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TOWNSHIP OF QUINTON
PART 1
REPORT OF AUDIT OF FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and
Members of the Township Committee
Township of Quinton
Quinton, NJ 08072

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying statements of assets, liabilities, reserves and fund balance - regulatory basis of the various funds of the Township of Quinton, in the County of Salem, State of New Jersey, as of December 31, 2022 and 2021, and the related statements of operations and changes in fund balance - regulatory basis for the years then ended, and the related statement of revenues - regulatory basis, statement of expenditures - regulatory basis, and statement of general fixed asset group of accounts - regulatory basis for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements as listed in the table of contents.

Unmodified Opinions on Regulatory Basis of Accounting

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the assets, liabilities, reserves and fund balance - regulatory basis of the various funds of the Township of Quinton, in the County of Salem, State of New Jersey, as of December 31, 2022 and 2021, and the results of its operations and changes in fund balance - regulatory basis of such funds for the years then ended, and the revenues - regulatory basis and expenditures - regulatory basis of the various funds, and general fixed asset group of accounts - regulatory basis, for the year ended December 31, 2022, in conformity with accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, as described in note 1.

Adverse Opinion on Accounting Principles Generally Accepted in the United States of America

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on Accounting Principles Generally Accepted in the United States of America* section of our report, the accompanying financial statements referred to above do not present fairly the financial position of the Township of Quinton, in the County of Salem, State of New Jersey, as of December 31, 2022 and 2021, or the results of its operations and changes in fund balance for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions on Regulatory Basis of Accounting

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

Basis for Adverse Opinion on Accounting Principles Generally Accepted in the United States of America

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

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Township's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, we:

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

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

Supplementary Information

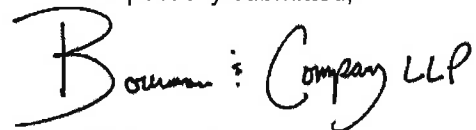
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Township's basic financial statements. The accompanying supplemental statements and schedules presented for the various funds, as listed in the table of contents, are presented for purposes of additional analysis as required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, and are not a required part of the basic financial statements.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 11, 2023 on our consideration of the Township of Quinton's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Township of Quinton's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Township of Quinton's internal control over financial reporting and compliance.

Respectfully submitted,



BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



Evan J. Palmer
Certified Public Accountant
Registered Municipal Accountant

Woodbury, New Jersey
September 11, 2023

**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**

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and
Members of the Township Committee
Township of Quinton
Quinton, NJ 08072

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial statement audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the financial statements prepared on a regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, of the Township of Quinton, in the County of Salem, State of New Jersey, as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements, and have issued our report thereon dated September 11, 2023. That report indicated that the Township of Quinton's financial statements were not prepared in accordance with accounting principles generally accepted in the United States of America, but were prepared on a regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Township's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Township's internal control. Accordingly, we do not express an opinion on the effectiveness of 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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

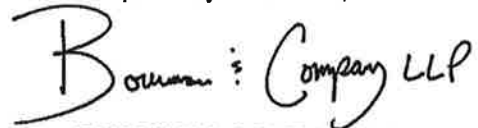
Report on Compliance and Other Matters

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

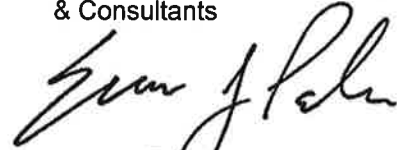
Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully submitted,



BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



Evan J. Palmer
Certified Public Accountant
Registered Municipal Accountant

Woodbury, New Jersey
September 11, 2023

TOWNSHIP OF QUINTON

CURRENT FUND

Statements of Assets, Liabilities, Reserves and Fund Balance -- Regulatory Basis
As of December 31, 2022 and 2021

	<u>Ref.</u>	<u>2022</u>	<u>2021</u>
ASSETS:			
Regular Fund:			
Cash - Chief Financial Officer	SA-1	\$ 861,389.14	\$ 914,824.75
Cash - Tax Collector	SA-2	176,338.25	157,912.75
Cash - Change Funds	SA-3	185.00	185.00
		<u>1,037,912.39</u>	<u>1,072,922.50</u>
Receivables and Other Assets with Full Reserves:			
Delinquent Property Taxes Receivable	SA-4	176,855.35	183,543.95
Tax Title Liens Receivable	SA-6	675,640.79	569,162.74
Property Acquired for Taxes - Assessed Valuation	SA-11	1,052,100.00	1,052,100.00
Revenue Accounts Receivable	SA-7		2,357.66
Due from Animal Control Trust Fund	SB-6	14.09	14.09
Due from Trust Other Fund	SB-6	926.88	926.88
		<u>1,905,537.11</u>	<u>1,808,105.32</u>
Deferred Charges:			
Special Emergency Authorizations (N.J.S.A. 40A:4-53)	SA-12	70,000.00	105,000.00
Total Regular Fund		<u>3,013,449.50</u>	<u>2,986,027.82</u>
Federal and State Grant Fund:			
Due from Current Fund	SA-19	219,558.75	209,272.26
Federal, State and Local Grants Receivable	SA-20	3,358.47	3,329.13
Total Federal and State Grant Fund		<u>222,917.22</u>	<u>212,601.39</u>
		<u>\$ 3,236,366.72</u>	<u>\$ 3,198,629.21</u>

(Continued)

TOWNSHIP OF QUINTON
CURRENT FUND

Statements of Assets, Liabilities, Reserves and Fund Balance -- Regulatory Basis
As of December 31, 2022 and 2021

	<u>Ref.</u>	<u>2022</u>	<u>2021</u>
LIABILITIES, RESERVES AND FUND BALANCE:			
Regular Fund:			
Appropriation Reserves	A-3,SA-8	\$ 127,879.66	\$ 165,302.36
Reserve for Encumbrances	A-3,SA-8	58,740.52	27,152.02
Accounts Payable	SA-15	1,282.39	2,662.39
Local District School Taxes Payable	SA-16	67,682.00	44,084.00
Emergency Note Payable	SA-13	70,000.00	105,000.00
Prepaid Taxes	SA-9	127,325.51	138,508.03
Tax Overpayments	SA-10	474.23	6,285.88
Reserve for Reassessment Program	SA-14	90,668.22	90,668.22
Due State of New Jersey - Senior Citizens and Veterans	SA-5	11,227.88	11,008.02
Due to Sewer Utility Operating Fund	SD-17	19,389.32	14,021.77
Due to Federal and State Grant Fund	SA-19	219,558.75	209,272.26
Reserve for Municipal Relief Fund Aid	SA-1	16,123.86	
		<u>810,352.34</u>	<u>813,964.95</u>
Reserves for Receivables	A	1,905,537.11	1,808,105.32
Fund Balance	A-1	297,560.05	363,957.55
Total Regular Fund		<u>3,013,449.50</u>	<u>2,986,027.82</u>
Federal and State Grant Fund:			
Reserve for Encumbrances	SA-21	2,273.20	963.00
Reserve for Federal, State and Local Grants:			
Appropriated	SA-21	78,697.71	83,524.08
Unappropriated	SA-18	141,946.31	128,114.31
Total Federal and State Grant Fund		<u>222,917.22</u>	<u>212,601.39</u>
		<u>\$ 3,236,366.72</u>	<u>\$ 3,198,629.21</u>

The accompanying Notes to Financial Statements are an integral part of these statements.

TOWNSHIP OF QUINTON
CURRENT FUND

Statements of Operations and Changes in Fund Balance -- Regulatory Basis
For the Years Ended December 31, 2022 and 2021

	2022	2021
Revenue and Other Income Realized:		
Fund Balance Utilized	\$ 220,000.00	\$ 220,000.00
Miscellaneous Revenues Anticipated	654,240.72	503,708.41
Receipts from Delinquent Taxes	201,496.18	208,798.78
Receipts from Current Taxes	5,676,286.16	5,468,056.53
Non-budget Revenues	15,751.03	10,264.06
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	170,781.64	147,160.31
Prior Year Deductions Allowed by Collector	1,250.00	
Liquidation of Interfunds		4,479.41
Total Income	<u>6,939,805.73</u>	<u>6,562,467.50</u>
Expenditures:		
Budget Appropriations:		
Within "CAPS":		
Operations:		
Salaries and Wages	319,266.00	319,475.00
Other Expenses	792,716.00	776,190.00
Deferred Charges and Statutory Expenditures	49,580.00	47,854.00
Appropriations Excluded from "CAPS":		
Operations:		
Salaries and Wages	15,702.00	15,394.00
Other Expenses	61,366.12	56,108.50
Capital Improvements	177,100.00	100.00
Municipal Debt Service	14,826.13	32,128.83
Deferred Charges and Statutory Expenditures	35,000.00	35,000.00
County Taxes	2,470,704.42	2,159,017.77
Local District School Tax	2,841,065.00	2,821,772.00
Other Charges to Income:		
Prior Year Deductions Disallowed by Collector	2,288.36	1,750.00
Refund of Prior Year Revenue	6,589.20	
Creation of Interfunds		6.34
Total Expenditures	<u>6,786,203.23</u>	<u>6,264,796.44</u>
Statutory Excess in Fund Balance	153,602.50	297,671.06
Fund Balance January 1	<u>363,957.55</u>	<u>286,286.49</u>
	517,560.05	583,957.55
Decreased by:		
Utilization as Anticipated Revenue	<u>220,000.00</u>	<u>220,000.00</u>
Fund Balance December 31	<u>\$ 297,560.05</u>	<u>\$ 363,957.55</u>

The accompanying Notes to Financial Statements are an integral part of these statements.

TOWNSHIP OF QUINTON
CURRENT FUND
Statement of Revenues -- Regulatory Basis
For the Year Ended December 31, 2022

	Anticipated Budget	Special N.J.S.A. 40A:4-87	Realized	Excess or (Deficit)
Fund Balance Anticipated	\$ 220,000.00	-	\$ 220,000.00	-
Miscellaneous Revenues:				
Local Revenues:				
Fees and Permits	45,000.00		59,312.00	\$ 14,312.00
Fines and Costs:				
Municipal Court	3,500.00		5,741.01	2,241.01
Interest and Costs on Taxes	42,000.00		52,260.91	10,260.91
State Aid Without Offsetting Appropriations:				
Energy Receipts Tax P.L. 1997, Chapters 162 & 167	309,100.00		309,100.00	
Garden State Trust	9,664.00		9,664.00	
Watershed Moratorium Offset Aid	2,867.00		2,867.00	
Dedicated Uniform Construction Code Fees				
Offset with Appropriations:				
Uniform Construction Code Fees	27,218.00		35,962.20	8,744.20
Interlocal Municipal Service Agreements Offset With Appropriations:				
Elsinboro Township - Township Clerk	17,502.00		18,159.36	657.36
Public and Private Revenues Offset With Appropriations:				
Clean Communities Program		\$ 8,642.22	8,642.22	
Municipal Alliance on Alcoholism and Drug Abuse		2,031.66	2,031.66	
Recycling Tonnage Grant	2,892.24		2,892.24	
JIF Safety Grant		2,250.00	2,250.00	
Other Special Items:				
Cable Franchise Fee	11,828.10		11,828.10	
Cable Franchise Fee	5,415.71		5,415.71	
American Rescue Plan	128,114.31		128,114.31	
Total Miscellaneous Revenues	605,101.36	12,923.88	654,240.72	36,215.48
Receipts from Delinquent Taxes	175,000.00	-	201,496.18	26,496.18
Subtotal General Revenues	1,000,101.36	12,923.88	1,075,736.90	62,711.66
Amount to be Raised by Taxes for Support of Municipal Budget:				
Local Tax for Municipal Purposes including Reserve for Uncollected Taxes	773,849.35	-	685,826.21	(88,023.14)
Budget Totals	1,773,950.71	12,923.88	1,761,563.11	(25,311.48)
Non budget Revenues	-	-	15,751.03	15,751.03
	\$ 1,773,950.71	\$ 12,923.88	\$ 1,777,314.14	\$ (9,560.45)

(Continued)

TOWNSHIP OF QUINTON
CURRENT FUND
Statement of Revenues -- Regulatory Basis
For the Year Ended December 31, 2022

Analysis of Realized Revenue:

Allocation of Current Tax Collections:

Revenue from Collections	\$ 5,676,286.16
Allocated to:	
School and County Taxes	5,311,769.42

Amount for Support of Municipal Budget Appropriations	364,516.74
Add: Appropriation "Reserve for Uncollected Taxes"	321,309.47

Amount for Support of Municipal Budget Appropriations	\$ 685,826.21
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Receipts from Delinquent Taxes:

Delinquent Tax Collections	\$ 183,920.03
Tax Title Lien Collections	17,576.15

Total Delinquent Tax Collections	\$ 201,496.18
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Fees and Permits:

Housing Officer Fees	\$ 1,860.00
Trailer Fees	35,800.00
Vital Statistics Fees	2,562.00
Planning Board Fees	4,600.00
Zoning Permits	3,590.00
Municipal Clerk Fees	10,900.00

Total Fees and Permits	\$ 59,312.00
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Analysis of Non-Budget Revenue:

Interest on Investments	\$ 951.03
Sale of Assets	3,000.00
Senior Citizen and Veterans' Deductions Administrative Fee	599.23
Safety Incentive Program	749.36
LOSAP Forfeiture	4,310.93
Cyber Risk Program	500.00
Year End Penalties	1,666.78
Miscellaneous	1,417.48
Tax Collector:	
Recording Fees	1,767.92
Tax Searches	20.00
Interest on Investments	768.30

Total Non-Budget Revenue	\$ 15,751.03
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Treasurer	\$ 13,194.81
Tax Collector	2,556.22

\$ 15,751.03

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

TOWNSHIP OF QUINTON
CURRENT FUND
Statement of Expenditures – Regulatory Basis
For the Year Ended December 31, 2022

	Appropriations		Paid or Charged	Expended		Unexpended Balance Canceled
	Original Budget	Budget After Modification		Encumbered	Reserved	
OPERATIONS WITHIN "CAPS"						
GENERAL GOVERNMENT:						
Mayor and Committee:						
Salaries and Wages	\$ 24,846.00	\$ 24,846.00	\$ 24,846.00			
Municipal Clerk:						
Salaries and Wages	17,616.00	17,616.00	6,616.00		\$ 11,000.00	
Salaries and Wages - ARP	35,000.00	35,000.00	35,000.00			
Other Expenses	17,250.00	17,250.00	13,010.75	\$ 327.06	3,912.19	
Technology	18,000.00	18,000.00	13,979.38		4,020.62	
Financial Administration:						
Salaries and Wages	4,304.00	4,304.00	4,304.00			
Salaries and Wages - ARP	40,000.00	40,000.00	40,000.00			
Other Expenses:						
Audit and Accounting Services	26,720.00	26,720.00	26,720.00			
Miscellaneous Other Expenses	7,000.00	7,000.00	5,659.91	106.00	1,234.09	
Assessment of Taxes:						
Salaries and Wages	9,225.69	9,225.69	9,225.69			
Salaries and Wages - ARP	8,114.31	8,114.31	8,114.31			
Other Expenses	5,000.00	5,000.00	3,506.03	1,144.35	349.62	
Collection of Taxes:						
Salaries and Wages	32,120.00	32,120.00	31,872.00		248.00	
Other Expenses	3,000.00	3,000.00	2,064.75		935.25	
Legal Services and Costs:						
Other Expenses	15,000.00	15,000.00	12,218.36	372.00	2,409.64	
Engineering Services and Costs:						
Contractual	20,000.00	20,000.00	4,651.70		15,348.30	
Other Expenses	500.00	500.00			500.00	
Grant Consultant:						
Contractual	500.00	500.00			500.00	
Planning Board:						
Salaries and Wages	8,427.00	8,427.00	8,427.00			
Other Expenses	23,500.00	23,500.00	8,390.58	180.12	14,929.30	
Zoning Officer:						
Salaries and Wages	8,925.00	8,925.00	7,926.00		999.00	
Other Expenses	200.00	200.00			200.00	

(Continued)

TOWNSHIP OF QUINTON
CURRENT FUND
Statement of Expenditures – Regulatory Basis
For the Year Ended December 31, 2022

