,524,759	1.03%	978.08
2013	88,464	8,422,856,565	90,664,310	1,025	1.08%	63,892,038	0.76%	722.24
2012	88,464	9,050,138,527	87,384,557	988	0.97%	64,634,899	0.71%	730.64
2011	88,464	10,195,687,606	77,444,505	875	0.76%	47,143,944	0.46%	532.92
TY 2010	88,464	10,240,337,968	83,744,979	947	0.82%	41,911,393	0.41%	473.77

(1) Census Information taken from [https://www.nj.gov/labor/lpa/dmograph/est/est\\_index.html](https://www.nj.gov/labor/lpa/dmograph/est/est_index.html)

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

**Table 6**

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

Year	Principal	Interest	Total Debt Service	Total Current Fund Governmental Expenditures	Ratio of Total Debt Service to Current Fund Expenditures
2019	\$ 7,812,231	\$ 2,581,252	\$ 10,393,483	\$ 107,981,895	9.63%
2018	7,612,664	2,528,924	10,141,588	101,005,521	10.04%
2017	5,855,000	1,996,809	7,851,809	102,750,834	7.64%
2016	5,486,616	1,957,572	7,444,188	101,338,498	7.35%
2015	4,215,332	1,924,945	6,140,277	97,914,639	6.27%
2014	4,458,192	1,601,891	6,060,083	99,030,638	6.12%
2013	3,679,109	1,673,678	5,352,787	99,576,077	5.38%
2012	3,851,477	2,088,123	5,939,600	99,154,956	5.99%
2011	3,683,221	2,057,598	5,740,819	99,550,691	5.77%
TY 2010	2,574,147	1,011,616	3,585,763	48,885,795	7.33%

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

**Table 7**

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

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Year	Unemployment Rate (1)	Total per Capita Income (2)
2019	3.00%	\$ 66,343
2018	3.50%	66,343
2017	4.00%	66,343
2016	4.20%	63,471
2015	4.80%	62,674
2014	5.90%	61,315
2013	7.30%	57,623
2012	8.50%	58,969
2011	8.50%	56,358
2010	8.70%	53,202

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

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

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

**Table 8**

**MISCELLANEOUS STATISTICS (UNAUDITED)**

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

## **GENERAL COMMENTS**

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

**GENERAL COMMENTS**

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

N.J.S.A. 40A: 11-4 states "Every contract or agreement, for the performance of any work or the furnishing or hiring of any materials or supplies, the cost or the contract price whereof is to be paid with or out of public funds not included within the terms of Section 3 of this act, shall be made or awarded only after public advertising for bids and bidding therefore, except as is provided otherwise in this act or specifically by any other law. No work, materials or supplies shall be undertaken, acquired or furnished for a sum exceeding in the bid threshold as set forth in New Jersey Statute 40A.4:11-4". The amount of \$40,000 for the period January 1, 2019 through December 31, 2019, is the threshold set forth in the aforementioned Statute for the year ended December 31, 2019.

The governing body of the Township has the responsibility of determining whether the expenditures in any category will exceed the threshold identified above within the fiscal year. Where question arises as to whether any contract or agreement might result in violation of the statute, the Township Counsel's opinion should be sought before a commitment is made. The minutes indicate that resolutions were adopted and advertised authorizing the awarding of contracts and agreements for "Professional Services" per N.J.S.A. 40A:11-5.

Pay-to-Play Requirements

The responsibility for compliance with the Township's local ordinance and the statutory requirements relating to pay-to-play has been bifurcated. All matters relating to professional service contracts have been assigned to the Office of the Township Attorney, while compliance for non-professional services contracts remains with the Township Purchasing Agent. An anomaly exists in the "Pay-to-Play" statutes when they are matched with the LPCL requirements to determine compliance requirements. The threshold for Pay-to-Play is set at \$17,500, with no escalator provision. At the time c.271 was enacted, the bid threshold per the LPCL was also set at \$17,500. However, effective July 1, 2005, the bid threshold was increased to \$21,000. This created a gap for compliance, as under c.271, a contract not awarded using a fair & open process and exceeding \$17,500 triggers the filing of additional documentation relating to ownership of the contracting entity and disclosure of political contributions. Since "Pay-to-Play" laws cover all contracts (not just professional services as some believe) any contract (or aggregation of purchases of similar goods or services) that does not meet "fair and open" standards requires the Township to obtain the necessary c.271 documents. The provisions of c.271 became effective on January 1, 2006.

Collection of Interest on Delinquent Taxes and Assessments

N.J.S.A. 54:4-67 provides the method for authorizing interest and the maximum rates to be charged for the nonpayment of taxes or assessments on or before the date when they would become delinquent. The governing body, on January 1, 2018, adopted a resolution authorizing interest to be charged on delinquent taxes and assessments, as follows:

- 8% Interest on Amounts up to \$1,500 on Delinquent Tax and Assessment Accounts
- 18% Interest on Amounts from \$1,500 and above on Delinquent Tax and Assessment Accounts
- Ten (10) Day Grace Period

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

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

GENERAL COMMENTS

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Delinquent Taxes and Tax Title Liens

The tax sale for 2019 delinquencies was held on December 18, 2019. An accelerated tax sale was held as permitted by Chapter 99, P.L. 1996. An accelerated tax sale has been held in each subsequent year. The Township maintains a foreclosure program for tax title liens that become subject to In Rem Foreclosure. Subject liens have been assigned to attorneys and are in the process of foreclosure.

Investment of Funds

The Chief Financial Officer had most of the idle funds of the Township invested in the interest-bearing investments or cash accounts from January 1, 2019 to December 31, 2019. Earnings from the investments are shown as revenue in the various accounts of the Township as of December 31, 2019. The investment program instituted by the finance officer was complete with minimal balances remaining in demand accounts. This policy complied with N.J.S.A. 40A.4: 5-14 in all respects. All cash accounts and investments held by the Township were directly confirmed as of December 31, 2019.

Purchase Order System and Encumbrance System

The Township's budgetary operation is on a full encumbrance system with the exception of payrolls and other direct costs. All purchases are made directly by the purchasing department or subsequently confirmed on an emergency basis. Outstanding encumbrances were reviewed at the close of the year, and adjustments and cancellations were made where appropriate to reflect actual commitments outstanding for budgetary control.

Condition of Records - Tax Collector Office

The records maintained by the Tax Collector were audited. Computerized cash receipt records were agreed to daily controls and in total monthly with no exceptions noted for items tested. No exceptions were noted in the testing of computerized real estate tax billings and billing adjustments for real estate taxes.

Condition of Records - Finance Department

The Finance Department utilized a computerized general ledger accounting system during 2019. General ledgers were maintained for all funds. The Township is currently in compliance with New Jersey Administrative Code 5:30-5.7, establishment and maintenance of a general ledger.

Budgetary Records

The Township maintains a detailed, computerized subsidiary ledger for each of its budgets.

Cybersecurity

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