

**TOWNSHIP OF FLORENCE
COUNTY OF BURLINGTON**

FOR THE YEAR ENDED DECEMBER 31, 2022

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**TOWNSHIP OF FLORENCE
COUNTY OF BURLINGTON**

PART I

**INDEPENDENT AUDITOR'S REPORTS,
BASIC FINANCIAL STATEMENTS AND SUPPLEMENTAL SCHEDULES
FOR THE YEAR ENDED DECEMBER 31, 2022**

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HOLT MCNALLY & ASSOCIATES

Certified Public Accountants & Advisors

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members
of the Township Committee
Township of Florence
County of Burlington
Florence, New Jersey

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 and account group of the Township of Florence 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, the related statements of revenues - regulatory basis, and statements of expenditures - 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.

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 below "*Basis for Adverse Opinion on Accounting Principles Generally Accepted in the United State of America*" paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Township of Florence, as of December 31, 2022 and 2021, or the results of its operations and changes in fund balance for the years then ended.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets, liabilities, reserves and fund balance - regulatory basis of the various funds and account group of the Township of Florence, 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 statements of revenues - regulatory basis, and statements of expenditures - 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.

618 Stokes Road, Medford, NJ 08055

P: 609.953.0612 • **F:** 609.257.0008

www.hmacpainc.com

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and 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 prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Township of Florence, 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, the financial statements are prepared by the Township of Florence 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.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles and practices prescribed by 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 of Florence's ability to continue as a going concern for twelve months beyond the financial statement date, including any current 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 opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* and in accordance with accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than 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 judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and Government Auditing Standards and in accordance with accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatements 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 judgement, 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.

Supplemental Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Township's basic financial statements. The supplemental schedules presented for the various funds 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 combining and individual nonmajor fund financial statements 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 June 26, 2023 on our consideration of the Township's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the

effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Township's internal control over financial reporting and compliance.

Respectfully submitted,

HOLT MCNALLY & ASSOCIATES, INC.
Certified Public Accountants & Advisors

Michael Holt
Certified Public Accountant
Registered Municipal Accountant
RMA No. 473

Medford, New Jersey
June 26, 2023



Certified Public Accountants & Advisors

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

Honorable Mayor and Members
of the Township Committee
Township of Florence
County of Burlington
Florence, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the financial statements - regulatory basis of the Township of Florence, 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 June 26, 2023. Our report indicated that the Township's financial statements were not prepared in accordance with accounting principles generally accepted in the United States of America but rather prepared in accordance with the regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Township's internal control over financial reporting (internal control) 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 a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

618 Stokes Road, Medford, NJ 08055

P: 609.953.0612 • **F:** 609.257.0008

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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 Township'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 Township's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully Submitted,

HOLT MCNALLY & ASSOCIATES, INC.
Certified Public Accountants & Advisors

Michael Holt
Certified Public Accountant
Registered Municipal Accountant
RMA No. 473

Medford, New Jersey
June 26, 2023

TOWNSHIP OF FLORENCE
CURRENT FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2022 AND 2021

	<u>Reference</u>	<u>2022</u>	<u>2021</u>
<u>Assets</u>			
Current Fund:			
Cash	A-4	\$ 8,261,887.59	\$ 7,183,922.75
Change Funds	A-5	550.00	550.00
		<u>8,262,437.59</u>	<u>7,184,472.75</u>
Receivables and Other Assets with Full Reserves:			
Delinquent Property Taxes Receivable	A-7	325,816.01	326,445.84
Tax Title Liens Receivable	A-8	259,237.32	283,130.92
Other Municipal Liens	A	19,072.53	19,072.53
Property Acquired for Taxes - Assessed Valuation	A	109,340.01	70,240.01
Revenue Accounts Receivable	A-10	14,412.84	10,494.36
Due from Animal Control Trust Fund	B	183.02	2,612.54
Due from Assessment Trust Fund	B	39.63	23.59
Due from Open Space Trust Fund	B	84,912.96	-
Due from Other Trust Fund	B	-	68,353.85
Due from Water and Sewer Utility Operating Fund	D	43,385.94	158,982.80
Due from Water and Sewer Utility Assessment Trust Fund	D	-	55,000.00
		<u>856,400.26</u>	<u>994,356.44</u>
Total Assets		<u>9,118,837.85</u>	<u>8,178,829.19</u>
Federal and State Grant Fund:			
Federal and State Grants Receivable	A-19	259,988.92	208,330.92
Due from Current Fund	A-22	1,002,877.63	587,634.63
Total Assets		<u>1,262,866.55</u>	<u>795,965.55</u>
		<u>\$ 10,381,704.40</u>	<u>\$ 8,974,794.74</u>

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

TOWNSHIP OF FLORENCE
CURRENT FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2022 AND 2021

	<u>Reference</u>	<u>2022</u>	<u>2021</u>
<u>Liabilities, Reserves and Fund Balance</u>			
Current Fund:			
Appropriation Reserves	A-3	\$ 736,135.79	\$ 557,525.66
Reserve for Encumbrances	A-3	137,669.11	208,672.72
Due to State of NJ - Senior Citizens & Veterans Deductions	A-6	62,032.59	60,334.65
Accounts Payable	A	775.00	775.00
Due to County for Added Taxes	A-12	114,400.06	39,378.43
Due to County for PILOT Collections	A-4	114,653.65	-
Prepaid Taxes	A-9	633,874.75	333,848.46
Local School District School Tax Payable	A-13	1.52	4.00
Municipal Open Space Tax Payable - Due to Trust	A-14	-	255,776.04
Special District Taxes Payable	A-15	155,306.40	30,809.00
Due to State of NJ - Marriage License Fees	A-16	-	187.00
Due to State of NJ - DCA Training Fees	A-16	2,564.00	13,049.00
Reserve for Library Expenditures	A-17	6,552.67	4,989.67
Reserve for Tax Appeals	A-18	16,560.30	16,560.30
Reserve for Municipal Relief Aid	A-4	70,492.34	-
Due to Federal and State Grant Fund	A	1,002,877.63	587,634.63
Due to Trust Other Fund	B	28,850.31	14,527.71
Due to General Capital Fund	C	972,732.04	508,463.67
Due to Water and Sewer Utility Capital Fund	D	2,000,000.00	2,000,000.00
		<hr/>	<hr/>
		6,055,478.16	4,632,535.94
Reserve for Receivables and Other Assets	A	856,400.26	994,356.44
Fund Balance	A-1	2,206,959.43	2,551,936.81
		<hr/>	<hr/>
		9,118,837.85	8,178,829.19
Federal and State Grant Fund:			
Reserve for Encumbrances	A-20	608.00	18,348.50
Reserve for Federal and State Grants:			
Appropriated	A-20	170,854.31	92,007.98
Unappropriated	A-21	1,091,404.24	685,609.07
		<hr/>	<hr/>
		1,262,866.55	795,965.55
		<hr/>	<hr/>
Total Liabilities, Reserves and Fund Balance		<u>\$ 10,381,704.40</u>	<u>\$ 8,974,794.74</u>

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

TOWNSHIP OF FLORENCE
CURRENT FUND
STATEMENTS OF OPERATIONS AND CHANGES IN FUND BALANCE - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>Reference</u>	<u>2022</u>	<u>2021</u>
Revenue and Other Income Realized:			
Fund Balance Utilized	A-2	\$ 1,875,000.00	\$ 1,716,499.60
Miscellaneous Revenue Anticipated	A-2	6,142,942.15	6,064,291.34
Receipts From Delinquent Taxes	A-2	326,770.45	350,548.31
Receipts From Current Taxes	A-2	34,224,775.95	32,897,495.89
Non-Budget Revenue	A-2	113,443.99	74,766.48
Other Credit To Income:			
Unexpended Balance of Appropriation Reserves	A-11	337,623.90	683,173.19
Interfunds Liquidated	A	-	493,607.25
		<hr/>	<hr/>
Total Income		43,020,556.44	42,280,382.06
		<hr/>	<hr/>
Expenditures:			
Budget and Emergency Appropriations :			
Appropriations Within "CAPS":			
Operations:			
Salaries and Wages	A-3	6,127,773.00	5,852,693.00
Other Expenses	A-3	4,018,340.00	3,746,455.00
Deferred Charges and Statutory Expenditures	A-3	1,327,135.29	1,344,886.40
Appropriations Excluded From "CAPS":			
Operations:			
Other Expenses	A-3	245,682.60	128,051.57
Capital Improvements	A-3	250,000.00	-
Municipal Debt Service	A-3	1,375,617.09	1,004,837.57
Transferred to Board of Education for Use of Local School	A-3	40,000.00	40,000.00
County Taxes	A-12	5,084,187.79	5,197,843.93
County Share of Added and Omitted Taxes	A-12	114,400.06	39,378.43
Local District School Tax	A-13	20,119,072.00	19,723,181.00
Municipal Open Space Tax	A-14	132,311.00	128,403.33
Special District Taxes	A-15	2,525,358.00	2,323,580.00
Refund of Prior Year Revenue	A-4	830.71	-
Prior Years' Senior Citizens and Veterans			
Deducations Disallowed	A-6	1,494.52	1,156.84
Interfunds Created	A-4	128,331.76	326,838.65
		<hr/>	<hr/>
Total Expenditures		41,490,533.82	39,857,305.72
		<hr/>	<hr/>
Excess in Revenue		1,530,022.62	2,423,076.34
Fund Balance, January 1	A	2,551,936.81	1,845,360.07
		<hr/>	<hr/>
		4,081,959.43	4,268,436.41
Decreased By:			
Utilized as Anticipated Revenue	A	1,875,000.00	1,716,499.60
		<hr/>	<hr/>
Fund Balance, December 31		\$ 2,206,959.43	\$ 2,551,936.81
		<hr/>	<hr/>

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

TOWNSHIP OF FLORENCE
CURRENT FUND
STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2022

	Budget	Special N.J.S.A 40A:4-87	Realized	Excess/ (Deficit)
Fund Balance Anticipated	\$ 1,875,000.00	\$ -	\$ 1,875,000.00	\$ -
Miscellaneous Revenues:				
Licenses:				
Alcoholic Beverages	26,000.00	-	26,700.00	700.00
Fees and Permits	420,000.00	-	367,891.08	(52,108.92)
Fines and Costs:				
Municipal Court	120,287.46	-	135,212.55	14,925.09
Interest and Costs on Taxes	70,000.00	-	69,103.88	(896.12)
Interest on Investments and Deposits	3,500.00	-	24,587.98	21,087.98
Landfill Fees - Host Community Benefits	284,000.00	-	262,074.36	(21,925.64)
Landfill Fees - Host Community Benefits - 2021 Received in 2022	221,134.40	-	221,134.40	-
Interfunds - Trust Other	68,353.85	-	68,353.85	-
Interfunds - Sewer Operating	158,982.80	-	158,982.80	-
Interfunds - Sewer Assessment	55,000.00	-	55,000.00	-
Interfunds - Animal Control	2,612.54	-	2,612.54	-
Consolidated Municipal Property Tax Relief Aid	124,948.00	-	124,948.00	-
Energy Receipts Tax	1,226,415.00	-	1,226,415.00	-
Uniform Construction Code Fees	415,000.00	-	361,174.00	(53,826.00)
Special Items of General Revenue Anticipated with Prior Written Consent of Director of Local Government Services:				
Public and Private Revenues Off-Set with Appropriations:				
Recycling Tonnage Grant	121,019.31	-	121,019.31	-
Clean Communities Program	28,330.11	-	28,330.11	-
Body Armor Fund	3,833.18	-	3,833.18	-
Recreation Grant	70,000.00	-	70,000.00	-
PILOT Programs	2,350,000.00	-	2,475,569.11	125,569.11
American Rescue Plan	250,000.00	-	250,000.00	-
General Capital Surplus	90,000.00	-	90,000.00	-
Total Miscellaneous Revenues	6,109,416.65	-	6,142,942.15	33,525.50
Receipts from Delinquent Taxes	300,000.00	-	326,770.45	26,770.45
Amount to be Raised by Taxation for Support of Municipal Budget: Local Tax for Municipal Purposes	5,938,490.19	-	6,723,423.05	784,932.86
Total Amount to be Raised by Taxes for Support of Municipal Budget	5,938,490.19	-	6,723,423.05	784,932.86
Budget Totals	14,222,906.84	-	15,068,135.65	845,228.81
Non-Budget Revenues	-	-	113,443.99	113,443.99
	\$ 14,222,906.84	\$ -	\$ 15,181,579.64	\$ 958,672.80

**TOWNSHIP OF FLORENCE
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	\$ 34,224,775.95
Allocated To School, County, and Municipal Open Space Taxes	<u>27,975,328.85</u>
Balance for Support of Municipal Budget Appropriations	6,249,447.10
Add: Appropriation "Reserve for Uncollected Taxes"	<u>473,975.95</u>
Amount for Support of Municipal Budget Appropriations	<u><u>\$ 6,723,423.05</u></u>
Receipts From Delinquent Taxes:	
Delinquent Tax Collections	<u>\$ 326,770.45</u>
	<u><u>\$ 326,770.45</u></u>
Fees & Permits - Other:	
Clerk	\$ 310,682.18
Housing Inspections	37,175.00
Police	12,363.90
Recreation Fees	275.00
RVS Fees	7,195.00
Other	<u>200.00</u>
	<u><u>\$ 367,891.08</u></u>
<u>Analysis of Non-Budget Revenue:</u>	
Tax collector	\$ 5,716.12
Gen trust - Administrative fees for outside employment	35,860.74
Pilot interest for late payment	1,530.61
Oil, metal, electrical recycling	11,530.16
State of NJ - hotel fee	313.71
BURLCO JIF Wellness Reimbursements	7,867.84
BOE - SRO Admin Fees	29,285.79
Polling place reimbursement	360.00
Returned Check Fees	160.00
Municipal Court - Unclaimed, Voids - Prior Year	368.00
National Opioids Settlement	13,891.42
State of NJ - Senior Citizens and Vets Administrative Payment	1,826.04
Division of Motor Vehicles Inspection Fines	1,262.00
Fee Reimbursement	1,429.52
Gov Deals - Auction Proceeds	<u>2,042.04</u>
	<u><u>\$ 113,443.99</u></u>

TOWNSHIP OF FLORENCE
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2022

	Appropriations		Expended			Unexpended Balance Cancelled
	Budget	Budget After Modifications	Paid or Charged	Encumbered	Reserved	
OPERATIONS WITHIN "CAPS":						
GENERAL GOVERNMENT:						
Mayor and Council						
Salaries and Wages	\$ 40,654.00	\$ 40,654.00	\$ 40,653.96	\$ -	\$ 0.04	\$ -
Other Expenses	10,650.00	10,650.00	2,358.86	-	8,291.14	-
Municipal Clerk						
Salaries and Wages	111,846.00	111,846.00	110,488.97	-	1,357.03	-
Other Expenses	27,725.00	27,725.00	22,649.79	94.10	4,981.11	-
Business Administration Office:						
Salaries and Wages	273,648.00	277,648.00	277,648.00	-	-	-
Other Expenses	49,475.00	49,475.00	41,784.98	220.00	7,470.02	-
Audit Services:						
Other Expenses	30,000.00	30,000.00	24,180.00	-	320.00	5,500.00
Revenue Administration (Tax Collection):						
Salaries and Wages	58,664.00	58,664.00	56,125.80	-	538.20	2,000.00
Other Expenses	13,025.00	13,025.00	11,760.21	-	1,264.79	-
Bureau of Assessments:						
Salaries and Wages	91,268.00	91,268.00	90,267.83	-	1,000.17	-
Other Expenses	23,950.00	23,950.00	18,202.09	-	5,747.91	-
Tax Map Revisions	5,000.00	5,000.00	1,598.75	2,867.50	533.75	-
Township Solicitor:						
Other Expenses	52,570.00	52,570.00	37,984.23	-	14,585.77	-
Special Counsel:						
Other Expenses	85,250.00	85,250.00	19,324.34	1,706.69	44,218.97	20,000.00
Treasurer:						
Salaries and Wages	32,475.00	32,475.00	31,475.05	-	999.95	-
Other Expenses	50,550.00	50,550.00	45,980.98	1,223.50	3,345.52	-
Cost of Registered Bonds	400.00	400.00	-	-	400.00	-
Engineering Services:						
Other Expenses	157,000.00	157,000.00	94,508.00	22,138.46	30,353.54	10,000.00
Industrial Development Promotion:						
Other Expenses	60,250.00	60,250.00	34,362.50	-	15,887.50	10,000.00
Expense at Participation of Free County Library						
Salaries and Wages	98,000.00	98,000.00	98,000.00	-	-	-
Other Expenses	21,200.00	21,200.00	16,230.76	2,728.67	2,240.57	-
LAND USE ADMINISTRATION						
Planning Board:						
Salaries and Wages	10,750.00	10,750.00	10,400.00	-	350.00	-
Other Expenses	32,725.00	32,725.00	19,617.88	5.85	13,101.27	-
Zoning Board of Adjustment:						
Other Expenses	22,245.00	22,245.00	10,458.22	123.75	11,663.03	-
INSURANCE						
General Liability Insurance	1,001,900.00	1,001,900.00	958,628.57	8,250.36	35,021.07	-
Workers Compensation Insurance	107,000.00	107,000.00	105,300.00	-	1,700.00	-
Employee Group Insurance	83,000.00	83,000.00	76,189.70	-	2,310.30	4,500.00
Health Benefit Waiver	43,250.00	43,250.00	34,262.50	-	8,987.50	-
Accumulated Leave Compensation	20,000.00	26,000.00	25,721.48	-	278.52	-
PUBLIC SAFETY						
Police Department:						
Salaries and Wages	3,771,595.00	3,554,095.00	3,486,188.70	-	67,906.30	-
Salaries and Wages - ARP - LFRF	-	250,000.00	250,000.00	-	-	-
Other Expenses	317,000.00	317,000.00	224,212.07	19,659.39	73,128.54	-
Office of Emergency Management:						
Salaries and Wages	3,975.00	3,975.00	3,975.00	-	-	-
Other Expenses	3,050.00	3,050.00	-	-	3,050.00	-
Municipal Prosecutor						
Salaries and Wages	25,000.00	25,000.00	21,758.00	-	3,242.00	-
Other Expenses	-	-	-	-	-	-
Maintenance of Traffic Lights						
Other Expenses	3,850.00	3,850.00	2,638.24	192.09	1,019.67	-
Aid to Fire District	35,000.00	35,000.00	27,958.00	7,042.00	-	-

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

**TOWNSHIP OF FLORENCE
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Appropriations		Paid or Charged	Expended		Unexpended Balance Cancelled
	Budget	Budget After Modifications		Encumbered	Reserved	
<u>PUBLIC WORKS FUNCTIONS</u>						
Streets and Road Maintenance:						
Salaries and Wages	241,788.00	241,788.00	226,289.76	-	15,498.24	-
Other Expenses	179,285.00	169,285.00	108,800.82	6,834.49	53,649.69	-
Sanitation Department:						
Salaries and Wages	490,456.00	490,456.00	480,132.47	-	10,323.53	-
Other Expenses	58,820.00	54,820.00	38,454.10	4,371.98	11,993.92	-
Solid Waste Disposal Fee	6,200.00	6,200.00	4,875.60	567.75	756.65	-
Landfill Taxes	25,000.00	25,000.00	19,506.54	-	5,493.46	-
Contractual	379,500.00	374,500.00	364,141.02	-	10,358.98	-
Buildings and Grounds:						
Salaries and Wages	148,231.00	148,231.00	146,545.19	-	1,685.81	-
Other Expenses	144,365.00	144,365.00	114,959.30	5,625.59	23,780.11	-
Parks and Playgrounds						
Salaries and Wages	85,122.00	85,122.00	78,295.96	-	6,826.04	-
Other Expenses	84,380.00	93,380.00	75,832.06	5,959.47	11,588.47	-
<u>HEALTH AND WELFARE</u>						
Board of Health:						
Salaries and Wages	3,475.00	3,475.00	3,225.00	-	250.00	-
Other Expenses	1,250.00	1,250.00	987.01	-	262.99	-
Animal Control Services						
Other Expenses	500.00	500.00	500.00	-	-	-
Shade Tree Committee						
Other Expenses	82,650.00	82,650.00	50,559.00	6,600.00	25,491.00	-
Environmental Commission						
Other Expenses	1,425.00	1,425.00	454.38	8.58	962.04	-
<u>PARKS AND RECREATION</u>						
Recreation Services and Programs:						
Other Expenses	85,875.00	85,875.00	40,654.96	1,076.69	44,143.35	-
Celebration of Public Events, Anniversary or Holiday						
Other Expenses	18,750.00	18,750.00	17,213.90	76.50	1,459.60	-
<u>UTILITY EXPENSES AND BULK PURCHASES</u>						
Electricity & Natural Gas	110,000.00	110,000.00	107,806.50	2,144.36	49.14	-
Street Lighting	187,500.00	187,500.00	173,257.02	14,178.53	64.45	-
Telephone	34,000.00	34,000.00	33,760.51	37.07	202.42	-
Gasoline	112,000.00	112,000.00	89,906.00	13,651.82	8,442.18	-
<u>UNIFORM CONSTRUCTION CODE APPROPRIATIONS</u>						
<u>OFFSET BY DEDICATED REVENUES (N.J.A.C. 5:23-4.17)</u>						
Salaries and Wages	406,943.00	406,943.00	377,278.52	500.00	12,164.48	17,000.00
Other Expenses	190,275.00	190,275.00	159,527.01	150.00	24,597.99	6,000.00
<u>MUNICIPAL COURT:</u>						
Municipal Court:						
Salaries and Wages	226,383.00	216,383.00	208,015.69	-	8,367.31	-
Other Expenses	28,000.00	28,000.00	8,085.96	33.00	19,881.04	-
<u>UNCLASSIFIED:</u>						
Contributions to Senior Citizens Centers :						
Florence Center	4,250.00	4,250.00	-	4,250.00	-	-
Roebing Center	4,250.00	4,250.00	-	1,489.89	2,760.11	-
Condominium Services:						
Other Expenses	99,000.00	84,000.00	28,349.82	3,861.03	51,789.15	-
Total Operations - Within "CAPS"	10,213,613.00	10,221,113.00	9,290,307.56	137,669.11	718,136.33	75,000.00
Detail:						
Salaries and Wages	6,120,273.00	6,146,773.00	5,996,763.90	500.00	130,509.10	19,000.00
Other Expenses (Including Contingent)	4,093,340.00	4,074,340.00	3,293,543.66	137,169.11	587,627.23	56,000.00

