

**TOWNSHIP OF HARRISON
COUNTY OF GLOUCESTER
AUDIT REPORT
FOR THE YEAR ENDED DECEMBER 31, 2024**

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INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members
of the Township Committee
Township of Harrison
County of Gloucester
Mullica Hill, New Jersey

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying statements of assets, liabilities, reserves and fund balance - regulatory basis of the various funds and account group of the Township of Harrison, County of Gloucester, State of New Jersey as of December 31, 2024, and the related statement of operations and changes in fund balance - regulatory basis for the years then ended, the related statements of revenues - regulatory basis, and statements of expenditures - regulatory basis for the year ended December 31, 2024 and the related notes to the financial statements, which collectively comprise the Township's basic financial statements as listed in the table of contents.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets, liabilities, reserves and fund balance - regulatory basis of the various funds and account group of the Township of Harrison, County of Gloucester, State of New Jersey, as of December 31, 2024, and the results of its operations and changes in fund balance - regulatory basis of such funds for the years then ended, and the statements of revenues - regulatory basis, and statements of expenditures - regulatory basis, for the year ended December 31, 2024 in conformity with accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note 1.

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

In our opinion, because of the significance of the matter discussed in the below "*Basis for Adverse Opinion on Accounting Principles Generally Accepted in the United State of America*" paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Township of Harrison, County of Gloucester, State of New Jersey, as of December 31, 2024, or the results of its operations and changes in fund balance for the years then ended.

Basis for Opinions

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

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

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards and Government Auditing Standards, we:

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

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

Supplemental Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Township's basic financial statements. The supplemental schedules presented for the various funds are presented for purposes of additional analysis as required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and related directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Predecessor Auditor

The financial statements for the year ended December 31, 2023, were audited by a predecessor auditor. The predecessor auditor issued an adverse opinion on the financial statements, stating that they do not present fairly, in accordance with account principles generally accepted in the United States of America, the financial position of each fund of the Township of Harrison as of December 31, 2023, or changes in financial position for the year then ended.

The predecessor auditor issued an unmodified opinion on the regulatory basis financial statements for the year ended December 31, 2023, stating that the regulatory basis balance sheets and account group as of December 31, 2023, the regulatory basis of operations for the year then ended and the regulatory basis statements of revenues and expenditures for the year then ended December 31, 2023, were in accordance with the basis of financial reporting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

Other Reporting Required by *Government Auditing Standards*

In accordance with Government Auditing Standards, we have also issued our report dated July 24, 2025 on our consideration of the Township's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Township's internal control over financial reporting and compliance.

Respectfully submitted,

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

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

Medford, New Jersey
July 24, 2025



HOLT MCNALLY & ASSOCIATES

Certified Public Accountants & Advisors

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

Honorable Mayor and Members
of the Township Committee
Township of Harrison
County of Gloucester
Harrison, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the financial statements - regulatory basis of the Township of Harrison, County of Gloucester, State of New Jersey, as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements, and have issued our report thereon dated July 24, 2025. Our report indicated that the Township’s financial statements were not prepared in accordance with accounting principles generally accepted in the United States of America but rather prepared in accordance with the regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

Report on Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. We have identified one deficiency in internal control, described in the accompanying schedule of financial statement findings, as item 2024-001 that we consider to be material weaknesses.

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Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Township's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed one instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and which are described in the accompanying schedule of financial statement findings as Finding No. 2024-001.

Township of Harrison's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the Township of Harrison's response to the findings identified in our audit and described in the accompanying schedule of financial statement findings. The Township's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the responses.

Purpose of this Report

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

Respectfully Submitted,

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

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

Medford, New Jersey
July 24, 2025

PART I
REPORT OF AUDIT OF FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

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TOWNSHIP OF HARRISON
CURRENT FUND

Statements of Assets, Liabilities, Reserves and Fund Balance -- Regulatory Basis
As of December 31, 2024 and 2023

<u>ASSETS</u>	<u>Ref.</u>	<u>2024</u>	<u>2023</u>
Regular Fund:			
Cash and Cash Equivalents:			
Cash - Treasurer	SA-1	\$ 7,371,544.72	\$ 6,230,022.18
Cash - Tax Collector	SA-2	-	1,100.00
Change Funds	SA-9	<u>150.00</u>	<u>150.00</u>
Total Cash and Cash Equivalents		<u>7,371,694.72</u>	<u>6,231,272.18</u>
Receivables and Other Assets with Full Reserves:			
Delinquent Property Taxes	SA-4	552,462.61	401,985.91
Tax Title Liens Receivable	SA-5	1,782.63	88,766.90
Property Acquired for Taxes - Assessed Valuation	SA-20	140,800.00	140,800.00
Revenue Accounts Receivable	SA-3	119,164.83	44,495.43
Interfunds Receivable:			
Federal and State Grant Fund	SA-24	1,514.89	7,040.02
Trust - Animal Control Fund	SB-3	1,034.57	22,884.22
Trust - Other Funds	SB-5	13,796.41	
Municipal Open Space Trust Fund	SB-7		3,660.18
General Capital Fund	SC-10	<u>12,068.42</u>	<u>844.89</u>
Total Receivables and Other Assets with Full Reserves		<u>842,624.36</u>	<u>710,477.55</u>
Due from State of New Jersey:			
Senior Citizens and Veterans Deductions	SA-10	<u>500.00</u>	
Deferred Charges:			
Special Emergency Authorizations (40A:4-53)	SA-6	<u>-</u>	<u>60,000.00</u>
		<u>-</u>	<u>60,000.00</u>
Total Regular Fund		<u>8,214,819.08</u>	<u>7,001,749.73</u>
Federal and State Grant Fund:			
Cash - Municipal Financial Officer	SA-1	465,825.22	387,129.45
Federal and State Grants Receivable	SA-21	<u>172,830.43</u>	<u>172,830.43</u>
Total Federal and State Grant Fund		<u>638,655.65</u>	<u>559,959.88</u>
		<u>\$ 8,853,474.73</u>	<u>\$ 7,561,709.61</u>

(Continued)

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

TOWNSHIP OF HARRISON
CURRENT FUND

Statements of Assets, Liabilities, Reserves and Fund Balance -- Regulatory Basis
As of December 31, 2024 and 2023

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>Ref.</u>	<u>2024</u>	<u>2023</u>
Regular Fund:			
Appropriation Reserves	A-3;SA-11	\$ 890,063.97	\$ 707,920.90
Reserve for Encumbrances	A-3	44,023.69	12,265.52
Accounts Payable	A		
Local District School Taxes Payable	SA-14	874,080.00	439,352.00
Regional High School Taxes Payable	SA-15	568,506.04	243,803.06
County Taxes Payable	SA-16	126,448.01	119,284.84
Special Emergency Note Payable	SA-7	-	60,000.00
Tax Overpayments	SA-12	275,329.95	121,895.73
Prepaid Taxes	SA-13	476,132.31	401,269.66
Due to Trust - Other Funds	SB-5		5,310.63
Due State of New Jersey:			
Senior Citizens and Veterans Deductions	SA-10		5,569.52
Marriage License Fees	SA-8	705.00	1,962.00
Payment in Lieu of Taxes - Due County	SA-2	12,677.30	
Reserve For:			
Payment of Debt	A		12,234.24
Developer Site Improvements	SA-2, A	110,248.93	10,781.15
FEMA (Storm IDA)	A	101,780.95	101,780.95
Municipal Relief Fund Aid	A		56,598.72
Preparation of Master Plan	SA-19	203,818.19	203,818.19
Total Other Liabilities and Reserves		<u>3,683,814.34</u>	<u>2,503,847.11</u>
Reserve for Receivables and Other Assets	A	<u>842,624.36</u>	<u>710,477.55</u>
Fund Balance	A-1	<u>3,688,380.38</u>	<u>3,787,425.07</u>
Total Regular Fund		<u>8,214,819.08</u>	<u>7,001,749.73</u>
Federal and State Grant Fund:			
Reserve for Grants - Appropriated	SA-22	526,357.21	508,688.79
Reserve for Grants - Unappropriated	SA-23	110,783.55	44,231.07
Due Current Fund	SA-24	1,514.89	7,040.02
Total Federal and State Grant Fund		<u>638,655.65</u>	<u>559,959.88</u>
		<u>\$ 8,853,474.73</u>	<u>\$ 7,561,709.61</u>

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

TOWNSHIP OF HARRISON
CURRENT FUND
 Statements of Operations and Changes in Fund Balance -- Regulatory Basis
 For The Years Ended December 31, 2024 and 2023

	<u>2024</u>	<u>2023</u>
REVENUE AND OTHER INCOME REALIZED:		
Fund Balance Utilized	\$ 2,707,000.00	\$ 2,190,850.00
Miscellaneous Revenues Anticipated	3,548,903.81	3,422,139.96
Receipts from Delinquent Taxes and Tax Title Liens	493,008.82	979,856.78
Receipts from Current Taxes	52,022,148.24	50,240,579.84
Non-Budget Revenue	223,738.07	298,084.85
Other Credits to Income:		
Animal Control Trust Fund Statutory Excess	985.98	2,722.04
Unexpended Balance of Appropriation Reserves	478,978.00	443,946.91
Cancellation of Prior Year Payable	12,281.52	6,154.16
Cancellation of Federal & State Grants Appropriated Reserves	-	12,832.34
Interfund Loans Returned	31,034.96	600.00
	<u>59,518,079.40</u>	<u>57,597,766.88</u>
Total Income		
EXPENDITURES:		
Budget Appropriations:		
Within "CAPS":		
Operations:		
Salaries and Wages	4,403,015.88	4,047,594.29
Other Expenses	3,419,570.00	2,752,940.00
Deferred Charges and Statutory Expenditures	1,464,605.00	1,355,414.00
Excluded from "CAPS":		
Operations	1,084,500.29	1,660,472.68
Capital Improvements	54,000.00	25,000.00
Debt Service	3,149,662.80	3,094,066.55
Deferred Charges	60,000.00	140,000.00
County Taxes	11,761,312.72	11,814,858.35
Local District School Taxes	15,950,400.00	14,758,407.00
Regional High School Taxes	12,898,861.00	11,778,748.86
Special District Taxes	1,550,270.00	1,550,270.00
Municipal Open Space Taxes	946,980.86	940,849.64
Other Debits to Income:		
Prior Year Senior Citizens and Veterans' Deductions Disallowed	2,750.00	2,500.00
Refund of Prior Year Revenue	138,075.60	-
Prior Year Revenue Due Trust Other Fund	1,100.00	
Change Fund		100.00
Interfund Loans Advanced	25,019.94	14,904.39
	<u>56,910,124.09</u>	<u>53,936,125.76</u>
Total Expenditures		
Statutory Excess to Fund Balance	2,607,955.31	3,661,641.12
FUND BALANCE:		
Balance January 1	<u>3,787,425.07</u>	<u>2,316,633.95</u>
	6,395,380.38	5,978,275.07
Decreased by:		
Utilized as Revenue	<u>2,707,000.00</u>	<u>2,190,850.00</u>
Balance December 31	<u>\$ 3,688,380.38</u>	<u>\$ 3,787,425.07</u>

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

TOWNSHIP OF HARRISON
CURRENT FUND
Statement of Revenues -- Regulatory Basis
For the Year Ended December 31, 2024

	<u>Anticipated</u>		<u>Realized</u>	<u>Excess or (Deficit)</u>
	<u>Budget</u>	<u>Special N.J.S.A. 40A: 4-87</u>		
Surplus Anticipated	\$ 2,707,000.00		\$ 2,707,000.00	
Miscellaneous Revenues:				
Local Revenues				
Fees and Permits	100,000.00		351,642.32	\$ 251,642.32
Fines and Costs:				
Municipal Court	60,000.00		75,063.18	15,063.18
Interest and Costs on Taxes	140,000.00		118,068.50	(21,931.50)
Interest on Investments and Deposits	30,000.00		436,128.64	406,128.64
State Aid Without Offsetting Appropriations:				
Energy Receipts Tax	549,062.00		549,062.48	0.48
Municipal Relief Fund Aid	56,598.72		56,598.72	
Dedicated Uniform Construction Code Fees Offset				
With Appropriations (N.J.S.40A:4-36 and N.J.A.C.5:23-4.17):				
Uniform Construction Code Fees	450,000.00		602,601.00	152,601.00
Special Items of General Revenue Anticipated with Prior Written				
Consent of the Director of the Division of Local Government Services:				
Shared Services Agreement Offset with Appropriations				
School Resource Officer - Harrison Twp School District	104,000.00		108,052.77	4,052.77
School Resource Officer - Clearview Regional School District	104,000.00		106,720.03	2,720.03
Public and Private Revenues Offset with Appropriations:				
Alcohol Education, Rehab and Enforcement Fund	881.18		881.18	
Body Armor Replacement Fund Program	736.44		736.44	
Clean Communities Program	32,306.85		32,306.85	
Low Income Water Assistance Program	1,983.99		1,983.99	
Opioid Settlement Proceeds	9,125.83		9,125.83	
Stormwater Assistance Grant	15,000.00		15,000.00	
Other Special Items:				
Cable Television	50,000.00		54,348.90	4,348.90
Reserve for Payment of Debt - Current Fund	12,234.24		12,234.24	
Reserve for Payment of Debt - General Capital Fund	15,211.92		15,211.92	
Payments in Lieu of Taxes	400,000.00		766,175.30	366,175.30
Hospital Annual Community Service Contribution Inpatient	232,400.00		236,961.52	4,561.52
	<u>2,363,541.17</u>		<u>3,548,903.81</u>	<u>1,185,362.64</u>
Receipts from Delinquent Taxes	350,000.00		493,008.82	143,008.82
Amount to be Raised by Taxes for Support of Municipal Budget:				
Local Tax for Municipal Purposes including				
Reserve for Uncollected Taxes	9,255,765.00		9,954,838.66	699,073.66
Budget Totals	14,676,306.17		16,703,751.29	2,027,445.12
Non-Budget Revenues			223,738.07	223,738.07
	<u>\$ 14,676,306.17</u>	-	<u>\$ 16,927,489.36</u>	<u>\$ 2,251,183.19</u>

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

(Continued)

TOWNSHIP OF HARRISON
CURRENT FUND
Statement of Revenues -- Regulatory Basis
For the Year Ended December 31, 2024

<u>Analysis of Realized Revenue</u>	
Allocation of Current Tax Collections:	
Revenue from Collections	\$ 52,022,148.24
Allocated to:	
County, School, Special District and Open Space Taxes	<u>43,107,824.58</u>
Amount for Support of Municipal Budget Appropriations	8,914,323.66
Add: Appropriation "Reserve for Uncollected Taxes"	<u>1,040,515.00</u>
Amount for Support of Municipal Budget Appropriations	<u>\$ 9,954,838.66</u>
Receipts from Delinquent Taxes:	
Delinquent Tax Collections	\$ 396,816.16
Tax Title Lien Collections	<u>96,192.66</u>
Total Delinquent Tax Collections	<u>\$ 493,008.82</u>
Fees and Permits	
Municipal Improvement Search Officer Fees	
Clerk Fees	28,831.32
Registrar Fees	54,838.00
Planning Board Fees	213,253.00
Zoning Officer Fees	22,575.00
Police Reports Fees	<u>32,145.00</u>
Total Fees and Permits	<u>\$ 351,642.32</u>
<u>Analysis for Non-Budget Revenue</u>	
Miscellaneous Revenue not Anticipated:	
Rent and Lease Income	61,796.99
Division of Motor Vehicle Inspection Fees	119.50
Rental and Resale Housing Inspections	22,850.00
Grading Inspection Fees	5,590.00
Closure of Old Dormant Escrow Accounts	30,706.20
Recycling of Scrap Metal and Plastic	7,884.02
Abandoned Property Fees	15,500.00
Cancelation of Proir Year Outstanding Checks	31.00
Refunds of Prior Year Expenses	45,378.36
Cat Licenses	628.00
Forfeited Funds	279.00
Donations	31,740.00
Senior Citizen and Veterans Deductions Administrative Fee	<u>1,235.00</u>
	<u>\$ 223,738.07</u>
Treasurer	<u>\$ 223,738.07</u>

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

**TOWNSHIP OF HARRISON
CURRENT FUND**

Statement of Expenditures -- Regulatory Basis
For the Year Ended December 31, 2024

	Appropriations		Expended		Unexpended Balance <u>Canceled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	
OPERATIONS WITHIN "CAPS"					
General Government:					
Administrative and Executive:					
Salaries and Wages	\$ 9,000.00	\$ 6,200.00	\$ 2,810.34		\$ 3,389.66
Other Expenses	154,200.00	154,200.00	148,509.30		5,690.70
Mayor and Committee:					
Salaries and Wages	26,700.00	26,700.00	26,650.50		49.50
Other Expenses	2,950.00	2,950.00	1,381.20	\$ 395.00	1,173.80
Township Clerk:					
Salaries and Wages	129,150.00	129,150.00	122,385.90		6,764.10
Other Expenses	52,250.00	52,250.00	24,657.11	1,120.00	26,472.89
Financial Administration:					
Salaries and Wages	137,010.00	137,010.00	117,732.49		19,277.51
Other Expenses	124,000.00	124,000.00	20,859.31		103,140.69
Automated Data Processing:					
Other Expenses	10,000.00	10,000.00	7,564.75		2,435.25
Collection of Taxes:					
Salaries and Wages	113,300.00	113,300.00	107,039.23		6,260.77
Other Expenses	8,800.00	9,100.00	8,960.73	70.00	69.27
Legal Services and Costs:					
Other Expenses	216,000.00	216,000.00	123,126.03		92,873.97
Engineering Services and Costs:					
Other Expenses	22,500.00	22,500.00	9,927.50		12,572.50
Historic Preservation Committee:					
Salaries and Wages	4,900.00	4,900.00	4,840.97		59.03
Other Expenses	5,400.00	5,400.00	53.46		5,346.54
Municipal Land Use Law:					
Planning Board:					
Salaries and Wages	60,630.00	60,630.00	58,052.07		2,577.93
Other Expenses	32,900.00	32,900.00	7,315.90		25,584.10

(Continued)

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

TOWNSHIP OF HARRISON
CURRENT FUND
 Statement of Expenditures -- Regulatory Basis
 For the Year Ended December 31, 2024

