

TOWNSHIP OF HOPEWELL
County of Mercer

Report of Audit of Financial Statements

For the Year Ended December 31, 2021

TOWNSHIP OF HOPEWELL
COUNTY OF MERCER

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TOWNSHIP OF HOPEWELL

PART I

Introductory Section

For the Year Ended December 31, 2021

TOWNSHIP OF HOPEWELL

Mercer County

General Description

Hopewell Township (“the Township”) is comprised of an area of approximately 60 square miles. It is bounded by Hunterdon County to the north, the Delaware River to the west, Lawrence and Ewing Townships to the south and Princeton and Montgomery (Somerset County) Townships on the east. The Township also surrounds the boroughs of Hopewell and Pennington. The Township is divided by New Jersey State Highway Route 31. The cities of Philadelphia and New York provide cultural and economic centers which are easily accessible via Interstates 95 and 295, which run through the Township, commuter railroad transportation and/or bus service. Air travel connections are available at the Trenton/Mercer County Airport, which is located just over the Township’s southern border in Ewing Township.

The area encompassing the Township of Hopewell is bucolic in nature. A mixture of pastoral, wooded and rugged terrain guarantees that future development will be limited to suitable areas allowing the Township to retain its rural and unspoiled characteristics. Approximately 23% of the Township is developed as residential; approximately 54% is vacant, wooded or agricultural; approximately 18% is public and quasi-public and approximately 5% is commercial, industrial or office/research.

A full range of commercial establishments are located in the Township. Restaurants, service stations, grocery and food specialty shops, banks and offices complement the residential nature of the Township’s developed areas. Additional commercial and retail shopping is available in the boroughs of Hopewell and Pennington. Major corporate employers are Janssen Pharmaceutica (a division of Johnson & Johnson) and Capital Health Systems.

Public and quasi-public land uses in the Township include the Mercer County Howell Living Farm and the Mercer County Belle Mountain recreation area in the northwest section of the Township. Washington Crossing State Park, Mercer County Park Northwest and Mercer County’s Rosedale Park, which provide both passive and active recreation areas within the Township. Baldpate Mountain, owned by Mercer County, the State and the Township, Woolsey Park and Independence Park, which are owned by the Township, also provide for passive and active recreation. In addition, the Township is a partner in inter-municipal arrangements providing for Twin Pines recreation area and the Lawrence Hopewell Trail system, which also provide for both passive and active recreation.

Vacant land area is predominately zoned for residential development, which provides for several zoning classifications from five units per acre in the Township’s growth zone up to fourteen-acre sites in the mountainous areas.

Township Government

Hopewell Township is governed by a five-member Township Committee elected on an at-large basis. Each year the elected body selects one of its members to serve as Mayor for a one-year term. The Township Committee has responsibility for all legislative and executive matters, including the enactment of all ordinances and resolutions.

Administrative responsibilities are vested in a full-time professionally trained Township Administrator/ Director of Public Works, who is charged with overseeing the “day-to-day” operations of the municipal government as well as the operations of the Public Works Department. Township offices and departments include: the Office of the Township Administrator, Office of the Tax Assessor, Municipal Court, the Office of the Township Clerk, the Department of Finance, the Department of Revenue Collection, the Office of Community Development, the Municipal Construction Department, the Police Department, the Department of Public Works, the Health Department and the Recreation and Senior Services Department.

The Office of Township Administrator and the Chief Finance Officer manage a municipal operating budget of approximately \$24 million and a six-year capital improvements program. As of December 31, 2021, there are 89 full-time and 21 part-time municipal employees.

The Township Committee formulates policy with input from the Township’s professional staff and consultants, as well as over 90 resident volunteers who serve on various boards, commissions or committees.

The volunteer boards of the municipal government are: Zoning Board of Adjustment, Planning Board, Environmental Commission, Historic Preservation Commission, Affordable Housing Committee, the Board of Health Advisory Committee, the Agricultural Advisory Committee, the Open Space Advisory Committee, the Recreation Advisory Committee, the Municipal Alliance, the Youth Advisory Committee, the Senior Advisory Board, the Green Team, the Deer Management Advisory Committee, Citizens Equity Advisory Committee and Woolsey Park Advisory Committee.

Public Safety

The Police Department provides 24-hour service to the residents of Hopewell Township and to the residents of Hopewell Borough via an interlocal service agreement that has been in place since January 1983. The department consists of a Director, 3 Lieutenants, 5 Sergeants, 3 Detectives, 19 Patrol Officers, 6 Dispatchers, 1 Public Safety Technician, 1 Police Records Administrator, 1 Discovery Clerk and 6 Crossing Guards. Services to the public include: Resident Identification Cards; home security checks; access to a Domestic Violence Victim Response Team; access to a Community Addiction Recovery Effort Team; Operation Blue Angel for residents 55+ and others with medical conditions; Hopewell S.A.F.E. program for residents with Autism or other communication disabilities; Swift 911; a Traffic Service Unit; a Youth Police Academy; educational services in local schools; Project Medicine Drop program which allows for the disposal of expired and unused prescription medications and Internet Safety Zone.

Health

The Health Department provides state mandated services and is staffed by state licensed public health professionals. The department provides prevention oriented personal health services as well as regulatory environmental and communicable disease services. Additionally, the department records vital statistical records of deaths, births and marriages and issues original and certified copies. The department is also responsible for the animal control program and dog and cat licensing. The department also oversees and participates in the Municipal Alliance.

The COVID-19 pandemic remained a major focus for the health Department during 2021. In partnership with local hospitals and pharmacies, 13 vaccination clinics were held for COVID-19, including 4 held specifically for children ages 5-17. The Public Health Nurse ensured that 15 homebound residents were vaccinated. Staff also worked at numerous clinics throughout Mercer County under shared arrangements to facilitate mass vaccination in early 2021. The Department also held 5 flu vaccination clinics in the fall.

Environmental inspections increased significantly as pandemic restrictions lifted and business operations resumed. The Department inspected 43 retail establishments, 9 temporary events and 8 recreational bathing facilities. A continued busy real estate market in 2021 created a high volume of home inspections, leading to additional activity for drinking water and wastewater disposal oversight.

During 2021, the department issued permits for septic systems: 8 new systems, 101 replacement systems and 65 repairs or abandonments. Septic system replacements and repairs have grown substantially since 2019, as real estate transactions have driven improvements of older systems. For drinking water, permits were issued for 16 new or replacement wells, 4 wells abandonments, and 3 pump replacements.

Within Animal Control, two rabies clinics were provided. In 2021, 1,785 dog licenses and 344 cat licenses were issued which down from 2020.

Hopewell Township includes a hospital within the jurisdiction, creating a substantial volume of activity for the Vital Statistics program. During 2021, 3,644 birth records (39 fetal deaths) were processed. The volume of annual birth records has nearly doubled since 2012. 378 death certificates and 63 marriage licenses were also processed in 2021.

Municipal Housing

Municipal Housing is managed by a Municipal Housing Liaison, a State mandated position. Duties of the Liaison include management of day-to-day inquiries, coordination with the Affordable Housing Committee (AHC), the filing annual reports for revenue and expenses related to the Affordable Housing Trust Fund and the Affordable Unit Monitoring Report. Housing rentals, sales and the qualification of applicants for housing is provided by Princeton Community Housing, a contracted vendor.

Public Works

Public Works provides curbside service Township wide including: brush pickup by zone (April, October and Christmas Trees only in January), Freon disposal (monthly), leaf pickup (spring and autumn) and tire pickup (twice during the year). Additionally, this department maintains 144 miles of Township roadway (including surface repairs, tree trimming/removal and snow removal), all municipal vehicles, all municipal buildings and any parks or recreational facilities that are the responsibility of the Township. In 2021, the Township held two shredding and electronic disposal event for its residents. Public Works consists of 1 Director of Public Works, 1 General Foreman, 2 Foremen, 1 Utility/Building Foreman, 2 Heavy Equipment Operators, 3 Light Equipment Operators, 1 Sign Maintenance Worker, 6 Truck Drivers, 2 Mechanics, 7 Laborers, 1 Custodian and 1 Secretary/Certified Recycling Professional.

Community Development

Hopewell Township has enjoyed controlled development and growth guided by its comprehensive Master Plan. The Township retains the services of a professional planner to help develop its long-term strategy for growth, which meets the needs of the local citizens. Sitting astride I-295, the Township enjoys the developmental advantages associated with access to major transportation arteries. Additional factors such as the close proximity to Princeton and the State Capital, and it's approximately equi-distance between New York and Philadelphia continues to make the Township of Hopewell a desired location for residency and office location.

The topographical nature of the Township, however, will ensure that large areas will remain unspoiled and open due to rugged terrain and other natural features. The more elevated tracts are zoned for housing on lots as large as fourteen acres.

The majority of the Township is served by private on-site wells and septic systems. The Township owns a small public community water system serving 105 users and two community sewer systems; one system with 212 users with wastewater treatment provided by contract with the Stony Brook Regional Sewerage Authority and one system with 1,685 users with wastewater treatment provided by contract with the Ewing Lawrence Sewerage Authority.

In 2021 the Planning Board approved 4 major subdivisions (one with bulk variance), 1 minor subdivision with bulk variance and 5 site plans (two with bulk variances). The Planning Board also reviewed several ordinances referred by the Township committee to determine consistency with the master Plan and also adopted the 2021 Reexamination Report.

During 2021, the Zoning Board of Adjustment reviewed 23 cases or applications. Of those applications, 21 were for hardship or "bulk" requirement relief (i.e., setbacks, lot coverage); and 2 were for a use not permitted in the zone. Of the 2 Use Variance applications, 1 of the applications also required bulk variance relief.

Municipal Construction Office

The Municipal Construction Office is staffed by 1 Construction Official/Fire Protection Sub-Code Official, 1 Building Sub-Code Official, 1 Electrical Sub-code Official, 1 Part-time Electrical Inspector / Part-time Plumbing Sub Code Official, and 1 Permit Control person.

During 2021, the Construction Office issued 413 Building Permits, 981 Electrical Permits, 957 Plumbing/Mechanical Permits and 235 Fire Permits. The Construction Office issued 29 Certificates of Occupancy, 989 Certificates of Approval and 7 Temporary Certificates of Occupancy.

Recreation

The Recreation Department sponsors a comprehensive array of recreation and leisure services and a wide variety of community trips, senior citizen activities and programs for children and teens. In the year 2021 programming was adjusted due to the lingering COVID-19 pandemic and the changing guidelines from the Department of Health. The Township offered 107 programs/events throughout the year for the Hopewell Township community. The programs included virtual programs, outdoor sports and art programs, family movie nights and community events. During the summer months the department sponsored 58 half-day camps; both in-person and virtually. The summer camp programs included Rec Camp in the Park, Magic Camp, Nature Sketch Camp, Nature Explorers Camp, Mad Science Camps, Art in the Park, Pre-K camps, Baseball, Softball, Volleyball, Field Hockey, Boys and Girls Soccer, US Sports Institute Multi-Sports Camp, Tennis Camp, and Virtual Musical Theater Camp. These camps serve over 1,100 children and teens.

The Recreation Department in conjunction with the Public Works Department also manages the Township's parks, playgrounds and athletic facilities, including the Municipal Athletic Complex, the 22-acre Independence Park, the 49-acre Twin Pines facility and 173-acre Woolsey Park.

Hopewell Township is the department's fiscal agent and provides salary and certain operating expenses through its annual municipal budget. A trust fund was established for fee-based programs that are designed to be self-supporting and provide employment to more than 40 part-time staff members.

Senior Services

Hopewell Valley Senior Services, created in 2006, provides information, programs and services for Hopewell Valley senior residents and caregivers in order to promote independence, wellness, volunteerism and community interaction among older adults. The office is funded through a shared service agreement between Hopewell Township and the Boroughs of Hopewell and Pennington.

In 2021, services and programming was provided to over 1,200 residents. Services included: the distribution of a monthly senior newsletter, outdoor local trips, exercise classes, senior center activity groups and community outreach. The annual senior citizen picnic was scheduled but cancelled due to weather and in its place lunch to-go was provided to the seniors. The department continued to provide information and referrals to community resources for those in need as well as the administration of Hopewell Valley Rides (a transportation program for older adults and people with disabilities in Hopewell Valley).

Union Contracts

Certain Township employees are represented through collective bargaining units as follows. All expiring contracts are being negotiated.

Bargaining Unit	Expiration Date
Superior Officers Association	December 31, 2021
PBA Local 342	December 31, 2021
CWA Union No 1034	December 31, 2021
9-1-1 Operators Association	December 31, 2021
Public Works, AFSCME Local 3867	December 31, 2021

Significant Financial Data

Debt Administration

The authorized bonded indebtedness of municipalities in the State of New Jersey is limited by statute to an amount equal to 3½% of their equalized value. The equalized valuation basis of the Township is set by statute as the average for the last three years of the equalized value of all taxable real property and improvements and certain railroad property within its boundaries as annually determined by the State Board of Taxation. The Township has managed its debt well and as of December 31, 2021 has outstanding debt equal to 1.242 % of its equalized value.

As of 2021, Standard and Poor's has awarded Hopewell Township a credit rating of AA+/Stable.

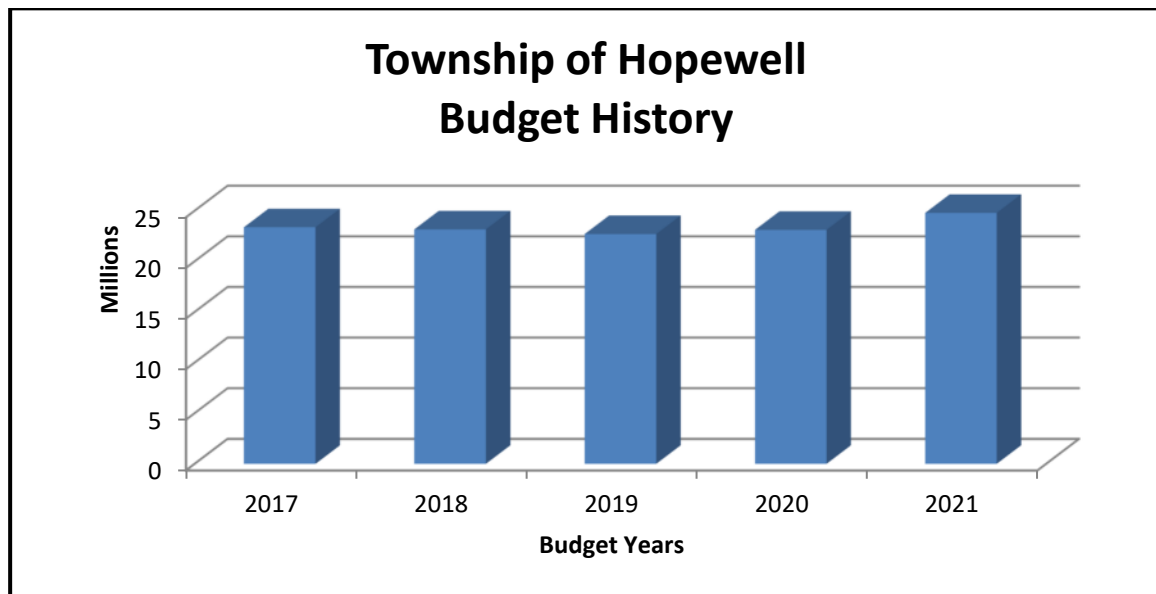
Surplus Fund Balance

Hopewell Township closed out 2021 with a surplus balance of \$8,722,873.44, which is a decrease of \$256,899.25 over 2020's ending balance.

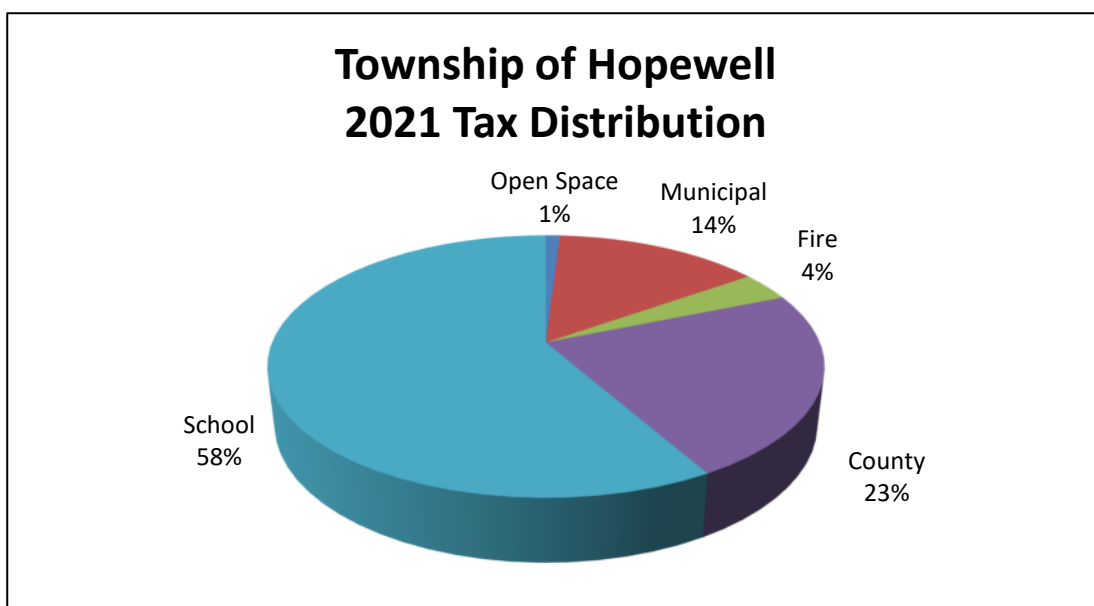
Budget

The 2021 Budget was adopted at \$24,785,701.01. This represented an increase of \$1,674,772.17 over the 2020 budget.

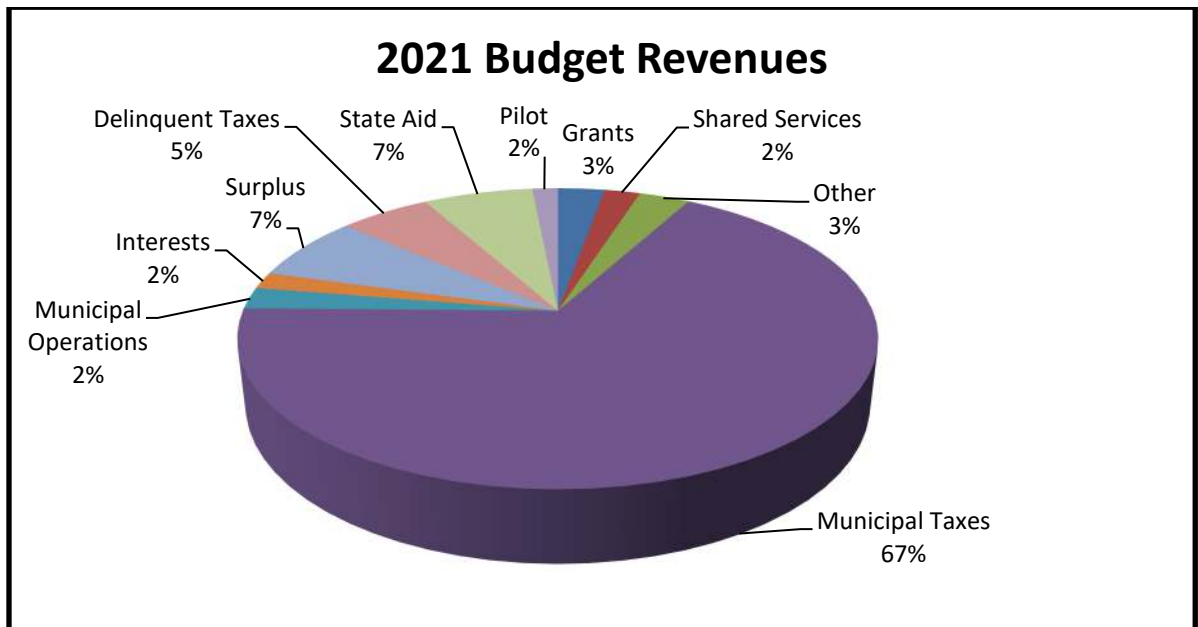
	2017	2018	2019	2020	2021
Annual Budget	\$ 23,370,382	\$23,158,289	\$22,699,319	\$23,110,928.84	\$24,785,701.01



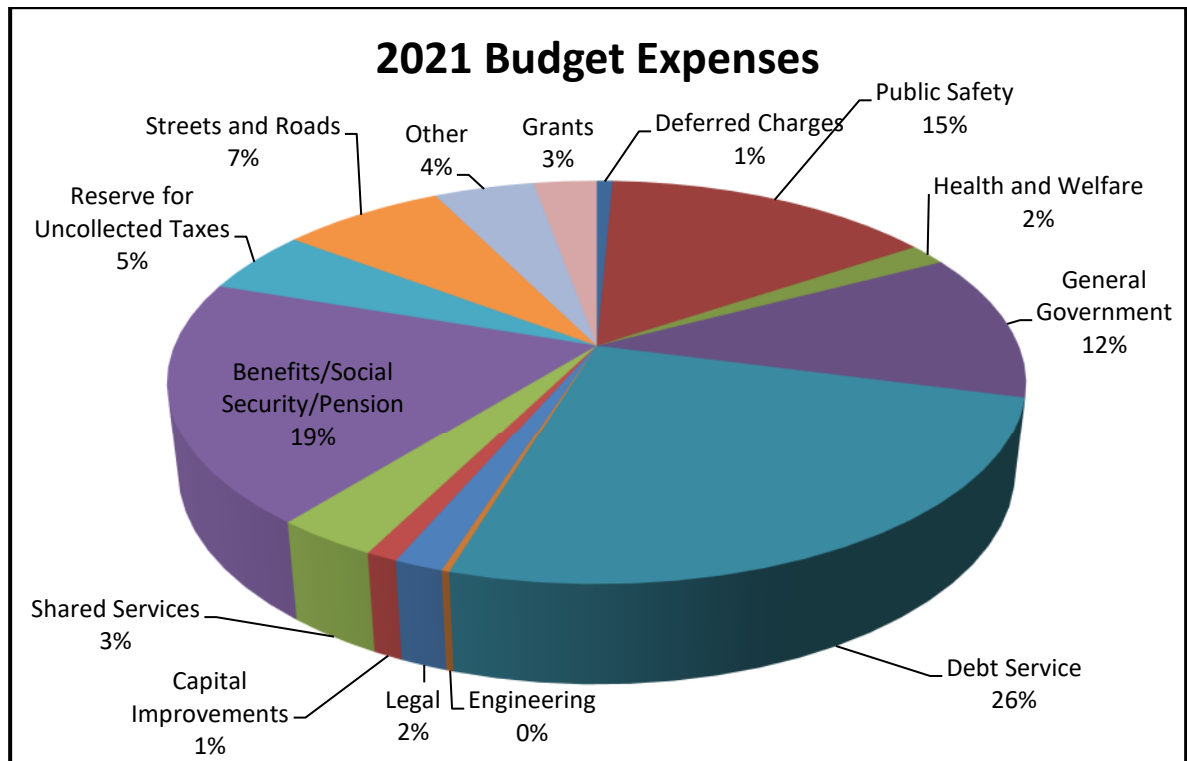
As the below chart demonstrates; municipal taxes represent 14% of all property taxes paid in 2021.



A more detailed analysis of revenues and expenditures for the 2021 budget indicates that (67%) of the budget was supported by tax dollars with both Surplus (7%) and State Aid (7%) being the next largest contributors.



A review of Township Expenses would indicate that the three largest specific areas of expenditure would be Debt Service (26%), Employee Benefits/Social Security/Pensions (19%) and Public Safety (15%).



**Township of Hopewell
Consultants and Advisors
as of December 31, 2021**

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Township of Hopewell

Governing Body

Julie Blake	Mayor
Courtney Peters-Manning	Deputy Mayor
Kristin McLaughlin	Committeeperson
Kevin Kuchinski	Committeeperson
Michael Ruger	Committeeperson

Officials

George Snyder	Administrator/Director of Public Works
Julie Troutman	Chief Financial Officer
Laurie Gompf	Municipal Clerk
Dan Keough	Assessor
Kevin Oswald	Municipal Construction Official
Roger Haley	Municipal Court Judge
Margaret Umbro	Court Administrator
James Hutzelmann	Engineer/Community Development Director
Mary Kennedy-Nadzak	Tax Collector
Robert Karmazin	Director of Police
Dawn Marling	Health Officer
Karin Poveromo	Recreation Director

TOWNSHIP OF HOPEWELL

PART II

Report of Audit of Financial Statements

For the Year Ended December 31, 2021

INVERSO & STEWART, LLC

Certified Public Accountants

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-Member of-
American Institute of CPAs
New Jersey Society of CPAs

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and
Members of the Township Committee
Township of Hopewell
County of Mercer
Hopewell, New Jersey

Report on the Audit of the Financial Statements

Opinions

I have audited the accompanying financial statements - regulatory basis of the various funds of the Township of Hopewell, ("Township"), County of Mercer, State of New Jersey, as of December 31, 2021 and 2020 and the related comparative statements of operations and changes in fund balance - regulatory basis, and the related statement of revenues-regulatory basis and statement of expenditures - regulatory basis, and the statement of general fixed asset account group for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In my opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles" paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Township as of December 31, 2021 and 2020, or the results of its operations and the changes in fund balance for the years then ended.

Unmodified Opinion on Regulatory Basis of Accounting

In my opinion, the financial statements referred to previously present fairly, in all material respects, the balance sheets - regulatory basis of the various funds of the Township as of December 31, 2021 and 2020 and the results of its operations and changes in fund balance - regulatory basis of such funds for the years then ended, and the revenues - regulatory basis and expenditures - regulatory basis of the various funds, and general fixed asset group of accounts prescribed by the Division as described in Note 1.

Basis of Accounting

I draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared by the Township on the basis of the financial reporting provisions of the Division of Local Government Services, Department of Community Affairs, State of New Jersey ("Division"), which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet with the requirements of the State of New Jersey.

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

As described in Note 1 to the financial statements, the financial statements are prepared by the Township on the basis of the financial reporting provisions of the Division (regulatory basis), which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet with 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.

Basis for Unmodified Opinion on Regulatory Basis of Accounting

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting provisions of the Division. 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 - regulatory basis, management is required to evaluate whether there are conditions or events, considered in aggregate, that raise substantial doubt about the Township's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibility for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards, I:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statement, 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 - regulatory basis.
- 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 my judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Township's ability to continue as a going concern for a reasonable period of time.

I am 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 I identified during the audit.

Supplementary Information

My audit was conducted for the purpose of forming opinions on the financial statements - regulatory basis that collectively comprise the Township's basic financial statements. The supplemental information presented for the various funds and the schedule of expenditures of state financial assistance, as required by the Division and NJ OMB 15-08, *Single Audit Policy for the Recipients of Federal Grants, State Grants and State Aid* respectively, are presented for purposes of additional analysis and are not a required part of 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 my opinion, the supplementary information presented for the various funds and the schedule of expenditures of state financial assistance is 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*, I have also issued my report dated June 30, 2022, on my consideration of the Township's internal control over financial reporting and on my 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 my 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,

INVERSO & STEWART, LLC

Certified Public Accountants



Robert P. Inverso
Certified Public Accountant
Registered Municipal Accountant

Marlton, New Jersey
June 30, 2022

INVERSO & STEWART, LLC

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-Member of-
American Institute of CPAs
New Jersey Society of CPAs

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

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and
Members of the Township Committee
Township of Hopewell
County of Mercer
Hopewell, New Jersey

I 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 the audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey ("Division"), the financial statements prepared on a regulatory basis of accounting prescribed by the Division, of the Township of Hopewell, in the County of Mercer, State of New Jersey ("Township"), as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements, and have issued my report thereon dated June 30, 2022. That 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 were prepared on a regulatory basis of accounting prescribed by the Division.

Report on Internal Control Over Financial Reporting

In planning and performing my audit of the financial statements, I 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 my opinions on the financial statements, but not for the purpose of expressing 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.

My 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 my audit I did not identify any deficiencies in internal control that I consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Township's financial statements are free from material misstatement, I 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 statement. However, providing an opinion on compliance with those provisions was not an objective of my audit, and accordingly, I do not express such an opinion. The results of my 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.

Purpose of this Report

The purpose of this report is solely to describe the scope of my testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards and audit requirements as prescribed by the Division and federal and state awarding agencies and pass-through entities, in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully submitted,

INVERSO & STEWART, LLC
Certified Public Accountants

A handwritten signature in black ink, appearing to read 'R. P. Inverso', written in a cursive style.