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

TOWNSHIP OF FLORENCE
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2022

	Appropriations		Paid or Charged	Expended		Unexpended Balance Cancelled
	Budget	Budget After Modifications		Encumbered	Reserved	
DEFERRED CHARGES AND STATUTORY EXPENDITURES - WITHIN "CAPS"						
Statutory Expenditures:						
Contribution To:						
Public Employees Retirement System	264,335.29	264,335.29	262,279.31	-	2,055.98	-
Social Security System (O.A.S.I.)	180,000.00	170,000.00	160,615.65	-	9,384.35	-
Police and Firemen's Pension Fund	884,100.00	884,100.00	883,736.16	-	363.84	-
Defined Contribution Retirement Program	6,200.00	8,700.00	8,671.07	-	28.93	-
Total Deferred Charges and Statutory Expenditures - Within "CAPS"	1,334,635.29	1,327,135.29	1,315,302.19	-	11,833.10	-
Total General Appropriations for Municipal Purposes - Within "CAPS"	11,548,248.29	11,548,248.29	10,605,609.75	137,669.11	729,969.43	75,000.00
OPERATIONS- EXCLUDED FROM "CAPS"						
Other Operations - Excluded from "CAPS":						
Recycling Tax P.L. 2007 c. 311	22,500.00	22,500.00	16,333.64	-	6,166.36	-
Public and Private Programs Offset by Revenues:						
Recycling Tonnage Grant	121,019.31	121,019.31	121,019.31	-	-	-
Clean Communities Program	28,330.11	28,330.11	28,330.11	-	-	-
Body Armor Fund	3,833.18	3,833.18	3,833.18	-	-	-
Recreation Contribution Grant (Camp)	70,000.00	70,000.00	70,000.00	-	-	-
Total Operations - Excluded from "CAPS"	245,682.60	245,682.60	239,516.24	-	6,166.36	-
Detail:						
Other Expenses	245,682.60	245,682.60	239,516.24	-	6,166.36	-
CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS":						
Capital Improvement Fund	250,000.00	250,000.00	250,000.00	-	-	-
Total Capital Improvements - Excluded From "CAPS"	250,000.00	250,000.00	250,000.00	-	-	-
DEBT SERVICE- EXCLUDED FROM "CAPS"						
Payment of Bond Principal	900,000.00	900,000.00	900,000.00	-	-	-
Interest on Bonds	325,000.00	325,000.00	321,617.09	-	-	3,382.91
Interest on Notes	140,000.00	140,000.00	140,000.00	-	-	-
Payment of Bond Anticipation and Capital Notes	300,000.00	300,000.00	14,000.00	-	-	286,000.00
Total Debt Service - Excluded From "CAPS"	1,665,000.00	1,665,000.00	1,375,617.09	-	-	289,382.91
TRANSFERRED TO BOARD OF EDUCATION FOR THE USE OF LOCAL SCHOOLS						
	40,000.00	40,000.00	40,000.00	-	-	-
Total General Appropriations for Municipal Purposes - Excluded From "CAPS"	2,200,682.60	2,200,682.60	1,905,133.33	-	6,166.36	289,382.91
Subtotal General Appropriations	13,748,930.89	13,748,930.89	12,510,743.08	137,669.11	736,135.79	364,382.91
Reserve for Uncollected Taxes	473,975.95	473,975.95	473,975.95	-	-	-
	\$ 14,222,906.84	\$ 14,222,906.84	\$ 12,984,719.03	\$ 137,669.11	\$ 736,135.79	\$ 364,382.91

Analysis of Budget after Modification:Original Budget \$ 14,222,906.84\$ 14,222,906.84Analysis of Paid or Charged:

Reserve for Uncollected Taxes	\$ 473,975.95
Reserve for State & Federal Grants Appropriated	223,182.60
Refunds	(1,934,956.39)
Disbursed	14,222,516.87
	<u>\$ 12,984,719.03</u>

**TOWNSHIP OF FLORENCE
TRUST FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2022 AND 2021**

	<u>Reference</u>	<u>2022</u>	<u>2021</u>
<u>Assets</u>			
Assessment Trust Fund			
Cash	B-4	\$ 9,381.40	\$ 9,365.36
		<u>9,381.40</u>	<u>9,365.36</u>
Animal Control Trust Fund:			
Cash	B-4	185.42	15,197.44
		<u>185.42</u>	<u>15,197.44</u>
Open Space Trust Fund			
Cash	B-4	163,339.60	163,060.38
Due from Current Fund	A	-	255,776.04
		<u>163,339.60</u>	<u>418,836.42</u>
Other Trust Funds:			
Cash	B-4	4,693,014.52	3,897,978.70
Due from Vendors	B	-	68,353.85
Due from Municipal Court	B	14,081.69	12,366.69
Due from Current Fund	A	28,850.31	14,527.71
		<u>4,735,946.52</u>	<u>3,993,226.95</u>
Total Assets		<u>\$ 4,908,852.94</u>	<u>\$ 4,436,626.17</u>

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

**TOWNSHIP OF FLORENCE
TRUST FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2022 AND 2021**

	<u>Reference</u>	<u>2022</u>	<u>2021</u>
<u>Liabilities, Reserves and Fund Balance</u>			
Assessment Trust Fund			
Fund Balance	B	\$ 9,341.77	\$ 9,341.77
Due to Current Fund	A	39.63	23.59
		<u>9,381.40</u>	<u>9,365.36</u>
Animal Control Trust Fund:			
Reserve for Animal Control Fund Expenditures	B-5	-	12,416.30
Due to State of New Jersey	B-6	2.40	168.60
Due to Current Fund	A	183.02	2,612.54
		<u>185.42</u>	<u>15,197.44</u>
Open Space Trust Fund			
Due to Current Fund	A	84,912.96	-
Due to Water & Sewer Utility Fund	D	39,837.50	20,568.75
Reserve for Open Space Trust Fund	B-8	38,589.14	398,267.67
		<u>163,339.60</u>	<u>418,836.42</u>
Other Trust Funds:			
Due to Current Fund	B	-	68,353.85
Reserve for Miscellaneous Trust Funds	B-7	4,735,946.52	3,924,873.10
		<u>4,735,946.52</u>	<u>3,993,226.95</u>
Total Liabilities, Reserves and Fund Balance		<u>\$ 4,908,852.94</u>	<u>\$ 4,436,626.17</u>

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

**TOWNSHIP OF FLORENCE
OPEN SPACE TRUST FUND
STATEMENTS OF OPERATIONS AND CHANGES IN RESERVE
FOR FUTURE USE - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2022 AND 2021**

	<u>Reference</u>	<u>2022</u>	<u>2021</u>
Revenue and Other Income Realized:			
Amounts to be Raised by Taxation	B-2	\$ 132,311.00	\$ 128,403.33
Miscellaneous Revenue Not Anticipated	B-2	279.22	123.15
		<hr/>	<hr/>
Total Revenue		132,590.22	128,526.48
		<hr/>	<hr/>
Expenditures:			
Budget Appropriations:			
Debt Service	B-3	19,268.75	106,137.50
Reserve for Future Use	B-3	-	3,000.00
Paydown of Bond Anticipation Notes	B-8	473,000.00	-
		<hr/>	<hr/>
Total Expenditures		492,268.75	109,137.50
		<hr/>	<hr/>
Excess (Deficit) in Revenue		(359,678.53)	19,388.98
Fund Balance, January 1	B	398,267.67	378,878.69
		<hr/>	<hr/>
Fund Balance, December 31		\$ 38,589.14	\$ 398,267.67
		<hr/> <hr/>	<hr/> <hr/>

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

**TOWNSHIP OF FLORENCE
OPEN SPACE TRUST FUND
STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2022**

	<u>Budget</u>	<u>Realized</u>	<u>Excess/ (Deficit)</u>
Amount to be Raised by Taxation	\$ 127,438.00	\$ 132,311.00	\$ 4,873.00
Interest Income	755.00	279.22	(475.78)
	<u>\$ 128,193.00</u>	<u>\$ 132,590.22</u>	<u>\$ 4,397.22</u>

Due from Current Fund	\$ 132,311.00
Cash Receipts	<u>279.22</u>
	<u>\$ 132,590.22</u>

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

**TOWNSHIP OF FLORENCE
OPEN SPACE TRUST FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Appropriations		Expended	
	<u>Budget</u>	<u>Budget After Modifications</u>	<u>Paid or Charged</u>	<u>Encumbered Reserved</u>
Debt Service:				
Payment of Bond Principal	\$ 65,000.00	\$ 65,000.00	\$ -	\$ 65,000.00
Interest on Bonds	41,137.50	41,137.50	19,268.75	21,868.75
	<u>106,137.50</u>	<u>106,137.50</u>	<u>19,268.75</u>	<u>86,868.75</u>
Reserve for Future Use	<u>22,055.50</u>	<u>22,055.50</u>	<u>-</u>	<u>22,055.50</u>
	<u>22,055.50</u>	<u>22,055.50</u>	<u>-</u>	<u>22,055.50</u>
	<u>\$ 128,193.00</u>	<u>\$ 128,193.00</u>	<u>\$ 19,268.75</u>	<u>\$ 108,924.25</u>
Due to Utility Operating Fund			<u>\$ 19,268.75</u>	
			<u>\$ 19,268.75</u>	

**TOWNSHIP OF FLORENCE
GENERAL CAPITAL FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2022 AND 2021**

<u>Assets</u>	<u>Reference</u>	<u>2022</u>	<u>2021</u>
Cash	C-2	\$ 3,548,463.34	\$ 3,594,573.51
Grant Receivable	C-4	1,158,144.83	1,824,644.83
Due From:			
Current Fund	A	972,732.04	508,463.67
Water & Sewer Operating Fund	D	145,696.36	145,696.36
Deferred Charges To Future Taxation:			
Funded	C-5	22,865,000.00	12,405,000.00
Unfunded	C-6	5,074,605.19	15,427,663.77
		<u> </u>	<u> </u>
Total Assets		<u>\$ 33,764,641.76</u>	<u>\$ 33,906,042.14</u>
<u>Liabilities, Reserves and Fund Balance</u>			
Serial Bonds Payable	C-7	\$ 22,865,000.00	\$ 12,405,000.00
Bond Anticipation Notes	C-8	-	8,997,000.00
Improvement Authorizations:			
Funded	C-9	3,137,803.84	1,528,829.48
Unfunded	C-9	2,325,187.32	7,636,971.50
Reserve for Encumbrances	C-9	2,215,759.03	1,028,725.66
Capital Improvement Fund	C-10	182,554.85	168,054.85
Due To:			
Water & Sewer Capital Fund	D	95,849.00	95,849.00
Reserve for:			
Environmental Remediation Encumbrances	C	687.50	687.50
Recreation Improvements - Unappropriated	C	198,099.98	198,099.98
Developer Impact Fees - Unappropriated	C	97,000.00	97,000.00
Sidewalk Improvements - Unappropriated	C	62,130.00	62,130.00
Reserve for Receivables:			
Local Aid Bikeway Program Grant	C	97,118.91	97,118.91
Transportation Trust Fund Grants	C	1,425,400.92	1,497,400.92
Fund Balance	C-1	1,062,050.41	93,174.34
		<u> </u>	<u> </u>
Total Liabilities, Reserves and Fund Balance		<u>\$ 33,764,641.76</u>	<u>\$ 33,906,042.14</u>

There were Bonds & Notes Authorized but not Issued on December 31, 2022 of \$5,074,605.19 and on December 31, 2021 was \$6,430,663.77.

**TOWNSHIP OF FLORENCE
GENERAL CAPITAL FUND
STATEMENT OF FUND BALANCE - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2022**

Balance, December 31, 2021		\$ 93,174.34
Increased By:		
Improvement Authorizations Cancelled - Funded	\$ 725,443.89	
Premium on Bond Anticipation Notes	20,774.74	
Premium on Bonds	<u>312,657.44</u>	
		<u>1,058,876.07</u>
		1,152,050.41
Decreased By:		
Anticipated Revenue		<u>90,000.00</u>
Balance, December 31, 2022		<u><u>\$ 1,062,050.41</u></u>

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

**TOWNSHIP OF FLORENCE
WATER & SEWER UTILITY FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2022 AND 2021**

	<u>Reference</u>	<u>2022</u>	<u>2021</u>
<u>Assets</u>			
Operating Fund:			
Cash	D-8	\$ 4,235,406.44	\$ 4,664,680.35
Due From:			
Open Space Trust Fund	B	39,837.50	20,568.75
Utility Assessment Trust Fund	D	5,565.18	5,001.44
Utility Capital Fund	D	284,647.77	276,745.72
		<u>4,565,456.89</u>	<u>4,966,996.26</u>
Receivables With Full Reserves:			
Consumer Accounts Receivable	D-10	274,968.64	393,028.57
Utility Liens Receivable	D-11	16,717.40	15,337.40
		<u>291,686.04</u>	<u>408,365.97</u>
Total Operating Fund		<u>4,857,142.93</u>	<u>5,375,362.23</u>
Assessment Trust Fund:			
Cash	D-8	227,630.21	335,066.47
Assessments Receivable	D-23	-	2,000.00
Total Assessment Fund		<u>227,630.21</u>	<u>337,066.47</u>
Capital Fund:			
Cash	D-8	4,640,791.92	3,393,438.37
Due From:			
Current Fund	D	2,000,000.00	2,000,000.00
General Capital Fund	D	95,849.00	95,849.00
Fixed Capital	D-12	39,369,447.45	38,223,751.55
Fixed Capital Authorized and Uncompleted	D-13	15,220,000.00	12,100,000.00
Total Capital Fund		<u>61,326,088.37</u>	<u>55,813,038.92</u>
Total Assets		<u>\$ 66,410,861.51</u>	<u>\$ 61,525,467.62</u>

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

TOWNSHIP OF FLORENCE
WATER & SEWER UTILITY FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2022 AND 2021

	<u>Reference</u>	<u>2022</u>	<u>2021</u>
<u>Liabilities, Reserves and Fund Balances</u>			
Operating Fund:			
Appropriation Reserves	D-4	\$ 893,948.18	\$ 830,075.33
Reserve for Encumbrances	D-4	300,985.88	448,197.95
Rent Overpayments	D-8	10,585.44	-
Accrued Interest Payable	D-15	140,387.69	85,643.65
Accounts Payable	D	10.00	10.00
Due To:			
Current Fund	A	43,385.94	158,982.80
General Capital Fund	C	145,696.36	145,696.36
		<u>1,534,999.49</u>	<u>1,668,606.09</u>
Reserve for Receivables	D	291,686.04	408,365.97
Fund Balance	D-1	<u>3,030,457.40</u>	<u>3,298,390.17</u>
Total Operating Fund		<u>4,857,142.93</u>	<u>5,375,362.23</u>
Assessment Trust Fund:			
Assessment Bonds	D-22	96,000.00	151,000.00
Due to Current Fund	A	-	55,000.00
Due to Utility Operating Fund	D	5,565.18	5,001.44
Fund Balance	D-5	<u>126,065.03</u>	<u>126,065.03</u>
Total Assessment Fund		<u>227,630.21</u>	<u>337,066.47</u>
Capital Fund:			
Serial Bonds	D-21	5,697,000.00	6,312,000.00
Bond Anticipation Notes	D-16	10,300,000.00	7,300,000.00
Improvement Authorizations:			
Funded	D-17	87,193.26	741,497.36
Unfunded	D-17	5,951,625.45	2,511,758.96
Reserve for Encumbrances	D-17	894,940.16	1,181,535.15
Capital Improvement Fund	D-18	374,140.62	374,140.62
Reserve for Amortization	D-19	36,494,197.45	36,533,501.55
Reserve for Deferred Amortization	D-20	178,250.00	178,250.00
Due To:			
Utility Operating Fund	D	284,647.77	276,745.72
Reserve for Developer Contributions, Hovnanian	D	25,000.00	25,000.00
Fund Balance	D-2	<u>1,039,093.66</u>	<u>378,609.56</u>
Total Capital Fund		<u>61,326,088.37</u>	<u>55,813,038.92</u>
Total Liabilities, Reserves and Fund Balances		<u>\$ 66,410,861.51</u>	<u>\$ 61,525,467.62</u>

There were Bonds & Notes Authorized but not Issued on December 31, 2022 of \$1,920,000.00 and on December 31, 2021 of \$0.00.

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

TOWNSHIP OF FLORENCE
WATER & SEWER OPERATING FUND
STATEMENTS OF OPERATIONS AND CHANGES IN FUND BALANCE - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2022 AND 2021

	<u>Reference</u>	<u>2022</u>	<u>2021</u>
Revenue and Other Income Realized:			
Fund Balance Utilized	D-3	\$ 1,361,657.00	\$ 1,259,275.60
Rents	D-3	5,045,129.67	4,878,072.98
Miscellaneous	D-3	420,076.54	872,453.50
Other Credits To Income:			
Unexpended Balance of Appropriation Reserves	D-14	677,901.71	702,018.55
Prior Year Accrual Cancelled	D-15	60,615.34	-
		<u>7,565,380.26</u>	<u>7,711,820.63</u>
Total Revenue			
Expenditures:			
Budget Appropriations:			
Operating	D-4	5,091,907.00	4,970,072.00
Debt Service	D-4	1,039,999.03	1,042,342.19
Deferred Charges and Statutory Expenditures	D-4	339,750.00	330,453.60
		<u>6,471,656.03</u>	<u>6,342,867.79</u>
Total Expenditures			
Excess (Deficit) in Revenue		1,093,724.23	1,368,952.84
Fund Balance, January 1	D	3,298,390.17	3,188,712.93
		4,392,114.40	4,557,665.77
Decreased By:			
Utilized as Anticipated Revenue	D-1	1,361,657.00	1,259,275.60
Fund Balance, December 31		<u>\$ 3,030,457.40</u>	<u>\$ 3,298,390.17</u>

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

**TOWNSHIP OF FLORENCE
WATER & SEWER CAPITAL FUND
STATEMENT OF FUND BALANCE - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2022**

Balance, December 31, 2021		\$ 378,609.56
Increased By:		
Premium on Bond, Loan, Notes issued	\$ 6,180.00	
Cancellation of Improvement Authorization	<u>654,304.10</u>	
		<u>660,484.10</u>
Balance, December 31, 2022		<u><u>\$ 1,039,093.66</u></u>

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

**TOWNSHIP OF FLORENCE
WATER & SEWER OPERATING FUND
STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2022**

	<u>Budget</u>	<u>Realized</u>	<u>Excess/ (Deficit)</u>
Fund Balance Anticipated	\$ 1,361,657.00	\$ 1,361,657.00	\$ -
Water and Sewer Rents	4,800,000.00	5,045,129.67	245,129.67
Miscellaneous	550,000.00	420,076.54	(129,923.46)
	<u>\$ 6,711,657.00</u>	<u>\$ 6,826,863.21</u>	<u>\$ 115,206.21</u>

Analysis of Realized Revenues

Water and Sewer Rents:	
Collections	\$ 5,045,129.67
	\$ 5,045,129.67
 Miscellaneous:	
Interest Earnings	\$ 24,875.96
Interest on Earnings - Due from Utility Capital	7,902.05
Interest on Assessments - Due from Utility Assessment Trust Fund	563.74
Sludge Dumping	296,054.47
Connection Fees & Taps	29,961.25
Penalties & Costs on Delinquent Accounts	47,138.84
Miscellaneous - Other	13,580.23
	\$ 420,076.54

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

**TOWNSHIP OF FLORENCE
WATER & SEWER OPERATING FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Appropriations		Expended			
	Budget	Budget After Modifications	Paid or Charged	Encumbered	Reserved	Cancelled
Operating:						
Salaries and Wages	\$ 1,661,377.00	\$ 1,621,377.00	\$ 1,589,286.90	\$ -	\$ 32,090.10	\$ -
Other Expenses	3,146,080.00	3,106,080.00	1,828,027.73	251,828.36	786,223.91	240,000.00
Group Insurance Plan For Employees	524,450.00	604,450.00	513,558.02	25,869.57	65,022.41	-
	<u>5,331,907.00</u>	<u>5,331,907.00</u>	<u>3,930,872.65</u>	<u>277,697.93</u>	<u>883,336.42</u>	<u>240,000.00</u>
Debt Service:						
Payment of Bond Principal	615,000.00	615,000.00	615,000.00	-	-	-
Interest on Bonds	215,000.00	215,000.00	214,999.03	-	-	0.97
Interest on Notes	210,000.00	210,000.00	210,000.00	-	-	-
	<u>1,040,000.00</u>	<u>1,040,000.00</u>	<u>1,039,999.03</u>	<u>-</u>	<u>-</u>	<u>0.97</u>
Deferred Charges and Statutory Expenditures:						
Statutory Expenditures:						
Contributions To:						
Public Employees' Retirement System	211,250.00	211,250.00	211,250.00	-	-	-
Social Security System (O.A.S.I.)	128,500.00	128,500.00	94,600.29	23,287.95	10,611.76	-
	<u>339,750.00</u>	<u>339,750.00</u>	<u>305,850.29</u>	<u>23,287.95</u>	<u>10,611.76</u>	<u>-</u>
	<u>\$ 6,711,657.00</u>	<u>\$ 6,711,657.00</u>	<u>\$ 5,276,721.97</u>	<u>\$ 300,985.88</u>	<u>\$ 893,948.18</u>	<u>\$ 240,000.97</u>
Cash Disbursements			\$ 4,808,337.00			
Accrued Interest			424,999.03			
Due to Current Fund			43,385.94			
			<u>\$ 5,276,721.97</u>			

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

**TOWNSHIP OF FLORENCE
WATER & SEWER ASSESSMENT TRUST FUND
STATEMENT OF FUND BALANCE - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2022**

Balance, December 31, 2022 & 2021

\$ 126,065.03

**TOWNSHIP OF FLORENCE
 WATER & SEWER UTILITY ASSESSMENT FUND
 STATEMENT OF REVENUES - REGULATORY BASIS
 FOR THE YEAR ENDED DECEMBER 31, 2022**

	<u>Budget</u>	<u>Realized</u>	<u>Excess/ (Deficit)</u>
Assessment Cash	\$ 55,000.00	\$ 55,000.00	\$ -
	\$ 55,000.00	\$ 55,000.00	\$ -
	\$ 55,000.00	\$ 55,000.00	\$ -

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

**TOWNSHIP OF FLORENCE
WATER & SEWER UTILITY ASSESSMENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Appropriations		Expended	
	<u>Budget</u>	Budget After <u>Modifications</u>	Paid or <u>Charged</u>	<u>Encumbered</u> <u>Reserved</u>
Debt Service:				
Payment of Bond Principal	\$ 55,000.00	\$ 55,000.00	\$ 55,000.00	\$ -
	\$ 55,000.00	\$ 55,000.00	\$ 55,000.00	\$ -

Cash Disbursements	\$ 55,000.00
	\$ 55,000.00

**TOWNSHIP OF FLORENCE
GENERAL FIXED ASSETS ACCOUNT GROUP -
STATEMENTS OF ASSETS AND FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2022 AND 2021**

<u>Assets</u>	<u>Reference</u>	<u>2022</u>	<u>2021</u>
Land	F	\$ 570,986.01	\$ 570,986.01
Buildings & Improvements	F	2,535,001.96	2,535,001.96
Vehicles and Equipment	F	4,593,975.78	4,574,214.80
Total Assets		<u>\$ 7,699,963.75</u>	<u>\$ 7,680,202.77</u>
 <u>Fund Balance</u>			
Investment in Fixed Assets	F	<u>\$ 7,699,963.75</u>	<u>\$ 7,680,202.77</u>
Fund Balance		<u>\$ 7,699,963.75</u>	<u>\$ 7,680,202.77</u>

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

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**TOWNSHIP OF FLORENCE
COUNTY OF BURLINGTON**

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2022**

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**TOWNSHIP OF FLORENCE
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 Florence, County of Burlington, New Jersey (hereafter referred to as the "Township") is governed by the Mayor-Council Plan F form of government under the New Jersey Laws of 1950 (the Faulkner Act), with a Mayor and 5-member Township Council. Administrative responsibilities are assigned to the Township Administrator. Policy is determined by the Township Council and the Administrator is responsible for carrying out such policy.