	Appropriations			Expended		Unexpended Balance <u>Canceled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>	
OPERATIONS WITHIN "CAP" (Cont'd)						
Municipal Land Use Law: (Cont'd)						
Zoning Board of Adjustment:						
Salaries and Wages	\$ 41,390.00	\$ 41,390.00	\$ 34,549.32		\$ 6,840.68	
Other Expenses	2,180.00	2,180.00	735.69	70.00	1,374.31	
Subtotal General Government	1,153,260.00	1,150,760.00	827,151.80	1,655.00	321,953.20	
Public Safety:						
Police:						
Salaries and Wages	2,759,270.88	2,759,270.88	2,663,072.82		96,198.06	
Other Expenses	187,700.00	187,700.00	126,794.69	36,113.75	24,791.56	
Emergency Management Services:						
Salaries and Wages	8,350.00	8,350.00	7,681.08		668.92	
Other Expenses	3,600.00	3,600.00			3,600.00	
Subtotal Public Safety	2,958,920.88	2,958,920.88	2,797,548.59	36,113.75	125,258.54	
Public Works:						
Streets and Roads:						
Road Repair and Maintenance:						
Salaries and Wages	369,130.00	369,130.00	350,180.60		18,949.40	
Other Expenses	58,350.00	58,350.00	37,617.11		20,732.89	
Solid Waste Collection:						
Other Expenses	36,000.00	36,000.00	27,430.96		8,569.04	
Waste Disposal	605,000.00	605,000.00	490,262.12		114,737.88	
Public Buildings and Grounds:						
Salaries and Wages	223,810.00	223,810.00	202,690.55		21,119.45	
Other Expenses	61,200.00	61,200.00	46,570.32	1,200.00	13,429.68	
Subtotal Public Works	1,353,490.00	1,353,490.00	1,154,751.66	1,200.00	197,538.34	
Vehicle Maintenance:						
Salaries and Wages	71,560.00	71,560.00	69,712.98		1,847.02	
Other Expenses	67,000.00	67,000.00	49,324.35	4,223.58	13,452.07	
Subtotal Vehicle Maintenance	138,560.00	138,560.00	119,037.33	4,223.58	15,299.09	

(Continued)

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

TOWNSHIP OF HARRISON
CURRENT FUND
 Statement of Expenditures -- Regulatory Basis
 For the Year Ended December 31, 2024

	Appropriations			Expended		Unexpended Balance <u>Canceled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>	
OPERATIONS WITHIN "CAP" (Cont'd)						
Health and Human Services:						
Board of Health:						
Salaries and Wages	\$ 1,175.00	\$ 1,175.00	\$ 1,082.67		\$ 92.33	
Environmental Commission (N.J.S.A.40.56A-1 et seq)	4,500.00	4,500.00	1,793.74		2,706.26	
Other Expenses						
Subtotal Health and Human Services	5,675.00	5,675.00	2,876.41		2,798.59	
Park and Recreation Functions:						
Parks and Playgrounds:						
Salaries and Wages	110,250.00	110,250.00	106,462.33		3,787.67	
Other Expenses	22,750.00	22,750.00	9,791.87	\$ 831.36	12,126.77	
Subtotal Recreation and Education	133,000.00	133,000.00	116,254.20	831.36	15,914.44	
Additional Salaries and Wages	5,000.00	5,000.00	4,700.01		299.99	
Compensated Absences	5,000.00	5,000.00			5,000.00	
JIF Administration:						
Salaries and Wages	18,750.00	18,750.00	10,128.54		8,621.46	
Insurance:						
Volunteer Insurance	500.00	500.00			500.00	
General Liability	205,000.00	205,000.00	193,095.36		11,904.64	
Workers Compensation	180,090.00	180,090.00	170,613.44		9,476.56	
Employee Group Health	567,200.00	567,200.00	517,507.95		49,692.05	
Health Benefit Retirees	270,000.00	270,000.00	256,323.84		13,676.16	
Employee Health Insurance Waivers						
Subtotal Insurance	1,241,540.00	1,241,540.00	1,147,669.13		93,870.87	

(Continued)

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

TOWNSHIP OF HARRISON
CURRENT FUND
 Statement of Expenditures -- Regulatory Basis
 For the Year Ended December 31, 2024

	Appropriations			Expended		Unexpended Balance <u>Canceled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>	
OPERATIONS WITHIN "CAP" (Cont'd)						
Code Enforcement & Administrator:						
Construction Official:						
Salaries and Wages	\$ 311,440.00	\$ 311,440.00	\$ 309,503.47		\$ 1,936.53	
Other Expenses	10,700.00	10,700.00	8,291.63		2,408.37	
Subtotal State Uniform Construction Code	322,140.00	322,140.00	317,795.10		4,344.90	
Unclassified - Utilities:						
Electricity	135,000.00	135,000.00	115,168.60		19,831.40	
Street Lighting	167,000.00	167,500.00	167,406.20		93.80	
Telephone	9,000.00	11,000.00	10,511.27		488.73	
Water	11,000.00	11,000.00	10,086.90		913.10	
Natural Gas	29,000.00	29,000.00	17,892.28		11,107.72	
Fuel Oil	45,000.00	45,000.00	29,363.24		15,636.76	
Gasoline (N.J.S.A. 40A-4-47 + \$150,000.00)	110,000.00	110,000.00	98,362.16		11,637.84	
Subtotal Unclassified	506,000.00	508,500.00	448,790.65		59,709.35	
Total Operations Within "CAP"	7,822,585.88	7,822,585.88	6,936,574.88	44,023.69	841,987.31	
Detail:						
Salaries and Wages	4,405,815.88	4,403,015.88	4,199,275.87		203,740.01	
Other Expenses	3,416,770.00	3,419,570.00	2,737,299.01	44,023.69	638,247.30	
Deferred Charges and Statutory Expenditures - Municipal Within "CAP"						
Statutory Expenditures:						
Contribution to:						
Public Employees' Retirement System	262,618.00	262,618.00	262,618.00			
Social Security System (O.A.S.I)	345,000.00	345,000.00	328,563.35		16,436.65	
Police and Firemen's Retirement System	848,987.00	848,987.00	848,987.00			
Contribution New Jersey Unemployment	5,000.00	5,000.00	5,000.00			
Defined Contribution Retirement Program	3,000.00	3,000.00	2,248.83		751.17	
Total Deferred Charges and Statutory Expenditures - Municipal Within "CAP"	1,464,605.00	1,464,605.00	1,447,417.18		17,187.82	
Total General Appropriations for Municipal Purposes Within "CAP"	9,287,190.88	9,287,190.88	8,383,992.06	44,023.69	859,175.13	

(Continued)

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

TOWNSHIP OF HARRISON
CURRENT FUND
 Statement of Expenditures -- Regulatory Basis
 For the Year Ended December 31, 2024

	Appropriations		Expended		Unexpended Balance <u>Canceled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	
OPERATIONS EXCLUDED FROM "CAP"					
General Government:					
SFSP Fire District Payment	\$ 1,756.00	\$ 1,756.00	\$ 1,756.00		
Workers Compensation Insurance	14,910.00	14,910.00	14,910.00		
Employee Group Health Insurance	21,800.00	21,800.00	21,800.00		
Subtotal General Government Outside "CAPS"	38,466.00	38,466.00	38,466.00		
Shared Service Agreements:					
Solid Waste Collection - Logan Township	588,000.00	588,000.00	557,111.16		\$ 30,888.84
School Resource Officer - Harrison Twp School District	104,000.00	104,000.00	104,000.00		
School Resource Officer - Clearview Reg School District	104,000.00	104,000.00	104,000.00		
Joint Municipal Court - Mantua Township	190,000.00	190,000.00	190,000.00		
Subtotal Shared Service Agreements	986,000.00	986,000.00	955,111.16		30,888.84
State and Federal Programs Offset by Revenues:					
Alcohol Education, Rehab and Enforcement Fund	881.18	881.18	881.18		
Body Armor Replacement Fund Program	736.44	736.44	736.44		
Clean Communities Program	32,306.85	32,306.85	32,306.85		
Low Income Water Assistance Program	1,983.99	1,983.99	1,983.99		
Opioid Settlement Proceeds	9,125.83	9,125.83	9,125.83		
Stormwater Assistance Grant	15,000.00	15,000.00	15,000.00		
Total State and Federal Programs Offset by Revenues	60,034.29	60,034.29	60,034.29		
Total Operations Excluded from "CAPS"	1,084,500.29	1,084,500.29	1,053,611.45		30,888.84
Detail:					
Salaries and Wages	208,000.00	208,000.00	208,000.00		
Other Expenses	839,790.29	839,790.29	808,901.45		30,888.84
CAPITAL IMPROVEMENTS EXCLUDED FROM "CAP"					
Capital Improvement Fund	54,000.00	54,000.00	54,000.00		
Total Capital Improvements Excluded from "CAPS"	54,000.00	54,000.00	54,000.00		

(Continued)

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

TOWNSHIP OF HARRISON
CURRENT FUND
 Statement of Expenditures -- Regulatory Basis
 For the Year Ended December 31, 2024

	Appropriations		Expended		Unexpended Balance <u>Canceled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	
MUNICIPAL DEBT SERVICE EXCLUDED FROM "CAPS"					
Payment of Bond Principal	\$ 2,470,000.00	\$ 2,470,000.00	\$ 2,470,000.00		
Payment of Bond Anticipation Notes and Capital Notes	168,000.00	168,000.00	168,000.00		412.50
Interest on Bonds	435,000.00	435,000.00	434,587.50		
Interest on Notes	77,100.00	77,100.00	77,075.30		24.70
Total Municipal Debt Service Excluded from "CAPS"	3,150,100.00	3,150,100.00	3,149,662.80		437.20
DEFERRED CHARGES EXCLUDED FROM "CAPS"					
Special Emergency Authorizations - 5 years	60,000.00	60,000.00	60,000.00		
Total Deferred Charges Excluded from "CAPS"	60,000.00	60,000.00	60,000.00		
Total General Appropriations For Municipal Purposes - Excluded from "CAPS"	4,348,600.29	4,348,600.29	4,317,274.25	\$ 30,888.84	437.20
Subtotal General Appropriations	13,635,791.17	13,635,791.17	12,701,266.31	\$ 44,023.69	\$ 890,063.97
Reserve for Uncollected Taxes	1,040,515.00	1,040,515.00	1,040,515.00		
Total General Appropriations	\$ 14,676,306.17	\$ 14,676,306.17	\$ 13,741,781.31	\$ 44,023.69	\$ 890,063.97
Adopted Budget		\$ 14,676,306.17			
Reserve for Federal and State Grant Fund		\$ 60,034.29			
Deferred Charges		60,000.00			
Reserve for Uncollected Taxes		1,040,515.00			
Reimbursements - Treasurer		(341,106.90)			
Disbursed		12,922,338.92			
		\$ 14,676,306.17	\$ 13,741,781.31		

TOWNSHIP OF HARRISON
TRUST FUNDS
 Statements of Assets, Liabilities and Reserves -- Regulatory Basis
 As of December 31, 2024 and 2023

<u>ASSETS</u>	<u>Ref.</u>	<u>2024</u>	<u>2023</u>
Animal Control Fund:			
Cash	SB-1	\$ 14,991.91	\$ 38,595.70
		<u>14,991.91</u>	<u>38,595.70</u>
Trust Other Funds:			
Cash	SB-1	4,720,503.79	3,820,138.69
Due from Current Fund	SB-5		5,310.63
		<u>4,720,503.79</u>	<u>3,825,449.32</u>
Municipal Open Space Trust Fund:			
Cash	SB-1	2,287,365.52	2,167,169.75
		<u>2,287,365.52</u>	<u>2,167,169.75</u>
 Total Trust Funds		 <u>\$ 7,022,861.22</u>	 <u>\$ 6,031,214.77</u>
 <u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Animal Control Fund:			
Reserve for Animal Control Expenditures	SB-2	\$ 13,947.14	\$ 13,762.68
Due State of New Jersey	SB-4	10.20	1,948.80
Due to Current Fund	SB-3	1,034.57	22,884.22
		<u>14,991.91</u>	<u>38,595.70</u>

(Continued)

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

TOWNSHIP OF HARRISON
TRUST FUNDS
Statements of Assets, Liabilities and Reserves -- Regulatory Basis
As of December 31, 2024 and 2023

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>Ref.</u>	<u>2024</u>	<u>2023</u>
Trust Other Funds:			
Due to Current Fund	SB-5	\$ 13,796.41	
Reserve for Trust Other Funds:			
Accumulated Absences	SB-6	15,547.72	\$ 15,030.00
Adult Community Center	SB-6	66,040.66	63,759.70
Affordable Housing	SB-6	6,896.21	6,892.77
Board of Recreation Commission	SB-6	147,043.22	136,977.56
Cash Bond	SB-6	1,008,080.58	811,285.34
Compensation Tree Planting Donations	SB-6	45,009.85	30,468.38
Developers Escrow	SB-6	1,048,370.07	391,820.72
Developers Fees - Housing Trust Fund (COAH)	SB-6	78,922.94	76,197.23
Disposal of Forfeited Property	SB-6	11,033.05	9,369.58
Economic Development and Improvement	SB-6	24,156.55	65,228.70
Housing Savings Trust	SB-6	1,385,446.09	1,159,958.71
K9	SB-6	22,776.56	31,328.12
Mill Valley Escrow	SB-6	-	17,144.59
Outside Employment of Off-Duty Police	SB-6	13,268.80	3,935.95
Parade	SB-6	11,895.28	11,484.47
Payroll	SB-6	45,230.75	41,928.14
Recreation	SB-6	407,476.58	529,850.57
Recreation - Senior	SB-6	4,005.00	1,658.00
Storm Recovery	SB-6	45,847.40	18,757.19
Tax Title Lien Premium	SB-6	207,800.00	290,600.00
Tax Title Lien Redemption	SB-6	4,394.88	139.28
Unemployment Compensation	SB-6	102,204.45	102,324.44
Veterans Donations	SB-6	5,260.74	5,062.82
Walnut Glen Escrow	SB-6	-	4,247.06
Total Trust Other Funds		<u>4,720,503.79</u>	<u>3,825,449.32</u>
Municipal Open Space Trust Fund:			
Due to State of New Jersey			3,660.18
Due to Current Fund	SB-7		3,660.18
Reserve for Future Use	SB-7	<u>2,287,365.52</u>	<u>2,163,509.57</u>
		<u>2,287,365.52</u>	<u>2,167,169.75</u>
Total Trust Funds		<u>\$ 7,022,861.22</u>	<u>\$ 6,031,214.77</u>

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

TOWNSHIP OF HARRISON
TRUST FUND - MUNICIPAL OPEN SPACE
Statement of Revenues -- Regulatory Basis
For the Year Ended December 31, 2024

	<u>Anticipated Budget</u>	<u>Realized</u>	<u>Excess or (Deficit)</u>
Amount to Be Raised By Taxation	\$ 936,888.00	\$ 946,980.86	\$ 10,092.86
Miscellaneous		<u>59,363.09</u>	<u>59,363.09</u>
Total Open Space Revenues	<u><u>\$ 936,888.00</u></u>	<u><u>\$ 1,006,343.95</u></u>	<u><u>\$ 69,455.95</u></u>

Analysis of Realized Revenues

Amount to be Raised by Taxation:

Due from Current Fund:

2024 Open Space Tax Levy
 2024 Added & Omitted Taxes

	\$ 936,888.00	
	<u>10,092.86</u>	
		<u><u>\$ 946,980.86</u></u>

Miscellaneous:

Receipts

Interest Earned on Deposits

\$ 59,363.09

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

TOWNSHIP OF HARRISON
TRUST FUND - MUNICIPAL OPEN SPACE
Statement of Expenditures -- Regulatory Basis
For the Year Ended December 31, 2024

	Appropriations		Expended	
	Adopted <u>Budget</u>	Budget After <u>Modifications</u>	Paid or <u>Charged</u>	<u>Reserved</u>
Maintenance of Lands for Recreation and Conservation:				
Salaries and Wages	\$ 155,000.00	\$ 155,000.00	\$ 134,188.00	\$ 20,812.00
Other Expenses	33,000.00	33,000.00	-	33,000.00
Debt Service:				-
Payment of Bond Principal	485,000.00	485,000.00	485,000.00	-
Payment of Bond Interest	263,300.00	263,300.00	263,300.00	-
Reserve for Future Use	588.00	588.00	-	588.00
Total Open Space Appropriations	\$ 936,888.00	\$ 936,888.00	\$ 882,488.00	\$ 54,400.00
		Disbursed	\$ 882,488.00	
		Reserve for Future Use	54,400.00	
			<u>\$ 936,888.00</u>	

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

TOWNSHIP OF HARRISON
GENERAL CAPITAL FUND

Statements of Assets, Liabilities, Reserves and Fund Balance -- Regulatory Basis
 As of December 31, 2024 and 2023

	<u>Ref.</u>	<u>2024</u>	<u>2023</u>
<u>ASSETS</u>			
Cash - Treasurer	SC-1	\$ 3,495,848.06	\$ 4,070,153.39
Grant-In-Aid Receivable	SC-6	639,161.57	300,473.57
Deferred Charges to Future Taxation:			
Funded	SC-3	19,945,000.00	22,900,000.00
Unfunded	SC-4	2,245,910.00	1,511,410.00
		<u>\$ 26,325,919.63</u>	<u>\$ 28,782,036.96</u>
 <u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Due Current Fund	SC-10	\$ 12,068.42	\$ 844.89
Bond Anticipation Notes Payable	SC-8	1,342,400.00	1,510,400.00
Bonds Payable	SC-9	19,945,000.00	22,900,000.00
Improvement Authorizations:			
Funded	SC-7	3,396,993.26	3,579,494.90
Unfunded	SC-7	999,270.42	613,914.87
Encumbrances Payable	SC-7	587,881.11	59,192.95
Reserve for Preliminary Costs	SC-2	-	3,391.86
Reserve for Payment of Debt	SC-2	-	15,211.92
Capital Improvement Fund	SC-5	36,110.00	29,610.00
Fund Balance	C-1	6,196.42	69,975.57
		<u>\$ 26,325,919.63</u>	<u>\$ 28,782,036.96</u>

There were bonds and notes authorized but not issued in the amounts of \$903,510.00 and \$1,010.00 as of December 31, 2024 and 2023, respectively.