Robert P. Inverso
Certified Public Accountant
Registered Municipal Accountant

Marlton, New Jersey
June 30, 2022

TOWNSHIP OF HOPEWELL
Current Fund

Statement of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis
For the Years Ended December 31, 2021 and 2020

	<u>REFERENCE</u>	<u>2021</u>	<u>2020</u>
<u>ASSETS</u>			
Regular Fund:			
Cash - Treasurer	A-4	\$ 10,873,389.51	\$ 11,060,602.53
Change Fund	A-5	<u>700.00</u>	<u>700.00</u>
Total		<u>10,874,089.51</u>	<u>11,061,302.53</u>
Receivables and Other Assets with Full Reserves:			
Delinquent Property Taxes Receivable	A-6	1,008,057.67	1,444,355.75
Tax Title Liens Receivable	A-7	318,562.95	310,332.07
Revenue Accounts Receivable	A-8	7,050.39	-
Due from Federal and State Grant Funds	A	106.57	106.57
Due from Other Trust Fund	B	-	11,967.42
Due from Capital Fund	C	<u>-</u>	<u>72,000.00</u>
Total		<u>1,333,777.58</u>	<u>1,838,761.81</u>
Deferred Charges:			
Emergency Authorizations (40A:4-47)		<u>242,000.00</u>	<u>175,000.00</u>
Total Regular Fund		<u>12,449,867.09</u>	<u>13,075,064.34</u>
Federal and State Grant Fund:			
Cash - Treasurer	A-4	1,621,322.54	360,697.65
Federal and State Grants Receivable	A-22	<u>3,321,741.65</u>	<u>3,297,388.31</u>
Total Federal and State Grant Fund		<u>4,943,064.19</u>	<u>3,658,085.96</u>
Total Assets		<u><u>\$ 17,392,931.28</u></u>	<u><u>\$ 16,733,150.30</u></u>

TOWNSHIP OF HOPEWELL
Current Fund

Statement of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis
For the Years Ended December 31, 2021 and 2020

	<u>REFERENCE</u>	<u>2021</u>	<u>2020</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Regular Fund:			
Liabilities:			
Appropriation Reserves	A-3	\$ 624,784.01	\$ 582,293.98
Encumbrances Payable	A-3	514,730.42	392,326.39
Prepaid Taxes	A-10	879,270.76	993,249.38
Tax Overpayments	A-11	195,828.39	56,910.43
Reserve for Tax Appeals	A-12	100,000.00	100,000.00
Reserve for Revaluation	A-13	12,353.25	12,353.25
Reserve for Preparation of Master Plan	A-14	26,842.72	26,842.72
Reserve for Historic Building Repairs	A-15	10,935.00	10,935.00
Reserve for Senior Services		-	10,000.00
Due State of New Jersey:			
Senior Citizen and Veterans Deductions	A-16	1,208.22	1,718.49
Burial Permit Fees		105.00	30.00
Due State of New Jersey - Marriage License Fees	A-17	475.00	425.00
Due County for Added Taxes	A-18	16,499.80	30,912.74
Due to Trust - Municipal Open Space Tax Payable	A-21 & B	-	1,307.46
Reserve for Capital Health System		-	37,225.00
Due to County - PILOT Share		10,183.50	-
Total Liabilities		2,393,216.07	2,256,529.84
Reserve for Receivables and Other Assets	A	1,333,777.58	1,838,761.81
Fund Balance	A-1	8,722,873.44	8,979,772.69
Total Regular Fund		12,449,867.09	13,075,064.34
Federal and State Grant Fund:			
Due to Current Fund	A	106.57	106.57
Due to Open Space Trust Fund	B	78,505.28	-
Unappropriated Reserves	A-23	1,302,625.06	-
Appropriated Reserves	A-24	3,561,827.28	3,657,979.39
Total Federal and State Grant Fund		4,943,064.19	3,658,085.96
Total Liabilities, Reserves and Fund Balance		<u>\$ 17,392,931.28</u>	<u>\$ 16,733,150.30</u>

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

TOWNSHIP OF HOPEWELL
Current Fund

Statement of Operations and Changes in Fund Balance - Regulatory Basis
For the Years Ended December 31, 2021 and 2020

	2021	2020
Revenue and Other Income Realized:		
Fund Balance Utilized	\$ 1,730,000.00	\$ 1,183,500.00
Miscellaneous Revenue Anticipated	5,521,768.86	5,224,196.79
Receipts from Delinquent Taxes	1,485,543.58	966,077.80
Receipts from Current Taxes	115,661,660.74	115,832,713.49
Nonbudget Revenues	127,702.45	179,179.22
Other Credits to Income:		
Prior Year Interfund Liquidated	72,000.00	-
Reserve Canceled	10,000.00	-
Cancellation of Tax Overpayments	-	341.21
Unexpended Balance of Appropriation Reserves	688,604.88	325,743.97
Total Revenue and Other Income Realized	125,297,280.51	123,711,752.48
Expenditures:		
Operations Within "CAPS":		
Salaries and Wages	7,063,285.00	7,185,510.35
Other Expenses	5,976,298.56	5,390,596.27
Deferred Charges and Statutory Expenditures Within "CAPS"	2,256,087.00	2,007,962.28
Operations Excluded from "CAPS":		
Salaries and Wages	928,545.15	490,941.56
Other Expenses	1,008,828.74	1,390,473.68
Capital Improvements Excluded from "CAPS"	250,000.00	254,721.00
Municipal Debt Service Excluded from "CAPS"	6,326,324.88	5,707,844.06
Deferred Charges Expenditures Excluded from "CAPS"	175,000.00	-
County Taxes	26,723,750.61	27,600,844.77
Due County for Added Taxes	16,499.84	30,912.78
Regional School District Tax	68,018,862.00	68,288,753.00
Fire District Tax	4,149,564.02	3,966,616.00
Municipal Open Space Tax	1,144,860.00	1,190,724.00
Municipal Open Space Tax - Added Taxes	706.17	1,307.46
Interfund Receivables Created	-	72,000.00
Prior Year Overpayments Created	25,817.79	17,553.48
Prior Year Senior Citizen Deductions Disallowed	1,750.00	1,250.00
Total Expenditures	124,066,179.76	123,598,010.69
Less: Expenditures to be Raised by Future Taxes	242,000.00	175,000.00
Total Expenditures	123,824,179.76	123,423,010.69
Statutory Excess to Fund Balance (Carried Forward)	1,473,100.75	288,741.79

TOWNSHIP OF HOPEWELL
Current Fund

Statement of Operations and Changes in Fund Balance - Regulatory Basis
For the Years Ended December 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Statutory Excess to Fund Balance (Brought Forward)	\$ 1,473,100.75	\$ 288,741.79
Fund Balance January 1	<u>8,979,772.69</u>	<u>9,874,530.90</u>
Total	10,452,873.44	10,163,272.69
Decreased by Utilization as Anticipated Revenue	<u>1,730,000.00</u>	<u>1,183,500.00</u>
Fund Balance December 31	<u><u>\$ 8,722,873.44</u></u>	<u><u>\$ 8,979,772.69</u></u>

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

TOWNSHIP OF HOPEWELL
Current Fund
Statement of Revenues - Regulatory Basis
For the Year Ended December 31, 2021

	BUDGET	SPECIAL NJS 40A:4-87	REALIZED	EXCESS (DEFICIT)
Fund Balance Anticipated	\$ 1,730,000.00	\$ -	\$ 1,730,000.00	\$ -
Miscellaneous Revenues:				
Local Revenues:				
Licenses:				
Alcoholic Beverage	30,000.00		31,000.00	1,000.00
Fees and Permits	367,000.00		443,651.63	76,651.63
Fines and Costs:				
Municipal Court	174,000.00		88,624.07	(85,375.93)
Interest and Costs on Taxes	268,000.00		407,119.26	139,119.26
PILOT Program	91,300.00		93,373.29	2,073.29
Capital Health System Settlement	145,017.00		145,017.00	-
Capital Health System Settlement	148,900.00		193,486.50	44,586.50
Interest on Investments and Deposits	175,000.00		68,646.66	(106,353.34)
Franchise Fees	234,066.43		234,066.43	-
State Aid Without Offsetting Appropriations:				
Energy Receipts Tax	1,601,563.00		1,601,563.00	-
Garden State Trust Fund	32,594.00		50,193.00	17,599.00
Interlocal Agreements				
Interlocal Police Services - Hopewell Borough	444,689.38		444,689.38	-
Interlocal Police Dispatch Services - Pennington Borough	74,727.77		74,727.77	-
Interlocal Senior Services - Hopewell Borough	10,000.00		10,000.00	-
Special Items Offset with Appropriations:				
Municipal Alliance on Alcoholism and Drug Abuse	8,908.00		8,908.00	-
Body Armor Replacement Grant	2,280.10		2,280.10	-
Clean Communities Grant		55,046.67	55,046.67	-
NJ Strengthening Local Public Health	142,236.00		142,236.00	-
Hardy Plant Society MAG	475.00		475.00	-
NDOT Grant	515,000.00		515,000.00	-
NJ Strengthening Local Public Health Capacity Program		291,042.00	291,042.00	-
Body Worn Camera Grant		69,292.00	69,292.00	-
Recycling Tonnage Grant	31,500.97		31,500.97	-
Reserve for Debt Service	450,000.00		450,000.00	-
Reserve for Debt Service - Affordable Housing Trust	55,000.00		55,000.00	-
SREC's	7,500.00		8,440.13	940.13
Cell Tower	10,650.00		6,390.00	(4,260.00)
Total	5,020,407.65	415,380.67	5,521,768.86	85,980.54
Receipts from Delinquent Taxes	1,363,000.00		1,485,543.58	122,543.58
Amount to be Raised by Taxes for Support of Municipal Budget - Local Tax for Municipal Purposes	16,672,293.36		16,866,129.33	193,835.97
Budget Totals	24,785,701.01	415,380.67	25,603,441.77	\$ 402,360.09
Nonbudget Revenues	-	-	127,702.45	
Total	\$ 24,785,701.01	\$ 415,380.67	\$ 25,731,144.22	

TOWNSHIP OF HOPEWELL
Current Fund
Statement of Revenues - Regulatory Basis
For the Year Ended December 31, 2021

ANALYSIS OF REALIZED REVENUE

Allocation of Current Tax Collections:

Revenue from Collections	\$ 115,661,660.74
Allocated to School, Fire District, Open Space, and County Taxes	<u>100,054,242.64</u>
Balance for Support of Municipal Budget Appropriations	15,607,418.10
Add Appropriation - Reserve for Uncollected Taxes	<u>1,258,711.23</u>
Amount for Support of Municipal Budget Appropriations	<u><u>\$ 16,866,129.33</u></u>

Receipts from Delinquent Taxes:

Delinquent Tax Collections	\$ 1,459,758.62
Tax Title Lien Collections	<u>25,784.96</u>
Total	<u><u>\$ 1,485,543.58</u></u>

Miscellaneous Revenue Not Anticipated:

Treasurer:

Rentals	\$ 17,885.00
Settlement	14,500.00
Refund of Prior Years Expense	17,134.33
Mowing Fees	1,700.00
Other Refunds	14,354.84
Senior Citizen and Veterans Administrative Fee	1,577.22
Motor Vehicle Fines	4,972.50
Range Mining	1,775.45
UCC Administrative Fees	16,000.00
OFF-Duty Police Administration Fees	37,640.11
Miscellaneous	<u>163.00</u>
Total	<u><u>\$ 127,702.45</u></u>

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

TOWNSHIP OF HOPEWELL
Current Fund
Statement of Expenditures - Regulatory Basis
For the Year Ended December 31, 2021

	Appropriations			Expended			Unexpended Balance Canceled
	Budget	Emergency Appropriation	Budget After Modification	Paid or Charged	Encumbered	Reserved	
GENERAL APPROPRIATIONS:							
Operations Within "CAPS":							
General Government:							
Governing Body:							
Salaries and Wages	\$ 23,646.00	\$ -	\$ 23,646.00	\$ 23,645.35	\$ -	\$ 0.65	\$ -
Other Expenses	18,250.00		18,750.00	17,843.05	527.20	379.75	
Administration:							
Salaries and Wages	362,008.00		262,008.00	258,483.71	-	3,524.29	
Other Expenses	224,846.00		224,846.00	193,182.51	24,817.06	6,846.43	
Municipal Clerk:							
Salaries and Wages	166,474.00		166,474.00	164,482.96	-	1,991.04	
Other Expenses	30,355.00		30,355.00	12,749.86	8,616.97	8,988.17	
Financial Administration:							
Salaries and Wages	195,631.00		177,631.00	176,761.60	-	869.40	
Other Expenses	30,760.00		30,260.00	20,571.94	2,217.63	7,470.43	
Assessment of Taxes:							
Salaries and Wages	135,024.00		135,024.00	135,023.03	-	0.97	
Other Expenses	44,500.00		44,500.00	21,907.39	21,607.22	985.39	
Collection of Taxes:							
Salaries and Wages	97,376.00		97,376.00	97,375.74	-	0.26	
Other Expenses	8,815.00		8,815.00	6,441.90	1,252.91	1,120.19	
Legal Services and Costs:							
Salaries and Wages (Prosecutor)	50,781.00		50,781.00	50,780.40	-	0.60	
Other Expenses	389,000.00		459,000.00	346,493.52	77,883.52	34,622.96	
Engineering Services and Costs:							
Other Expenses	61,000.00		151,000.00	134,322.25	12,877.75	3,800.00	
Audit Services:							
Other Expenses	30,000.00		30,000.00	30,000.00	-		
Historic Preservation Committee (RS 400:23-6.22):							
Other Expenses	1,300.00		1,300.00	-	100.00	1,200.00	

TOWNSHIP OF HOPEWELL
Current Fund
Statement of Expenditures - Regulatory Basis
For the Year Ended December 31, 2021

	Appropriations			Expended			Unexpended Balance Canceled
	Budget	Emergency Appropriation	Budget After Modification	Paid or Charged	Encumbered	Reserved	
GENERAL APPROPRIATIONS:							
Operations Within "CAPS":							
Community Development							
Salaries and Wages	\$ 340,982.00	\$ -	\$ 250,982.00	\$ 221,838.42	\$ -	\$ 4,143.58	\$ 25,000.00
Other Expenses	100,700.00		100,700.00	45,705.01	37,632.51	7,362.48	10,000.00
Public Safety:							
Police							
Salaries and Wages	3,495,516.00		3,495,516.00	3,285,220.04	-	195,295.96	15,000.00
Other Expenses	193,050.00		193,050.00	104,480.59	81,631.42	6,937.99	
Public Works:							
Public Buildings and Grounds:							
Salaries and Wages	99,095.00		99,095.00	59,601.53	-	9,493.47	30,000.00
Other Expenses	130,000.00		105,000.00	63,097.31	36,866.19	5,036.50	
Fleet Maintenance:							
Salaries and Wages	136,771.00		136,771.00	133,788.35	-	2,982.65	
Other Expenses	121,000.00		146,000.00	101,185.26	38,351.35	6,463.39	
Streets and Road:							
Salaries and Wages	1,501,579.00		1,501,579.00	1,408,202.33	-	43,376.67	50,000.00
Other Expenses	313,800.00	242,000.00	575,800.00	494,720.11	75,738.74	5,341.15	
Sanitation:							
Other Expenses	32,185.00		32,185.00	16,911.67	832.96	14,440.37	
Parks and Maintenance:							
Salaries and Wages	64,855.00		64,855.00	64,855.00	-		
Other Expenses	20,000.00		20,000.00	14,327.05	5,646.33	26.62	
Insurance:							
Liability Insurance	432,833.00		432,833.00	431,183.00	-	1,650.00	
Medical Insurance	2,567,231.00		2,545,231.00	2,487,146.48	1,492.07	56,592.45	
Health Benefit Waiver	65,000.00		65,000.00	52,221.21	-	12,778.79	
Disability Insurance	6,000.00		6,000.00	3,717.73	-	2,282.27	
Health and Human Services:							
Public Health Services:							
Salaries and Wages	381,818.00		381,818.00	291,395.63	-	20,422.37	70,000.00
Other Expenses	42,400.00		42,400.00	20,303.15	9,150.98	12,945.87	

TOWNSHIP OF HOPEWELL
Current Fund
Statement of Expenditures - Regulatory Basis
For the Year Ended December 31, 2021

	Appropriations			Expended			Unexpended Balance Canceled
	Budget	Emergency Appropriation	Budget After Modification	Paid or Charged	Encumbered	Reserved	
GENERAL APPROPRIATIONS:							
Operations Within "CAPS":							
Animal Control Services:							
Other Expenses	\$ 57,000.00	\$ -	\$ 57,000.00	\$ 57,000.00	\$ -	\$ -	\$ -
Senior Services:							
Salaries and Wages	46,702.00		36,702.00	36,182.28	-	519.72	
Other Expenses	6,745.00		6,745.00	6,392.34	84.51	268.15	
Environmental Commission:							
Other Expenses	6,850.00		6,850.00	425.00	-	6,425.00	
Contribution to Affordable Housing							
Other Expenses	-		-	-	-		
Recreation:							
Salaries and Wages	129,240.00		129,240.00	128,309.70	-	930.30	
Other Expenses	7,300.00		7,300.00	5,286.22	1,014.74	999.04	
Municipal Court:							
Salaries and Wages	238,187.00		222,187.00	208,560.29	-	13,626.71	
Other Expenses	11,518.00		11,518.00	5,361.34	1,372.28	4,784.38	
Public Defender:							
Other Expenses	21,600.00		21,600.00	17,600.00	-	4,000.00	
Contribution to Recreation Trust							
Other Expenses	28,287.00		28,287.00	28,287.00	-		
Contribution to Water Utility							
Other Expenses	3,573.56		3,573.56	3,573.56	-		
Contribution to Retirement Trust							
Other Expenses	40,000.00		40,000.00	40,000.00	-		
Utilities:							
Street Lights	145,000.00		145,000.00	138,979.93	3.00	6,017.07	
Utilities	158,000.00		158,000.00	135,807.28	4.00	22,188.72	
Telephone	50,000.00		59,000.00	56,800.34	1.00	2,198.66	
Motor Fuels			-				
Other Expenses	155,000.00		200,000.00	112,739.26	52,940.28	34,320.46	
Total Operations Including Contingent - Within "CAPS"	13,019,583.56	242,000.00	13,239,583.56	11,971,269.62	492,662.62	575,651.32	200,000.00
Detail:							
Salaries and Wages	7,465,685.00	-	7,253,285.00	6,762,106.36	-	301,178.64	190,000.00
Other Expenses	5,553,898.56	242,000.00	5,986,298.56	5,209,163.26	492,662.62	274,472.68	10,000.00

TOWNSHIP OF HOPEWELL
Current Fund
Statement of Expenditures - Regulatory Basis
For the Year Ended December 31, 2021

	Appropriations			Expended			Unexpended Balance Canceled
	Budget	Emergency Appropriation	Budget After Modification	Paid or Charged	Encumbered	Reserved	
Deferred Charges and Statutory Expenditures - Municipal - Within "CAPS":							
STATUTORY EXPENDITURES:							
Contribution to:							
Public Employees' Retirement System	\$ 659,613.00	\$ -	\$ 659,613.00	\$ 659,613.00	\$ -	\$ -	\$ -
Social Security System (O.A.S.I.)	590,000.00		590,000.00	543,537.43	-	46,462.57	
Consolidated Police and Firemen's Pension Fund	-		-	-	-	-	
Police and Firemen's Retirement System	982,474.00		1,004,474.00	982,474.00	21,979.88	20.12	
Defined Contribution Retirement Program	2,000.00		2,000.00	-	-	2,000.00	
Total Deferred Charges and Statutory Expenditures - Municipal Within "CAPS"	2,234,087.00	-	2,256,087.00	2,185,624.43	21,979.88	48,482.69	-
Total General Appropriations - For Municipal Purposes Within "CAPS"	15,253,670.56	242,000.00	15,495,670.56	14,156,894.05	514,642.50	624,134.01	200,000.00
GENERAL APPROPRIATIONS:							
Operations Excluded from "CAPS":							
Recycling Tonnage Tax	1,000.00		1,000.00	262.08	87.92	650.00	
Interlocal Municipal Alliance:							
Hopewell Valley Regional School District	11,000.00		11,000.00	11,000.00	-		
Hopewell Borough	-		-	-	-		
Recycling- MCIA	252,536.00		252,536.00	252,536.00	-		
Police / Dispatch Services:							
Police Services							
Salaries and Wages	410,539.38		410,539.38	410,539.38	-		
Other Expenses	34,150.00		34,150.00	34,150.00	-		
Dispatch Services							
Salaries and Wages	74,727.77		74,727.77	74,727.77	-		
Emergency Medical Services Dispatch Mercer County							
Other Expenses	15,350.00		15,350.00	15,350.00	-		

TOWNSHIP OF HOPEWELL
Current Fund
Statement of Expenditures - Regulatory Basis
For the Year Ended December 31, 2021

	Appropriations			Expended			Unexpended Balance Canceled
	Budget	Emergency Appropriation	Budget After Modification	Paid or Charged	Encumbered	Reserved	
GENERAL APPROPRIATIONS:							
Operations Excluded from "CAPS":							
Senior Service Coordinator							
Salaries and Wages	\$ 10,000.00	\$ -	\$ 10,000.00	\$ 10,000.00	\$ -	\$ -	\$ -
Other Expenses	4,969.00		4,969.00	4,969.00	-		
Total Other Operations Excluded from "CAPS":	814,272.15	-	814,272.15	813,534.23	87.92	650.00	-
GENERAL APPROPRIATIONS:							
Operations Excluded from "CAPS":							
Public and Private Programs Offset by Revenues:							
Municipal Alliance on Alcoholism and Drug Abuse							
Township Match	3,000.00		3,000.00	3,000.00	-		
State Share	8,908.00		8,908.00	8,908.00	-		
Recycling Tonnage	31,500.97		31,500.97	31,500.97	-		
DOT Grant	515,000.00		515,000.00	515,000.00	-		
Supplemental Fire Services Program	4,321.00		4,321.00	4,321.00	-		
Strengthening Local Public Health (C159 \$291,042)	142,236.00		433,278.00	433,278.00	-		
Body Armor Replacement	2,280.10		2,280.10	2,280.10	-		
Hardy Plant Society Mag	475.00		475.00	475.00	-		
2021 Clean Communities (C159 \$55,046.67)	-		55,046.67	55,046.67	-		
2021 Body Worn Camera (C159 \$69,292)	-		69,292.00	69,292.00	-		
Total Public and Private Programs Offset by Revenues	707,721.07	-	1,123,101.74	1,123,101.74	-		
Total Operations - Excluded From "CAPS"	1,521,993.22	-	1,937,373.89	1,936,635.97	87.92	650.00	-
Detail:							
Salaries and Wages	637,503.15	-	928,545.15	928,545.15	-	-	-
Other Expenses	884,490.07	-	1,008,828.74	1,008,090.82	87.92	650.00	-

TOWNSHIP OF HOPEWELL
Current Fund
Statement of Expenditures - Regulatory Basis
For the Year Ended December 31, 2021

	Appropriations			Expended			Unexpended
	Budget	Emergency Appropriation	Budget After Modification	Paid or Charged	Encumbered	Reserved	Balance Canceled
GENERAL APPROPRIATIONS:							
Capital Improvements - Excluded From "CAPS"							
Capital Improvement Fund	\$ 250,000.00	\$ -	\$ 250,000.00	\$ 250,000.00	\$ -	\$ -	\$ -
Vehicles	-	-	-	-	-	-	-
Total Capital Improvements - Excluded From "CAPS"	250,000.00	-	250,000.00	250,000.00	-	-	-
GENERAL APPROPRIATIONS:							
Municipal Debt Service - Excluded From "CAPS"							
Payment of Bond Principal	4,969,450.00	-	4,969,450.00	4,969,450.00	-	-	-
Payment of Bond Anticipation Notes	689.00		689.00	689.00	-	-	-
Interest on Bonds	1,212,462.00		1,212,462.00	1,212,461.28	-	-	0.72
Interest on Notes	143,725.00		143,725.00	143,724.60	-	-	0.40
Total Municipal Debt Service - Excluded From "CAPS"	6,326,326.00	-	6,326,326.00	6,326,324.88	-	-	1.12
Deferred Charges - Municipal - Excluded from "CAPS"							
Emergency Authorizations	175,000.00		175,000.00	175,000.00	-	-	-
Deferred Charges and Statutory Expenditures							
Municipal - Excluded from "CAPS"							
Special Emergency Authorizations							
5 yrs (N.J.S. 40A:4-55)	-		-	-	-	-	-
Total Deferred Charges - Excluded From "CAPS"	-	-	-	-	-	-	-
Total Deferred Charges-Municipal - Excluded From "CAPS"	175,000.00	-	175,000.00	175,000.00	-	-	-
Total General Appropriations for Municipal							
Purposes Excluded From "CAPS"	8,273,319.22	-	8,688,699.89	8,687,960.85	87.92	650.00	1.12
Subtotal General Appropriations	23,526,989.78	242,000.00	24,184,370.45	22,844,854.90	514,730.42	624,784.01	200,001.12
Reserve for Uncollected Taxes	1,258,711.23		1,258,711.23	1,258,711.23	-	-	-
TOTAL GENERAL APPROPRIATIONS	\$ 24,785,701.01	\$ 242,000.00	\$ 25,443,081.68	\$ 24,103,566.13	\$ 514,730.42	\$ 624,784.01	\$ 200,001.12

TOWNSHIP OF HOPEWELL
Current Fund
Statement of Expenditures - Regulatory Basis
For the Year Ended December 31, 2021

Analysis of Budget After Modification:

Original Budget	\$ 24,785,701.01
Emergency Appropriation 40A:4-47	242,000.00
Appropriation by 40A:4-87	<u>415,380.67</u>
 Total	 <u><u>\$ 25,443,081.68</u></u>

Analysis of Paid or Charged:

Reserve for Federal and State Grants - Appropriated	\$ 1,115,780.74
Deferred Charge - Emergency Authorization	175,000.00
Encumbrances Payable	514,730.42
Reserve for Uncollected Taxes	1,258,711.23
Cash Disbursed	<u>21,554,074.16</u>
 Total	 <u><u>\$ 24,618,296.55</u></u>

TOWNSHIP OF HOPEWELL
Trust Fund

Statement of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis
For the Years Ended December 31, 2021 and 2020

	<u>REFERENCE</u>	<u>2021</u>	<u>2020</u>
<u>ASSETS</u>			
Animal Control Fund:			
Cash - Treasurer	B-1	\$ 29,230.83	\$ 47,553.14
Other Funds:			
Cash - Treasurer	B-1	7,622,337.98	6,304,975.00
Due from Current Fund - Open Space Tax	A	-	1,307.46
Due from Federal and State Grant Fund	A	78,505.28	-
Total Other Funds		7,700,843.26	6,306,282.46
Total Assets		\$ 7,730,074.09	\$ 6,353,835.60
<u>LIABILITIES AND RESERVES</u>			
Animal Control Fund:			
Due to State of New Jersey		\$ 1,285.20	\$ 2,741.40
Reserve for Dog Fund Expenditures	B-2	27,945.63	44,811.74
Total Dog License Fund		29,230.83	47,553.14
Other Funds:			
Due to State NJ - UCC Fees	B-4	10,544.00	10,445.00
Due to Current Fund - TTL	A	-	11,967.42
Exchange		406.73	0.57
Reserve for:			
Unemployment Compensation	B-3	72,375.86	64,991.24
Trust Other	B-3	824,792.09	668,667.54
Plot Planning	B-3	26,642.16	24,591.16
Planning	B-3	461,845.98	435,425.11
Open Space Trust	B-3	2,949,137.68	3,009,002.11
Low Income Housing	B-3	243,478.91	223,324.69
Community Activities	B-3	208.60	208.60
Municipal Forfeiture	B-3	6,971.58	6,969.49
Off-Site Improvements	B-3	641,471.57	641,471.57
Performance Guarantees	B-3	214,904.96	171,896.80
Recreation Trust	B-3	538,371.79	473,704.16
Tax Collectors' Premium	B-3	1,696,900.00	553,400.00
Stream Corridor	B-3	750.00	750.00
FSA	B-3	12,041.35	9,467.00
Total Other Funds		7,700,843.26	6,306,282.46
Total Liabilities and Reserves		\$ 7,730,074.09	\$ 6,353,835.60

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

TOWNSHIP OF HOPEWELL
General Capital Fund

Statement of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis
For the Years Ended December 31, 2021 and 2020

	<u>REFERENCE</u>	<u>2021</u>	<u>2020</u>
<u>ASSETS</u>			
Cash - Treasurer	C-2	\$ 12,903,556.60	\$ 27,887,192.94
State Grants Receivable	C-9	652,000.00	
Deferred Charges to Future Taxation:			
Funded	C-4	53,331,087.82	59,256,579.95
Unfunded	C-5	<u>5,259,557.00</u>	<u>120,689.00</u>
Total		<u>\$ 72,146,201.42</u>	<u>\$ 87,264,461.89</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Serial Bonds	C-6	\$ 53,308,000.00	\$ 59,188,000.00
Bond Anticipation Notes	C-7	4,489,000.00	17,370,689.00
Green Trust Loan Payable	C-8	23,087.82	68,579.95
Improvement Authorizations:			
Funded	C-9	4,976,558.12	5,899,903.57
Unfunded	C-9	5,171,438.26	50,888.05
Capital Improvement Fund	C-10	15,605.90	1,898.90
Due to Current Fund	A	-	72,000.00
Reserve for:			
Payment of Serial Bonds and Notes		1,554,635.47	2,004,635.47
Reserve for Debt Service - Hunter		160,351.55	160,351.55
Reserve for Green Trust Loan		2,230.19	2,221.29
Fund Balance	C-1	<u>2,445,294.11</u>	<u>2,445,294.11</u>
Total		<u>\$ 72,146,201.42</u>	<u>\$ 87,264,461.89</u>

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

TOWNSHIP OF HOPEWELL
General Capital Fund
Statement of Fund Balance - Regulatory Basis
For the Year Ended December 31, 2021

Balance December 31, 2021 and 2020

\$ 2,445,294.11

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

TOWNSHIP OF HOPEWELL
Water Utility Operating Fund

Statement of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis
For the Year Ended December 31, 2021 and 2020

<u>ASSETS</u>	<u>REFERENCE</u>	<u>2021</u>	<u>2020</u>
Operating Fund:			
Cash	D-5	\$ 258,566.30	\$ 239,430.97
Receivables with Full Reserves:			
Consumer Accounts Receivable	D-7	2,852.52	3,326.78
		<u>2,852.52</u>	<u>3,326.78</u>
Total Operating Fund		<u>261,418.82</u>	<u>242,757.75</u>
Capital Fund:			
Cash	D-5	70,680.80	73,033.88
Fixed Capital	D-8	361,448.83	361,448.83
Fixed Capital Authorized and Uncompleted	D-9	2,700.00	-
Total Capital Fund		<u>434,829.63</u>	<u>434,482.71</u>
Total Assets		<u>\$ 696,248.45</u>	<u>\$ 677,240.46</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Operating Fund:			
Liabilities:			
Appropriation Reserves	D-4	\$ 19,636.37	\$ 5,686.15
Encumbrances Payable	D-4	8,097.04	27,390.56
Water Rent Overpayments	D-5	26.73	32.50
Prepaid Water Rents	D-5	-	136.90
Accrued Interest on Bonds and Notes	D-11	318.38	367.88
Total Liabilities		<u>28,078.52</u>	<u>33,613.99</u>
Reserve for Receivables	D	2,852.52	3,326.78
Fund Balance	D-1	<u>230,487.78</u>	<u>205,816.98</u>
Total Operating Fund		<u>261,418.82</u>	<u>242,757.75</u>
Capital Fund:			
Liabilities:			
Serial Bonds	D-12	24,200.00	29,150.00
Improvement Authorizations - Funded	D-14	346.92	-
Capital Improvement Fund	D-15	58,351.05	58,351.05
Reserve for Amortization	D-16	337,248.83	332,298.83
Deferred Reserve for Amortization	D-17	2,700.00	-
Fund Balance	D-2	<u>11,982.83</u>	<u>14,682.83</u>
Total Capital Fund		<u>434,829.63</u>	<u>434,482.71</u>
Total Liabilities, Reserves and Fund Balance		<u>\$ 696,248.45</u>	<u>\$ 677,240.46</u>

The accompanying notes to financial statements are an integral part of this statement.