	<u>Appropriations</u>		<u>Paid or</u>	<u>Expended</u>		<u>Unexpended</u>
	<u>Original</u>	<u>Budget After</u>		<u>Encumbered</u>	<u>Reserved</u>	<u>Balance</u>
	<u>Budget</u>	<u>Modification</u>	<u>Charged</u>			<u>Canceled</u>
GENERAL GOVERNMENT (CONT'D):						
Insurance:						
General Liability	\$ 76,596.00	\$ 76,596.00	\$ 76,596.00			
Workers Compensation	1,250.00	1,250.00	1,250.00			
PUBLIC SAFETY:						
Traffic and Crowd Control:						
Salaries and Wages	10,000.00	10,000.00	9,989.76		\$ 10.24	
Other Expenses	100.00	100.00			100.00	
Emergency Management Services:						
Salaries and Wages	7,587.00	7,587.00	7,587.00			
Other Expenses	1,500.00	1,500.00	488.06		1,011.94	
Aid to Volunteer Fire Company	20,000.00	20,000.00	20,000.00			
Aid to Ambulance Association	10,000.00	10,000.00	10,000.00			
JIF Coordinator						
Salaries and Wages	4,389.00	4,389.00	4,389.00			
PUBLIC WORKS FUNCTION:						
Road Repair and Maintenance:						
Salaries and Wages	21,000.00	21,000.00	14,918.41		6,081.59	
Salaries and Wages - ARP	45,000.00	45,000.00	45,000.00			
Other Expenses	45,000.00	40,900.00	26,944.74	\$ 997.99	12,957.27	
Buildings and Grounds:						
Salaries and Wages	5,000.00	5,000.00	3,970.56		1,029.44	
Other Expenses	50,000.00	50,000.00	32,408.20	5,510.03	12,081.77	
SANITATION:						
Garbage and Trash Removal:						
Salaries and Wages	852.00	852.00	852.00			
Other Expenses	302,500.00	302,500.00	267,587.36	25,721.97	9,190.67	
Sanitary Landfill:						
Other Expenses	12,000.00	12,000.00	6,398.00	5,602.00		

(Continued)

TOWNSHIP OF QUINTON
CURRENT FUND
Statement of Expenditures – Regulatory Basis
For the Year Ended December 31, 2022

	Appropriations		Paid or Charged	Expended		Unexpended Balance Canceled
	Original Budget	Budget After Modification		Encumbered	Reserved	
HEALTH AND HUMAN SERVICES:						
Board of Health:						
Salaries and Wages	\$ 51.00	\$ 51.00			\$ 51.00	
Other Expenses	200.00	200.00			200.00	
Dog Regulation:						
Other Expenses	11,400.00	11,400.00	\$ 11,400.00			
PARK AND RECREATION FUNCTIONS:						
Board of Recreation Commissioners:						
Other Expenses	1,000.00	1,000.00	900.00		100.00	
CODE ENFORCEMENT AND ADMINISTRATION:						
Housing Officer:						
Salaries and Wages	5,598.00	5,598.00	4,800.00		798.00	
Construction Code Official:						
Salaries and Wages	14,340.00	14,340.00	14,340.00			
Other Expenses	4,000.00	4,000.00	2,611.11	\$ 253.00	1,135.89	
Sub-Code Officials:						
Plumbing Inspector - Salaries and Wages	6,159.00	6,159.00	6,159.00			
Electrical Inspector - Salaries and Wages	8,000.00	8,000.00	8,000.00			
Fire Protection Officer:						
Salaries and Wages	2,712.00	2,712.00	2,712.00			
Other Expenses	2,000.00	2,000.00	833.25	205.00	961.75	
UTILITY EXPENSE AND BULK PURCHASES:						
Electricity	30,000.00	30,000.00	28,779.39	605.52	615.09	
Street Lighting	38,000.00	43,300.00	38,400.74	4,890.22	9.04	
Telephone	14,000.00	12,800.00	6,687.83	325.26	5,786.91	
Water/Fire Hydrants	1,500.00	1,500.00	296.34	1,000.00	203.66	
Fuel Oil	17,000.00	17,000.00	10,395.06		6,604.94	
Gasoline/Diesel Fuel	18,000.00	18,000.00	9,742.63		8,257.37	
Total Operations Within "CAPS"	1,111,982.00	1,111,982.00	940,968.90	47,240.52	123,772.58	-
Detail:						
Salaries and Wages	319,266.00	319,266.00	299,048.73	-	20,217.27	-
Other Expenses	792,716.00	792,716.00	641,920.17	47,240.52	103,555.31	-

(Continued)

TOWNSHIP OF QUINTON
CURRENT FUND
Statement of Expenditures – Regulatory Basis
For the Year Ended December 31, 2022

	Appropriations		Expended		Unexpended Balance Canceled
	Original Budget	Budget After Modification	Paid or Charged	Encumbered	
DEFERRED CHARGES AND STATUTORY EXPENDITURES - MUNICIPAL WITHIN "CAPS"					
Statutory Expenditures:					
Contribution to:					
Public Employees' Retirement System	\$ 23,080.00	\$ 23,080.00	\$ 23,080.00		
Social Security System (O.A.S.I.)	26,500.00	26,500.00	24,339.99	\$ 2,160.01	
TOTAL DEFERRED CHARGES AND STATUTORY EXPENDITURES - MUNICIPAL WITHIN "CAPS"	49,580.00	49,580.00	47,419.99	-	2,160.01
TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES WITHIN "CAPS"	1,161,562.00	1,161,562.00	988,388.89	\$ 47,240.52	125,932.59
OPERATIONS EXCLUDED FROM "CAPS"					
LOSAP					
Interlocal Municipal Service Agreements	23,500.00	23,500.00	23,500.00		
Shared Services - Municipal Court	20,250.00	20,250.00	8,602.93	11,500.00	147.07
Shared Services - Municipal Clerk					
Salaries and Wages	15,702.00	15,702.00	15,702.00		
Other Expenses	1,800.00	1,800.00			1,800.00
Public and Private Programs Offset by Revenues:					
Municipal Alliance on Alcoholism and Drug Abuse:					
State Share (N.J.S.A. 40A:4-87 \$2,031.66)		2,031.66	2,031.66		
JIF Safety Grant (N.J.S.A. 40A:4-87 \$2,250.00)		2,250.00	2,250.00		
Recycling Tonnage Grant	2,892.24	2,892.24	2,892.24		
Clean Communities Program (N.J.S.A. 40A:4-87 \$8,642.22)		8,642.22	8,642.22		
TOTAL OPERATIONS - EXCLUDED FROM "CAPS"	64,144.24	77,068.12	63,621.05	11,500.00	1,947.07
Detail:					
Salaries and Wages	15,702.00	15,702.00	15,702.00	-	-
Other Expenses	48,442.24	61,366.12	47,919.05	11,500.00	1,947.07

(Continued)

TOWNSHIP OF QUINTON
CURRENT FUND
Statement of Expenditures -- Regulatory Basis
For the Year Ended December 31, 2022

	Appropriations		Expended		Unexpended Balance <u>Canceled</u>
	<u>Original Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	
<u>CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"</u>					
Capital Improvement Fund	\$ 177,000.00	\$ 177,000.00	\$ 177,000.00		
Reserve for Landfill Closure Costs	100.00	100.00	100.00		
TOTAL CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"	177,100.00	177,100.00	177,100.00	-	-
<u>MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS"</u>					
Payment of Bond Anticipation Notes	12,000.00	12,000.00	12,000.00		
Interest on Notes	2,835.00	2,835.00	2,826.13		\$ 8.87
TOTAL MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS"	14,835.00	14,835.00	14,826.13	-	8.87
<u>DEFERRED CHARGES - EXCLUDED FROM "CAPS"</u>					
Special Emergency Authorization - 5 Years (N.J.S.A. 40A:4-55)	35,000.00	35,000.00	35,000.00	-	-
TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES - EXCLUDED FROM "CAPS"	291,079.24	304,003.12	290,547.18	\$ 11,500.00	\$ 1,947.07
SUBTOTAL GENERAL APPROPRIATIONS	1,452,641.24	1,465,565.12	1,278,936.07	58,740.52	127,879.66
RESERVE FOR UNCOLLECTED TAXES	321,309.47	321,309.47	321,309.47	-	-
TOTAL GENERAL APPROPRIATIONS	\$ 1,773,950.71	\$ 1,786,874.59	\$ 1,600,245.54	\$ 58,740.52	\$ 127,879.66
Adopted Budget		\$ 1,773,950.71			
Appropriation by N.J.S.A. 40A: 4-87		12,923.88			
		<u>\$ 1,786,874.59</u>			
Federal, State and Local Grants - Appropriated		\$ 15,816.12			
Reserve for Uncollected Taxes		321,309.47			
Reimbursed		(5,841.95)			
Disbursements		1,268,961.90			
		<u>\$ 1,600,245.54</u>			

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

TOWNSHIP OF QUINTON
TRUST FUND
Statements of Assets, Liabilities, Reserves and Fund Balance -- Regulatory Basis
As of December 31, 2022 and 2021

	<u>Ref.</u>	<u>2022</u>	<u>2021</u>
ASSETS:			
Animal Control Fund:			
Cash	SB-1	\$ 11,144.57	\$ 10,295.37
Other Funds:			
Cash	SB-1	464,247.64	403,502.42
Length of Service Awards Program:			
Investments	SB-2	335,766.53	425,803.92
		<u>\$ 811,158.74</u>	<u>\$ 839,601.71</u>
LIABILITIES, RESERVES, AND FUND BALANCE:			
Animal Control Fund:			
Reserve for Animal Control Fund	SB-4	\$ 9,199.88	\$ 8,407.28
Prepaid Licenses	SB-5	1,930.60	1,874.00
Due to Current Fund	SB-6	14.09	14.09
		<u>11,144.57</u>	<u>10,295.37</u>
Trust Other Funds:			
Due to Current Fund	SB-6	926.88	926.88
Reserves and Special Deposits:			
Developers Escrow	SB-7	44,536.62	41,578.85
AAVCQU Property LLC	SB-7	0.04	
Eastern Concrete East Pit Maintenance Bond	SB-7	15,484.22	15,484.22
Eastern Concrete Maintenance Escrow	SB-7	41.77	41.77
Eastern Concrete Material Inspection Escrow	SB-7	5,122.25	4,686.01
Eastern Concrete Material Performance Bond	SB-7	197,823.54	197,823.54
Eastern Concrete Material Maintenance Escrow	SB-7	5,004.27	5,004.27
Cash Vacant/Abandoned Property	SB-7	6,459.67	5,501.44
Home Improvement	SB-7	1,027.85	1,027.73
Sand and Gravel Maintenance Bond	SB-7	10,000.00	9,816.70
Sanitary Landfill Closure	SB-7	38,047.15	38,009.12
Tax Title Lien Premiums	SB-7	82,508.00	40,610.00
Tax Title Lien Redemptions	SB-7	13,631.56	0.40
Payroll Deductions Payable	SB-7	99.44	99.08
Unemployment Compensation	SB-7	43,534.38	42,892.41
		<u>464,247.64</u>	<u>403,502.42</u>
Length of Service Awards Program:			
Reserve for Length of Service Awards Program	SB-7	335,766.53	425,803.92
		<u>\$ 811,158.74</u>	<u>\$ 839,601.71</u>

The accompanying Notes to Financial Statements are an integral part of these statements.

TOWNSHIP OF QUINTON
GENERAL CAPITAL FUND
Statements of Assets, Liabilities, Reserves and Fund Balances - Regulatory Basis
As of December 31, 2022 and 2021

	<u>Ref.</u>	<u>2022</u>	<u>2021</u>
ASSETS:			
Cash	SC-1	\$ 581,680.62	\$ 389,256.12
Grants Receivable	SC-3	278,456.51	315,982.40
Deferred Charges to Future Taxation:			
Unfunded	SC-4	432,000.00	444,000.00
		<u>\$ 1,292,137.13</u>	<u>\$ 1,149,238.52</u>
LIABILITIES, RESERVES, AND FUND BALANCE:			
Bond Anticipation Notes Payable	SC-8	\$ 72,000.00	\$ 84,000.00
Improvement Authorizations:			
Funded	SC-7	374,886.13	393,410.13
Unfunded	SC-7	360,000.00	360,000.00
Encumbrances Payable	SC-7	9,907.91	13,585.30
Reserve for Sanitary Landfill Closure Costs	SC-5	89,100.00	89,000.00
Capital Improvement Fund	SC-6	386,239.54	209,239.54
Fund Balance	C-1	3.55	3.55
		<u>\$ 1,292,137.13</u>	<u>\$ 1,149,238.52</u>

The accompanying Notes to Financial Statements are an integral part of these statements.

QUINTON TOWNSHIP
GENERAL CAPITAL FUND
Statement of General Capital Fund Balance - Regulatory Basis
As of December 31, 2022

Balance December 31, 2022

\$ 3.55

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

TOWNSHIP OF QUINTON
SEWER UTILITY FUND

Statements of Assets, Liabilities, Reserves and Fund Balance--Regulatory Basis
As of December 31, 2022 and 2021

	<u>Ref.</u>	<u>2022</u>	<u>2021</u>
ASSETS:			
Operating Fund:			
Cash - Chief Financial Officer	SD-1	\$ 904,002.70	\$ 745,712.32
Cash - Utility Collector	SD-1	12,753.38	19,953.77
Due from Current Fund	SD-17	19,389.32	14,021.77
		<u>936,145.40</u>	<u>779,687.86</u>
Receivables with Full Reserves:			
Consumer Accounts Receivable	SD-3	47,500.92	33,752.30
Sewer Utility Liens	SD-4	28,998.14	27,933.73
		<u>76,499.06</u>	<u>61,686.03</u>
Total Operating Fund		<u>1,012,644.46</u>	<u>841,373.89</u>
Capital Fund:			
Cash - Chief Financial Officer	SD-1	57,385.62	47,385.62
Fixed Capital	SD-8	5,159,114.38	5,159,114.38
Fixed Capital Authorized and Uncompleted	SD-9	50,885.62	50,885.62
Total Capital Fund		<u>5,267,385.62</u>	<u>5,257,385.62</u>
		<u>\$ 6,280,030.08</u>	<u>\$ 6,098,759.51</u>

(Continued)

TOWNSHIP OF QUINTON
SEWER UTILITY FUND
 Statements of Assets, Liabilities, Reserves and Fund Balance--Regulatory Basis
 As of December 31, 2022 and 2021

	<u>Ref.</u>	<u>2022</u>	<u>2021</u>
LIABILITIES, RESERVES AND FUND BALANCE:			
Operating Fund:			
Appropriation Reserves	D-3,SD-6	\$ 60,227.56	\$ 123,865.90
Reserve for Encumbrances	D-3,SD-6	145,856.31	29,367.38
Accounts Payable	SD-13	2,885.48	2,885.48
Sewer Rent Overpayments	SD-5	1,030.20	2,045.13
Accrued Interest on Bonds and Notes	SD-7	21,132.71	21,373.00
		<u>231,132.26</u>	<u>179,536.89</u>
Reserve for Receivables	D	76,499.06	61,686.03
Fund Balance	D-1	<u>705,013.14</u>	<u>600,150.97</u>
Total Operating Fund		<u>1,012,644.46</u>	<u>841,373.89</u>
Capital Fund:			
Sewer Loans Payable	SD-14	1,496,651.00	1,526,185.61
Bond Anticipation Notes Payable	SD-15		6,100.00
Capital Improvement Fund	SD-11	16,500.00	6,500.00
Improvement Authorization:			
Funded	SD-16	40,885.62	40,885.62
Reserve for Deferred Amortization	SD-10	15,000.00	15,000.00
Reserve for Amortization	SD-12	<u>3,698,349.00</u>	<u>3,662,714.39</u>
Total Capital Fund		<u>5,267,385.62</u>	<u>5,257,385.62</u>
		<u>\$ 6,280,030.08</u>	<u>\$ 6,098,759.51</u>

The accompanying Notes to Financial Statements are an integral part of these statements.

TOWNSHIP OF QUINTON
SEWER UTILITY OPERATING FUND
Statements of Operations and Changes in Operating Fund Balance -- Regulatory Basis
For the Years Ended December 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
REVENUE AND OTHER INCOME REALIZED:		
Operating Surplus Anticipated	\$ 52,554.00	\$ 49,868.00
Rents	341,906.27	365,662.86
Miscellaneous	12,854.53	6,500.48
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	<u>132,407.33</u>	<u>129,059.01</u>
 Total Income	 <u>539,722.13</u>	 <u>551,090.35</u>
 EXPENDITURES:		
Budget Appropriations:		
Operating	272,558.00	273,352.00
Capital Improvements	11,500.00	8,000.00
Debt Service	96,247.96	96,253.57
Deferred Charges and Statutory Expenditures	<u>2,000.00</u>	<u>2,000.00</u>
 Total Expenditures	 <u>382,305.96</u>	 <u>379,605.57</u>
 Statutory Excess to Fund Balance	 157,416.17	 171,484.78
 FUND BALANCE:		
Balance January 1	<u>600,150.97</u>	<u>478,534.19</u>
	757,567.14	650,018.97
Decreased by:		
Utilized as Revenue	<u>52,554.00</u>	<u>49,868.00</u>
 Balance December 31	 <u><u>\$ 705,013.14</u></u>	 <u><u>\$ 600,150.97</u></u>

The accompanying Notes to Financial Statements are an integral part of these statements.