Component Units - GASB Statement 14, as amended by GASB Statements 39, 61, 80 and 90, establishes criteria to be used in determining the component units, which should be included in the financial statements of a primary government. The financial statements of the Township are not presented in accordance with GAAP (as discussed below). Therefore, the Township had no component units as defined by GASB Statement No. 14, as amended by GASB Statements 39, 61, 80 and 90.

Basis of Accounting, Measurement Focus and Basis of Presentation - The financial statements of the Township contain all funds and account groups in accordance with the "Requirements of Audit" 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 of Audit 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 State of America applicable to local government units. The more significant differences are explained further in this note.

In accordance with the "Requirements", the Township accounts for its financial transactions through the use of separate funds, which are described as follows:

Current Fund – This fund accounts for revenues and expenditures for governmental operations of a general nature, including federal and state grant funds.

Trust Funds – These funds account for receipts, custodianship and disbursement of funds in accordance with the purpose for which each reserve was created.

Trust Assessment Fund– This fund accounts for special assessments levied against property for the cost of an improvement (i.e. new sidewalk for a community) including debt service.

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

Utility Operating and Capital Funds – These funds accounts for utility operations that are financed through user fees. The funds are operated on a basis similar to private business enterprises where the intent is that the costs of providing the utility to the general public be financed through user fees. Operations relating to the acquisition of capital facilities for utility purposes are recorded in the Utility Capital Fund.

Utility Assessment Fund – This fund accounts for all local improvements assessed for municipal owned utility purposes.

TOWNSHIP OF FLORENCE
NOTES TO FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2022

Note 1. Summary of Significant Accounting Policies (continued)

General Fixed Asset Account Group – The Fixed Asset Account Group of accounts is utilized to account for property, land, buildings, and equipment that have been acquired by other funds of the Township.

Budgets and Budgetary Accounting - The Township must adopt an annual budget for its Current and Utility Fund 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 10th of each year. At introduction, the governing body must 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 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. Once a budget is approved it may be amended after November 1, by a resolution adopted by the governing body.

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. Under GAAP, investments are reported at fair value but under regulatory basis of accounting, investments are stated at cost. Therefore unrealized gains or losses on investments have not been recorded.

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 utilities 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, 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.

TOWNSHIP OF FLORENCE
NOTES TO FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2022

Note 1. Summary of Significant Accounting Policies (continued)

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

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 Circular A-87 (Attachment B, Section 19), 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. In some instances, assets are valued at the assessed valuation of the property at the time of acquisition, which approximates fair value. No depreciation of general fixed assets is recorded. Donated general fixed assets are recorded at their 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 assets, 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 includes 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. All fixed assets must be adequately controlled to safeguard against loss, damage, or theft.

Utility Fixed Assets – Property and equipment purchases by a utility fund are recorded in the utility capital account at cost and are adjusted for disposition. The amounts shown do not represent replacement cost or current value. The reserve for amortization and deferred reserve for amortization in the utility capital fund represent the cost of the utility fixed assets reduced by the outstanding balances of bonds, loans, notes, or other borrowings that are attributable to the acquisition, construction or improvement of those assets.

TOWNSHIP OF FLORENCE
NOTES TO FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2022

Note 1. Summary of Significant Accounting Policies (continued)

Foreclosed property – Foreclosed Property or “Property Acquired for Taxes” 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 Township 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 Assets Account Group. If such property is converted to a municipal use, it will be recorded in the General Fixed Assets Account Group.

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.

Fund Balance – Fund Balance included in the Current and Utility Operating Fund represent the amount available for anticipation as revenue in future year’s budgets, with certain restrictions.

Revenues – are recorded when received in cash except for certain amounts, which are due from other governmental units. Revenue from Federal and State grants are 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 the Township, which are susceptible to accrual are also recorded as receivables with offsetting reserves and recorded as revenues when received.

Utility Revenues – Utility charges are levied quarterly based upon a flat service charge and if applicable, an excess consumption or usage charge. Revenues from these sources are recognized on a cash basis. Receivables that are susceptible to accrual are recorded with offsetting reserves on the balance sheet of the Townships utility operating fund.

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 Burlington, Fire Districts, and Florence Township School District. Unpaid property taxes are subject to tax sale in accordance with statutes.

County Taxes – The municipality is responsible for levying, collecting and remitting County taxes for the County of Burlington. Operations is charged for the amount due the County for the year, based upon the ratables required to be certified to the County Board of Taxation by January 10th 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 10th of the current year and due to be paid to the County by February 15th of the following year.

School Taxes – The municipality is responsible for levying, collecting and remitting school taxes for the Florence Township School District. Operations are charged for the full amount required to be raised from taxation to operate the local school district July 1 to June 30.

TOWNSHIP OF FLORENCE
NOTES TO FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2022

Note 1. Summary of Significant Accounting Policies (continued)

Deferred School Taxes – School taxes raised in advance in the Current Fund for a school fiscal year (July 1 to June 30) which remain unpaid at December 31 of the calendar year levied may be deferred to fund balance to the extent of not more than 50% of the annual levy providing no requisition has been made by the school district for such amount.

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 immediate 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 – are recorded on the “budgetary” basis of accounting. Generally, expenditures are recorded when an amount is encumbered through the issuance of a numerically controlled purchase order or when a contract is executed as required by Technical Accounting Directive No. 85-1. When an expenditure is 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 interest payments on outstanding general capital bonds and notes are provided on the cash basis. Appropriations for interest payments on outstanding utility capital bonds and notes are provided 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 cancelled by the governing body. Appropriation reserves and reserve for encumbrances at current year end are available until December 31st of the succeeding year to meet specific claims, commitments or contracts incurred during the preceding year. Any unspent balances at this time are lapsed appropriation reserves and recorded as income.

Long-Term Debt - Long-Term Debt relative to the acquisition of capital assets, is recorded as a liability in the General and Utility Capital Fund. 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 – Expenditures relating to obligations for unused vested accumulated vacation and sick leave are not recorded until paid; however, municipalities may establish and budget reserve funds subject to NJSA 40A:4-39 for the future payment of compensated absences.

Recent Accounting Pronouncements – The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. GASB adopts accounting statements to be used by governmental units when reporting financial position and results of operations in accordance with accounting principles generally accepted in the United States of America (GAAP). The municipalities in the State of New Jersey do not prepare their financial statements in accordance with GAAP and thus do not comply with all of the GASB pronouncements. The following GASB pronouncement effective for the current year did have a significant impact on the Township’s financial statements.

TOWNSHIP OF FLORENCE
NOTES TO FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2022

Note 1. Summary of Significant Accounting Policies (continued)

Recently Adopted Accounting Pronouncements

The following GASB Statements became effective for the year ended December 31, 2022:

Statement No. 87, Leases. Statement No. 87 establishes a single approach to accounting for and reporting leases by state and local governments. The GASB based the new standard on the principle that leases are financing of the right to use an underlying asset. Statement No. 87 is effective for reporting periods beginning after June 15, 2021. The Township has implemented this standard as of December 31, 2022.

Recently Issued Accounting Pronouncements

The GASB has issued the following Statements which will become effective in future years as shown below:

Statement No. 96, Subscription-Based IT Arrangements (SBITA), addresses accounting and financial reports for subscription-based information technology arrangements. The standard requires governments to recognize the subscription-based IT arrangement as an intangible asset and to amortize the intangible asset over the subscription term. Statement No. 96 is effective for reporting periods beginning after June 15, 2022. Management has not yet determined the potential impact on the Township's financial statements.

Statement No. 101, Compensated Absences, updates the recognition and measurement guidance to better meet the information needs of the financial statement users for compensated absences. The standard requires that liabilities for compensated absences be recognized for leave that hasn't been used and leave that has been used but not paid yet. Statement No. 101 is effective for reporting periods beginning after December 15, 2023. Management has not yet determined the potential impact on the Township's financial statements.

Note 2. Deposits and Investments

The Township is governed by the deposit and investment limitations of New Jersey state law.

Deposits

Custodial Credit Risk Related to Deposits - Custodial credit risk is the risk that, in the event of a bank failure, the Township's deposits may not be returned. Although the Township does not have a formal policy regarding custodial credit risk, NJSA 17:9-41 et seq. requires that the governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). GUDPA is a supplemental insurance program set forth by the New Jersey Legislature to protect the deposits of local governmental agencies. The program is administered by the Commissioner of the New Jersey Department of Banking and Insurance. Under the Act, the first \$250,000 of governmental deposits in each insured depository is protected by FDIC. Public funds owned by the Township in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings, bail funds or funds that may pass to the Township relative to the happening of a future condition. Such funds are shown as Uninsured and Uncollateralized in the schedule below.

As of December 31, 2022, the Township's bank balance of \$26,093,927.00 was insured or collateralized as follows:

TOWNSHIP OF FLORENCE
NOTES TO FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2022

Note 2. Deposits and Investments (continued)

Insured under FDIC and GUDPA	\$ 20,121,803.34
NJ Cash Management Fund	1,426,029.78
Uninsured and Uncollateralized	<u>4,546,093.88</u>
	<u><u>\$ 26,093,927.00</u></u>

Investments

The Township had no investments as of December 31, 2022.

Note 3. Property Taxes

The following is a three-year comparison of certain statistical information relative to property taxes and property tax collections for the current and previous two years.

Comparison Schedule of Tax Rates

	<u>2022</u>	<u>2021</u>	<u>2020</u>
Tax Rate	<u>\$ 2.611</u>	<u>\$ 2.588</u>	<u>\$ 2.578</u>
Apportionment of Tax Rate:			
Municipal	0.459	0.439	0.439
Municipal Open Space	0.010	0.010	0.010
County	0.392	0.409	0.405
Local School	1.554	1.547	1.542
Fire District	0.196	0.183	0.182

Assessed Valuation (Net Valuation Taxable)

<u>Year</u>	<u>Amount</u>
2022	\$ 1,294,928,300.00
2021	1,274,255,100.00
2020	1,263,876,100.00

Comparison of Tax Levies and Collections

<u>Year</u>	<u>Tax Levy</u>	<u>Cash Collections</u>	<u>Percentage Of Collection</u>
2022	\$ 34,572,508.68	\$ 34,224,775.95	98.99%
2021	33,245,492.94	32,897,495.89	98.95%
2020	32,904,595.04	32,512,241.03	98.80%

TOWNSHIP OF FLORENCE
NOTES TO FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2022

Note 3. Property Taxes (continued)

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	\$ 259,237.32	\$ 325,816.01	\$ 585,053.33	1.69%
2021	283,130.92	326,445.84	609,576.76	1.83%
2020	267,696.46	349,705.40	617,401.86	1.88%

Number of Tax Title Liens

<u>Year</u>	<u>Number</u>
2022	19
2021	21
2020	21

The last tax sale was held on October 27, 2022.

Note 4. Property Acquired By Tax Title Lien Liquidation

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

<u>Year</u>	<u>Amount</u>
2022	\$ 109,340.01
2021	70,240.01
2020	70,240.01

Note 5. Water-Sewer Utility Service Charges

The following is a three-year comparison of water-sewer utility charges (rents) and collections for the current and previous two years.

<u>Year</u>	<u>Beginning Balance</u>	<u>Levy</u>	<u>Total</u>	<u>Cash Collections</u>	<u>Percentage Of Collection</u>
2022	\$ 393,028.57	\$ 4,928,449.74	\$ 5,321,478.31	\$ 5,045,129.67	94.80%
2021	380,316.79	4,892,202.71	5,272,519.50	4,878,072.98	92.51%
2020	341,941.33	4,854,559.82	5,196,501.15	4,814,779.06	92.65%

TOWNSHIP OF FLORENCE
NOTES TO FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2022

Note 6. Fund Balances Appropriated

The following schedule details 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:

<u>Year</u>	<u>Balance December 31,</u>	<u>Utilized in Budget of Succeeding Year</u>	<u>Percentage of Fund Balance Used</u>
Current Fund:			
2022	\$ 2,206,959.43	\$ 1,890,000.00	85.64%
2021	2,551,936.81	1,875,000.00	73.47%
2020	1,845,360.07	1,716,499.60	93.02%
Utility Operating Fund:			
2022	\$ 3,030,457.40	\$ 1,481,667.00	48.89%
2021	3,298,390.17	1,361,657.00	41.28%
2020	3,188,712.93	1,259,275.60	39.49%

Note 7. Disaggregated Receivable and Payable Balances

There are no significant components of receivable and payable balances reported in the financial statements.

Note 8. Interfund Receivables, Payables and Transfers

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

Fund	Interfund Receivable	Interfund Payable
Current Fund	\$ 128,521.55	\$ 4,004,459.98
State and Federal Grant Fund	1,002,877.63	-
Animal Control Trust	-	183.02
Assessment Trust Fund	-	39.63
Open Space Trust Fund	-	124,750.46
Other Trust Fund	28,850.31	-
Capital Fund	1,118,428.40	95,849.00
Utility Operating Fund	330,050.45	189,082.30
Utility Capital Fund	2,095,849.00	284,647.77
Utility Assessment Fund	-	5,565.18
	<u>\$ 4,704,577.34</u>	<u>\$ 4,704,577.34</u>

The interfund receivables and payables above predominately resulted from payment made by certain funds on behalf of other funds. All interfund balances are expected to be repaid within one year.

TOWNSHIP OF FLORENCE
NOTES TO FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2022

Note 8. Interfund Receivables, Payables and Transfers (continued)

A summary of interfund transfers is as follows:

Fund	Transfers In	Transfers Out
Current Fund	\$ -	\$ 128,331.76
Animal Control Trust	32.86	-
Open Space Trust Fund	84,912.96	-
Utility Operating Fund	43,385.94	-
	\$ 128,331.76	\$ 128,331.76

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them (i.e. interest earning), (2) provide cash flow to other funds to temporary finance expenditures that are on a reimbursable basis (i.e. grants), (3) when no bank account exists for a fund, and (4) utilizing surplus or fund balance from one fund as budgeted revenue in another.

Note 9. Fixed Assets

The following is a summary of changes in the General Fixed Assets Account Group for the year ended December 31, 2022.

	Balance December 31, <u>2021</u>	<u>Additions</u>	<u>Deletions</u>	Balance December 31, <u>2022</u>
Land	\$ 570,986.01	\$ -	\$ -	\$ 570,986.01
Buildings and Improvements	2,535,001.96	-	-	2,535,001.96
Machinery & Equipment	4,574,214.80	19,760.98	-	4,593,975.78
	\$ 7,680,202.77	\$ 19,760.98	\$ -	\$ 7,699,963.75

Note 10. Pension Obligations

A. Public Employees' Retirement System (PERS)

Plan Description - The State of New Jersey, Public Employees' Retirement System (PERS) is a cost-sharing multiple-employer defined benefit pension plan administered by the State of New Jersey, Division of Pensions and Benefits (the Division). For additional information about PERS, please refer to Division's Annual Comprehensive Financial Report (ACFR) which can be found at <http://www.state.nj.us/treasury/pensions/annual-reports.shtml>.

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

The following represents the membership tiers for PERS:

TOWNSHIP OF FLORENCE
NOTES TO FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2022

Note 10. Pension Obligations (continued)

A. Public Employees' Retirement System (PERS) (continued)

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

Service retirement benefits of 1/55th of final average salary for each year of service credit 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 or more years 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.

Basis of Presentation - The schedules of employer and nonemployer allocations and the schedules of pension amounts by employer and nonemployer (collectively, the Schedules) present amounts that are considered elements of the financial statements of PERS or its participating employers. Accordingly, they do not purport to be a complete presentation of the financial position or changes in financial position of PERS or the participating employers. The accompanying Schedules were prepared in accordance with U.S. generally accepted accounting principles. Such preparation requires management of PERS to make a number of estimates and assumptions relating to the reported amounts. Due to the inherent nature of these estimates, actual results could differ from those estimates.

Contributions - The contribution policy for PERS is set by *N.J.S.A. 43:15A* and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount, which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For the fiscal year 2022, the State's pension contribution was less than the actuarial determined amount. The local employers' contribution amounts are based on an actuarially determined rate, which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PERS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets. For the year ended December 31, 2022, the Township's contractually required contribution to PERS plan was \$540,211.

TOWNSHIP OF FLORENCE
NOTES TO FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2022

Note 10. Pension Obligations (continued)

A. Public Employees' Retirement System (PERS) (continued)

Components of Net Pension Liability - At December 31, 2022, the Township's proportionate share of the PERS net pension liability was \$6,464,883. The net pension liability was measured as of June 30, 2022. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of July 1, 2021, which was rolled forward to June 30, 2021. The Township's proportion of the net pension liability was based on the Township's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2022. The Township's proportion measured as of June 30, 2022, was 0.04284% which was a decrease of 0.00055% from its proportion measured as of June 30, 2021.

Balances at December 31, 2022 and December 31, 2021

	<u>12/31/2022</u>	<u>12/31/2021</u>
Actuarial valuation date (including roll forward)	June 30, 2022	June 30, 2021
Deferred Outflows of Resources	\$ 506,038	\$ 468,844
Deferred Inflows of Resources	1,197,940	3,373,951
Net Pension Liability	6,464,883	5,140,122
Township's portion of the Plan's total Net Pension Liability	0.04284%	0.04339%

Pension Expense and Deferred Outflows/Inflows of Resources - At December 31, 2022, the Township's proportionate share of the PERS expense/(benefit), calculated by the plan as of the June 30, 2022 measurement date is (\$348,232). This expense/(benefit) is not recognized by the Township because of the regulatory basis of accounting as described in Note 1, but as previously mentioned the Township contributed \$540,211 to the plan in 2022.

At December 31, 2022, the Township reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between Expected and Actual Experience	\$ 46,661	\$ 41,148
Changes of Assumptions	20,030	968,049
Net Difference between Projected and Actual Earnings on Pension Plan Investments	267,576	-
Changes in Proportion and Differences between Township Contributions and Proportionate Share of Contributions	171,771	188,743
	<u>\$ 506,038</u>	<u>\$ 1,197,940</u>

TOWNSHIP OF FLORENCE
NOTES TO FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2022

Note 10. Pension Obligations (continued)

A. Public Employees' Retirement System (PERS) (continued)

The Township will amortize the above sources of deferred outflows and inflows related to PERS over the following number of years:

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Differences between Expected and Actual Experience		
Year of Pension Plan Deferral:		
June 30, 2017	5.48	-
June 30, 2018	5.73	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
Net 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 and Differences between Contributions and Proportionate Share of Contributions		
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

TOWNSHIP OF FLORENCE
NOTES TO FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2022

Note 10. Pension Obligations (continued)

A. Public Employees' Retirement System (PERS) (continued)

The following is a summary of the deferred outflows of resources and deferred inflows of resources related to PERS that will be recognized in future periods:

Year Ending	Amount
<u>Dec 31,</u>	
2022	\$ (568,496)
2023	(289,629)
2024	(141,247)
2025	308,147
2026	<u>(677)</u>
	<u>\$ (691,902)</u>

Actuarial Assumptions - The total pension asset/(liability) as of the measurement date was determined by using an actuarial valuation as noted in the table below, with update procedures used to roll forward the total pension liability to the measurement date. The actuarial valuations used the following actuarial assumptions:

Inflation	
Price	2.75%
Wage	3.25%
Salary Increases:	2.75 - 6.55% Based on Years of Service
Investment Rate of Return	7.00%
Mortality Rate Table	
PERS	Pub-2010 General Classification Headcount weighted mortality with fully generational mortality improvement projections from the central year using Scale MP-2021
Period of Actuarial Experience	
Study upon which Actuarial Assumptions were Based	July 1, 2018 - June 30, 2021

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

TOWNSHIP OF FLORENCE
NOTES TO FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2022

Note 10. Pension Obligations (continued)

A. Public Employees' Retirement System (PERS) (continued)

The actuarial assumptions used in the July 1, 2021 valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2021. It is likely that future experience will not exactly conform to these assumptions. To the extent that actual experience deviates from these assumptions, the emerging liabilities may be higher or lower than anticipated. The more the experience deviates, the larger the impact on future financial statements.

Long-Term Expected Rate of Return - In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2022) is determined by the State Treasurer, after consultation with the Directors of the Division of 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's target asset allocation as of June 30, 2022 are summarized in the following table:

<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-U.S. Developed Markets Equity	13.50%	8.38%
Emerging Markets 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>	

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

TOWNSHIP OF FLORENCE
NOTES TO FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2022

Note 10. Pension Obligations (continued)

A. Public Employees' Retirement System (PERS) (continued)

Sensitivity of the Township's proportionate share of the Net Pension Liability to Changes in the Discount Rate - The following presents the Township's proportionate share of the net pension liability calculated using the discount rate as disclosed above, as well as what the Township's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00%) or 1-percentage-point higher (8.00%) than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Township's Proportionate Share of the Net Pension Liability	\$ 9,590,128	\$ 6,464,883	\$ 16,109,762

Special Funding Situation – Under N.J.S.A. 43:15A-15, local participating employers are responsible for their own contributions based on actuarially determined amounts, except where legislation was passed that legally obligated the State if certain circumstances occurred. The legislation, which legally obligates the State, are Chapter 366, P.L. 2001 and Chapter 133, P.L. 2001. The amounts contributed on behalf of the local participating employers under the 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 the legislation directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers related to the legislation. However, the notes to the financial statements of the local participating employers must disclose the portion of the nonemployer contributing entities' total proportionate share of the collective net pension liability that is associated with the local participating employer. In addition, each local participating employer must recognize pension expense associated with the employers as well as revenue in an amount equal to the nonemployer contributing entities' total proportionate share of the collective pension expense associated with the local participating employer.

The State's proportionate share of the PERS net pension liability associated with the special funding situation is \$-0- as of December 31, 2022. The State's proportionate share of the contribution associated with the special funding situation was \$13,602 as of December 31, 2022. These are based on measurements as of June 30, 2022.

B. Police and Firemen's Retirement System (PFRS)

Plan Description – The State of New Jersey, Police and Firemen's Retirement System (PFRS) is a cost-sharing multiple-employer defined benefit pension plan administered by the State of New Jersey, Division of Pensions and Benefits (the Division). For additional information about PFRS, please refer to the Division's Annual Comprehensive Financial Report (ACFR) which can be found at <http://www.state.nj.us/treasury/pensions/annual-reports.shtml>.

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

TOWNSHIP OF FLORENCE
NOTES TO FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2022

Note 10. Pension Obligations (continued)

B. Police and Firemen’s Retirement System (PFRS) (continued)

The following represents the membership tiers for PFRS:

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

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

Basis of Presentation - The schedule of employer and nonemployer allocations and the schedule of pension amounts by employer and nonemployer (collectively, the Schedules) present amounts that are considered elements of the financial statements of PFRS, its participating employers or the State as a nonemployer contributing entity. Accordingly, they do not purport to be a complete presentation of the financial position or changes in financial position of PFRS, the participating employers, or the State. The accompanying Schedules were prepared in accordance with U.S. generally accepted accounting principles. Such preparation requires management of PFRS to make a number of estimates and assumptions relating to the reported amounts. Due to the inherent nature of these estimates, actual results could differ from those estimates.