TOWNSHIP OF HOPEWELL
Water Utility Operating Fund

Comparative Statement of Operations and Changes in Fund Balance - Regulatory Basis
For the Years Ended December 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Revenue and Other Income Realized:		
Fund Balance Utilized	\$ 91,400.00	\$ 87,603.30
Water Rents	72,265.26	72,896.26
Interest on Investments and Deposits	1,325.68	2,690.72
Contribution from Current Fund	3,573.56	3,944.20
Other Credits to Income:		
Miscellaneous Revenue Not Anticipated	-	286.21
Unexpended Balance of Appropriation Reserves	<u>28,303.30</u>	<u>9,262.10</u>
Total Revenue and Other Income Realized	<u>196,867.80</u>	<u>176,682.79</u>
Expenditures:		
Operating	73,425.00	66,972.20
Deferred Charges and Statutory Expenditures	1,000.00	1,000.00
Capital Improvement Fund	-	
Debt Service	<u>6,372.00</u>	<u>7,033.50</u>
Total Expenditures	80,797.00	75,005.70
Less: Expenditures to be Raised by Future Taxation	<u>-</u>	<u>-</u>
Total Expenditures	<u>80,797.00</u>	<u>75,005.70</u>
Excess in Revenue	116,070.80	101,677.09
Fund Balance January 1	<u>205,816.98</u>	<u>191,743.19</u>
Total	321,887.78	293,420.28
Decreased by Utilization by Water Utility Operating Budget	<u>91,400.00</u>	<u>87,603.30</u>
Balance December 31	<u><u>\$ 230,487.78</u></u>	<u><u>\$ 205,816.98</u></u>

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

TOWNSHIP OF HOPEWELL
Water Utility Capital Fund
Statement of Fund Balance
For the Year Ended December 31, 2021

Balance December 31, 2020	\$ 14,682.83
Decreased by:	
Appropriated to Finance Improvement Authorization	<u>2,700.00</u>
Balance December 31, 2021	<u><u>\$ 11,982.83</u></u>

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

TOWNSHIP OF HOPEWELL
Water Utility Operating Fund
Statement of Revenues - Regulatory Basis
For the Year Ended December 31, 2021

	<u>Anticipated</u>	<u>Realized</u>	<u>Excess (Deficit)</u>
Fund Balance Anticipated	\$ 91,400.00	\$ 91,400.00	\$ -
Water Rents	70,000.00	72,265.26	2,265.26
Interest on Investments and Deposits	1,221.44	1,325.68	104.24
Contribution from Current Fund	3,753.56	3,573.56	(180.00)
Miscellaneous Revenue Not Anticipated	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u><u>\$ 166,375.00</u></u>	<u><u>\$ 168,564.50</u></u>	<u><u>\$ 2,189.50</u></u>

Analysis of Realized Revenues

Miscellaneous Revenue Not Anticipated:

\$	-
<hr/>	
\$	-
<hr/> <hr/>	

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

TOWNSHIP OF HOPEWELL
Water Utility Operating Fund
Statement of Expenditures - Regulatory Basis
For the Year Ended December 31, 2021

	<u>A p p r o p r i a t i o n s</u>			<u>E x p e n d e d</u>		<u>Unexpended Balance Cancelled</u>
	<u>Budget</u>	<u>Emergency Appropriation</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	
Operating:						
Salaries and Wages	\$ 11,500.00	\$ -	\$ 11,500.00	\$ 7,773.50	\$ 3,726.50	\$ -
Other Expenses	146,425.00		146,425.00	46,420.46	15,504.54	84,500.00
Deferred Charges and Statutory Expenditures:						
Statutory Expenditures:						
Social Security	1,000.00	-	1,000.00	594.67	405.33	
Capital Improvements:						
Down Payment on Improvements		-	-		-	-
Debt Service:						
Payment of Bond Principal	4,950.00	-	4,950.00	4,950.00	-	-
Payment of Note Principal	-	-	-	-	-	-
Interest on Bonds	1,500.00	-	1,500.00	1,422.00	-	78.00
Interest on Notes	1,000.00	-	1,000.00	-	-	1,000.00
Total	\$ 166,375.00	\$ -	\$ 166,375.00	\$ 61,160.63	\$ 19,636.37	\$ 85,578.00
 Analysis of Paid or Charged:						
Cash Disbursed				\$ 51,641.59		
Encumbrances Payable				8,097.04		
Interest on Bonds and Notes				1,422.00		
Total				\$ 61,160.63		

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

TOWNSHIP OF HOPEWELL
ELSA Sewer Utility Operating Fund
Statement of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis
For the Year Ended December 31, 2021 and 2020

<u>ASSETS</u>	<u>REFERENCE</u>	<u>2021</u>	<u>2020</u>
Operating Fund:			
Cash	E-5a	\$ 670,250.27	\$ 593,165.59
Receivables with Full Reserves:			
Consumer Accounts Receivable	E-7a	35,505.91	271,551.67
Deferred Charges:			
Deficit in Operations	E-1a	<u>-</u>	<u>87,430.54</u>
Total Assets		<u>\$ 705,756.18</u>	<u>\$ 952,147.80</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Liabilities:			
Appropriation Reserves	E-4a	\$ 21,114.08	\$ 56,875.64
Encumbrances Payable	E-4a	15,956.88	9,720.72
Sewer Rent Overpayments		4,372.68	12,825.78
Accrued Interest on Bonds and Notes	E-11a	3,321.52	4,167.37
Due to SBRSA Sewer Utility Fund	Eb	1,408.40	1,408.40
Other Liability		<u>7,250.00</u>	<u>7,250.00</u>
Total Liabilities		<u>53,423.56</u>	<u>92,247.91</u>
Reserve for Receivables	Ea	35,505.91	271,551.67
Fund Balance	E-1a	<u>616,826.71</u>	<u>588,348.22</u>
Total Liabilities, Reserves and Fund Balance		<u>\$ 705,756.18</u>	<u>\$ 952,147.80</u>

The accompanying notes to financial statements are an integral part of this statement.

TOWNSHIP OF HOPEWELL
SBRSA Sewer Utility Operating Fund

Statement of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis
For the Year Ended December 31, 2021 and 2020

<u>ASSETS</u>	<u>REFERENCE</u>	<u>2021</u>	<u>2020</u>
Operating Fund:			
Cash	E-5b	\$ 284,782.98	\$ 322,550.27
Receivables with Full Reserves:			
Consumer Accounts Receivable	E-7b	10,603.90	9,428.99
Due from ELSA Sewer Utility Operating Fund	Ea	<u>1,408.40</u>	<u>1,408.40</u>
Total Assets		<u><u>\$ 296,795.28</u></u>	<u><u>\$ 333,387.66</u></u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Liabilities:			
Appropriation Reserves	E-4b	\$ 7,893.00	\$ 24,015.80
Encumbrances Payable	E-4b	5,888.99	7,100.10
Due to Sewer Capital Fund	Ec	14,992.03	
Prepaid Sewer Rent		23,480.47	5,109.05
Sewer Rent Overpayments		3.89	412.87
Accrued Interest on Bonds and Notes	E-11b	<u>4,256.33</u>	<u>5,629.00</u>
Total Liabilities		<u>56,514.71</u>	<u>42,266.82</u>
Reserve for Receivables	Eb	10,603.90	9,428.99
Fund Balance	E-1b	<u>229,676.67</u>	<u>281,691.85</u>
Total Liabilities, Reserves and Fund Balance		<u><u>\$ 296,795.28</u></u>	<u><u>\$ 333,387.66</u></u>

The accompanying notes to financial statements are an integral part of this statement.

TOWNSHIP OF HOPEWELL
Sewer Utility Capital Fund

Statement of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis
For the Year Ended December 31, 2021 and 2020

<u>ASSETS</u>	<u>REFERENCE</u>	<u>2021</u>	<u>2020</u>
Capital Fund:			
Cash	E-5c	\$ 351,765.38	\$ 408,642.45
Due from Sewer Operating Fund	Eb	14,992.03	
Fixed Capital	E-8	3,300,426.89	3,300,426.89
Fixed Capital Authorized and Uncompleted	E-9	<u>1,348,688.09</u>	<u>1,206,688.09</u>
Total Assets		<u><u>\$ 5,015,872.39</u></u>	<u><u>\$ 4,915,757.43</u></u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Serial Bonds	E-12	1,041,800.00	1,152,850.00
Bond Anticipation Notes	E-13	116,000.00	196,120.00
Loan Payable		106,566.00	
Improvement Authorizations:			
Funded	E-14	167,033.18	192,686.94
Unfunded	E-14	187,495.16	77,660.95
Capital Improvement Fund	E-15	350.00	400.00
Reserve for Debt Service			16,731.49
Reserve for Amortization	E-16	3,295,314.98	3,184,144.98
Deferred Reserve for Amortization	E-17	25,150.00	-
Fund Balance	E-2	<u>76,163.07</u>	<u>95,163.07</u>
Total Liabilities, Reserves and Fund Balance		<u><u>\$ 5,015,872.39</u></u>	<u><u>\$ 4,915,757.43</u></u>

The accompanying notes to financial statements are an integral part of this statement.

TOWNSHIP OF HOPEWELL
ELSA Sewer Utility Operating Fund
Statement of Operations and Changes in Fund Balance - Regulatory Basis
For the Years Ended December 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Revenue and Other Income Realized:		
Fund Balance Utilized	\$ 356,415.54	\$ 79,259.49
Sewer Rents	1,077,295.47	758,734.25
Interest on Investments	2,805.80	7,284.92
Debt Service Reserve	8,000.00	
Miscellaneous Revenue Not Anticipated	4,253.16	2,960.05
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	<u>63,749.13</u>	<u>54,077.06</u>
Total Revenue and Other Income Realized	<u>1,512,519.10</u>	<u>902,315.77</u>
Expenditures:		
Operating	974,530.00	962,407.60
Deferred Charges and Statutory Expenditures	89,280.54	1,850.00
Capital	5,300.00	
Debt Service	<u>58,514.53</u>	<u>51,659.16</u>
Total Expenditures	1,127,625.07	1,015,916.76
Excess (Deficit) in Revenue	384,894.03	(113,600.99)
Adjustments to Income before Surplus:		
Expenditures Included Above Which Are by Statute Deferred		
Charges to Budget of Succeeding Year	<u>-</u>	<u>87,430.54</u>
Statutory Excess to Surplus	384,894.03	(26,170.45)
Fund Balance January 1	<u>588,348.22</u>	<u>693,778.16</u>
Total	973,242.25	667,607.71
Decreased by Utilization by Sewer Utility Operating Budget	<u>356,415.54</u>	<u>79,259.49</u>
Balance December 31	<u><u>\$ 616,826.71</u></u>	<u><u>\$ 588,348.22</u></u>

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

TOWNSHIP OF HOPEWELL
SBRSA Sewer Utility Operating Fund
Statement of Operations and Changes in Fund Balance - Regulatory Basis
For the Years Ended December 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Revenue and Other Income Realized:		
Fund Balance Utilized	\$ 92,992.51	\$ 86,743.96
Sewer Rents	329,247.35	328,527.98
Reaerve for Debt Service	8,731.49	-
Interest on Investments	1,302.18	4,290.26
Miscellaneous Revenue Not Anticipated	5,018.16	1,067.45
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	<u>26,507.66</u>	<u>14,923.20</u>
Total Revenue and Other Income Realized	<u>463,799.35</u>	<u>435,552.85</u>
Expenditures:		
Operating	334,082.00	327,638.31
Deferred Charges and Statutory Expenditures	1,180.00	1,180.00
Capital	800.00	-
Debt Service	<u>86,760.02</u>	<u>80,564.09</u>
Total Expenditures	422,822.02	409,382.40
Excess (Deficit) in Revenue	40,977.33	26,170.45
Adjustments to Income before Surplus:		
Expenditures Included Above Which Are by Statute Deferred		
Charges to Budget of Succeeding Year	<u>-</u>	<u>-</u>
Statutory Excess to Surplus	40,977.33	26,170.45
Fund Balance January 1	<u>281,691.85</u>	<u>342,265.36</u>
Total	322,669.18	368,435.81
Decreased by Utilization by Sewer Utility Operating Budget	<u>92,992.51</u>	<u>86,743.96</u>
Balance December 31	<u><u>\$ 229,676.67</u></u>	<u><u>\$ 281,691.85</u></u>

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

TOWNSHIP OF HOPEWELL
Sewer Utility Capital Fund
Statement of Fund Balance
For the Year Ended December 31, 2021

Balance December 31, 2020	\$ 95,163.07
Decreased by:	
Appropriated to Finance Improvement Authorizations	<u>19,000.00</u>
Balance December 31, 2021	<u><u>\$ 76,163.07</u></u>

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

TOWNSHIP OF HOPEWELL
ELSA SEWER UTILITY OPERATING FUND
Statement of Revenues - Regulatory Basis
For the Year Ended December 31, 2021

	<u>Anticipated</u>	<u>Realized</u>	<u>Excess (Deficit)</u>
Fund Balance	\$ 356,415.54	\$ 356,415.54	\$ -
Sewer Rents	761,262.00	1,077,295.47	316,033.47
Reserve for Debt Service	8,000.00	8,000.00	
Interest on Investments	3,800.00	2,805.80	(994.20)
Miscellaneous Revenue	<u> </u>	<u>4,253.16</u>	<u>4,253.16</u>
Total	<u><u>\$ 1,129,477.54</u></u>	<u><u>\$ 1,448,769.97</u></u>	<u><u>\$ 319,292.43</u></u>

Analysis of Realized Revenues

Miscellaneous Revenue:	
Sewer Penalties	\$ 3,141.57
Miscellaneous	<u>1,111.59</u>
Total	<u><u>\$ 4,253.16</u></u>

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

TOWNSHIP OF HOPEWELL
SBRSA SEWER UTILITY OPERATING FUND

Statement of Revenues - Regulatory Basis
For the Year Ended December 31, 2021

	<u>Anticipated</u>	<u>Realized</u>	Excess (Deficit)
Fund Balance	\$ 92,992.51	\$ 92,992.51	\$ -
Sewer Rents	321,000.00	329,247.35	8,247.35
Reserve for Debt Service	8,731.49	8,731.49	
Interest on Investments	2,500.00	1,302.18	(1,197.82)
Miscellaneous Revenue Not Anticipated	<u>-</u>	<u>5,018.16</u>	<u>5,018.16</u>
 Total	 <u><u>\$ 425,224.00</u></u>	 <u><u>\$ 437,291.69</u></u>	 <u><u>\$ 12,067.69</u></u>

Analysis of Realized Revenues

Miscellaneous Revenue Not Anticipated:

Sewer penalties	\$ 1,729.78
Miscellaneous	<u>3,288.38</u>
Total	<u><u>\$ 5,018.16</u></u>

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

TOWNSHIP OF HOPEWELL
ELSA Sewer Utility Operating Fund
Statement of Expenditures - Regulatory Basis
For the Year Ended December 31, 2021

	<u>Appropriations</u>		<u>Expended</u>		<u>Balance Canceled</u>
	<u>Budget</u>	Budget After Modification	Paid or <u>Charged</u>	<u>Reserved</u>	
Operating:					
Salaries and Wages	\$ 24,000.00	\$ 24,000.00	\$ 16,656.51	\$ 7,343.49	\$ -
Other Expenses	950,530.00	950,530.00	937,335.26	13,194.74	-
Deferred Charges and Statutory Expenditures:					
Deferred Charges:					
Deficit in Operations	87,430.54	87,430.54	87,430.54		
Statutory Expenditures:					
Social Security	1,850.00	1,850.00	1,274.15	575.85	-
Capital:					
Capital Improvement Fund	5,300.00	5,300.00	5,300.00		-
Debt Service:					
Payment of Bond Principal	44,496.00	44,496.00	44,496.00	-	-
Payment of Bond Anticipation Note Principal	93.00	93.00	92.40	-	0.60
Interest on Bonds	14,078.00	14,084.93	13,701.97	-	382.96
Interest on Notes	1,700.00	1,693.07	224.16	-	1,468.91
Total	<u>\$ 1,129,477.54</u>	<u>\$ 1,129,477.54</u>	<u>\$ 1,106,510.99</u>	<u>\$ 21,114.08</u>	<u>\$ 1,852.47</u>
Original Budget		<u>\$ 1,129,477.54</u>			
 Analysis of Paid or Charged:					
Cash Disbursed			\$ 989,197.44		
Encumbrances Payable			15,956.88		
Deferred Charges - Deficit in Operations			87,430.54		
Interest on Bonds and Notes			13,926.13		
Total			<u>\$ 1,106,510.99</u>		

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

TOWNSHIP OF HOPEWELL
SBRSA Sewer Utility Operating Fund
Statement of Expenditures - Regulatory Basis
For the Year Ended December 31, 2021

	<u>Appropriations</u>		<u>Expended</u>		<u>Overexpended</u>	<u>Balance Canceled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>		
Operating:						
Salaries and Wages	\$ 13,000.00	\$ 13,000.00	\$ 10,123.63	\$ 2,876.37	\$ -	\$ -
Other Expenses	321,082.00	321,082.00	316,470.90	4,611.10		
Deferred Charges and Statutory Expenditures:						
Statutory Expenditures:						
Social Security	1,180.00	1,180.00	774.47	405.53		-
Capital:						
Capital Improvement Fund	800.00	800.00	800.00			
Debt Service:						
Payment of Bond Principal	66,554.00	66,554.00	66,554.00	-		-
Payment of Bond Anticipation Note Principal	28.00	28.00	27.60	-		0.40
Interest on Bonds	20,625.00	20,625.00	20,044.66	-		580.34
Interest on Notes	1,955.00	1,955.00	133.76	-		1,821.24
Total	<u>\$ 425,224.00</u>	<u>\$ 425,224.00</u>	<u>\$ 414,929.02</u>	<u>\$ 7,893.00</u>	<u>\$ -</u>	<u>\$ 2,401.98</u>
Original Budget		<u>\$ 425,224.00</u>				
Analysis of Paid or Charged:						
Cash Disbursed			\$ 388,861.61			
Deferred Charge			-			
Encumbrances Payable			5,888.99			
Interest on Bonds and Notes			20,178.42			
Total			<u>\$ 414,929.02</u>			

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

TOWNSHIP OF HOPEWELL
Public Assistance Fund
Statement of Assets, Liabilities and Reserves
For the Years Ended December 31, 2021 and 2020

	<u>REFERENCE</u>	<u>2021</u>	<u>2020</u>
<u>ASSETS</u>			
Cash	F-1	<u>\$ 9,685.29</u>	<u>\$ 9,646.63</u>
Total		<u>\$ 9,685.29</u>	<u>\$ 9,646.63</u>
<u>LIABILITIES AND RESERVES</u>			
Reserve for Public Assistance		<u>\$ 9,685.29</u>	<u>\$ 9,646.63</u>

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

TOWNSHIP OF HOPEWELL
ACCOUNT GROUP
Statement of General Fixed Assets Group of Accounts
For the Year Ended December 31, 2021

	Balance December 31, 2020	Additions	Deletions	Balance December 31, 2021
General Fixed Assets:				
Land	\$ 45,685,139.00	\$ -	\$ -	\$ 45,685,139.00
Buildings and Building Improvements	12,283,287.00	-	0.00	12,283,287.00
Machinery and Equipment	9,864,193.00	295,970.00	239,602.00	9,920,561.00
	<u>67,832,619.00</u>	<u>295,970.00</u>	<u>239,602.00</u>	<u>67,888,987.00</u>
Total General Fixed Assets	<u>\$ 67,832,619.00</u>	<u>\$ 295,970.00</u>	<u>\$ 239,602.00</u>	<u>\$ 67,888,987.00</u>
Total Investment in General Fixed Assets	<u>\$ 67,832,619.00</u>	<u>\$ 295,970.00</u>	<u>\$ 239,602.00</u>	<u>\$ 67,888,987.00</u>

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

Township of Hopewell
Notes to Financial Statements
December 31, 2021

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of Financial Reporting Entity - The Township of Hopewell is located in the western portion of Mercer County, New Jersey, midway between Philadelphia and New York City. The present population according to the 2020 census is 17,671.

The Township of Hopewell was incorporated in 1798 and operates under the Township Committee form of government. The Committee is the legislative body of the Township and consists of five members elected by popular vote to a three-year term. Each year the elected body selects one of its members to serve as Mayor for a one-year term.

Component Units – GASB Statement No. 14, *The Financial Reporting Entity*, provides guidance that all entities associated with a primary government are potential component units and should be evaluated for inclusion in the financial reporting entity. A primary government is financially accountable not only for the organizations that make up its legal entity, but also for legally separate organizations that meet the criteria established by GASB Statement No.14, as amended by GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*. There are no organizations that are considered to be component units.

Basis of Accounting, Measurement Focus and Basis of Presentation - The financial statements of the Township of Hopewell contain all funds 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 States of America applicable to local government units. The more significant differences are explained in this Note.

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

Current Fund - The Current Fund accounts for resources and expenditures for governmental operations of a general nature, including Federal and State grant funds.

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

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

Water/Sewer Utility Operating and Capital Fund - The Water/Sewer Utility Operating and Capital Funds account for operations of the utility and the acquisition of capital facilities of the municipally owned water/sewer utility.

Public Assistance Fund - The Public Assistance Funds account for receipt and disbursement of funds that provide assistance to certain residents of the Township pursuant to Title 44 of New Jersey Statutes.

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

Township of Hopewell
Notes to Financial Statements
December 31, 2021

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Budgets and Budgetary Accounting (Cont'd) - An extension of the statutory dates for introduction, approval and adoption of the municipal budget may be granted by the Director of the Division of Local Government Services, with the permission of the Local Finance Board.

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

Cash, Cash Equivalents and Investments - Cash and cash equivalents include petty cash, change funds and cash in banks. All certificates of deposit are recorded as cash regardless of the date of maturity. Investments are stated at cost. Consequently, unrealized gain or loss on investments has not been recorded in accordance with Governmental Accounting Standards Board Statement No. 31.

New Jersey municipal units are limited as to the types of investments and types of financial institutions they may invest in. N.J.S.A. 40A:5-15.1 provides a list of permissible investments that may be purchased by New Jersey municipal units.

N.J.S.A. 17:9-41et seq. establishes the requirement for the security of deposits of governmental units. The statute requires that governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act. The Act 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 the State of New Jersey or state or federally chartered banks, savings banks or associations located in another state with 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 of Hopewell requires it to deposit funds in public depositories protected from loss under the provisions of the Act.

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

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

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 not adopted a capitalization threshold as required 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. Donated general fixed assets are recorded at their estimated fair market value on the acquisition date. 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 other than buildings, 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.

Township of Hopewell
Notes to Financial Statements
December 31, 2021

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

General Fixed Assets (Cont'd) – 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. Lastly, all fixed assets must be adequately controlled to safeguard against loss, damage or theft.

No depreciation of general fixed assets is recorded.

Utility Fixed Assets - Property and equipment purchased by the Water/Sewer Utility Fund are recorded in the capital account at cost and are adjusted for dispositions and abandonments. Contributions in aid of construction are capitalized, whereas those made in the form of tangible assets, such as land are not. The balance in the Reserve for Amortization and Deferred Reserve for Amortization accounts in the utility capital fund represents the costs of acquisition of property, equipment and improvements. Depreciation is not recorded on these fixed assets.

Foreclosed Property - Foreclosed property is recorded in the Current Fund at the assessed valuation when such property was acquired and is fully reserved. Ordinarily it is the intention of the municipality to resell foreclosed property in order to recover all or a portion of the delinquent taxes or assessments accrued 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 capitalized 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 al. Deferred charges are subsequently raised as items of appropriation in budgets of succeeding years.

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

Fund Balance - Fund Balance included in the current fund and sewer utility operating fund represents an amount available for anticipation as revenue in future year's budgets, with certain restrictions.

Revenues - Revenues are recorded when received in cash except for certain amounts which are due from other governmental units. Revenue from Federal and State grants are realized when anticipated as such in the Township's budget. Receivables for property taxes, water rents, and sewer rents are recorded with offsetting reserves on the statement of assets, liabilities, reserves and fund balance of the Township's Current Fund, Water Utility Operating Fund, and Sewer Utility Operating Fund, respectively; accordingly, such amounts are not recorded as revenue until collected. Other amounts that are due the Township which are susceptible to accrual are also recorded as receivables with offsetting reserves and recorded as revenue when received.

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

School Taxes - The Township is responsible for levying, collecting and remitting school taxes for the Hopewell Valley Regional School District. Operations are charged for the full amount required to be raised from taxation to operate the local school district for the period from January 1, 2021 to December 31, 2021.

Township of Hopewell
Notes to Financial Statements
December 31, 2021

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

County Taxes - The Township is responsible for levying, collecting and remitting county taxes for the County of Mercer. 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 10 of the current year. In addition, operations is charged for the County share of Added and Omitted Taxes certified to the County Board of Taxation by October 10 of the current year and due to be paid to the County by February 15 of the following year.

Fire District Taxes - The Township is responsible for levying, collecting and remitting fire district taxes for the Hopewell Township Fire District No. 1. Operations are charged for the full amount required to be raised from taxation to operate the fire district for the period from January 1, 2021 to December 31, 2021.

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

Appropriations for principal and interest on outstanding general capital bonds and notes and for principal on outstanding sewer utility capital bonds are provided on the cash basis. Appropriations for interest on outstanding water/sewer 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 canceled by the governing body. Appropriation reserves are available, until lapsed at the close of the succeeding year, to meet specific claims, commitments or contracts incurred during the preceding fiscal year. Lapsed appropriation reserves are recorded as income.

Compensated Absences and Postemployment Benefits - Compensated absences for vacation, sick leave and other compensated absences are recorded and provided for in the annual budget in the year in which they are paid, on a pay-as-you-go basis. Likewise, no accrual is made for postemployment benefits, if any, which are also funded on a pay-as-you-go basis.

Long Term Debt - Long Term Debt, relative to the acquisition of capital assets, is recorded as a liability in either the General Capital Fund or the Water/Sewer 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 confirmation of the assessments or when the improvement is fully and permanently funded.

Interest on Delinquent Taxes - It is the policy of the Township to collect interest for the nonpayment of taxes, sewer or assessments on or before the date when they would become delinquent. The Tax Collector is authorized to charge eight percent (8%) per annum on the first \$1,500 of taxes becoming delinquent after due date and eighteen percent (18%) per annum on any amount of taxes in excess of \$1,500 becoming delinquent after the due date and if a delinquency is in excess of \$10,000 and remains in arrears beyond December 31st, an additional penalty of six percent (6%) shall be charged against the delinquency. There is a ten (10) day grace period.

Township of Hopewell
Notes to Financial Statements
December 31, 2021

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Comparative Data – Comparative total data for the prior year has been presented in the accompanying Balance Sheets and Statement of Operations in order to provide an understanding of changes in the Township’s financial position. However, comparative (i.e., presentation of prior year totals by fund type) data have not been presented in the statement of revenues – regulatory basis and the statement of expenditures – regulatory basis since their inclusion would make the statements unduly complex and difficult to read.

NOTE 2. CASH AND CASH EQUIVALENTS

Custodial Credit Risk Related to Deposits – Custodial credit risk refers to the risk that, in the event of a bank failure, the Municipality’s deposits may not be recovered. Although the Municipality does not have a formal policy regarding custodial credit risk, N.J.S.A. 17:9-41 et seq. requires that governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Unit. Under the Act, the first \$250,000 of governmental deposits in each insured depository is protected by the Federal Deposit Insurance Corporation (FDIC). Public funds owned by the municipality in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings or funds that may pass to the Municipality relative to the happening of a future condition. Such funds are shown as uninsured and uncollateralized. Of the Municipality’s amount on deposit of \$25,918,479 as of December 31, 2021, \$515,187 was insured under FDIC and the remaining balance of \$25,403,292 was collateralized under GUDPA.

NOTE 3. INVESTMENTS

New Jersey municipalities are limited as to the types of investments and types of financial institutions they may invest in. N.J.S.A. 40A:5-15.1 provides a list of permissible investments that may be purchased by New Jersey municipalities. These permissible investments generally include bonds or other obligations of the United States of America or obligations guaranteed by the United States of America, government money market funds, any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, bonds or other obligations of the local unit or other obligations approved by the Division of Investment in the Department of Treasury for investment by local units, local government investment pools, deposits with the State of New Jersey Cash Management Fund, and agreements for the repurchase of fully collateralized securities with certain provisions. The Township has no investment policy that would further limit its investment choices.

Custodial Credit Risk Related to Investments – For an investment, custodial credit risk is the risk that, in the event of failure of the counterparty, the Township will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the Township, and are held by either the counterparty or the counterparty’s trust department or agent but not in the Township’s name.