TOWNSHIP OF QUINTON
SEWER UTILITY OPERATING FUND
Statement of Revenues--Regulatory Basis
For The Year Ended December 31, 2022

	<u>Anticipated Budget</u>	<u>Realized</u>	<u>Excess or (Deficit)</u>
Operating Surplus Anticipated	\$ 52,554.00	\$ 52,554.00	-
Sewer Service Rents	330,000.00	341,906.27	\$ 11,906.27
Miscellaneous		12,854.53	12,854.53
	330,000.00	354,760.80	24,760.80
	<u>\$ 382,554.00</u>	<u>\$ 407,314.80</u>	<u>\$ 24,760.80</u>
<u>Analysis of Realized Revenue</u>			
Sewer Service Rents:			
Consumer Accounts Receivable		\$ 334,493.59	
Overpayments Applied		2,045.13	
Due Current Fund - Sewer Liens		5,367.55	
		<u>\$ 341,906.27</u>	
Miscellaneous:			
Miscellaneous			\$ 7,258.42
Interest and Penalties on Rents			5,369.38
Cost of Sale			226.73
Total Miscellaneous			<u>\$ 12,854.53</u>
Cash Receipts - Chief Financial Officer			\$ 7,258.42
Cash Receipts - Utility Collector			5,596.11
			<u>\$ 12,854.53</u>

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

TOWNSHIP OF QUINTON
SEWER UTILITY OPERATING FUND
Statement of Expenditures--Regulatory Basis
For The Year Ended December 31, 2022

	Appropriations		Expended		Unexpended
	Adopted	Budget After	Paid or	Encumbrances	Balance
	Budget	Modifications	Charged		Canceled
Operating:					
Salaries and Wages	\$ 17,754.00	\$ 17,754.00	\$ 16,254.00	\$ 656.71	\$ 843.29
Other Expenses	76,000.00	74,804.00	26,129.37	5,372.66	43,301.97
Sewerage Fees - City of Salem	180,000.00	180,000.00	26,347.44	139,826.94	13,825.62
Total Operating	273,754.00	272,558.00	68,730.81	145,856.31	57,970.88
Capital Improvements:					
Capital Improvement Fund	10,000.00	10,000.00	10,000.00		
Capital Outlay	1,500.00	1,500.00			1,500.00
Total Capital Improvements	11,500.00	11,500.00	10,000.00	-	1,500.00
Debt Service:					
Payment of Bond Principal	28,400.00	29,547.79	29,534.61		\$ 13.18
Payment of Bond Anticipation Notes	6,100.00	6,100.00	6,100.00		
Interest on Bonds	60,700.00	60,748.21	60,543.10		205.11
Interest on Notes	100.00	100.00	70.25		29.75
Total Debt Service	95,300.00	96,496.00	96,247.96	-	248.04
Statutory Expenditures:					
Social Security System (O.A.S.I.)	2,000.00	2,000.00	1,243.32		756.68
Total Statutory Expenditures	2,000.00	2,000.00	1,243.32	-	756.68
Total Expenditures	\$ 382,554.00	\$ 382,554.00	\$ 176,222.09	\$ 145,856.31	\$ 60,227.56
Accrued Interest on Bonds			\$ 60,543.10		
Accrued Interest on Notes			70.25		
Cash Disbursements			115,608.74		
			\$ 176,222.09		

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

TOWNSHIP OF QUINTON
GENERAL FIXED ASSETS ACCOUNT GROUP
Statement of General Fixed Assets Group of Accounts--Regulatory Basis
For the Year Ended December 31, 2022

	Balance Dec. 31, 2021	Additions	Deletions	Balance Dec. 31, 2022
General Fixed Assets:				
Land and Buildings	\$ 407,691.46			\$ 407,691.46
Improvements - Other than Buildings	337,603.00			337,603.00
Machinery and Equipment	1,245,531.55			1,245,531.55
Total General Fixed Assets	\$ 1,990,826.01	-	-	\$ 1,990,826.01
Total Investment in General Fixed Assets	\$ 1,990,826.01	-	-	\$ 1,990,826.01

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

TOWNSHIP OF QUINTON
Notes to Financial Statements
For the Year Ended December 31, 2022

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of Financial Reporting Entity - The Township of Quinton (hereafter referred to as the "Township") was incorporated in February 1873 and is located in southwest New Jersey approximately forty-five miles southeast of the City of Philadelphia. The population according to the 2020 census is 2,580.

The Township is governed under the Township Committee form of government, with a three-member Committee. The Committee is elected directly by the voters in partisan elections to serve three-year terms of office on a staggered basis, with one seat coming up for election each year. At an annual reorganization meeting, the Committee selects one of its members to serve as Mayor and another as Deputy Mayor. Legislative and executive power is vested in the Committee.

Measurement Focus, Basis of Accounting and Financial Statement Presentation - The financial statements of the Township contain all funds and account groups in accordance with the *Requirements of Audit* (the "Requirements") as promulgated by the State of New Jersey, Department of Community Affairs, Division of Local Government Services. The principles and practices established by the *Requirements* 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. Generally, the financial statements are presented using the flow of current financial resources measurement focus and modified accrual basis of accounting with minor exceptions as mandated by these *Requirements*. In addition, the prescribed accounting principles previously referred to differ in certain respects from accounting principles generally accepted in the United States of America applicable to local government units. The more significant differences are explained in this note.

In accordance with the *Requirements*, the Township accounts for its financial transactions through the use of separate funds and an account group which are described as follows:

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

Trust Funds - The various trust funds account for receipts, custodianship, and disbursement of funds in accordance with the purpose for which each reserve was created.

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

Sewer Utility Operating and Capital Funds - The sewer utility operating and capital funds account for the operations and acquisition of capital facilities of the municipally owned sewer operations.

General Fixed Asset Group of Accounts - The general fixed asset group of accounts is utilized to account for property, land, buildings, and equipment that have been acquired by other governmental funds.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Budgets and Budgetary Accounting - The Township must adopt an annual budget for its current and sewer utility funds in accordance with N.J.S.A. 40A:4 et seq. N.J.S.A. 40A:4-5 requires the governing body to introduce and approve the annual municipal budget no later than February 10 of each year. At introduction, the governing body shall fix the time and place for a public hearing on the budget and must advertise the time and place at least ten days prior to the hearing in a newspaper published and circulating in the municipality. The public hearing must not be held less than twenty-eight days after the date the budget was introduced. After the hearing has been held, the governing body may, by majority vote, adopt the budget or may amend the budget in accordance with N.J.S.A. 40A:4-9. Amendments to adopted budgets, if any, are detailed in the statements of revenues and expenditures.

An extension of the statutory dates for introduction, approval, and adoption of the municipal budget may be granted by the Director of the Division of Local Government Services, with the permission of the Local Finance Board.

Budgets are adopted on the same basis of accounting utilized for the preparation of the Township's financial statements.

Cash, Cash Equivalents and Investments - Cash and cash equivalents include petty cash, change funds and cash on deposit with public depositories. All certificates of deposit are recorded as cash regardless of the date of maturity. Investments are stated at cost; therefore, unrealized gains or losses on investments have not been recorded. Investments recorded in the trust fund for the Township's length of service awards program, however, are stated at fair value.

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

N.J.S.A. 17:9-41 et seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with the Governmental Unit Deposit Protection Act ("GUDPA"), a multiple financial institutional collateral pool, which was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey. Public depositories include State or federally chartered banks, savings banks or associations located in or having a branch office in the State of New Jersey, the deposits of which are federally insured. All public depositories must pledge collateral, having a market value at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of governmental units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the amount of their deposits to the governmental units.

The cash management plan adopted by the Township requires it to deposit funds in public depositories protected from loss under the provisions of the Act.

Interfunds - Interfund receivables and payables that arise from transactions between funds are recorded by all funds affected by such transactions in the period in which the transaction is executed. Interfund receivables in the current fund are recorded with offsetting reserves which are created by charges to operations. Income is recognized in the year the receivables are liquidated. Interfund receivables in the other funds are not offset by reserves.

Inventories of Supplies - The costs of inventories of supplies for all funds are recorded as expenditures at the time individual items are purchased. The costs of inventories are not included on the various statements of assets, liabilities, reserves and fund balance.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

General Fixed Assets - Accounting for governmental fixed assets, as required by N.J.A.C. 5:30-5.6, differs in certain respects from accounting principles generally accepted in the United States of America. In accordance with the regulations, all local units, including municipalities, must maintain a general fixed assets reporting system that establishes and maintains a physical inventory of nonexpendable, tangible property as defined and limited by the U.S. Office of Management and *Budget's Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Part 200, §200.12), except that the useful life of such property is at least five years. The Township has adopted a capitalization threshold of \$5,000.00, the maximum amount allowed by the Circular. Generally, assets are valued at historical cost; however, assets acquired prior to December 31, 1985 are valued at actual historical cost or estimated historical cost. No depreciation of general fixed assets is recorded. Donated general fixed assets are recorded at acquisition value as of the date of the transaction. Interest costs relative to the acquisition of general fixed assets are recorded as expenditures when paid. Public domain ("infrastructure") general fixed assets consisting of certain improvements such as roads, bridges, curbs and gutters, streets and sidewalks and drainage systems are not capitalized. Expenditures for construction in progress are recorded in the capital funds until such time as the construction is completed and put into operation. The Township is required to maintain a subsidiary ledger detailing fixed assets records to control additions, retirements, and transfers of fixed assets. In addition, a statement of general fixed asset group of accounts, reflecting the activity for the year, must be included in the Township's basic financial statements.

The regulations require that general fixed assets, whether constructed or acquired through purchase, grant or gift be included in the aforementioned inventory. In addition, property management standards must be maintained that include accurate records indicating asset description, source, ownership, acquisition cost and date, the percentage of Federal participation (if any), and the location, use, and condition of the asset. Periodically, physical inventories must be taken and reconciled with these records. Lastly, all fixed assets must be adequately controlled to safeguard against loss, damage, or theft.

Utility Fixed Assets - Property and equipment purchased by a utility fund are recorded in the utility capital account at cost and are adjusted for disposition and abandonment. The amounts shown do not represent replacement cost or current value. The reserve for amortization and deferred reserve for amortization accounts in the utility capital fund represent charges to operations for the cost of acquisition of property and equipment, improvements, and contributed capital.

Foreclosed Property - Foreclosed property is recorded in the current fund at the assessed valuation when such property was acquired and is fully reserved. Ordinarily it is the intention of the municipality to resell foreclosed property in order to recover all or a portion of the delinquent taxes or assessments and to return the property to a taxpaying basis. For this reason, the value of foreclosed property has not been included in the general fixed asset group of accounts. If such property is converted to a municipal use, it will be recorded in the general fixed asset group of accounts.

Deferred Charges - The recognition of certain expenditures is deferred to future periods. These expenditures, or deferred charges, are generally overexpenditures of legally adopted budget appropriations or emergency appropriations made in accordance with N.J.S.A. 40A:4-46 et seq. Deferred charges are subsequently raised as items of appropriation in budgets of succeeding years.

Liens Sold for Other Governmental Units - Liens sold on behalf of other governmental units are not recorded on the records of the tax collector until such liens are collected. Upon their collection, such liens are recorded as a liability due to the governmental unit net of the costs of the initial sale. The related costs of sale are recognized as revenue when received.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Fund Balance - Fund balances included in the current fund and sewer utility operating fund represent amounts available for anticipation as revenue in future years' budgets, with certain restrictions.

Revenues - Revenues are recorded when received in cash except for certain amounts which are due from other governmental units. Revenue from federal and state grants is realized when anticipated as such in the Township's budget. Receivables for property taxes are recorded with offsetting reserves on the statement of assets, liabilities, reserves and fund balance of the Township's current fund; accordingly, such amounts are not recorded as revenue until collected. Other amounts that are due to the Township which are susceptible to accrual are also recorded as receivables with offsetting reserves and recorded as revenue when received.

Property Tax Revenues - Property tax revenues are collected in quarterly installments due February 1, May 1, August 1, and November 1. The amount of tax levied includes not only the amount required in support of the Township's annual budget, but also the amounts required in support of the budgets of the County of Salem and Township of Quinton School District. Unpaid property taxes are subject to tax sale in accordance with the statutes.

School Taxes - The municipality is responsible for levying, collecting and remitting school taxes for the Township of Quinton School District. Operations is charged for the full amount required to be raised from taxation to operate the local school district for the period from January 1 to December 31.

County Taxes - The municipality is responsible for levying, collecting and remitting county taxes for the County of Salem. County taxes are determined on a calendar year by the County Board of Taxation based upon the ratables required to be certified to them on January 10 of each year. Operations is charged for the amount due to the County for the year, based upon the ratables required to be certified to the County Board of Taxation by January 10 of the current year. In addition, operations is charged for the County share of added and omitted taxes certified to the County Board of Taxation by October 10 of the current year, and due to be paid to the County by February 15 of the following year.

Reserve for Uncollected Taxes - The inclusion of the "reserve for uncollected taxes" appropriation in the Township's annual budget protects the Township from taxes not paid currently. The reserve, the minimum amount of which is determined on the percentage of collections experienced in the immediately preceding year, with certain exceptions, is required to provide assurance that cash collected in the current year will provide sufficient cash flow to meet expected obligations.

Expenditures - Expenditures are recorded on the "budgetary" basis of accounting. Generally, expenditures are recorded when paid. However, for charges to amounts appropriated for "other expenses", an amount is encumbered through the issuance of a numerically controlled purchase order or when a contract is executed in accordance with N.J.A.C. 5:30-5.2. When encumbered charges are paid, the amount encumbered is simultaneously liquidated in its original amount. Encumbrances are offset by an account entitled reserve for encumbrances. The reserve is classified as a cash liability under New Jersey municipal accounting. At December 31, this reserve represents the portion of appropriation reserves that has been encumbered and is subject to the same statutory provisions as appropriation reserves.

Appropriations for principal payments on outstanding general capital and utility bonds and notes are provided on the cash basis, interest on general capital indebtedness is on the cash basis, whereas interest on utility indebtedness is on the accrual basis.

Appropriation Reserves - Appropriation reserves covering unexpended appropriation balances are automatically created at year-end and recorded as liabilities, except for amounts which may be canceled by the governing body. Appropriation reserves are available, until lapsed at the close of the succeeding year, to meet specific claims, commitments, or contracts incurred during the preceding year. Lapsed appropriation reserves are recorded as income.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Long-Term Debt - Long-term debt, relative to the acquisition of capital assets, is recorded as a liability in the general capital and utility capital funds. Where an improvement is a "local Improvement", i.e., assessable upon completion, long-term debt associated with that portion of the cost of the improvement to be funded by assessments is transferred to the trust fund upon the confirmation of the assessments or when the improvement is fully and permanently funded.

Compensated Absences and Postemployment Benefits - Compensated absences for vacation, sick leave and other compensated absences are recorded and provided for in the annual budget in the year in which they are paid, on a pay-as-you-go basis. Likewise, no accrual is made for postemployment benefits, if any, which are also funded on a pay-as-you-go basis. The Township does not pay compensated absences.

Impact of Recently Issued Accounting Principles**Recently Issued Accounting Pronouncements**

The Governmental Accounting Standards Board (GASB) has issued the following statements that have effective dates that may affect future financial presentations:

Statement No. 96, Subscription-Based Information Technology Arrangements. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset, an intangible asset, and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, Leases, as amended. The Statement will become effective for the Township's year ending December 31, 2023. As a result of the regulatory basis of accounting previously described in note 1, this Statement will have no impact on the financial statements of the Township, however management is currently evaluating whether or not this Statement will have an impact on the financial statement disclosures of the Township.

Statement No. 101, Compensated Absences. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The Statement will become effective for the Township in the year ending December 31, 2024. As a result of the regulatory basis of accounting previously described in note 1, this Statement will have no impact on the financial statements of the Township, however management is currently evaluating whether or not this Statement will have an impact on the financial statement disclosures of the Township.

Note 2: CASH AND CASH EQUIVALENTS

Custodial Credit Risk Related to Deposits - Custodial credit risk is the risk that, in the event of a bank failure, the Township's deposits might not be recovered. Although the Township does not have a formal policy regarding custodial credit risk, N.J.S.A. 17:9-41 et seq. requires that governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). Under the Act, the first \$250,000.00 of governmental deposits in each insured depository is protected by the Federal Deposit Insurance Corporation (FDIC). Public funds owned by the municipality in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled agency funds such as salary withholdings, bail funds, or funds that may pass to the municipality relative to the happening of a future condition. Such funds are classified as uninsured and uncollateralized.