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

TOWNSHIP OF HARRISON
GENERAL CAPITAL FUND
Statement of Fund Balance -- Regulatory Basis
For the Year Ended December 31, 2024

Balance December 31, 2023	\$	69,975.57
Increased by:		
Receipts:		
Premium on Note Sale	\$	6,430.10
Cancellation of Reserve by Resolution		3,391.86
Cancellation of Funded Improvement Authorizations		<u>90,464.39</u>
		<u>100,286.35</u>
		170,261.92
Decreased by:		
Grant-In-Aid Receivables Canceled by Resolution		<u>164,065.50</u>
		<u>164,065.50</u>
Balance December 31, 2024	\$	<u><u>6,196.42</u></u>

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

TOWNSHIP OF HARRISON
SEWER UTILITY OPERATING FUND
 Statements of Assets, Liabilities, Reserves and Fund Balance--Regulatory Basis
 As of December 31, 2024 and 2023

<u>ASSETS</u>	<u>Ref.</u>	<u>2024</u>	<u>2023</u>
Cash and Cash Equivalents:			
Municipal Financial Officer	SD-1	\$ 1,364,970.38	\$ 1,152,895.10
Change Fund	D	<u>50.00</u>	<u>50.00</u>
Total Cash and Cash Equivalents		<u>1,365,020.38</u>	<u>1,152,945.10</u>
Due from Sewer Utility Capital Fund	SE-3	<u>9,722.60</u>	<u>684.92</u>
		<u>1,374,742.98</u>	<u>1,153,630.02</u>
Receivables with Full Reserves:			
Consumer Accounts Receivable	SD-2	238,679.54	203,186.97
Sewer Utility Liens Receivable	SD-7		<u>2,045.10</u>
		<u>238,679.54</u>	<u>205,232.07</u>
		<u>\$ 1,613,422.52</u>	<u>\$ 1,358,862.09</u>
 <u>LIABILITIES, RESERVES AND FUND BALANCE</u> 			
Appropriation Reserves	D-3;SD-3	\$ 246,703.68	\$ 209,159.99
Other Liabilities and Reserves:			
Reserve for Encumbrances	D-3	727.16	3,920.00
Accrued Interest on Bonds and Notes	SD-4	86,318.00	95,228.00
Sewer Rent Prepays	SD-6	48,045.75	46,893.32
Sewer Rent Overpayments	SD-5	<u>4,636.18</u>	<u>9,655.85</u>
		<u>386,430.77</u>	<u>364,857.16</u>
Reserve for Receivables	D	238,679.54	205,232.07
Fund Balance	D-1	<u>988,312.21</u>	<u>788,772.86</u>
		<u>\$ 1,613,422.52</u>	<u>\$ 1,358,862.09</u>

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

TOWNSHIP OF HARRISON
SEWER UTILITY OPERATING FUND
 Statements of Operations and Changes in Operating Fund Balance -- Regulatory Basis
 For the Years Ended December 31, 2024 and 2023

	<u>2024</u>	<u>2023</u>
REVENUE AND OTHER INCOME REALIZED:		
Operating Surplus Anticipated	\$ 283,200.00	\$ 13,700.00
Sewer Rents	2,334,324.11	2,355,144.87
Penalties and Interest	20,102.19	26,078.66
Miscellaneous	191,995.35	24,793.09
Reserve for Payment of Debt - Utility Capital	45,800.00	524,500.00
Utility Capital Surplus	-	50,000.00
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	158,897.32	37,997.41
Total Income	<u>3,034,318.97</u>	<u>3,032,214.03</u>
EXPENDITURES:		
Budget Appropriations:		
Operating	1,313,000.00	1,250,000.00
Capital Improvements	2,500.00	2,500.00
Debt Service	1,130,736.82	1,213,637.25
Deferred Charges and Statutory Expenditures	103,700.00	91,656.00
Other Debits to Income:		
Refund of Prior Year Revenue	1,642.80	
Total Expenditures	<u>2,551,579.62</u>	<u>2,557,793.25</u>
Excess in Revenue	482,739.35	474,420.78
FUND BALANCE:		
Balance January 1	<u>788,772.86</u>	<u>328,052.08</u>
	1,271,512.21	802,472.86
Decreased by:		
Utilized as Revenue	<u>283,200.00</u>	<u>13,700.00</u>
Balance December 31	<u>\$ 988,312.21</u>	<u>\$ 788,772.86</u>

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

TOWNSHIP OF HARRISON
SEWER UTILITY OPERATING FUND
Statement of Revenues -- Regulatory Basis
For The Year Ended December 31, 2024

	Anticipated Budget	Realized	Excess or (Deficit)
Operating Surplus Anticipated	\$ 283,200.00	\$ 283,200.00	-
Rent	2,200,000.00	2,334,324.11	\$ 134,324.11
Penalties and Interest	20,000.00	20,102.19	102.19
Miscellaneous	10,000.00	191,995.35	181,995.35
Reserve for Payment of Debt - Sewer Utility Capital	45,800.00	45,800.00	
	<u>2,275,800.00</u>	<u>2,592,221.65</u>	<u>316,421.65</u>
	<u>\$ 2,559,000.00</u>	<u>\$ 2,875,421.65</u>	<u>\$ 316,421.65</u>
Other Additions to Income:			
Unexpended Balance of Appropriation Reserves			<u>\$ 158,897.32</u>
 <u>Analysis of Realized Revenue</u>			
Rents:			
Consumer Accounts Receivable:			
Collected			<u>\$ 2,334,324.11</u>
Miscellaneous:			
Refund of Prior Year Expenditures			45,814.70
Interest Earned on Deposits:			
Sewer Utility Operating Fund			32,499.50
Sewer Collector's Account			8,693.39
Sewer Utility Capital Fund			95,265.16
Due from Sewer Utility Capital Fund			<u>9,722.60</u>
Total Miscellaneous			<u>\$ 191,995.35</u>
Treasurer Cash Receipts			\$ 173,579.36
Collector Cash Receipts			8,693.39
Due from Sewer Utility Capital Fund - Interest Earned on Investments			<u>9,722.60</u>
			<u>\$ 191,995.35</u>

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

TOWNSHIP OF HARRISON
SEWER UTILITY OPERATING FUND
 Statement of Expenditures -- Regulatory Basis
 For The Year Ended December 31, 2024

	Appropriations		Expended				Unexpended Balance Canceled
	Adopted Budget	Budget After Modifications	Paid or Charged	Encumbrances	Reimbursements	Reserved	
Operating:							
Salaries and Wages	\$ 504,000.00	\$ 504,000.00	\$ 374,603.31			\$ 129,396.69	
Other Expenses	809,000.00	809,000.00	729,650.55	\$ 727.16	\$ 27,050.98	105,673.27	
Capital Improvement Fund	2,500.00	2,500.00	2,500.00				
Total Operating	1,315,500.00	1,315,500.00	1,106,753.86	727.16	27,050.98	235,069.96	-
Debt Service:							
Payment of Bond Principal	705,000.00	705,000.00	705,000.00				-
Interest on Bonds	292,200.00	292,200.00	285,582.77				6,617.23
Interest on Notes	142,600.00	142,600.00	140,154.05				2,445.95
Total Debt Service	1,139,800.00	1,139,800.00	1,130,736.82	-	-	-	9,063.18
Statutory Expenditures:							
Contribution to							
Public Employees' Retirement System	65,650.00	65,650.00	65,650.00				
Social Security System (O.A.S.I.)	37,950.00	37,950.00	26,416.28			11,533.72	
Unemployment Compensation Insurance	100.00	100.00	-			100.00	
Total Statutory Expenditures	103,700.00	103,700.00	92,066.28	-	-	11,633.72	-
Total Expenditures	\$ 2,559,000.00	\$ 2,559,000.00	\$ 2,329,556.96	727.16	\$ 27,050.98	\$ 246,703.68	\$ 9,063.18
Cash Disbursements			2,338,466.96				
Accrued Interest on Bonds and Loans			\$ (6,561.00)				
Accrued Interest on Notes			(2,349.00)				
Cash Reimbursements - Operating					\$ 27,050.98		
			<u>\$ 2,329,556.96</u>		<u>\$ 27,050.98</u>		

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

TOWNSHIP OF HARRISON
SEWER UTILITY CAPITAL FUND
 Statements of Assets, Liabilities, Reserves and Fund Balance--Regulatory Basis
 As of December 31, 2024 and 2023

<u>ASSETS</u>	<u>Ref.</u>	<u>2024</u>	<u>2023</u>
Cash and Cash Equivalents	SE-1	\$ 2,976,920.65	\$ 3,171,009.11
Fixed Capital	SE-5	22,049,953.19	22,049,953.19
Fixed Capital Authorized and Uncompleted	SE-6	<u>3,291,000.00</u>	<u>3,291,000.00</u>
		<u>\$ 28,317,873.84</u>	<u>\$ 28,511,962.30</u>
 <u>LIABILITIES AND RESERVES</u> 			
Due to Sewer Utility Operating Fund	SE-3	\$ 9,722.60	\$ 684.92
Serial Bonds Payable	SE-8	8,890,000.00	9,595,000.00
Bond Anticipation Notes Payable	SE-9	2,858,000.00	2,858,000.00
Improvement Authorizations:			
Funded	SE-7	47,012.33	183,713.59
Unfunded	SE-7	2,696,535.15	2,698,035.15
Encumbrances Payable	SE-7	10,500.00	-
Reserve for:			
Developer Contribution	SE-2	-	118,143.00
Preliminary Expenditures	SE-2	-	1,113.25
Payment of Debt	SE-2	13,773.42	45,883.60
Capital Improvement Fund	SE-4	79,516.00	77,016.00
Reserve for Amortization	SE-10	13,592,953.19	12,933,767.89
Fund Balance	E-1	<u>119,861.15</u>	<u>604.90</u>
		<u>\$ 28,317,873.84</u>	<u>\$ 28,511,962.30</u>

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

TOWNSHIP OF HARRISON
SEWER UTILITY CAPITAL FUND
 Statement of Fund Balance -- Regulatory Basis
 For the Year Ended December 31, 2024

Balance December 31, 2023	\$	604.90
Increased by:		
Cancelation of Reserves by Resolution		119,256.25
Balance December 31, 2024	\$	119,861.15

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

Exhibit F

TOWNSHIP OF HARRISON
GENERAL FIXED ASSET ACCOUNT GROUP
 Statement of General Fixed Assets Group of Accounts - Regulatory Basis
 For the Year Ended December 31, 2024

	Balance December 31, <u>2023</u>	<u>Additions</u>	<u>Deletions</u>	Balance December 31, <u>2024</u>
General Fixed Assets:				
Land & Land Improvements	\$ 17,515,464.00	\$ -	\$ 346,900.00	\$ 17,168,564.00
Buildings & Building Improvements	3,598,980.20	141,181.80	787,642.00	2,952,520.00
Equipment & Vehicles	5,162,654.08	270,326.92	658,972.00	4,774,009.00
	<u>\$ 26,277,098.28</u>	<u>\$ 411,508.72</u>	<u>\$ 1,793,514.00</u>	<u>\$ 24,895,093.00</u>
Total Investment in General Fixed Assets	<u>\$ 26,277,098.28</u>	<u>\$ 411,508.72</u>	<u>\$ 1,793,514.00</u>	<u>\$ 24,895,093.00</u>

**TOWNSHIP OF HARRISON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

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TOWNSHIP OF HARRISON
Notes to Financial Statements
For the Year Ended December 31, 2024

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of Financial Reporting Entity - The Township of Harrison was incorporated as a township by an act of the New Jersey legislature on March 13, 1844 from portions of Greenwich Township and Woolwich Township. The Township, located in Gloucester County, New Jersey, has a total area of approximately nineteen square miles, and is located approximately twenty miles from the City of Philadelphia. The Township borders East Greenwich Township, Elk Township, Glassboro, Mantua Township, South Harrison Township and Woolwich Township. According to the 2020 census, the population is 13,641.

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

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

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

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

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

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

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

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

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

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

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

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

Cash, Cash Equivalents and Investments - Cash and cash equivalents include petty cash, change funds and cash on deposit with public depositories. All certificates of deposit are recorded as cash regardless of the date of maturity. Investments are stated at cost; therefore, unrealized gains or losses on investments have not been recorded.

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

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

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

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

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

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

General Fixed Assets - Accounting for governmental fixed assets, as required by N.J.A.C. 5:30-5.6, differs in certain respects from accounting principles generally accepted in the United States of America. In accordance with the regulations, all local units, including municipalities, must maintain a general fixed assets reporting system that establishes and maintains a physical inventory of nonexpendable, tangible property as defined and limited by the U.S. Office of Management and *Budget's Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (2 CFR Part 225), except that the useful life of such property is at least five years. The Township has adopted a capitalization threshold of \$5,000.00, the maximum amount allowed by the Circular. Generally, assets are valued at historical cost; however, assets acquired prior to December 31, 1985 are valued at actual historical cost or estimated historical cost. No depreciation of general fixed assets is recorded. Donated general fixed assets are recorded at acquisition value as of the date of the transaction. Interest costs relative to the acquisition of general fixed assets are recorded as expenditures when paid. Public domain ("infrastructure") general fixed assets consisting of certain improvements such as roads, bridges, curbs and gutters, streets and sidewalks and drainage systems are not capitalized. Expenditures for construction in progress are recorded in the capital funds until such time as the construction is completed and put into operation. The Township is required to maintain a subsidiary ledger detailing fixed assets records to control additions, retirements, and transfers of fixed assets. In addition, a statement of general fixed asset group of accounts, reflecting the activity for the year, must be included in the Township's basic financial statements.

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

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

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

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

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

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

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

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

Property Tax Revenues - Property tax revenues are collected in quarterly installments due February 1, May 1, August 1, and November 1. The amount of tax levied includes not only the amount required in support of the Township's annual budget, but also the amounts required in support of the budgets of the County of Gloucester, the Township of Harrison School District, Clearview Regional High School District, and the Township of Harrison Fire District No. 1. 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 Township of Harrison School District and the Clearview Regional High School District. For the local school district and regional high school district, operations is charged for the Township's share of the amount required to be raised by taxation for the period from July 1 to June 30, increased by the amount deferred at December 31, 2023 and decreased by the amount deferred at December 31, 2024.

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

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

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

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

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

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

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

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

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

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

Recently Adopted Accounting Pronouncements

The following GASB Statements became effective for the year ended December 31, 2024:

Statement No. 101, Compensated Absences. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The Township has implemented this standard as of December 31, 2024.

Recently Issued Accounting Pronouncements

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

Statement No. 102, Certain Risk Disclosures, requires a government to disclose information about concentrations or constraints and related events that have occurred or have begun to occur that make a government vulnerable to a substantial impact. The standard will improve financial reporting by providing users of financial statements with essential information that currently is not often provided. Statement No. 102 is effective for reporting periods beginning after June 15, 2024. Management has not yet determined the potential impact on the Township's financial statements.

Statement No. 104, Disclosure of Certain Capital Assets, requires a government to disclose certain types of capital assets separately in the capital assets note previously required by Statement No. 34. The standard requires separate disclosure for lease assets in accordance with Statement No. 87, intangible right-to-use assets in accordance with Statement No. 94 and subscription assets in accordance with Statement No. 96. Statement No. 104 is effective for reporting periods beginning after June 15, 2025. Management has not yet determined the potential impact on the Township's financial statements.

Note 2: CASH AND CASH EQUIVALENTS

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

As of December 31, 2024, the Township's bank balances of \$22,823,608.33 were exposed to custodial credit risk as follows:

Insured under FDIC and GUDPA	\$ 15,567,985.49
Uninsured and Uncollateralized	<u>7,255,622.84</u>
	<u>\$ 22,823,608.33</u>

Note 3: PROPERTY TAXES

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

Comparison Schedule of Tax Rates

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Tax Rate	<u>\$ 3.348</u>	<u>\$ 3.236</u>	<u>\$ 3.204</u>	<u>\$ 3.130</u>	<u>\$ 3.070</u>
Apportionment of Tax Rate:					
Municipal	\$ 0.593	\$ 0.560	\$ 0.541	\$ 0.521	\$ 0.501
County Library	0.045	0.046	0.046	0.047	0.047
County	0.659	0.667	0.672	0.681	0.677
County Open Space	0.043	0.042	0.040	0.042	0.041
Local School	1.022	0.972	0.935	0.918	0.904
Regional High School	0.826	0.790	0.816	0.780	0.761
Fire District	0.100	0.100	0.094	0.081	0.079
Municipal Open Space	0.060	0.059	0.060	0.060	0.060

Assessed Valuation

<u>Year</u>	<u>Amount</u>
2024	\$ 1,560,600,700.00
2023	1,552,968,900.00
2022	1,540,516,947.00
2021	1,549,432,832.00
2020	1,545,984,112.00

Note 3: PROPERTY TAXES (CONT'D)

Five-year comparison of certain statistical information relative to property taxes and property tax collections for the current and previous four calendar years (cont'd):

Comparison of Tax Levies and Collections

<u>Year</u>	<u>Tax Levy</u>	<u>Cash Collections</u>	<u>Percentage of Collection</u>
2024	\$ 52,780,513.47	\$ 52,022,148.24	98.56%
2023	50,757,524.81	50,240,579.84	98.98%
2022	49,776,218.19	49,032,542.25	98.51%
2021	48,618,718.76	47,995,037.50	98.72%
2020	47,616,184.61	47,102,824.35	98.92%

Delinquent Taxes and Tax Title Liens

<u>Year</u>	<u>Tax Title Liens</u>	<u>Delinquent Taxes</u>	<u>Total Delinquent</u>	<u>Percentage of Tax Levy</u>
2024	\$ 1,782.63	\$ 552,462.61	\$ 554,245.24	1.05%
2023	88,766.90	401,985.91	490,752.81	0.97%
2022	27,487.85	964,730.66	992,218.51	1.99%
2021	35,906.67	593,194.02	629,100.69	1.29%
2020	18,637.78	502,161.85	520,799.63	1.09%

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

Number of Tax Title Liens

<u>Year</u>	<u>Number</u>
2024	1
2023	2
2022	3
2021	4
2020	3

The last tax sale was held on December 4, 2024.