As of December 31, 2021, the Township had the following investments:

<u>Investment</u>	<u>Maturities</u>	<u>Credit Rating</u>	<u>Fair Value</u>
Money Market Fund	Less than 1 Year	AAAm	\$ 9,068,767
Cash Management	Less than 1 Year		\$ 3,813

Township of Hopewell
Notes to Financial Statements
December 31, 2021

NOTE 4. PROPERTY TAXES

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

<u>Comparative Schedule of Tax Rates</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Total Tax Rate	<u>\$ 3.059</u>	<u>\$ 2.985</u>	<u>\$ 2.912</u>	<u>\$ 2.858</u>	<u>\$ 2.780</u>
Apportionment of Tax Rate:					
Municipal	.437	.410	.397	.380	.370
County	.674	.703	.717	.735	.710
Regional School	1.809	1.740	1.670	1.621	1.583
Fire District	.109	.102	.098	.092	.087
Municipal Open Space	.030	.030	.030	.030	.030

<u>Assessed Valuation</u>	<u>Amount</u>
2021	\$ 3,816,199,773
2020	3,924,848,132
2019	3,964,774,232
2018	3,966,384,383
2017	3,969,467,988

<u>Comparison of Tax Levies and Collections</u>			
<u>Year Ended</u>	<u>Tax Levy</u>	<u>Collections</u>	<u>Percentage Of Collections</u>
2021	\$ 116,808,474	\$ 115,661,661	99.02 %
2020	117,155,619	115,832,713	98.58
2019	115,579,193	114,461,078	99.03
2018	113,717,096	112,786,408	99.18
2017	110,521,953	109,787,477	99.34

Delinquent Taxes and Tax Title Liens

<u>Year Ended</u>	<u>Tax Title Liens</u>	<u>Delinquent Taxes</u>	<u>Total Delinquent</u>	<u>Percentage of Tax Levy</u>
2021	\$ 318,563	\$ 1,008,058	\$ 1,326,621	1.14 %
2020	310,332	1,444,356	1,754,688	1.50
2019	283,072	876,628	1,159,700	1.00
2018	231,297	823,601	1,054,898	.93
2017	193,879	684,058	877,937	.79

**Township of Hopewell
Notes to Financial Statements
December 31, 2021**

NOTE 4. PROPERTY TAXES (Continued)

The following comparison is made of the number of tax title liens receivable on December 31, of the current year and previous four years.

<u>Year Ended</u>	<u>Number</u>
2021	15
2020	16
2019	17
2018	13
2017	10

NOTE 5. PROPERTY ACQUIRED BY TAX TITLE LIEN LIQUIDATION

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

<u>Year Ended</u>	<u>Amount</u>
2021	None
2020	None
2019	None
2018	None
2017	None

NOTE 6. WATER/SEWER UTILITY LEVY

The following is a five-year comparison of water and sewer utility charges (rent) and collections for the current and previous four years.

Water Utility Levy:

<u>Year</u>	<u>Balance Jan. 1,</u>	<u>Water Levy</u>	<u>Total</u>	<u>Cash Collections</u>	<u>Percentage</u>
2021	\$ 3,327	\$ 71,791	\$ 75,118	\$ 72,265	96.20%
2020	1,738	74,485	76,223	72,896	95.64
2019	2,385	74,742	77,127	75,390	97.75
2018	1,371	68,550	69,921	67,536	96.59
2017	981	71,398	72,379	71,008	98.10

ELSA Sewer Utility Levy:

<u>Year</u>	<u>Balance Jan. 1,</u>	<u>Sewer Levy</u>	<u>Total</u>	<u>Cash Collections</u>	<u>Percentage</u>
2021	\$ 271,552	\$ 841,250	\$ 1,112,801	\$ 1,077,295	96.81%
2020	52,715	977,571	1,030,286	758,734	73.64
2019	44,171	934,691	978,862	926,147	94.61
2018	69,908	841,105	911,013	866,842	95.15
2017	63,304	1,137,916	1,201,220	1,131,312	94.18

Township of Hopewell
Notes to Financial Statements
December 31, 2021

NOTE 6. WATER/SEWER UTILITY LEVY (Continued)

SBRSA Sewer Utility Levy:

<u>Year</u>	<u>Balance Jan. 1</u>	<u>Sewer Levy</u>	<u>Total</u>	<u>Cash Collections</u>	<u>Percentage</u>
2021	\$ 9,429	\$ 330,422	\$ 339,851	\$ 329,247	96.88 %
2020	6,111	337,368	343,479	334,050	97.25
2019	8,829	325,795	324,624	328,513	98.17
2018	8,487	335,433	343,920	335,091	97.43
2017	6,183	326,875	333,058	334,571	97.45

NOTE 7. 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>Current Fund</u>	<u>Balance December 31</u>	<u>Utilized In Budget of Succeeding Year</u>	<u>Percentage of Fund Balance Used</u>
2021	\$ 8,722,873	\$ 1,311,000	15.03 %
2020	8,979,773	1,730,000	19.27
2019	9,874,531	1,183,500	11.98
2018	10,163,523	1,360,000	13.38
2017	10,786,090	1,900,000	17.62

<u>Water Utility Operating Fund</u>	<u>Balance December 31</u>	<u>Utilized In Budget of Succeeding Year</u>	<u>Percentage of Fund Balance Used</u>
2021	\$ 230,488	\$ 104,260	45.23 %
2020	205,817	91,400	44.41
2019	191,743	87,603	45.69
2018	160,995	-0-	-0-
2017	157,449	7,085	4.50

<u>ELSA Sewer Utility Operating Fund</u>	<u>Balance December 31</u>	<u>Utilized In Budget of Succeeding Year</u>	<u>Percentage of Fund Balance Used</u>
2021	\$ 616,827	\$ 99,275	16.09 %
2020	588,348	356,416	60.58
2019	693,778	79,259	11.42
2018	697,710	132,309	18.96
2017	706,018	130,828	18.53

Township of Hopewell
Notes to Financial Statements
December 31, 2021

NOTE 7. FUND BALANCES APPROPRIATED (Continued)

SBRSA Sewer Utility Operating Fund	Balance December 31	Utilized In Budget of Succeeding Year	Percentage of Fund Balance Used
2021	\$ 229,677	\$ 136,172	59.29%
2020	281,692	92,992	33.01
2019	342,265	86,744	25.34
2018	360,455	26,096	7.24
2017	309,571	36,594	11.82

NOTE 8. PENSION PLANS

The New Jersey Division of Local Government Services issued Local Finance Notice 2022-12 which allows local units to disclose the most recently available information as it relates to the New Jersey Division of Pension's reporting on GASBS No. 68, *Accounting for Pensions*. As of the date of this report, the information for the measurement period ended June 30, 2021 was not available; therefore, the information from the measurement period ended June 30, 2020 is disclosed below.

Substantially all of the Township's employees participate in one of the following pension plans which have been established by State statute and are administered by the New Jersey Division of Pensions and Benefits (Division): the Police and Firemen's Retirement System (PFRS), the Public Employees' Retirement System (PERS) or the Defined Contribution Retirement Program (DCRP). Each plan has a Board of Trustees that is primarily responsible for its administration. The Division issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to or at the following website: the State of New Jersey, Division of Pensions and Benefits. P.O. Box 295, Trenton, New Jersey, 08625-0295, <https://www.state.nj.us/treasury/pensions/financial-reports.shtml>

Plan Description - The Police and Firemen's Retirement System is a cost sharing multiple-employer defined benefit pension plan which was established as of July 1, 1944. The PFRS provides retirement, death and disability, and medical benefits to certain qualified members. Membership in the PFRS is mandatory for substantially all full-time police and firemen of the Township.

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

The following represents the membership tiers for PFRS:

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

Township of Hopewell
Notes to Financial Statements
December 31, 2021

NOTE 8. PENSION PLANS (CONTINUED)

Police and Firemen's Retirement System (PFRS)

Contributions - The contribution requirements of plan members are determined by N.J.S.A. 43:16A and requires contributions by active members and contributing employers. Pursuant to the provisions of Chapter 78, P.L. 2011, the active member contribution rate is 10.0%. Employers' contributions are based on an actuarially determined amount, which includes the normal cost and unfunded accrued liability.

Special Funding Situation Component - Under N.J.S.A. 43:16A-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 nonemployer contributing entity. Since the local participating employers do not contribute under this legislation directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to record in the government-wide financial statements or to disclose in the notes to the financial statements of the local participating employer related to this legislation.

The Township's contractually required contribution rate for the year ended December 31, 2020, was 32.74% of the Township's covered payroll. This amount was actuarially determined as the amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, including an additional amount to finance any unfunded accrued liability.

Based on the most recent PFRS measurement date of June 30, 2020, the Township's contractually required contribution to the pension plan for the year ended December 31, 2020, is \$982,474 and is payable by April 1, 2021. Due to the basis of accounting described in Note 1, no liability has been recorded in the financial statements for this amount.

The amount of contractually required contribution for the State of New Jersey's proportionate share, associated with the Township, for the year ended December 31, 2020, was 4.52% of the Township's covered payroll.

Based on the most recent PFRS measurement date of June 30, 2020, the State's contractually required contribution, on-behalf of the Township, to the pension plan for the year ended December 31, 2020, is \$135,704 and is payable by April 1, 2021. Based on the PFRS measurement date of June 30, 2019, the State's contractually required contribution, on-behalf of the Township, to the pension plan for the year ended December 31, 2019, was \$117,593, which was paid on April 1, 2020.

The Township is billed annually for its normal contributions plus any accrued liability. These contributions, equal to the required contributions are detailed below.

Fiscal Year	Normal Contributions	Accrued Liability	Non Contributory Life	Employer Retro	Total Liability Paid by Township
2020	\$ 302,882	\$ 566,590	\$ 42,816	\$ -	\$ 912,288
2019	295,476	544,383	34,542	10,355	884,756
2018	271,201	504,565	33,956		809,722

Pension Liabilities, Pension Expense, and Deferred Outflow of Resources and Deferred Inflows of Resources Related to Pensions – For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the PFRS and additions to/deductions from PFRS fiduciary net position have been determined on the same basis as they are reported by PFRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Township of Hopewell
Notes to Financial Statements
December 31, 2021

NOTE 8. PENSION PLANS (CONTINUED)

Police and Firemen's Retirement System (PFRS)

For the year ended December 31, 2020, the Township's proportionate share of pension expense is \$199,863. This expense is not recognized by the Township because of the regulatory basis of accounting as described in Note 1.

At December 31, 2020, the Township proportionate share of the net pension liability is \$11,363,401 and deferred outflows of resources related to PFRS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 179,039	\$ 34,773
Changes of assumptions	318,986	4,117,077
Net Difference between projected and actual earnings on pension plan investments	336,092	
Changes in proportion	917,910	640,569
Township contributions subsequent to the measurement date	659,613	
Total	\$ 2,411,640	\$ 4,792,419

\$659,613 included in deferred outflows of resources, will be included as a reduction of the net pension liability in the year ending December 31, 2021.

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

For the year ended:	Net Deferred Outflows (Inflows) of Resources
2021	\$ (350,149)
2022	(1,031,693)
2023	(783,341)
2024	(395,957)
2025	(83,589)
Total	\$ (2,644,729)

Township of Hopewell
Notes to Financial Statements
December 31, 2021

NOTE 8. PENSION PLANS (CONTINUED)

Police and Firemen's Retirement System (PFRS)

The amortization of the above other deferred outflows of resources and deferred inflows of resources related to pensions will be over the following number of

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience		
Year of Pension Plan Deferral:		
June 30, 2015	-	5.53
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	
Changes of assumptions		
June 30, 2014	6.17	-
June 30, 2015	5.53	-
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
Differences between projected and actual investment earnings on pension plan investments		
June 30, 2016	5.00	-
June 30, 2017	5.00	-
June 30, 2018	5.00	-
June 30, 2019	5.00	-
June 30, 2020	5.00	-

Additional Information

Collective balances at June 30, 2020 and 2019 are as follows:

	<u>6/30/2020</u>	<u>6/30/2019</u>
Collective deferred outflows of resources	\$ 1,601,195,880	\$ 1,198,936,924
Collective deferred inflows of resources	\$ 4,191,274,402	\$ 4,874,748,912
Collective net pension liability	\$ 14,926,648,722	\$ 14,170,193,618
Township's Proportion	.0879430390%	.0903156549%

Township of Hopewell
Notes to Financial Statements
December 31, 2021

NOTE 8. PENSION PLANS (CONTINUED)

Police and Firemen's Retirement System (PFRS)

Actuarial assumptions – The total pension liability for the June 30, 2020 measurement date was determined by an actuarial valuation as of July 1, 2019, which was rolled forward to June 30, 2020. This actuarial valuation used the following actuarial assumptions:

Inflation rate:	
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%

Additional Information

Pre-retirement mortality rates were based on the Pub-2010 Safety Employee mortality table with a 105.6% adjustment for males and a 102.5% adjustment for females, and with future improvement from base year of 2010 on a generational basis. For healthy annuitants, 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 a 96.0% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. For beneficiaries, the Pub-2010 General Retiree Below-Median Income Weighted mortality table was used, unadjusted, and with future improvement from 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-2020.

The actuarial assumptions used in the July 1, 2019 valuation were based on the results of an actuarial experience study for the period July 1, 2013 to June 30, 2018.

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, 2020) 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 real rates of return for each major asset class included in PFRS's target asset allocation as of June 30, 2020 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
US Equity	27.00%	7.71%
Non-U.S. Developed Market Equity	13.50%	8.57%
Emerging Market Equity	5.50%	10.23%
Private Equity	13.00%	11.42%
Real Assets	3.00%	9.73%
Real Estate	8.00%	9.56%
High Yield	2.00%	5.95%
Private Credit	8.00%	7.59%
Investment Grade Credit	8.00%	2.67%
Cash Equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	1.94%
Risk Mitigation Strategies	3.00%	3.40%
	100.00%	

Township of Hopewell
Notes to Financial Statements
December 31, 2021

NOTE 8. PENSION PLANS (CONTINUED)

Police and Firemen's Retirement System (PFRS)

Discount rate. The discount rate used to measure the State's total pension liability was 7.00% as of June 30, 2020. 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 78% 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 all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments to determine the total pension liability.

Sensitivity of the Township's proportionate share of the net pension liability to changes in the discount rate. The following presents the Township's and State's proportionate share of the net pension liability measured as of June 30, 2020, calculated using the discount rate of 7.00%, as well as what the Township's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 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	\$ 15,110,984	\$ 11,363,401	\$ 8,250,747
State's proportionate share of the net pension liability associated with the Township	<u>2,050,644</u>	<u>1,763,548</u>	<u>1,525,144</u>
	<u><u>\$ 17,161,628</u></u>	<u><u>\$ 13,126,949</u></u>	<u><u>\$ 9,775,891</u></u>

Public Employees' Retirement System (PERS)

Plan Description - The Public Employees' Retirement System is a cost-sharing multiple-employer defined benefit pension plan which was established on January 1, 1955. The PERS provides retirement, death and disability, and medical benefits to certain qualified members. Vesting Membership in the PERS is mandatory for substantially all full-time employees of the Township, provided the employee is not required to be a member of another state-administered retirement system or other state pension fund or local jurisdiction's pension fund. The PERS's Board of Trustees is primarily responsible for the administration of the PERS. For additional information about PERS, please refer to Division's annual financial statements, which can be found at <http://www.state.nj.us/treasury/pensions/annual-reports.shtml>.

Vesting and Benefit Provisions – 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, except medical benefits, which vest after 25 years of service or under the disability provisions of PERS.

Township of Hopewell
Notes to Financial Statements
December 31, 2021

NOTE 8. PENSION PLANS (CONTINUED)

Public Employees' Retirement System (PERS) (Continued)

The following represents the membership tiers for PERS:

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

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to tiers 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tiers 1 and 2 members before reaching age 60, tiers 3 and 4 with 25 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 their respective tier.

Contributions - The contribution requirements of plan members are determined by N.J.S.A 43:15A and requires contributions by active members and contributing employers. Members contribute at a uniform rate. The member contribution rate was 7.50% in State fiscal year 2020. Employers' contribution amounts are based on an actuarially determined rate. The Authority's contribution amounts are based on an actuarially determined rate which included the normal cost and unfunded accrued liability.

The Township's contractually required contribution rate for the year ended December 31, 2020 was 12.83% of the Township's covered payroll. This amount was actuarially determined as the amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, including an additional amount to finance any unfunded accrued liability.

Based on the most recent PERS measurement date of June 30, 2020, the Township's contractually required contribution to the pension plan for the fiscal year ended December 31, 2020 was \$659,613 and is payable by April 1, 2021. Based on the PERS measurement date of June 30, 2019, the Township's contractually required contribution to the pension plan for the year ended December 31, 2019 was \$550,145, which was paid by April 1, 2020. Employee contributions to the pension plan during the year ended December 31, 2020 were \$316,464.

The Township is billed annually for its normal contributions plus any accrued liability. These contributions, equal to the required contributions are detailed below.

Fiscal Year	Normal Contributions	Accrued Liability	Non Contributory Life	Long-Term Disability	Employer Retro	Total Liability Paid by Township
2020	\$ 50,910	\$ 471,108	\$ 28,129	\$ 1,610	\$ 1,917	\$ 553,674
2019	68,169	452,536	24,805	1,015	9,344	555,869
2018	68,833	428,640	25,491	2,113		525,077

Township of Hopewell
Notes to Financial Statements
December 31, 2021

NOTE 8. PENSION PLANS (CONTINUED)

Public Employees' Retirement System (PERS) (Continued)

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

At December 31, 2020, the Township's proportionate share of the PERS net pension liability was \$9,832,778. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2019. The Township's proportion of the net pension liability was based on a projection of the Township's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined.

For the year ended December 31, 2020, the Township's proportionate share of the PERS pension expense, calculated by the plan as of the June 30, 2019 measurement date is \$30,659. This expense is not recognized by the Township because of the regulatory basis of accounting as described in note 1.

At December 31, 2020, the Township proportionate share of the PERS net pension liability was \$9,832,778 and deferred outflows of resources related to PERS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 179,039	\$ 34,773
Changes of assumptions	318,986	4,117,077
Net Difference between projected and actual earnings on pension plan investments	336,092	
Changes in proportion	917,910	640,569
Township contributions subsequent to the measurement date	659,613	
Total	\$ 2,411,640	\$ 4,792,419

\$659,613 included in deferred outflows of resources, will be included as a reduction of the net pension liability in the year ending December 31, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

For the year ended:	Net Deferred Outflows (Inflows) of Resources
2021	\$ (745,694)
2022	(1,210,236)
2023	(864,498)
2024	(155,583)
2025	(64,381)
Total	\$ (3,040,392)

Township of Hopewell
Notes to Financial Statements
December 31, 2021

NOTE 8. PENSION PLANS (CONTINUED)

Public Employees' Retirement System (PERS) (Continued)

The amortization of the above other deferred outflows of resources and deferred inflows of resources related to pensions will be over the following number of years:

	Deferred Outflows of <u>Resources</u>	Deferred Inflows of <u>Resources</u>
Differences between expected and actual experience		
Year of Pension Plan Deferral:		
June 30, 2015	5.72	-
June 30, 2016	5.57	-
June 30, 2017	5.48	-
June 30, 2018	-	5.63
June 30, 2019	5.21	-
June 30, 2020	5.16	-
Changes of assumptions		
June 30, 2014	6.44	-
June 30, 2015	5.72	-
June 30, 2016	5.57	-
June 30, 2017	-	5.48
June 30, 2018	-	5.63
June 30, 2019	-	5.21
June 30, 2020	-	5.16
Differences between projected and actual investment earnings on pension plan investments		
June 30, 2016	5.00	-
June 30, 2017	5.00	-
June 30, 2018	5.00	-
June 30, 2019	5.00	-
June 30, 2020	5.00	-

Additional Information

Collective balances at June 30, 2020 and 2019 are as follows:

	<u>6/30/2020</u>	<u>6/30/2019</u>
Collective deferred outflows of resources	\$ 2,347,583,337	\$ 3,149,522,616
Collective deferred inflows of resources	\$ 7,849,949,467	\$ 7,645,087,574
Collective net pension liability	\$ 16,435,616,426	\$ 18,143,832,135
Township's Proportion	.0602964727%	.0565582323%

Actuarial assumptions – The total pension liability for the June 30, 2020 measurement date was determined by an actuarial valuation as of July 1, 2019, which was rolled forward to June 30, 2020.

**Township of Hopewell
Notes to Financial Statements
December 31, 2021**

NOTE 8. PENSION PLANS (CONTINUED)

Public Employees' Retirement System (PERS) (Continued)

This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

Inflation rate:	
Price	2.75%
Wage	3.25%
Salary Increases:	
Through 2026:	2.00 – 6.00% based on years of service
Thereafter:	3.00 – 7.00% based on years of service
Investment Rate of Return:	7.00%

Pre-retirement mortality rates were based on the Pub-2010 General Below-Median Income Employee mortality table with an 82.2% adjustment for males and 101.4% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 General Below-Median Income Healthy Retiree mortality table with a 91.4% adjustment for males and 99.7% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability retirement rates used to value disabled retirees were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 127.7% adjustment for males and 117.2% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2020.

The actuarial assumptions used in the July 1, 2019 valuation were based on the results of an actuarial experience study for the period July 1, 2014 to June 30, 2018.

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, 2020) 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, 2020 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
US Equity	27.00%	7.71%
Non-U.S. Developed Market Equity	13.50%	8.57%
Emerging Market Equity	5.50%	10.23%
Private Equity	13.00%	11.42%
Real Assets	3.00%	9.73%
Real Estate	8.00%	9.56%
High Yield	2.00%	5.95%
Private Credit	8.00%	7.59%
Investment Grade Credit	8.00%	2.67%
Cash Equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	1.94%
Risk Mitigation Strategies	3.00%	3.40%

Township of Hopewell
Notes to Financial Statements
December 31, 2021

NOTE 8. PENSION PLANS (CONTINUED)

Public Employees' Retirement System (PERS) (Continued)

Discount rate. The discount rate used to measure the State's total pension liability was 7.00% as of June 30, 2020. 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 nonemployer contributing entity will be made based on 78% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied all projected benefit payments to determining 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 measured as of June 30, 2020, calculated using the discount rate of 7.00%, as well as what the Township's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 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	\$ 12,377,827	\$ 9,832,778	\$ 7,673,234

Pension Plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued State of New Jersey Division of Pensions and Benefits financial report.

Defined Contribution Retirement Program (DCRP)

The Defined Contribution Retirement Program was established in 2007, under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007 (N.J.S.A.43:15C-1 et. seq), and expanded under the provisions of Chapter 89, P.L. 2008 and Chapter 1, P.L. 2010. The Defined Contribution Retirement Program Board oversees the DCRP, which is administered by Prudential Financial on behalf of the Divisions of Pensions and Benefits. The DCRP provides eligible members, and their beneficiaries, with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Vesting and benefit provisions are established by N.J.S.A. 43:15C-1 et. seq.

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members are required to contribute 5.5% of their annual covered salary. Pursuant to the provisions of Chapter 78 P.L. 2011, the active member contribution rate was increased to 6.5% plus an additional 1.0% phased-in over seven years beginning in the first year. The phase-in of the additional incremental member contribution amount will take place in July of each subsequent year. The State Treasurer has the right under the current law to make temporary reductions in rates based on the existence of surplus pension assets in the retirement system; however, state statute also requires the return to the normal rate when such surplus pension assets no longer exist. The employee contributions along with the Township's contribution for each pay period are transmitted to Prudential Financial not later than the fifth business day after the date on which the employee is paid for that pay period.

**Township of Hopewell
Notes to Financial Statements
December 31, 2021**

NOTE 8. PENSION PLANS (CONTINUED)

Defined Contribution Retirement Program (DCRP) (Continued)

The Township's contributions, equal to the required contribution for each fiscal year, were as follows:

	<u>Employer</u>
2021	\$ -
2020	1,336
2019	1,251

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

NOTE 9. POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

The New Jersey Division of Local Government Services issued Local Finance Notice 2022-12 which allows local units to disclose the most recently available information as it relates to the New Jersey Division of Pension's reporting on GASBS No. 75, *Accounting for Postemployment Benefits other than Pensions*. As of the date of this report, the information for the measurement period ended December 31, 2021, was not available; therefore, the information from the measurement period ended December 31, 2020, is disclosed below.

General Information about the OPEB Plan

The financial statements of the Township are not prepared in accordance with Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. The following information is provided in accordance with the requirements of the Statement and has been implemented prospectively.

Plan Description

The Township provides postretirement benefits other than pension benefits to active employees who retire from the Township and meet certain eligibility criteria. These are known as other postemployment benefits (OPEB). OPEB include postemployment healthcare benefits provided separately from a pension plan, excluding benefits defined as termination offers and benefits.

Benefit Eligibility

An employee is eligible to receive postretirement health benefits through the Hopewell Township health plan by meeting the following criteria:

For PBA and SOA, retire from active employment with Hopewell Township with at least 25 years of service with Hopewell Township, 25 years in PERS/PFRS and meet PFRS retirement criteria.

For all others, (1) retire from active employment with Hopewell Township at age 60 or later and have at least 25 years of service in PERS, with at least 10 years of service with Hopewell Township, (2) retire from active employment with Hopewell Township at age 55 or later and have at least 25 years of service with Hopewell Township and 25 years in PERS, or (3) retire from active employment with Hopewell Township with at least 25 years of service with Hopewell Township and 25 years in PERS.

**Township of Hopewell
Notes to Financial Statements
December 31, 2021**

NOTE 9. POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)

Employees Covered by Benefit Terms – At December 31, 2020, the following employees were covered by the benefit terms:

<u>Participation Data</u>	<u>Amount</u>
Active Employees	77
Retirees	<u>59</u>
Total	<u><u>136</u></u>

Total OPEB Liability

The Total OPEB Liability as of December 31, 2020 is \$43,471,337 based upon a discount rate of 4.10% per annum and the plan provisions in effect on December 31, 2020.

Net OPEB Liability

The Net OPEB Liability as of December 31, 2020 is \$43,471,337 based upon a discount rate of 2.12% per annum and the plan provisions in effect on December 31, 2020. There are no plan assets to offset the liability. The liability is broken out as follows:

Total OPEB Liability Active	\$ 20,170,358
Total OPEB Liability Retired	<u>23,300,979</u>
Net OPEB Liability	<u><u>\$ 43,471,337</u></u>

Basis of Valuation

This valuation has been conducted as of December 31, 2020 based upon census, plan design and medical, drug, dental and vision rate information provided by the Township. Census includes 59 participants currently receiving retiree benefits, and 77 active participants of whom 11 are eligible to retire as of the valuation date. The average age of the active population is 46 and the average age of the retiree population is 70.

Actuarial assumptions were selected with the intention of mirroring the requirements of New Jersey Local Finance Notice 2007-15 in addition to Statement of Government Accounting Standard No. 75.

Demographic assumptions were selected based on those used in the State Division of Pensions and Benefits in calculating pension benefits taken from the July 1, 2019 report from Cheiron. While some assumptions were simplified to reflect the smaller population, and to simplify the valuation process, the valuation results reasonably conform to the requirements of LFN 2007-15.

Health care (economic) assumptions were selected based on those used by the State Health Benefits Program in calculated SHBP member OPEB requirements taken from the June 30, 2019 report from Aon Consultants.

Township of Hopewell
Notes to Financial Statements
December 31, 2021

NOTE 9. POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)

Key Actuarial Assumptions

Mortality	RP 2000 Combined Healthy Male Mortality Rates Set Forward Three Years
Turnover	NJ State Pensions Ultimate Withdrawal Rates - prior to benefits eligibility
Assumed Retirement Age	At first eligibility after completing 25 years of service
Full Attribution Period	Service to Assumed Retirement Age
Annual Discount Rate	4.74% Based on the Bond Buyer 20 Index December 31, 2019
	4.12% Based on the Bond Buyer 20 Index December 31, 2020
CPI Increase	2.50%
Rate of Salary Increase	2.50%
Medical Trend	Medical: 5.6% in 2020, reducing by 0.1% per annum, leveling at 5% per annum in 2026 Drug: 9.0% in 2020, reducing by 0.5% per annum to 2022 and 1% annum thereafter, leveling at 5% per annum in 2026 Dental and Vision: 3.5% per annum
Medical Cost Aging Factor	NJ SHBP Medical Morbidity Rates

Attribution period – The attribution period begins with the date of hire and ends with full benefits eligibility date.

Per capita cost methods – The valuation reflects per capita net premium costs based on actual 2020 medical, prescription drug and dental premiums and the plan option selected. Plan selections are assumed to remain unchanged in retirement. The age specific cost was derived based on per person costs at the average age of the active population (46) and scaled to each age based on the medical cost aging factors. At age 65, Medicare becomes the primary payer of medical benefits and consequentially, per capita plan costs are offset by Medicare payments. Thus, post 65 costs were decreased using the assumption that Medicare picks up 66.7% of medical costs.

Retiree Contributions – NJ Chapter 78 requires that certain future retirees contribute toward the cost of their benefits. Specifically, those who had retired prior to passage of Chapter 78 and those employees that had more than 25 years of service on the date of passage are grandfathered. All others are subject to the contribution rates in effect when they retire, but not less than 1.5% of their annual retirement allowance from the Public Employees' Retirement System. For purposes of this valuation and for conservatism, we have assumed that future retiree contributions percentage rates will not increase. Thus, we assumed that a future retiree will contribute his/her current employee contribution as reported by the Township increased annually by the rate of medical trend.

Employer contributions for retiree benefits as reported by the Township were \$851,612 for 2020 and \$1,013,064 for 2021.

Actuarial valuation method – Entry Age Normal Funding Method based on a level percentage of salary. 2020 salaries were reported by the Township as \$6,070,000.