As of December 31, 2022, the Township's bank balances of \$3,326,092.92 were exposed to custodial credit risk as follows:

Insured by FDIC and GUDPA	\$ 3,143,007.92
Uninsured and Uncollateralized	<u>183,085.00</u>
Total	<u>\$ 3,326,092.92</u>

Note 3: PROPERTY TAXES

The following is a five-year comparison of certain statistical information relative to property taxes and property tax collections for the current and previous four calendar years:

Comparative Schedule of Tax Rates

	<u>Year Ended</u>				
	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Tax Rate	<u>\$ 3.292</u>	<u>\$ 3.162</u>	<u>\$ 3.089</u>	<u>\$ 2.853</u>	<u>\$ 2.824</u>
Apportionment of Tax Rate:					
Municipal	\$.418	\$.409	\$.370	\$.345	\$.320
County Open Space	.022	.020	.020	.019	.019
County	1.314	1.171	1.180	1.068	1.076
Local School	1.538	1.562	1.519	1.421	1.409

Assessed Valuation

<u>Year</u>	<u>Amount</u>
2022	\$ 184,745,992.00
2021	180,668,222.00
2020	181,126,429.00
2019	191,363,502.00
2018	191,744,514.00

Note 3: PROPERTY TAXES (CONT'D)**Comparison of Tax Levies and Collections**

<u>Year</u>	<u>Tax Levy</u>	<u>Collections</u>	<u>Percentage of Collections</u>
2022	\$ 6,092,973.16	\$ 5,676,286.16	93.16%
2021	5,734,539.01	5,468,056.53	95.35%
2020	5,605,778.01	5,307,950.47	94.69%
2019	5,466,082.51	5,174,756.09	94.67%
2018	5,436,576.19	5,123,055.56	94.23%

Delinquent Taxes and Tax Title Liens

<u>Year</u>	<u>Tax Title Liens</u>	<u>Delinquent Taxes</u>	<u>Total Delinquent</u>	<u>Percentage of Tax Levy</u>
2022	\$ 675,640.79	\$ 176,855.35	\$ 852,496.14	13.99%
2021	569,162.74	183,543.95	752,706.69	13.13%
2020	767,645.53	201,644.85	969,290.38	17.29%
2019	697,866.35	181,789.72	879,656.07	16.09%
2018	613,998.97	159,954.02	773,952.99	14.24%

The following comparison is made of the number of tax title liens receivable on December 31 for the current and previous four calendar years:

<u>Year</u>	<u>Number</u>
2022	42
2021	46
2020	64
2019	61
2018	62

Note 4: PROPERTY ACQUIRED BY TAX TITLE LIEN LIQUIDATION

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

<u>Year</u>	<u>Amount</u>
2022	\$ 1,052,100.00
2021	1,052,100.00
2020	378,000.00
2019	378,000.00
2018	378,000.00

Note 5: SEWER UTILITY SERVICE CHARGES

The following is a five-year comparison of sewer utility service charges (rents) for the current and previous four years:

<u>Year</u>	<u>Balance Beginning of Year</u> <u>Receivable</u>	<u>Liens</u>	<u>Levy</u>	<u>Total</u>	<u>Cash</u> <u>Collections</u>
2022	\$ 33,752.30	\$ 27,933.73	\$ 356,719.30	\$ 418,405.33	\$ 336,538.72
2021	46,453.25	25,248.34	355,647.30	427,348.89	364,060.17
2020	43,545.09	18,553.68	355,447.20	417,545.97	345,864.49
2019	74,897.29	12,644.90	359,932.74	447,474.93	387,103.90
2018	54,966.58	11,331.06	363,483.62	429,781.26	342,480.91

Note 6: FUND BALANCES APPROPRIATED

The following schedules detail the amount of fund balances available at the end of the current year and four previous years and the amounts utilized in the subsequent year's budgets:

Current Fund

<u>Year</u>	<u>Balance</u> <u>December 31,</u>	<u>Utilized in</u> <u>Budget of</u> <u>Succeeding Year</u>	<u>Percentage</u> <u>of Fund</u> <u>Balance Used</u>
2022	\$ 297,560.05	\$ 195,000.00	65.53%
2021	363,957.55	220,000.00	60.45%
2020	286,286.49	220,000.00	76.85%
2019	340,059.59	258,950.00	76.15%
2018	340,403.27	273,354.00	80.30%

Sewer Utility Fund

<u>Year</u>	<u>Balance</u> <u>December 31,</u>	<u>Utilized in</u> <u>Budget of</u> <u>Succeeding Year</u>	<u>Percentage</u> <u>of Fund</u> <u>Balance Used</u>
2022	\$ 705,013.14	\$ 57,582.00	8.17%
2021	600,150.97	52,554.00	8.76%
2020	478,534.19	49,868.00	10.42%
2019	376,714.78	45,386.00	12.05%
2018	292,551.28	94,000.00	32.13%

Note 7: INTERFUND RECEIVABLES AND PAYABLES

The following interfund balances were recorded on the various statements of assets, liabilities, reserves and fund balance as of December 31, 2022:

<u>Fund</u>	<u>Interfunds Receivable</u>	<u>Interfunds Payable</u>
Current	\$ 940.97	\$ 238,948.07
Federal and State Grant	219,558.75	
Trust - Animal Control		14.09
Trust - Other		926.88
Sewer Utility - Operating	19,389.32	
Totals	<u>\$ 239,889.04</u>	<u>\$ 239,889.04</u>

The interfund receivables and payables above predominately resulted from collections and payments made by certain funds on behalf of other funds. During the year 2023, the Township expects to liquidate such interfunds, depending upon the availability of cash flow.

Note 8: PENSION PLANS

A substantial number of the Township's employees participate in the following defined benefit pension plan: the Public Employees' Retirement System ("PERS"), which is administered by the New Jersey Division of Pensions and Benefits. In addition, Township employees can participate in the Defined Contribution Retirement Program ("DCRP"), which is a defined contribution pension plan. This Plan is administered by Empower (formerly Prudential Financial) for the New Jersey Division of Pensions and Benefits. Each Plan has a Board of Trustees that is primarily responsible for its administration. The Division issues a publicly available financial report that includes financial statements, required supplementary information and detailed information about the PERS plans' fiduciary net position which can be obtained by writing to or at the following website:

State of New Jersey
Division of Pensions and Benefits
P.O. Box 295
Trenton, New Jersey 08625-0295
<https://www.state.nj.us/treasury/pensions/financial-reports.shtml>

General Information about the Pension Plans**Plan Descriptions**

Public Employees' Retirement System - The Public Employees' Retirement System is a cost-sharing multiple-employer defined benefit pension plan, which was established as of January 1, 1955, under the provisions of N.J.S.A. 43:15A. The PERS' designated purpose is to provide retirement, death, disability and medical benefits to certain qualified members. Membership in the PERS is mandatory for substantially all full-time employees of the Township, provided the employee is not required to be a member of another state-administered retirement system or other state pensions fund or local jurisdiction's pension fund. The PERS' Board of Trustees is primarily responsible for the administration of the PERS.

Note 8: PENSION PLANS (CONT'D)**General Information about the Pension Plans (Cont'd)****Plan Descriptions (Cont'd)**

Defined Contribution Retirement Program - The Defined Contribution Retirement Program is a multiple-employer defined contribution pension fund established on July 1, 2007 under the provisions of P.L. 2007, c. 92 and P.L. 2007, c. 103, and expanded under the provisions of P.L. 2008, c. 89 and P.L. 2010, c. 1. 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 salary in excess of established "maximum compensation" limits; employees enrolled in New Jersey State Police Retirement System (SPRS) or the Police and Firemen's Retirement System (PFRS) after May 21, 2010, who earn salary in excess of established "maximum compensation" limits; employees otherwise eligible to enroll in PERS on or after November 2, 2008, who do not earn the minimum annual salary for tier 3 enrollment but who earn salary of at least \$5,000.00 annually; and employees otherwise eligible to enroll in PERS after May 21, 2010 who do not work the minimum number of hours per week required for tiers 4 or 5 enrollment, but who earn salary of at least \$5,000.00 annually.

Vesting and Benefit Provisions

Public Employees' Retirement System - The vesting and benefit provisions are set by N.J.S.A. 43:15A. The PERS provides retirement, death and disability benefits. All benefits vest after ten years of service.

The following represents the membership tiers for PERS:

Tier Definition

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

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

Note 8: PENSION PLANS (CONT'D)**General Information about the Pension Plans (Cont'd)****Vesting and Benefit Provisions (Cont'd)**

Defined Contribution Retirement Program - 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.

Contributions

Public Employees' Retirement System - The contribution policy is set by N.J.S.A. 43:15A and requires contributions by active members and contributing employers. Pursuant to the provisions of P.L. 2011, C. 78, the member contribution rate is currently 7.50% of base salary, effective July 1, 2018. The rate for members who are eligible for the Prosecutors Part of PERS (P.L. 2001, C. 366) is 10.0%. Employers' contributions are based on an actuarially determined amount, which includes the normal cost and unfunded accrued liability.

Special Funding Situation Component - Under N.J.S.A. 43:15A, local participating employers are responsible for their own contributions based on actuarially determined amounts, except where legislation was passed which legally obligated the State if certain circumstances occurred. One of such legislations, which legally obligate the State, is Chapter 133, P.L. 2001. This legislation increased the accrual rate from 1/60 to 1/55. In addition, it lowered the age required for a veteran benefit equal to 1/55 of highest 12-month compensation for each year of service from 60 to 55. Chapter 133, P.L. 2001 also established the Benefit Enhancement Fund (BEF) to fund the additional annual employer normal contribution due to the State's increased benefits. If the assets in the BEF are insufficient to cover the normal contribution for the increased benefits for a valuation period, the State will pay such amount for both the State and local employers.

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

The Township's contractually required contribution rate for the year ended December 31, 2022 was 16.98% of the Township's covered payroll. This amount was actuarially determined as the amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, including an additional amount to finance any unfunded accrued liability.

Based on the most recent PERS measurement date of June 30, 2022, the Township's contractually required contribution to the pension plan for the year ended December 31, 2022 is \$25,919.00, and is payable by April 1, 2023. Due to the basis of accounting described in note 1, no liability has been recorded in the financial statements for this amount. For the prior year measurement date of June 30, 2021, the Township's contractually required contribution to the pension plan for the year ended December 31, 2021 was \$23,080.00, which was paid on April 1, 2022.

Employee contributions to the Plan for the year ended December 31, 2022 were \$11,445.87.

Note 8: PENSION PLANS (CONT'D)**General Information about the Pension Plans (Cont'd)****Contributions (Cont'd)**

Public Employees' Retirement System (Cont'd) - The amount of contractually required contribution for the State of New Jersey's proportionate share, associated with the Township, under Chapter 133, P.L. 2001, for the year ended December 31, 2022 was 0.43% of the Township's covered payroll.

Based on the most recent PERS measurement date of June 30, 2022, the State's contractually required contribution, under Chapter 133, P.L. 2001, on-behalf of the Township, to the pension plan for the year ended December 31, 2022 was \$653.00, and is payable by April 1, 2023.

Defined Contribution Retirement Program - The contribution policy is set by N.J.S.A. 43:15C-3 and requires contributions by active members and contributing employers. In accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, Plan members are required to contribute 5.5% of their annual covered salary. In addition to the employee contributions, the Township contributes 3% of the employees' base salary, for each pay period.

For the year ended December 31, 2022, no contributions were made to the defined contribution retirement program.

Pension Liabilities, Pension (Benefit) Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**Public Employees' Retirement System**

Pension Liability - As of December 31, 2022, there is no net pension liability associated with the special funding situation under Chapter 133, P.L. 2001, as there was no accumulated difference between the annual additional normal cost and the actual State contribution through the valuation date. The Township's proportionate share of the PERS net pension liability was \$310,181.00. The net pension liability was measured as of June 30, 2022 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2021. The total pension liability was calculated through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2022. The Township's proportion of the net pension liability was based on a projection of the Township's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. For the June 30, 2022 measurement date, the Township's proportion was 0.0020553539%, which was an increase of 0.0000845845% from its proportion measured as of June 30, 2021.

Note 8: PENSION PLANS (CONT'D)**Pension Liabilities, Pension (Benefit) Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)****Public Employees' Retirement System (Cont'd)**

Pension (Benefit) Expense - For the year ended December 31, 2022, the Township's proportionate share of the PERS pension (benefit) expense, calculated by the Plan as of the June 30, 2022 measurement date was (\$23,761.00). This (benefit) expense is not recognized by the Township because of the regulatory basis of accounting as described in note 1; however, as previously mentioned, for the year ended December 31, 2022, the Township's contribution to PERS was \$23,080.00, and was paid on April 1, 2022.

For the year ended December 31, 2022, the State's proportionate share of the PERS pension (benefit) expense, associated with the Township, under Chapter 133, P.L. 2001, calculated by the Plan as of the June 30, 2022 measurement date, was \$653.00. This on-behalf (benefit) expense is not recognized by the Township because of the regulatory basis of accounting as described in note 1.

Deferred Outflows of Resources and Deferred Inflows of Resources - As of December 31, 2022, the Township had deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between Expected and Actual Experience	\$ 2,239.00	\$ 1,974.00
Changes of Assumptions	961.00	46,446.00
Net Difference between Projected and Actual Earnings on Pension Plan Investments	12,838.00	-
Changes in Proportion and Differences between Contributions and Proportionate Share of Contributions	16,683.00	3,756.00
Contributions Subsequent to the Measurement Date	12,960.00	-
	<u>\$ 45,681.00</u>	<u>\$ 52,176.00</u>

Note 8: PENSION PLANS (CONT'D)**Pension Liabilities, Pension (Benefit) Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)**

Deferred Outflows of Resources and Deferred Inflows of Resources (Cont'd) - Deferred outflows of resources in the amount of \$12,960.00 for PERS, will be included as a reduction of the net pension liability during the year ending December 31, 2023. These amounts were based on an estimated April 1, 2024 contractually required contribution, prorated from the pension plans' measurement date of June 30, 2022 to the Township's year end of December 31, 2022.

The Township will amortize the other deferred outflows of resources and deferred inflows of resources related to pensions over the following number of years:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between Expected and Actual Experience		
Year of Pension Plan Deferral:		
June 30, 2017	5.48	-
June 30, 2018	-	5.63
June 30, 2019	5.21	-
June 30, 2020	5.16	-
June 30, 2021	-	5.13
June 30, 2022	-	5.04
Changes of Assumptions		
Year of Pension Plan Deferral:		
June 30, 2017	-	5.48
June 30, 2018	-	5.63
June 30, 2019	-	5.21
June 30, 2020	-	5.16
June 30, 2021	5.13	-
June 30, 2022	-	5.04
Difference between Projected and Actual Earnings on Pension Plan Investments		
Year of Pension Plan Deferral:		
June 30, 2018	5.00	-
June 30, 2019	5.00	-
June 30, 2020	5.00	-
June 30, 2021	5.00	-
June 30, 2022	5.00	-
Changes in Proportion		
Year of Pension Plan Deferral:		
June 30, 2017	5.48	5.48
June 30, 2018	5.63	5.63
June 30, 2019	5.21	5.21
June 30, 2020	5.16	5.16
June 30, 2021	5.13	5.13
June 30, 2022	5.04	5.04

Note 8: PENSION PLANS (CONT'D)**Pension Liabilities, Pension (Benefit) Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)**

Deferred Outflows of Resources and Deferred Inflows of Resources (Cont'd) - Other amounts included as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in future periods as follows:

Year Ending <u>Dec 31,</u>	
2023	\$ (25,439.00)
2024	(9,235.00)
2025	(2,595.00)
2026	17,718.00
2027	96.00
	<u>\$ (19,455.00)</u>

Actuarial Assumptions

The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2021. The total pension liability was calculated through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2022. This actuarial valuation used the following actuarial assumptions, applied to all periods included in the measurement:

Inflation Rate:	
Price	2.75%
Wage	3.25%
Salary Increases:	
	2.75% - 6.55%
	Based on Years of Service
Investment Rate of Return	7.00%
Period of Actuarial Experience	
Study upon which Actuarial Assumptions were Based	July 1, 2018 - June 30, 2021

Note 8: PENSION PLANS (CONT'D)**Actuarial Assumptions (Cont'd)****Public Employees' Retirement System**

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

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equity	27.00%	8.12%
Non-US Developed Markets Equity	13.50%	8.38%
Emerging Market Equity	5.50%	10.33%
Private Equity	13.00%	11.80%
Real Estate	8.00%	11.19%
Real Assets	3.00%	7.60%
High Yield	4.00%	4.95%
Private Credit	8.00%	8.10%
Investment Grade Credit	7.00%	3.38%
Cash Equivalents	4.00%	1.75%
U.S. Treasuries	4.00%	1.75%
Risk Mitigation Strategies	3.00%	4.91%
	<u>100.00%</u>	

Note 8: PENSION PLANS (CONT'D)**Actuarial Assumptions (Cont'd)****Discount Rate -**

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

Sensitivity of Proportionate Share of Net Pension Liability to Changes in the Discount Rate

Public Employees' Retirement System (PERS) - The following presents the Township's proportionate share of the net pension liability as of the June 30, 2022 measurement date, calculated using a discount rate of 7.00%, as well as what the Township's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current rates used:

	1% Decrease <u>(6.00%)</u>	Current Discount Rate <u>(7.00%)</u>	1% Increase <u>(8.00%)</u>
Proportionate Share of the Net Pension Liability	\$ 398,492.00	\$ 310,181.00	\$ 235,025.00

Pension Plan Fiduciary Net Position

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension (benefit) expense, information about the fiduciary net position of the PERS' and additions to/deductions from PERS' fiduciary net position have been determined on the same basis as they are reported by PERS. Accordingly, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Note 8: PENSION PLANS (CONT'D)**Supplementary Pension Information**

In accordance with GASBS 68, the following information is also presented for the PERS pension plan. These schedules are presented to illustrate the requirements to show information for 10 years.