Note 4: PROPERTY ACQUIRED BY TAX TITLE LIEN LIQUIDATION

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

<u>Year</u>	<u>Amount</u>
2024	\$ 140,800.00
2023	140,800.00
2022	563,500.00
2021	563,500.00
2020	563,500.00

Note 5: SEWER UTILITY SERVICE CHARGES

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

<u>Year</u>	<u>Beginning Balance</u>	<u>Levy</u>	<u>Total</u>	<u>Cash Collections</u>	<u>Percentage of Collection</u>
2024	\$ 203,186.97	\$ 2,367,321.58	\$ 2,570,508.55	\$ 2,331,050.35	90.68%
2023	364,366.58	2,195,091.42	2,559,458.00	2,355,144.87	92.01%
2022	177,406.16	2,152,925.02	2,330,331.18	1,965,964.60	84.36%
2021	197,270.17	1,959,455.78	2,156,725.95	1,979,319.79	91.77%
2020	204,158.79	1,985,708.56	2,189,867.35	1,992,597.18	90.99%

Note 6: FUND BALANCES APPROPRIATED

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

<u>Year</u>	<u>Balance December 31,</u>	<u>Utilized in Budget of Succeeding Year</u>	<u>Percentage of Fund Balance Used</u>
Current Fund:			
2024	\$ 3,688,380.38	\$ 1,886,900.00	51.16%
2023	3,787,425.07	2,707,000.00	71.47%
2022	2,316,633.95	2,190,850.00	94.57%
2021	2,912,754.06	2,170,000.00	74.50%
2020	2,748,881.60	2,006,000.00	72.98%
Utility Operating Fund:			
2024	\$ 988,312.21	\$ 345,300.00	34.94%
2023	788,772.86	283,200.00	35.90%
2022	328,052.08	13,700.00	4.18%
2021	533,588.96	339,498.00	63.63%
2020	576,859.57	344,314.50	59.69%

Note 7: INTERFUND RECEIVABLES AND PAYABLES

The following interfund balances were recorded on the various statements of assets, liabilities, reserves and fund balance as of December 31, 2024:

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
Current Fund	\$ 28,414.29	\$ -
State and Federal Grant Fund	-	1,514.89
Animal Control Trust Fund	-	1,034.57
Trust Other Fund	-	13,796.41
General Capital Fund	-	12,068.42
Sewer Utility Operating Fund	9,722.60	-
Sewer Utility Capital Fund	-	9,722.60
	<u>\$ 38,136.89</u>	<u>\$ 38,136.89</u>

The interfund receivables and payables above predominately resulted from collections and payments made by certain funds on behalf of other funds. During the year 2024, the Township expects to liquidate such interfunds, depending upon the availability of cash flow.

Note 8: PENSION OBLIGATIONS

N.J.A.C. 5:30-6.1 allows local units to disclose the most recently available information as it relates to the New Jersey Division of Pension's reporting on GASB No. 68, Accounting and Financial Reporting for Pensions. As of the date of this report, the information for the measurement period ended June 30, 2024 was not available; therefore, the information from the measurement period June 30, 2023 is disclosed below.

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

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

The following represents the membership tiers for PERS:

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

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

Note 8: PENSION OBLIGATIONS (CONT'D)

A. Public Employees' Retirement System (PERS)

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

Contributions - The contribution policy for PERS is set by *N.J.S.A. 43:15A* and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount, which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For the fiscal year 2023, the State's pension contribution was less than the actuarial determined amount. The local employers' contribution amounts are based on an actuarially determined rate, which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PERS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets. For the year ended December 31, 2023, the Township's contractually required contribution to PERS plan was \$321,152.

Components of Net Pension Liability - At December 31, 2023, the Township's proportionate share of the PERS net pension liability was \$3,480,427.00. The net pension liability was measured as of June 30, 2023. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of July 1, 2022, which was rolled forward to June 30, 2023. The Township's proportion of the net pension liability was based on the Township's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2023. The Township's proportion measured as of June 30, 2023, was 0.024029% which was an increase of 0.00801% from its proportion measured as of June 30, 2022.

Balances at December 31, 2024 and December 31, 2023

	<u>12/31/2024</u>	<u>12/31/2023</u>
Actuarial valuation date (including roll forward)	June 30, 2023	June 30, 2022
Deferred Outflows of Resources	\$ 349,373	\$ 523,658
Deferred Inflows of Resources	632,912	1,127,729
Net Pension Liability	3,480,427	3,505,410
Township's portion of the Plan's total Net Pension Liability	0.024029%	0.023228%

Note 8: PENSION OBLIGATIONS (CONT'D)

A. Public Employees' Retirement System (PERS) (Cont'd)

Pension Expense and Deferred Outflows/Inflows of Resources - At December 31, 2023, the Township's proportionate share of the PERS expense/(benefit), calculated by the plan as of the June 30, 2023 measurement date is \$(20,644). This expense/(benefit) is not recognized by the Township because of the regulatory basis of accounting as described in Note 1, but as previously mentioned the Township contributed \$321,152 to the plan in 2023.

At December 31, 2023, the Township reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between Expected and Actual Experience	\$ 33,277	\$ 14,227
Changes of Assumptions	7,646	210,929
Net Difference between Projected and Actual Earnings on Pension Plan Investments	16,028	-
Changes in Proportion and Differences between Township Contributions and Proportionate Share of Contributions	<u>292,422</u>	<u>407,756</u>
	<u>\$ 349,373</u>	<u>\$ 632,912</u>

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

Note 8: PENSION OBLIGATIONS (CONT'D)A. Public Employees' Retirement System (PERS) (Cont'd)

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Differences between Expected and Actual Experience		
Year of Pension Plan Deferral:		
June 30, 2018	-	5.63
June 30, 2019	-	5.21
June 30, 2020	5.16	-
June 30, 2021	5.13	-
June 30, 2022	-	5.04
June 30, 2023	-	5.08
Changes of Assumptions		
Year of Pension Plan Deferral:		
June 30, 2018	-	5.63
June 30, 2019	-	5.21
June 30, 2020	-	5.16
June 30, 2021	5.13	-
June 30, 2022	-	5.04
June 30, 2023	-	5.08
Net Difference between Projected and Actual Earnings on Pension Plan Investments		
Year of Pension Plan Deferral:		
June 30, 2018	5.00	-
June 30, 2019	5.00	-
June 30, 2020	5.00	-
June 30, 2021	5.00	-
June 30, 2022	5.00	-
June 30, 2023	5.00	-
Changes in Proportion and Differences between Contributions and		
Pro Year of Pension Plan Deferral:		
June 30, 2018	5.63	5.63
June 30, 2019	5.21	5.21
June 30, 2020	5.16	5.16
June 30, 2021	5.13	5.13
June 30, 2022	5.04	5.04
June 30, 2023	5.08	5.08

Note 8: PENSION OBLIGATIONS (CONT'D)

A. Public Employees' Retirement System (PERS) (Cont'd)

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

Year Ending	
<u>Dec 31,</u>	<u>Amount</u>
2025	\$ (309,749)
2026	(172,890)
2027	241,602
2028	(43,237)
2029	<u>735</u>
	<u>\$ (283,539)</u>

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

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

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

The actuarial assumptions used in the July 1, 2022 valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2022. It is likely that future experience will not exactly conform to these assumptions. To the extent that actual experience deviates from these assumptions, the emerging liabilities may be higher or lower than anticipated. The more the experience deviates, the larger the impact on future financial statements.

Note 8: PENSION OBLIGATIONS (CONT'D)**A. Public Employees' Retirement System (PERS) (Cont'd)**

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, 2023) 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, 2023 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equity	28.00%	8.98%
Non-U.S. Developed Markets Equity	12.75%	9.22%
International Small Cap Equity	1.25%	9.22%
Emerging Markets Equity	5.50%	11.10%
Private Equity	13.00%	12.50%
Real Estate	8.00%	8.58%
Real Assets	3.00%	8.40%
High Yield	4.50%	6.97%
Private Credit	8.00%	9.20%
Investment Grade Credit	7.00%	5.19%
Cash Equivalents	2.00%	3.31%
U.S. Treasuries	4.00%	3.31%
Risk Mitigation Strategies	3.00%	6.21%
	100.00%	

Discount Rate - The discount rate used to measure the total pension liability was 7.00% as of June 30, 2023. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be based on 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments to determine the total pension liability.

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

Note 8: PENSION OBLIGATIONS (CONT'D)**A. Public Employees' Retirement System (PERS) (Cont'd)**

	1% Decrease <u>(6.00%)</u>	Current Discount Rate <u>(7.00%)</u>	1% Increase <u>(8.00%)</u>
Township's Proportionate Share of the Net Pension Liability	\$ 4,568,974	\$ 3,480,427	\$ 2,608,247

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

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

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

The following represents the membership tiers for PFRS:

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

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

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

Note 8: PENSION OBLIGATIONS (CONT'D)

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

Contributions - The contribution policy for PFRS is set by *N.J.S.A. 43:16A* and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's contribution amount is based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. For fiscal year 2023, the State contributed an amount less than the actuarially determined amount. The Local employers' contribution amounts are based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PFRS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets. For the year ended December 31, 2023, the Township's contractually required contributions to PFRS plan was \$832,095.

Net Pension Liability and Pension Expense - At December 31, 2023 the Township's proportionate share of the PFRS net pension liability was \$6,906,272. The net pension liability was measured as of June 30, 2023. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of July 1, 2022, to the measurement date of June 30, 2023. The Township's proportion of the net pension liability was based on the Township's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2023. The Township's proportion measured as of June 30, 2023, was 0.062507%, which was an increase of 0.004243% from its proportion measured as of June 30, 2022.

Balances at December 31, 2024 and December 31, 2023

	<u>12/31/2024</u>	<u>12/31/2023</u>
Actuarial valuation date (including roll forward)	June 30, 2023	June 30, 2022
Deferred Outflows of Resources	\$ 1,926,702	\$ 2,201,927
Deferred Inflows of Resources	941,969	1,441,983
Net Pension Liability	6,906,272	6,669,119
Township's portion of the Plan's total net pension Liability	0.062507%	0.058264%

Pension Expense and Deferred Outflows/Inflows of Resources - At December 31, 2023, the Township's proportionate share of the PFRS expense/(benefit), calculated by the plan as of the June 30, 2023 measurement date was \$844,544. This expense/(benefit) is not recognized by the Township because of the regulatory basis of accounting as described in Note 1, but as previously mentioned the Township contributed \$832,095 to the plan in 2023.

At December 31, 2023, the Township had deferred outflows of resources and deferred inflows of resources related to PFRS from the following sources:

Note 8: PENSION OBLIGATIONS (CONT'D)**B. Police and Firemen's Retirement System (PFRS) (Cont'd)**

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between Expected and Actual Experience	\$ 295,713	\$ 329,368
Changes of Assumptions	14,906	466,339
Net Difference between Projected and Actual Earnings on Pension Plan Investments	351,723	-
Changes in Proportion and Differences between Township Contributions and Proportionate Share of Contributions	<u>1,264,360</u>	<u>146,262</u>
	<u>\$ 1,926,702</u>	<u>\$ 941,969</u>

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

Note 8: PENSION OBLIGATIONS (CONT'D)**B. Police and Firemen's Retirement System (PFRS) (Cont'd)**

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Differences between Expected and Actual Experience		
Year of Pension Plan Deferral:		
June 30, 2018	5.73	-
June 30, 2019	-	5.92
June 30, 2020	5.90	-
June 30, 2021	-	6.17
June 30, 2022	6.22	-
June 30, 2023	6.16	-
Changes of Assumptions		
Year of Pension Plan Deferral:		
June 30, 2018	-	5.73
June 30, 2019	-	5.92
June 30, 2020	-	5.90
June 30, 2021	6.17	-
June 30, 2022	-	6.22
June 30, 2023	-	-
Net Difference between Projected and Actual Earnings on Pension Plan Investments		
Year of Pension Plan Deferral:		
June 30, 2018	5.00	-
June 30, 2019	5.00	-
June 30, 2020	5.00	-
June 30, 2021	5.00	-
June 30, 2022	5.00	-
June 30, 2023	5.00	-

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

Year Ending <u>Dec 31,</u>	<u>Amount</u>
2025	\$ 1,984,522
2026	1,904,500
2027	(3,064,147)
2028	263,541
2029	(94,064)
Thereafter	<u>(9,619)</u>
	<u>\$ 984,733</u>

Note 8: PENSION OBLIGATIONS (CONT'D)

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

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

Additionally, the State's proportionate share of the PFRS net pension liability attributable to the Township is \$941,696 as of December 31, 2023. The net pension liability was measured as of June 30, 2023. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of July 1, 2022, to the measurement date of June 30, 2023. The State's proportion of the net pension liability associated with the Township was based on a projection of the Township's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. The State's proportion measured as of June 30, 2023 was 0.062507%, which was an increase of 0.004243% from its proportion measured as of June 30, 2022, which is the same proportion as the Township's. At December 31, 2023, the Township's and the State of New Jersey's proportionate share of the PFRS net pension liability were as follows:

Township's Proportionate Share of Net Pension Liability	\$ 6,906,272
State of New Jersey's Proportionate Share of Net Pension Liability Associated with the Township	<u>1,272,561</u>
	<u>\$ 8,178,833</u>

At December 31, 2023, the State's proportionate share of the PFRS expense, associated with the Township, calculated by the plan as of the June 30, 2023 measurement date was \$144,751.

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

Inflation

Price	2.75%
Wage	3.25%

Salary Increases:

Through all future years	3.25 - 16.25%
	Based on Years of Service

Investment Rate of Return	7.00%
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Period of Actuarial Experience

Study upon which Actuarial Assumptions were Based	July 1, 2018 - June 30, 2021
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Note 8: PENSION OBLIGATIONS (CONT'D)**B. Police and Firemen's Retirement System (PFRS) (Cont'd)**

Pre-retirement mortality rates were based on the Pub-2010 Safety Employee mortality table with a 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 Safety Retiree Below-Median Income Weighted 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. For beneficiaries (contingent annuitants), the Pub-2010 General Retiree Below-Median Income Weighted mortality table was used, unadjusted, and with future improvement from the base year of 2010 on a generational basis. Disability rates were based on the Pub-2010 Safety Disabled Retiree mortality table with a 127.7% adjustment for males and 117.2% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2021.

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

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equity	28.00%	8.98%
Non-U.S. Developed Markets Equity	12.75%	9.22%
International Small Cap Equity	1.25%	9.22%
Emerging Markets Equity	5.50%	11.13%
Private Equity	13.00%	12.50%
Real Estate	8.00%	8.58%
Real Assets	3.00%	8.40%
High Yield	4.50%	6.97%
Private Credit	8.00%	9.20%
Investment Grade Credit	7.00%	5.19%
Cash Equivalents	2.00%	3.31%
U.S. Treasuries	4.00%	3.31%
Risk Mitigation Strategies	3.00%	6.21%
	100.00%	

Note 8: PENSION OBLIGATIONS (CONT'D)

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

Discount Rate - The discount rate used to measure the total pension liability was 7.00% as of June 30, 2023. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be based on 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for local employers. Based on those assumptions, the plan’s fiduciary net position was projected to be available to make projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments to determine the total pension liability.

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

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Township's Proportionate Share of the Net Pension Liability	\$ 9,622,681	\$ 6,906,272	\$ 4,644,153
State of New Jersey's Proportionate Share of Net Pension Liability associated with the Township	<u>1,773,091</u>	<u>1,272,561</u>	<u>855,739</u>
	<u>\$ 11,395,772</u>	<u>\$ 8,178,833</u>	<u>\$ 5,499,892</u>

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

Note 9: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS

State Plan

N.J.A.C. 5:30-6.1 allows local units to disclose the most recently available information as it relates to the New Jersey Division of Pension’s reporting on GASB No. 75, Accounting and Financial Reporting for Postemployment Benefits other than Pensions. As of the date of this report, the information for the measurement period ended June 30, 2024 was not available; therefore, the information from the measurement period June 30, 2023 is disclosed below.

General Information about the OPEB Plan

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

Note 9: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONT'D)

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

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

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

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

Allocation Methodology

GASB Statement No. 75 requires participating employers in the Plan to recognize their proportionate share of the collective net OPEB liability, collective deferred outflows of resources, collective deferred inflows of resources, and collective OPEB (benefit) expense. The special funding situation's and nonspecial funding situation's net OPEB liability, deferred outflows of resources, deferred inflows of resources, and OPEB (benefit) expense are based on separately calculated total OPEB liabilities. For the special funding situation and the nonspecial funding situation, the total OPEB liabilities for the year ended June 30, 2023 were \$3,461,898,890 and \$11,427,677,896, respectively. The nonspecial funding situation's net OPEB liability, deferred outflows of resources, deferred inflows of resources, and OPEB (benefit) expense are further allocated to employers based on the ratio of the plan members of an individual employer to the total members of the Plan's nonspecial funding situation during the measurement period July 1, 2022 through June 30, 2023. Employer and nonemployer allocation percentages have been rounded for presentation purposes; therefore, amounts presented in the schedule of OPEB amounts by employer and nonemployer may result in immaterial differences.

Note 9: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONT'D)

Net OPEB Liability

The total OPEB liability as of June 30, 2023 was determined by an actuarial valuation as of June 30, 2022, which was rolled forward to June 30, 2023. The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

Salary Increases*:

Public Employees' Retirement System (PERS)

Rate for all future years 2.75% to 6.55% based on years of service

Police and Firemen's Retirement System (PFRS)

Rate for all future years 3.25% to 16.25% based on years of service

Mortality:

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

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

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

OPEB Obligation and OPEB (benefit) Expense - The State's proportionate share of the total Other Post-Employment Benefits Obligations, attributable to the Township's as of June 30, 2023 was \$10,857,231. The Township's proportionate share was \$0.

The OPEB Obligation was measured as of June 30, 2023, and the total OPEB Obligation used to calculate the OPEB Obligation was determined by an actuarial valuation as of July 1, 2022, which was rolled forward to June 30, 2023. The State's proportionate share of the OPEB Obligation associated with the Township was based on projection of the State's long-term contributions to the OPEB plan associated with the Township relative to the projected contributions by the State associated with all participating Municipalities, actuarially determined. At June 30, 2023, the State proportionate share of the OPEB Obligation attributable to the Township was 0.072349%, which was an increase of 0.012117% from its proportion measured as of June 30, 2022.