Contributions - The contribution policy for PFRS is set by *N.J.S.A. 43:16A* and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's contribution amount is based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. For fiscal year 2021, the State contributed an amount less than the actuarially determined amount. The Local employers’ contribution amounts are based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PFRS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets. For the year ended December 31, 2021, the Township’s contractually required contributions to PFRS plan was \$882,995.

Net Pension Liability and Pension Expense - At December 31, 2021 the Township’s proportionate share of the PFRS net pension liability was \$5,537,660. The net pension liability was measured as of June 30, 2021. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of July 1, 2020, to the measurement date of June 30, 2021. The Township’s proportion of the net pension liability was based on

TOWNSHIP OF FLORENCE
NOTES TO FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2022

Note 10. Pension Obligations (continued)

B. Police and Firemen’s Retirement System (PFRS) (continued)

the Township’s actual contributions to the plan relative to the total of all participating employers’ contributions for the year ended June 30, 2021. The Township’s proportion measured as of June 30, 2021, was 0.07576%, which was a decrease of 0.00388% from its proportion measured as of June 30, 2020.

Balances at December 31, 2021 and December 31, 2020

	<u>12/31/2021</u>	<u>12/31/2020</u>
Actuarial valuation date (including roll forward)	June 30, 2021	June 30, 2020
Deferred Outflows of Resources	\$ 1,070,102	\$ 2,152,357
Deferred Inflows of Resources	5,187,093	2,795,895
Net Pension Liability	5,537,660	10,291,026
 Township's portion of the Plan's total net pension Liability	 0.07576%	 0.07964%

Pension Expense and Deferred Outflows/Inflows of Resources – At December 31, 2021, the Township’s proportionate share of the PFRS expense/(benefit), calculated by the plan as of the June 30, 2021 measurement date was \$(396,369). This expense/(benefit) is not recognized by the Township because of the regulatory basis of accounting as described in Note 1, but as previously mentioned the Township contributed \$882,995 to the plan in 2021.

At December 31, 2021, the Township had deferred outflows of resources and deferred inflows of resources related to PFRS from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between Expected and Actual Experience	\$ 63,178	\$ 663,354
Changes of Assumptions	29,466	1,659,611
Net Difference between Projected and Actual Earnings on Pension Plan Investments	-	2,359,777
Changes in Proportion and Differences between Township Contributions and Proportionate Share of Contributions	<u>977,458</u>	<u>504,351</u>
	<u>\$ 1,070,102</u>	<u>\$ 5,187,093</u>

The Township will amortize the above sources of deferred outflows and inflows related to PFRS over the following number of years:

TOWNSHIP OF FLORENCE
NOTES TO FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2022

Note 10. Pension Obligations (continued)

B. Police and Firemen's Retirement System (PFRS) (continued)

	Deferred Outflow of <u>Resources</u>	Deferred Inflow of <u>Resources</u>
Differences between Expected and Actual Experience		
Year of Pension Plan Deferral:		
June 30, 2016	-	5.58
June 30, 2017	5.59	-
June 30, 2018	5.73	-
June 30, 2019	-	5.92
June 30, 2020	5.90	-
June 30, 2021	-	6.17
 Changes of Assumptions		
Year of Pension Plan Deferral:		
June 30, 2016	5.58	-
June 30, 2017	-	5.59
June 30, 2018	-	5.73
June 30, 2019	-	5.92
June 30, 2020	-	5.90
June 30, 2021	6.17	-
 Net Difference between Projected and Actual Earnings on Pension Plan Investments		
Year of Pension Plan Deferral:		
June 30, 2017	-	5.00
June 30, 2018	-	5.00
June 30, 2019	-	5.00
June 30, 2020	-	5.00
June 30, 2021	-	5.00
 Changes in Proportion and Differences between Contributions and Proportionate Share of Contributions		
Year of Pension Plan Deferral:		
June 30, 2016	5.58	5.58
June 30, 2017	5.59	5.59
June 30, 2018	5.73	5.73
June 30, 2019	5.92	5.92
June 30, 2020	5.90	5.90
June 30, 2021	6.17	6.17

TOWNSHIP OF FLORENCE
NOTES TO FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2022

Note 10. Pension Obligations (continued)

B. Police and Firemen’s Retirement System (PFRS) (continued)

The following is a summary of the deferred outflows of resources and deferred inflows of resources related to PFRS that will be recognized in future periods:

Year Ending		
<u>Dec 31,</u>	<u>Amount</u>	
2022	\$	(1,318,006)
2023		(989,353)
2024		(848,934)
2025		(837,152)
2026		(105,596)
Thereafter		<u>(17,950)</u>
	\$	<u>(4,116,991)</u>

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

Additionally, the State’s proportionate share of the PFRS net pension liability attributable to the Township is \$1,557,466 as of December 31, 2021. The net pension liability was measured as of June 30, 2021. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of July 1, 2020, to the measurement date of June 30, 2021. The State’s proportion of the net pension liability associated with the Township was based on a projection of the Township’s long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. The State’s proportion measured as of June 30, 2021 was 0.07576%, which was a decrease of 0.00388% from its proportion measured as of June 30, 2020, which is the same proportion as the Township’s. At December 31, 2021, the Township’s and the State of New Jersey’s proportionate share of the PFRS net pension liability were as follows:

Township's Proportionate Share of Net Pension Liability	\$ 5,537,660
State of New Jersey's Proportionate Share of Net Pension Liability Associated with the Township	<u>1,557,466</u>
	<u>\$ 7,095,126</u>

TOWNSHIP OF FLORENCE
NOTES TO FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2022

Note 10. Pension Obligations (continued)

B. Police and Firemen’s Retirement System (PFRS) (continued)

At December 31, 2021, the State’s proportionate share of the PFRS expense, associated with the Township, calculated by the plan as of the June 30, 2021 measurement date was \$173,456.

Actuarial Assumptions - The total pension asset/(liability) as of the measurement date was determined by using an actuarial valuation as noted in the table below, with update procedures used to roll forward the total pension liability to the measurement date. The actuarial valuations used the following actuarial assumptions:

Inflation	
Price	2.75%
Wage	3.25%
Salary Increases:	
Through all future years	3.25 - 15.25%
	Based on Years of Service
Investment Rate of Return	7.00%
Mortality Rate Table	
PFRS	Pub-2010 Safety Classification Headcount weighted mortality with fully generational mortality improvement projections from the central year using Scale MP-2021
Period of Actuarial Experience	
Study upon which Actuarial Assumptions were Based	July 1, 2013 - June 30, 2018

Pre-retirement mortality rates were based on the Pub-2010 Safety Employee mortality table with a 105.6% adjustment for males and 102.5% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 Safety Retiree Below-Median Income Weighted mortality table with a 96.7% adjustment for males and 96.0% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. For beneficiaries (contingent annuitants), the Pub-2010 General Retiree Below-Median Income Weighted mortality table was used, unadjusted, and with future improvement from the base year of 2010 on a generational basis. Disability rates were based on the Pub-2010 Safety Disabled Retiree mortality table with a 152.0% adjustment for males and 109.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2021.

The actuarial assumptions used in the July 1, 2020 valuation were based on the results of an actuarial experience study for the period July 1, 2013 to June 30, 2018.

TOWNSHIP OF FLORENCE
NOTES TO FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2022

Note 10. Pension Obligations (continued)

B. Police and Firemen’s Retirement System (PFRS) (continued)

Long-Term Expected Rate of Return - In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2021) 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 PFRS’s target asset allocation as of June 30, 2021 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equity	27.00%	8.09%
Non-U.S. Developed Markets Equity	13.50%	8.71%
Emerging Markets Equity	5.50%	10.96%
Private Equity	13.00%	11.30%
Real Estate	8.00%	9.15%
Real Assets	3.00%	7.40%
High Yield	2.00%	3.75%
Private Credit	8.00%	7.60%
Investment Grade Credit	8.00%	1.68%
Cash Equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	0.95%
Risk Mitigation Strategies	3.00%	3.35%
	<u>100.00%</u>	

Discount Rate - The discount rate used to measure the total pension liability was 7.00% as of June 30, 2021. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be based on 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for 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 projected benefit payments to determine the total pension liability.

Sensitivity of the Township’s proportionate share of the Net Pension Liability to Changes in the Discount Rate - The following presents the Township’s proportionate share of the net pension liability calculated using the discount rate as disclosed above, as well as what the Township’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00%) or 1-percentage-point higher (8.00%) than the current rate:

TOWNSHIP OF FLORENCE
NOTES TO FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2022

Note 10. Pension Obligations (continued)

B. Police and Firemen’s Retirement System (PFRS) (continued)

	1% Decrease <u>(6.00%)</u>	Current Discount Rate <u>(7.00%)</u>	1% Increase <u>(8.0%)</u>
Township's Proportionate Share of the Net Pension Liability	\$ 8,408,763	\$ 5,537,660	\$ 3,147,776
State of New Jersey's Proportionate Share of Net Pension Liability associated with the Township	2,364,963	1,557,466	885,312
	\$ 10,773,726	\$ 7,095,126	\$ 4,033,088

Related Party Investments - The Division of Pensions and Benefits does not invest in securities issued by the Township.

*Note that the information presented above for the Police and Firemen’s Retirement System is in accordance with Local Finance Notice 2023-10, which differs from the requirements of *GASB Statement No. 68, Accounting and Financial Reporting for Pensions*.

Note 11. Postemployment Benefits Other Than Pensions

General Information about the OPEB Plan

The State Health Benefit Local Government Retired Employees Plan (the Plan) is a cost-sharing multiple-employer defined benefit other postemployment benefit (OPEB) plan with a special funding situation. It covers employees of local government employers that have adopted a resolution to participate in the Plan. For additional information about the Plan, please refer to the State of New Jersey (the State), Division of Pensions and Benefits’ (the Division) Annual Comprehensive Financial Report (ACFR), which can be found at <https://www.state.nj.us/treasury/pensions/financial-reports.shtml>.

The Plan provides medical and prescription drug to retirees and their covered dependents of the participating employers. Under the provisions of Chapter 88, P.L 1974 and Chapter 48, P.L. 1999, local government employers electing to provide postretirement medical coverage to their employees must file a resolution with the Division. Under Chapter 88, local employers elect to provide benefit coverage based on the eligibility rules and regulations promulgated by the State Health Benefits Commission. Chapter 48 allows local employers to establish their own age and service eligibility for employer paid health benefits coverage for retired employees. Under Chapter 48, the employer may assume the cost of postretirement medical coverage for employees and their dependents who: 1) retired on a disability pension; or 2) retired with 25 or more years of service credit in a State or locally administered retirement system and a period of service of up to 25 years with the employer at the time of retirement as established by the employer; or 3) retired and reached the age of 65 with 25 or more years of service credit in a State or locally administered retirement system and a period of service of up to 25 years with the employer at the time of retirement as established by the employer; or 4) retired and reached age 62 with at least 15 years of service with the employer. Further, the law provides that the employer paid obligations for retiree coverage may be determined by means of a collective negotiations agreement.

TOWNSHIP OF FLORENCE
NOTES TO FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2022

Note 11. Postemployment Benefits Other Than Pensions (continued)

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

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

Basis of Presentation

The schedule of employer and nonemployer allocations and the schedule of OPEB amounts by employer and nonemployer (collectively, the Schedules) present amounts that are considered elements of the financial statements of its participating employers or the State as a nonemployer contributing entity. Accordingly, they do not purport to be a complete presentation of the financial position or changes in financial position of the participating employers or the State. The accompanying Schedules were prepared in accordance with U.S. generally accepted accounting principles. Such preparation requires management of the Plan to make a number of estimates and assumptions relating to the reported amounts. Due to the inherent nature of these estimates, actual results could differ from those estimates.

Allocation Methodology

GASB Statement No. 75 requires participating employers in the Plan to recognize their proportionate share of the collective net OPEB liability, collective deferred outflows of resources, collective deferred inflows of resources, and collective OPEB (benefit) expense. The special funding situation's and nonspecial funding situation's net OPEB liability, deferred outflows of resources, deferred inflows of resources, and OPEB (benefit) expense are based on separately calculated total OPEB liabilities. For the special funding situation and the nonspecial funding situation, the total OPEB liabilities for the year ended June 30, 2021 were \$3,872,142,278 and \$14,177,910,609, respectively. The nonspecial funding situation's net OPEB liability, deferred outflows of resources, deferred inflows of resources, and OPEB (benefit) expense are further allocated to employers based on the ratio of the plan members of an individual employer to the total members of the Plan's nonspecial funding situation during the measurement period July 1, 2020 through June 30, 2021. Employer and nonemployer allocation percentages have been rounded for presentation purposes; therefore, amounts presented in the schedule of OPEB amounts by employer and nonemployer may result in immaterial differences.

Special Funding Situation

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

**TOWNSHIP OF FLORENCE
NOTES TO FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2022**

Note 11. Postemployment Benefits Other Than Pensions (continued)

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

The participating employer allocations included in the supplemental schedule of employer special funding allocations and the supplemental schedule of special funding amounts by employer for each employer are provided as each employer is required to record in their financial statements, as an expense and corresponding revenue, their proportionate share of the OPEB expense allocated to the State of New Jersey under the special funding situation and include their proportionate share of the collective net OPEB liability in their respective notes to their financial statements. For this purpose, the proportionate share was developed based on eligible plan members subject to the special funding situation. This data takes into account active members from both participating and non-participating employer locations and retired members currently receiving OPEB benefits.

Additionally, the State's proportionate share of the OPEB liability attributable to the Township is \$8,554,916 as of December 31, 2021. The OPEB liability was measured as of June 30, 2021. The total OPEB liability used to calculate the OPEB liability was determined using update procedures to roll forward the total OPEB liability from an actuarial valuation as of July 1, 2020, to the measurement date of June 30, 2021. The State's proportion of the OPEB liability associated with the Township was based on a projection of the Township's long-term share of contributions to the OPEB plan relative to the projected contributions of all participating members, actuarially determined. The State's proportion measured as of June 30, 2021 was 0.22155%, which was an increase of 0.07336% from its proportion measured as of June 30, 2020, which is the same proportion as the Township's. At December 31, 2021, the Township's and the State of New Jersey's proportionate share of the OPEB liability were as follows:

State of New Jersey's		
Proportionate Share of OPEB Liability		
Associated with the Township	\$	8,554,916.00

At December 31, 2021, the State's proportionate share of the OPEB expense, associated with the Township, calculated by the plan as of the June 30, 2021 measurement date was \$(1,167,350.00).

*Note that the information presented above is in accordance with Local Finance Notice 2023-10, which differs from the requirements of *GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*.

TOWNSHIP OF FLORENCE
NOTES TO FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2022

Note 12. Municipal Debt

The following schedule represents the Township's summary of debt, as filed in the Township's Annual Debt Statement required by the Local Bond Law of New Jersey for the current and two previous years:

	<u>2022</u>	<u>2021</u>	<u>2020</u>
Issued:			
General:			
Bonds, Notes and Loans	\$ 22,865,000.00	\$ 21,402,000.00	\$ 20,616,950.00
Utility:			
Bonds, Notes and Loans	15,997,000.00	13,763,000.00	14,418,000.00
	<hr/>	<hr/>	<hr/>
Total Debt Issued	38,862,000.00	35,165,000.00	35,034,950.00
	<hr/>	<hr/>	<hr/>
Authorized but not issued:			
General:			
Bonds, Notes and Loans	5,074,605.19	6,430,663.77	8,578,663.77
Utility:			
Bonds, Notes and Loans	1,920,000.00	-	-
	<hr/>	<hr/>	<hr/>
Total Authorized But Not Issued	6,994,605.19	6,430,663.77	8,578,663.77
	<hr/>	<hr/>	<hr/>
Total Gross Debt	\$ 45,856,605.19	\$ 41,595,663.77	\$ 43,613,613.77
	<hr/>	<hr/>	<hr/>
Deductions:			
Utility:			
Self Liquidating Debt	\$ 17,917,000.00	\$ 13,763,000.00	\$ 14,418,000.00
	<hr/>	<hr/>	<hr/>
Total Deductions	17,917,000.00	13,763,000.00	14,418,000.00
	<hr/>	<hr/>	<hr/>
Total Net Debt	\$ 27,939,605.19	\$ 27,832,663.77	\$ 29,195,613.77
	<hr/>	<hr/>	<hr/>

Summary of Statutory Debt Condition - Annual Debt Statement

The following schedule is a summary of the previous schedule and is prepared in accordance with the required method of setting up the Annual Debt Statement:

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Bonds and Notes for Local School	\$ 12,113,325.00	\$ 12,113,325.00	\$ -
General Debt	27,939,605.19	-	27,939,605.19
Utility Debt	17,917,000.00	17,917,000.00	-
	<hr/>	<hr/>	<hr/>
	\$ 57,969,930.19	\$ 30,030,325.00	\$ 27,939,605.19
	<hr/>	<hr/>	<hr/>

TOWNSHIP OF FLORENCE
NOTES TO FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2022

Note 12. Municipal Debt (continued)

Net Debt \$27,939,605.19 divided by the average Equalized Valuation Basis per N.J.S.A 40A:2-2 as amended, \$1,337,236,709.00 equals 2.089%. New Jersey statute 40A:2-6, as amended, limits the debt of a Municipality to 3.5% of the last three preceding year's average equalized valuations of real estate, including improvements and the assessed valuation of Class II Railroad Property. The remaining borrowing power in dollars at December 31, 2022 is calculated as follows:

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

3 1/2% of Equalized Valuation Basis (Municipal)	\$ 46,803,284.82	
Net Debt	27,939,605.19	
Remaining Borrowing Power	\$ 18,863,679.63	

Self-Liquidating Utility Calculation per N.J.S.A. 40A:2-46

Cash Receipts From Fees, Rents or Other Charges for the Year		\$ 6,826,863.21
Deductions:		
Operating and Maintenance Costs	\$ 5,671,657.00	
Debt Service	1,039,999.03	
Total Deductions		6,711,656.03
Excess/(Deficit) in Revenue		\$ 115,207.18

*If Excess in Revenues all Utility Debt is Deducted

General Debt

A. Serial Bonds Payable

On June 21, 2011, the Township issued \$5,000,000 of General Obligation Bonds. The General Obligation Bonds were issued at interest rates varying from 2.000% to 3.375% and mature on March 1, 2024.

On December 5, 2019, the Township issued \$1,425,000 of General Obligation Bonds. The General Obligation Bonds were issued at interest rates varying from 2.125% to 4.000% and mature on November 1, 2037.

On January 6, 2021, the Township issued \$9,720,000 of General Obligation Bonds. The General Obligation Bonds were issued at interest rates varying from 2.000% to 4.000% and mature on January 15, 2041.

On June 7, 2022, the Township issued \$11,360,000 of General Obligation Bonds. The General Obligation Bonds were issued at interest rates varying from 3.000% to 5.000% and mature on March 1, 2041.

Principal and interest due on the outstanding bonds is as follows:

TOWNSHIP OF FLORENCE
NOTES TO FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2022

Note 12. Municipal Debt (continued)

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 1,245,000.00	\$ 871,365.83	\$ 2,116,365.83
2024	1,255,000.00	709,325.00	1,964,325.00
2025	1,110,000.00	658,687.50	1,768,687.50
2026	1,125,000.00	607,787.50	1,732,787.50
2027	1,135,000.00	556,287.50	1,691,287.50
2028-2032	5,870,000.00	2,126,018.76	7,996,018.76
2033-2037	6,255,000.00	1,214,125.00	7,469,125.00
2038-2041	4,870,000.00	297,100.00	5,167,100.00
	<u>\$ 22,865,000.00</u>	<u>\$ 7,040,697.09</u>	<u>\$ 29,905,697.09</u>

B. Bond Anticipation Notes Payable – Short Term Debt

The Township had no bond anticipation notes payable outstanding in the General Capital Fund as of December 31, 2022.

C. Bonds and Notes Authorized But Not Issued

As of December 31, 2022, the Township had \$5,074,605.19 in various General Capital bonds and notes authorized but not issued.

Water & Sewer Utility Debt

A. Serial Bonds Payable

On June 21, 2011, the Township issued \$967,000 of Utility Revenue Bonds. The Bonds were issued at interest rates varying from 2.000% to 3.375% and mature on March 1, 2024.

On March 11, 2013, the Township issued \$1,310,000 of Bridge Commission Bonds. The Bonds were issued at interest rates varying from 2.000% to 5.000% and mature on November 1, 2023.

On December 15, 2019, the Township issued \$6,460,000 of Utility Bonds. The Bonds were issued at interest rates varying from 2.125% to 4.000% and mature on November 1, 2034.

Principal and interest due on the outstanding bonds is as follows:

TOWNSHIP OF FLORENCE
NOTES TO FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2022

Note 12. Municipal Debt (continued)

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 630,000.00	\$ 170,542.52	\$ 800,542.52
2024	482,000.00	144,461.89	626,461.89
2025	405,000.00	127,193.76	532,193.76
2026	415,000.00	110,993.76	525,993.76
2027	425,000.00	94,393.76	519,393.76
2028-2032	2,320,000.00	294,525.04	2,614,525.04
2033-2034	1,020,000.00	38,375.00	1,058,375.00
	<u>\$ 5,697,000.00</u>	<u>\$ 980,485.73</u>	<u>\$ 6,677,485.73</u>

On June 21, 2011, the Township issued \$701,000 of Utility Assessment Bonds. The Bonds were issued at interest rates varying from 2.000% to 3.375% and mature on March 1, 2024.

Principal and interest due on the outstanding bonds is as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 50,000.00	\$ 2,365.00	\$ 52,365.00
2024	46,000.00	776.25	46,776.25
	<u>\$ 96,000.00</u>	<u>\$ 3,141.25</u>	<u>\$ 99,141.25</u>

B. Bond Anticipation Notes Payable – Short Term Debt

The following is a summary of bond anticipation notes payable accounted for in the Utility Capital Fund at December 31, 2021:

<u>Description</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Rate</u>	<u>Balance December 31, 2022</u>
Series 2022C	6/7/2022	6/9/2023	2.125%	<u>\$ 10,300,000.00</u>
				<u>\$ 10,300,000.00</u>

The purpose of these short-term borrowings was to provide resources for utility capital construction, acquisitions or improvement projects and other purposes permitted by State Local Bond Law NJSA 40A:2 et. seq.

C. Bonds and Notes Authorized But Not Issued

As of December 31, 2022, the Township had \$1,920,000.00 in various General Capital bonds and notes authorized but not issued.