Schedule of the Proportionate Share of the Net Pension Liability - Public Employees' Retirement System (PERS) (Last Ten Plan Years)

	<u>Measurement Date Ended June 30,</u>				
	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Proportion of the Net Pension Liability	0.0020553539%	0.0019707694%	0.0019520096%	0.0019481746%	0.0019305766%
Proportionate Share of the Net Pension Liability	\$ 310,181.00	\$ 233,467.00	\$ 318,322.00	\$ 351,032.00	\$ 380,121.00
Covered Payroll (Plan Measurement Period)	\$ 151,476.00	\$ 144,420.00	\$ 141,252.00	\$ 138,440.00	\$ 135,576.00
Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	2.047723732	161.66%	225.36%	253.56%	280.37%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	62.91%	70.33%	58.32%	56.27%	53.60%
	<u>Measurement Date Ended June 30,</u>				
	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Proportion of the Net Pension Liability	0.0020793546%	0.0020928972%	0.0025557970%	0.0022303884%	0.0019878442%
Proportionate Share of the Net Pension Liability	\$ 484,041.00	\$ 619,856.00	\$ 573,725.00	\$ 417,590.00	\$ 379,917.00
Covered Payroll (Plan Measurement Period)	\$ 144,060.00	\$ 143,976.00	\$ 176,292.00	\$ 154,248.00	\$ 137,132.00
Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	336.00%	430.53%	325.44%	270.73%	277.04%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	48.10%	40.14%	47.93%	52.08%	48.72%

Note 8: PENSION PLANS (CONT'D)**Supplementary Pension Information (Cont'd)*****Schedule of Contributions - Public Employees' Retirement System (PERS) (Last Ten Years)***

	Year Ended December 31,				
	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Contractually Required Contribution	\$ 25,919.00	\$ 23,080.00	\$ 21,354.00	\$ 18,950.00	\$ 19,203.00
Contribution in Relation to the Contractually Required Contribution	(25,919.00)	(23,080.00)	(21,354.00)	(18,950.00)	(19,203.00)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Payroll (Calendar Year)	\$ 152,611.00	\$ 150,497.00	\$ 144,691.00	\$ 141,218.00	\$ 138,432.00
Contributions as a Percentage of Covered Payroll	16.98%	15.34%	14.76%	13.42%	13.87%
	Year Ended December 31,				
	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Contractually Required Contribution	\$ 19,263.00	\$ 18,593.00	\$ 21,973.00	\$ 18,387.00	\$ 14,978.00
Contribution in Relation to the Contractually Required Contribution	(19,263.00)	(18,593.00)	(21,973.00)	(18,387.00)	(14,978.00)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Payroll (Calendar Year)	\$ 135,746.00	\$ 139,413.00	\$ 143,996.00	\$ 160,370.00	\$ 154,248.00
Contributions as a Percentage of Covered Payroll	14.19%	13.34%	15.26%	11.47%	9.71%

Note 8: PENSION PLANS (CONT'D)**Supplementary Pension Information (Cont'd)****Other Notes to Supplementary Pension Information*****Public Employees' Retirement System (PERS)*****Changes in Benefit Terms**

The June 30, 2022 measurement date included three changes to the plan provisions, only one of which had an impact on the Total Pension Liability (TPL). Chapter 226, P.L. 2021 reopened the Prosecutors Part of PERS and made membership in the Prosecutors Part of PERS mandatory for all prosecutors.

Changes in Assumptions

The discount rate and long-term expected rate of return used as of June 30 measurement date are as follows:

<u>Discount Rate</u>				<u>Long-term Expected Rate of Return</u>			
<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2022	7.00%	2017	5.00%	2022	7.00%	2017	7.00%
2021	7.00%	2016	3.98%	2021	7.00%	2016	7.65%
2020	7.00%	2015	4.90%	2020	7.00%	2015	7.90%
2019	6.28%	2014	5.39%	2019	7.00%	2014	7.90%
2018	5.66%			2018	7.00%		

The underlying demographic and economic assumptions were updated as a result of the Experience Study covering the period of July 1, 2018 - June 30, 2021.

Note 9: LENGTH OF SERVICE AWARDS PROGRAM

Plan Description - The Township's length of service awards program (the "Plan"), which is a defined contribution plan reported in the Township's trust fund, was created by a Township Ordinance adopted on September 3, 2008 pursuant to Section 457 (e)(11)(B) of the Internal Service Code of 1986, as amended, except for provisions added by reason of the length of service award program as enacted into federal law in 1997. The accumulated assets of the Plan are not administered through a trust that meets the criteria of paragraph 4 of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*.

The voters of the Township approved the adoption of the Plan at the general election held on November 4, 2008, and the first year of eligibility for entrance into the length of service awards program by qualified volunteers was calendar year 2009. The Plan provides tax deferred income benefits to active volunteer firefighters and emergency medical personnel, and is administered by Lincoln National Life Insurance Company ("Plan Administrator"), a State of New Jersey approved length of service awards program provider. The Township's practical involvement in administering the Plan is essentially limited to verifying the eligibility of each participant and remitting the funds to the Plan Administrator.

The tax deferred income benefits for emergency service volunteers of the Quinton Fire Company, consisting of the volunteer fire department and the first aid organization, come from contributions made solely by the governing body of the Township, on behalf of those volunteers who meet the criteria of the Plan created by that governing body. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

Note 9: LENGTH OF SERVICE AWARDS PROGRAM (CONT'D)

Plan Amendments - The Township may make minor amendments to the provisions of the Plan at any time, provided, however, that no amendment affects the rights of participants or their beneficiaries regarding vested accumulated deferrals at the time of the amendment. The Plan can only be amended by resolution of the governing body of the Township, and the following procedures must be followed: (a) any amendment to the Plan shall be submitted for review and approval by the Director of Local Government Services, State of New Jersey (the "Director") prior to implementation by the Township's governing body, provided, however, that any amendment required by the IRS, may be adopted by the Township's governing body without the advance approval of the Director (although such amendment shall be filed with the Director); (b) the documentation submitted to the Director shall identify the regulatory authority for the amendment and the specific language of the change; and (c) the Township shall adopt the amendment by resolution of the governing body, and a certified copy of the resolution shall be forwarded to the Director. The Township may amend the Plan agreement to accommodate changes in the Internal Revenue Code, Federal statutes, state laws or rules or operational experience. In cases of all amendments to the Plan, the Township shall notify all participants in writing prior to making any amendment to the Plan.

Contributions - If an active member meets the year of active service requirement, a length of service awards program must provide a benefit between the minimum contribution of \$100.00 and a maximum contribution of \$1,150.00 per year. While the maximum amount is established by statute, it is subject to periodic increases that are related to the consumer price index (N.J.S.A. 40A:14-185(f)). The Division of Local Government Services of the State of New Jersey will issue the permitted maximum annually.

The Township elected to contribute between \$200.00 and \$1,150.00 for the year ended December 31, 2022, per eligible volunteer, into the Plan, depending on how many years the volunteer has served. Participants direct the investment of the contributions into various investment options offered by the Plan. The Township has no authorization to direct investment contributions on behalf of eligible volunteers nor has the ability to purchase or sell investment options offered by the Plan. The types of investment options, and the administering of such investments, rests solely with the Plan Administrator.

For the year ended December 31, 2022, the Township's total expenditure to the Plan was \$23,500.00.

Participant Accounts - Each participant's account is credited with the Township's contribution and Plan earnings, and charged with administrative expenses. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account. The Township has placed the amounts deferred, including earnings, in an account maintained by a third-party administrator for the exclusive benefit of the Plan participants and their beneficiaries. The contributions from the Township to the Plan, and the related earnings, are not irrevocable, and such funds are not legally protected from the creditors of the Township. These funds, however, are not available for funding the operations of the Township.

Vesting - The Township, in accordance with N.J.S.A. 40A:14-188 and N.J.A.C. 5:30-11.63 may make a yearly contribution to the length of service awards program account in the deferred income program for an active volunteer who has satisfied the requirements for receipt of an award, but the volunteer shall not be able to receive a distribution of the funds until the completion of a five year vesting period or be in accordance with changes to vesting conveyed through the issuance of a Local Finance Notice and/or publication of a public notice in the New Jersey Register, with payment of that benefit only being as otherwise permitted by the Plan.

Note 9: LENGTH OF SERVICE AWARDS PROGRAM (CONT'D)

Payment of Benefits - Upon separation from volunteer service, retirement or disability, termination of the Plan, participants may select various payout options of vested accumulated deferrals, which include lump sum, periodic, or annuity payments. In the case of death, with certain exceptions, any amount invested under the participant's account is paid to the beneficiary or the participant's estate.

In the event of an unforeseeable emergency, as outlined in the Plan document, a participant or a beneficiary entitled to vested accumulated deferrals may request the local plan administrator to payout a portion of vested accumulated deferrals.

Forfeited Accounts - For the year ended December 31, 2022, no accounts were forfeited.

Investments - The investments of the length of service awards program reported in the trust - other funds on the statements of assets, liabilities, reserves, and fund balance - regulatory basis are recorded at fair value.

Plan Information - Additional information about the Township's length of service awards program can be obtained by contacting the Plan Administrator.

Note 10: SANITARY LANDFILL ESCROW CLOSURE FUND

The Township previously operated a municipal landfill located in the Township. This landfill was closed when the Salem County Improvement Authority opened a landfill to accommodate the disposal of solid waste.

The Sanitary Landfill Facility Closure and Contingency Fund Act of 1981 was enacted to provide funding, during the life of the landfill, of costs associated with the closure of sanitary landfills. The Act requires the owner or operator of every sanitary landfill to establish an escrow account for closure and deposit, on a monthly basis, an amount equal to \$1.00 per ton of solid waste accepted for disposal. No withdrawals may be made from the fund without written approval from the State Department of Environmental Protection and Energy.

The escrow closure fund balance at year-end does not necessarily represent the estimated cost of closure/post closure as of that date. The required balance of the fund merely represents the amount required to be escrowed in accordance with the statute. Actual costs associated with closure are not known.

Note 11: CAPITAL DEBT**Sewer Utility – USDA Loans**

On February 26, 2010, the Township entered into two loan agreements with the USDA to provide \$1,652,700.00, Series 2010A and \$141,000.00, Series 2010B at an interest rate of 4.00%. The proceeds were used to fund the construction of a sanitary sewer system. Final maturity of the loans is February 26, 2050.

The following schedule represents the remaining debt service, through maturity, for the USDA loans:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 30,734.26	\$ 59,561.74	\$ 90,296.00
2024	31,975.92	58,320.08	90,296.00
2025	33,267.74	57,028.26	90,296.00
2026	34,611.77	55,684.23	90,296.00
2027	36,010.09	54,285.91	90,296.00
2028-2032	203,084.20	248,395.80	451,480.00
2033-2037	247,558.51	203,921.49	451,480.00
2038-2042	301,772.44	149,707.56	451,480.00
2043-2047	367,858.94	83,621.06	451,480.00
2048-2050	209,777.13	12,615.53	222,392.66
Totals	\$ 1,496,651.00	\$ 983,141.66	\$ 2,479,792.66

The following schedule represents the Township's summary of debt for the current and two previous years:

	<u>2022</u>	<u>2021</u>	<u>2020</u>
<u>Issued</u>			
General:			
Bonds, Loans and Notes	\$ 72,000.00	\$ 84,000.00	\$ 111,000.00
Sewer Utility:			
Bonds, Loans and Notes	1,496,651.00	1,532,285.61	1,566,829.32
Total Issued	1,568,651.00	1,616,285.61	1,677,829.32
<u>Authorized but not Issued</u>			
General:			
Bonds, Loans and Notes	360,000.00	360,000.00	360,000.00
Total Authorized but not Issued	360,000.00	360,000.00	360,000.00
Total Issued and Authorized but not Issued	1,928,651.00	1,976,285.61	2,037,829.32
<u>Deductions</u>			
Sewer Utility:			
Self-Liquidating	1,496,651.00	1,532,285.61	1,566,829.32
Total Deductions	1,496,651.00	1,532,285.61	1,566,829.32
Net Debt	\$ 432,000.00	\$ 444,000.00	\$ 471,000.00

Note 11: CAPITAL DEBT (CONT'D)**Summary of Statutory Debt Condition - Annual Debt Statement**

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the annual debt statement and indicated a statutory net debt of 0.219%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
School Purposes	\$ 865,000.00	\$ 865,000.00	
Self-Liquidating	1,496,651.00	1,496,651.00	
General	432,000.00		\$ 432,000.00
	<u>\$ 2,793,651.00</u>	<u>\$ 2,361,651.00</u>	<u>\$ 432,000.00</u>

Net debt \$432,000.00 divided by the Equalized Valuation Basis per N.J.S.A.40A:2-2 as amended, \$197,305,567.67 equals 0.219%.

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

3 1/2% of Equalized Valuation Basis (Municipal)	\$ 6,905,694.87
Less: Net Debt	<u>432,000.00</u>
Remaining Borrowing Power	<u>\$ 6,473,694.87</u>

**Calculation of "Self-Liquidating Purpose,"
Sewer Utility Per N.J.S.A. 40:2-45**

Cash Receipts from Fees, Rents, Fund Balance Anticipated, Interest and Other Investment Income, and Other Charges for the Year	\$ 407,314.80
Deductions:	
Operating and Maintenance Costs	\$ 274,558.00
Debt Service	<u>96,247.96</u>
Total Deductions	<u>370,805.96</u>
Excess in Revenue	<u>\$ 36,508.84</u>

A revised Annual Debt Statement should be filed by the Chief Financial Officer.

Note 12: RISK MANAGEMENT

The Township is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

New Jersey Unemployment Compensation Insurance - The Township has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan, the Township is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The Township is billed quarterly for amounts due to the State.

The following is a summary of Township contributions, reimbursements to the State for benefits paid and the ending balance of the Township's trust fund for the current and previous two years:

<u>Year</u>	<u>Employee Contributions</u>	<u>Interest Earnings</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2022	\$ 967.49	\$ 44.32	\$ 369.84	\$ 43,534.38
2021	701.26	-	-	42,892.41
2020	788.31	51.76	-	42,191.15

Joint Insurance Pool - The Township is a member of the Gloucester, Salem and Cumberland Counties Municipal Joint Insurance Fund. The Fund provides its members with the following coverage:

Workers' Compensation and Employer's Liability
General Liability (Casualty Coverage)
Property (Including Boiler and Machinery)
Crime
Business Automobile
Environmental Risk Liability
Public Employee Bond
Public Officials and Employment Liability
Volunteer Emergency Services Directors and Officers Liability

Contributions to the Fund, including a reserve for contingencies, are payable in two installments and are based on actuarial assumptions determined by the Fund's actuary. The Commissioner of Banking and Insurance may order additional assessments to supplement the Fund's claim, loss retention or administrative accounts to assure the payment of the Fund's obligations.

The Township's agreement with the Pool provides that the Pool will be self-sustaining through member premiums and will reinsure through the Municipal Excess Liability Joint Insurance Fund, which is an insurance pool formed by all the other joint insurance funds.

For more information regarding claims, coverages and deductibles, the Fund publishes its own financial report, which can be obtained from:

Gloucester, Salem, Cumberland Counties Municipal Joint Insurance Fund
P.O. Box 490
Marlton, New Jersey 08053

Note 13: DEFERRED CHARGE TO BE RAISED IN SUCCEEDING BUDGETS

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2022, the following deferred charge is shown on the statement of assets, liabilities, reserves and fund balance of the following fund:

<u>Description</u>	<u>Balance December 31, 2022</u>	<u>2022 Budget Appropriation</u>
Current Fund:		
Special Emergency Authorization	\$ 70,000.00	\$ 35,000.00

The appropriation in the 2023 Budget as adopted is not less than that required by the statutes.