For the fiscal year ended June 30, 2023, the State of New Jersey recognized an OPEB (benefit)/expense in the amount of \$1,669,585 for the State's proportionate share of the OPEB (benefit) expense attributable to the Township. This OPEB (benefit)/expense was based on the OPEB plans June 30, 2022 measurement date.

Actuarial assumptions used in the July 1, 2022 valuation were based on the results of the PFRS and PERS experience studies prepared for July 1, 2018 to June 30, 2021.

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

Discount Rate

The discount rate for June 30, 2023 was 3.65%. This represents the municipal bond return rate as chosen by the State. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

Note 9: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONT'D)

Sensitivity of Net OPEB Liability to Changes in the Discount Rate

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

	At 1% Decrease (2.65%)	At Discount Rate (3.65%)	At 1% Increase (4.65%)
State of New Jersey's Proportionate Share of Total OPEB Obligation Associated with the Township	\$ 12,576,134	\$ 10,857,231	\$ 9,474,639
State of New Jersey's Total Nonemployer OPEB Liability	17,382,355,978	15,006,539,477	13,095,561,553
	115.8319%	0.072350%	87.2657%

Sensitivity of Net OPEB Liability to Changes in the Healthcare Trend Rate:

The following presents the net OPEB liability as of June 30, 2023, calculated using the healthcare trend rate as disclosed above as well as what the net OPEB liability would be if it was calculated using a healthcare trend rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	1% Decrease	Healthcare Cost Trend Rate	1% Increase
State of New Jersey's Proportionate Share of Total OPEB Obligations Associated with the Township	\$ 9,227,369	\$ 10,857,231	\$ 12,943,953
State of New Jersey's Total Nonemployer OPEB Liability	12,753,792,805	15,006,539,477	17,890,743,651

Additional Information – The following is a summary of the collective balances of the local group at June 30, 2023:

Collective Balances at December 31, 2023 and December 31, 2022

	12/31/2023	12/31/2022
Actuarial valuation date (including roll forward)	June 30, 2023	June 30, 2022
Collective Deferred Outflows of Resources	\$ 2,635,934,069	\$ 2,993,464,316
Collective Deferred Inflows of Resources	8,319,630,129	8,504,994,107
Collective Net OPEB Liability	15,006,539,477	16,149,595,478
Township's Portion	0.07235%	0.06023%

Note 9: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONT'D)

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

Year Ending June 30:	
2024	\$ (1,702,483,126)
2025	(1,394,440,795)
2026	(754,368,466)
2027	(353,621,247)
2028	(713,799,887)
Thereafter	<u>(764,982,539)</u>
	<u>\$ (5,683,696,060)</u>

Changes in Proportion

The previous amounts do not include employer specific deferred outflows of resources and deferred inflow of resources related to the changes in proportion. These amounts should be recognized (amortized) by each employer over the average remaining service lives of all plan members, which is 7.89, 7.82, 7.82, 7.87, 8.05, 8.14 and 8.04 years for the 2023, 2022, 2021, 2020, 2019, 2018 and 2017 amounts, respectively.

Plan Membership

At June 30, 2022, the Program membership consisted of the following:

	<u>June 30, 2022</u>
Active Plan Members	65,613
Retirees Currently Receiving Benefits	<u>34,771</u>
Total Plan Members	<u><u>100,384</u></u>

Changes in the Total OPEB Liability

The change in the State's Total OPEB liability for the fiscal year ended June 30, 2023 (measurement date June 30, 2022) is as follows:

Service Cost	\$ 597,135,801
Interest on the Total OPEB Liability	581,375,849
Change of Benefit Terms	23,039,435
Differences Between Expected and Actual Experience	(2,123,324,632)
Changes of Assumptions	255,103,873
Contributions From the Employer	(431,386,179)
Contributions From Non-Employer Contributing Entity	(55,614,978)
Net Investment Income	(2,001,914)
Administrative Expense	<u>12,616,744</u>
Net Change in Total OPEB Liability	(1,143,056,001)
Total OPEB Liability (Beginning)	<u>16,149,595,478</u>
Total OPEB Liability (Ending)	<u><u>\$ 15,006,539,477</u></u>

Note 9: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONT'D)

Special Funding Situation

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

Therefore, these employers are considered to be in a special funding situation as defined by GASB Statement No. 75 and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute under this legislation directly to the plan, there is no net OPEB liability, deferred outflows of resources or deferred inflows of resources to report in the financial statements of the local participating employers related to this legislation.

However, the notes to the financial statements of the local participating employers must disclose the portion of the nonemployer contributing entities' total proportionate share of the collective net OPEB liability that is associated with the local participating employer.

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

Additionally, the State's proportionate share of the OPEB liability attributable to the Township is \$177,211.00 as of December 31, 2023. The OPEB liability was measured as of June 30, 2023. The total OPEB liability used to calculate the OPEB liability was determined using update procedures to roll forward the total OPEB liability from an actuarial valuation as of July 1, 2022, to the measurement date of June 30, 2023. The State's proportion of the OPEB liability associated with the Township was based on a projection of the Township's long-term share of contributions to the OPEB plan relative to the projected contributions of all participating members, actuarially determined. The State's proportion measured as of June 30, 2023 was 0.005079%, which was a decrease of 0.001004% from its proportion measured as of June 30, 2022, which is the same proportion as the Township's. At December 31, 2023, the Township's and the State of New Jersey's proportionate share of the OPEB liability were as follows:

State of New Jersey's	
Proportionate Share of OPEB Liability	
Associated with the Township	\$ 177,211.00

At December 31, 2023, the State's proportionate share of the OPEB (benefit) expense, associated with the Township, calculated by the plan as of the June 30, 2023 measurement date was (\$32,132.00).

Note 10: COMPENSATED ABSENCES

Under the existing policy of the Township, full-time employees and part-time employees working at least twenty hours a week receive sick, vacation, and personal days. Vacation time granted is based on the number of years of completed service. Vacation time must be used in the calendar year. Carryover of vacation time must be approved by the Township Administrator and cannot exceed two work weeks. Part-time employees receive vacation time on a prorated basis. Upon termination or retirement, employees with at least one year of service are paid for all accumulated vacation time. Full-time employees receive three personnel days per year and part-time employees receive personal days on a prorated basis. Personal days may not be carried over into the next year and are not paid upon termination or retirement. Full-time employees receive ten sick days per year and part-time employees receive sick days on a prorated basis. Sick days may be accumulated up to fifty days.

Upon retirement, employees with at least fifteen years of service may be paid for accumulated sick time up to fifty days not to exceed \$2,500.00. Employees with at least twenty years of service may be paid for accumulated sick time up to fifty days not to exceed \$3,000.00. Employees with at least twenty-five years of service may be paid for accumulated sick time up to fifty days not to exceed \$3,500.00.

According to the police contract, officers receive sick, vacation, and personal days. Vacation time granted is based on the number of years of service. Upon termination or retirement, accumulated vacation time is not paid. Officers receive three personnel days per year which may not be carried over into the next year. Upon termination or retirement, accumulated vacation time is not paid. Officers receive one-hundred and twelve hours of sick time per year of employment, which can be accrued, however, not to exceed 2,500 hours. Upon retirement, officers may be paid for sick hours at a rate of two for every five hours earned.

The Township does not record accrued expenses related to compensated absences. However, it is estimated that accrued benefits for compensated absences are valued at \$548,039.31 which includes employer FICA of \$38,945.66 at December 31, 2024 and \$480,452.56 which includes employer FICA of \$34,142.70 at December 31, 2023.

Note 11: CAPITAL DEBT

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

	<u>2024</u>	<u>2023</u>	<u>2022</u>
Issued:			
General:			
Bonds, Notes and Loans	\$ 21,287,400.00	\$ 24,410,400.00	\$ 27,383,260.00
Sewer Utility:			
Bonds, Notes and Loans	11,748,000.00	12,453,000.00	13,226,303.02
Total Debt Issued	<u>33,035,400.00</u>	<u>36,863,400.00</u>	<u>40,609,563.02</u>
Authorized but not issued:			
General:			
Bonds, Notes and Loans	903,510.00	1,010.00	1,010.00
Sewer Utility:			
Bonds, Notes and Loans	-	-	21,790.00
Total Authorized But Not Issued	<u>903,510.00</u>	<u>1,010.00</u>	<u>22,800.00</u>
Total Gross Debt	<u>\$ 33,938,910.00</u>	<u>\$ 36,864,410.00</u>	<u>\$ 40,632,363.02</u>

Note 11: CAPITAL DEBT (CONT'D)

Deductions:

General:			
Funds on Hand For Payment of Bonds and Notes:			
Reserve for Debt Service	\$ -	\$ 27,446.16	\$ 2.19
Sewer Utility:			
Self Liquidating Debt	11,748,000.00	12,453,000.00	13,248,093.02
Total Deductions	11,748,000.00	12,480,446.16	13,248,095.21
Total Net Debt	\$ 22,190,910.00	\$ 24,383,963.84	\$ 27,384,267.81

Summary of Statutory Debt Condition - Annual Debt Statement

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

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Local School Debt	\$ 3,726,577.00	\$ 3,726,577.00	\$ -
Regional School Debt	29,238,313.58	29,238,313.58	-
Sewer Utility Debt	11,748,000.00	11,748,000.00	-
General Debt	22,190,910.00	-	22,190,910.00
	<u>\$ 66,903,800.58</u>	<u>\$ 44,712,890.58</u>	<u>\$ 22,190,910.00</u>

Summary of Statutory Debt Condition - Annual Debt Statement

Net Debt \$22,190,910.00 divided by the average Equalized Valuation Basis per N.J.S.A 40A:2-2 as amended, \$2,167,872,466.33, equals 1.024%. New Jersey statute 40A:2-6, as amended, limits the debt of a Municipality to 3.5% of the last three preceding year's average equalized valuations of real estate, including improvements and the assessed valuation of Class II Railroad Property.

The remaining borrowing power in dollars at December 31, 2024 is calculated as follows:

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

3 1/2% of Equalized Valuation Basis (Municipal)	\$ 75,875,536.32
Net Debt	<u>22,190,910.00</u>
Remaining Borrowing Power	<u>\$ 53,684,626.32</u>

Note 11: CAPITAL DEBT (CONT'D)

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

Cash Receipts From Fees, Rents or Other Charges for the Year	\$ 3,034,318.47
Deductions:	
Operating and Maintenance Costs	\$ 1,419,200.00
Debt Service	<u>1,130,736.82</u>
Total Deductions	<u>2,549,936.82</u>
Excess/(Deficit) in Revenue	<u>\$ 484,381.65</u>

General Improvement Bonds

General Improvement Refunding Bonds, Series 2014 - On August 5, 2014, the Township issued \$4,810,000.00 in general improvement refunding bonds, with interest rates ranging from 3.0% to 4.0%, to advance refund \$4,940,000.00 outstanding 2006 general improvement bonds with an interest rate of 4.25%. The final maturity of the bonds is August 1, 2025.

General Improvement Bonds, Series 2017 - On May 18, 2017, the Township issued \$7,172,000.00 in general improvement bonds, with interest rates ranging from 2.5% to 3.125%. The bonds were issued to permanently finance the costs of various capital improvements and the acquisition of various capital equipment. The final maturity of the bonds is June 1, 2037.

General Improvement Bonds, Series 2019 - On May 28, 2019, the Township issued \$9,172,000.00 in general improvement bonds, with interest rates ranging from 2.0% to 3.0%. The bonds were issued to permanently finance the costs of various capital improvements and the acquisition of various capital equipment. The final maturity of the bonds is May 15, 2035.

General Improvement Refunding Bonds, Series 2020 - On August 4, 2020, the Township issued \$11,565,000.00 in general improvement refunding bonds, with interest rates ranging from 3.0% to 5.0%, to refund \$12,996,000.00 outstanding 2010 general improvement bonds with interest rates ranging from 2.0% to 4.0%. The final maturity of the bonds is August 1, 2035.

General Improvement Bonds, Series 2021 - On May 24, 2021, the Township issued \$1,434,000.00 in general improvement bonds, with interest rates ranging from 0.50% to 3.00%. The bonds were issued to permanently finance the costs of various capital improvements and the acquisition of various capital equipment. The final maturity of the bonds is February 1, 2028.

The following schedule represents the remaining debt service, through maturity, for the general improvement bonds:

Note 11: CAPITAL DEBT (CONT'D)

General Improvement Bonds (Cont'd)

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

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 2,150,000.00	\$ 598,250.00	\$ 2,748,250.00
2026	1,640,000.00	528,987.50	2,168,987.50
2027	1,695,000.00	480,325.00	2,175,325.00
2028	1,735,000.00	424,962.50	2,159,962.50
2029	1,570,000.00	370,568.75	1,940,568.75
2030-2034	8,465,000.00	1,041,562.50	9,506,562.50
2035-2037	2,690,000.00	87,050.00	2,777,050.00
	<u>\$ 19,945,000.00</u>	<u>\$ 3,531,706.25</u>	<u>\$ 23,476,706.25</u>

Bond Anticipation Notes Payable - Short Term Debt

The following is a summary of bond anticipation notes payable accounted for in the General Capital Fund at December 31, 2024:

<u>Description</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Rate</u>	<u>Balance December 31, 2024</u>
General Improvement BAN's	11/16/2022	11/25/2025	4.00%	<u>\$ 1,342,400.00</u>
				<u>\$ 1,342,400.00</u>

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

Bonds and Notes Authorized but Not Issued

As of December 31, 2024, the Township had \$903,510.00 in various General Capital bonds and notes authorized but not issued.

Sewer Utility Improvement Bonds

General Improvement Refunding Bonds, Series 2014 - On August 5, 2014, the Township issued \$810,000.00 in general improvement refunding bonds, with interest rates ranging from 3.0% to 4.0%, to advance refund \$830,000.00 outstanding 2006 general improvement bonds with an interest rate of 4.25%. The final maturity of the bonds is August 1, 2025.

General Improvement Bonds, Series 2017 - On May 18, 2017, the Township issued \$3,811,000.00 in general improvement bonds, with interest rates ranging from 2.5% to 3.25. The bonds were issued for the purpose of funding various sewer capital projects in the Township. The final maturity of the bonds is June 1, 2039.

Note 11: CAPITAL DEBT (CONT'D)

General Improvement Bonds, Series 2019 - On May 28, 2019, the Township issued \$2,111,000.00 in general improvement bonds, with interest rates ranging from 2.0% to 3.0%. The bonds were issued for the purpose of funding various sewer capital projects in the Township. The final maturity of the bonds is May 15, 2035.

General Improvement Refunding Bonds, Series 2020 - On August 4, 2020, the Township issued \$3,915,000.00 in general improvement refunding bonds, with interest rates ranging from 3.0% to 5.0%, to refund \$4,489,000.00 outstanding 2006 general improvement bonds with interest rates ranging from 2.0% to 4.0%. The final maturity of the bonds is August 1, 2035.

General Improvement Bonds, Series 2021 - On May 24, 2021, the Township issued \$1,301,000.00 in general improvement bonds, with interest rates ranging from 0.50% to 3.00%. The bonds were issued for the purpose of funding various sewer capital projects in the Township. The final maturity of the bonds is February 1, 2032.

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

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 735,000.00	\$ 270,312.50	\$ 1,005,312.50
2026	650,000.00	246,268.75	896,268.75
2027	675,000.00	225,787.50	900,787.50
2028	695,000.00	202,262.50	897,262.50
2029	725,000.00	177,968.75	902,968.75
2030-2034	3,760,000.00	524,331.25	4,284,331.25
2035-2039	1,650,000.00	100,837.50	1,750,837.50
	<u>\$ 8,890,000.00</u>	<u>\$ 1,747,768.75</u>	<u>\$ 10,637,768.75</u>

B. Bond Anticipation Notes Payable - Short Term Debt

The following is a summary of bond anticipation notes payable accounted for in the General Capital Fund at December 31, 2024:

<u>Description</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Rate</u>	<u>Balance December 31, 2024</u>
General Improvement BAN's	11/30/2022	11/25/2025	4.00%	\$ 2,858,000.00
				<u>\$ 2,858,000.00</u>

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

C. Bonds and Notes Authorized but Not Issued

As of December 31, 2024, the Township did not have Utility Capital bonds and notes authorized but not issued.

Note 12: SCHOOL TAXES

The Township of Harrison school district and the Clearview Regional High School tax has been raised and the liability deferred by statutes, resulting in the school tax payable set forth in the current fund liabilities as follows:

<u>Local School Taxes</u>	<u>Balance, December 31,</u>	
	<u>2024</u>	<u>2023</u>
Balance of Tax	\$ 7,975,200.00	\$ 7,540,472.00
Deferred Taxes	<u>7,101,120.00</u>	<u>7,101,120.00</u>
Local Tax Payable	<u>\$ 874,080.00</u>	<u>\$ 439,352.00</u>
 <u>Regional School Taxes</u>		
Balance of Tax	\$ 6,464,106.04	\$ 6,139,403.06
Deferred Taxes	<u>5,895,600.00</u>	<u>5,895,600.00</u>
Regional School Tax Payable	<u>\$ 568,506.04</u>	<u>\$ 243,803.06</u>

Note 13: RISK MANAGEMENT

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

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

The following is a summary of the activity and the ending balance of the Township's trust fund for the current and previous two years:

<u>Year</u>	<u>Contributions</u>	<u>Employee Contributions</u>	<u>Interest Earned</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2024	\$ -	\$ 17,384.26	\$ 3,311.12	\$ 20,815.37	\$ 102,204.45
2023	-	7,267.89	250.55	2,343.42	102,324.44
2022	-	7,265.61	179.50	5,925.88	97,149.42

It is estimated that there are no unreimbursed payments on behalf of the Township at December 31, 2024.