**TOWNSHIP OF FLORENCE
NOTES TO FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2022**

Note 12. Municipal Debt (continued)

Summary of Principal Debt

A summary of the changes in long-term and short term debt of the Township is as follows:

	Balance December 31, <u>2021</u>	Accrued/ <u>Increases</u>	Retired/ <u>Decreases</u>	Balance December 31, <u>2022</u>	Balance Due Within <u>One Year</u>
General Capital:					
General Bonds	\$ 12,405,000.00	\$ 11,360,000.00	\$ 900,000.00	\$ 22,865,000.00	\$ 1,245,000.00
Bond Anticipation Notes	8,997,000.00	6,276,000.00	15,273,000.00	-	-
	<u>\$ 21,402,000.00</u>	<u>\$ 17,636,000.00</u>	<u>\$ 16,173,000.00</u>	<u>\$ 22,865,000.00</u>	<u>\$ 1,245,000.00</u>
Utility Capital:					
Utility Bonds	\$ 6,463,000.00	\$ -	\$ 670,000.00	\$ 5,793,000.00	\$ 680,000.00
Bond Anticipation Notes	7,300,000.00	10,300,000.00	7,300,000.00	10,300,000.00	10,300,000.00
	<u>\$ 13,763,000.00</u>	<u>\$ 10,300,000.00</u>	<u>\$ 7,970,000.00</u>	<u>\$ 16,093,000.00</u>	<u>\$ 10,980,000.00</u>

Note 13. Accrued Sick, Vacation and Compensation Time

As discussed in Note 1 and in accordance with accounting principles prescribed by the State of New Jersey, the cash basis of accounting is followed for recording the Township's liability related to unused vacation, sick pay and compensation time. The Township permits certain employees within limits to accumulate unused vacation, sick pay and compensation time, which may be taken as time off or paid at a later date at an agreed upon rate. In accordance with New Jersey accounting principles, this unused accumulated absences amount is not reported as a liability in the accompanying financial statements. It is estimated that accrued benefits for compensated absences are valued at \$1,052,431.00 as of December 31, 2022.

Note 14. 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.

Joint Insurance Pool

The Township is a member of the Municipal Excess Liability Joint Insurance Fund. The Fund provides the Township with the following coverage

Worker's Compensation	\$300,000
Commercial General Liability	\$300,000
Law Enforcement Professional Liability	\$300,000
Employer's Liability	\$300,000
Auto Liability	\$300,000
Crime	\$ 50,000

Contributions to the Funds are payable in two installments and are based on actuarial assumptions determined by the Funds' actuaries. The Fund publishes its own financial report for the year ended December 31, 2022 which can be obtained on the Fund's website.

TOWNSHIP OF FLORENCE
NOTES TO FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2022

Note 14. Risk Management (continued)

New Jersey Unemployment Compensation Insurance

The Township has elected to fund its New Jersey Unemployment Compensation Insurance under the “Reimbursement Method.” Under this plan, the Township is required to reimburse the New Jersey Unemployment Trust Fund, dollar-for-dollar, for unemployment benefits paid to its former employees who were laid off or furloughed 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 unemployment trust fund for the current and previous two years:

<u>Year</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2022	\$ 11,883.47	\$ 3,659.50	\$ 71,002.06
2021	10,333.65	808.00	62,778.09
2020	10,157.70	447.00	53,252.44

Note 15. Contingencies

Grantor Agencies

The Township receives financial assistance from the State of New Jersey and the U.S. government in the form of grants. Entitlement to the funds is generally conditional upon compliance with terms and conditions of the grant agreements and applicable regulations, including the expenditure of the funds for eligible purposes. Substantially all grants, entitlements and cost reimbursements are subject to financial and compliance audits by grantors. As a result of these audits, costs previously reimbursed could be disallowed and require repayment to the grantor agency. As of December 31, 2022 the Township estimates that no material liabilities will result from such audits.

Litigation

The Township is a defendant in several legal proceedings that are in various stages of litigation. It is believed that the outcome, or exposure to the Township, from such litigation is either unknown or potential losses, if any, would not be material to the financial statements.

Tax Appeals

Losses arising from tax appeals are recognized at the time a decision is rendered by an administrative or judicial body; however, municipalities may establish reserves transferred from tax collections or by budget appropriation for future payments of tax appeal losses. There are no significant pending tax appeals as of December 31, 2022.

TOWNSHIP OF FLORENCE
NOTES TO FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2022

Note 16. Tax Abatements

The following is a recapitulation of the total amount of taxes abated under the Tax Abatement programs provided by the Township:

<u>Recipient</u>	<u>Purpose</u>	<u>Taxes if Billed in Full</u>	<u>Pilot Billings</u>	<u>Taxes Abated</u>
Subaru	Comm./Indust.	\$ 1,236,620.00	\$ 366,483.60	\$ 870,136.40
Amazon	Comm./Indust.	791,577.33	352,453.62	439,123.71
B&H Photo	Comm./Indust.	730,193.45	339,965.73	390,227.72
QPSI	Comm./Indust.	499,413.08	187,622.86	311,790.22
Destination Maternity	Comm./Indust.	476,009.28	173,489.53	302,519.75
Burlington Stores	Comm./Indust.	733,658.03	468,737.68	264,920.35
Express Scripts	Comm./Indust.	381,052.70	127,574.20	253,478.50
		<u>\$ 4,848,523.87</u>	<u>\$ 2,016,327.22</u>	<u>\$ 2,832,196.65</u>

Note 17. Subsequent Events

Management has reviewed and evaluated all events and transactions that occurred between December 31, 2022 and June 26, 2023, the date that the financial statements were available for issuance, for possible disclosure and recognition in the financial statements. The following items have come to the attention of the Township:

- On June 1, 2023 the Township issued \$2,875,000 in Bond Anticipation Notes in the General Capital Fund. These notes mature on May 31, 2024 and have an interest rate of 5.000%.
- On June 1, 2023 the Township issued \$11,307,000 in Bond Anticipation Notes in the Water/Sewer Utility Capital Fund. These notes mature on May 31, 2024 and have an interest rate of 5.000%.

SUPPLEMENTAL SCHEDULES

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CURRENT FUND

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**TOWNSHIP OF FLORENCE
CURRENT FUND
SCHEDULE OF CASH
FOR THE YEAR ENDED DECEMBER 31, 2022**

		Current Fund
Balance, December 31, 2021		\$ 7,183,922.75
Increased By Receipts:		
Non-Budget Revenues	\$ 113,443.99	
State of New Jersey - Senior Citizens' and Veterans' Deductions	91,052.05	
Taxes Receivable	34,141,303.83	
Refunds	1,934,956.39	
Prepaid Taxes	633,874.75	
Due to County - PILOT Collections	114,653.65	
Revenue Accounts Receivable	5,669,759.55	
Reserve for Municipal Relief Aid	70,492.34	
Due To State of NJ	33,676.00	
Reserve for Library Expenditures	1,563.00	
Interfund - Trust Other	28,850.31	
Due Federal & State Grant Fund	827,319.77	
Due to General Capital Fund	473,000.00	
	44,133,945.63	44,133,945.63
		51,317,868.38
Decreased By Disbursements:		
2022 Budget Appropriations	14,222,516.87	
2021 Appropriation Reserves	428,574.48	
County Taxes	5,123,566.22	
Local School District School Taxes	20,119,074.48	
Special District Taxes	2,400,860.60	
Due From Municipal Open Space Fund	473,000.00	
Tax Overpayments Refunded	14,454.52	
Due to State of NJ	44,348.00	
Due to Federal & State Grant Fund	162,076.77	
Due from Other Trust Fund	14,527.71	
Due from General Capital Fund	8,731.63	
Due from Water and Sewer Operating Fund	43,385.94	
Due from Water and Sewer Assessment Trust Fund	16.04	
Interfund - Animal Control Trust	16.82	
Refund of Prior Year Revenue	830.71	
	43,055,980.79	43,055,980.79
Balance, December 31, 2022		\$ 8,261,887.59

**TOWNSHIP OF FLORENCE
CURRENT FUND
SCHEDULE OF CHANGE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Balance December 31, <u>2022 and 2021</u>
Township Clerk	\$ 50.00
Tax Collector	400.00
Police	<u>100.00</u>
	<u>\$ 550.00</u>

**TOWNSHIP OF FLORENCE
CURRENT FUND
SCHEDULE OF DUE FROM/(TO) STATE OF NEW JERSEY -
SENIOR CITIZENS' AND VETERANS' DEDUCTIONS
FOR THE YEAR ENDED DECEMBER 31, 2022**

Balance, December 31, 2021		\$ (60,334.65)
Increased By:		
Deductions per Tax Duplicate	\$ 91,250.00	
Deductions Allowed By Tax Collector - Current Year	<u>2,750.00</u>	
		<u>94,000.00</u>
		33,665.35
Decreased By:		
Cash Received From State of New Jersey	91,052.05	
Deductions Disallowed By Tax Collector - Current Year	3,151.37	
Deductions Disallowed By Tax Collector - Prior Year	<u>1,494.52</u>	
		<u>95,697.94</u>
Balance, December 31, 2022		<u><u>\$ (62,032.59)</u></u>

**TOWNSHIP OF FLORENCE
CURRENT FUND
SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Balance December 31, 2021	2022 Levy	Added Taxes	2021 Collections	2022 Collections	Due From/(To) State of New Jersey	Transferred To Tax Title Liens	Adjustments and Cancellations	Transferred To/From Arrears	Balance December 31, 2022
Arrears	\$ 5,211.54	\$ -	\$ -	\$ -	\$ 1,202.24	\$ -	\$ -	\$ -	\$ (3,100.06)	\$ 909.24
2020	-	-	-	-	558.68	-	-	-	558.68	-
2021	321,234.30	-	-	-	325,009.53	(1,494.52)	613.78	(353.11)	2,541.38	-
	326,445.84	-	-	-	326,770.45	(1,494.52)	613.78	(353.11)	-	909.24
2022	-	33,810,589.21	761,919.47	333,848.46	33,800,078.86	90,848.63	16,190.85	6,635.11	-	324,906.77
	\$ 326,445.84	\$ 33,810,589.21	\$ 761,919.47	\$ 333,848.46	\$ 34,126,849.31	\$ 89,354.11	\$ 16,804.63	\$ 6,282.00	\$ -	\$ 325,816.01

Cash Receipts \$ 34,141,303.83
Overpayments Created (14,454.52)

\$ 34,126,849.31

\$ 31,285,231.21
2,525,358.00
761,919.47
\$ 34,572,508.68

Analysis of Property Tax Levy

Tax Yield

General Purpose Tax \$ 31,285,231.21
Special District Taxes 2,525,358.00
Added/Omitted Taxes (R.S. 54-4-63, 1 et seq.) 761,919.47

Tax Levy

Local School District Tax \$ 20,119,072.00
Municipal Open Space 132,311.00
County Taxes:
County General Tax \$ 4,358,538.44
County Open Space Tax 338,008.36
County Library Tax 387,640.99
Due County for Added and Omitted Taxes 114,400.06

Special Districts Taxes

5,198,587.85
2,525,358.00
27,975,328.85

Local Tax for Municipal Purposes

5,938,490.19
658,689.64

Add: Additional Tax Levied

6,597,179.83
\$ 34,572,508.68

**TOWNSHIP OF FLORENCE
CURRENT FUND
SCHEDULE OF TAX TITLE LIENS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2022**

Balance, December 31, 2021	\$ 283,130.92
Increased By:	
Transfer From Taxes Receivable	16,804.63
	299,935.55
Decreased By:	
Foreclosed	40,698.23
Balance, December 31, 2022	\$ 259,237.32

**SCHEDULE OF PREPAID TAXES
FOR THE YEAR ENDED DECEMBER 31, 2022**

Balance, December 31, 2021	\$ 333,848.46
Increased By:	
Collection of 2023 Taxes	633,874.75
	967,723.21
Decreased By:	
Applied to 2022 Taxes	333,848.46
Balance, December 31, 2022	\$ 633,874.75

TOWNSHIP OF FLORENCE
CURRENT FUND
SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2022

	Balance December 31, <u>2021</u>	Accrued in <u>2022</u>	<u>Collections</u>	Balance December 31, <u>2022</u>
Miscellaneous Revenues:				
Licenses:				
Alcoholic Beverages	\$ -	\$ 26,700.00	\$ 26,700.00	\$ -
Fees and Permits	-	367,891.08	367,891.08	-
Fines and Costs:				
Municipal Court	10,494.36	139,131.03	135,212.55	14,412.84
Interest and Costs on Taxes	-	69,103.88	69,103.88	-
Interest on Investments and Deposits	-	24,587.98	24,587.98	-
Landfill Fees - Host Community Benefits	-	483,208.76	483,208.76	-
Interfunds - Trust Other	-	68,353.85	68,353.85	-
Interfunds - Sewer Operating	-	158,982.80	158,982.80	-
Interfunds - Sewer Assessment	-	55,000.00	55,000.00	-
Interfunds - Animal Control	-	2,612.54	2,612.54	-
Consolidated Municipal Propety Tax Relief Aid	-	124,948.00	124,948.00	-
Energy Receipts Tax	-	1,226,415.00	1,226,415.00	-
Uniform Construction Code Fees	-	361,174.00	361,174.00	-
Special Items of General Revenue Anticipated with Prior Written Consent of Director of Local Government Services:				
General Capital Surplus	-	90,000.00	90,000.00	-
PILOT Programs	-	2,475,569.11	2,475,569.11	-
American Rescue Plan	-	250,000.00	250,000.00	-
	<u>\$ 10,494.36</u>	<u>\$ 5,923,678.03</u>	<u>\$ 5,919,759.55</u>	<u>\$ 14,412.84</u>
			Cash Receipts	\$ 5,669,759.55
			Due from Grant Fund	<u>250,000.00</u>
				<u>\$ 5,919,759.55</u>

**TOWNSHIP OF FLORENCE
CURRENT FUND
SCHEDULE OF 2021 APPROPRIATION RESERVES**

	Balance December 31, 2021		Balance After Transfers	Paid or Charged	Balance Lapsed
	<u>Encumbered</u>	<u>Reserves</u>			
OPERATIONS - WITHIN "CAPS"					
<u>GENERAL GOVERNMENT:</u>					
Township Council					
Salaries and Wages	\$ -	\$ 192.36	\$ 192.36	\$ -	\$ 192.36
Other Expenses	304.00	3,604.47	3,908.47	1,304.00	2,604.47
Township Clerk					
Salaries and Wages	-	401.53	401.53	-	401.53
Other Expenses	1,508.10	8,217.56	9,725.66	1,609.76	8,115.90
Business Administration Office:					
Salaries and Wages	-	1,825.40	1,825.40	1,500.00	325.40
Other Expenses	355.00	12,431.43	12,786.43	3,123.60	9,662.83
Audit Services					
Other Expenses	-	190.00	190.00	-	190.00
Revenue Administration (Tax Collection):					
Salaries and Wages	-	480.65	480.65	-	480.65
Other Expenses	400.00	3,315.29	3,715.29	400.00	3,315.29
Bureau of Assessments					
Salaries and Wages	-	999.96	999.96	-	999.96
Other Expenses	-	4,848.75	4,848.75	-	4,848.75
Tax Map Revisions	-	5,000.00	5,000.00	4,403.75	596.25
Township Solicitor					
Other Expenses	4,558.50	6,462.50	11,021.00	10,509.50	511.50
Special Counsel					
Other Expenses	450.00	13,563.50	14,013.50	1,397.36	12,616.14
Treasurer					
Salaries and Wages	-	557.78	557.78	-	557.78
Other Expenses	173.51	5,041.94	5,215.45	3,426.34	1,789.11
Cost of Registered Bonds	-	400.00	400.00	-	400.00
Engineering Services					
Other Expenses	67.15	63,829.65	63,896.80	23,258.40	40,638.40
Industrial Development Promotion					
Other Expenses	-	13,125.00	13,125.00	8,100.00	5,025.00
Expense at Participation of Free County Library					
Other Expenses	3,345.57	1,304.32	4,649.89	3,782.42	867.47
<u>LAND USE ADMINISTRATION</u>					
Planning Board:					
Salaries and Wages	-	3,250.00	3,250.00	3,000.00	250.00
Other Expenses	-	16,873.54	16,873.54	660.00	16,213.54
Zoning Board of Adjustment:					
Other Expenses	-	11,188.01	11,188.01	4,513.75	6,674.26
<u>INSURANCE</u>					
General Liability Insurance	495.12	684.77	1,179.89	495.12	684.77
Workers Compensation Insurance	-	1,000.00	1,000.00	-	1,000.00
Employee Group Insurance	54,598.30	48,882.65	103,480.95	100,047.14	3,433.81
Health Benefit Waiver	-	975.00	975.00	-	975.00

**TOWNSHIP OF FLORENCE
CURRENT FUND
SCHEDULE OF 2021 APPROPRIATION RESERVES**

	Balance December 31, 2021		Balance After Transfers	Paid or Charged	Balance Lapsed
	<u>Encumbered</u>	<u>Reserves</u>			
<u>PUBLIC SAFETY</u>					
Police Department:					
Salaries and Wages	-	12,291.47	12,291.47	12,258.00	33.47
Other Expenses	41,058.68	45,008.08	86,066.76	42,172.66	43,894.10
Office of Emergency Management:					
Other Expenses	-	1,950.00	1,950.00	-	1,950.00
Fire Department:					
Other Expenses	-	85.61	85.61	-	85.61
Municipal Prosecutor					
Other Expenses	-	5,220.00	5,220.00	3,956.00	1,264.00
Maintenance of Traffic Lights					
Other Expenses	964.62	-	964.62	964.62	-
<u>PUBLIC WORKS FUNCTIONS</u>					
Streets and Road Maintenance:					
Salaries and Wages	-	16,314.67	16,314.67	15,500.00	814.67
Other Expenses	15,763.26	47,248.56	63,011.82	32,605.77	30,406.05
Sanitation Department:					
Salaries and Wages	-	847.24	847.24	(1,703.04)	2,550.28
Other Expenses	2,486.42	3,295.87	5,782.29	3,759.92	2,022.37
Contractual	-	8,958.53	8,958.53	-	8,958.53
Buildings and Grounds:					
Salaries and Wages	-	1,861.50	1,861.50	-	1,861.50
Other Expenses	6,772.85	23,055.33	29,828.18	7,638.23	22,189.95
Parks and Playgrounds					
Salaries and Wages	-	6,075.22	6,075.22	6,000.00	75.22
Other Expenses	1,347.77	7,032.02	8,379.79	1,317.77	7,062.02
<u>LANDFILL/ SOLID WASTE DISPOSAL COSTS</u>					
Landfill:					
Solid Waste Disposal Fee	778.80	2,302.21	3,081.01	778.80	2,302.21
Recycling Taxes	-	4,904.73	4,904.73	1,318.80	3,585.93
Landfill Taxes	-	5,490.34	5,490.34	1,477.08	4,013.26
<u>HEALTH AND WELFARE</u>					
Board of Health:					
Salaries and Wages	-	650.00	650.00	-	650.00
Other Expenses	75.00	806.71	881.71	75.00	806.71
Animal Control Services					
Other Expenses	-	500.00	500.00	-	500.00
Shade Tree Committee					
Other Expenses	6,817.50	8,509.28	15,326.78	6,500.00	8,826.78
Environmental Commission					
Other Expenses	-	362.54	362.54	350.00	12.54
<u>PARKS AND RECREATION</u>					
Recreation Services and Programs:					
Other Expenses	20,203.71	2,948.10	23,151.81	19,483.71	3,668.10
Celebration of Public Event, Anniversary or Holiday					
Other Expenses	-	2,606.67	2,606.67	655.00	1,951.67

**TOWNSHIP OF FLORENCE
CURRENT FUND
SCHEDULE OF 2021 APPROPRIATION RESERVES**

	Balance December 31, 2021		Balance After Transfers	Paid or Charged	Balance Lapsed
	<u>Encumbered</u>	<u>Reserves</u>			
<u>UTILITY EXPENSES AND BULK PURCHASES</u>					
Electricity & Natural Gas	12,640.60	446.10	13,086.70	12,640.60	446.10
Street Lighting	1,027.27	-	1,027.27	1,027.27	-
Telephone	180.66	6,557.41	6,738.07	424.05	6,314.02
Gasoline	2,737.90	31,243.27	33,981.17	2,737.90	31,243.27
<u>UNIFORM CONSTRUCTION CODE APPROPRIATIONS</u>					
<u>OFFSET BY DEDICATED REVENUES (N.J.A.C. 5:23-4.17)</u>					
Uniform Construction Code:					
Salaries and Wages	2,025.00	6,325.19	8,350.19	7,975.00	375.19
Other Expenses	8,575.81	10,766.33	19,342.14	8,605.81	10,736.33
<u>MUNICIPAL COURT:</u>					
Municipal Court:					
Salaries and Wages	-	9,424.08	9,424.08	9,000.00	424.08
Other Expenses	-	15,461.84	15,461.84	1,508.40	13,953.44
<u>UNCLASSIFIED</u>					
Condominium Services					
Other Expenses	-	35,043.30	35,043.30	35,042.37	0.93
<u>STATUTORY EXPENDITURES</u>					
Contribution To:					
Social Security System (O.A.S.I.)	18,961.62	-	18,961.62	18,961.62	-
Defined Contribution Retirement Program	-	1,275.40	1,275.40	-	1,275.40
<u>TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES WITHIN "CAPS"</u>					
	<u>208,672.72</u>	<u>553,513.66</u>	<u>762,186.38</u>	<u>424,562.48</u>	<u>337,623.90</u>
<u>OPERATIONS EXCLUDED FROM "CAPS"</u>					
Sanitation:					
SFSP Fire District Payment	-	4,012.00	4,012.00	4,012.00	-
<u>TOTAL OPERATIONS - EXCLUDED FROM "CAPS"</u>					
	<u>-</u>	<u>4,012.00</u>	<u>4,012.00</u>	<u>4,012.00</u>	<u>-</u>
<u>TOTAL GENERAL APPROPRIATIONS - EXCLUDED FROM "CAPS"</u>					
	<u>-</u>	<u>4,012.00</u>	<u>4,012.00</u>	<u>4,012.00</u>	<u>-</u>
<u>TOTAL GENERAL APPROPRIATIONS</u>					
	<u>\$ 208,672.72</u>	<u>\$ 557,525.66</u>	<u>\$ 766,198.38</u>	<u>\$ 428,574.48</u>	<u>\$ 337,623.90</u>

Cash Disbursements

\$ 428,574.48\$ 428,574.48

**TOWNSHIP OF FLORENCE
CURRENT FUND
SCHEDULE OF COUNTY TAXES PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2022**

Balance, December 31, 2021		\$ 39,378.43
Increased By:		
2022 Levy:		
County General Tax	\$ 4,358,538.44	
County Open Space Tax	338,008.36	
County Library Tax	387,640.99	
Due County for Added and Omitted Taxes	114,400.06	
		5,198,587.85
		5,237,966.28
Decreased By:		
Cash Disbursements		5,123,566.22
Balance, December 31, 2022		\$ 114,400.06

**TOWNSHIP OF FLORENCE
CURRENT FUND
SCHEDULE OF LOCAL DISTRICT SCHOOL TAX PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2022**