Note 14: CONTINGENCIES

Grantor Agencies - Amounts received or receivable from grantor agencies could be subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the Township expects such amount, if any, to be immaterial.

Note 15: CONCENTRATIONS

The Township depends on financial resources flowing from, or associated with, both the federal government and the State of New Jersey. As a result of this dependency, the Township is subject to changes in specific flows of intergovernmental revenues based on modifications to federal and State laws and federal and State appropriations.

Note 16: SUBSEQUENT EVENTS

COVID-19 - On January 30, 2020, the World Health Organization ("WHO") announced a global health emergency because of a new strain of coronavirus originating in Wuhan, China (the "COVID-19 outbreak") and the risks to the international community as the virus spreads globally beyond its point of origin. In March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally.

The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. As such, it is uncertain as to the full magnitude that the pandemic will have on the Township's financial condition, liquidity, and future results of operations. Management is actively monitoring the global situation on its financial condition, liquidity, operations, suppliers, industry, and workforce. Given the daily evolution of the COVID-19 outbreak and the global responses to curb its spread, the Township is not able to estimate the effects of the COVID-19 outbreak on its results of operations, financial condition, or liquidity for calendar year 2023.

SUPPLEMENTAL EXHIBITS

SUPPLEMENTAL EXHIBITS

CURRENT FUND

TOWNSHIP OF QUINTON
CURRENT FUND
Statement of Current Fund Cash - Chief Financial Officer
For the Year Ended December 31, 2022

Balance December 31, 2021		\$ 914,824.75
Increased by Receipts:		
Tax Collector	\$ 5,874,596.30	
Revenue Accounts Receivable	586,163.69	
Miscellaneous Revenue Not Anticipated	13,194.81	
Due State of New Jersey - Senior Citizens & Veterans Deductions	29,961.64	
Due Sewer Utility Operating Fund	5,367.55	
Federal, State and Local Grants Receivable	157,733.09	
Reserve for Municipal Relief Fund Aid	16,123.86	
Budget Appropriation Reimbursements	5,841.95	
	<u>6,688,982.89</u>	
		7,603,807.64
Decreased by Disbursements:		
Appropriations	1,268,961.90	
Appropriation Reserves	21,672.74	
County Taxes Payable	2,470,704.42	
Local District School Taxes Payable	2,817,467.00	
Federal and State Grant Fund:		
Appropriated	19,332.29	
Due Current Fund:		
Anticipated as Revenue in Current Fund Budget (ARP)	128,114.31	
Accounts Payable	1,380.00	
Refund of Overpayments	8,196.64	
Refund of Prior Year Revenue	6,589.20	
	<u>6,742,418.50</u>	
Balance December 31, 2022		<u>\$ 861,389.14</u>

TOWNSHIP OF QUINTON
CURRENT FUND
Statement of Current Fund Cash - Tax Collector
For the Year Ended December 31, 2022

Balance December 31, 2021	\$	157,912.75
Increased by:		
Taxes Receivable	\$ 5,690,918.02	
Prepaid Taxes	127,325.51	
Tax Title Liens Receivable	17,576.15	
Revenue Accounts Receivable	52,260.91	
Miscellaneous Revenue Not Anticipated	2,556.22	
Tax Overpayments	<u>2,384.99</u>	
		<u>5,893,021.80</u>
		6,050,934.55
Decreased by:		
Disbursements to Treasurer		<u>5,874,596.30</u>
Balance December 31, 2022	<u>\$</u>	<u>176,338.25</u>

Exhibit SA-3

TOWNSHIP OF QUINTON
CURRENT FUND
Schedule of Change Funds
As of December 31, 2022

	Balance December 31, <u>2022</u>
Tax Office	\$ 85.00
Clerk's Office	<u>100.00</u>
	<u>\$ 185.00</u>

TOWNSHIP OF QUINTON
CURRENT FUND
Statement of Taxes Receivable and Analysis of Property Tax Levy
For the Year Ended December 31, 2022

Year	Balance Dec. 31, 2021	2022 Levy	Added Taxes	2021	Collections 2022	Due From State of New Jersey	Canceled	Transferred To Tax Title Liens	Balance Dec. 31, 2022
2020	\$ 152.13								
2021	183,391.82		\$ 2,288.36		\$ 183,914.88	\$ 1,250.00		\$ 250.00	\$ 146.98 265.30
	183,543.95	-	2,288.36	-	183,920.03	1,250.00	-	250.00	412.28
2022		\$ 6,092,973.16		\$ 138,508.03	5,506,997.99	30,780.14	\$ 120,717.42	119,526.51	176,443.07
	\$ 183,543.95	\$ 6,092,973.16	\$ 2,288.36	\$ 138,508.03	\$ 5,690,918.02	\$ 32,030.14	\$ 120,717.42	\$ 119,776.51	\$ 176,855.35

Analysis of Property Tax Levy

Tax Yield:

General Property Tax
Added Taxes (54:4-63.1 et. seq.)

\$ 6,081,838.06
11,135.10
\$ 6,092,973.16

Tax Levy:

Local School District Tax (Abstract)

\$ 2,841,065.00

County Taxes:

County Tax (Abstract) \$ 2,425,985.41
County Open Space Tax (Abstract) 40,221.51
Due County for Added Taxes
County Tax 4,423.34
County Open Space Tax 74.16
Total County Taxes 2,470,704.42

Local Tax for Municipal Purposes (Abstract)

Add: Added and Omitted Taxes 773,849.35
Add: Additional Tax Levied (Rounding) 716.79
781,203.74

\$ 6,092,973.16

TOWNSHIP OF QUINTON

CURRENT FUND

Statement of Due To State of New Jersey -- Senior Citizen and Veterans' Deductions
For the Year Ended December 31, 2022

Balance December 31, 2021		\$	11,008.02
Increased by:			
Received from State of New Jersey			<u>29,961.64</u>
			40,969.66
Decreased by:			
Deductions per Tax Billing:			
Senior Citizens	\$	11,000.00	
Veterans		20,000.00	
Deductions Allowed by Tax Collector:			
2021 Taxes		1,250.00	
2022 Taxes		<u>2,000.00</u>	
		\$	34,250.00
Less: Deductions Disallowed by Tax Collector			
2021 Taxes		2,288.36	
2022 Taxes		<u>2,219.86</u>	
			<u>4,508.22</u>
Total State Share Applied to Taxes Receivable			<u>29,741.78</u>
Balance December 31, 2022		\$	<u><u>11,227.88</u></u>

Exhibit SA-6

TOWNSHIP OF QUINTON

CURRENT FUND

Statement of Tax Title Liens Receivable
For the Year Ended December 31, 2022

Balance December 31, 2021		\$	569,162.74
Increased by:			
Transfers from Taxes Receivable - Prior Years	\$	250.00	
Interest & Costs Accrued to Tax Sale		4,277.69	
Transfers from Taxes Receivable - 2022		<u>119,526.51</u>	
			<u>124,054.20</u>
			693,216.94
Decreased by:			
Collections			<u>17,576.15</u>
Balance December 31, 2022		\$	<u><u>675,640.79</u></u>

TOWNSHIP OF QUINTON
CURRENT FUND
Statement of Revenue Accounts Receivable
For the Year Ended December 31, 2022

	<u>Balance</u> <u>Dec. 31, 2021</u>	<u>Accrued</u>	<u>Collected</u>	<u>Balance</u> <u>Dec. 31, 2022</u>
Miscellaneous Revenues:				
Local Revenues:				
Fees and Permits		\$ 59,312.00	\$ 59,312.00	
Fines and Costs:				
Municipal Court	\$ 538.66	5,202.35	5,741.01	
Interest and Costs on Taxes		52,260.91	52,260.91	
State Aid Without Offsetting Appropriations:				
Energy Receipts Tax (P.L. 1997, Ch 162 & 167)		309,100.00	309,100.00	
Garden State Trust		9,664.00	9,664.00	
Watershed Moratorium Offset Aid		2,867.00	2,867.00	
Dedicated Uniform Construction Code Fees				
Offset with Appropriations:				
Uniform Construction Code Fees	1,819.00	34,143.20	35,962.20	
Interlocal Service Agreements:				
Elsinboro Township - Municipal Clerk Services		18,159.36	18,159.36	
Other Special Items:				
Cable Franchise Fee		11,828.10	11,828.10	
Cable Franchise Fee		5,415.71	5,415.71	
American Rescue Plan		128,114.31	128,114.31	
	<u>\$ 2,357.66</u>	<u>\$ 636,066.94</u>	<u>\$ 638,424.60</u>	<u>-</u>
Treasurer			\$ 586,163.69	
Tax Collector			<u>52,260.91</u>	
			<u>\$ 638,424.60</u>	

TOWNSHIP OF QUINTON
CURRENT FUND
Statement of Appropriation Reserves
For the Year Ended December 31, 2022

	<u>Balance December 31, 2021</u>		<u>Balance</u>	<u>Paid or</u>	<u>Lapsed to</u>
	<u>Reserved</u>	<u>Encumbered</u>	<u>After</u>	<u>Charged</u>	<u>Fund</u>
			<u>Modification</u>		<u>Balance</u>
Operations Within "CAPS":					
Municipal Clerk					
Salaries and Wages	\$ 14,599.05		\$ 14,599.05		\$ 14,599.05
Other Expenses	3,465.62	\$ 935.51	4,401.13	\$ 874.41	3,526.72
Technology	2,390.06	64.86	2,454.92		2,454.92
Financial Administration					
Other Expenses					
Audit and Accounting Services	1,440.00		1,440.00		1,440.00
Miscellaneous Other Expenses	1,334.73	114.50	1,449.23	204.50	1,244.73
Assessment of Taxes					
Salaries and Wages	908.81		908.81		908.81
Other Expenses	549.81	2,127.83	2,677.64		2,677.64
Collection of Taxes					
Salaries and Wages	255.00		255.00		255.00
Other Expenses	2,347.58	86.98	2,434.56	191.98	2,242.58
Legal Services and Costs					
Other Expenses	10,164.00	396.00	10,560.00	396.00	10,164.00
Engineering Services					
Contractual	17,409.50		17,409.50		17,409.50
Other Expenses	500.00		500.00		500.00
Grant Consultant					
Contractual	500.00		500.00		500.00
Planning Board					
Other Expenses		850.00	850.00	850.00	
Zoning Officer					
Salaries and Wages	1,000.00		1,000.00		1,000.00
Other Expenses	200.00		200.00		200.00
Insurance					
General Liability	500.00		500.00		500.00
Workers Compensation	345.00		345.00		345.00
Traffic and Crowd Control					
Salaries and Wages	2,126.94		2,126.94		2,126.94
Other Expenses	100.00		100.00		100.00
Emergency Management Services					
Other Expenses	975.81	443.18	1,418.99	443.18	975.81
Road Repair and Maintenance					
Salaries and Wages	11,317.49		11,317.49		11,317.49
Other Expenses	19,448.04	3,493.84	22,941.88	3,493.84	19,448.04
Buildings and Grounds					
Salaries and Wages	475.99		475.99		475.99
Other Expenses	27,052.58	555.43	27,608.01	760.43	26,847.58
Garbage and Trash Removal					
Other Expenses	17,112.81	5,402.27	22,515.08	5,402.27	17,112.81

(Continued)

TOWNSHIP OF QUINTON
CURRENT FUND
Statement of Appropriation Reserves
For the Year Ended December 31, 2022

	<u>Balance December 31, 2021</u>		<u>Balance</u>	<u>Paid or</u>	<u>Lapsed to</u>
	<u>Reserved</u>	<u>Encumbered</u>	<u>After</u>	<u>Charged</u>	<u>Fund</u>
			<u>Modification</u>		<u>Balance</u>
Operations Within "CAPS" (Cont'd):					
Sanitary Landfill					
Other Expenses	\$ 2,339.00		\$ 2,339.00		\$ 2,339.00
Board of Health					
Salaries and Wages	50.00		50.00		50.00
Other Expenses	200.00		200.00		200.00
Dog Regulation					
Other Expenses		\$ 1,400.00	1,400.00	\$ 1,400.00	
Board of Recreation Commissioners:					
Other Expenses	362.30		362.30		362.30
Housing Officer					
Salaries and Wages	806.00		806.00		806.00
Construction Code Official					
Other Expenses	1,772.80		1,772.80		1,772.80
Sub-Code Officials					
Electrical Inspector - Salaries and Wages	4.60		4.60		4.60
Fire Protection Officer:					
Other Expenses	877.82		877.82		877.82
Utilities					
Electricity	1,337.53		1,337.53		1,337.53
Street Lighting	19.75	3,239.52	3,259.27	3,239.52	19.75
Telephone	2,964.25	42.10	3,006.35		3,006.35
Water/Fire Hydrants	703.66	500.00	1,203.66	296.34	907.32
Fuel Oil	5,276.21		5,276.21		5,276.21
Gasoline/Diesel Fuel	7,230.25		7,230.25		7,230.25
Social Security System (O.A.S.I.)	3,017.16		3,017.16		3,017.16
Total General Appropriations for Municipal Purposes Within "CAPS"	163,480.15	19,652.02	183,132.17	17,552.47	165,579.70
Operations Excluded from "CAPS":					
Interlocal Municipal Service Agreements					
Shared Services - Municipal Court	22.21	7,500.00	7,522.21	4,120.27	3,401.94
Shared Services - Municipal Clerk					
Other Expenses	1,800.00		1,800.00		1,800.00
Total General Appropriations for Municipal Purposes Excluded from "CAPS"	1,822.21	7,500.00	9,322.21	4,120.27	5,201.94
Total General Appropriations for Municipal Purposes	\$ 165,302.36	\$ 27,152.02	\$ 192,454.38	\$ 21,672.74	\$ 170,781.64
				Disbursements	\$ 21,672.74

TOWNSHIP OF QUINTON
CURRENT FUND
Statement of Prepaid Taxes
For the Year Ended December 31, 2022

Balance December 31, 2021	\$ 138,508.03
Increased by:	
Collections - 2023 Taxes	<u>127,325.51</u>
	265,833.54
Decreased by:	
Application to Taxes Receivable - 2022 Taxes	<u>138,508.03</u>
Balance December 31, 2022	<u><u>\$ 127,325.51</u></u>

Exhibit SA-10

TOWNSHIP OF QUINTON
CURRENT FUND
Statement of Tax Overpayments
For the Year Ended December 31, 2022

Balance December 31, 2021	\$ 6,285.88
Increased by:	
Receipts - Collector	<u>2,384.99</u>
	8,670.87
Decreased by:	
Refunds	<u>8,196.64</u>
Balance December 31, 2022	<u><u>\$ 474.23</u></u>

Exhibit SA-11

TOWNSHIP OF QUINTON
CURRENT FUND
Schedule of Property Acquired for Taxes - Assessed Valuation
As of December 31, 2022

Balance December 31, 2022	<u><u>\$ 1,052,100.00</u></u>
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TOWNSHIP OF QUINTON
CURRENT FUND
Statement of Deferred Charges
Special Emergency Appropriation Per N.J.S.A. 40A:4-53
For the Year Ended December 31, 2022

<u>Date</u> <u>Authorized</u>	<u>Purpose</u>	<u>Amount</u> <u>Authorized</u>	<u>1/5 of</u> <u>Net Amount</u> <u>Authorized</u>	<u>Balance</u> <u>Dec. 31, 2021</u>	<u>Amount</u> <u>Raised in the</u> <u>2022 Budget</u>	<u>Balance</u> <u>Dec. 31, 2022</u>
06/26/19	Reassessment Program	\$ 175,000.00	\$ 35,000.00	<u>\$ 105,000.00</u>	<u>\$ 35,000.00</u>	<u>\$ 70,000.00</u>

TOWNSHIP OF QUINTON
CURRENT FUND
Statement of Special Emergency Notes Payable
For the Year Ended December 31, 2022

<u>Purpose</u>	<u>Original Issue</u>	<u>Date of Original Issue</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate</u>	<u>Balance Dec. 31, 2021</u>	<u>Increased</u>	<u>Decreased</u>	<u>Balance Dec. 31, 2022</u>
Reassessment Program	\$ 175,000.00	07/31/19	07/31/19	07/26/22 07/24/23	1.50% 2.50%	\$ 105,000.00		\$ 105,000.00	
							\$ 70,000.00		\$ 70,000.00
						<u>\$ 105,000.00</u>	<u>\$ 70,000.00</u>	<u>\$ 105,000.00</u>	<u>\$ 70,000.00</u>
				Renewed			\$ 70,000.00	\$ 70,000.00	
				Paid by Budget Appropriation				35,000.00	
							<u>\$ 70,000.00</u>	<u>\$ 105,000.00</u>	