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

- Workers' Compensation and Employer's Liability
- Liability other than Motor Vehicles
- Property Damage other than Motor Vehicles
- General Liability
- Automobile Liability
- Public Employees Blanket Bond
- Property Including Boiler and Machinery

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

Note 13: RISK MANAGEMENT (CONT'D)

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

Gloucester, Salem and Cumberland County
Municipal Joint Insurance Fund
P.O. Box 442
Hammonton, New Jersey 08037

Note 14: OPEN SPACE, RECREATION AND FARMLAND PRESERVATION TRUST

On November 4, 1997, November 5, 2002 and November 8, 2005 pursuant to P.L. 1997, c. 24 (N.J.S.A. 40:12-15.1 et seq.), the voters of the Township of Harrison authorized the establishment of the Township of Harrison Open Space, Recreation and Farmland Preservation Trust Fund effective January 1, 1998, for the purpose of raising revenue for the acquisition of lands and interests in lands for the conservation of farmland and open space. Overall, as a result of the three referendums, the Township levies a tax not to exceed six cents per one hundred dollars of equalized valuation. Amounts raised by taxation are assessed, levied and collected in the same manner and at the same time as other taxes. Future increases in the tax rate or to extend the authorization must be authorized by referendum. All revenue received is accounted for in a Trust Fund dedicated by rider (N.J.S.A. 40A:4-39) for the purposed stated. Interest earned on the investment of these funds is credited to the Township of Harrison Open Space, Recreation and Farmland Preservation Trust Funds.

Note 15: CONTINGENCIES

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

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

Note 16: CONCENTRATIONS

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

Note 17: DEFERRED COMPENSATION SALARY ACCOUNT

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, or unforeseeable emergency.

Amounts deferred under Section 457 plans must be held in trust for the exclusive benefit of participating employees and not be accessible by the Township or its creditors. Since the Township does not have a fiduciary relationship with the Plan, the balances and activities of the Plan are not reported in the Township's financial statements.

Note 18: SUBSEQUENT EVENTS

Management has reviewed and evaluated all events and transactions that occurred between December 31, 2024 and July 24, 2025, the date that the financial statements were available for issuance, for possible disclosure and recognition in the financial statements. No items have come to the attention of the Township that would require disclosure.

SUPPLEMENTAL EXHIBITS

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SUPPLEMENTAL EXHIBITS
CURRENT FUND

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TOWNSHIP OF HARRISON
CURRENT FUND
 Statement of Current Cash -- Treasurer
 For the Year Ended December 31, 2024

	<u>Current Fund</u>	<u>Federal and State Grant Fund</u>
Balance December 31, 2023	\$ 6,230,022.18	\$ 387,129.45
Increased by Receipts:		
Tax Collector	\$ 53,832,810.45	
Revenue Accounts Receivable	2,443,607.97	
Miscellaneous Revenue Not Anticipated	223,738.07	
Due State of New Jersey:		
Senior Citizen and Veterans Deductions	61,750.00	
Marriage License Fees	705.00	
Due Current Fund		\$ 15,789.53
Due from Municipal Open Space	3,660.18	
Due from Animal Control Trust Fund	22,884.22	
Due from General Capital Fund	844.89	
Due from Federal and State Grant Fund	7,040.02	
Due from Trust Other Fund	206.10	
Federal and State Grants Receivable		15,803.22
Federal and State Grants Unappropriated		110,783.55
Reimbursements:		
Reimbursement of 2024 Appropriations	341,106.90	
	<u>56,938,353.80</u>	<u>142,376.30</u>
	63,168,375.98	529,505.75
Decreased by Disbursements:		
2024 Appropriations	12,922,338.92	
2023 Appropriation Reserves	241,208.42	
Reserve for Federal and State Grants - Appropriated		42,365.87
County Taxes Payable	11,754,149.55	
Regional High School District Taxes Payable	12,574,158.02	
Local District School Taxes Payable	15,515,672.00	
Fire District Taxes Payable	1,550,270.00	
Municipal Open Space Taxes Payable	946,980.86	
Refund of Tax Overpayments	88,461.16	
Due Trust Other Fund	5,516.73	
Due Current Fund		21,314.66
Special Emergency Notes Payable	60,000.00	
Refunds of Prior Year Revenue	138,075.60	
	<u>55,796,831.26</u>	<u>63,680.53</u>
Balance December 31, 2024	<u>\$ 7,371,544.72</u>	<u>\$ 465,825.22</u>

TOWNSHIP OF HARRISON
CURRENT FUND
 Statement of Current Cash - Tax Collector
 For the Year Ended December 31, 2024

Balance December 31, 2023		\$	1,100.00
Increased by:			
Receipts:			
Taxes Receivable	\$	51,957,444.74	
Tax Overpayments		241,895.38	
Tax Title Liens		96,192.66	
Prepaid Taxes		476,132.31	
Revenue Accounts Receivable:			
Interest and Costs on Taxes		118,068.50	
Interest on Investments and Deposits		64,756.48	
Payment in Lieu of Taxes		766,175.30	
Payment in Lieu of Taxes - Due County		12,677.30	
Reserve for Developer Site Improvements		99,467.78	
			53,832,810.45
			53,833,910.45
Decreased by:			
Disbursements:			
Disbursed to Trust Other Fund		1,100.00	
Disbursed to Treasurer		53,832,810.45	
Disbursed to Treasurer			53,833,910.45
Balance December 31, 2024		\$	-

TOWNSHIP OF HARRISON
CURRENT FUND
Statement of Revenue Accounts Receivable
For the Year Ended December 31, 2024

	Balance Dec. 31, 2023	Accrued in 2024	Collected	Balance Dec. 31, 2024
Miscellaneous Revenues:				
Local Revenues				
Fees and Permits		\$ 351,642.32	\$ 351,642.32	
Fines and Costs:				
Municipal Court	\$ 3,643.43	78,416.58	75,063.18	\$ 6,996.83
Interest and Costs on Taxes		118,068.50	118,068.50	
Interest on Investments and Deposits		436,128.64	436,128.64	
State Aid Without Offsetting Appropriations:				
Energy Receipts Tax		549,062.48	549,062.48	
Municipal Relief Fund Aid		56,598.72	56,598.72	
Dedicated Uniform Construction Code Fees Offset With Appropriations (N.J.S.40A:4-36 and N.J.A.C.5:23-4.17)				
Uniform Construction Code Fees	40,852.00	673,917.00	602,601.00	112,168.00
Special Items of General Revenue Anticipated with Prior Written Consent of the Director of the Division of Local Gov't Services:				
Shared Services Agreement Offset with Appropriations				
School Resource Officer - Harrison Twp School District		108,052.77	108,052.77	
School Resource Officer - Clearview Regional School District		106,720.03	106,720.03	
Other Special Items:				
Cable Television		54,348.90	54,348.90	
Reserve for Payment of Debt - Current Fund		12,234.24	12,234.24	
Reserve for Payment of Debt - General Capital Fund		15,211.92	15,211.92	
Payments in Lieu of Taxes		766,175.30	766,175.30	
Hospital Annual Community Service Contribution Inpatient		236,961.52	236,961.52	
Total	\$ 44,495.43	\$ 3,563,538.92	\$ 3,488,869.52	119,164.83
Tax Collector		\$ 949,000.28	\$ 949,000.28	
Due from Trust Other Fund		13,796.41	13,796.41	
Due from Animal Control Trust Fund		48.59	48.59	
Due from General Capital Fund		12,068.42	12,068.42	
Due from Federal and State Grant Fund		1,514.89	1,514.89	
Reserve for Municipal Relief Fund Aid		56,598.72	56,598.72	
Reserve for Payment of Debt		12,234.24	12,234.24	
Treasurer		2,518,277.37	2,443,607.97	
Treasurer		<u>\$ 3,563,538.92</u>	<u>\$ 3,488,869.52</u>	

TOWNSHIP OF HARRISON
CURRENT FUND
 Statement of Taxes Receivable and Analysis of Property Tax Levy
 For the Year Ended December 31, 2024

Year	Balance Dec. 31, 2023	2024 Levy	Added	Collections 2023	2024	Due From / (To) State of New Jersey	Canceled	Penalty Assessment	Transferred To Tax Title Liens	Balance Dec. 31, 2024
2023	\$ 401,985.91				\$ 396,566.16	\$ (2,500.00)	\$ 7,919.75			\$ -
	401,985.91	-	-	-	396,566.16	(2,500.00)	7,919.75	-	-	
2024		\$ 52,780,513.47		\$ 401,269.66	51,560,878.58	\$ 60,000.00	209,815.84	13,121.61	\$ 9,208.39	\$ 552,462.61
	\$ 401,985.91	\$ 52,780,513.47	\$ -	\$ 401,269.66	\$ 51,957,444.74	\$ 57,500.00	\$ 217,735.59	\$ 13,121.61	\$ 9,208.39	\$ 552,462.61

Analysis of 2024 Property Tax Levied

Tax Yield:

General Property Tax	\$ 50,678,203.11
Fire District Tax	1,550,270.00
Added Taxes (54:4-63.1 et seq.)	<u>552,040.36</u>
	<u>\$ 52,780,513.47</u>

Tax Levy:

Local District School Tax (Abstract)	\$ 15,950,400.00
Regional High School Tax (Abstract)	12,898,861.00
County Taxes:	
County Tax (Abstract)	\$ 10,271,251.87
County Library Tax (Abstract)	689,671.22
County Open Space Preservation (Abstract)	673,940.69
Due County for Added and Omitted Taxes	<u>126,448.94</u>
Total County Taxes	11,761,312.72
Fire District Taxes (Amount Certified)	1,550,270.00
Municipal Open Space Tax:	
Municipal Open Space (Abstract)	936,888.00
Municipal Open Space for Added and Omitted Tax	<u>10,092.86</u>
Total Municipal Open Space Tax	946,980.86
Local Tax for Municipal Purposes Levied (Abstract)	9,255,765.00
Add: Added and Omitted Tax	415,498.56
Add: Additional Tax Levied	<u>1,425.33</u>
Local Tax for Municipal Purposes Levied	<u>9,672,688.89</u>
	<u>\$ 52,780,513.47</u>

TOWNSHIP OF HARRISON
CURRENT FUND
 Statement of Tax Title Liens
 For the Year Ended December 31, 2024

Balance December 31, 2023	\$	88,766.90
Increased by:		
Transferred from Taxes Receivable		9,208.39
		97,975.29
Decreased by:		
Collections		96,192.66
Balance December 31, 2024	\$	1,782.63

TOWNSHIP OF HARRISON
CURRENT FUND
 Statement of Deferred Charges
 Special Emergency Appropriation Per N.J.S.A. 40A:4-53
 For the Year Ended December 31, 2024

<u>Date</u> <u>Authorized</u>	<u>Purpose</u>	<u>Amount</u> <u>Authorized</u>	<u>1/5 of</u> <u>Net Amount</u> <u>Authorized</u>	<u>Balance</u> <u>Dec. 31, 2023</u>	<u>Amount</u> <u>Raised in the</u> <u>2024 Budget</u>	<u>Balance</u> <u>Dec. 31, 2024</u>
09/03/19	Preparation of Master Plan	\$ 300,000.00	\$ 60,000.00	\$ 60,000.00	\$ 60,000.00	\$ -
				<u>\$ 60,000.00</u>	<u>\$ 60,000.00</u>	<u>\$ -</u>

TOWNSHIP OF HARRISON
CURRENT FUND
 Statement of Special Emergency Notes Payable
 For the Year Ended December 31, 2024

<u>Purpose</u>	<u>Original Issue</u>	<u>Date of Original Issue</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate</u>	<u>Balance Dec. 31, 2023</u>	<u>Decreased</u>	<u>Balance Dec. 31, 2024</u>
Preparation of Master Plan	300,000.00	10/01/19	02/02/23	02/01/24	2.950%	\$ 60,000.00	\$ 60,000.00	\$ -
						<u>\$ 60,000.00</u>	<u>\$ 60,000.00</u>	<u>\$ -</u>
					Paid by Budget Appropriation		<u>\$ 60,000.00</u>	
							<u>\$ 60,000.00</u>	

TOWNSHIP OF HARRISON
CURRENT FUND
 Statement of Due to State of New Jersey -- Marriage License Fees
 For the Year Ended December 31, 2024

Balance December 31, 2023	\$	1,962.00
Increased by:		
Receipts		705.00
		2,667.00
Decreased by:		
Cancellation of Payable		1,962.00
Balance December 31, 2024	<u>\$</u>	705.00

TOWNSHIP OF HARRISON
CURRENT FUND
 Schedule of Change Funds
 As of December 31, 2024

		<u>Balance</u> <u>Dec. 31, 2023</u>		<u>Balance</u> <u>Dec. 31, 2024</u>
Tax Collector	\$	50.00	\$	50.00
Municipal Clerk		100.00		100.00
		150.00		150.00
	<u>\$</u>	150.00	<u>\$</u>	150.00

TOWNSHIP OF HARRISON
CURRENT FUND
 Statement of Due from State of New Jersey
 Senior Citizens and Veterans' Deductions
 For the Year Ended December 31, 2024

Balance December 31, 2023		\$ (5,569.52)
Decreased by:		
Received from State of New Jersey		61,750.00
		67,319.52
Increased by:		
Deductions per Tax Billing:		
Senior Citizens	\$ 6,250.00	
Veterans	52,750.00	
Deductions Allowed by Collector:		
Senior Citizens - 2024 Taxes	250.00	
Veterans - 2024 Taxes	1,000.00	
Veterans - 2023 Taxes	250.00	
Cancellation of Prior Year Payable	10,319.52	
	\$ 70,819.52	
Less:		
Deductions Disallowed by Collector:		
Senior Citizens - 2024 Taxes	250.00	
Senior Citizens - 2023 Taxes	2,750.00	
		3,000.00
Total State Share Applied to Taxes Receivable		67,819.52
Balance December 31, 2024		\$ 500.00

TOWNSHIP OF HARRISON
CURRENT FUND
 Statement of Appropriation Reserves
 For the Year Ended December 31, 2024

	<u>Balance December 31, 2023</u>		<u>Transfers</u>	<u>Balance After Modification</u>	<u>Paid or Charged</u>	<u>Lapsed to Fund Balance</u>
	<u>Encumbered</u>	<u>Reserved</u>				
OPERATIONS WITHIN "CAPS"						
General Government:						
Administrative and Executive:						
Salaries and Wages		\$ 2,117.69		\$ 2,117.69		\$ 2,117.69
Other Expenses		8,236.24		8,236.24	\$ 2,576.19	5,660.05
Mayor and Committee:						
Salaries and Wages		22.41		22.41		22.41
Other Expenses	\$ 360.00	724.40		1,084.40		1,084.40
Township Clerk:						
Salaries and Wages		3,501.30		3,501.30		3,501.30
Other Expenses	1,904.91	28,577.12		30,482.03	5,316.91	25,165.12
Financial Administration:						
Salaries and Wages		21,893.47		21,893.47		21,893.47
Other Expenses		119,503.54	\$ (12,500.00)	107,003.54	54,885.75	52,117.79
Automated Data Processing:						
Other Expenses		2,104.25		2,104.25	2,025.50	78.75
Collection of Taxes:						
Salaries and Wages		10,403.18		10,403.18		10,403.18
Other Expenses	8.00	1,767.67		1,775.67	1,568.00	207.67
Legal Services and Costs:						
Other Expenses		5,819.39	11,000.00	16,819.39	16,072.50	746.89
Engineering Services and Costs:						
Other Expenses		13,850.62		13,850.62	580.00	13,270.62
Historic Preservation Committee:						
Salaries and Wages		1,708.09		1,708.09		1,708.09
Other Expenses		4,166.00		4,166.00		4,166.00
Municipal Land Use Law:						
Planning Board:						
Salaries and Wages		50.24		50.24		50.24
Other Expenses		5,895.02		5,895.02	1,783.50	4,111.52
Zoning Board of Adjustment:						
Salaries and Wages		18,104.99		18,104.99		18,104.99
Other Expenses		896.71		896.71		896.71
Public Safety:						
Police:						
Salaries and Wages		2,741.48		2,741.48		2,741.48
Other Expenses	9,242.61	34,522.82		43,765.43	14,045.43	29,720.00
Emergency Management Services:						
Salaries and Wages		542.68		542.68		542.68
Other Expenses		5,600.00		5,600.00		5,600.00
Public Works:						
Streets and Roads:						
Road Repair and Maintenance:						
Salaries and Wages		14,545.75		14,545.75		14,545.75
Other Expenses		24,717.25		24,717.25	9,873.25	14,844.00
Solid Waste Collection:						
Other Expenses		18,958.50		18,958.50		18,958.50
Waste Disposal		98,142.86		98,142.86	47,244.97	50,897.89
Public Buildings and Grounds:						
Salaries and Wages		2,221.39		2,221.39		2,221.39
Other Expenses	300.00	11,571.82		11,871.82	1,967.58	9,904.24
Vehicle Maintenance:						
Salaries and Wages		77.53		77.53		77.53
Other Expenses	450.00	12,335.52		12,785.52	954.36	11,831.16
Health and Human Services:						
Board of Health:						
Salaries and Wages		526.82		526.82		526.82
Other Expenses		50.00		50.00		50.00
Donation to Harrison Township Historical Society						
Environmental Commission:						
Other Expenses		2,528.60		2,528.60		2,528.60

(Continued)

TOWNSHIP OF HARRISON
CURRENT FUND
 Statement of Appropriation Reserves
 For the Year Ended December 31, 2024