Balance, December 31, 2021			
School Tax Payable	\$	4.00	
School Tax Deferred		-	
		-	\$ 4.00
Increased By:			
Levy - Calender Year			20,119,072.00
			20,119,076.00
Decreased By:			
Cash Disbursements			20,119,074.48
Balance, December 31, 2022			
School Tax Payable		1.52	
School Tax Deferred		-	
		-	\$ 1.52
<u>2022 Liability for Local District School Tax</u>			
Tax Payable, December 31, 2022	\$	1.52	
Tax Paid		20,119,074.48	
			20,119,076.00
Less: Tax Payable, December 21, 2021			4.00
Amount Charged To 2022 Operations			\$ 20,119,072.00

**TOWNSHIP OF FLORENCE
CURRENT FUND
SCHEDULE OF MUNICIPAL OPEN SPACE TAX PAYABLE/(RECEIVABLE)
FOR THE YEAR ENDED DECEMBER 31, 2022**

Balance, December 31, 2021		\$ 255,776.04
Increased By:		
2022 Municipal Open Space Levy	\$ 129,392.83	
Added & Omitted Taxes	<u>2,918.17</u>	
		<u>132,311.00</u>
		388,087.04
Decreased By:		
Cash Disbursements		<u>473,000.00</u>
Balance, December 31, 2022		<u><u>\$ (84,912.96)</u></u>

**TOWNSHIP OF FLORENCE
CURRENT FUND
SCHEDULE OF SPECIAL DISTRICT TAX PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2022**

Balance, December 31, 2021	\$	30,809.00
Increased By:		
2022 Fire District Levy		2,525,358.00
		2,556,167.00
Decreased By:		
Cash Disbursements		2,400,860.60
Balance, December 31, 2022	\$	155,306.40

**SCHEDULE OF DUE TO STATE
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Balance December 31, <u>2021</u>	Cash <u>Receipts</u>	Cash <u>Disbursements</u>	Balance December 31, <u>2022</u>
Due to State of NJ:				
Marriage Licenses	\$ 187.00	\$ 1,138.00	\$ 1,325.00	\$ -
DCA Training Fees	13,049.00	32,538.00	43,023.00	2,564.00
	\$ 13,236.00	\$ 33,676.00	\$ 44,348.00	\$ 2,564.00
	\$ 13,236.00	\$ 33,676.00	\$ 44,348.00	\$ 2,564.00

**TOWNSHIP OF FLORENCE
CURRENT FUND
SCHEDULE OF RESERVE FOR LIBRARY AID
FOR THE YEAR ENDED DECEMBER 31, 2022**

Balance, December 31, 2021	\$ 4,989.67
Increased By:	
Cash Receipts	<u>1,563.00</u>
Balance, December 31, 2022	<u>\$ 6,552.67</u>

**SCHEDULE OF RESERVE FOR TAX APPEALS
FOR THE YEAR ENDED DECEMBER 31, 2022**

Balance, December 31, 2022 & 2021	<u>\$ 16,560.30</u>
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**TOWNSHIP OF FLORENCE
GRANT FUND
SCHEDULE OF GRANTS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Balance December 31, <u>2021</u>	Budget Revenue <u>Realized</u>	<u>Received</u>	Balance December 31, <u>2022</u>
Local Grants:				
Burlington County Parks Grant	\$ 173,580.02	\$ -	\$ -	\$ 173,580.02
Municipal Alliance Grant	16,408.90	-	-	16,408.90
Recreation Grant	-	70,000.00	-	70,000.00
State Grants:				
Recycling Tonnage Grant	-	121,019.31	121,019.31	-
Clean Communities Program	-	28,330.11	28,330.11	-
Body Armor Replacement Fund	-	3,833.18	3,833.18	-
Body-Worn Camera Grant	18,342.00	-	18,342.00	-
	<u>\$ 208,330.92</u>	<u>\$ 223,182.60</u>	<u>\$ 171,524.60</u>	<u>\$ 259,988.92</u>
Transferred from Unappropriated			\$ 32,163.29	
Cash Receipts			139,361.31	
			<u>\$ 171,524.60</u>	

**TOWNSHIP OF FLORENCE
GRANT FUND
SCHEDULE OF RESERVE FOR GRANTS - APPROPRIATED
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Balance December 31, <u>2021</u>	Transferred from 2022 Budget <u>Appropriation</u>	Transferred from Encumbrances <u>Payable</u>	Paid or <u>Charged</u>	Transferred to Encumbrances <u>Payable</u>	Balance December 31, <u>2022</u>
Local:						
Burlington County Parks Grant	\$ 36,360.10	\$ -	\$ 7,560.00	\$ 15,520.00	\$ -	\$ 28,400.10
Municipal Alliance Grant	2,977.13	-	-	2,977.13	-	-
Recreation Contribution - Send A Kid to Camp	7,801.00	-	-	-	-	7,801.00
Recreation Contribution - Covington Baseball	2,358.02	-	-	-	-	2,358.02
Recreation Contribution - National Gypsum	227.17	-	-	-	-	227.17
Recreation Grant	-	70,000.00	-	-	-	70,000.00
Waste Management Environmental Grant	6,375.60	-	-	-	-	6,375.60
Comcast Technology Grant	1,077.17	-	2,799.50	2,987.00	-	889.67
State:						
Recycling Tonnage Grants	-	121,019.31	7,810.00	118,696.50	429.00	9,703.81
Drunk Driving Enforcement Grant	5,755.73	-	179.00	3,094.08	179.00	2,661.65
Clean Communities Program	9,831.97	28,330.11	-	18,802.06	-	19,360.02
Body Armor Replacement Fund	-	3,833.18	-	-	-	3,833.18
Municipal Alcohol Education/Rehab Program	902.09	-	-	-	-	902.09
Body-Worn Camera Grant	18,342.00	-	-	-	-	18,342.00
	<u>\$ 92,007.98</u>	<u>\$ 223,182.60</u>	<u>\$ 18,348.50</u>	<u>\$ 162,076.77</u>	<u>\$ 608.00</u>	<u>\$ 170,854.31</u>

**TOWNSHIP OF FLORENCE
GRANT FUND
SCHEDULE OF RESERVE FOR GRANTS - UNAPPROPRIATED
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Balance December 31, <u>2021</u>	Cash Received	Transferred To Grants <u>Receivable</u>	Anticipated In Current <u>Fund Budget</u>	Balance December 31, <u>2022</u>
Local Grants:					
Municipal Alliance Grant	\$ -	\$ 2,892.34	\$ -	\$ -	\$ 2,892.34
State Grants:					
Body Armor Replacement Fund	3,833.18	2,218.95	3,833.18	-	2,218.95
Clean Communities Grant	28,330.11	29,401.38	28,330.11	-	29,401.38
Federal Grants:					
COVID-19 American Rescue Plan	653,445.78	653,445.79	-	250,000.00	1,056,891.57
	<u>\$ 685,609.07</u>	<u>\$ 687,958.46</u>	<u>\$ 32,163.29</u>	<u>\$ 250,000.00</u>	<u>\$ 1,091,404.24</u>

**TOWNSHIP OF FLORENCE
GRANT FUND
SCHEDULE OF DUE FROM/(TO) CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2022**

Balance, December 31, 2021		\$ 587,634.63
Increased By:		
Cash Receipts - Grants Receivable	\$ 139,361.31	
Cash Receipts - Unappropriated Grants	<u>687,958.46</u>	
		<u>827,319.77</u>
		1,414,954.40
Decreased By:		
Cash Disbursements	162,076.77	
Anticipated in Current Fund Budget	<u>250,000.00</u>	
		<u>412,076.77</u>
Balance, December 31, 2022		<u><u>\$ 1,002,877.63</u></u>

TRUST FUNDS

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**TOWNSHIP OF FLORENCE
TRUST FUND
SCHEDULE OF CASH
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Animal Control Trust Fund	Other Trust Funds	Open Space Trust	Assessment Trust Funds
Balance, December 31, 2021	\$ 15,197.44	\$ 3,897,978.70	\$ 163,060.38	\$ 9,365.36
Increased By Receipts:				
Due To State of New Jersey	1,667.40	-	-	-
Reserve for Animal Control	11,060.00	-	-	-
Interfund - Current Fund	16.82	-	-	16.04
Reserve for Open Space Trust Fund	-	-	279.22	-
Due from Vendors	-	68,353.85	-	-
Miscellaneous Trust Funds	-	12,408,848.14	-	-
	<u>12,744.22</u>	<u>12,477,201.99</u>	<u>279.22</u>	<u>16.04</u>
	27,941.66	16,375,180.69	163,339.60	9,381.40
Decreased By Disbursements:				
Due To State of New Jersey	1,667.40	-	-	-
Expenditures per R.S. 4:19-15.11	23,476.30	-	-	-
Interfund - Current Fund	2,612.54	68,353.85	-	-
Due From Municipal Court	-	1,715.00	-	-
Miscellaneous Trust Funds	-	11,612,097.32	-	-
	<u>27,756.24</u>	<u>11,682,166.17</u>	<u>-</u>	<u>-</u>
Balance, December 31, 2022	<u>\$ 185.42</u>	<u>\$ 4,693,014.52</u>	<u>\$ 163,339.60</u>	<u>\$ 9,381.40</u>

**TOWNSHIP OF FLORENCE
ANIMAL CONTROL TRUST FUND
SCHEDULE OF RESERVE FOR ANIMAL CONTROL FUND EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2022**

Balance, December 31, 2021	\$ 12,416.30
Increased By:	
Cash Receipts:	
Animal Control License Fees Collected	11,060.00
	23,476.30
Decreased By:	
Cash Disbursements	23,476.30
Balance, December 31, 2022	\$ -

License Fees Collected

2021	\$ 12,198.00
2020	14,913.00
	\$ 27,111.00

**TOWNSHIP OF FLORENCE
ANIMAL CONTROL TRUST FUND
SCHEDULE OF DUE/(FROM) TO NEW JERSEY STATE DEPARTMENT OF HEALTH
FOR THE YEAR ENDED DECEMBER 31, 2022**

Balance, December 31, 2021		\$ 168.60
Increased By:		
State Registration Fees Collected	\$ 1,667.40	
Due from Current Fund	<u>2.40</u>	
		<u>1,669.80</u>
		1,838.40
Decreased By:		
Disbursed To State	1,667.40	
Due to Current Fund	<u>168.60</u>	
		<u>1,836.00</u>
Balance, December 31, 2022		<u><u>\$ 2.40</u></u>

**TOWNSHIP OF FLORENCE
TRUST - OTHER FUND
SCHEDULE RESERVE FOR VARIOUS TRUST FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Balance December 31, <u>2021</u>	<u>Increased</u>	<u>Decreased</u>	Balance December 31, <u>2022</u>
Collector's Trust	\$ 209,825.43	\$ 514,882.17	\$ 314,073.21	\$ 410,634.39
Unemployment Trust	62,778.09	11,883.47	3,659.50	71,002.06
Payroll Deductions Payable	207,548.13	10,115,051.67	10,106,070.26	216,529.54
FSH - Developer Contributions	2,779,736.28	891,561.58	319,881.41	3,351,416.45
FSH - In Lieu of Contributions	5,326.95	-	-	5,326.95
Special Law Enforcement	14,463.91	19.59	3,319.73	11,163.77
Land Use Escrow Deposits	333,004.01	199,867.86	334,225.43	198,646.44
Flexible Spending	424.20	8,087.68	8,229.03	282.85
Public Defender Fees	-	3,535.00	3,535.00	-
Performance Bonds	144,203.39	-	8,299.59	135,903.80
Street Opening Deposits	2,018.75	3,750.00	3,650.00	2,118.75
Police Quasi Duty	120,278.22	446,941.88	445,681.87	121,538.23
POAA	3,228.12	48.00	-	3,276.12
Engineering Escrow Deposits	5,970.20	2,300.00	1,000.00	7,270.20
Miscellaneous Escrow	6,408.57	-	-	6,408.57
Patriotic Celebration	16,041.79	200.00	-	16,241.79
K-9 Care and Treatment	537.00	-	-	537.00
Municipal Sponsored Events	8,080.06	500.00	-	8,580.06
Accumulated Leave	5,000.00	138,000.00	-	143,000.00
CDBG	-	101,069.55	75,000.00	26,069.55
	<u>\$ 3,924,873.10</u>	<u>\$ 12,437,698.45</u>	<u>\$ 11,626,625.03</u>	<u>\$ 4,735,946.52</u>

Cash Receipts	\$ 12,408,848.14	\$ -
Cash Disbursements	-	11,612,097.32
Due from Current Fund	28,850.31	14,527.71
	<u>\$ 12,437,698.45</u>	<u>\$ 11,626,625.03</u>

**TOWNSHIP OF FLORENCE
TRUST FUND
SCHEDULE OF RESERVE FOR OPEN SPACE
FOR THE YEAR ENDED DECEMBER 31, 2022**

Balance, December 31, 2021		\$ 398,267.67
Increased By:		
Taxes Levied	\$ 132,311.00	
Interest Income	<u>279.22</u>	
		<u>132,590.22</u>
		530,857.89
Decreased By:		
Budget Appropriations	19,268.75	
Due to Current Fund - Paydown of BAN's	<u>473,000.00</u>	
		<u>492,268.75</u>
Balance, December 31, 2022		<u><u>\$ 38,589.14</u></u>

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GENERAL CAPITAL FUND

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**TOWNSHIP OF FLORENCE
GENERAL CAPITAL FUND
SCHEDULE OF CASH
FOR THE YEAR ENDED DECEMBER 31, 2022**

Balance, December 31, 2021		\$ 3,594,573.51
Increased By:		
Bond Anticipation Notes	\$ 6,276,000.00	
Capital Improvement Fund	250,000.00	
Premium on Notes Issued	20,774.74	
Premium on Bonds Issued	312,657.44	
Grant Receivable	666,500.00	
Interest Earned Due Current Fund	8,731.63	
Bond Proceeds	11,360,000.00	
		18,894,663.81
		22,489,237.32
Decreased By:		
Fund Balance - Anticipated in Current Fund	90,000.00	
Bond Anticipation Notes	14,786,000.00	
Improvement Authorizations	3,591,773.98	
Due from Current Fund	473,000.00	
		18,940,773.98
Balance, December 31, 2022		\$ 3,548,463.34

**TOWNSHIP OF FLORENCE
GENERAL CAPITAL FUND
SCHEDULE OF ANALYSIS OF GENERAL CAPITAL FUND CASH
FOR THE YEAR ENDED DECEMBER 31, 2022**

		Balance
		December 31,
		<u>2022</u>
Reserve for Encumbrances		\$ 2,215,759.03
Capital Improvement Fund		182,554.85
Miscellaneous Reserves		1,880,437.31
Grant Receivable		(1,158,144.83)
Due From Current Fund		(972,732.04)
Due From Water & Sewer Operating Fund		(145,696.36)
Due To Water & Sewer Capital Fund		95,849.00
Fund Balance		1,062,050.41
<u>Ordinance</u>	<u>Improvement Description</u>	
<u>Number</u>		
2014-14	Improvements to Municipal Building	16,989.49
2015-01	2015 Road Program	(11,427.89)
2015-06	Improvements to Township Buildings	78,086.25
2015-23	Repaving and Repair to Hornberger Avenue	13,556.30
2015-24	Improvements to Municipal Buildings	54,296.34
2015-25	Improvements to Municipal Parks	49,693.63
2016-14	Acquisition of 440 W. 4th Street	18,477.19
2016-29	Acquisition of B165.01, L2.01 Florence-Columbus Road	17,968.45
2016-30	Acquisition of B165.04, L63 Florence-Columbus Road	184,425.53
2016-35	Installation of (3) Pedestrian Signals	17,986.77
2017-08	Improvements to Municipal Buildings	27,985.42
2017-09	Park Improvements & Acq. Of Safety Equipment	50,585.99
2017-10	Improvements to Streets & Roads	0.88
2017-16	Acquisition of 711 and 713 West Thrid Street	21,425.77
2017-17	Acquisition of 111 Norman Avenue	22,077.68
2017-23	Architectural Services - Municipal Building	31,005.49
2017-29	Acquisition of Real Property (781 & 783 Railroad, 306 Foundry)	135,797.15
2017-33	Park Improvement Projects	61,163.66
2018-07	Acquisition of 2063 Bustleton Road	78,597.45
2018-18	Improvements to Streets & Roads	0.60
2019-05	Installation of Pedestrian Improvements	83,605.98
2019-08	Acquisition of Police Equipment	156,323.23
2019-09	Above Ground Storage Tanks	777,724.03
2019-10	2019 Road Program	512,548.33
2019-19	Fifth Street Rails to Trails	133,488.52
2019-26	Acquisition of 100 Fifth Avenue	173,143.16
2020-09	Acquisition of Police Vehicles	32,550.59
2021-08/18	Improvements to Potts Mill Road	(1,124,650.88)
2021-09	Acquisition of 1470 Hornberger Avenue	16,580.61
2021-10	Improvements to Wilbur Henry Drive	(240,000.00)
2021-19	Erosion Control Project in Riverbank Drive/Pine Grove Lane	(373,399.42)
2021-26	Improvements to 9th Street	(694,146.57)
2022-01	Improvements to Wilbur Henry Drive	12,219.74
2022-03	Improvements to Township Roads and Streets	282,562.92
2022-05	Acquisition of Police Vehicles	29,908.81
2022-07	Improvements and Repairs to Township Streets and Sidewalks	(166,328.23)
2022-14	Acquisition of Public Works Vehicles and Equipment	(92,437.00)
		<u>\$ 3,548,463.34</u>

**TOWNSHIP OF FLORENCE
GENERAL CAPITAL FUND
SCHEDULE OF GRANTS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2022**

Balance, December 31, 2021	\$ 1,824,644.83
Decreased By:	
Cash Receipts	666,500.00
Balance, December 31, 2022	\$ 1,158,144.83

Analysis of Balance

State of New Jersey - Transportation Trust Fund Grant:	
Old York Bikeway - Phase II (Ord 2011-03)	\$ 97,118.91
Boulevard Street Improvements (Ord 2013-13 & 2014-12)	67,400.92
2018 Potts Mill Road(Ord 2017-32)	250,000.00
2019 Potts Mill Road II(Ord 2019-10)	63,750.00
2020 Potts Mill Road III	57,875.00
2021 Potts Mill Road IV (Ord. 2021-08)	486,500.00
Wilbur Henry Drive - Phase I (Ord. 2021-10)	76,750.00
9th Street - Phase I (Ord. 2021-26)	58,750.00
	\$ 1,158,144.83

**TOWNSHIP OF FLORENCE
GENERAL CAPITAL FUND
SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - FUNDED
FOR THE YEAR ENDED DECEMBER 31, 2022**

Balance, December 31, 2021	\$ 12,405,000.00
Increased By:	
Serial Bonds Issued	<u>11,360,000.00</u>
	23,765,000.00
Decreased By:	
Serial Bonds Paid	<u>900,000.00</u>
Balance, December 31, 2022	<u><u>\$ 22,865,000.00</u></u>

**TOWNSHIP OF FLORENCE
GENERAL CAPITAL FUND
SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED
FOR THE YEAR ENDED DECEMBER 31, 2022**

Ordinance Number	Balance December 31, 2021	Current Year Authorizations	Decreased by			Balance December 31, 2022	Analysis of Balance	
			Budget Appropriations	Open Space	Bond Proceeds		Expended Improvement Authorizations	Unexpended Improvement Authorizations
2011-03	\$ 8,507.52	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2012-05	2,590.00	-	-	-	-	-	-	-
2013-13	2,566.25	-	-	-	-	-	-	-
2015-01	1,330,000.00	-	-	-	-	11,427.89	11,427.89	-
2015-02	171,000.00	-	-	-	-	-	-	-
2015-03	95,000.00	-	-	-	-	-	-	-
2015-06	190,000.00	-	-	-	-	-	-	-
2015-17	380,000.00	-	-	-	-	-	-	-
2015-21	570,000.00	-	-	-	-	-	-	-
2015-23	242,250.00	-	-	-	-	-	-	-
2015-24	266,000.00	-	-	-	-	-	-	-
2015-25	275,500.00	-	-	-	-	-	-	-
2015-26	1,805,000.00	-	-	-	-	500.00	500.00	-
2015-30	570,000.00	-	-	-	-	-	-	-
2015-31	380,000.00	-	-	-	-	-	-	-
2016-30	487,000.00	-	-	-	-	-	-	-
2016-35	250.00	-	-	-	-	250.00	250.00	-
2018-06	152,000.00	-	-	-	-	-	-	-
2018-07	171,000.00	-	-	-	-	-	-	-
2018-31	152,000.00	-	-	-	-	-	-	-
2019-08	218,500.00	-	-	-	-	-	-	-
2019-09	760,000.00	-	-	-	-	-	-	-
2019-10	2,755,000.00	-	-	-	-	-	-	-
2019-18	161,500.00	-	-	-	-	-	-	-
2019-19	190,000.00	-	-	-	-	-	-	-
2019-26	285,000.00	-	-	-	-	-	-	-
2020-09	152,000.00	-	-	-	-	-	-	-
2021-08/18	1,230,000.00	-	-	-	-	-	-	-
2021-09	617,500.00	-	-	-	-	1,230,000.00	1,124,650.88	105,349.12
2021-10	240,000.00	-	-	-	-	617,500.00	240,000.00	617,500.00
2021-19	665,000.00	-	-	-	-	473,399.42	373,399.42	100,000.00
2021-26	902,500.00	-	-	-	-	902,500.00	694,146.57	208,353.43
2022-01	-	213,000.00	-	-	-	-	-	-
2022-03	-	3,325,000.00	-	-	-	840,000.00	-	840,000.00
2022-05	-	152,000.00	-	-	-	-	-	-
2022-07	-	237,500.00	-	-	-	237,500.00	166,328.23	71,171.77
2022-14	-	475,000.00	-	-	-	475,000.00	92,437.00	382,563.00
	\$ 15,427,663.77	\$ 4,402,500.00	\$ 14,000.00	\$ 473,000.00	\$ 11,360,000.00	\$ 5,074,605.19	\$ 2,749,417.87	\$ 2,325,187.32

**TOWNSHIP OF FLORENCE
GENERAL CAPITAL FUND
SCHEDULE OF SERIAL BONDS PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2022**

Purpose	Date of Issue	Original Issue	Maturities of Bonds				Balance December 31, 2021	Balance December 31, 2022	
			Outstanding		Interest Rate	Increased			Decreased
			Date	Amount					
General Improvement Bonds - 2011	6/21/2011	\$ 5,000,000.00	3/1/2023	\$ 460,000.00	3.375%	\$ 1,375,000.00	\$ 920,000.00		
			3/1/2024	460,000.00	3.375%	-	\$ 455,000.00		
General Improvement Bonds - 2019	12/5/2019	1,425,000.00	11/1/2023	70,000.00	4.000%	1,310,000.00	1,245,000.00		
			11/1/2024	70,000.00	4.000%				
			11/1/2025	70,000.00	4.000%				
			11/1/2026	75,000.00	4.000%				
			11/1/2027	75,000.00	3.000%				
			11/1/2028	75,000.00	3.000%				
			11/1/2029	80,000.00	2.125%				
			11/1/2030	80,000.00	2.250%				
			11/1/2031	85,000.00	2.375%				
			11/1/2032	85,000.00	2.375%				
			11/1/2033	90,000.00	2.500%				
			11/1/2034	90,000.00	2.500%				
			11/1/2035	100,000.00	2.625%				
			11/1/2036	100,000.00	2.625%				
			11/1/2037	100,000.00	2.750%				
	General Improvement Bonds - 2021	1/6/2021	9,720,000.00	1/15/2023	390,000.00	4.000%	9,720,000.00	9,340,000.00	
				1/15/2024	400,000.00	4.000%		380,000.00	
			1/15/2025	410,000.00	4.000%				
			1/15/2026	420,000.00	4.000%				
			1/15/2027	430,000.00	4.000%				
			1/15/2028	440,000.00	4.000%				
			1/15/2029	450,000.00	2.000%				
			1/15/2030	465,000.00	2.000%				
			1/15/2031	475,000.00	2.000%				
			1/15/2032	485,000.00	2.000%				
			1/15/2033	500,000.00	2.000%				
			1/15/2034	510,000.00	2.000%				
			1/15/2035	525,000.00	2.000%				
			1/15/2036	540,000.00	2.000%				
			1/15/2037	550,000.00	2.000%				
			1/15/2038	565,000.00	2.000%				
			1/15/2039	580,000.00	2.000%				
		1/15/2040	595,000.00	2.000%					
		1/15/2041	610,000.00	2.000%					