TOWNSHIP OF QUINTON
CURRENT FUND
Schedule of Reserve for Reassessment Program
As of December 31, 2022

Balance December 31, 2022	\$ 90,668.22
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Exhibit SA-15

TOWNSHIP OF QUINTON
CURRENT FUND
Statement of Accounts Payable
For the Year Ended December 31, 2022

Balance December 31, 2021	\$ 2,662.39
Decreased by:	
Disbursements	<u>1,380.00</u>
Balance December 31, 2022	<u>\$ 1,282.39</u>

TOWNSHIP OF QUINTON
CURRENT FUND
Statement of Local School District Taxes Payable
For the Year Ended December 31, 2022

Balance December 31, 2021	\$ 44,084.00
Increased by:	
Levy - Calendar Year	<u>2,841,065.00</u>
	2,885,149.00
Decreased by:	
Disbursements	<u>2,817,467.00</u>
Balance December 31, 2022	<u><u>\$ 67,682.00</u></u>

Exhibit SA-17

TOWNSHIP OF QUINTON
CURRENT FUND
Statement of County Taxes Payable
For the Year Ended December 31, 2022

Increased by:		
Levy - Calendar Year:		
County Tax	\$ 2,425,985.41	
County Open Space Tax	40,221.51	
Added and Omitted Taxes:		
County Tax	4,423.34	
County Open Space Tax	<u>74.16</u>	
		\$ 2,470,704.42
Decreased by:		
Cash Disbursements		<u><u>\$ 2,470,704.42</u></u>

TOWNSHIP OF QUINTON
FEDERAL AND STATE GRANT FUND
Statement of Reserve for Federal, State and Local Grants -- Unappropriated
For the Year Ended December 31, 2022

<u>Program</u>	<u>Balance Dec. 31, 2021</u>	<u>Federal and State Grants Receivable</u>	<u>Realized as Revenue in 2022 Budget</u>	<u>Balance Dec. 31, 2022</u>
Federal Grants:				
Small Cities Grant		\$ 13,832.00		\$ 13,832.00
American Rescue Plan	\$ 128,114.31	128,114.31	\$ 128,114.31	128,114.31
Total Federal Grants	128,114.31	141,946.31	128,114.31	141,946.31
State Grants:				
Clean Communitis Program		8,642.22	8,642.22	
Municipal Alliance Grant		2,031.66	2,031.66	
Recycling Tonnage Grant		2,892.24	2,892.24	
Total State Grants	-	13,566.12	13,566.12	-
Local Grants:				
JIF Safety Grant	-	2,250.00	2,250.00	-
Total All Grants	\$ 128,114.31	\$ 157,762.43	\$ 143,930.43	\$ 141,946.31

Exhibit SA-19

TOWNSHIP OF QUINTON
FEDERAL AND STATE GRANT FUND
Statement of Due From Current Fund
For the Year Ended December 31, 2022

Balance December 31, 2021	\$ 209,272.26
Increased by:	
Grants Receivable Collected by Current Fund	157,733.09
	367,005.35
Decreased by:	
Anticipated as Revenue in Current Fund Budget:	
American Rescue Plan	\$ 128,114.31
Grant Fund Expenditures Paid by Current Fund	19,332.29
	147,446.60
Balance December 31, 2022	\$ 219,558.75

TOWNSHIP OF QUINTON
FEDERAL AND STATE GRANT FUND
Statement of Federal, State and Local Grants Receivable
For the Year Ended December 31, 2022

Program	Balance Dec. 31, 2021	Accrued	Decreased by:		Balance Dec. 31, 2022
			Cash Receipts		
Federal Grants:					
Small Cities Grant		\$ 13,832.00	\$	13,832.00	
American Rescue Plan		128,114.31		128,114.31	
Total Federal Grants	-	141,946.31		141,946.31	-
State Grants:					
Clean Communities Program		8,642.22		8,642.22	
Municipal Alliance on Alcoholism and Drug Abuse	\$ 3,329.13	2,031.66		2,002.32	\$ 3,358.47
Recycling Tonnage		2,892.24		2,892.24	
Total State Grants	3,329.13	13,566.12		13,536.78	3,358.47
Local Grants:					
JIF Safety Grant	-	2,250.00		2,250.00	-
Total All Grants	\$ 3,329.13	\$ 157,762.43	\$	157,733.09	\$ 3,358.47

TOWNSHIP OF QUINTON
FEDERAL AND STATE GRANT FUND
Statement of Reserve for Federal, State and Local Grants -- Appropriated
For the Year Ended December 31, 2022

<u>Program</u>	<u>Balance Dec. 31, 2021</u>	<u>Increased by:</u>			<u>Paid or Charged</u>	<u>Balance Dec. 31, 2022</u>
		<u>Transferred from Budget Appropriation</u>	<u>Prior Year Encumbrances</u>			
Federal Grants:						
Small Cities Grant	\$ 43,405.67	-	-	-		\$ 43,405.67
State Grants:						
Clean Communities Program	20,001.83	\$ 8,642.22	\$ 482.00	\$ 13,685.16		15,440.89
Municipal Alliance on Alcoholism and Drug Abuse						
State Share	6,654.08	2,031.66		2,502.89		6,182.85
Local Share	1,619.57					1,619.57
Recycling Tonnage Grant	6,082.93	2,892.24	481.00	4,293.60		5,162.57
Get Active Community	3,000.00					3,000.00
Total State Grants	37,358.41	13,566.12	963.00	20,481.65		31,405.88
Local Grants:						
JIF Safety Grant	2,760.00	2,250.00	-	1,123.84		3,886.16
Total All Grants	\$ 83,524.08	\$ 15,816.12	\$ 963.00	\$ 21,605.49		\$ 78,697.71
Grant Revenues		\$ 15,816.12				
Cash Disbursements				\$ 19,332.29		
Reserve for Encumbrances				2,273.20		
		\$ 15,816.12		\$ 21,605.49		

SUPPLEMENTAL EXHIBITS

TRUST FUND

TOWNSHIP OF QUINTON
TRUST FUNDS
Statement of Trust Cash
For the Year Ended December 31, 2022

	Animal Control Fund	Trust Other Fund
Balance December 31, 2021	\$ 10,295.37	\$ 403,502.42
Increased by Receipts:		
Reserve for Animal Control Fund	\$ 3,188.20	
Due to State of New Jersey - Department of Health	425.40	
Interest Earnings		\$ 82.47
Reserves and Special Deposits		486,076.58
	<u>3,613.60</u>	<u>486,159.05</u>
	13,908.97	889,661.47
Decreased by Disbursements		
Reserve for Animal Control Expenditures	2,339.00	
Due to State of New Jersey - Department of Health	425.40	
Reserves and Special Deposits		425,413.83
	<u>2,764.40</u>	<u>425,413.83</u>
Balance December 31, 2022	<u>\$ 11,144.57</u>	<u>\$ 464,247.64</u>

TOWNSHIP OF QUINTON
TRUST - OTHER FUNDS
Statement of Investments - Length of Service Awards Program
For the Year Ended December 31, 2022

Balance December 31, 2021			\$	425,803.92
Increased by:				
Township Contributions				<u>23,500.00</u>
				449,303.92
Decreased by:				
Benefits Paid to Participants	\$	27,636.30		
Unrealized Losses on Investments		84,571.47		
Administration Expenses		<u>1,329.62</u>		
				<u>113,537.39</u>
Balance December 31, 2022			\$	<u><u>335,766.53</u></u>

TOWNSHIP OF QUINTON
TRUST - ANIMAL CONTROL FUND
Statement of Due to State of New Jersey - Department of Health
Dog Registration Fees
For the Year Ended December 31, 2022

Increased by:	
Receipts	\$ 425.40
Decreased by:	
Disbursements	<u><u>\$ 425.40</u></u>

TOWNSHIP OF QUINTON
TRUST - ANIMAL CONTROL FUND
Statement of Reserve for Animal Control Fund
For the Year Ended December 31, 2022

Balance December 31, 2021		\$ 8,407.28
Increased by:		
Prepaid Licenses Revenue Recognized for 2022	\$ 1,351.00	
Receipts:		
Animal Control License Fees Collected	<u>3,188.20</u>	
		<u>4,539.20</u>
		12,946.48
Decreased by:		
Transferred to Prepaid Licenses	1,407.60	
Disbursements:		
Animal Control Expenditures	<u>2,339.00</u>	
		<u>3,746.60</u>
Balance December 31, 2022		<u><u>\$ 9,199.88</u></u>

License Fees Collected

<u>Year</u>	<u>Amount</u>
2020	\$ 4,757.07
2021	<u>4,909.80</u>
	<u><u>\$ 9,666.87</u></u>

Exhibit SB-5

TOWNSHIP OF QUINTON
TRUST - ANIMAL CONTROL FUND
Statement of Prepaid Licenses
For the Year Ended December 31, 2022

Balance December 31, 2021	\$ 1,874.00
Increased by:	
Transfer from Reserve for Animal Control Fund	<u>1,407.60</u>
	3,281.60
Decreased by:	
Transfer to Reserve for Animal Control Fund	<u>1,351.00</u>
Balance December 31, 2022	<u><u>\$ 1,930.60</u></u>

TOWNSHIP OF QUINTON
TRUST FUNDS
 Schedule of Due Current Fund
 As of December 31, 2022

	Animal Control Fund	Total Other Funds	Other Funds			
			Payroll	Tax Title Lien Premium	Tax Title Lien Redemption	Unemployment
Balance December 31, 2022	\$ 14.09	\$ 926.88	\$ 1.87	\$ 659.20	\$ 243.27	\$ 22.54

TOWNSHIP OF QUINTON
TRUST - OTHER FUNDS
Statement of Reserves and Special Deposits
For the Year Ended December 31, 2022

<u>Trust Other Fund</u>	<u>Increased by</u>		<u>Decreased by</u>		<u>Balance Dec 31, 2021</u>	<u>Balance Dec 31, 2022</u>
	<u>Interest Earnings</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Unrealized Loss on Investments</u>		
Developers Escrow		\$ 8,855.50	\$ 5,897.73		\$ 41,578.85	\$ 44,536.62
AAVCQU Property LLC		0.04				0.04
Eastern Concrete Maintenance Escrow					41.77	41.77
Eastern Concrete Mat Inspection Escrow		5,660.49	5,224.25		4,686.01	5,122.25
Eastern Concrete Mat Performance Bond					197,823.54	197,823.54
Eastern Concrete Mat Maintenance Escrow					5,004.27	5,004.27
Cash Vacant/Abandoned Property		1,000.00	41.77		5,501.44	6,459.67
Home Improvement					1,027.73	1,027.85
Length of Service Awards Program	\$ 0.12			\$ 84,571.47	425,803.92	335,766.53
Net Payroll		23,500.00	28,965.92			
Payroll Deductions Payable		266,582.85	266,582.85			
Sand and Gravel Maintenance Bond		116,460.40	116,460.04			
Sanitary Landfill Closure	38.03	586.05	402.75		99.08	99.44
Tax Title Lien Premium		41,900.00	2.00		9,816.70	10,000.00
Tax Title Lien Redemption		44,063.76	30,432.60		38,009.12	38,047.15
Unemployment Compensation	44.32	967.49	369.84		40,610.00	82,508.00
					0.40	13,631.56
					42,892.41	43,534.38
TOTAL	\$ 82.47	\$ 509,576.58	\$ 454,379.75	\$ 84,571.47	\$ 828,379.46	\$ 799,087.29
Cash		\$ 486,076.58	\$ 425,413.83			
Investments		23,500.00	28,965.92			
		\$ 509,576.58	\$ 454,379.75			

SUPPLEMENTAL EXHIBITS

GENERAL CAPITAL FUND

TOWNSHIP OF QUINTON
GENERAL CAPITAL FUND
Statement of General Capital Cash
For the Year Ended December 31, 2022

Balance December 31, 2021		\$	389,256.12
Increased by Receipts:			
Reserve for Sanitary Landfill Closure Costs	\$	100.00	
Capital Improvement Fund		177,000.00	
Grants Receivable		<u>37,525.89</u>	
			<u>214,625.89</u>
			603,882.01
Decreased by Disbursements:			
Improvement Authorizations			<u>22,201.39</u>
Balance December 31, 2022		\$	<u><u>581,680.62</u></u>

TOWNSHIP OF QUINTON
GENERAL CAPITAL FUND
Analysis of General Capital Cash and Investments
For the Year Ended December 31, 2022

	Balance (Deficit) Dec. 31, 2021	Receipts		Disbursements		Balance (Deficit) Dec. 31, 2022
		Budget Appropriation	Miscellaneous	Improvement Authorizations	Transfers From To	
Fund Balance	\$ 3.55					\$ 3.55
Capital Improvement Fund	209,239.54	\$ 177,000.00				386,239.54
Encumbrances Payable	13,585.30					9,907.91
Grants Receivable	(315,982.40)		\$ 37,525.89			(278,456.51)
Reserve for Sanitary Landfill Closure Costs	89,000.00	100.00				89,100.00
<u>Improvement Authorizations:</u>						
<u>Ordinance Number</u>						
1990-01 Sanitary Landfill Site Closure	20,000.00					20,000.00
2011-06 Purchase of Various Capital Equipment and Improvements to Waterworks Road	18,893.47					18,893.47
2012-07 Resurface Hogate Blvd.	3,921.61					3,921.61
2013-04 Improvements to the Municipal Building	1,690.00					1,690.00
2013-05 Resurface Hummel Road	145.67					145.67
2014-08 Resurface Cool Run Road	29,326.41					29,326.41
2015-03 Sidewalk Improvements	24,395.37					24,395.37
2016-03 Resurface Cool Run Road Section II	15,995.98					15,995.98
2017-03 Resurface Cool Run Road Section III	2,488.40					2,488.40
2018-04 Reconstruction of Lake Avenue	9,025.72					9,025.72
2020-03 Reconstruction of Wright Avenue	12,039.69					12,039.69
2020-04 Used Medium Duty Truck and Salt/Sand Spreader				\$ 3,901.39	5,000.00	
2021-04 Reconstruction of Brown Road	25,257.81			18,300.00	4,907.91	16,448.51
2021-11 Reconstruction of Lake Avenue Section II	230,230.00				8,585.30	220,515.30
	<u>\$ 389,256.12</u>	<u>\$ 177,100.00</u>	<u>\$ 37,525.89</u>	<u>\$ 22,201.39</u>	<u>\$ 23,493.21</u>	<u>\$ 581,680.62</u>

TOWNSHIP OF QUINTON
GENERAL CAPITAL FUND
Statement of Grants Receivable
For the Year Ended December 31, 2022

Balance December 31, 2021	\$ 315,982.40
Decreased by:	
Cash Receipts	<u>37,525.89</u>
Balance December 31, 2022	<u><u>\$ 278,456.51</u></u>

Analysis of Balance December 31, 2022:

NJDOT - Reconstruction of Cool Run Road (Ord 2014-08)	\$ 20,713.84
NJDOT - Sidewalk Improvements (Ord 2015-03)	20,907.81
NJDOT - Reconstruction of Cool Run Road Section II (Ord 2016-03)	4,506.98
NJDOT - Reconstruction of Lake Avenue (Ord 2018-04)	9,025.72
NJDOT - Reconstruction of Wright Avenue (Ord 2020-03)	5,973.44
NJDOT - Reconstruction of Brown Road (Ord 2021-04)	26,328.72
NJDOT - Reconstruction of Lake Avenue Section II (Ord 2021-11)	<u>191,000.00</u>
	<u><u>\$ 278,456.51</u></u>

**TOWNSHIP OF QUINTON
GENERAL CAPITAL FUND**

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TOWNSHIP OF QUINTON
GENERAL CAPITAL FUND
Statement of Reserve for Sanitary Landfill Closure Costs
For the Year Ended December 31, 2022

Balance December 31, 2021	\$ 89,000.00
Increased by:	
Budget Appropriation	<u>100.00</u>
Balance December 31, 2022	<u><u>\$ 89,100.00</u></u>

Exhibit SC-6

TOWNSHIP OF QUINTON
GENERAL CAPITAL FUND
Statement of Capital Improvement Fund
For the Year Ended December 31, 2022

Balance December 31, 2021	\$ 209,239.54
Increased by:	
Budget Appropriation	<u>177,000.00</u>
Balance December 31, 2022	<u><u>\$ 386,239.54</u></u>

TOWNSHIP OF QUINTON
GENERAL CAPITAL FUND
Statement of Improvement Authorizations
For the Year Ended December 31, 2022