	<u>Balance December 31, 2023</u>		<u>Transfers</u>	<u>Balance After</u> <u>Modification</u>	<u>Paid or</u> <u>Charged</u>	<u>Lapsed to</u> <u>Fund Balance</u>
	<u>Encumbered</u>	<u>Reserved</u>				
OPERATIONS WITHIN "CAPS" (Cont'd)						
Park and Recreation Functions:						
Parks and Playgrounds:						
Salaries and Wages		\$ 1,900.95		\$ 1,900.95		\$ 1,900.95
Other Expenses		4,290.19		4,290.19		4,290.19
Additional Salaries and Wages		5,000.00		5,000.00		5,000.00
Compensated Absences		5,000.00		5,000.00		5,000.00
JIF Administration:						
Salaries and Wages		1,791.29		1,791.29		1,791.29
Insurance						
Volunteer Insurance		500.00		500.00	\$ 400.00	100.00
General Liability		1,628.74		1,628.74	1,625.06	3.68
Workers Compensation		6,388.32		6,388.32	1,780.00	4,608.32
Employee Group Health		4,240.95		4,240.95		4,240.95
Health Benefit Retirees		9,458.55		9,458.55		9,458.55
Code Enforcement & Administrator:						
Construction Official:						
Salaries and Wages		6,209.23		6,209.23	600.00	5,609.23
Other Expenses		7,414.71		7,414.71	38.24	7,376.47
Unclassified - Utilities:						
Electricity		17,055.15		17,055.15	15,296.30	1,758.85
Street Lighting		806.83		806.83	461.01	345.82
Telephone		722.29	\$ 500.00	1,222.29	920.85	301.44
Water		62.14	1,000.00	1,062.14	828.79	233.35
Natural Gas		2,657.12		2,657.12	2,657.12	
Fuel Oil		6,548.88		6,548.88	2,923.09	3,625.79
Gasoline		33,850.74		33,850.74	4,500.56	29,350.18
Total Operations Within "CAP"	12,265.52	593,951.43	-	606,216.95	190,924.96	415,291.99
Deferred Charges and Statutory Expenditures - Municipal Within "CAP"						
Statutory Expenditures:						
Contribution to:						
Social Security System (O.A.S.I)		35,990.18		35,990.18		35,990.18
Contribution to New Jersey Unemployment		5,000.00		5,000.00	5,000.00	
Defined Contribution Retirement Program		7.44		7.44		7.44
Total Deferred Charges and Statutory Expenditures	-	40,997.62	-	40,997.62	5,000.00	35,997.62
Shared Service Agreements:						
Solid Waste Collection - Logan Township		72,971.85		72,971.85	45,283.46	27,688.39
Total Shared Service Agreements	-	72,971.85	-	72,971.85	45,283.46	27,688.39
	\$ 12,265.52	\$ 707,920.90	-	\$ 720,186.42	\$ 241,208.42	\$ 478,978.00
				Cash Disbursements	\$ 241,208.42	

TOWNSHIP OF HARRISON
CURRENT FUND
 Statement of Tax Overpayments
 For the Year Ended December 31, 2024

Balance December 31, 2023	\$	121,895.73
Increased by:		
Overpayments Received by Collector		241,895.38
		363,791.11
Decreased by:		
Refunded		88,461.16
Balance December 31, 2024	\$	275,329.95

TOWNSHIP OF HARRISON
CURRENT FUND
 Statement of Prepaid Taxes
 For the Year Ended December 31, 2024

Balance December 31, 2023	\$	401,269.66
Increased by:		
Collections - 2025 Taxes		476,132.31
		877,401.97
Decreased by:		
Applied to 2024 Taxes Receivable		401,269.66
Balance December 31, 2024	\$	476,132.31

TOWNSHIP OF HARRISON
CURRENT FUND
Statement of Local District School Taxes Payable
For the Year Ended December 31, 2024

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Balance December 31, 2023		
School Tax Payable	\$ 439,352.00	
School Tax Deferred	<u>7,101,120.00</u>	
		\$ 7,540,472.00
Increased by:		
School Year Levy - July 1, 2024 - June 30, 2025		<u>15,950,400.00</u>
		23,490,872.00
Decreased by:		
Disbursements		<u>15,515,672.00</u>
Balance December 31, 2024		
School Tax Payable	874,080.00	
School Tax Deferred	<u>7,101,120.00</u>	
Total Local District School Taxes Payable		<u><u>\$ 7,975,200.00</u></u>
2024 Liability for Local District Tax		
Tax Paid		\$ 15,515,672.00
Tax Payable - December 31, 2024		<u>874,080.00</u>
		16,389,752.00
Less: Tax Payable - December 31, 2023		<u>439,352.00</u>
Amount Charged to 2024 Operations		<u><u>\$ 15,950,400.00</u></u>

TOWNSHIP OF HARRISON
CURRENT FUND
 Statement of Regional High School Taxes Payable
 For the Year Ended December 31, 2024

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Balance December 31, 2023		
School Tax Payable	\$ 243,803.06	
School Tax Deferred	<u>5,895,600.00</u>	
		\$ 6,139,403.06
Increased by:		
School Year Levy - July 1, 2024 - June 30, 2025		<u>12,898,861.00</u>
		19,038,264.06
Decreased by:		
Disbursements		<u>12,574,158.02</u>
Balance December 31, 2024		
School Tax Payable	568,506.04	
School Tax Deferred	<u>5,895,600.00</u>	
Total Regional High School Taxes Payable		<u><u>\$ 6,464,106.04</u></u>
2024 Liability for Regional High School Tax		
Tax Paid		\$ 12,574,158.02
Tax Payable - December 31, 2024		<u>568,506.04</u>
		13,142,664.06
Less: Tax Payable - December 31, 2023		<u>243,803.06</u>
Amount Charged to 2024 Operations		<u><u>\$ 12,898,861.00</u></u>

TOWNSHIP OF HARRISON
CURRENT FUND
 Statement of County Taxes Payable
 For the Year Ended December 31, 2024

Balance December 31, 2023		\$ 119,284.84
Increased by:		
2024 Tax Levy:		
General County	\$ 10,271,251.87	
County Library	689,671.22	
Open Space Preservation	673,940.69	
Added and Omitted Taxes	<u>126,448.94</u>	
		<u>11,761,312.72</u>
		11,880,597.56
Decreased by:		
Disbursements		<u>11,754,149.55</u>
Balance December 31, 2024		<u><u>\$ 126,448.01</u></u>

TOWNSHIP OF HARRISON
CURRENT FUND
 Statement of Municipal Open Space Taxes Payable
 For the Year Ended December 31, 2024

Balance December 31, 2023		\$	-
Increased by:			
2024 Tax Levy:			
Open Space Preservation	\$ 936,888.00		
Added and Omitted Taxes	<u>10,092.86</u>		
			<u>946,980.86</u>
			946,980.86
Decreased by:			
Disbursements			<u>946,980.86</u>
Balance December 31, 2024		<u>\$</u>	<u>-</u>

TOWNSHIP OF HARRISON
CURRENT FUND
 Statement of Fire District Taxes Payable
 For the Year Ended December 31, 2024

Balance December 31, 2023	\$	-
Increased by:		
2024 Tax Levy		1,550,270.00
		1,550,270.00
Decreased by:		
Disbursements		1,550,270.00
Balance December 31, 2024	\$	-

TOWNSHIP OF HARRISON
CURRENT FUND
Statement of Reserve for Preparation of Master Plan
For the Year Ended December 31, 2024

Balance December 31, 2023	\$	203,818.19
Balance December 31, 2024	\$	<u>203,818.19</u>

TOWNSHIP OF HARRISON
CURRENT FUND
Schedule of Property Acquired for Taxes - Assessed Valuation
As of December 31, 2024

Balance December 31, 2023	\$ 140,800.00
Balance December 31, 2024	<u>\$ 140,800.00</u>

TOWNSHIP OF HARRISON
FEDERAL AND STATE GRANT FUND
 Statement of Federal and State Grants Receivable
 For the Year Ended December 31, 2024

Program	Balance Dec. 31, 2023	Anticipated as Revenue in 2024 Budget	Received	Balance Dec. 31, 2024
Federal Grants:				
Low Income Water Assistance Program		\$ 1,983.99	\$ 1,983.99	\$ -
Total Federal Grants	-	1,983.99	1,983.99	-
State Grants:				
Alcohol Education, Rehab and Enforcement Fund		881.18	881.18	-
Body Armor Replacement Fund		736.44	736.44	-
Body Worn Camera Grant	\$ 468.20			468.20
Clean Communities Program		32,306.85	32,306.85	-
Municipal Alliance on Alcoholism and Drug Abuse	172,362.23			172,362.23
Opioid Settlement Proceeds		9,125.83	9,125.83	\$ -
Stormwater Assistance Grant		15,000.00	15,000.00	-
Total State Grants	172,830.43	58,050.30	58,050.30	172,830.43
Total All Grants	\$ 172,830.43	\$ 60,034.29	\$ 60,034.29	\$ 172,830.43
Anticipated in Budget		\$ 60,034.29		
Cash Received in Federal and State Grant Fund			\$ 15,803.22	
Unappropriated Grants			44,231.07	
		\$ 60,034.29	\$ 60,034.29	

TOWNSHIP OF HARRISON
FEDERAL AND STATE GRANT FUND
 Statement of Reserve for Federal and State Grants--Appropriated
 For the Year Ended December 31, 2024

<u>Program</u>	<u>Balance Dec. 31, 2023</u>	<u>2024 Budget Appropriations</u>	<u>Paid or Charged</u>	<u>Balance Dec. 31, 2024</u>
Federal Grants:				
Low Income Water Assistance Program	-	\$ 1,983.99	-	\$ 1,983.99
Total Federal Grants	-	1,983.99	-	1,983.99
State Grants:				
Body Armor Replacement Fund Program	\$ 0.40	736.44	\$ 736.84	
Body Worn Camera Grant	468.20			468.20
Clean Communities Program	206,287.19	32,306.85	29,535.78	209,058.26
Drunk Driving Enforcement Fund	1,643.28		903.81	739.47
Municipal Court Alcohol Education, Rehabilitation and Enforcement Fund	3,184.08	881.18	858.23	3,207.03
Municipal Alliance to Prevent Alcoholism and Drug Abuse	173,395.75		416.77	172,978.98
Opioid Settlement Proceeds	16,837.43	9,125.83		25,963.26
Recycling Tonnage Grant	106,872.46		9,914.44	96,958.02
Stormwater Assistance Grant		15,000.00		15,000.00
Total State Grants	508,688.79	58,050.30	42,365.87	524,373.22
Total All Grants	<u>\$ 508,688.79</u>	<u>\$ 60,034.29</u>	<u>\$ 42,365.87</u>	<u>\$ 526,357.21</u>
Cash Disbursements by Federal and State Grant Fund			\$ 42,365.87	
Liquidation of Prior Year Encumbrances			-	
			<u>\$ 42,365.87</u>	

TOWNSHIP OF HARRISON
FEDERAL AND STATE GRANT FUND
 Statement of Federal and State Grants Unappropriated
 For the Year Ended December 31, 2024

Program	Balance Dec. 31, 2023	Realized as Miscellaneous Revenue in 2024 Budget	Federal and State Grants Received	Balance Dec. 31, 2024
Federal Grants:				
Bulletproof Vest Partnership Grant			\$ 1,553.10	\$ 1,553.10
Low Income Water Assistance Program	\$ 1,180.77	\$ 1,180.77		
Total Federal Grants	<u>1,180.77</u>	<u>1,180.77</u>	<u>1,553.10</u>	<u>1,553.10</u>
State Grants:				
Alcohol Education, Rehab and Enforcement Fund	881.18	881.18	3,309.76	\$ 3,309.76
Body Armor Replacement Fund	736.44	736.44	2,043.80	2,043.80
Clean Communities Program	32,306.85	32,306.85	36,694.55	36,694.55
Opioid Settlement Proceeds	9,125.83	9,125.83	50,451.25	50,451.25
Recycling Tonnage Grant			16,731.09	16,731.09
Total State Grants	<u>43,050.30</u>	<u>43,050.30</u>	<u>109,230.45</u>	<u>109,230.45</u>
Total All Grants	<u>44,231.07</u>	<u>\$ 44,231.07</u>	<u>\$ 110,783.55</u>	<u>\$ 110,783.55</u>
Cash Received in Federal and State Grant Fund			<u>\$ 110,783.55</u>	

TOWNSHIP OF HARRISON
FEDERAL AND STATE GRANT FUND
 Statement of Due to Current Fund
 For the Year Ended December 31, 2024

Balance December 31, 2023		\$	7,040.02
Increased by:			
Due Current Fund - Interest Earned on Deposits	\$	15,789.53	
Grant Funds Anticipated in Current Fund		60,034.29	
		\$	75,823.82
			82,863.84
Decreased by:			
Receipts			
Disbursed to Current Fund:			
Due Current Fund - Interest Earned on Deposits	\$	14,274.64	
Due Current Fund		7,040.02	
Grant Funds Appropriated in Current Fund		60,034.29	
			81,348.95
Balance December 31, 2024		\$	1,514.89

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SUPPLEMENTAL EXHIBITS

TRUST FUND

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TOWNSHIP OF HARRISON
TRUST FUNDS
 Statement of Trust Cash Per N.J.S. 40A:5-5 - Treasurer
 For the Year Ended December 31, 2024

	<u>Animal Control Fund</u>	<u>Trust Other Fund</u>	<u>Municipal Open Space</u>
Balance December 31, 2023	\$ 38,595.70	\$ 3,820,138.69	\$ 2,167,169.75
Increased by Receipts:			
Animal Control License Fees	\$ 6,307.50		
State Registration Fees Collected	1,206.60		
Due Current Fund - Interest Earned on Deposits	525.09	\$ 24,384.92	
Due Current Fund - Cat License Fees	628.00		
Due from Current Fund		5,516.73	-
Municipal Open Space Tax Levy			936,888.00
Added & Omitted Taxes			10,092.86
Interest Earned on Deposits		127,213.00	59,363.09
Trust Fund Reserve Deposits	-	<u>9,668,949.21</u>	
Total Receipts	<u>8,667.19</u>	<u>9,826,063.86</u>	<u>1,006,343.95</u>
	47,262.89	13,646,202.55	3,173,513.70
Decreased by Disbursements:			
Expenditures Under R.S. 4:19-15.11	5,137.06		
State of New Jersey	3,145.20		
Due Current Fund - Interest Earned on Deposits	494.42	10,588.51	
Due Current Fund	23,494.30	206.10	3,660.18
Trust Fund Reserve Expenditures		<u>8,914,904.15</u>	<u>882,488.00</u>
Total Disbursements	<u>32,270.98</u>	<u>8,925,698.76</u>	<u>886,148.18</u>
Balance December 31, 2024	<u>\$ 14,991.91</u>	<u>\$ 4,720,503.79</u>	<u>\$ 2,287,365.52</u>

TOWNSHIP OF HARRISON
TRUST FUND - ANIMAL CONTROL FUND
 Statement of Reserve for Animal Control Expenditures
 For the Year Ended December 31, 2024

Balance December 31, 2023		\$ 13,762.68
Increased by:		
License Fees Collected	\$ 6,307.50	6,307.50
		20,070.18
Decreased by:		
Expenditures Under R.S. 4:19-15.11	\$ 5,137.06	
Statutory Excess Due Current Fund	985.98	6,123.04
Balance December 31, 2024		\$ 13,947.14

<u>License Fees Collected</u>	
Year	Amount
2022	\$ 6,838.44
2023	7,108.70
	\$ 13,947.14

TOWNSHIP OF HARRISON
TRUST FUND - ANIMAL CONTROL FUND
 Statement of Due Current Fund
 For the Year Ended December 31, 2024

Balance December 31, 2023		\$ 22,884.22
Increased by:		
Interest Earned on Deposits	\$ 525.09	
Cat License Fees	628.00	
Statutory Excess	985.98	
		2,139.07
		25,023.29
Decreased by:		
Disbursed to Current Fund:		
Due Current Fund - Interest Earned on Deposits	494.42	
Due Current Fund	23,494.30	
		23,988.72
Balance December 31, 2024		\$ 1,034.57

TOWNSHIP OF HARRISON
TRUST FUND - ANIMAL CONTROL FUND
 Statement of Due to State of New Jersey
 For the Year Ended December 31, 2024

Balance December 31, 2023		\$ 1,948.80
Increased by:		
State Registration Fees		1,206.60
		3,155.40
Decreased by:		
Disbursements to State of New Jersey	3,145.20	
		3,145.20
Balance December 31, 2024		\$ 10.20

TOWNSHIP OF HARRISON
TRUST OTHER FUND
 Statement of Due To / (From) Current Fund
 For the Year Ended December 31, 2024

<u>Trust Other Fund</u>	Balance	Increased by		Decreased by	Balance
	Due to / (from) December 31, 2023	Received From Due Current	Interest Earned on Deposits	Disbursed to Current Fund	Due to / (from) December 31, 2024
Developers Escrow	\$ 86.24		\$ 12,651.51	\$ 86.24	\$ 12,651.51
Mill Valley Escrow	3.78		101.85	105.63	-
Outside Police Employment	3.50		918.70	870.38	51.82
Net Payroll	(5,494.65)	\$ 5,516.73	3,477.08	3,142.44	356.72
Tax Title Lien Premium	82.67		5,479.02	4,836.06	725.63
Tax Title Lien Redemption	7.83		1,756.76	1,753.86	10.73
Total	<u>\$ (5,310.63)</u>	<u>\$ 5,516.73</u>	<u>\$ 24,384.92</u>	<u>\$ 10,794.61</u>	<u>\$ 13,796.41</u>

TOWNSHIP OF HARRISON
TRUST OTHER FUND
 Statement of Reserves and Special Deposits
 For the Year Ended December 31, 2024

	Balance December 31, 2023	Increased by		Decreased by	Balance December 31, 2024
		Interest Earnings	Receipts	Disbursements	
Accumulated Absences	\$ 15,030.00	\$ 517.72	\$ -	\$ -	\$ 15,547.72
Adult Community Center	63,759.70	2,280.96			66,040.66
Affordable Housing	6,892.77	3.44			6,896.21
Board of Recreation Commission	136,977.56	5,567.86	180,679.81	176,182.01	147,043.22
Cash Bond	811,285.34	30,540.34	224,008.92	57,754.02	1,008,080.58
Compensation Tree Planting Donations	30,468.38	1,316.47	13,225.00		45,009.85
Developer's Escrow	391,820.72	10,992.08	1,347,263.07	701,705.80	1,048,370.07
Developers Fees - Housing Trust Funds (COAH)	76,197.23	2,725.71			78,922.94
Disposal of Forfeited Property	9,369.58	613.47	1,329.00	279.00	11,033.05
Economic Development and Improvement	65,228.70	1,635.35		42,707.50	24,156.55
Housing Savings Trust	1,159,958.71	46,214.68	466,375.03	287,102.33	1,385,446.09
K9	31,328.12	1,062.96	200.00	9,814.52	22,776.56
Mill Valley Escrow	17,144.59			17,144.59	-
Outside Employment of Off-Duty Police	3,935.95		235,718.25	226,385.40	13,268.80
Parade	11,484.47	410.81			11,895.28
Payroll	41,928.14		5,858,627.57	5,855,324.96	45,230.75
Recreation	529,850.57	18,562.93		140,936.92	407,476.58
Recreation - Senior	1,658.00	383.60	47,961.68	45,998.28	4,005.00
Storm Recovery	18,757.19	850.35	26,239.86		45,847.40
Tax Title Lien Premium	290,600.00		124,200.00	207,000.00	207,800.00
Tax Title Lien Redemption	139.28		1,125,736.76	1,121,481.16	4,394.88
Unemployment Compensation	102,324.44	3,311.12	17,384.26	20,815.37	102,204.45
Veterans Donations	5,062.82	197.92	-		5,260.74
Walnut Glen Escrow	4,247.06	25.23		4,272.29	-
Total	\$ 3,825,449.32	\$ 127,213.00	\$ 9,668,949.21	\$ 8,914,904.15	\$ 4,706,707.38