Discount Rate – For the total OPEB Liability calculation as of December 31, 2020, the discount rate utilized was 2.10%

Township of Hopewell
Notes to Financial Statements
December 31, 2021

NOTE 9. POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)

Changes in the Total OPEB Liability – The changes to the OPEB Liability during the year ending December 31, 2020 are as follows:

	Total OPEB Liability
Balance beginning of year	<u>\$ 37,912,694</u>
Changes for the year:	
Service cost	656,787
Interest Cost	1,044,659
Change in Assumptions	4,743,651
Net Benefit Payments	<u>(886,454)</u>
Net Changes	<u>5,558,643</u>
Balance December 31, 2020	<u>\$ 43,471,337</u>

Total OPEB Expense – The Total OPEB Expense is the measure of annual cost based on the actuarial funding method utilized. It is comprised of the “Service Cost” which is the portion of future liabilities attributable to the measurement year, plus interest on the Net OPEB Liability during the year. As of the measurement date, the plan had no assets to offset any portion of the Net OPEB Liability.

The Total OPEB Expense as of December 31, 2020 is \$2,562,745 based upon a discount rate of 2.12% per annum and the plan provisions in effect on December 31, 2020.

Sensitivity of the total OPEB liability to changes in the discount rate - Actuarial measurements are sensitive to changes in actuarial assumptions and where actual experience differs from assumptions. The following represents the Total OPEB Liability if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current discount rate:

	1% Decrease 1.12%	Current Discount Rate 2.10%	1% Increase 3.12%
Total OPEB Liability	\$ 47,547,569	\$ 43,471,337	\$ 40,136,675

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates - Actuarial measurements are sensitive to changes in actuarial assumptions and where actual experience differs from assumptions. The following represents the Total OPEB Liability if it were calculated using a medical trend is that 1 percentage point lower or 1 percentage point higher than the current discount rate:

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Total OPEB Liability	\$ 39,354,738	\$ 43,471,337	\$ 48,487,222

Township of Hopewell
Notes to Financial Statements
December 31, 2021

NOTE 10. COMPENSATED ABSENCES

All twelve-month Township employees are entitled to paid sick leave and vacation days in various amounts. Unused sick leave may be accumulated, and upon retirement the employee may be compensated up to fifty percent of accumulated unused sick leave with a maximum Township payout of \$15,000. Vacation days not used during the year may be accumulated for two years and upon leaving, will be compensated by the Township in full.

The Township does not accrue expenses related to compensated absences. However, it is estimated that, at December 31, 2021, accrued benefits for compensated absences are valued at \$1,558,287.

NOTE 11. 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.

The Township is a member of the Mid Jersey Municipal Joint Insurance Fund (JIF). The Fund provides the following coverage:

- Comprehensive General Liability
- Auto Liability
- Property Coverage
- Worker's Compensation
- Boiler and Machinery
- Public Officials Liability
- Employment Related Practices
- Public Employee Bonds

Contributions to the JIF are calculated based on actuarial and budgetary needs. Each participant is proportionately obligated for any deficiency in the amount available to pay all JIF claims. The Township has paid its current JIF obligations. No deficiency payments have been assessed by the JIF.

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

<u>Year</u>	<u>Interest Earned/Refund</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2021	\$ 276	\$ 10,970	\$ 65,428	\$ 10,809
2020	9,228	10,606	7,760	64,991
2019	797	10,610	13,570	52,917
2018	548	9,935	8,597	55,080
2017	413	9,978	10,945	53,194

Township of Hopewell
Notes to Financial Statements
December 31, 2021

NOTE 12. CAPITAL DEBT

Summary of Municipal Debt

	<u>Year 2021</u>	<u>Year 2020</u>	<u>Year 2019</u>
<u>Issued:</u>			
General Bonds and Notes	\$ 57,797,000	\$ 76,558,689	\$ 58,783,337
Water Utility Bonds and Notes	24,200	29,150	34,550
Sewer Utility Bonds and Notes	1,157,800	1,348,970	1,244,820
Loans	129,654	68,580	113,176
Total Issued	<u>59,108,654</u>	<u>78,005,389</u>	<u>60,175,883</u>
Less:			
Self-Liquidating Debt	1,459,416	225,150	1,449,370
Reserve for Debt	1,714,987	-	-
Bond Funds Held to Pay Notes	-	17,370,000	-
Open Space Bonds and Notes	<u>4,780,000</u>	<u>9,428,992</u>	<u>10,105,612</u>
Net Debt Issued	<u>51,154,251</u>	<u>50,981,247</u>	<u>48,620,901</u>
<u>Authorized But Not Issued:</u>			
General Bonds and Notes	770,557	120,000	120,000
Water Utility Bonds and Notes	-	-	-
Sewer Utility Bonds and Notes	<u>170,850</u>	<u>170,000</u>	<u>170,000</u>
 Net Debt	 <u>\$ 52,095,658</u>	 <u>\$ 51,271,247</u>	 <u>\$ 48,910,901</u>

Serial Bonds are authorized in accordance with State law. All bonds are retired in serial installments within the statutory period of usefulness. Serial Bonds payable at December 31, 2021 consisted of the following issues:

<u>Purpose</u>	<u>Date of Maturity</u>	<u>Interest Rate</u>	<u>Amount</u>
Refunding Bonds of 2017	02/15/2030	2.00% - 4.00%	\$ 10,995,000
Refunding Bonds of 2014	10/01/2026	4.00% - 5.00%	4,915,000
General Obligation Bonds of 2014	02/01/2034	3.00% - 5.00%	4,291,000
General Obligation Bonds of 2015	04/01/2032	3.00% - 5.00%	5,222,000
Refunding Bonds of 2020	02/01/2034	.249% - 2.143%	11,590,000
General Obligation Bonds of 2020	02/01/2030	2.00%	16,295,000
Water Utility Refunding Bonds of 2014	10/01/2026	4.00% - 5.00%	24,200
Sewer Utility Bonds of 2014	10/01/2026	4.00% - 4.25%	280,800
Sewer Utility Bonds of 2015	04/01/2032	2.00% - 3.00%	581,000
Sewer Utility Bonds of 2020	06/01/2030	2.00%	<u>180,000</u>
 Total			 <u>\$ 54,374,000</u>

Bond Anticipation Notes Payable

The Township issues bond anticipation notes to temporarily fund various capital projects prior to the issuance of serial bonds. The term of the notes cannot exceed one year from the date of issuance however the Notes may be renewed from time to time for a period not to exceed one year. Generally, such notes must be paid no later than the first day of the fifth month following the close of the tenth fiscal year following the date of the original notes. The State of New Jersey also prescribes that on or before the third anniversary date of the original note a payment of an amount at least equal to the first legally payable installment of the bonds in anticipation of which such notes were issued be paid or retired.

Township of Hopewell
Notes to Financial Statements
December 31, 2021

NOTE 12. CAPITAL DEBT (Continued)

As of December 31, 2021, the Township had the following outstanding Bond Anticipation Notes:

	<u>Date of Maturity</u>	<u>Interest Rate</u>	<u>Amount</u>
General Capital Fund	09/29/2022	0.24%	\$ 4,489,000
Sewer Utility Capital Fund	09/29/2022	0.24%	<u>116,000</u>
Total			<u><u>\$ 4,605,000</u></u>

General Capital Fund

Summary of Statutory Debt Condition - Annual Debt Statement

The summarized statement of debt condition which follows is prepared in accordance with required method of setting up the Annual Debt Statement and indicates a statutory net debt of 1.242%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Regional School District Debt	\$ 28,030,463	\$ 28,030,463	\$ -
Water and Sewer Utility Debt	1,459,650	1,459,650	-
General Debt	<u>58,590,645</u>	<u>6,494,987</u>	<u>52,095,658</u>
Total	<u><u>\$ 88,080,758</u></u>	<u><u>\$ 35,985,100</u></u>	<u><u>\$ 52,095,658</u></u>

Net Debt, \$52,095,658 divided by Equalized Valuation Basis per N.J.S.A. 40A:2-2, as amended, \$4,194,651,432 equals 1.242%.

2019	\$ 4,208,701,180
2020	4,161,397,144
2021	<u>4,213,855,972</u>
Average	<u><u>\$ 4,194,651,432</u></u>

Township of Hopewell
Notes to Financial Statements
December 31, 2021

NOTE 12. CAPITAL DEBT (Continued)

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

3 1/2% of Equalized Valuation Basis (Municipal)	\$ 146,812,800
Net Debt	<u>52,095,658</u>
Remaining Borrowing Power	<u><u>\$ 94,717,142</u></u>

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

Cash Receipts from Fees, Rents or Other Charges for the Year	\$ 168,565
Deductions:	
Operating and Maintenance Costs	\$ 74,425
Debt Service Costs	<u>6,372</u>
	<u>80,797</u>
Total Excess in Revenues	<u><u>\$ 87,768</u></u>

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

Cash Receipts from Fees, Rents or Other Charges for the Year	\$ 1,855,951
Deductions:	
Operating and Maintenance Costs	\$ 1,311,642
Debt Service Costs	<u>145,413</u>
	<u>1,457,055</u>
Total Excess (Deficit) in Revenues	<u><u>\$ 398,896</u></u>

The foregoing debt information is in agreement with the Annual Debt Statement filed by the Chief Financial Officer.

Township of Hopewell
Notes to Financial Statements
December 31, 2021

NOTE 12. CAPITAL DEBT (Continued)

Schedule of Annual Debt Service for Principal and Interest for Bonded Debt Issued and Outstanding

Serial Bonds Payable

General Capital Fund			
Calendar Year	Principal	Interest	Total
2022	\$ 5,885,000	\$ 1,329,804	\$ 7,214,804
2023	6,015,000	1,150,633	7,165,633
2024	6,131,000	996,043	7,127,043
2025	6,000,000	832,574	6,832,574
2026	5,965,000	665,158	6,630,158
2027-2031	19,650,000	1,394,468	21,044,468
2032-2034	3,662,000	106,628	3,768,628
	<u>\$ 53,308,000</u>	<u>\$ 6,475,308</u>	<u>\$ 59,783,308</u>

Serial Bonds Payable

Water Utility			
Calendar Year	Principal	Interest	Total
2022	\$ 4,950	\$ 1,273	\$ 6,223
2023	4,950	1,076	6,026
2024	5,850	878	6,728
2025	5,850	585	6,435
2026	2,600	130	2,730
	<u>\$ 24,200</u>	<u>\$ 3,942</u>	<u>\$ 28,142</u>

Serial Bonds Payable

Sewer Utility			
Calendar Year	Principal	Interest	Total
2022	\$ 110,050	\$ 31,282	\$ 141,332
2023	110,050	28,079	138,129
2024	119,150	24,878	144,028
2025	119,150	20,720	139,870
2026	122,400	16,612	139,012
2027-2031	405,000	35,250	440,250
2032	56,000	840	56,840
	<u>\$ 1,041,800</u>	<u>\$ 157,661</u>	<u>\$ 1,199,461</u>

Township of Hopewell
Notes to Financial Statements
December 31, 2021

NOTE 12. CAPITAL DEBT (Continued)

New Jersey Green Trust Loan Payable

Calendar Year	Principal	Interest	Total
2022	\$ 23,088	\$ 231	\$ 23,319
	<u>\$ 23,088</u>	<u>\$ 231</u>	<u>\$ 23,319</u>

NOTE 13. DEFERRED COMPENSATION SALARY PLAN

The Township offers its employees a Deferred Compensation Plan in accordance with Internal Revenue Code Section 457, which has been approved by the Director of the Division of Local Government Services. The Plan, available to all full-time employees at their option, permits employees to defer a portion of their salary to future years. The deferred compensation is not available to participants until termination, retirement, death, unforeseeable emergency.

Amounts deferred under Section 457 plans must be held in trust for the exclusive benefit of participating employees and are not accessible by the Township or its creditors.

NOTE 14. INTERFUND RECEIVABLES AND PAYABLES

The following interfund balances were recorded on the various statements of assets, liabilities, reserves and fund balances as of December 31, 2021:

Fund	Interfund Receivables	Interfund Payables
Current Fund	\$ 107	\$ -
Federal & State Grant Fund	-	107
Trust Fund:		
Other Trust Funds	-	-
General Capital Fund	-	-
Water Utility Fund	-	-
ELSA Sewer Utility Fund	-	1,408
SBRSA Sewer Utility Fund	1,408	14,992
Sewer Capital Fund	<u>14,992</u>	<u>-</u>
	<u>\$ 16,507</u>	<u>\$ 16,507</u>

NOTE 15. CONTINGENCIES

The Township participates in a number of state and federally assisted grant programs. The programs are subject to compliance audits under the single audit approach. Such audits could lead to requests for reimbursement by the grantor agency for expenditures disallowed under terms of the grants. Management believes that the amount from future audits, if any, would not be material.

Township of Hopewell
Notes to Financial Statements
December 31, 2021

NOTE 16. PAYMENTS IN LIEU OF TAX (PILOT)

In accordance with Chapter 441, Public Law 1991, N.J.S.A. 40A:21-1, the Township adopted various resolutions which provided for tax exemption and abatement for affordable housing. The following is a comparison of tax abatement billings and collections for the current and previous two years:

<u>Year</u>	<u>Billings</u>	<u>Collections</u>
2021	\$ 93,373	\$ 93,373
2020	91,314	91,314
2019	102,218	102,218

NOTE 17. LITIGATION

The Township is a defendant in several legal proceedings that are in various stages of litigation. The outcome of this litigation is not presently known.

NOTE 18. SUBSEQUENT EVENTS

Subsequent to December 31, 2021, the Township of Hopewell authorized additional Bonds and Notes as follows:

<u>Purpose</u>	<u>Date</u>	<u>Amount</u>
Various Capital Improvements	2/28/2022	\$ <u>4,863,000</u>

SUPPLEMENTAL EXHIBITS

CURRENT FUND

TOWNSHIP OF HOPEWELL
Current Fund
Statement of Cash - Treasurer
For the Year Ended December 31, 2021

	CURRENT FUND	FEDERAL AND STATE GRANT FUND
Balance December 31, 2020	\$ 11,060,602.53	\$ 360,697.65
Receipts:		
Taxes Receivable	\$ 115,991,801.46	\$ -
Tax Title Liens Receivable	25,784.96	
2022 Prepaid taxes	879,270.76	
Tax Overpayments	380,687.51	
Revenue Accounts Receivable	4,378,946.62	
Due State of New Jersey:		
Marriage License Fees	1,550.00	
Burial Permits	210.00	
Due from State of New Jersey for Senior		
Citizens and Veterans Deductions	78,860.97	
Miscellaneous Revenues Not Anticipated	127,702.45	
Return of Change Fund		
Federal and State Grants Receivable	-	933,318.59
Unappropriated Reserves	-	1,302,625.06
Due from General Capital Fund	72,000.00	
Contra	180.00	
Petty Cash	750.00	
Total Receipts	<u>121,937,744.73</u>	<u>2,235,943.65</u>
Subtotal	132,998,347.26	2,596,641.30
Disbursements:		
2021 Appropriations	21,554,074.16	
Appropriation Reserves	286,015.49	
Accounts Payable		
Refund of Tax Overpayments	212,340.06	
County Taxes	26,754,663.39	
Regional School Taxes	68,018,862.00	
Fire District Tax Payable	4,149,564.02	
Municipal Open Space Tax Payable	1,146,873.63	
Due State of New Jersey:		
Marriage License Fees	1,500.00	
Burial Permits	135.00	
Appropriated Reserves	-	975,318.76
Contra	180.00	
Petty Cash	750.00	
Total Disbursements	<u>122,124,957.75</u>	<u>975,318.76</u>
Balance December 31, 2021	<u>\$ 10,873,389.51</u>	<u>\$ 1,621,322.54</u>

TOWNSHIP OF HOPEWELL
Current Fund
Schedule of Change Funds
For the Year Ended December 31, 2021

	<u>Analysis by Office</u>	
Tax Collector		\$ 200.00
Construction Code		50.00
Health		200.00
Municipal Clerk		50.00
Municipal Court		200.00
Total		<u>\$ 700.00</u>

TOWNSHIP OF HOPEWELL
Current Fund
Schedule of Taxes Receivable and Analysis of Property Tax Levy
For the Year Ended December 31, 2021

Year	Balance Dec. 31, 2020	2021 Levy	Added Taxes	COLLECTIONS BY CASH		State Share of 2021 Senior Citizens and Veterans Deductions Allowed	Transferred To Tax Title Lien	Overpayments Applied	Canceled	Balance Dec. 31, 2021
				2020	2021					
2018	\$ 1,955.37	\$ -	\$ -	\$ -	\$ 1,955.37	\$ -	\$ -	\$ -	\$ -	\$ -
2019	9,600.11				9,600.11					-
2020	1,432,800.27		15,536.39		1,448,203.14				133.52	-
Subtotal	1,444,355.75	-	15,536.39	-	1,459,758.62	-	-	-	133.52	-
2021	-	116,808,474.45		993,249.38	114,532,042.84	81,121.24	34,015.84	55,247.28	104,740.20	1,008,057.67
Total	<u>\$ 1,444,355.75</u>	<u>\$ 116,808,474.45</u>	<u>\$ 15,536.39</u>	<u>\$ 993,249.38</u>	<u>\$ 115,991,801.46</u>	<u>\$ 81,121.24</u>	<u>\$ 34,015.84</u>	<u>\$ 55,247.28</u>	<u>\$ 104,873.72</u>	<u>\$ 1,008,057.67</u>

Analysis of Property Tax Levy

Tax Yield:

General Purpose Tax	\$ 116,656,252.44
Added and Omitted Taxes	71,972.01
Senior Citizens and Veterans Deductions Allowed Per Original Levy	<u>80,250.00</u>
Total	<u>\$ 116,808,474.45</u>

Tax Levy:

Regional High School Tax (Abstract)	\$ 68,018,862.00
Fire District Tax (Abstract)	4,149,565.00
County Tax (Abstract)	26,723,750.61
County Added Taxes	16,499.80
Local Open Space Tax (Abstract)	1,144,860.00
Local Open Space Added Tax	706.17
Local Tax for Municipal Purposes	\$ 16,672,293.36
Additional Tax Levies	<u>81,937.51</u>
	<u>16,754,230.87</u>
Total	<u>\$ 116,808,474.45</u>

TOWNSHIP OF HOPEWELL
Current Fund
Schedule of Tax Title Liens
For the Year Ended December 31, 2021

Balance December 31, 2020		\$ 310,332.07
Increased by:		
Transfer from Taxes Receivable	\$ 34,015.84	
Interest and Costs from Tax Sale	<u>-</u>	<u>34,015.84</u>
Decreased by:		
Redeemed		<u>25,784.96</u>
Balance December 31, 2021		<u><u>\$ 318,562.95</u></u>

TOWNSHIP OF HOPEWELL
Current Fund
Schedule of Revenue Accounts Receivable
For the Year Ended December 31, 2021

	Balance Dec. 31, 2020	Accrued in 2021	Collected By Treasurer	Balance Dec. 31, 2021
Alcoholic Beverage Licenses	\$ -	\$ 31,000.00	\$ 31,000.00	\$ -
Fees and Permits	-	443,651.63	443,651.63	-
Municipal Court - Fines and Costs	-	95,674.46	88,624.07	7,050.39
Interest and Costs on Taxes	-	407,119.26	407,119.26	-
Payment in Lieu of Taxes	-	93,373.29	93,373.29	-
Interest Earned on Investments and Deposits	-	68,646.66	68,646.66	-
Franchise Fees	-	234,066.43	234,066.43	-
CHS Settlement Agreement	-	311,462.00	311,462.00	-
Energy Receipts Tax	-	1,601,563.00	1,601,563.00	-
Garden State Trust Fund	-	50,193.00	50,193.00	-
Interlocal Police Services	-	444,689.38	444,689.38	-
Interlocal Police Dispatch Services	-	74,727.77	74,727.77	-
Interlocal Senior Services	-	10,000.00	10,000.00	-
Reserve for Debt Service	-	450,000.00	450,000.00	-
Reserve for Debt Service - Affordable Housing	-	55,000.00	55,000.00	-
SREC's	-	8,440.13	8,440.13	-
Cell Tower	-	6,390.00	6,390.00	-
Total	<u>\$ -</u>	<u>\$ 4,385,997.01</u>	<u>\$ 4,378,946.62</u>	<u>\$ 7,050.39</u>

Township of Hopewell
Appropriation Reserves - Current Fund
For the Year Then Ended December 31, 2021

	Balance December 31, 2020				
	Appropriation Reserve	Balance after Transfers	Reserve for Encumbrances	Paid or Charged	Balance Lapsed
Salaries and Wages - Within Caps					
Governing Body	\$ -	\$ -	\$ -	\$ -	\$ -
Administrator's Office	9,779.80	9,779.80	-	454.67	9,325.13
Clerk's Office	1,850.02	1,850.02	-	-	1,850.02
Financial Administration	7.97	7.97	-	-	7.97
Assessment of Taxes	1,872.28	1,872.28	-	397.84	1,474.44
Collection of Taxes	0.07	0.07	-	-	0.07
Legal Services and Costs	1,666.43	1,666.43	-	354.07	1,312.36
Community Development	65,524.07	65,524.07	-	560.35	64,963.72
Police	125,366.67	125,366.67	-	19,858.46	105,508.21
Public Buildings and Grounds	3,977.24	3,977.24	-	-	3,977.24
Fleet Maintenance	12,033.44	12,033.44	-	-	12,033.44
Streets and Roads	25,012.57	25,012.57	-	-	25,012.57
Public Health and Safety	37,078.81	37,078.81	-	1,343.47	35,735.34
Recreation	1,961.87	1,961.87	-	-	1,961.87
Municipal Court	3,606.66	3,606.66	-	-	3,606.66
Subtotal	289,737.90	289,737.90	-	22,968.86	266,769.04
Other Expenses - Within Caps					
Administrative & Executive:					
Governing Body	14,936.00	14,936.00	-	282.56	14,653.44
Administrator's Office	65,704.40	65,704.40	39,650.27	17,653.04	87,701.63
Clerk's Office	774.12	774.12	15,850.91	12,739.21	3,885.82
Financial Administration	1,481.59	1,481.59	459.54	1,067.43	873.70
Assessment of Taxes	366.32	5,366.32	1,405.47	4,142.97	2,628.82
Collection of Taxes	2,946.47	2,946.47	986.68	296.68	3,636.47
Legal Services and Costs	13,838.00	38,838.00	27,135.60	39,430.50	26,543.10
Engineering	-	-	10,799.59	8,124.00	2,675.59
Historic Preservation Committee	1,583.52	1,583.52	100.00	-	1,683.52
Community Development	16,104.89	16,104.89	36,876.14	2,328.17	50,652.86
Police	3,273.21	3,273.21	36,254.00	35,671.69	3,855.52
Public Buildings and Grounds	20,703.86	20,703.86	11,549.81	5,906.24	26,347.43
Fleet Maintenance	134.96	134.96	11,645.43	8,449.28	3,331.11
Streets and Roads	7,144.73	7,144.73	102,901.10	69,462.69	40,583.14
Sanitation	3,458.41	3,458.41	11,914.84	11,996.16	3,377.09
Parks & Maintenance	1,808.00	1,808.00	6,741.45	718.78	7,830.67
Insurance					
Medical Insurance	34,896.50	4,896.50	940.82	1,040.82	4,796.50
Health Benefit Waiver	4,143.70	4,143.70	-	-	4,143.70
Disability Insurance	2,480.82	2,480.82	-	-	2,480.82
Public Health and Safety	4,518.42	4,518.42	10,903.00	695.00	14,726.42
Senior Services	651.47	651.47	629.95	338.10	943.32
Environmental Commission	2,255.00	2,255.00	-	(425.00)	2,680.00
Recreation	261.32	261.32	525.68	455.32	331.68
Municipal Court	4,131.96	4,131.96	1,149.60	311.80	4,969.76
Utilities:					
Street Lighting	527.61	10,527.61	7,019.83	11,903.76	5,643.68
Utilities	7,334.97	(2,665.03)	26,820.90	15,220.88	8,934.99
Telephone	10,956.40	10,956.40	3,346.30	6,420.23	7,882.47
Motor Fuels	48,916.56	48,916.56	26,693.32	7,641.33	67,968.55
Subtotal	275,333.21	275,333.21	392,300.23	261,871.64	405,761.80
Statutory Expenditures - Within Caps					
Social Security System	14,426.26	14,426.26	-	449.07	13,977.19
Defined Contribution Retirement Program	2,000.00	2,000.00	-	725.92	1,274.08
Subtotal	16,426.26	16,426.26	-	1,174.99	15,251.27
Other Expenses - Excluded from Caps					
Recycling Tonnage Tax	795.61	795.61	26.16	-	821.77
Senior Service Coordinator	1.00	1.00	-	-	1.00
Subtotal	796.61	796.61	26.16	-	822.77
Grand Total	\$ 582,293.98	\$ 582,293.98	\$ 392,326.39	\$ 286,015.49	\$ 688,604.88
			Cash Disbursed	\$ 286,015.49	
			Accounts Payable	-	
			Total	<u>\$ 286,015.49</u>	

TOWNSHIP OF HOPEWELL
Current Fund
Schedule of Prepaid Taxes
For the Year Ended December 31, 2021

Balance December 31, 2020	\$ 993,249.38
Increased by:	
Collected	<u>879,270.76</u>
Subtotal	1,872,520.14
Decreased by:	
Applied to 2021 Taxes	<u>993,249.38</u>
Balance December 31, 2021	<u><u>\$ 879,270.76</u></u>

Schedule of Tax Overpayments
For the Year Ended December 31, 2021

Balance December 31, 2020		\$ 56,910.43
Increased by:		
Collected	\$ 380,687.51	
Created from Appeals	<u>25,817.79</u>	<u>406,505.30</u>
Subtotal		463,415.73
Decreased by:		
Refunded	212,340.06	
Applied to 2021 Taxes	55,247.28	
Canceled	<u>-</u>	<u>267,587.34</u>
Balance December 31, 2021		<u><u>\$ 195,828.39</u></u>

TOWNSHIP OF HOPEWELL
Current Fund
Schedule of Reserve for Tax Appeals Pending
For the Year Ended December 31, 2021

Balance December 31, 2021 and 2020	\$ 100,000.00
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EXHIBIT A-13

Schedule of Reserve for Revaluation
For the Year Ended December 31, 2021

Balance December 31, 2021 and 2020	\$ 12,353.25
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EXHIBIT A-14

Schedule of Reserve for Preparation of Master Plan
For the Year Ended December 31, 2021

Balance December 31, 2021 and 2020	\$ 26,842.72
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EXHIBIT A-15

Schedule of Reserve for Historic Building Repairs
For the Year Ended December 31, 2021

Balance December 31, 2021 and 2020	\$ 10,935.00
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TOWNSHIP OF HOPEWELL
Current Fund
Schedule of Due to/(from) State of New Jersey
for Senior Citizens and Veterans Deductions
For the Year Ended December 31, 2021

Balance December 31, 2020 - Due to/(from)		\$ 1,718.49
Increased by:		
Collected		78,860.97
Subtotal		<u>80,579.46</u>
Senior Citizen Deductions per Duplicate	\$ 5,750.00	
Veterans Deductions per Duplicate	74,500.00	
Senior Citizen Deductions and Veterans Deductions Allowed by Collector	<u>1,000.00</u>	
Subtotal	81,250.00	
Less:		
Senior Citizens Deductions Disallowed by Collector	128.76	
Prior Year Senior Citizens Deductions Disallowed by Collector	<u>1,750.00</u>	
Subtotal		<u>79,371.24</u>
Balance December 31, 2021 - Due to/(from)		<u><u>\$ 1,208.22</u></u>

EXHIBIT A-17

Schedule of Due to State of New Jersey
for Marriage License Fees/Domestic Partnership Fees
For the Year Ended December 31, 2021

Balance December 31, 2020		\$ 425.00
Increased by:		
State Portion of 2021 Marriage Licenses Fees		<u>1,550.00</u>
Subtotal		1,975.00
Decreased by:		
Disbursed to State of New Jersey		<u>1,500.00</u>
Balance December 31, 2021		<u><u>\$ 475.00</u></u>

TOWNSHIP OF HOPEWELL
Current Fund
Schedule of County Taxes Payable
For the Year Ended December 31, 2021

Balance December 31, 2020	\$ 30,912.74
Increased by:	
2021 Levy:	
General County	\$ 23,335,789.79
Library Tax	2,371,453.26
County Open Space Preservation	1,016,507.56
Added and Omitted Taxes	<u>16,499.84</u>
	<u>26,740,250.45</u>
Subtotal	26,771,163.19
Decreased by:	
Disbursed to County of Mercer	<u>26,754,663.39</u>
Balance December 31, 2021	<u><u>\$ 16,499.80</u></u>

Schedule of Fire District Taxes Payable
For the Year Ended December 31, 2021

Balance December 31, 2020	\$ -
Increased by:	
2021 Levy	<u>4,149,564.02</u>
Subtotal	4,149,564.02
Decreased by:	
Disbursed to Hopewell Township Fire District No. 1	<u>4,149,564.02</u>
Balance December 31, 2021	<u><u>\$ -</u></u>

TOWNSHIP OF HOPEWELL
Current Fund
Schedule of Regional School Tax Payable
For the Year Ended December 31, 2021

Balance December 31, 2020	\$ -
Increased by:	
Levy - Calendar Year	<u>68,018,862.00</u>
Subtotal	68,018,862.00
Decreased by:	
Disbursed to Hopewell Valley Regional School District	<u>68,018,862.00</u>
Balance December 31, 2021	<u><u>\$ -</u></u>

Schedule of Municipal Open Space Tax Payable
For the Year Ended December 31, 2021

Balance December 31, 2020		\$ 1,307.46
Increased by:		
Levy - Calendar Year	\$ 1,144,860.00	
Added and Omitted Taxes	<u>706.17</u>	<u>1,145,566.17</u>
Subtotal		1,146,873.63
Decreased by:		
Disbursed to Open Space Trust Fund		<u>1,146,873.63</u>
Balance December 31, 2021		<u><u>\$ -</u></u>