**TOWNSHIP OF FLORENCE
GENERAL CAPITAL FUND
SCHEDULE OF SERIAL BONDS PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2022**

Purpose	Date of Issue	Original Issue	Maturities of Bonds		Interest Rate	Balance	
			Outstanding			December 31,	December 31,
			Date	Amount		2021	2022
General Improvement Bonds - 2022	6/7/2022	11,360,000.00	3/1/2023	325,000.00	5.000%	-	11,360,000.00
			3/1/2024	325,000.00	5.000%		
			3/1/2025	630,000.00	5.000%		
			3/1/2026	630,000.00	5.000%		
			3/1/2027	630,000.00	5.000%		
			3/1/2028	630,000.00	5.000%		
			3/1/2029	630,000.00	5.000%		
			3/1/2030	630,000.00	3.000%		
			3/1/2031	630,000.00	4.000%		
			3/1/2032	630,000.00	4.000%		
			3/1/2033	630,000.00	4.000%		
			3/1/2034	630,000.00	3.500%		
			3/1/2035	630,000.00	3.500%		
			3/1/2036	630,000.00	4.000%		
			3/1/2037	630,000.00	4.000%		
			3/1/2038	630,000.00	4.000%		
		3/1/2039	630,000.00	4.000%			
		3/1/2040	630,000.00	4.000%			
		3/1/2041	630,000.00	4.000%			
						Increased	11,360,000.00
						Decreased	-
							Balance December 31, 2022
							11,360,000.00
							Balance December 31, 2021
							-
							Balance December 31, 2020
							12,405,000.00
							11,360,000.00
							900,000.00
							22,865,000.00

**TOWNSHIP OF FLORENCE
GENERAL CAPITAL FUND
SCHEDULE OF BOND ANTICIPATION NOTES
FOR THE YEAR ENDED DECEMBER 31, 2022**

Ordinance Number	Improvement Description	Date of Issue of Original Note	Amount of Original Note	Date of Issue	Date of Maturity	Interest Rate	Balance December 31, 2021	Change		Balance December 31, 2022	
								Increased	Decreased		
2015-01	Township Road Program - 2015	1/6/21	\$ 554,000.00	1/6/21 1/12/22	1/13/22 6/8/22	1.500% 1.250%	\$ 554,000.00	\$ -	\$ 554,000.00	\$ -	
2015-02	Acquisition of 3 Police Tahoes	5/27/20	171,000.00	6/9/21	6/8/22	1.500%	171,000.00	-	171,000.00	-	
2015-03	Acquisition of 791 Railroad Avenue	1/6/21	81,000.00	1/6/21 1/12/22	1/13/22 6/8/22	1.500% 1.250%	81,000.00	81,000.00	-	81,000.00	-
2015-06	Improvements to Municipal Buildings	5/27/20	190,000.00	6/9/21	6/8/22	1.500%	190,000.00	-	190,000.00	-	
2015-17	Acquisition of 1476 Hornberger Avenue	1/6/21	221,000.00	1/6/21 1/12/22	1/13/22 6/8/22	1.500% 1.250%	221,000.00	221,000.00	-	221,000.00	-
2015-21	Construction of Salt Storage Building	1/6/21	381,000.00	1/6/21 1/12/22	1/13/22 6/8/22	1.500% 1.250%	381,000.00	381,000.00	-	381,000.00	-
2015-23	Repaving and Repair to Hornberger Avenue	1/6/21	75,000.00	1/6/21 1/12/22	1/13/22 6/8/22	1.500% 1.250%	75,000.00	75,000.00	-	75,000.00	-
2015-24	Improvements to Municipal Buildings	5/27/20	266,000.00	6/9/21	6/8/22	1.500%	266,000.00	-	266,000.00	-	
2015-25	Improvements to Municipal Parks	5/27/20	275,000.00	6/9/21	6/8/22	1.500%	275,000.00	-	275,000.00	-	
2015-26	Township Road Program - 2016	1/6/21	833,000.00	1/6/21 1/12/22	1/13/22 6/8/22	1.500% 1.250%	833,000.00	833,000.00	-	833,000.00	-
2015-30	Acquisition of 2135 Route 130	1/6/21	408,000.00	1/6/21 1/12/22	1/13/22 6/8/22	1.500% 1.250%	408,000.00	408,000.00	-	408,000.00	-
2015-31	Acquisition of Marconi Lodge	1/6/21	58,000.00	1/6/21 1/12/22	1/13/22 6/8/22	1.500% 1.250%	58,000.00	58,000.00	-	58,000.00	-
2016-30	Acquisition of B165.04, L63 Florence-Columbus Road	1/6/21	487,000.00	1/6/21 1/12/22	1/13/22 6/8/22	1.500% 0.425%	487,000.00	473,000.00	-	487,000.00	-
2018-06	Acquisition of Police Vehicles	5/27/20	152,000.00	6/9/21	6/8/22	1.500%	152,000.00	-	152,000.00	-	
2018-07	Acquisition of 2063 Bustleton Road	5/27/20	171,000.00	6/9/21	6/8/22	1.500%	171,000.00	-	171,000.00	-	
2018-31	Acquisition of Police Vehicles	5/27/20	152,000.00	6/9/21	6/8/22	1.500%	152,000.00	-	152,000.00	-	
2019-08	Acquisition of Police Equipment	5/27/20	218,500.00	6/9/21	6/8/22	1.500%	218,500.00	-	218,500.00	-	
2019-09	Replacement of Above Ground Storage Tanks	5/27/20	760,000.00	6/9/21	6/8/22	1.500%	760,000.00	-	760,000.00	-	
2019-10	Township Road Program - 2019	1/6/21	2,755,000.00	1/6/21 1/12/22	1/13/22 6/8/22	1.500% 1.250%	2,755,000.00	2,755,000.00	-	2,755,000.00	-
2019-18	Acquisition of Police Vehicles	5/27/20	161,500.00	6/9/21	6/8/22	1.500%	161,500.00	-	161,500.00	-	
2019-19	Fifth Street Rails to Trails	5/27/20	190,000.00	6/9/21	6/8/22	1.500%	190,000.00	-	190,000.00	-	
2019-26	Acquisition of 100 Fifth Avenue	1/6/21	285,000.00	1/6/21 1/12/22	1/13/22 6/8/22	1.500% 1.250%	285,000.00	285,000.00	-	285,000.00	-
2020-09	Acquisition of Police Vehicles	1/6/21	152,000.00	1/6/21 1/12/22	1/13/22 6/8/22	1.500% 1.250%	152,000.00	152,000.00	-	152,000.00	-
							\$ 8,997,000.00	\$ 6,276,000.00	\$ 15,273,000.00	\$ -	
							Paid by Current Fund Budget Appropriations				
							Paid by Open Space Trust Fund				
							Serial Bonds Issued				
							Renewal of Notes				
							\$ -	\$ -	\$ 14,000.00	\$ -	
									\$ 473,000.00	\$ -	
									\$ 8,510,000.00	\$ -	
									\$ 6,276,000.00	\$ 6,276,000.00	
									\$ 15,273,000.00	\$ 15,273,000.00	

**TOWNSHIP OF FLORENCE
GENERAL CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS
FOR THE YEAR ENDED DECEMBER 31, 2022**

Ordinance Number	Improvement Description	Date	Amount	Balance, December 31, 2021		Current Year Authorizations		Reserve for	Capital Improvement Fund	Prior Year Reserve for Encumbrances	Paid or Charged	Current Year Reserve for Encumbrances	Balance, December 31, 2022		
				Funded	Unfunded	Deferred Changes to Future Taxation	Reserve for						Cancelled	Funded	Unfunded
						- Unfunded	Grants								
2011-03	Various Capital Improvements	2011	\$ 800,000.00	\$ 17,604.54	\$ 8,507.52	\$ -	\$ -	\$ -	\$ -	\$ 26,112.06	\$ -	\$ -	\$ -	\$ -	
2012-05	Improvements to Recreational Fields	2012	450,000.00	37,881.92	2,590.00	-	-	-	-	40,471.92	-	-	-	-	
2013-05	Acquisition of Street Sweeper	2013	250,000.00	1,068.41	-	-	-	-	-	1,068.41	-	-	-	-	
2013-12	2013-2014 Road Program	2013	800,000.00	17,304.94	-	-	-	-	-	17,304.94	-	-	-	-	
2013-13	Repair & Reconstruction of the Boulevard	2013	350,000.00	17,621.04	2,566.25	-	-	-	-	20,187.29	-	-	-	-	
2013-16	Acquisition of Property on the Route 130 Corridor	2013	937,000.00	19,014.75	-	-	-	-	-	19,014.75	-	-	-	-	
2014-21	Construction of Parking Lot at Veteran's Park	2014	160,000.00	20,223.28	-	-	-	-	-	20,223.28	-	-	-	-	
2014-10	Acquisition of Police Vehicles	2014	115,000.00	8,490.21	-	-	-	-	-	8,490.21	-	-	-	-	
2014-11	Acquisition of Public Works Vehicles	2014	300,000.00	18,828.33	-	-	-	-	-	18,828.33	-	-	-	-	
2014-12	Improvements to Boulevard Street	2014	300,000.00	18,417.09	-	-	-	-	-	18,417.09	-	-	-	-	
2014-14	Improvements to Municipal Building	2014	470,000.00	16,989.49	-	-	-	-	-	16,989.49	-	-	-	-	
2014-17	Preliminary Work & Improvements to Hornberger Avenue	2014	1,500,000.00	17,258.25	-	-	-	-	-	17,258.25	-	-	-	-	
2015-01	2015 Road Program	2015	1,400,000.00	-	768,090.75	-	-	-	-	-	-	120.94	16,989.49	-	
2015-02	Acquisition of 3 Police Tahoes	2015	180,000.00	-	10,889.53	-	-	-	-	3,397.70	-	-	764,572.11	-	
2015-03	Acquisition of 791 Railroad Avenue	2015	100,000.00	-	32,718.87	-	-	-	-	2,808.13	-	-	8,081.40	-	
2015-06	Improvements to Township Buildings	2015	200,000.00	-	84,094.38	-	-	-	-	6,008.13	-	-	78,086.25	-	
2015-17	Acquisition of 1476 Hornberger Avenue	2015	400,000.00	-	172,921.35	-	-	-	-	169,402.71	-	-	-	-	
2015-21	Construction of Salt Storage Building	2015	600,000.00	-	207,755.67	-	-	-	-	3,397.70	-	-	204,237.03	-	
2015-23	Repairing and Repair to Hornberger Avenue	2015	451,000.00	-	185,824.94	-	-	-	-	4,897.70	-	-	60,084.18	-	
2015-24	Improvements to Municipal Buildings	2015	280,000.00	-	57,104.47	-	-	-	-	2,808.13	-	-	54,296.34	-	
2015-25	Improvements to Municipal Parks	2015	290,000.00	-	69,358.54	-	-	-	-	19,164.91	-	-	50,193.63	-	
2015-26	2016 Road Program	2015	1,900,000.00	-	990,314.63	-	-	-	-	3,397.70	-	-	-	-	
2015-30	Acquisition of 2135 Route 130	2015	600,000.00	-	180,462.64	-	-	-	-	3,397.70	-	-	176,944.00	-	
2015-31	Acquisition of Marconi Lodge	2015	400,000.00	-	341,025.10	-	-	-	-	3,397.70	-	-	337,506.46	-	
2016-03	Acquisition of 851 Railroad Avenue	2016	190,000.00	-	17,706.22	-	-	-	-	-	-	-	17,706.22	-	
2016-09	Acquisition of Police Vehicles	2016	140,000.00	-	17,734.57	-	-	-	-	-	-	-	17,734.57	-	
2016-14	Acquisition of 440 W. 4th Street	2016	500,000.00	-	18,477.19	-	-	-	-	-	-	-	18,477.19	-	
2016-17	Acquisition of Vehicles	2016	200,000.00	-	17,583.38	-	-	-	-	-	-	-	17,583.38	-	
2016-29	Acquisition of BI65.01, L2.01 Florence-Columbus Road	2016	1,000,000.00	-	1,000,000.00	-	-	-	-	-	-	-	17,968.45	-	
2016-30	Acquisition of BI65.04, L63 Florence-Columbus Road	2016	1,100,000.00	-	179,867.77	-	-	-	-	1,047.30	-	47.30	179,867.77	250.00	
2016-35	Installation of (3) Pedestrian Signals	2016	75,000.00	-	250.00	-	-	-	-	-	-	-	-	-	
2016-36	Road & Drainage Improvements - Hornberger Avenue	2016	910,000.00	-	62,724.23	-	-	-	-	-	-	-	62,724.23	-	
2016-37	Acquisition of 207 Iron Street	2016	140,000.00	-	53,746.07	-	-	-	-	-	-	-	53,746.07	-	
2017-06	2017 Road Program	2017	1,900,000.00	-	40,680.81	-	-	-	-	-	-	-	40,680.81	-	
2017-07	Acquisition of Police Vehicles	2017	170,000.00	-	2,048.32	-	-	-	-	-	-	-	2,048.32	-	
2017-08	Improvements to Municipal Buildings	2017	160,000.00	-	39,520.42	-	-	-	-	11,535.00	-	-	27,985.42	-	
2017-09	Park Improvements & Asq. Of Safety Equipment	2017	180,000.00	-	50,889.99	-	-	-	-	304.00	-	-	50,889.99	-	
2017-10	Improvements to Streets & Roads	2017	150,000.00	-	15,894.38	-	-	-	-	15,894.38	-	-	0.88	-	
2017-16	Acquisition of 711 and 713 West Third Street	2017	260,000.00	-	21,425.77	-	-	-	-	7,477.00	-	-	21,425.77	-	
2017-17	Acquisition of 111 Norman Avenue	2017	350,000.00	-	22,077.68	-	-	-	-	-	-	-	22,077.68	-	
2017-18	Drainage and Road Improvements - Front & Chestnut	2017	270,000.00	-	21,667.55	-	-	-	-	103,028.25	-	-	21,667.55	-	
2017-23	Architectural Services - Municipal Building	2017	150,000.00	-	139,083.74	-	-	-	-	-	-	-	31,005.49	-	
2017-29	Acquisition of Real Property (781 & 783 Railroad, 306 Foundry)	2017	520,000.00	-	135,797.15	-	-	-	-	-	-	-	135,797.15	-	
2017-30	Road & Drainage Improvements - Hornberger Avenue	2017	900,000.00	-	17,203.98	-	-	-	-	-	-	-	17,203.98	-	
2017-32	2018 Road Improvement Program	2017	2,900,000.00	-	101,774.68	-	-	-	-	4,000.00	-	-	101,723.68	-	
2017-33	Park Improvement Projects	2017	220,000.00	-	88,418.70	-	-	-	-	-	-	-	88,418.70	-	
2018-06	Acquisition of Police Vehicles	2018	160,000.00	-	28,876.18	-	-	-	-	4,051.00	-	-	61,163.66	-	
2018-07	Acquisition of 2063 Buxleton Road	2018	180,000.00	-	81,405.57	-	-	-	-	2,808.12	-	-	78,597.45	-	
2018-15	Improvements to Streets & Roads	2018	100,000.00	-	24,152.80	-	-	-	-	24,152.20	-	-	0.60	-	
2018-31	Acquisition of Police Vehicles	2018	160,000.00	-	24,601.71	-	-	-	-	2,808.12	-	-	21,793.59	-	
2019-05	Installation of Pedestrian Improvements	2019	75,000.00	-	83,605.98	-	-	-	-	-	-	-	83,605.98	-	
2019-08	Acquisition of Police Equipment	2019	230,000.00	-	159,131.35	-	-	-	-	2,808.12	-	-	156,323.23	-	
2019-09	Above Ground Storage Tanks	2019	800,000.00	-	31,139.65	-	-	-	-	13,415.62	-	-	777,724.03	-	
2019-10	2019 Road Program	2019	2,900,000.00	-	516,066.97	-	-	-	-	270,356.49	-	-	512,548.33	-	
2019-18	Acquisition of Police Vehicles	2019	170,000.00	-	39,690.78	-	-	-	-	2,808.13	-	-	36,882.65	-	
2019-19	Fifth Street Rails to Trails	2019	200,000.00	-	136,296.65	-	-	-	-	2,808.13	-	-	133,488.52	-	
2019-26	Acquisition of 100 Fifth Avenue	2019	300,000.00	-	176,661.80	-	-	-	-	3,397.70	-	-	173,143.16	-	
2020-09	Acquisition of Police Vehicles	2020	160,000.00	-	49,109.12	-	-	-	-	109,116.38	-	-	32,550.59	-	
2021-08/18	Improvements to Potts Mill Road	2021	1,600,000.00	-	278,437.67	-	-	-	-	295,396.79	-	-	282,562.92	-	
2021-09	Acquisition of 1470 Hornberger Avenue	2021	650,000.00	-	19,604.61	-	-	-	-	8,648.00	-	-	16,580.61	-	
2021-10	Improvements to Wilbur Henry Drive	2021	475,000.00	-	191,713.94	-	-	-	-	168,548.30	-	-	105,349.12	-	
2021-19	Erosion Control Project in Riverbank Dr./Pine Grove Ln.	2021	700,000.00	-	326,698.93	-	-	-	-	371,853.35	-	-	617,500.00	-	
2021-26	Improvements to 9th Street	2021	950,000.00	-	47,500.00	-	-	-	-	336,755.00	-	-	100,000.00	-	
2022-01	Improvements to Wilbur Henry Drive	2022	300,000.00	-	-	-	72,000.00	-	-	85,433.44	-	-	208,533.43	-	
2022-03	Improvements to Township Roads and Streets	2022	3,500,000.00	-	-	-	-	-	-	287,780.26	-	-	12,219.74	-	
2022-05	Acquisition of Police Vehicles	2022	160,000.00	-	3,325,000.00	-	-	-	-	1,663,746.81	-	-	840,000.00	-	
2022-07	Improvements and Repairs to Township Streets and Sidewalks	2022	250,000.00	-	237,500.00	-	-	-	-	2,808.13	-	-	29,908.81	-	
2022-14	Acquisition of Public Works Vehicles and Equipment	2022	500,000.00	-	475,000.00	-	-	-	-	178,828.23	-	-	71,171.77	-	
			\$ 1,528,829.48	\$ 7,636,971.50	\$ 4,402,500.00	\$ 72,000.00	\$ 2,215,759.03	\$ 3,634,002.47	\$ 3,137,803.84	\$ 2,325,187.32					

**TOWNSHIP OF FLORENCE
GENERAL CAPITAL FUND
SCHEDULE OF CAPITAL IMPROVEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2022**

Balance, December 31, 2021	\$ 168,054.85
Increased By:	
Budget Appropriation	<u>250,000.00</u>
	418,054.85
Decreased By:	
Appropriated to Finance Improvement Authorizations	<u>235,500.00</u>
Balance, December 31, 2022	<u><u>\$ 182,554.85</u></u>

**TOWNSHIP OF FLORENCE
GENERAL CAPITAL FUND
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED
FOR THE YEAR ENDED DECEMBER 31, 2022**

Ordinance Number	Improvement Description	Balance	Current	Bonds	Balance
		December 31, 2021	Year Authorizations	Issued	December 31, 2022
2011-03	Various Capital Improvements	\$ 8,507.52	\$ -	-	\$ 8,507.52
2012-05	Improvements to Recreational Fields	2,590.00	-	-	2,590.00
2013-13	Repair & Reconstruction of the Boulevard	2,566.25	-	-	2,566.25
2015-01	2015 Road Program	776,000.00	-	-	764,572.11
2015-03	Acquisition of 791 Railroad Avenue	14,000.00	-	-	14,000.00
2015-17	Acquisition of 1476 Hornberger Avenue	159,000.00	-	-	159,000.00
2015-21	Construction of Salt Storage Building	189,000.00	-	-	189,000.00
2015-23	Repaving and Repair to Hornberger Avenue	167,250.00	-	-	120,722.12
2015-25	Improvements to Municipal Parks	500.00	-	-	500.00
2015-26	2016 Road Program	972,000.00	-	-	972,000.00
2015-30	Acquisition of 2135 Route 130	162,000.00	-	-	162,000.00
2015-31	Acquisition of Marconi Lodge	322,000.00	-	-	322,000.00
2016-35	Installation of (3) Pedestrian Signals	250.00	-	-	250.00
2021-08/18	Improvements to Potts Mill Road	1,230,000.00	-	-	1,230,000.00
2021-09	Acquisition of 1470 Hornberger Avenue	617,500.00	-	-	617,500.00
2021-10	Improvements to Wilbur Henry Drive	240,000.00	-	-	240,000.00
2021-19	Erosion Control Project in Riverbank Drive /Pine Grove Lane	665,000.00	-	-	473,399.42
2021-26	Improvements to 9th Street	902,500.00	-	-	902,500.00
2022-01	Improvements to Wilbur Henry Drive	-	213,000.00	213,000.00	-
2022-03	Improvements to Township Roads and Streets	-	3,325,000.00	2,485,000.00	840,000.00
2022-05	Acquisition of Police Vehicles	-	152,000.00	152,000.00	-
2022-07	Improvements and Repairs to Township Streets and Sidewalks	-	237,500.00	-	237,500.00
2022-14	Acquisition of Public Works Vehicles and Equipment	-	475,000.00	-	475,000.00
		\$ 6,430,663.77	\$ 4,402,500.00	\$ 2,850,000.00	\$ 2,908,558.58
		\$ 5,074,605.19			\$ 5,074,605.19