Ordinance Number	Improvement Description	Date	Ordinance Amount	Balance December 31, 2021		Transfer from Reserve for Encumbrances	Paid or Charged	Balance December 31, 2022	
				Funded	Unfunded			Funded	Unfunded
1990-01	Sanitary Landfill Site Closure	01/18/90	\$ 380,000.00	\$ 20,000.00	\$ 360,000.00			\$ 20,000.00	\$ 360,000.00
2011-06	Purchase of Various Capital Equipment and Improvements to Waterworks Road	06/01/11	302,000.00	18,893.47				18,893.47	
2012-07	Resurface Hogate Blvd.	12/05/12	35,000.00	3,921.61				3,921.61	
2013-04	Improvements to the Municipal Building	07/03/13	20,000.00	1,690.00				1,690.00	
2013-05	Resurface Hummel Road	08/07/13	35,000.00	145.67				145.67	
2014-08	Resurface Cool Run Road	04/16/14	340,000.00	29,326.41				29,326.41	
2015-03	Sidewalk Improvements	07/20/15	230,000.00	24,395.37				24,395.37	
2016-03	Resurface Cool Run Road Section II	05/18/16	183,000.00	15,995.98				15,995.98	
2017-03	Resurface Cool Run Road Section III	07/06/17	125,000.00	2,488.40				2,488.40	
2018-04	Reconstruction of Lake Avenue	07/03/18	166,750.00	9,025.72				9,025.72	
2020-03	Reconstruction of Wright Avenue	04/07/20	155,000.00	12,039.69				12,039.69	
2020-04	Used Medium Duty Truck and Salt/Sand Spreader	11/18/20	15,000.00			\$ 5,000.00	\$ 5,000.00		
2021-04	Reconstruction of Brown Road	03/02/21	190,000.00	25,257.81			8,809.30	16,448.51	
2021-11	Reconstruction of Lake Avenue Section II	12/29/21	230,230.00	230,230.00		8,585.30	18,300.00	220,515.30	
				\$ 393,410.13	\$ 360,000.00	\$ 13,585.30	\$ 32,109.30	\$ 374,886.13	\$ 360,000.00
Cash Disbursements									\$ 22,201.39
Reserve for Encumbrances Payable									9,907.91
									<u>\$ 32,109.30</u>

TOWNSHIP OF QUINTON
GENERAL CAPITAL FUND
Statement of Bond Anticipation Notes
For the Year Ended December 31, 2022

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Date of Original Issue</u>	<u>Amount of Original Issue</u>	<u>Date of Issue</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Balance Dec. 31, 2021</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance Dec. 31, 2022</u>
2018-07	Replacement of the Fire House Roof	09/04/18	\$ 96,000.00	10/08/21 10/06/22	10/07/22 10/05/23	1.5000% 2.7500%	\$ 84,000.00	\$ 72,000.00	\$ 84,000.00	\$ 72,000.00
							<u>\$ 84,000.00</u>	<u>\$ 72,000.00</u>	<u>\$ 84,000.00</u>	<u>\$ 72,000.00</u>
							Renewals			
							Paid by Budget Appropriation			
								\$ 72,000.00	\$ 72,000.00	
								12,000.00	12,000.00	
								<u>\$ 72,000.00</u>	<u>\$ 84,000.00</u>	<u>\$ 84,000.00</u>

TOWNSHIP OF QUINTON
GENERAL CAPITAL FUND
Schedule of Bonds and Notes Authorized But Not Issued
As of December 31, 2022

Ordinance		Balance
<u>Number</u>	<u>Improvement Description</u>	<u>Dec. 31, 2022</u>
1990-01	Sanitary Landfill Site Closure	<u>\$ 360,000.00</u>

SUPPLEMENTAL EXHIBITS

SEWER UTILITY FUND

TOWNSHIP OF QUINTON
SEWER UTILITY FUND
Statement of Cash
For the Year Ended December 31, 2022

	Operating Fund		Utility Collector	Capital Fund
	Chief Financial Officer			Chief Financial Officer
Balance December 31, 2021	\$ 745,712.32		\$ 19,953.77	\$ 47,385.62
Increased by Receipts:				
Consumer Accounts Receivable		\$ 334,493.59		
Sewer Rent Overpayments		1,030.20		
Miscellaneous Revenue	\$ 7,258.42	5,596.11		
Received from Utility Collector	348,320.29			\$ 10,000.00
Capital Improvement Fund				
	355,578.71		341,119.90	10,000.00
	1,101,291.03		361,073.67	57,385.62
Decreased by Disbursements:				
Budget Appropriations	115,608.74			
Appropriation Reserves	20,825.95			
Accrued Interest on Bonds and Notes	60,853.64			
Disbursed to Chief Financial Officer		348,320.29		
	197,288.33		348,320.29	-
Balance December 31, 2022	\$ 904,002.70		\$ 12,753.38	\$ 57,385.62

TOWNSHIP OF QUINTON
SEWER UTILITY CAPITAL FUND
 Analysis of Sewer Utility Capital Cash and Investments
 For the Year Ended December 31, 2022

			Receipts		Disbursements	
			Miscellaneous	Miscellaneous	Miscellaneous	Balance
						Dec. 31, 2022
Capital Improvement Fund						
			\$ 6,500.00	\$ 10,000.00		\$ 16,500.00
Improvement Authorizations:						
Ordinance						
Number						
99-04, 04-06, 07-09	Construction of a Sanitary Sewer System	35,885.62				35,885.62
2020-04	Used Medium Duty Truck and Salt / Sand Spreader	5,000.00				5,000.00
		\$ 47,385.62	\$ 10,000.00	-		\$ 57,385.62

TOWNSHIP OF QUINTON
SEWER UTILITY OPERATING FUND
Statement of Consumer Accounts Receivable
For the Year Ended December 31, 2022

Balance December 31, 2021		\$ 33,752.30
Increased by:		
Sewer Rents Levied - Net of Adjustments		<u>356,719.30</u>
		390,471.60
Decreased by:		
Collections	\$ 334,493.59	
Overpayments Applied	2,045.13	
Transfers to Sewer Liens	<u>6,431.96</u>	
		<u>342,970.68</u>
Balance December 31, 2022		<u><u>\$ 47,500.92</u></u>

Exhibit SD-4

TOWNSHIP OF QUINTON
SEWER UTILITY OPERATING FUND
Statement of Sewer Utility Liens
For the Year Ended December 31, 2022

Balance December 31, 2021		\$ 27,933.73
Increased by:		
Transfers from Consumer Accounts Receivable		<u>6,431.96</u>
		34,365.69
Decreased by:		
Due Current Fund:		
Collections		<u>5,367.55</u>
Balance December 31, 2022		<u><u>\$ 28,998.14</u></u>

Exhibit SD-5

TOWNSHIP OF QUINTON
SEWER UTILITY OPERATING FUND
Statement of Sewer Rent Overpayments
For the Year Ended December 31, 2022

Balance December 31, 2021		\$ 2,045.13
Increased by:		
Overpayments Received		<u>1,030.20</u>
		3,075.33
Decreased by:		
Applied to Consumer Accounts Receivable		<u>2,045.13</u>
Balance December 31, 2022		<u><u>\$ 1,030.20</u></u>

TOWNSHIP OF QUINTON
SEWER UTILITY OPERATING FUND
Statement of Appropriation Reserves
For the Year Ended December 31, 2022

	<u>Balance December 31, 2021</u>		<u>Balance After</u>	<u>Paid or</u>	<u>Lapsed to</u>
	<u>Appropriation</u>	<u>Reserve for</u>	<u>Transfers</u>	<u>Charged</u>	<u>Fund</u>
	<u>Reserves</u>	<u>Encumbrances</u>			<u>Balance</u>
Operating:					
Salaries and Wages	\$ 1,422.00	\$	1,422.00	\$	1,422.00
Other Expenses	33,969.06	\$ 5,364.44	39,333.50	\$ 5,364.44	33,969.06
Sewerage Fees - City of Salem	86,193.56	24,002.94	110,196.50	15,461.51	94,734.99
Capital Improvements:					
Capital Outlay	1,500.00		1,500.00		1,500.00
Statutory Expenditures:					
Social Security System (O.A.S.I.)	781.28		781.28		781.28
	<u>\$ 123,865.90</u>	<u>\$ 29,367.38</u>	<u>\$ 153,233.28</u>	<u>\$ 20,825.95</u>	<u>\$ 132,407.33</u>
			Disbursed	\$ 20,825.95	

TOWNSHIP OF QUINTON
SEWER UTILITY OPERATING FUND
Statement of Accrued Interest on Bonds and Notes
For the Year Ended December 31, 2022

Balance December 31, 2021	\$ 21,373.00
Increased by:	
Budget Appropriation:	
Interest on Bonds	\$ 60,543.10
Interest on Notes	70.25
	<u>60,613.35</u>
	81,986.35
Decreased by:	
Cash Disbursements	<u>60,853.64</u>
Balance December 31, 2022	<u><u>\$ 21,132.71</u></u>

Analysis of Accrued Interest - December 31, 2022

<u>Issue</u>	<u>Principal Outstanding December 31, 2022</u>	<u>Interest Rate</u>	<u>From</u>	<u>To</u>	<u>Period</u>	<u>Amount</u>
Sewer Loan	\$ 1,379,001.09	4.0000%	08/26/22	12/31/22	127 Days	\$ 19,471.49
Sewer Loan	117,649.91	4.0000%	08/26/22	12/31/22	127 Days	<u>1,661.22</u>
						<u><u>\$ 21,132.71</u></u>

TOWNSHIP OF QUINTON
SEWER UTILITY CAPITAL FUND
Schedule of Fixed Capital
As of December 31, 2022

<u>Account</u>	<u>Balance</u> <u>Dec. 31, 2022</u>
Sanitation Sewer System	<u>\$ 5,159,114.38</u>

Exhibit SD-9

TOWNSHIP OF QUINTON
SEWER UTILITY CAPITAL FUND
Schedule of Fixed Capital Authorized and Uncompleted
As of December 31, 2022

<u>Ordinance</u> <u>Number</u>	<u>Improvement Description</u>	<u>Date</u>	<u>Ordinance</u> <u>Amount</u>	<u>Balance</u> <u>Dec. 31, 2022</u>
99-04, 04-06, 07-09 2020-04	Construction of a Sanitary Sewer System	08/21/07	\$ 5,150,000.00	\$ 35,885.62
	Used Medium Duty Truck and Salt/Sand Spreader	11/18/2020	15,000.00	<u>15,000.00</u>
				<u>\$ 50,885.62</u>

Exhibit SD-10

TOWNSHIP OF QUINTON
SEWER UTILITY CAPITAL FUND
Schedule of Deferred Reserve for Amortization
As of December 31, 2022

<u>Ordinance</u> <u>Number</u>	<u>Improvement Description</u>	<u>Date of</u> <u>Ordinance</u>	<u>Balance</u> <u>Dec. 31, 2022</u>
General Improvements: 2020-04	Used Medium Duty Truck and Salt/Sand Spreader	11/18/2020	<u>\$ 15,000.00</u>

TOWNSHIP OF QUINTON
SEWER UTILITY CAPITAL FUND
Statement of Capital Improvement Fund
For the Year Ended December 31, 2022

Balance December 31, 2021	\$ 6,500.00
Increased by:	
Budget Appropriation	<u>10,000.00</u>
Balance December 31, 2022	<u><u>\$ 16,500.00</u></u>

Exhibit SD-12

TOWNSHIP OF QUINTON
SEWER UTILITY CAPITAL FUND
Statement of Reserve for Amortization
For the Year Ended December 31, 2022

Balance December 31, 2021		\$ 3,662,714.39
Increased by:		
Sewer Loans Paid by Sewer Utility Operating Fund	\$ 29,534.61	
Bond Anticipation Notes Paid by Sewer Utility Operating Fund	<u>6,100.00</u>	
		<u>35,634.61</u>
Balance December 31, 2022		<u><u>\$ 3,698,349.00</u></u>

TOWNSHIP OF QUINTON
SEWER UTILITY CAPITAL FUND
Schedule of Accounts Payable
As of December 31, 2022

Balance December 31, 2022

\$ 2,885.48

TOWNSHIP OF QUINTON
SEWER UTILITY CAPITAL FUND
Statement of Sewer Loans Payable
For the Year Ended December 31, 2022

<u>Purpose</u>	<u>Series</u>	<u>Amount of Original Issue</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate</u>	<u>Balance Dec. 31, 2021</u>	<u>Paid by Budget Appropriation</u>	<u>Balance Dec. 31, 2022</u>
(1) Construction of Sanitary Sewer System	2010A	\$ 1,652,700.00	02/26/10	02/26/50	4.00%	\$ 1,406,214.08	\$ 27,212.99	\$ 1,379,001.09
(1) Construction of Sanitary Sewer System	2010B	141,000.00	02/26/10	02/26/50	4.00%	119,971.53	2,321.62	117,649.91
						<u>\$ 1,526,185.61</u>	<u>\$ 29,534.61</u>	<u>\$ 1,496,651.00</u>

(1) US Department of Agriculture - Sewer Waste System

TOWNSHIP OF QUINTON
SEWER UTILITY CAPITAL FUND
 Statement of Bond Anticipation Notes
 For the Year Ended December 31, 2022

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Date of</u>		<u>Amount of</u>	<u>Date of</u>	<u>Interest</u>	<u>Balance</u>	<u>Decreases</u>
		<u>Original</u>	<u>Issue</u>		<u>Issue</u>	<u>Rate</u>	<u>Dec. 31, 2021</u>	
11-02S	Improvements to Sanitary Sewer System at Weldon Court	05/04/12	\$ 45,000.00	10/08/21	10/07/22	1.5000%	\$ 6,100.00	\$ 6,100.00
Paid by Budget Appropriation							\$ 6,100.00	

TOWNSHIP OF QUINTON
SEWER UTILITY CAPITAL FUND
Schedule of Improvement Authorizations
As of December 31, 2022

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Date</u>	<u>Ordinance Amount</u>	<u>Balance December 31, 2022</u>	
				<u>Funded</u>	<u>Unfunded</u>
99-04, 04-06, 07-09	Construction of a Sanitary Sewer System	08/21/07	\$ 5,150,000.00	\$ 35,885.62	
2020-04	Used Medium Duty Truck and Salt / Sand Spreader	11/18/20	15,000.00	5,000.00	
				<u>\$ 40,885.62</u>	<u>-</u>

TOWNSHIP OF QUINTON
SEWER UTILITY OPERATING FUND
Statement of Due from Current Fund
For the Year Ended December 31, 2022

Balance December 31, 2021	\$ 14,021.77
Increased by:	
Sewer Utility Liens Collected by Current Fund	<u>5,367.55</u>
Balance December 31, 2022	<u><u>\$ 19,389.32</u></u>

PART II
SCHEDULE OF FINDINGS AND RECOMMENDATIONS
FOR THE YEAR ENDED DECEMBER 31, 2022

TOWNSHIP OF QUINTON
Schedule of Findings and Recommendations
For the Year Ended December 31, 2022

Schedule of Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses, fraud, noncompliance with provisions of laws, regulations, contracts, and grant agreements related to financial statements for which *Government Auditing Standards* and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, requires.

None.

TOWNSHIP OF QUINTON
Summary Schedule of Prior Year Audit Findings
and Recommendations as Prepared by Management

This section identifies the status of prior year findings related to the financial statements that are required to be reported in accordance with *Government Auditing Standards*.

FINANCIAL STATEMENT FINDINGS

None.

TOWNSHIP OF QUINTON
Officials in Office and Surety Bonds

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

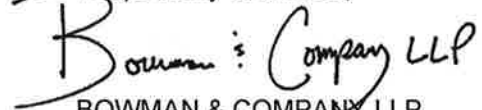
<u>Name</u>	<u>Title</u>
Marjorie L. Sperry	Township Committee – Mayor
Joseph J. Hannagan, Jr.	Township Committee – Deputy Mayor
Raymond C. Owens	Township Committee
Marty R. Uzdanovics	Township Clerk, Registrar of Vital Statistics, Dog Registrar
Diane S. Bowman	Chief Finance Officer
D. Michelle Allen	Tax and Sewer Collector
Fralinger Engineering	Township Engineer
Niki A. Arbittier, Esquire	Township Solicitor

All employees are covered under a Blanket Surety Bond from the Joint Insurance Fund in the amount of \$1,000,000.

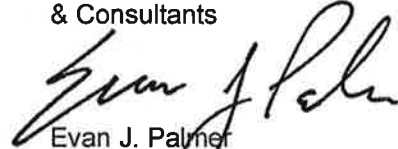
APPRECIATION

I express my appreciation for the assistance and courtesies rendered by the Township officials during the course of the audit.

Respectfully submitted,

A handwritten signature in cursive script that reads "Bowman & Company LLP".

BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants

A handwritten signature in cursive script that reads "Evan J. Palmer".

Evan J. Palmer
Certified Public Accountant
Registered Municipal Accountant