TOWNSHIP OF HOPEWELL
Federal and State Grant Fund
Schedule of Federal, State and Local Grants Receivable
For the Year Ended December 31, 2021

	Balance Dec. 31, 2020	Accrued	Received	Transfer from Unapprop. Res.	Canceled	Balance Dec. 31, 2021
Federal Grants:						
TAP - LHT Project	\$ 1,000,000.00	\$ -	\$ 94,782.81	\$ -	\$ -	\$ 905,217.19
FEMA Generator	150,611.70	-	-	-	-	150,611.70
	<u>1,150,611.70</u>	<u>-</u>	<u>94,782.81</u>	<u>-</u>	<u>-</u>	<u>1,055,828.89</u>
State Grants:						
Body Armor Grant	-	2,280.10	2,280.10			-
Clean Communities Grant	-	55,046.67	55,046.67			-
Recycling Tonnage Grant	-	31,500.97	31,500.97			-
Body Worn Camera Grant		69,292.00				69,292.00
DOT - Bull Run	427,100.00		177,731.97			249,368.03
DOT - Lawrence Hopewell Trail @ Bailey	56,250.00		56,250.00			-
DOT - Van Brunt	446,400.00		325,996.92			120,403.08
DOT - Scotch Road	222,215.15					222,215.15
DOT - Pennington Titusville Road	504,361.00		205,126.96			299,234.04
DOT - Harbourton Rocktown		515,000.00				515,000.00
DVRPC - Mt Rose Distillery West	45,286.94				(11,216.00)	56,502.94
DVRPC - Mt Rose Distillery Construction	292,017.00				11,216.00	280,801.00
Historic Sites Committee	14,910.00					14,910.00
It pays to plug in - NJDEP	5,000.00					5,000.00
LHT Bikeway	87,500.00					87,500.00
NJ Dept. of Environmental Protection	4,460.00					4,460.00
NJ Strengthening Local Public Health		433,278.00	75,910.00		66,326.00	291,042.00
Drug Alliance Program	41,276.52					41,276.52
Drug Alliance Program		11,908.00	3,000.00			8,908.00
Hardy Plant Society MAG	-	475.00	475.00			-
	<u>2,146,776.61</u>	<u>1,118,780.74</u>	<u>933,318.59</u>	<u>-</u>	<u>66,326.00</u>	<u>2,265,912.76</u>
Total	<u>\$ 3,297,388.31</u>	<u>\$ 1,118,780.74</u>	<u>\$ 1,028,101.40</u>	<u>\$ -</u>	<u>\$ 66,326.00</u>	<u>\$ 3,321,741.65</u>
Cash Received			\$ 933,318.59			
Due from Open Space Trust Fund			94,782.81			
			<u>\$ 1,028,101.40</u>			

TOWNSHIP OF HOPEWELL
Federal and State Grant Fund
Schedule of Reserve For Federal and State Grants - Unappropriated
For the Year Ended December 31, 2021

	Balance Dec. 31, 2020	Federal and State Grants Received	Appropriated in Budget 2021	Canceled	Balance Dec. 31, 2021
Federal Grants:					
American Rescue Plan	\$ -	\$ 927,625.06	\$ -	\$ -	\$ 927,625.06
Total Federal Grants	-	927,625.06	-	-	927,625.06
State Grants:					
Woolsey Park Band Shell	-	375,000.00	-	-	375,000.00
Total State Grants	-	375,000.00	-	-	375,000.00
Total Unappropriated Reserves	\$ -	\$ 1,302,625.06	\$ -	\$ -	\$ 1,302,625.06

TOWNSHIP OF HOPEWELL
Federal and State Grant Fund
Schedule of Reserve For Federal, State and Local Grants - Appropriated
For the Year Ended December 31, 2021

	Balance Dec. 31, 2020	Transferred From 2021 Budget Appropriation	Appropriation by N.J.S.A. 40A:4-87	Expended	Cancelrd	Balance Dec. 31, 2021
Federal Grants:						
FEMA Grant Generator	\$ 180,103.70	\$ -	\$ -	\$ -	\$ -	\$ 180,103.70
NJDOT TAP Grant - LHT Project	1,000,000.00			173,288.09		826,711.91
Compact Grant - Titusville Sidewalk	270.00	-	-	-	-	270.00
Energy Efficiency and Conservation Block Grant - II	4,552.75					4,552.75
	<u>1,184,926.45</u>	<u>-</u>	<u>-</u>	<u>173,288.09</u>	<u>-</u>	<u>1,011,638.36</u>
State Grants:						
Body Armor Grant	-	2,280.10				2,280.10
Body Worn Camera Grant			69,292.00			69,292.00
Clean Air Cool Planet	1,744.07					1,744.07
Clean Communities Grant	552,108.50		55,046.67	60,215.69		546,939.48
Delaware River Green Partnership Grant	1,730.00					1,730.00
Design Guidelines	171.03					171.03
DOT - Bull Run	252,506.17			3,138.14		249,368.03
DOT - Harb/Rocktown Road	3,632.87					3,632.87
DOT - Titus Mill Road	483,438.00			208,217.03		275,220.97
DOT - Van Brunt	127,139.98			6,736.90		120,403.08
DOT - Scotch Road	600,000.00			489,441.01		110,558.99
DOT - Harbortown Road		515,000.00				515,000.00
Drunk Driving Enforcement Fund	12,317.02			777.04		11,539.98
Emergency Management Grant (Homeland Security)	2,226.00					2,226.00
Highway Traffic Safety Grant	631.07					631.07
Historic Sites Committee	37,410.00					37,410.00
It Pays to Plug In - NJDEP	14,400.00					14,400.00
Livable Communities Pilot Program - Smith's Crossing	2,500.00					2,500.00
Municipal Alliance on Alcoholism and Drug Abuse	49,334.91	11,908.00		4,253.00		56,989.91
Municipal Storm Water Management Phase I Grant	1,051.44					1,051.44
Municipal Stormwater Regulation Program	214.14					214.14
Pandemic Influenza Program	0.20					0.20
Pothole Repair Grant	2,576.84					2,576.84
Public Health Practice Standards Grant	48.14					48.14
Recycling Tonnage Grant	386.71	31,500.97		23,223.27		8,664.41
Route 31 Aggressive Driving	799.99					799.99
Soil Conservation-Community Forestry Mgmt.	1,500.00					1,500.00
State Forfeiture Funds	328.53					328.53
Sustainable NJ - Green Team	1,477.80			1,056.50		421.30
Sustainable NJ - Solar Challenge	268.38					268.38
Strengthening Local Public Health		142,236.00	291,042.00	151,230.18	66,326.00	215,721.82
Tobacco Age-of-Sale Grant	292.99					292.99
	<u>2,150,234.78</u>	<u>702,925.07</u>	<u>415,380.67</u>	<u>948,288.76</u>	<u>66,326.00</u>	<u>2,253,925.76</u>
Local Grants:						
ANJEC	860.00					860.00
BMS Water Main Surveying	9,123.10					9,123.10
Drainage Open Space Inventory	5,000.00					5,000.00
DVRPC - Mt Rose Distillery West	15,664.00			15,664.00		-
DVRPC - Mt Rose Distillery Construction	292,017.00			11,216.00		280,801.00
Harvest Fair I	4.06					4.06
Hardy Plant Society MAG		475.00				475.00
Ride Provide	150.00			150.00		-
	<u>322,818.16</u>	<u>475.00</u>	<u>-</u>	<u>27,030.00</u>	<u>-</u>	<u>296,263.16</u>
Total	<u>\$ 3,657,979.39</u>	<u>\$ 703,400.07</u>	<u>\$ 415,380.67</u>	<u>\$ 1,148,606.85</u>	<u>\$ 66,326.00</u>	<u>\$ 3,561,827.28</u>
				Cash Disbursed		\$ 975,318.76
				Due to Open Space Trust Fund		173,288.09
				Total		<u>\$ 1,148,606.85</u>

TRUST FUND

TOWNSHIP OF HOPEWELL
Trust Fund
Schedule of Cash - Treasurer
For the Year Ended December 31, 2021

	<u>ANIMAL CONTROL</u>	<u>OTHER TRUST</u>
Balance December 31, 2020	\$ 47,553.14	\$ 6,304,975.00
Receipts:		
Dog License Clerk:		
2021 Budget Appropriation	57,000.00	-
Municipal Licenses	50,202.00	-
State Registration Fees	2,679.00	-
Miscellaneous	6,981.90	-
Due to Current Fund	132.91	
Due State UCC Fees	-	50,880.00
Exchange	-	105,537,404.88
FSA	-	11,563.76
Low Income Housing	-	120,801.28
Municipal Forfeiture	-	2.09
Open Space Trust	-	1,311,763.08
Off-Site Improvements	-	2,566.35
Net Payroll	-	8,967,347.23
Payroll Deductions Payable	-	4,289,754.16
Performance Guarantee	-	43,147.88
Planning Escrow Deposits	-	245,657.14
Plot Plan Escrow Fees	-	6,175.48
Recreation	-	327,144.87
Stream Corridor	-	3.00
Tax Collector Premium	-	1,743,311.77
Tax Title Lien	-	364,189.70
Unemployment Compensation	-	11,245.88
Other Trust:		
Allocated Escrow	-	107,095.00
Deer Management Task Force	-	3,570.00
Historic Book Sales	-	180.00
Parking Adjudication	-	6.00
Police Found Money	-	800.00
Public Defender	-	4,290.00
Ride Provide	-	7,650.00
Retirement	-	40,000.00
Security Deposit	-	1.93
Senior Services	-	35,000.00
Uniform Construction Code	-	656,152.34
Total Trust Other Funds	<u>116,995.81</u>	<u>123,887,703.82</u>
Total Forward	<u>164,548.95</u>	<u>130,192,678.82</u>

TOWNSHIP OF HOPEWELL
Trust Fund
Schedule of Cash - Treasurer
For the Year Ended December 31, 2021

	<u>ANIMAL CONTROL</u>	<u>OTHER TRUST</u>
Total Brought Forward	\$ 164,548.95	\$ 130,192,678.82
Disbursements:		
Expenditures Under RS4:19-15.11	131,050.01	-
Exchange	-	105,536,998.75
FSA	-	8,989.41
Low Income Housing	-	100,647.06
Off Site Improvements	-	2,566.35
Open Space Trust	-	1,448,825.33
Net Payroll	-	8,967,347.20
Payroll Deductions Payable	-	4,289,754.16
Performance Guarantee	-	139.72
Planning Escrow Fees	-	219,236.27
Plot Plan Escrow Fees	-	4,124.48
Recreation	-	262,477.24
Redemption of Tax Title Lien	-	376,157.12
Stream Corridor	-	3.00
Tax Collector Premium	-	599,811.77
Unemployment Compensation	-	3,861.26
Other Trust:		
Allocated Escrow Fees	-	46,239.71
Deer Management Task Force	-	93.70
Mercer County JIF	-	654.05
Municipal Alliance	-	29,178.23
Police Donations	-	124.00
Public Defender	-	4,165.00
Ride Provide	-	1,669.60
Senior Services	-	36,015.82
Uniform Construction Code	-	580,480.61
Due to Current Fund	132.91	
Due State UCC Fees		50,781.00
Due State Department of Health	4,135.20	-
Total Disbursements	135,318.12	122,570,340.84
Balance December 31, 2021	\$ 29,230.83	\$ 7,622,337.98

TOWNSHIP OF HOPEWELL
Trust Fund

Schedule of Reserve for Animal Control Fund Expenditures
For the Year Ended December 31, 2021

Balance December 31, 2020		\$ 44,811.74
Increased by:		
2021 License Collected	\$ 50,202.00	
2021 Budget Appropriation	57,000.00	
Miscellaneous	<u>6,981.90</u>	<u>114,183.90</u>
Total		158,995.64
Decreased by:		
Expenditures Under R.S. 4:19-15.11:		
Cash Disbursed		<u>131,050.01</u>
Balance December 31, 2021		<u><u>\$ 27,945.63</u></u>

LICENSE FEES COLLECTED

<u>Year</u>	<u>Amount</u>
2019	\$ 55,248.00
2020	<u>50,655.00</u>
	<u><u>\$ 105,903.00</u></u>

TOWNSHIP OF HOPEWELL
Trust - Other Funds
Schedule of Reserve Balances
For the Year Ended December 31, 2021

Account Title	Reserve Balance December 31, 2020	Revenues	Expenditures	Reserve Balance December 31, 2021
Reserve for Trust Other:				
Allocated Escrow Deposits	\$ 203,986.65	\$ 107,095.00	\$ 46,239.71	\$ 264,841.94
American Chestnut Tree	100.00	-	-	100.00
Background ID Check	6,645.50	-	-	6,645.50
Books Harts School House	15,000.00	-	-	15,000.00
Deer Management Task Force	3,356.31	3,570.00	93.70	6,832.61
DOT Reserve	7,444.72	-	-	7,444.72
Employee Safety Program	57.91	-	-	57.91
Federal Forfeiture	900.00	-	-	900.00
Green Team Lions	100.00	-	-	100.00
Historic Book Sales	825.75	180.00	-	1,005.75
Lovero	5,538.00	-	-	5,538.00
Lyme Disease Education	250.00	-	-	250.00
Mercer County JIF	24,022.47	-	654.05	23,368.42
Municipal Alliance	29,178.23	-	29,178.23	-
Parking Adjudication	108.61	6.00	-	114.61
Police Donations	950.23	-	-	950.23
Police Found Money	3,036.69	800.00	124.00	3,712.69
Public Defender	53.50	4,290.00	4,165.00	178.50
Reed Road Escrow	1,632.00	-	-	1,632.00
Retirement Reserve	-	40,000.00	-	40,000.00
Ride Provide	2,618.70	7,650.00	1,669.60	8,599.10
Security Deposits	6,493.79	1.93	-	6,495.72
Senior Services	12,696.78	35,000.00	36,015.82	11,680.96
Snow Removal	46,838.58	-	-	46,838.58
Special Escrow	103,538.38	-	-	103,538.38
Uniformed Construction Code	193,294.74	656,152.34	580,480.61	268,966.47
Reserve for Plot Plan Escrow	24,591.16	6,175.48	4,124.48	26,642.16
Reserve for FSA	9,467.00	11,563.76	8,989.41	12,041.35
Reserve for Planning	435,425.11	245,657.14	219,236.27	461,845.98
Reserve for Open Space Trust	3,009,002.11	1,485,051.17	1,544,915.60	2,949,137.68
Reserve for Low Income Housing	223,324.69	120,801.28	100,647.06	243,478.91
Reserve for Community Activities	208.60	0.84	0.84	208.60
Reserve for Municipal Forfeiture	6,969.49	2.09	-	6,971.58
Reserve for Off-Site Improvements	641,471.57	2,566.35	2,566.35	641,471.57
Reserve for Performance Guarantees	171,896.80	43,147.88	139.72	214,904.96
Reserve for Recreation	473,704.16	327,144.03	262,476.40	538,371.79
Reserve for Tax Sale Premium	553,400.00	1,743,311.77	599,811.77	1,696,900.00
Reserve for Tax Title Lien	-	376,050.60	376,050.60	-
Reserve for Unemployment Compensation	64,991.24	11,245.88	3,861.26	72,375.86
Reserve for Stream Corridor	750.00	3.00	3.00	750.00
Total	\$ 6,283,869.47	\$ 5,227,466.54	\$ 3,821,443.48	\$ 7,689,892.53

TOWNSHIP OF HOPEWELL
Trust - Other Funds
Schedule of Due to State of NJ - UCC Fees
For the Year Ended December 31, 2021

Balance December 31, 2020	\$ 10,445.00
Increased by:	
Cash Received	50,880.00
	<u>61,325.00</u>
Decreased by:	
Disbursements	50,781.00
	<u>50,781.00</u>
Balance December 31, 2021	<u><u>\$ 10,544.00</u></u>

Trust - Other Funds
Schedule of Payroll Deductions Payable
For the Year Ended December 31, 2021

Balance December 31, 2020	\$ -
Increased by:	
Payroll deductions withheld	4,289,754.16
	<u>4,289,754.16</u>
Decreased by:	
Payroll deductions disbursed	4,289,754.16
	<u>4,289,754.16</u>
Balance December 31, 2021	<u><u>\$ -</u></u>

GENERAL CAPITAL FUND

TOWNSHIP OF HOPEWELL
General Capital Fund
Schedule of Cash - Treasurer
For the Year Ended December 31, 2021

Balance December 31, 2020		\$ 27,887,192.94
Receipts:		
Budget Appropriation - Capital Improvement Fund	\$ 250,000.00	
Due to Current Fund	29,196.83	
Due to Open Space Trust Fund	74.90	
Bond Anticipation Notes	4,489,000.00	
Reserve for Debt Service	8.90	
Total Receipts		<u>4,768,280.63</u>
Subtotal		32,655,473.57
Disbursements:		
Improvement Authorizations	1,830,645.24	
Bond Anticipation Notes	17,370,000.00	
Due to Current Fund - Budget Revenue	450,000.00	
Due to Current Fund	101,196.83	
Due to Open Space Trust Fund	74.90	
Total Disbursements		<u>19,751,916.97</u>
Balance December 31, 2021		<u><u>\$ 12,903,556.60</u></u>

TOWNSHIP OF HOPEWELL
General Capital Fund
 Analysis of General Capital Cash and Investments
 For the Year Ended December 31, 2021

Fund Balance		\$ 2,445,294.11
Capital Improvement Fund		15,605.90
Reserve for Payment of Debt		1,717,217.21
Improvement Authorizations:		
Ordinance		
<u>Number</u>		
08-1425/1431	Various Capital Improvements	7,390.97
10-1493	Village of Titusville Sidewalks	1,509.50
13-1576	Various Capital Improvements	100,000.00
13-1586	Construction of Trails for the Lawrence Hopewell Trail System	390,388.00
14-1596	Various Capital Improvements	109,841.36
16-1630	Various Capital Improvements	3.64
17-1662	Various Capital Improvements	81,000.00
18-1692/20-1737	Various Capital Improvements	412,702.10
19-1712/20-1737	Various Capital Improvements	1,104,157.03
19-1713	Planning and Design Pond Dredging	(88,118.74)
20-1725/20-1737	Various Capital Improvements	2,399,873.84
21-1743	Various Capital Improvements	4,206,691.68
Total		<u><u>\$ 12,903,556.60</u></u>

TOWNSHIP OF HOPEWELL
General Capital Fund
Statement of Deferred Charges To Future Taxation - Funded
For the Year Ended December 31, 2021

Balance December 31, 2020		\$ 59,256,579.95
Decreased by:		
2021 Budget Appropriations:		
Serial Bond Payments	\$ 5,880,000.00	
Green Trust Loan Payment	<u>45,492.13</u>	<u>5,925,492.13</u>
Balance December 31, 2021		<u><u>\$ 53,331,087.82</u></u>

TOWNSHIP OF HOPEWELL
General Capital Fund
Schedule of Deferred Charges to Future Taxation - Unfunded
For the Year Ended December 31, 2021

Ordinance Number	Improvement Description	Balance Dec. 31, 2020	2021 Authorizations	Transferred to Deferred Taxation Funded	Notes Paid By Current Budget Appropriation	Balance Dec. 31, 2021	ANALYSIS OF BALANCE		
							Funded by Bond Anticipation Notes	Expenditures	Unexpended Improvement Authorizations
19-1713	Planning and Design Expenses for Pennytown Pond Dredging	\$ 120,000.00	\$ -	\$ -	\$ -	\$ 120,000.00	\$ -	\$ 88,118.74	\$ 31,881.26
20-1725/20-1737	Various Capital Improvements	689.00			689.00	-			
21-1743	Various Capital Improvements		4,489,557.00			4,489,557.00	4,489,000.00		557.00
21-1763	Pond Dredging Project		650,000.00			650,000.00			650,000.00
	Total	<u>\$ 120,689.00</u>	<u>\$ 5,139,557.00</u>	<u>\$ -</u>	<u>\$ 689.00</u>	<u>\$ 5,259,557.00</u>	<u>\$ 4,489,000.00</u>	<u>\$ 88,118.74</u>	<u>\$ 682,438.26</u>
Improvement Authorizations Unfunded									\$ 5,171,438.26
Less Unexpended Proceeds of Bond Anticipation Notes Issued:									
							Ordinance 21-1743		4,489,000.00
									<u>\$ 682,438.26</u>

Township of Hopewell
General Capital Fund
Schedule of General Serial Bonds
For the Year Ended December 31, 2021

Purpose	Date of Issue	Original Issue	Maturity of Bonds Outstanding		Interest Rate	Balance December 31, 2020	Increased	Decreased	Balance December 31, 2021
			Date	Amount					
Refunding Bonds	12/21/2017	\$ 12,500,000.00	2/15/2022	\$ 1,365,000.00	3.00%	\$ 12,370,000.00	\$ -	\$ 1,375,000.00	\$ 10,995,000.00
			2/15/2023	1,465,000.00	3.00%				
			2/15/2024	1,485,000.00	3.00%				
			2/15/2025	1,520,000.00	3.00%				
			2/15/2026	1,520,000.00	4.00%				
			2/15/2027	1,620,000.00	4.00%				
			2/15/2028	680,000.00	4.00%				
			2/15/2029	680,000.00	4.00%				
			2/15/2030	660,000.00	4.00%				
Refunding Bonds of 2014	10/1/2017	9,380,000.00	10/1/2022	945,000.00	4.000%	5,865,000.00		950,000.00	4,915,000.00
			10/1/2023	945,000.00	4.000%				
			10/1/2024	1,035,000.00	5.000%				
			10/1/2025	1,040,000.00	5.000%				
			10/1/2026	950,000.00	5.000%				
General Obligation Bonds of 2014	02/01/15	25,013,000.00	2/1/2022	1,895,000.00	5.000%	6,151,000.00		1,860,000.00	4,291,000.00
			2/1/2023	1,200,000.00	3.000%				
			2/1/2024	1,196,000.00	3.000%				
Balance Forward						<u>\$ 24,386,000.00</u>	<u>\$ -</u>	<u>\$ 4,185,000.00</u>	<u>\$ 20,201,000.00</u>

Township of Hopewell
General Capital Fund
Schedule of General Serial Bonds
For the Year Ended December 31, 2021

Purpose	Date of Issue	Original Issue	Maturity of Bonds Outstanding		Interest Rate	Balance	Increased	Decreased	Balance
			Date	Amount		December 31, 2020			December 31, 2021
Balance Brought Forward						\$ 24,386,000.00	\$ -	\$ 4,185,000.00	\$ 20,201,000.00
General Obligation Bonds of 2015	04/09/15	\$ 7,492,000.00	4/1/2022	\$ 430,000.00	5.000%	5,652,000.00		430,000.00	5,222,000.00
			4/1/2023	430,000.00	3.000%				
			4/1/2024	430,000.00	3.000%				
			4/1/2025	455,000.00	3.000%				
			4/1/2026	480,000.00	3.000%				
			4/1/2027	500,000.00	3.000%				
			4/1/2028	500,000.00	3.000%				
			4/1/2029	500,000.00	3.250%				
			4/1/2030	500,000.00	3.250%				
			4/1/2031	500,000.00	3.500%				
			4/1/2032	497,000.00	3.500%				
Refunding Bonds of 2020	12/30/2020	11,780,000.00	2/1/2022	120,000.00	0.353%	11,780,000.00		190,000.00	11,590,000.00
			2/1/2023	845,000.00	0.505%				
			2/1/2024	850,000.00	0.757%				
			2/1/2025	835,000.00	0.907%				
			2/1/2026	865,000.00	1.128%				
			2/1/2027	900,000.00	1.278%				
			2/1/2028	925,000.00	1.593%				
			2/1/2029	960,000.00	1.693%				
			2/1/2030	1,030,000.00	1.793%				
			2/1/2031	1,095,000.00	1.893%				
			2/1/2032	1,075,000.00	1.993%				
			2/1/2033	1,060,000.00	2.093%				
			2/1/2034	1,030,000.00	2.143%				
			General Improvement Bonds of 2020	11/12/2020	17,370,000.00				
2/1/2023	1,130,000.00	2.00%							
2/1/2024	1,135,000.00	2.00%							
2/1/2025	2,150,000.00	2.00%							
2/1/2026	2,150,000.00	2.00%							
2/1/2027	2,150,000.00	2.00%							
2/1/2028	2,150,000.00	2.00%							
2/1/2029	2,150,000.00	2.00%							
2/1/2030	2,150,000.00	2.00%							
						\$ 59,188,000.00	\$ -	\$ 5,880,000.00	\$ 53,308,000.00

TOWNSHIP OF HOPEWELL
General Capital Fund
Schedule of Bond Anticipation Notes
For the Year Ended December 31, 2021

Ordinance Number	Improvement Description	Date of Issue of Original Note	Date of Issue	Date of Maturity	Interest Rate	Balance Dec. 31, 2020	Increased	Decreased	Balance Dec. 31, 2021
11-1523	Pennytown/Kooltronics/Marshalls Corner	01/19/12	04/01/20	01/18/21	1.00%	\$ 177,129.00	\$ -	\$ 177,129.00	\$ -
15-1610	Various Capital Improvements	7/23/2015	04/01/20	01/18/21	1.00%	632,770.00		632,770.00	-
16-1630	Various Capital Improvements	07/16/16	04/01/20	01/18/21	1.00%	3,632,803.00		3,632,803.00	-
17-1662	Various Capital Improvements	04/05/18	04/01/20	01/18/21	1.00%	551,956.00		551,956.00	-
18-1692	Various Capital Improvements	06/07/18	04/01/20	01/18/21	1.00%	3,287,141.00		3,287,141.00	-
19-1712	Various Capital Improvements	04/01/20	04/01/20	01/18/21	1.00%	4,249,185.00		4,249,185.00	-
20-1725	Various Capital Improvements	04/01/20	04/01/20	01/28/21	1.00%	4,839,705.00		4,839,705.00	-
21-1743	Various Capital Improvements	09/29/21	09/29/21	09/29/22	0.24%		4,489,000.00		4,489,000.00
						<u>\$ 17,370,689.00</u>	<u>\$ 4,489,000.00</u>	<u>\$ 17,370,689.00</u>	<u>\$ 4,489,000.00</u>
					Issued for Cash		\$ 4,489,000.00	\$ -	
					Paid by Serial Bonds		-	17,370,000.00	
					Paid by Excess Cash		-	689.00	
					Total		<u>\$ 4,489,000.00</u>	<u>\$ 17,370,689.00</u>	

TOWNSHIP OF HOPEWELL
General Capital Fund
Schedule of Green Trust Loan Payable
For the Year Ended December 31, 2021

Balance December 31, 2020	\$ 68,579.95
Decreased by:	
Payment of Principal	<u>45,492.13</u>
Balance December 31, 2021	<u><u>\$ 23,087.82</u></u>

TOWNSHIP OF HOPEWELL
General Capital Fund
Schedule of Improvement Authorizations
For the Year Ended December 31, 2021

Ordinance Number	Improvement Description	Date	Ordinance Amount	Balance December 31, 2020		Deferred Charges To Future Taxation - Unfunded	2021 Authorizations			Paid or Charged	Balance December 31, 2021	
				Funded	Unfunded		State Grants	Capital Improvement Fund	Funded		Unfunded	
08-1425/1431	Various Capital Improvements	04/14/08	\$ 5,359,172.66	\$ 7,390.97	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,390.97	\$ -	
10-1493	Village of Titusville Sidewalks	08/23/10	331,222.00	1,509.50	-					1,509.50	-	
13-1576	Various Capital Improvements	04/22/13	2,629,578.00	100,000.00	-					100,000.00	-	
13-1586	Construction of Trails for the Lawrence Hopewell Trail System	11/12/13	400,000.00	390,388.00	-					390,388.00	-	
14-1596	Various Capital Improvements	03/24/14	2,951,016.00	109,841.36	-					109,841.36	-	
16-1630	Various Capital Improvements	05/24/16	4,498,680.00	3.64						3.64	-	
17-1662	Various Capital Improvements	06/26/17	610,121.56	87,613.07					6,613.07	81,000.00	-	
18-1692	Various Capital Improvements	04/23/18	3,581,887.00	798,565.60					385,863.50	412,702.10	-	
19-1712	Various Capital Improvements	06/17/19	4,615,249.00	1,556,957.99					452,800.96	1,104,157.03	-	
19-1713	Planning and Design Pond Dredging	06/17/19	120,000.00	-	50,199.05				18,317.79		31,881.26	
21-1763	Pond Dredging Project	12/20/21	650,000.00			650,000.00					650,000.00	
20-1725	Various Capital Improvements	11/23/20	5,094,426.00	2,847,633.44	689.00				448,448.60	2,399,873.84		
21-1743	Various Capital Improvements	03/15/21	5,377,850.00			4,489,557.00	652,000.00	236,293.00	518,601.32	369,691.68	4,489,557.00	
Total				\$ 5,899,903.57	\$ 50,888.05	\$ 5,139,557.00	\$ 652,000.00	\$ 236,293.00	\$ 1,830,645.24	\$ 4,976,558.12	\$ 5,171,438.26	
Paid or Charged:												
Cash Disbursed									\$ 1,830,645.24			

TOWNSHIP OF HOPEWELL
General Capital Fund
Schedule of Capital Improvement Fund
For the Year Ended December 31, 2021

Balance December 31, 2020	\$ 1,898.90
Increased by:	
2021 Current Budget Appropriation	<u>250,000.00</u>
Subtotal	251,898.90
Decreased by:	
Appropriated to Finance Improvement Authorizations	<u>236,293.00</u>
Balance December 31, 2021	<u><u>\$ 15,605.90</u></u>

TOWNSHIP OF HOPEWELL
General Capital Fund
Statement of Bonds and Notes Authorized But Not Issued
For the Year Ended December 31, 2021