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WATER & SEWER UTILITY FUND

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**TOWNSHIP OF FLORENCE
WATER & SEWER UTILITY FUND
SCHEDULE OF CASH
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Operating	Capital	Assessment Trust
Balance, December 31, 2021	\$ 4,664,680.35	\$ 3,393,438.37	\$ 335,066.47
Increased By Receipts:			
Consumer Accounts Receivable	\$ 5,045,129.67	-	-
Utility Overpayments	10,585.44	-	-
Miscellaneous Revenue	411,610.75	-	-
Due to Water & Sewer Operating Fund	-	7,902.05	563.74
Water & Sewer Assessments Receivable	-	-	2,000.00
Premium on Notes Issued	-	6,180.00	-
Bond Anticipation Notes	-	10,300,000.00	-
	<u>5,467,325.86</u>	<u>10,314,082.05</u>	<u>2,563.74</u>
	10,132,006.21	13,707,520.42	337,630.21
Decreased By Disbursements:			
2022 Budget Appropriations	4,808,337.00	-	-
2021 Appropriation Reserves	600,371.57	-	-
Accrued Interest on Bonds & Notes	309,639.65	-	-
Due to/from Current Fund	158,982.80	-	55,000.00
Due to Open Space Trust Fund	19,268.75	-	-
Payment of Bonds	-	-	55,000.00
Improvement Authorizations	-	1,766,728.50	-
Bond Anticipation Notes	-	7,300,000.00	-
	<u>5,896,599.77</u>	<u>9,066,728.50</u>	<u>110,000.00</u>
Balance, December 31, 2022	<u>\$ 4,235,406.44</u>	<u>\$ 4,640,791.92</u>	<u>\$ 227,630.21</u>

**TOWNSHIP OF FLORENCE
WATER & SEWER UTILITY CAPITAL FUND
SCHEDULE OF WATER & SEWER UTILITY CAPITAL CASH
FOR THE YEAR ENDED DECEMBER 31, 2022**

		Balance December 31, <u>2022</u>
Encumbrances Payable		\$ 894,940.16
Capital Improvement Fund		374,140.62
Reserve for Developer Contributions, Hovnanian		25,000.00
Fund Balance		1,039,093.66
Due from Current Fund		(2,000,000.00)
Due from General Capital Fund		(95,849.00)
Due to Utility Operating Fund		284,647.77
Ordinance		
<u>Number</u>	<u>Improvement Description</u>	
2016-34	Water Treatment Plant Impr	76,605.50
2019-07	Improvements to Wastewater Treatment Plant	10,587.76
2019-16	STP Sludge Dewatering Press Upgrade	493,418.23
2019-17	WTP Chemical Building Upgrade	1,601,412.22
2022-06	Reconstruction and Replacement of Sanitary Sewer Pump Stations	2,728,990.00
2022-15	Acquisition of Water/Sewer Utility Vehicles and Equipment	(792,195.00)
		<u>4,640,791.92</u>
		<u>\$ 4,640,791.92</u>

**TOWNSHIP OF FLORENCE
WATER & SEWER UTILITY OPERATING FUND
SCHEDULE OF CONSUMER ACCOUNTS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2022**

Balance, December 31, 2021		\$ 393,028.57
Increased By:		
Water & Sewer Rents Levied		<u>4,928,449.74</u>
		5,321,478.31
Decreased By:		
Collections	\$ 5,045,129.67	
Transfer to Liens	<u>1,380.00</u>	
		<u>5,046,509.67</u>
Balance, December 31, 2022		<u><u>\$ 274,968.64</u></u>

**SCHEDULE OF LIENS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2022**

Balance, December 31, 2021		\$ 15,337.40
Increased By:		
Transfers From Consumer Accounts Receivable		<u>1,380.00</u>
Balance, December 31, 2022		<u><u>\$ 16,717.40</u></u>

**TOWNSHIP OF FLORENCE
WATER & SEWER UTILITY CAPITAL FUND
SCHEDULE OF FIXED CAPITAL
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Balance Dec. 31, 2021	Additions <u>Transfer From Fixed Capital Uncompleted</u>	Balance Dec. 31, 2022 & 2021
<u>Water Utility</u>			
Land	\$ 6,905.00	\$ -	\$ 6,905.00
Water Tank	566,793.05	-	566,793.05
Buildings, Wells and Equipment	2,089,307.06	-	2,089,307.06
Distribution Mains	1,117,820.82	-	1,117,820.82
Meters and Meter Boxes	429,427.75	-	429,427.75
Fire Hydrants	18,354.29	-	18,354.29
General Structures, Equipment and Miscellaneous Construction Costs	696,389.41	-	696,389.41
Replacement of Water Mains - Front Street	106,001.25	-	106,001.25
Replacement of Water Mains - Yurcisin Street	52,736.06	-	52,736.06
Construction of Water Tower & Replacement of Water Mains	2,396,729.14	-	2,396,729.14
Acquisition & Installation of Water Lines - 8th & Wallace	62,210.38	-	62,210.38
Construction of Water Main & Related Road Improvements	167,958.87	-	167,958.87
Upgrade to Water Treatment Plant	278,400.00	-	278,400.00
Replacement of Water Mains & Service Lines - Second St	138,833.84	-	138,833.84
Repainting of Water Tower	-	900,587.33	900,587.33
<u>Sewer Utility</u>			
Plant, Pumping Station, Lines, General Structure, Equipment, etc.	18,640,245.20	-	18,640,245.20
Backwash Tank	215,092.56	-	215,092.56
Emergency Generator	316,022.31	-	316,022.31
Sewer Main Extension	153,676.56	-	153,676.56
Rehabilitation of Sewer Digesters	1,502,662.14	-	1,502,662.14
Renovation to Broad Street Pump/Main Street Extension	297,238.63	-	297,238.63
Acquisition & Installation of Equipment for Main Street Pump Station	101,889.76	-	101,889.76
Improvements Maple Street Pump Station	246,253.73	-	246,253.73
Installation of Water & Sewer Mains on Route 130	2,584,550.57	-	2,584,550.57
Installation of Water & Sewer Mains at Tall Pines Development	1,223,940.98	-	1,223,940.98
Repair & Replacement of Water Mains	858,328.01	-	858,328.01
Upgrade to Mallard Creek Pump Station	-	245,108.57	245,108.57
<u>Water & Sewer Utility</u>			
Various Improvements	2,127,130.94	-	2,127,130.94
Various Improvements	1,828,853.24	-	1,828,853.24
	<u>\$ 38,223,751.55</u>	<u>\$ 1,145,695.90</u>	<u>\$ 39,369,447.45</u>

**TOWNSHIP OF FLORENCE
WATER & SEWER UTILITY CAPITAL FUND
SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED
FOR THE YEAR ENDED DECEMBER 31, 2022**

Ord. No.	Improvement Description	Date	Ordinance		Balance Dec. 31, 2021	2022 Authorizations	Transfer to Fixed Capital	Authorizations Canceled	Balance Dec. 31, 2022					
			Amount											
2014-22	Rehabilitation of Sewer Digesters	10/15/14	400,000.00	\$	400,000.00	\$	-	\$	400,000.00					
2016-34	Water Treatment Plant Improvements	12/7/16	2,400,000.00		2,400,000.00	-	-	-	2,400,000.00					
2018-18	Repainting of Water Tower	8/1/18	1,500,000.00		1,500,000.00	-	900,587.33	599,412.67	-					
2019-06	Upgrade to Mallard Creek Pump Station	4/17/19	300,000.00		300,000.00	-	245,108.57	54,891.43	-					
2019-07	Improvements to Wastewater Treatment Plant	4/17/19	200,000.00		200,000.00	-	-	-	200,000.00					
2019-16	STP Sludge Dewatering Press Upgrade	9/18/19	2,500,000.00		2,500,000.00	-	-	-	2,500,000.00					
2019-17	WTP Chemical Building Upgrade	9/18/19	4,800,000.00		4,800,000.00	-	-	-	4,800,000.00					
2022-06	Reconstruction and Replacement of Sanitary Sewer Pump Stations	4/20/22	4,000,000.00		-	4,000,000.00	-	-	4,000,000.00					
2022-15	Acquisition of Water/Sewer Utility Vehicles and Equipment	12/7/22	920,000.00		-	920,000.00	-	-	920,000.00					
					\$	12,100,000.00	\$	4,920,000.00	\$	1,145,695.90	\$	654,304.10	\$	15,220,000.00

**TOWNSHIP OF FLORENCE
WATER & SEWER UTILITY OPERATING FUND
SCHEDULE OF 2021 APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Balance		Reserves	Balance After Modifications	Paid or Charged	Balance Lapsed
	December 31, 2021	Encumbered				
Operating:						
Salaries and Wages	\$ -	\$ 86,827.88	\$ 86,827.88	\$ 86,827.88	\$ 86,000.00	\$ 827.88
Other Expenses	433,729.98	680,504.99	1,114,234.97	485,554.72	628,680.25	
Group Insurance Plan for Employees	-	14,559.64	14,559.64	14,348.88	210.76	
Total Operating	433,729.98	781,892.51	1,215,622.49	585,903.60	629,718.89	
Statutory Expenditures:						
Contributions To:						
Public Employee's Retirement System	-	14,444.42	14,444.42	-	14,444.42	
Social Security System (O.A.S.I.)	14,467.97	33,738.40	48,206.37	14,467.97	33,738.40	
Total Statutory Expenditures	14,467.97	48,182.82	62,650.79	14,467.97	48,182.82	
Total	\$ 448,197.95	\$ 830,075.33	\$ 1,278,273.28	\$ 600,371.57	\$ 677,901.71	

**TOWNSHIP OF FLORENCE
WATER & SEWER UTILITY OPERATING FUND
SCHEDULE OF ACCRUED INTEREST ON BONDS, LOANS AND NOTES
FOR THE YEAR ENDED DECEMBER 31, 2022**

Balance, December 31, 2021		\$	85,643.65
Increased by:			
Charged to Budget Appropriations:			
Interest on Bonds & Loans		\$	214,999.03
Interest on Notes			210,000.00
			424,999.03
Subtotal			510,642.68
Decreased by:			
Cash Disbursements			309,639.65
Cancelled			60,615.34
			370,254.99
Balance, December 31, 2022		\$	140,387.69

ANALYSIS OF ACCRUED INTEREST DECEMBER 31, 2022

PRINCIPAL OUTSTANDING DECEMBER 31, <u>2022</u>	<u>INTEREST RATE</u>	<u>FROM</u>	<u>TO</u>	<u>PERIOD</u>	<u>AMOUNT</u>
Serial Bonds:					
\$ 177,000.00	Various	9/1/2022	12/31/2022	120 days	\$ 1,953.75
96,000.00	Various	9/1/2022	12/31/2022	120 days	1,059.17
155,000.00	Various	12/1/2022	12/31/2022	30 days	645.83
5,365,000.00	Various	12/1/2022	12/31/2022	30 days	13,199.48
Notes:					
\$ 10,300,000.00	2.125%	6/7/2022	12/31/2022	206 Days	123,529.46
Total					\$ 140,387.69

**TOWNSHIP OF FLORENCE
WATER & SEWER CAPITAL FUND
SCHEDULE OF BOND ANTICIPATION NOTES
FOR THE YEAR ENDED DECEMBER 31, 2022**

<u>Ord. Number</u>	<u>Improvement Description</u>	<u>Date of Issue of Original Note</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Issue Rate</u>	<u>Balance December 31, 2021</u>	<u>Increased</u>	<u>Decreased</u>	<u>Balance December 31, 2022</u>
2019-16	STP Sludge Dewatering Press	5/27/20	6/9/21 6/7/22	6/8/22 6/6/23	1.500% 2.125%	\$ 2,500,000.00 -	\$ - 2,500,000.00	\$ 2,500,000.00 -	\$ - 2,500,000.00
2019-17	WTP Chemical Building Upgrade	5/27/20	6/9/21 6/7/22	6/8/22 6/6/23	1.500% 2.125%	4,800,000.00 -	- 4,800,000.00	4,800,000.00 -	- 4,800,000.00
2022-06	Reconstruction and Replacement of Sanitary Sewer Pump Stations	6/7/22	6/7/22	6/6/23	2.125%	-	3,000,000.00	-	3,000,000.00
						<u>\$ 7,300,000.00</u>	<u>\$ 10,300,000.00</u>	<u>\$ 7,300,000.00</u>	<u>\$ 10,300,000.00</u>
								<u>Renewal of Notes Issued for Cash</u>	
								\$ 7,300,000.00	\$ 7,300,000.00
								<u>3,000,000.00</u>	<u>-</u>
								<u>\$ 10,300,000.00</u>	<u>\$ 7,300,000.00</u>

**TOWNSHIP OF FLORENCE
WATER & SEWER CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS
FOR THE YEAR ENDED DECEMBER 31, 2022**

Ord. No.	Improvement Description	Date	Ordinance Amount	Balance December 31, 2021		Authorizations	Prior Year Encumbrances	Paid or Charged	Current Year Encumbrances	Canceled	Balance December 31, 2022	
				Funded	Unfunded						Funded	Unfunded
2016-34	Water Treatment Plant Impr	12/7/16	\$ 2,400,000.00	\$ 76,605.50	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 76,605.50	\$ -
2018-18	Repainting of Water Tower	8/1/18	1,500,000.00	599,412.67	-	-	-	-	599,412.67	-	-	-
2019-06	Upgrade to Mallard Creek Pump Station	4/17/19	300,000.00	54,891.43	-	-	-	-	54,891.43	-	-	-
2019-07	Improvements to Wastewater Treatment Plant	4/17/19	200,000.00	10,587.76	-	-	-	-	-	-	10,587.76	-
2019-16	STP Sludge Dewatering Press Upgrade	9/18/19	2,500,000.00	-	725,820.99	-	1,132,531.11	1,320,330.76	44,603.11	-	-	493,418.23
2019-17	WTP Chemical Building Upgrade	9/18/19	4,800,000.00	-	1,785,937.97	-	49,004.04	205,686.49	27,843.30	-	-	1,601,412.22
2022-06	Reconstruction and Replacement of Sanitary Sewer Pump Stations	4/20/22	4,000,000.00	-	-	4,000,000.00	-	240,711.25	30,298.75	-	-	3,728,990.00
2022-15	Acquisition of Water/Sewer Utility Vehicles and Equipment	12/7/22	920,000.00	-	-	920,000.00	-	-	792,195.00	-	-	127,805.00
				\$ 741,497.36	\$ 2,511,758.96	\$ 4,920,000.00	\$ 1,181,535.15	\$ 1,766,728.50	\$ 894,940.16	\$ 654,304.10	\$ 87,193.26	\$ 5,951,625.45

**TOWNSHIP OF FLORENCE
WATER & SEWER UTILITY OPERATING FUND
SCHEDULE OF CAPITAL IMPROVEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2022**

Balance, December 31, 2022 & 2021	\$ <u><u>374,140.62</u></u>
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**SCHEDULE OF RESERVE FOR AMORTIZATION
FOR THE YEAR ENDED DECEMBER 31, 2022**

Balance, December 31, 2021	\$ 36,533,501.55
Increased by:	
Serial Bonds Paid by Operating Fund	<u>615,000.00</u>
	37,148,501.55
Decreased by:	
Cancelled	<u>654,304.10</u>
Balance, December 31, 2022	\$ <u><u>36,494,197.45</u></u>

**TOWNSHIP OF FLORENCE
WATER & SEWER UTILITY CAPITAL FUND
SCHEDULE OF DEFERRED RESERVE FOR AMORTIZATION
FOR THE YEAR ENDED DECEMBER 31, 2022**

Ordinance		Balance
<u>No.</u>	<u>Improvement Description</u>	<u>Dec. 31, 2022 & 2021</u>
2016-16	Water Treatment Plant Improvements	\$ 106,240.29
2018-08	Water Main Replacement West Front Street	24,539.82
2014-08	Repairs to Wells 3, 4 & 5	7,750.00
2014-09	Acquisition of Vehicles - Water & Sewer	29,469.89
2014-22	Rehabilitation of Sewer Digesters	<u>10,250.00</u>
		<u>\$ 178,250.00</u>

**TOWNSHIP OF FLORENCE
 WATER & SEWER ASSESTMENT TRUST FUND
 SCHEDULE OF ASSESTMENT BONDS
 FOR THE YEAR ENDED DECEMBER 31, 2022**

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Maturities of Bonds Outstanding</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2021</u>	<u>Decreased</u>	<u>Balance Dec. 31, 2022</u>
			<u>Date</u>	<u>Amount</u>				
Assessment Bonds - Series of 2011	3/21/11	\$ 701,000.00	3/1/2023	\$ 50,000.00	3.250%	\$ 151,000.00	\$ 55,000.00	\$ 96,000.00
			3/1/2024	46,000.00	3.375%			
						<u>\$ 151,000.00</u>	<u>\$ 55,000.00</u>	<u>\$ 96,000.00</u>

**TOWNSHIP OF FLORENCE
 WATER AND SEWER ASSESSMENT TRUST FUND
 SCHEDULE OF ASSESSMENTS RECEIVABLE
 FOR THE YEAR ENDED DECEMBER 31, 2022**

<u>Ord. Number</u>	<u>Improvement Description</u>	<u>Amount</u>	<u>Balance Dec. 31, 2021</u>	<u>Received</u>	<u>Balance Dec. 31, 2022</u>
2005-18	Tall Pines Development: Properties	\$ 405,000.00	\$ 2,000.00	\$ 2,000.00	\$ -
			<u>\$ 2,000.00</u>	<u>\$ 2,000.00</u>	<u>\$ -</u>

**TOWNSHIP OF FLORENCE
WATER & SEWER UTILITY ASSESSMENT TRUST FUND
ANALYSIS OF ASSESSMENT TRUST CASH
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Receipts			Disbursements			Balance Dec. 31, 2022
	Balance Dec. 31, 2021	Assessments Receivable	Miscellaneous	Bonds Paid	Miscellaneous		
Fund Balance	\$ 126,065.03	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 126,065.03
Assessments:							
2005-18 Tall Pines Development	(2,000.00)	2,000.00	-	-	-	-	-
Florence School District	151,000.00	-	-	55,000.00	-	-	96,000.00
Due to Water & Sewer Operating Fund:							
Interest on Assessments	4,152.58	-	85.00	-	-	-	4,237.58
Interest Earned	848.86	-	478.74	-	-	-	1,327.60
Due to Current Fund	55,000.00	-	-	-	55,000.00	-	-
	\$ 335,066.47	\$ 2,000.00	\$ 563.74	\$ 55,000.00	\$ 55,000.00	\$ 55,000.00	\$ 227,630.21

**TOWNSHIP OF FLORENCE
 WATER & SEWER UTILITY CAPITAL FUND
 SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED
 FOR THE YEAR ENDED DECEMBER 31, 2022**

<u>Ordinance Number</u>	<u>Improvement Description</u>	Balance December 31, <u>2021</u>	2022 <u>Authorizations</u>	BAN's <u>Issued</u>	Balance December 31, <u>2022</u>
2022-06	Reconstruction and Replacement of Sanitary Sewer Pump Stations	\$ -	\$ 4,000,000.00	\$ 3,000,000.00	\$ 1,000,000.00
2022-15	Acquisition of Water/Sewer Utility Vehicles and Equipment	-	920,000.00	-	920,000.00
		\$ -	\$ 4,920,000.00	\$ 3,000,000.00	\$ 1,920,000.00

TOWNSHIP OF FLORENCE

PART II

**SCHEDULE OF FINANCIAL STATEMENT FINDINGS -
GOVERNMENT AUDITING STANDARDS**

FOR THE YEAR ENDED DECEMBER 31, 2022

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**TOWNSHIP OF FLORENCE
SCHEDULE OF FINANCIAL STATEMENT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2022**

This section identifies the significant deficiencies, material weaknesses and instances of noncompliance related to the basic financial statements that are required to be reported in accordance with *Government Auditing Standards* and with audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

Financial Statement Findings

No current year findings.

TOWNSHIP OF FLORENCE
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT
FOR THE YEAR ENDED DECEMBER 31, 2022

This section identifies the status of prior year findings related to the financial statements, federal awards and state financial assistance that are required to be reported in accordance with *Government Auditing Standards*, Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and New Jersey OMB's Circular 15-08.

Financial Statement Findings

Finding No. 2021-001

Condition:

The general ledger for all funds was not properly maintained and as a result material audit adjustments were needed in order to achieve proper presentation in the financial statements.

Current Status:

The finding has been corrected in the current year.

FEDERAL AWARDS

N/A – No Federal Single Audit in prior year.

STATE FINANCIAL ASSISTANCE

N/A – No State Single Audit in prior year.

TOWNSHIP OF FLORENCE

PART III

**LETTER OF COMMENTS AND RECOMMENDATIONS – REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2022**

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OFFICIALS IN OFFICE AND SURETY BONDS

The following officials were in office at December 31, 2022:

<u>Name</u>	<u>Title</u>
Craig H. Wilkie	Mayor
Bruce Garganio	Councilmember
Paul Ostrander	Councilmember
Frank Baldorossi, Jr.	Councilmember
Nick Haas	Councilmember
Kristan Marter	Councilmember
Stephen Fazekas	Administrator
Nancy L. Erlston	Municipal Clerk
Christopher Santiago	Chief Financial Officer
Christine Swiderski	Tax Collector
Patricia A. Mellor	Court Administrator

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HOLT MCNALLY & ASSOCIATES

Certified Public Accountants & Advisors

Honorable Mayor and Members
of the Township Council
Township of Florence
Florence, New Jersey

In accordance with requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the following are the *General Comments* and *Recommendations* for the year ended December 31, 2022.

GENERAL COMMENTS:

Contracts and Agreements required to be advertised by (N.J.S.A.40A:11-4)

N.J.S.A.40A:11-4 states every contract or agreement, for the performance of any work or furnishing or hiring of any materials or supplies, the cost or the contract price whereof is to be paid with or out of public funds not included within the terms of Section 3 of this act, shall be made or awarded only by the Governing Body of the contracting unit after public advertising for bids and bidding therefore, except as is provided otherwise in this act or specifically by any other Law. No work, materials or supplies shall be undertaken, acquired or furnished for a sum exceeding in the aggregate the bid threshold, except by contract or agreement.

The bid threshold in accordance with N.J.S.A. 40A:11-4 was \$44,000 for the year ended December 31, 2022.

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

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

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

618 Stokes Road, Medford, NJ 08055

P: 609.953.0612 • **F:** 609.257.0008

www.hmacpainc.com

Collection of Interest on Delinquent Taxes and Assessments

N.J.S.54:4-67, provides the method for authorizing interest and the maximum rates to be charged for the nonpayment of taxes or assessments on or before the date when they would become delinquent.

The governing body on January 5, 2022 adopted the following resolution authorizing interest to be charged on delinquent taxes:

“NOW, THEREFORE, BE IT RESOLVED by the Township Committee of the Township of Florence, County of Burlington, State of New Jersey, that the interest charged on delinquent taxes or assessments shall be, from the effective date of this resolution, eight percent (8%) per annum on the first \$1,500.00 of delinquency, and eighteen percent (18%) per annum on any amount in excess of \$1,500.00.

That the Township Committee determines that the penalties to be charged for tax delinquencies in excess of \$10,000.00 shall be six percent (6%) provided the delinquency exists in the calendar year following the year of delinquency.”

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

OTHER COMMENTS (FINDINGS):

None.

RECOMMENDATIONS:

None.

APPRECIATION

We express our appreciation for the assistance and courtesies extended to the members of the audit team.

Respectfully submitted,

HOLT MCNALLY & ASSOCIATES, INC.
Certified Public Accountants & Advisors

Michael Holt
Certified Public Accountant
Registered Municipal Accountant
RMA No. 473

Medford, New Jersey
June 26, 2023