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Balance Dec. 31, 2020</u>	<u>2021 Authorizations</u>	<u>Notes Issued</u>	<u>Canceled</u>	<u>Balance Dec. 31, 2021</u>
19-1713	Planning and Design Pond Dredging	\$ 120,000.00	\$ -	\$ -	\$ -	\$ 120,000.00
21-1743	Various Capital Improvements		4,489,557.00	4,489,000.00		557.00
21-1763	Pond Dredging Project		650,000.00			650,000.00
	Total	<u>\$ 120,000.00</u>	<u>\$ 5,139,557.00</u>	<u>\$ 4,489,000.00</u>	<u>\$ -</u>	<u>\$ 770,557.00</u>

WATER UTILITY FUND

TOWNSHIP OF HOPEWELL
Water Utility Operating Fund
Schedule of Cash - Treasurer
For the Year Ended December 31, 2021

	<u>OPERATING</u>	<u>CAPITAL</u>
Balance December 31, 2020	\$ 239,430.97	\$ 73,033.88
Receipts:		
Consumer Accounts Receivable	\$ 72,095.86	
Water Rent Overpayments	26.73	
Interest on Investments	1,325.68	
Current Fund Budget Appropriation	3,573.56	
Contra - Budget Refunds	<u>520.06</u>	
Total Receipts	<u>77,541.89</u>	<u>-</u>
Subtotal	316,972.86	73,033.88
Disbursements:		
2021 Appropriations	51,641.59	
2020 Appropriation Reserves	4,773.41	
Interest on Bonds and Notes	1,471.50	
Improvement Authorizations	-	2,353.08
Contra - Budget Refunds	<u>520.06</u>	
Total Disbursements	<u>58,406.56</u>	<u>2,353.08</u>
Balance December 31, 2021	<u><u>\$ 258,566.30</u></u>	<u><u>\$ 70,680.80</u></u>

TOWNSHIP OF HOPEWELL
Water Utility Capital Fund
Analysis of Cash - Capital Fund
At December 31, 2021

Fund Balance			\$	11,982.83
Reserve for Amortization				58,351.05
Improvement Authorizations:				
	<u>Ordinance</u>			
	<u>Number</u>			
	21-1751	Purchase of Equipment		<u>346.92</u>
Total			\$	<u><u>70,680.80</u></u>

TOWNSHIP OF HOPEWELL
Water Utility Operating Fund
Statement of Consumer Accounts Receivable
For the Year Ended December 31, 2021

Balance December 31, 2020		\$ 3,326.78
Increased by:		
2021 Billing		<u>71,791.00</u>
Total		75,117.78
Decreased by:		
Collections	\$ 72,095.86	
Overpayments Applied	32.50	
Prepays Applied	<u>136.90</u>	<u>72,265.26</u>
Balance December 31, 2021		<u><u>\$ 2,852.52</u></u>

TOWNSHIP OF HOPEWELL
Water Utility Capital Fund
Schedule of Fixed Capital
At December 31, 2021

Ordinance Number	Improvement Description	Balance Dec. 31, 2020	Additions Ordinance	Balance Dec. 31, 2021
93-950	Construction of Pumping Station McConkey Way	\$ 176,704.30	\$ -	\$ 176,704.30
97-1065	Various Capital Improvements	15,137.00		15,137.00
01-1253	Various Capital Improvements	11,400.00		11,400.00
02-1253	Various Capital Improvements	27,263.04		27,263.04
03-1281	Various Capital Improvements	3,251.33		3,251.33
04-1322	Various Capital Improvements	49,805.26		49,805.26
05-1336	Various Capital Improvements	7,859.40		7,859.40
07-1396	Improvements to Water Utility	10,500.00		10,500.00
11-1532	Repairs to Washington Crossing Estates Water Utility	9,620.00		9,620.00
13-1575	Painting of the WCE Tank	49,908.50		49,908.50
	Total	<u>\$ 361,448.83</u>	<u>\$ -</u>	<u>\$ 361,448.83</u>

TOWNSHIP OF HOPEWELL
Water Utility Capital Fund
Schedule of Fixed Capital Authorized and Uncompleted
For the Year Ended December 31, 2021

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Date of Ordinance</u>	<u>Amount</u>	<u>Balance Dec. 31, 2020</u>	<u>2021 Authorizations</u>		<u>Costs to Fixed Capital</u>	<u>Authorizations Canceled</u>	<u>Balance Dec. 31, 2021</u>
					<u>Deferred Reserve for Amortization</u>	<u>Deferred Charges To Future Revenue</u>			
21-1751	Purchase of Equipment	5/17/2021	\$ 2,700.00	\$ -	\$ 2,700.00	\$ -	\$ -	\$ -	\$ 2,700.00
	Total			<u>\$ -</u>	<u>\$ 2,700.00</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,700.00</u>

TOWNSHIP OF HOPEWELL
Water Utility Operating Fund
Statement of 2020 Appropriation Reserves
For the Year Ended December 31, 2021

	<u>Balance Dec. 31, 2020</u>	<u>Balance After Transfers</u>	<u>Reserve for Encumbrances</u>	<u>Paid or Charged</u>	<u>Balance Lapsed</u>
Operating:					
Salaries and Wages	\$ 3,173.34	\$ 3,173.34	\$ -	\$ -	\$ 3,173.34
Other Expenses	2,149.79	2,149.79	27,390.56	4,773.41	24,766.94
Statutory Expenditures:					
Social Security	<u>363.02</u>	<u>363.02</u>	<u>-</u>	<u></u>	<u>363.02</u>
Total	<u>\$ 5,686.15</u>	<u>\$ 5,686.15</u>	<u>\$ 27,390.56</u>	<u>\$ 4,773.41</u>	<u>\$ 28,303.30</u>
 Paid or Charged:					
Cash Disbursed				<u>\$ 4,773.41</u>	

TOWNSHIP OF HOPEWELL
Water Utility Operating Fund
Schedule of Accrued Interest on Bonds and Notes
and Analysis of Balance
For the Year Ended December 31, 2021

Balance December 31, 2020		\$ 367.88
Increased By:		
Budget Appropriation for:		
Interest on Bonds	\$ 1,422.00	
Interest on Notes	-	1,422.00
		<hr/>
Subtotal		1,789.88
Decreased By:		
Interest Paid on Bonds	1,471.50	
Interest Paid on Notes	-	1,471.50
		<hr/>
Balance December 31, 2021		<u><u>\$ 318.38</u></u>

Analysis of Accrued Interest, December 31, 2021

<u>Principal Outstanding</u> <u>December 31, 2021</u>	<u>Interest</u> <u>Rate</u>	<u>From</u>	<u>To</u>	<u>Amount</u>
<u>Serial Bonds:</u>				
\$ 24,200.00	Various	10/1/2021	12/31/2021	318.38
<u>Bond Anticipation Note:</u>				
\$ -				<hr/>
Total				<u><u>\$ 318.38</u></u>

TOWNSHIP OF HOPEWELL
Water Utility Capital Fund
 Schedule of Serial Bonds
 For the Year Ended December 31, 2021

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Date</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Balance Dec. 31, 2020</u>	<u>Increased</u>	<u>Decreased</u>	<u>Balance Dec. 31, 2021</u>
2014 Refunding Bonds	06/05/14	\$ 48,500.00	10/01/22	\$ 4,950.00	4.00%	\$ 29,150.00	\$ -	\$ 4,950.00	\$ 24,200.00
			10/01/23	4,950.00	4.00%				
			10/01/24	5,850.00	5.00%				
			10/01/25	5,850.00	5.00%				
			10/01/26	2,600.00	5.00%				
Total						<u>\$ 29,150.00</u>	<u>\$ -</u>	<u>\$ 4,950.00</u>	<u>\$ 24,200.00</u>

TOWNSHIP OF HOPEWELL
Water Utility Capital Fund
Schedule of Improvement Authorizations
For the Year Ended December 31, 2021

Ordinance Number	Improvement Description	Ordinance Date	Ordinance Amount	2021 Authorizations							
				Balance December 31, 2020		Capital Fund Balance	Deferred Charges to Future Taxation Unfunded	Paid or Charged	Canceled	Balance December 31, 2021	
				Funded	Unfunded					Funded	Unfunded
21-1751	Purchase of Equipment	05/17/21	\$ 2,700.00	\$ -	\$ -	\$ 2,700.00	\$ -	\$ 2,353.08	\$ -	\$ 346.92	\$ -
	Total			<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,700.00</u>	<u>\$ -</u>	<u>\$ 2,353.08</u>	<u>\$ -</u>	<u>\$ 346.92</u>	<u>\$ -</u>

TOWNSHIP OF HOPEWELL
Water Utility Capital Fund
Schedule of Capital Improvement Fund
For the Year Ended December 31, 2021

Balance December 31, 2021 and 2020	\$ 58,351.05
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Water Utility Capital Fund
Schedule of Reserve for Amortization
For the Year Ended December 31, 2021

Balance December 31, 2020	\$ 332,298.83
Increased by:	
Payment of Serial Bonds	4,950.00
Balance December 31, 2021	\$ 337,248.83

TOWNSHIP OF HOPEWELL
Water Utility Capital Fund
Schedule of Deferred Reserve for Amortization
For the Year Ended December 31, 2021

Ordinance Number	Improvement Description	Date of Ordinance	Balance Dec. 31, 2020	Fixed Capital Authorized	Paid From		Transfer to Reserve for Amortization	Canceled	Balance Dec. 31, 2021
					Operating Budget	Bonds			
					Notes				
21-1751	Purchase of Equipment		\$ -	\$ 2,700.00	\$ -	\$ -	\$ -	\$ -	\$ 2,700.00
	Total		\$ -	\$ 2,700.00	\$ -	\$ -	\$ -	\$ -	\$ 2,700.00

SEWER UTILITY FUND

TOWNSHIP OF HOPEWELL
ELSA Sewer Utility Operating Fund
Schedule of Cash - Treasurer
For the Year Ended December 31, 2021

Balance December 31, 2020		\$ 593,165.59
Receipts:		
Consumer Accounts Receivable	\$ 1,067,338.12	
Sewer Rent Overpayments	1,830.13	
Reserve for Debt Service	8,000.00	
Interest on Investments	2,805.80	
Budget Refunds	1,040.38	
Miscellaneous Revenue Not Anticipated	<u>4,253.16</u>	
Total Receipts		<u>1,085,267.59</u>
Subtotal		1,678,433.18
Disbursements:		
2021 Appropriations	989,197.44	
Reserve for Encumbrances	2,847.23	
Interest on Bonds and Notes	14,771.98	
Budget Refunds	1,040.38	
Refund of Overpayments	<u>325.88</u>	
Total Disbursements		<u>1,008,182.91</u>
Balance December 31, 2021		<u><u>\$ 670,250.27</u></u>

TOWNSHIP OF HOPEWELL
SBRSA Sewer Utility Operating Fund
Schedule of Cash - Treasurer
For the Year Ended December 31, 2021

Balance December 31, 2020		\$ 322,550.27
Receipts:		
Consumer Accounts Receivable	\$ 323,725.43	
Sewer Rent Overpayments	3.89	
Prepaid Sewer Rents	23,480.47	
Reserve for Debt Service	8,731.49	
Interest on Investments	1,302.18	
Miscellaneous Revenue Not Anticipated	5,018.16	
Due to Sewer Utility Capital	14,992.03	
Budget Refunds	520.06	
Total Receipts		<u>377,773.71</u>
Subtotal		700,323.98
Disbursements:		
2021 Appropriations	388,861.61	
Reserve for Encumbrances	4,608.24	
Interest on Bonds and Notes	21,551.09	
Budget Refunds	520.06	
Total Disbursements		<u>415,541.00</u>
Balance December 31, 2021		<u><u>\$ 284,782.98</u></u>

TOWNSHIP OF HOPEWELL
Sewer Utility Capital Funds
Schedule of Cash - Treasurer
For the Year Ended December 31, 2021

Balance December 31, 2020		\$ 408,642.45
Receipts:		
Due to Sewer Operating Fund	\$ 38.15	
Budget Appropriation - Capital Improvement Fund	6,100.00	
Bond Anticipation Note	116,000.00	
I-Bank Loan Payable	91,573.97	
Contra	<u>3,097.55</u>	
Total Receipts		<u>216,809.67</u>
Subtotal		625,452.12
Disbursements:		
Improvement Authorizations	57,819.55	
Bond Anticipation Note	196,000.00	
Reserve for Debt Service	16,731.49	
Due to Sewer Operating Fund	38.15	
Contra	<u>3,097.55</u>	
Total Disbursements		<u>273,686.74</u>
Balance December 31, 2021		<u><u>\$ 351,765.38</u></u>

TOWNSHIP OF HOPEWELL
Sewer Utility Capital Fund
 Analysis of Cash - Capital Fund
 at December 31, 2021

Fund Balance		\$ 76,163.07
Capital Improvement Fund		350.00
Improvement Authorizations:		
Ordinance		
<u>Number</u>		
03-1280	Various Capital Improvements	3,000.00
07-1394	Various Capital Improvements	91,488.53
14-1595	Various Improvements to the Sewer Utilities	48,279.37
16-1629	Various Improvements to the Sewer Utilities	3,215.49
17-1661	Replacement of Pump	98.55
19-1706	Planning & Design Costs - Princeton Farms	1,920.87
19-1707	Engineering & Design - Princeton Farms	(9,701.74)
19-1711/20-1731	Acquisition and Installation of Fans - Brandon Farms	13,495.47
21-1748	Various Improvements to the Sewer Utilities	120,564.53
21-1749	Acquisition of Equipment for Brandon Farms	2,142.78
21-1750	Acquisition of Equipment for Princeton Farms	748.46
Total		<u>\$ 351,765.38</u>

TOWNSHIP OF HOPEWELL
ELSA Sewer Utility Operating Fund
Statement of Consumer Accounts Receivable
For the Year Ended December 31, 2021

Balance December 31, 2020		\$ 271,551.67
Increased by:		
2021 Billing		<u>841,249.71</u>
Total		1,112,801.38
Decreased by:		
Collections	\$ 1,067,338.12	
Overpayments Applied	<u>9,957.35</u>	<u>1,077,295.47</u>
Balance December 31, 2021		<u><u>\$ 35,505.91</u></u>

TOWNSHIP OF HOPEWELL
SBRSA Sewer Utility Operating Fund
Statement of Consumer Accounts Receivable
For the Year Ended December 31, 2021

Balance December 31, 2020		\$	9,428.99
Increased by:			
2021 Billing			<u>330,422.26</u>
Total			339,851.25
Decreased by:			
Collections	\$	323,725.43	
Prepaid Applied		5,109.05	
Overpayments Applied		<u>412.87</u>	<u>329,247.35</u>
Balance December 31, 2021		\$	<u><u>10,603.90</u></u>

TOWNSHIP OF HOPEWELL
Sewer Utility Capital Fund
Schedule of Fixed Capital
For the Year Ended December 31, 2021

Ordinance Number	Improvement Description	Balance Dec. 31, 2020	Additions by Ordinance	Balance Dec. 31, 2021
88-774/ 90-860	Improvements and Extension of Sewer System in Princeton Farms area	\$ 1,708,910.33	\$ -	\$ 1,708,910.33
90-873	Princeton Farms Sewer Lines	403,320.00		403,320.00
97-1064	Various Capital Improvements	92,830.00		92,830.00
99-1120	Capital Equipment	13,800.00		13,800.00
01-1189	Various Capital Improvements	191,800.00		191,800.00
02-1240	Various Capital Improvements	148,161.09		148,161.09
02-1247	Various Capital Improvements	83,221.00		83,221.00
02-1252	Various Capital Improvements	81,500.00		81,500.00
04-1315	Various Capital Improvements	126,884.47		126,884.47
05-1335/ 12-1544	Various Equipment	450,000.00		450,000.00
	Total	<u>\$ 3,300,426.89</u>	<u>\$ -</u>	<u>\$ 3,300,426.89</u>

TOWNSHIP OF HOPEWELL
Sewer Utility Capital Fund
Schedule of Fixed Capital Authorized and Uncompleted
For the Year Ended December 31, 2021

Ordinance Number	Improvement Description	Date of Ordinance	Amount	Balance Dec. 31, 2020	2021 Authorizations		Costs To Fixed Capital	Raised in 2021 Budget	Authorizations Canceled	Balance Dec. 31, 2021
					Deferred Reserve for Amortization	Deferred Charges To Future Revenue				
03-1280	Various Capital Improvements	06/05/03	\$ 191,000.00	\$ 169,999.97	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 169,999.97
07-1394	Acquisition of Various Equipment	05/14/07	334,703.00	334,703.00						334,703.00
14-1595	Various Improvements	03/24/14	327,800.00	327,800.00						327,800.00
16-1629	Various Improvements	07/19/16	42,750.00	39,185.12						39,185.12
17-1661	Replacement of Pump	07/26/17	150,000.00	105,000.00						105,000.00
19-1706	Planning & Design - Princeton Farms	04/15/19	105,000.00	105,000.00						105,000.00
19-1707	Engineering & Design - Princeton Farms	04/15/19	65,000.00	65,000.00						65,000.00
19-1711/ 20-1731	Acquisition & Installation of Fans Upgrades to Society Hill Pump Station	06/17/19 7/20/2020	60,000.00	60,000.00						60,000.00
21-1748	Various Improvements to the Sewer Utilities	5/17/2021	123,000.00		6,150.00	116,850.00				123,000.00
21-1749	Acquisition of Equipment for Brandon Farms	5/17/2021	12,000.00		12,000.00					12,000.00
21-1749	Acquisition of Equipment for Princeton Farms	5/17/2021	7,000.00		7,000.00					7,000.00
Total				<u>\$ 1,206,688.09</u>	<u>\$ 25,150.00</u>	<u>\$ 116,850.00</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,348,688.09</u>

TOWNSHIP OF HOPEWELL
ELSA Sewer Utility Operating Fund
Statement of 2020 Appropriation Reserves
For the Year Ended December 31, 2021

	<u>Balance</u> <u>Dec. 31, 2020</u>	<u>Balance</u> <u>After</u> <u>Transfers</u>	<u>Reserve</u> <u>for</u> <u>Encumbrances</u>	<u>Paid or</u> <u>Charged</u>	<u>Balance</u> <u>Lapsed</u>
Operating:					
Salaries and Wages	\$ 6,755.23	\$ 6,755.23	\$ -	\$ -	\$ 6,755.23
Other Expenses	49,589.56	49,589.56	9,720.72	2,847.23	56,463.05
Statutory Expenditures:					
Social Security System	<u>530.85</u>	<u>530.85</u>	<u>-</u>	<u>-</u>	<u>530.85</u>
Total	<u>\$ 56,875.64</u>	<u>\$ 56,875.64</u>	<u>\$ 9,720.72</u>	<u>\$ 2,847.23</u>	<u>\$ 63,749.13</u>
 Paid or Charged:					
Cash Disbursed				<u>\$ 2,847.23</u>	

TOWNSHIP OF HOPEWELL
SBRSA Sewer Utility Operating Fund
Statement of 2020 Appropriation Reserves
For the Year Ended December 31, 2021

	<u>Balance</u> <u>Dec. 31, 2020</u>	<u>Balance</u> <u>After</u> <u>Transfers</u>	<u>Reserve</u> <u>for</u> <u>Encumbrances</u>	<u>Paid or</u> <u>Charged</u>	<u>Balance</u> <u>Lapsed</u>
Operating:					
Salaries and Wages	\$ 1,075.30	\$ 1,075.30	\$ -	\$ -	\$ 1,075.30
Other Expenses	22,481.50	22,481.50	7,100.10	4,608.24	24,973.36
Statutory Expenditures:					
Social Security System	<u>459.00</u>	<u>459.00</u>	<u>-</u>	<u>-</u>	<u>459.00</u>
Total	<u>\$ 24,015.80</u>	<u>\$ 24,015.80</u>	<u>\$ 7,100.10</u>	<u>\$ 4,608.24</u>	<u>\$ 26,507.66</u>
 Paid or Charged:					
Cash Disbursed				<u>\$ 4,608.24</u>	

TOWNSHIP OF HOPEWELL
ELSA Sewer Utility Operating Fund
Schedule of Accrued Interest on Bonds and Notes
and Analysis of Balance
For the Year Ended December 31, 2021

Balance December 31, 2020		\$ 4,167.37
Increased By:		
Budget Appropriation for:		
Interest on Bonds	\$ 13,701.97	
Interest on Notes	<u>224.16</u>	<u>13,926.13</u>
Subtotal		18,093.50
Decreased By:		
Interest Paid on Bonds	14,077.28	
Interest Paid on Notes	<u>694.70</u>	<u>14,771.98</u>
Balance December 31, 2021		<u><u>\$ 3,321.52</u></u>

Analysis of Accrued Interest, December 31, 2021

<u>Principal Outstanding</u> <u>December 31, 2021</u>	<u>Interest</u> <u>Rate</u>	<u>From</u>	<u>To</u>	<u>Amount</u>
<u>Serial Bonds:</u>				
\$ 280,800.00	various	10/01/21	12/31/21	\$ 1,030.12
581,000.00	various	10/01/21	12/31/21	2,002.65
196,000.00	2.00%	12/01/21	12/31/21	129.00
<u>Bond Anticipation Note:</u>				
\$ 116,000.00	1.00%	04/01/20	12/31/21	<u>159.75</u>
Total				<u><u>\$ 3,321.52</u></u>

TOWNSHIP OF HOPEWELL
SBRSA Sewer Utility Operating Fund
Schedule of Accrued Interest on Bonds and Notes
and Analysis of Balance
For the Year Ended December 31, 2021

Balance December 31, 2020		\$ 5,629.00
Increased By:		
Budget Appropriation for:		
Interest on Bonds	\$ 20,044.66	
Interest on Notes	<u>133.76</u>	<u>20,178.42</u>
Subtotal		25,807.42
Decreased By:		
Interest Paid on Bonds	20,623.10	
Interest Paid on Notes	<u>927.99</u>	<u>21,551.09</u>
Balance December 31, 2021		<u><u>\$ 4,256.33</u></u>

Analysis of Accrued Interest, December 31, 2021

<u>Principal Outstanding</u> <u>December 31, 2021</u>	<u>Interest</u> <u>Rate</u>	<u>From</u>	<u>To</u>	<u>Amount</u>
<u>Serial Bonds:</u>				
\$ 280,800.00	various	10/01/21	12/31/21	\$ 2,189.01
581,000.00	various	10/01/21	12/31/21	1,848.60
196,000.00	2.00%	12/01/21	12/31/21	171.00
<u>Bond Anticipation Note:</u>				
\$ 116,000.00	1.00%	09/29/21	12/31/21	<u>47.72</u>
Total				<u><u>\$ 4,256.33</u></u>

TOWNSHIP OF HOPEWELL
Sewer Utility Capital Fund
Schedule of Serial Bonds
For the Year Ended December 31, 2021

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Date</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Balance Dec. 31, 2020</u>	<u>Increased</u>	<u>Decreased</u>	<u>Balance Dec. 31, 2021</u>
2014 Refunding Bonds	06/05/14	\$ 521,950.00	10/1/2022	\$ 50,050.00	4.25%	\$ 330,850.00	\$ -	\$ 50,050.00	\$ 280,800.00
			10/1/2023	50,050.00	4.25%				
			10/1/2024	59,150.00	4.25%				
			10/1/2025	59,150.00	4.25%				
			10/1/2026	62,400.00	4.25%				
				<u>280,800.00</u>					
Sewer Utility Bonds	04/29/15	791,000.00	4/1/2022	45,000.00	2.00%	626,000.00	-	45,000.00	581,000.00
			4/1/2023	45,000.00	2.00%				
			4/1/2024	45,000.00	2.00%				
			4/1/2025	45,000.00	2.00%				
			4/1/2026	45,000.00	2.50%				
			4/1/2027	60,000.00	3.00%				
			4/1/2028	60,000.00	3.00%				
			4/1/2029	60,000.00	3.00%				
			4/1/2030	60,000.00	3.00%				
			4/1/2031	60,000.00	3.00%				
			4/1/2032	56,000.00	3.00%				
				<u>581,000.00</u>					
Sewer Utility Bonds	11/12/20	196,000.00	6/1/2022	15,000.00	2.00%	196,000.00		16,000.00	180,000.00
			6/1/2023	15,000.00	2.00%				
			6/1/2024	15,000.00	2.00%				
			6/1/2025	15,000.00	2.00%				
			6/1/2026	15,000.00	2.00%				
			6/1/2027	25,000.00	2.00%				
			6/1/2028	25,000.00	2.00%				
			6/1/2029	25,000.00	2.00%				
			6/1/1930	30,000.00	2.00%				
				<u>180,000.00</u>					
Total						<u>\$ 1,152,850.00</u>	<u>\$ -</u>	<u>\$ 111,050.00</u>	<u>\$ 1,041,800.00</u>

TOWNSHIP OF HOPEWELL
Sewer Utility Capital Fund
Schedule of Bond Anticipation Notes
For the Year Ended December 31, 2021

Ordinance Number	Improvement Description	Date of Issue of Original Note	Date of Issue	Date of Maturity	Interest Rate	Balance Dec. 31, 2020	Increased	Decreased	Balance Dec. 31, 2021
16-1629	Various Capital Improvements	07/19/16	04/01/20	01/28/21	1.00%	\$ 31,120.00	\$ -	\$ 31,120.00	\$ -
17-1661	Replacement of Pump at SBRSA	04/05/18	04/01/20	01/28/21	1.00%	105,000.00		105,000.00	-
19-1711	Fans at Brandon Farms	08/01/19	04/01/20	01/28/21	1.00%	60,000.00		60,000.00	-
2-2021	Various Improvements to the Sewer Utilities	09/29/21	09/29/21	09/29/22	0.24%		116,000.00		116,000.00
Total						<u>\$ 196,120.00</u>	<u>\$ 116,000.00</u>	<u>\$ 196,120.00</u>	<u>\$ 116,000.00</u>
							Issued for Cash	\$ 116,000.00	\$ -
							Paid by Budget Appropriation	-	120.00
							Paid by Serial Bonds	<u>196,000.00</u>	
							Total	<u>\$ 116,000.00</u>	<u>\$ 196,120.00</u>

TOWNSHIP OF HOPEWELL
Sewer Utility Capital Fund
Schedule of Improvement Authorizations
For the Year Ended December 31, 2021

Ordinance Number	Improvement Description	Ordinance Date Amount		Balance December 31, 2020 Funded Unfunded		2021 Authorizations					Balance December 31, 2021 Funded Unfunded	
						Down Payment of Capital Improvement Fund	Capital Fund Balance	Deferred Charges to Future Revenue	Paid or Charged			
03-1280	Various Capital Improvements	6/5/2003	\$191,000.00	\$ 3,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,000.00	\$ -	
07-1394	Various Capital Improvements	5/14/2007	334,703.00	91,488.53						91,488.53		
14-1595	Various Capital Improvements	3/24/2014	327,800.00	48,279.37						48,279.37		
16-1629	Various Capital Improvements	7/19/2016	42,750.00	3,215.49						3,215.49		
17-1661	Replacement of Pump	6/26/2017	105,000.00	98.55						98.55		
19-1706	Planning and Design Costs - Princeton Farms	4/15/2019	105,000.00		13,119.35				(2,227.55)		15,346.90	
19-1707	Engineering and Design Costs - Princeton Farms	4/15/2019	65,000.00		64,541.60				9,243.34		55,298.26	
19-1711/ 20-1731	Acquisition and Installation of Fans - Brandon Farms Upgrades to Society Hill Pump Station	6/17/2019 7/20/2020	60,000.00	46,605.00					33,109.53	13,495.47		
21-1748	Various Improvements to the Sewer Utilities	5/17/2021	123,000.00			6,150.00		116,850.00	1,585.47	4,564.53	116,850.00	
21-1749	Acquisition of Equipment - Brandon Farms	5/17/2021	12,000.00				12,000.00		9,857.22	2,142.78		
21-1750	Acquisition of Equipment - Princeton Farms	5/17/2021	7,000.00				7,000.00		6,251.54	748.46		
Total				\$ 192,686.94	\$ 77,660.95	\$ 6,150.00	\$ 19,000.00	\$ 116,850.00	\$ 57,819.55	\$ 167,033.18	\$ 187,495.16	

TOWNSHIP OF HOPEWELL
Sewer Utility Capital Fund
Schedule of Capital Improvement Fund
For the Year Ended December 31, 2021

Balance December 31, 2020	\$ 400.00
Increased by:	
2021 Budget Appropriation	<u>6,100.00</u>
	6,500.00
Decreased by:	
Appropriated to Finance Improvement Authorizations	<u>6,150.00</u>
Balance December 31, 2021	<u><u>\$ 350.00</u></u>

TOWNSHIP OF HOPEWELL
Sewer Utility Capital Fund
Schedule of Reserve for Amortization
For the Year Ended December 31, 2021

Balance December 31, 2020		\$ 3,184,144.98
Increased by:		
Budget Appropriation	\$ 120.00	
Serial Bond Payment	<u>111,050.00</u>	
		<u>111,170.00</u>
Balance December 31, 2021		<u><u>\$ 3,295,314.98</u></u>

TOWNSHIP OF HOPEWELL
Sewer Utility Capital Fund
Schedule of Deferred Reserve for Amortization
For the Year Ended December 31, 2021

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Date of Ordinance</u>	<u>Balance Dec. 31, 2020</u>	<u>Fixed Capital Authorized</u>	<u>Paid From Operating Budget Notes</u>	<u>Transfer to Reserve for Amortization</u>	<u>Balance Dec. 31, 2021</u>
21-1748	Various Improvements to the Sewer Utilities	5/17/2021	\$ -	\$ 6,150.00	\$ -	\$ -	\$ 6,150.00
21-1749	Acquisition of Equipment for Brandon Farms	5/17/2021		12,000.00			12,000.00
21-1750	Acquisition of Equipment for Princeton Farms	5/17/2021		7,000.00			7,000.00
							-
			<u>\$ -</u>	<u>\$ 25,150.00</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 25,150.00</u>

TOWNSHIP OF HOPEWELL
Sewer Utility Capital Fund
Statement of Bonds and Notes Authorized But Not Issued
For the Year Ended December 31, 2021

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Balance Dec. 31, 2020</u>	<u>2021 Authorizations</u>	<u>Bond Anticipation Notes Issued</u>	<u>Canceled</u>	<u>Balance Dec. 31, 2021</u>
19-1706	Planning & Design - Princeton Farms	\$ 105,000.00	\$ -	\$ -	\$ -	\$ 105,000.00
19-1707	Engineering - Princeton Farms	65,000.00				65,000.00
2-2021	Various Improvements to the Sewer Utilities		116,850.00	116,000.00		850.00
	Total	<u>\$ 170,000.00</u>	<u>\$ 116,850.00</u>	<u>\$ 116,000.00</u>	<u>\$ -</u>	<u>\$ 170,850.00</u>

PUBLIC ASSISTANCE FUND

TOWNSHIP OF HOPEWELL
Public Assistance Fund
Schedule of Cash - Treasurer
For the Year Ended December 31, 2021

	PATF I	PATF II	Fund Total
	<u> </u>	<u> </u>	<u> </u>
Balance December 31, 2020	\$ 8,142.92	\$ 1,503.71	\$ 9,646.63
Increased by:			
Interest Earned	<u>38.66</u>	<u>-</u>	<u>38.66</u>
Balance December 31, 2021	<u><u>\$ 8,181.58</u></u>	<u><u>\$ 1,503.71</u></u>	<u><u>\$ 9,685.29</u></u>

TOWNSHIP OF HOPEWELL
Public Assistance Fund
Schedule of Public Assistance Cash and Reconciliation
For the Year Ended December 31, 2021

Balance December 31, 2020	\$ 9,646.63
Increased by:	
Interest Earned	<u>38.66</u>
Balance December 31, 2021	<u><u>\$ 9,685.29</u></u>

Reconciliation December 31, 2021

Balance on deposit per statement of:	
The Bank of Princeton	
Checking Account	<u>\$ 9,685.29</u>
Balance December 31, 2021	<u><u>\$ 9,685.29</u></u>

TOWNSHIP OF HOPEWELL

PART III

Statistical Section

For the Year Ended December 31, 2021

Table 1

Township of Hopewell
Current Fund Expenditures by Function
Last Ten Years
Unaudited

Year	General Government	Public Safety	Public Works	Health and Welfare	Unclassified	Deferred Charges and Statutory Expenditures	State and Federal Grants	Capital Improvements	Debt Service	Reserve for Uncollected Taxes	Total
2021	\$ 5,929,201	\$ 3,916,021	\$ 2,514,124	\$ 420,934	\$ 497,275	\$ 2,382,604	\$ 1,123,102	\$ 250,000	\$ 6,326,325	\$ 1,258,711	\$ 24,618,297
2020	6,166,050	3,655,865	2,151,921	397,528	447,264	1,991,536	1,073,026	254,721	5,707,844	1,137,494	22,983,249
2019	6,285,230	4,098,003	1,718,064	341,985	531,450	2,089,876	1,081,030	241,135	5,645,510	1,092,668	23,124,951
2018	6,532,282	4,243,391	1,902,278	312,651	568,500	1,870,799	1,459,679	223,742	5,161,647	1,059,251	23,334,220
2017	6,547,924	4,138,615	1,790,310	317,141	564,000	1,856,753	1,379,329	1,603,310	5,221,759	1,258,078	24,677,219
2016	5,964,454	4,247,757	2,177,456	348,468	641,190	1,770,108	432,426	229,032	5,328,934	1,224,050	22,363,875
2015	6,291,059	4,134,634	2,281,328	312,195	803,250	1,763,108	696,123	729,093	6,460,493	1,489,367	24,960,650
2014	6,056,158	3,999,557	2,286,924	372,152	906,250	1,710,309	358,217	155,319	3,945,151	1,459,458	21,249,495
2013	6,793,445	4,083,476	2,029,427	400,533	876,750	1,720,570	803,591	160,479	3,577,049	1,401,338	21,846,658
2012	6,262,172	4,017,739	1,987,992	366,693	846,600	1,755,140	390,040	198,864	3,167,877	1,349,507	20,342,624

Table 2a

Township of Hopewell
Water Utility Operating Fund Expenditures By Function
Last Ten Years
Unaudited

Year	Operating	Debt Service	Capital	Deferred Charges and Statutory Expenditures	Total
2021	\$ 73,425	\$ 6,372	\$ -	\$ 1,000	\$ 80,797
2020	66,972	7,034	-	1,000	75,006
2019	47,345	6,323	13,331	1,000	67,999
2018	50,150	16,535	1,896	13,110	81,691
2017	61,710	16,862	11,386	725	90,683
2016	55,731	17,267	220	725	73,943
2015	45,602	16,391	13,945	695	76,633
2014	50,970	16,596	15,259	600	83,425
2013	45,820	6,706	13,143	800	66,469
2012	59,170	6,030	-	1,250	66,450

Table 2b

Sewer Utility Operating Fund Expenditures By Function
Last Ten Years
Unaudited

Year	Operating	Debt Service	Capital	Deferred Charges and Statutory Expenditures	Total
2021	\$ 1,308,611	\$ 145,275	\$ 6,100	\$ 90,461	\$ 1,550,447
2020	1,290,046	132,223	-	3,030	1,425,299
2019	1,249,157	117,335	-	4,095	1,370,587
2018	1,189,975	125,445	-	2,350	1,317,770
2017	1,246,831	126,559	-	2,350	1,375,740
2016	1,269,280	118,145	-	7,350	1,394,775
2015	1,151,806	79,961	-	8,009	1,239,776
2014	1,145,634	73,801	-	6,400	1,225,835
2013	1,136,531	74,653	-	2,500	1,213,684
2012	1,153,194	69,147	7,750	168,286	1,398,377

Table 3

Township of Hopewell
Current Revenues By Source
Last Ten Years
Unaudited

Year	Taxes (1)	Delinquent Taxes	Fees, Permits, Interest, Fines and Licenses	State Aid	State and Federal Grants	Surplus Anticipated	Non Budget Revenues and Other Items	Total
2021	\$ 16,866,129	\$ 1,485,544	\$ 1,273,108	\$ 1,651,756	\$ 1,115,781	\$ 1,730,000	\$ 1,608,826	\$ 25,731,144
2020	15,891,049	966,077	1,330,438	1,634,157	1,038,745	1,183,500	1,400,036	23,444,002
2019	15,845,461	821,557	1,442,665	1,634,157	1,069,229	1,360,000	1,321,608	23,494,677
2018	15,475,423	667,127	1,599,526	1,634,157	1,447,878	1,900,000	942,341	23,666,452
2017	15,386,048	617,719	1,567,267	1,634,157	1,352,528	4,084,148	2,018,509	26,660,376
2016	15,044,922	597,346	1,560,115	1,634,157	420,022	2,068,558	1,995,052	23,320,172
2015	15,123,139	805,259	1,580,036	1,634,157	655,432	2,265,811	3,904,495	25,968,329
2014	14,376,709	696,095	1,499,373	1,634,157	338,671	1,615,811	2,018,972	22,179,788
2013	13,348,762	879,843	1,464,829	1,634,157	789,119	1,415,811	2,944,039	22,476,560
2012	12,468,335	1,282,776	1,588,392	1,634,157	378,339	1,915,811	1,574,128	20,841,938

(1) Excludes taxes allocated to county and school.

Table 4

Township of Hopewell
Assessed Value and Estimate of Total Value
Last Ten Years
Unaudited

Year	Net Assessed Valuation Taxable	Estimated Full Cash Valuation	Percentage of Net Assessed Value to Estimated Full Cash Valuation
2021	\$ 3,816,199,773	\$ 4,061,465,387	93.96%
2020	3,924,848,132	4,182,000,782	93.85%
2019	3,964,774,232	4,232,416,307	93.68%
2018	3,966,384,383	4,303,529,599	92.17%
2017	3,969,467,988	4,190,664,752	94.72%
2016	3,958,731,853	4,054,739,536	97.63%
2015	3,968,475,958	3,983,615,416	99.62%
2014	3,988,204,768	3,915,117,682	101.87%
2013	4,006,497,207	3,929,681,004	101.95%
2012	4,057,775,200	4,003,841,822	101.35%

Table 5

Township of Hopewell
Schedule of Ten Largest Taxpayers
Unaudited

Taxpayer	Assessed Valuation 2021	As a Percent of Total Net Assessed Valuation Taxable
1) CCI-Hopewell VI LLC	\$ 108,763,504	4.89%
2) Cole Hopewell Twp	92,400,000	2.75%
3) Janssen Pharmaceutica	91,230,100	2.33%
4) Hopewell Campus Owner LLC	90,000,000	2.30%
5) AREP Hopewell LLC	72,035,000	1.87%
6) One Talent, LLC	49,583,400	1.07%
7) Hopewell TC Associates	24,646,100	0.62%
8) Trap Rock Industries LLC	22,168,000	0.56%
9) Transco Gas Pipeline	13,842,100	0.35%
10) Montpen SC LLC	13,036,500	0.33%
Total	<u>\$ 577,704,704</u>	<u>17.07%</u>

Table 6

Township of Hopewell
Ratio of Bonded Debt, Bond Anticipation Notes, and Loans To Equalized Value
and Per Capita
Last Ten Years
Unaudited

Year	Population (1)	Average Equalized Valuation	Gross Debt	Gross Debt Per Capita	Ratio of Gross Debt To Equalized Valuation	Net Debt	Ratio of Net Bonded Debt To Equalized Valuation	Net Bonded Debt Per Capita
2021	17,671	\$ 4,194,651,432	\$ 87,976,958	\$ 4,979	2.10%	\$ 52,095,658	1.24%	\$ 2,948
2020	17,671	4,196,092,264	110,803,848	6,270	2.64%	51,271,247	1.22%	2,901
2019	17,791	4,239,206,266	96,901,969	5,447	2.29%	48,910,901	1.15%	2,749
2018	17,953	4,224,036,777	100,820,352	5,616	2.39%	48,494,694	1.15%	2,701
2017	17,992	4,167,416,079	105,390,366	5,858	2.53%	48,879,095	1.17%	2,717
2016	18,404	4,066,224,323	115,008,273	6,249	2.83%	52,079,987	1.28%	2,830
2015	18,442	4,030,350,464	89,566,539	4,857	2.22%	49,229,105	1.22%	2,669
2014	18,406	3,954,601,508	97,742,775	5,310	2.47%	55,219,006	1.40%	3,000
2013	18,295	3,994,903,658	100,504,046	5,494	2.52%	55,003,379	1.38%	3,006
2012	18,291	4,091,414,083	101,408,790	5,544	2.48%	55,039,230	1.35%	3,009

(1) Per the State of New Jersey Department of Labor.

Table 7

Township of Hopewell
Ratio of Annual Debt Service Expenditures - Current Fund
Last Ten Years
Unaudited

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>	<u>Total Current Fund Governmental Expenditures</u>	<u>Ratio of Debt Service to Current Fund Expenditures</u>
2021	\$ 4,970,139	\$ 1,356,186	\$ 6,326,325	\$ 24,618,297	25.70%
2020	4,232,733	1,475,111	5,707,844	22,983,249	24.83%
2019	4,044,562	1,600,948	5,645,510	23,124,951	24.41%
2018	3,699,689	1,461,958	5,161,647	23,334,220	22.12%
2017	3,531,029	1,690,730	5,221,759	24,677,219	21.16%
2016	3,559,167	1,769,767	5,328,934	22,363,575	23.83%
2015	4,623,312	1,837,181	6,460,493	24,960,650	25.88%
2014	2,455,315	1,489,835	3,945,150	21,249,495	18.57%
2013	2,254,437	1,322,612	3,577,049	21,846,658	16.37%
2012	1,922,877	1,245,000	3,167,877	20,342,624	15.57%

Table 8a

Township of Hopewell
Water Utility - Self Liquidating Calculation
Per N.J.S.A. 40A:2-45
Last Ten Years
Unaudited

Year	Fees, Rents and Other Charges	Operating and Maintenance	Debt Service	Liquidating (Nonliquidating)
2021	\$ 168,565	\$ 74,425	\$ 6,372	\$ 87,768
2020	167,421	67,972	7,034	92,415
2019	82,854	48,345	6,323	28,186
2018	80,762	63,260	16,535	967
2017	76,667	62,435	16,862	(2,630)
2016	81,320	56,456	17,267	7,597
2015	76,058	46,297	16,391	13,370
2014	81,079	51,570	16,780	12,729
2013	88,271	46,620	6,706	34,945
2012	72,527	60,420	6,030	6,077

Table 8b

Sewer Utility - Self Liquidating Calculation
Per N.J.S.A. 40A:2-45
Last Ten Years
Unaudited

Year	Fees, Rents and Other Charges	Operating and Maintenance	Debt Service	Liquidating (Nonliquidating)
2021	\$ 1,886,062	\$ 1,311,642	\$ 145,275	\$ 429,145
2020	1,268,868	1,293,076	132,223	(156,431)
2019	1,436,772	1,252,186	117,335	67,251
2018	1,410,792	1,192,325	125,445	93,022
2017	1,633,894	1,249,181	126,559	258,154
2016	1,580,982	1,271,630	118,000	191,352
2015	1,295,881	1,154,105	79,961	61,815
2014	1,407,435	1,147,834	75,701	183,900
2013	1,355,433	1,139,031	74,652	141,750
2012	1,483,164	1,155,694	69,147	258,323

Table 9

Township of Hopewell
 Unemployment Rate and Per Capita Income - Last Ten Years
 Last Ten Years
 Unaudited

Year	Unemployment Rate (1)	Mercer County Per Capita Income
2021	(2)	(2)
2020	4.5%	(2)
2019	1.9%	71,790
2018	2.3%	69,080
2017	2.6%	66,045
2016	2.7%	64,689
2015	2.9%	63,526
2014	3.6%	62,033
2013	3.5%	58,096
2012	6.4%	59,268

(1) Per State of New Jersey.

(2) Not Available.

Table 10

Township of Hopewell
Miscellaneous Statistics
Unaudited

Date of Incorporation	1798
Form of Government	Township Committee
Area in Square Miles	58
Miles of Streets	154

TOWNSHIP OF HOPEWELL

PART IV

Single Audit Section

For the Year Ended December 31, 2021

INVERSO & STEWART, LLC**Certified Public Accountants**

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 Marlton, New Jersey 08053
 (856) 983-2244
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 E-Mail: rinverso@inversocpa.com

-Member of-
 American Institute of CPAs
 New Jersey Society of CPAs

**REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND
 REPORT ON INTERNAL CONTROL OVER COMPLIANCE
 REQUIRED BY NEW JERSEY CIRCULAR 15-08-OMB**

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and
 Members of the Township of Hopewell
 Township of Hopewell
 County of Mercer
 Hopewell, New Jersey

Report on Compliance for Each Major State Program***Opinion on Each Major State Program***

I have audited the Township of Hopewell's, in the County of Mercer, State of New Jersey ("Township"), compliance with the types of compliance requirements identified as subject to audit in the New Jersey State Grant Compliance Supplement that could have a direct and material effect on the Township's major state programs for the year ended December 31, 2021. The Township's major state program is identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned costs.

In my opinion, the Township complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major state programs for the year ended December 31, 2021.

Basis for Opinion on Each Major State Program

I conducted my audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey ("Division") and New Jersey State Grant Compliance Supplement (Circular 15-08-OMB). My responsibilities under those standards and the Circular 15-08-OMB are further described in the Auditor's Responsibilities for the Audit of Compliance section of my report.

I am required to be independent of the Township and to meet my other ethical responsibilities, in accordance with relevant ethical requirements relating to my audit. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion on compliance for each major state program. My audit does not provide a legal determination of the Township's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Township's state programs.

Auditor's Responsibilities for the Audit of Compliance

My objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Township's compliance based on my audit. 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, Government Auditing Standards, and the Circular 15-08-OMB will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Township's compliance with the requirements of each major state program as a whole.

In performing an audit in accordance with generally accepted auditing standards, Government Auditing Standards, and the Circular 15-08-OMB, I:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 Township's compliance with the compliance requirements referred to above and performing such other procedures as I considered necessary in the circumstances.
- Obtain an understanding of the Township's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Circular 15-08-OMB, but not for the purpose of expressing an opinion on the effectiveness of the Township's internal control over compliance. Accordingly, no such opinion is expressed.

I am required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that I identified during the audit.

Report on Internal Control over Compliance

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

My consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during my audit I did not identify any deficiencies in internal control over compliance that I consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

My audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of my testing of internal control over compliance and the results of that testing based on the requirements of the State of New Jersey Circular 15-08-OMB. Accordingly, this report is not suitable for any other purpose.

INVERSO & STEWART, LLC
Certified Public Accountants

A handwritten signature in black ink, appearing to read 'R. Inverso', with a stylized flourish at the end.

Robert P. Inverso
Certified Public Accountant
Registered Municipal Accountant

Marlton, New Jersey
June 30, 2022

TOWNSHIP OF HOPEWELL

**Schedule of Expenditures of State Financial Assistance
For the Year Ended December 31, 2021**

<u>State Grantor/Program Title</u>	<u>State GMIS Number</u>	<u>Program or Award Amount</u>	<u>Program Funds Received</u>	<u>Grant Period</u>		<u>Balance December 31, 2020</u>	<u>Revenue Realized</u>	<u>Adjustment/ Cancel</u>	<u>Disbursements/ Expenditures</u>	<u>Balance December 31, 2021</u>
				<u>From</u>	<u>To</u>					
<u>State Department of Transportation</u>										
State Aid - NJ Transportation Trust Fund										
Authority Act :										
NJDOT - Bull Run	62003014439	427,100.00	177,731.97	01/01/18	Present	\$ 252,506.17	\$ -	\$ -	\$ 3,138.14	\$ 249,368.03
NJDOT - Harb/Roetown Road	Not Available	220,000.00	220,000.00	01/01/11	Present	3,632.87				3,632.87
NJDOT - Titus Mill Road	3081601	504,361.00	205,126.96	01/01/20	Present	483,438.00			208,217.03	275,220.97
NJDOT - Scotch Road	62003056820	600,000.00	377,784.85	01/01/19	Present	600,000.00			489,441.01	110,558.99
NJDOT - Van Brunt	62003014439	446,400.00	325,996.92	01/01/18	Present	127,139.98			6,736.90	120,403.08
NJDOT - Harbortown Road	62003118335	515,000.00	-	01/01/21	Present		515,000.00			515,000.00
Pothole Repair Grant	Not Available					2,576.84				2,576.84
Design Guidelines	Not Available	40,834.00	40,834.00	01/01/04	Present	171.03				171.03
						<u>1,469,464.89</u>	<u>515,000.00</u>	<u>-</u>	<u>707,533.08</u>	<u>1,276,931.81</u>
<u>State Department of Law and Public Safety</u>										
Drunk Driving Enforcement Grant(Over the Limit)	6400-100-078-6400	6,149.34	6,149.34	01/01/15	Present	2,988.98			777.04	2,211.94
Drunk Driving Enforcement Grant(Over the Limit)	6400-100-078-6400	5,697.86	5,697.86	01/01/16	Present	5,697.86				5,697.86
Drunk Driving Enforcement Grant(Over the Limit)	6400-100-078-6400	3,630.18	3,630.18	01/01/17	Present	3,630.18				3,630.18
Highway Traffic Safety Grant	TR01-41-01-01					631.07				631.07
Body Armor Grant	1020-718-066-1020-001-YCJS-6120	2,280.10	2,280.10	01/01/21	Present		2,280.10			2,280.10
Body Worn Camera Grant	21-BWC-203	69,292.00	-				69,292.00			69,292.00
Route 31 Aggressive Driving	Not Available	20,800.00	20,800.00	10/01/07	Present	799.99				799.99
Emergency Management Assistance	Not Available	4,811.00	4,811.00	01/01/08	Present	2,226.00				2,226.00
Municipal Drug Alliance Program	Not Available					49,334.91				49,334.91
Municipal Drug Alliance Program	Not Available	11,908.00	3,000.00	10/01/20	06/30/21		11,908.00		4,253.00	7,655.00
						<u>65,308.99</u>	<u>83,480.10</u>	<u>0.00</u>	<u>5,030.04</u>	<u>143,759.05</u>
<u>State Department of Treasury</u>										
State Forfeiture Funds	Not Available	20,019.53	20,019.53	1/1/09	12/31/10	328.53	-	-	-	328.53
						<u>328.53</u>				<u>328.53</u>
<u>State Department of Community Affairs</u>										
Historic Sites Committee	Not Available	7,500.00	7,500.00	01/01/02	Present	7,500.00				7,500.00
Historic Sites Committee	Not Available	14,910.00	0.00	01/01/18	Present	14,910.00				14,910.00
Historic Sites Committee	Not Available	15,000.00	15,000.00	01/01/20	Present	15,000.00				15,000.00
						<u>37,410.00</u>				<u>37,410.00</u>

(Continued)

TOWNSHIP OF HOPEWELL

Schedule of Expenditures of State Financial Assistance
For the Fiscal Year Ended December 31, 2021

<u>State Grantor/Program Title</u>	<u>State GMIS Number</u>	<u>Program or Award Amount</u>	<u>Program Funds Received</u>	<u>Grant Period</u>		<u>Balance December 31, 2020</u>	<u>Revenue Realized</u>	<u>Adjustment/ Cancel</u>	<u>Disbursements/ Expenditures</u>	<u>Balance December 31, 2021</u>
				<u>From</u>	<u>To</u>					
State Department of Health										
Tobacco Age-of Sale Enforcement Grant	97-1647-TOB	4,898.32	4,898.32	04/01/08	Present	\$ 292.99	\$ -	\$ -	\$ -	\$ 292.99
Pandemic Influenza Program	08-909-BT-L-O	14,487.00	14,487.00	01/01/06	Present	0.20				0.20
NJ Strengthening Local Public Health	OLPH21PHC040	142,236.00	75,910.00	12/01/20	06/30/21		142,236.00	66,326.00	75,910.00	0.00
NJ Strengthening Local Public Health	OLPH22PHC022	291,042.00	-	07/01/21	12/31/21		291,042.00		75,320.18	215,721.82
Delaware Green River Partnership Grant	CA4000-8-9020	4,000.00	4,000.00	01/01/02	Present	1,730.00				1,730.00
						2,023.19	433,278.00	66,326.00	151,230.18	217,745.01
State Department of Environmental Protection										
Clean Air Cool Planet	Not Available	2,500.00	2,500.00	01/01/11	Present	1,744.07				1,744.07
Clean Communities Program	4900-765-042-4900-004-V42Y-6020	316,883.11	315,147.19	1/1/07	Present	552,108.50	55,046.67		60,215.69	546,939.48
Municipal Stormwater Regulation Program	WQ05-301	12,029.00	12,029.00	3/1/04	Present	1,051.44				1,051.44
Livable Community Pilot Program - Smith's Cross	LC05-092	69,000.00	69,000.00	01/01/05	Present	2,500.00				2,500.00
Municipal Stormwater Regulation Program	Not Available					214.14				214.14
It Pays to Plug n	Not Available	20,000.00	15,000.00	01/01/16	Present	14,400.00				14,400.00
Public Health Practice Standards Grant	Not Available					48.14				48.14
Recycling Tonnage Grant	4900-752-042-4900-001-V42Y-6020	18,887.59	18,887.59	01/01/20	Present	386.71			386.71	0.00
Recycling Tonnage Grant	4900-752-042-4900-001-V42Y-6020	31,500.97	31,500.97	01/01/20	Present		31,500.97		22,836.56	8,664.41
Sustainable NJ - Green Team	Not Available	2,000.00	2,000.00	01/01/20	Present	1,477.80			1,056.50	421.30
Sustainable NJ - Solar Challenge	Not Available	3,000.00	3,000.00	01/01/16	Present	268.38				268.38
Soil Conservation-Community Forestry Mgmt.	4870-100-042-4870-038-V4A3-6120	4,500.00	4,500.00	1/1/09	Present	1,500.00				1,500.00
						575,699.18	86,547.64		84,495.46	577,751.36
Total State Financial Assistance						\$ 2,150,234.78	\$ 1,118,305.74	\$ 66,326.00	\$ 948,288.76	\$ 2,253,925.76

Analysis of Balance December 31, 2021

Current Fund:

Reserve for State Grants - Appropriated

Reserve for Federal and State Grants - Unappropriated

Total

\$ 2,253,925.76

\$ 2,253,925.76

The accompanying Notes to Schedule of Expenditures of Awards and Financial Assistance are an integral part of this schedule.

Township of Hopewell
Notes to Schedules of Expenditures of State Financial Assistance
For the Year Ended December 31, 2021

1. GENERAL

The accompanying schedule of expenditures state financial assistance present the activity of all state financial assistance programs of the Township of Hopewell, County of Mercer, State of New Jersey. The Township is defined in the Notes to the Financial Statements, Note 1.

2. BASIS OF ACCOUNTING

The accompanying schedules of expenditures of state financial assistance is presented using the modified accrual basis of accounting as promulgated by the State of New Jersey, Department of Community Affairs, Division of Local Government Services, which is described in the Notes to the Financial Statements, Note 1.

3. RELATIONSHIP TO FINANCIAL STATEMENTS

Amounts reported in the accompanying schedules agree with amounts reported in the Township's financial statements. Expenditures from awards are reported in the Township's financial statements as follows:

	<u>State</u>
Federal and State Grant Fund	\$ 948,288.78
	<hr/>
Total Financial Assistance	\$ <u>948,288.78</u>

4. MAJOR PROGRAMS

Major programs are identified in the "Summary of Auditor's Results" section of the Schedule of Findings and Questioned Costs.

**TOWNSHIP OF HOPEWELL
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

Section I --Summary of Auditor's Results

Financial Statements

Type of auditor's report issued:

Regulatory Basis

Unmodified

Internal control over financial reporting:

1) Material weaknesses identified?

_____ yes X no

2) Significant deficiencies identified?

_____ yes X none reported

Noncompliance material to basic financial
statements noted?

_____ yes X no

Federal Awards

A Federal Single Audit was not required

State Awards Section

Dollar threshold used to distinguish between type A and type B programs:

\$750,000

Auditee qualified as low-risk auditee?

 X yes _____ no

Internal Control over major programs:

1) Material weakness(es) identified?

_____ yes X no

2) Significant deficiencies identified that are
not considered to be material weakness?

_____ yes X none reported

Type of auditor's report on compliance for major programs:

Unmodified

Any audit findings disclosed that are required to be reported
in accordance with NJOMB Circular Letter 15-08 as applicable?

_____ yes X no

Identification of major programs:

State Grant/Project Number(s)

Name of State Program

62003056820

NJDOT - Roadway Improvements Scotch Road

TOWNSHIP OF HOPEWELL
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2021

Schedule of Financial Statement Findings

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

None noted.

TOWNSHIP OF HOPEWELL
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2021

Schedule of Federal Awards and State Financial Assistance
Findings and Questioned Costs

This section identifies the significant deficiencies, material weaknesses and instances of noncompliance, including questioned costs, related to the audit of major federal and state programs, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and New Jersey Circular 15-08-OMB.

FEDERAL AWARDS

A federal single audit was not required.

STATE AWARDS

No findings identified.

TOWNSHIP OF HOPEWELL
Summary Schedule of Prior Year Audit Findings
And Recommendations as Prepared by Management

This section identifies the status of prior year findings related to the financial statements and federal and state grant awards that are required to be reported in accordance with *Government Auditing Standards* and New Jersey OMB's Circular 15-08.

FINANCIAL STATEMENT FINDINGS

There were no prior year findings.

FEDERAL AWARDS

A Federal Single Audit was not required.

STATE AWARDS

There were no prior year findings.

TOWNSHIP OF HOPEWELL

OFFICIALS IN OFFICE AND SURETY BONDS

The following officials were in office during the year ended December 31, 2021

<u>Name</u>	<u>Title</u>	<u>Term</u>	<u>Amount of Bond</u>	<u>Name Of Surety</u>
Julie Blake	Mayor	12/31/2021		
Courtney Peters-Manning	Deputy Mayor	12/31/2022		
Kevin Kuchinski	Committeeperson	12/31/2023		
Kristin McLaughlin	Committeeperson	12/31/2022		
Michael Ruger	Committeeperson	12/31/2023		
Sean Canning	Qualified Purchasing Agent		1,000,000	(A)
Katherine Fenton-Newman	Deputy Municipal Clerk		1,000,000	(A)
Laurie Gompf	Municipal Clerk		1,000,000	(A)
Robert Karmazin	Police Director		1,000,000	(A)
Daniel Keough	Tax Assessor		1,000,000	(A)
Kevin Oswald	Municipal Construction Official		1,000,000	(A)
Mark Kataryniak	Engineer/Community Development Director		1,000,000	(A)
Dawn Marling	Health Officer		1,000,000	(A)
Karin Poveromo	Recreation Director		1,000,000	(A)
Roger Haley	Municipal Court Judge		1,000,000	(A)
Margaret Umbro	Court Administrator		1,000,000	(A)
Christine Irizarry	Deputy Court Administrator		1,000,000	(A)
Susan Newman	Human Resources Director		1,000,000	(A)
Mary Kennedy-Nadzak	Tax Collector		1,000,000	(A)
George Synder	Acting Business Administrator/Director of Public Works		1,000,000	(A)
Julie Troutman	Chief Financial Officer/ Treasurer		1,000,000	(A)
Robert Yostembski	Municipal Prosecutor			

(A) - Blanket Surety Coverage of \$50,000 provided by the Mid Jersey Municipal Joint Insurance Fund and \$950,000 provided by the Municipal Excess Liability Joint Insurance Fund.

ACKNOWLEDGMENT

We express our appreciation for the assistance and courtesies extended to us by the Township Officials during the course of the audit.

Respectfully submitted,

INVERSO & STEWART, LLC

A handwritten signature in black ink, appearing to read "R. P. Inverso", written in a cursive style.

Robert P. Inverso
Certified Public Accountant
Registered Municipal Accountant

June 30, 2022