TOWNSHIP OF HARRISON
TRUST FUND - MUNICIPAL OPEN SPACE
 Statement of Reserve for Future Use
 For the Year Ended December 31, 2024

Balance December 31, 2023		\$ 2,163,509.57
Increased by:		
2024 Levy	\$ 936,888.00	
2024 Added & Omitted Taxes	10,092.86	
Interest Earned on Deposits	59,363.09	
		1,006,343.95
		3,169,853.52
Decreased by:		
Expended		882,488.00
Balance December 31, 2024		\$ 2,287,365.52
<u>Analysis of Balance:</u>		
Cash		\$ 2,287,365.52
Reserve for Future Use		\$ 2,287,365.52

SUPPLEMENTAL EXHIBITS
GENERAL CAPITAL FUND

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TOWNSHIP OF HARRISON
GENERAL CAPITAL FUND
 Statement of General Capital Cash Per N.J.S. 40A:5-5 -- Treasurer
 For the Year Ended December 31, 2024

Balance December 31, 2023		\$	4,070,153.39
Increased by Receipts:			
Budget Appropriations:			
Capital Improvement Fund	\$		54,000.00
Improvement Authorization Reimbursements			10,416.25
Grant Receivable			429,521.50
Due Current Fund - Interest Earned on Deposits			119,101.20
Statement of Fund Balance - Premium on Note Sale			6,430.10
			619,469.05
			4,689,622.44
Decreased by Disbursements:			
Improvement Authorizations		1,070,684.79	
Disbursed to Current Fund:			
Interfund Loan Returned		844.89	
Due Current Fund - Interest Earned on Deposits		107,032.78	
Reserve for Payment of Debt Anticipated as Revenue in Current Fund		15,211.92	
			1,193,774.38
Balance December 31, 2024		\$	3,495,848.06

TOWNSHIP OF HARRISON
GENERAL CAPITAL FUND
 Analysis of General Capital Cash and Investments
 For the Year Ended December 31, 2024

	Balance (Deficit) Dec. 31, 2023	Receipts		Disbursements		Transfers		Balance (Deficit) Dec. 31, 2024	
		Budget Appropriation	Miscellaneous	Improvement Authorizations	Miscellaneous	From	To		
General Capital Fund Balance	\$ 69,975.57		\$ 6,430.10			\$ 164,065.50	\$ 93,856.25	\$ 6,196.42	
Capital Improvement Fund	29,610.00	\$ 54,000.00				47,500.00		36,110.00	
Due to Current Fund	844.89		119,101.20		\$ 107,877.67			12,068.42	
Grants Receivable	(300,473.57)		429,521.50			932,275.00	164,065.50	(639,161.57)	
Reserve for Preliminary Costs	3,391.86					3,391.86		-	
Reserve for Payment of Debt	15,211.92				15,211.92			-	
Reserve for Encumbrances	59,192.95					59,192.95	587,881.11	587,881.11	
Improvement Authorizations:									
Ordinance									
Number									
25-2001	Acquisition of Various Pieces of Equipment and Completion of Various Capital Improvements	27.72						27.72	
37-2001	Renovations to the Municipal Building including the Construction of an Addition with the Acquisition of All Materials and Equipment and Completion of All Work Necessary	0.66						0.66	
38-2001	Engineering (Phase I) for the Shared Services Facility with the Acquisition of All Materials and Equipment and Completion of All Work Necessary	65,767.00						65,767.00	
17-2003	Completion of Phase II Construction for the Public Works Complex	51,974.88						51,974.88	
14-2004	Acquisition and Development of Real Property	39,552.73						39,552.73	
31-2005	Completion of Phase II Construction for the Public Works Complex and Shared Services Facility as Amended	68,472.70						68,472.70	
32-2005	Acquisition of Various Pieces of Equipment and Completion of Various Capital Improvements	19,401.13		\$ 7,632.80				11,768.33	
08-2007	Various Capital Improvements to the Walters Road Athletic Complex and the Acquisition of Various Capital Equipment and the Completion of Various Capital Improvements for the Public Works Facility	2,794.00						2,794.00	
26-2007	Acquisition of Various Pieces of Equipment and the Completion of Various Capital Improvements	1,228.05						1,228.05	
01-2009	Acquisition of Various Pieces of Equipment and Completion of Various Capital Improvements	1,508.48						1,508.48	
36-2011	Completion of Various Improvements to Recreational Facilities in and for the Township	30,765.21			26,749.32			4,015.89	
40-2011	Acquisition of Various Pieces of Equipment and Completion of Various Capital Improvements	53,342.13			47,737.22			5,604.91	
31-2012	Acquisition of Various Pieces of Equipment	16,730.00			638.98			16,091.02	
26-2013	Acquisition of Various Pieces of Equipment and Completion of Various Capital Improvements	7,744.11			6,838.50			905.61	
28-2013;	Reconstruction of								
05-2014	Heilig Road	8,646.49				8,646.49		-	
21-2014	Acquisition of Various Pieces of Equipment and Completion of Various Capital Improvements	352,752.62			74,461.56			278,291.06	
36-2014	Acquisition of Equipment for Public Works Department	100,579.32						100,579.32	
08-2015	Completion of the Brookside at Harrison Site Improvements	121,976.01						121,976.01	
09-2015	Acquisition of Various Pieces of Equipment and Completion of Various Capital Improvements	208,693.03			6767.58			201,925.45	
09-2016	Completion of the Brookside Farms Site Improvements	14,243.25						14,243.25	
10-2016	Acquisition of Various Pieces of Equipment and Completion of Various Capital Improvements	2,050,588.70		10,416.25	174,112.28			1,886,892.67	
15-2017	Acquisition of Various Pieces of Equipment and Completion of Various Capital Improvements	(409.49)						(409.49)	
28-2017	Reconstruction of Heilig Road Phase 3	10,985.16				10,985.16			
10-2018	Acquisition of Various Pieces of Equipment and Completion of Various Capital Improvements	32,676.41						32,676.41	
12-2018	Reconstruction of Jackson Road	27,614.12				27,614.12			
12-2019	Reconstruction of Jackson Road - Phase 2	43,218.62				43,218.62			
13-2019	Acquisition of Various Pieces of Equipment and Completion of Various Capital Improvements	237,373.61			43,610.95		175,573.17	18,189.49	
13-2020	Acquisition of Various Pieces of Equipment and Completion of Various Capital Improvements	33,784.26			15,022.82			18,761.44	
16-2021	Acquisition of Various Pieces of Equipment and Completion of Various Capital Improvements	14,850.32			15,785.17		15,785.17	14,850.32	
17-2021	Reconstruction and/or Repaving of a Portion of the High Point Development	10,838.76			31,980.69		36,364.55	15,222.62	
21-2022	Acquisition of Various Pieces of Equipment and Completion of Various Capital Improvements	564,679.78			5,980.83		22,822.50	542,919.68	
21-2024	Acquisition of Various Pieces of Equipment and Completion of Various Capital Improvements				145,947.47		381,914.06	(480,361.53)	
24-2024	Reconstruction / Repaving of Roads and Installation of Recreation Improvements				467,418.62		7,571.38	457,285.00	
		\$ 4,070,153.39	\$ 54,000.00	\$ 565,469.05	\$ 1,070,684.79	\$ 123,089.59	\$ 1,884,770.81	\$ 1,884,770.81	\$ 3,495,848.06

TOWNSHIP OF HARRISON
GENERAL CAPITAL FUND
 Statement of Deferred Charges to Future Taxation - Funded
 For the Year Ended December 31, 2024

Balance December 31, 2023	\$ 22,900,000.00
Increased by:	
Issuance of General Obligation Bonds, Series 2021	-
	22,900,000.00
Decreased by:	
Budget Appropriation:	
Payment of Bonds Payable	2,955,000.00
Balance December 31, 2024	\$ 19,945,000.00

TOWNSHIP OF HARRISON
GENERAL CAPITAL FUND
 Statement of Deferred Charges to Future Taxation—Unfunded
 For the Year Ended December 31, 2024

Ordinance Number	Improvement Description	Balance Dec. 31, 2023	2024 Authorizations	Funded by Appropriation	Balance Dec. 31, 2024	Analysis of Balance December 31, 2024		Unexpended Improvement Authorization
						Financed by Bond Anticipation Notes	Expenditures	
15-2017	Acquisition of Various Pieces of Equipment and Completion of Various Capital Improvements	\$ 420.00			\$ 420.00		\$ 409.49	\$ 10.51
10-2018	Acquisition of Various Pieces of Equipment and Completion of Various Capital Improvements	140.00			140.00			140.00
13-2019	Acquisition of Various Pieces of Equipment and Completion of Various Capital Improvements	450.00			450.00			450.00
13-2020	Acquisition of Various Pieces of Equipment and Completion of Various Capital Improvements	321,195.00		\$ 35,700.00	285,495.00	\$ 285,495.00		
16-2021	Acquisition of Various Pieces of Equipment and Completion of Various Capital Improvements	468,155.00		52,100.00	416,055.00	416,055.00		
21-2022	Acquisition of Various Pieces of Equipment and Completion of Various Capital Improvements	721,050.00		80,200.00	640,850.00	640,850.00		
21-2024	Acquisition of Various Pieces of Equipment and Completion of Various Capital Improvements		\$ 902,500.00		902,500.00		480,361.53	422,138.47
		<u>\$ 1,511,410.00</u>	<u>\$ 902,500.00</u>	<u>\$ 168,000.00</u>	<u>\$ 2,245,910.00</u>	<u>\$ 1,342,400.00</u>	<u>\$ 480,771.02</u>	<u>\$ 422,738.98</u>
Improvement Authorizations - Unfunded								\$ 999,270.42
Less: Unexpended Proceeds of Bond Anticipation Notes Issued:								
Ordinance No. 13-2020								\$ 18,761.44
Ordinance No. 16-2021								14,850.32
Ordinance No. 21-2022								542,919.68
								<u>576,531.44</u>
								<u>\$ 422,738.98</u>

TOWNSHIP OF HARRISON
GENERAL CAPITAL FUND
 Statement of Capital Improvement Fund
 For the Year Ended December 31, 2024

Balance December 31, 2023	\$	29,610.00
Increased by:		
Receipts:		
2024 Budget Appropriation		54,000.00
		83,610.00
Decreased by:		
Appropriation to Finance Improvement Authorizations		47,500.00
Balance December 31, 2024	\$	36,110.00

TOWNSHIP OF HARRISON
GENERAL CAPITAL FUND
 Statement of Grant-In-Aid Receivable
 For the Year Ended December 31, 2024

Balance December 31, 2023	\$	300,473.57
Increased by:		
Grant Awards - Ordinance 24-2024	\$	932,275.00
Grant Award - Ordinance 18-2021		
Grant Awards - Ordinance 24-2024		932,275.00
		1,232,748.57
Decreased by:		
Grants Received	\$	429,521.50
Receivables Canceled by Resolution		164,065.50
		593,587.00
Balance December 31, 2024	\$	639,161.57

Analysis of Balance December 31, 2024:		
NJDOT - Reconstruction / Repaving of a Portion of the High Point Development (Ord 17-2021)	\$	63,129.07
NJDOT - Williamson Lane Improvements (Ord 24-2024)		60,000.00
NJDOT - Williamson Lane Improvements Phase 2 (Ord 24-2024)		58,747.50
NJDOT - Woodland Avenue Improvements (Ord 24-2024)		219,285.00
NJDOT - Priority Beam Guide Rail Installation & Improvements (Ord 24-2024)		100,000.00
NJDOT - Bridgeton Pike Pedestrian Improvements at Ella Harris Park (Ord 24-2024)		68,000.00
NJDCA - Local Recreation Improvement Grant (Ord 24-2024)		70,000.00
	\$	639,161.57

TOWNSHIP OF HARRISON
GENERAL CAPITAL FUND
 Statement of Improvement Authorizations
 For the Year Ended December 31, 2024

Ordinance Number	Improvement Description	Date	Ordinance Amount	Balance December 31, 2023		2024 Authorizations	Transfer from Reserve for Encumbrances	Paid or Charged	Canceled by Resolution	Balance December 31, 2024	
				Funded	Unfunded					Funded	Unfunded
06/04/01	Acquisition of Various Pieces of Equipment and Completion of Various Capital Improvements		\$ 1,680,576.00	\$ 27.72						\$ 27.72	
10/01/01	Renovations to the Municipal Building Including the Construction of an Addition with the Acquisition of all Materials and Equipment and Completion of All Work Necessary		650,000.00	0.66						0.66	
10/01/01	Engineering (Phase I) for the Shared Services Facility, with the Acquisition of all Materials and Equipment and Completion of all Work Necessary		449,100.00	65,767.00						65,767.00	
04/21/03	Completion of Phase II Construction for the Public Works Complex		1,100,000.00	51,974.88						51,974.88	
04/05/04	Acquisition and Development of Real Property		725,000.00	39,552.73						39,552.73	
07/05/05	Completion of Phase II Construction for the Public Works Complex and Shared Services Facility, As Amended		700,000.00	68,472.70						68,472.70	
07/05/05	Acquisition of Various Pieces of Equipment and Completion of Various Capital Improvements		2,016,928.00	19,401.13			\$ 7,632.80			11,768.33	
08-2007	Various Capital Improvements to the Walters Road Athletic Complex and the Acquisition of Various Capital Equipment and the Completion of Various Capital Improvements for the Public Works Facility		900,000.00	2,794.00						2,794.00	
26-2007	Acquisition of Various Pieces of Equipment and the Completion of Various Capital Improvements	06/19/07	3,687,502.00	1,228.05						1,228.05	
01-2009	Acquisition of Various Pieces of Equipment and Completion of Various Capital Improvements	02/17/09	377,000.00	1,508.48						1,508.48	
36-2011	Completion of Various Improvements to Recreational Facilities in and for the Township	07/18/11	1,908,741.01	30,765.21						30,765.21	
40-2011	Acquisition of Various Pieces of Equipment and Completion of Various Capital Improvements	10/22/11	2,091,770.00	53,342.13						53,342.13	
31-2012	Acquisition of Various Pieces of Equipment	07/02/12	585,488.00	16,730.00						16,730.00	
26-2013	Acquisition of Various Pieces of Equipment and Completion of Various Capital Improvements	07/15/13	2,979,117.00	7,744.11						7,744.11	
05-2014	Reconstruction of Heilig Road	02/19/14	175,000.00	8,646.49						8,646.49	
21-2014	Acquisition of Various Pieces of Equipment and Completion of Various Capital Improvements	08/04/14	7,550,000.00	352,752.62						278,291.06	
36-2014	Acquisition of Equipment for Public Works Department	12/01/14	100,717.32	100,579.32						100,579.32	
08-2015	Completion of the Brookside at Harrison Site Improvements	06/01/15	165,771.72	121,976.01						121,976.01	
09-2015	Acquisition of Various Pieces of Equipment and Completion of Various Capital Improvements	06/01/15	785,000.00	208,693.03						201,925.45	
09-2016	Completion of the Brookside Farms (Phases I and III) Site Improvements	05/02/16	50,000.00	14,243.25						14,243.25	
10-2016	Acquisition of Various Pieces of Equipment and Completion of Various Capital Improvements	05/02/16	4,942,200.00	2,050,588.70						1,886,892.67	
15-2017	Reconstruction of Heilig Road Phase 3	05/01/17	677,600.00		\$ 10.51						10.51
28-2017	Acquisition of Various Pieces of Equipment and Completion of Various Capital Improvements	09/18/17	175,000.00	10,985.16						10,985.16	
10-2018	Reconstruction of Heilig Road	05/07/18	463,200.00	32,676.41	140.00					32,676.41	140.00
12-2018	Acquisition of Various Pieces of Equipment and Completion of Various Capital Improvements	05/07/18	275,000.00	27,614.12						27,614.12	
12-2019	Reconstruction of Jackson Road	05/20/19	270,000.00	43,218.62						43,218.62	
13-2020	Reconstruction of Jackson Road - Phase 2	05/06/19	667,190.00	237,373.61	450.00					18,189.49	450.00
13-2020	Acquisition of Various Pieces of Equipment and Completion of Various Capital Improvements	06/01/20	338,100.00		33,784.26						18,761.44
16-2021	Acquisition of Various Pieces of Equipment and Completion of Various Capital Improvements	07/19/21	482,795.00		14,850.32						14,850.32
17-2021	Reconstruction and/or Repaving of a Portion of the High Point Development	07/19/21	220,000.00	10,838.76						15,222.62	
21-2022	Acquisition of Various Pieces of Equipment and Completion of Various Capital Improvements	10/17/22	759,000.00		564,679.78						542,919.68
21-2024	Acquisition of Various Pieces of Equipment and Completion of Various Capital Improvements	07/01/24	950,000.00			\$ 950,000.00					422,138.47
24-2024	Reconstruction / Repaving of Roads and Installation of Recreation Improvements	08/05/24	932,275.00			932,275.00				457,285.00	
				\$ 3,579,494.90	\$ 613,914.87	\$ 1,882,275.00	\$ 59,192.95	\$ 1,648,149.65	\$ 90,464.39	\$ 3,396,993.26	\$ 999,270.42

Capital Improvement Fund	\$ 47,500.00
Deferred Charges to Future Taxation-Unfunded	902,500.00
Grant Receivable	932,275.00
Cash Disbursements	\$ 1,070,684.79
Encumbrances Payable	587,881.11
Reimbursements	(10,416.25)
Fund Balance	\$ 90,464.39
	\$ 1,648,149.65
	\$ 90,464.39
	\$ 1,882,275.00

TOWNSHIP OF HARRISON
GENERAL CAPITAL FUND
 Statement of Bond Anticipation Notes Payable
 For the Year Ended December 31, 2024

Ordinance Number	Improvement Description	Original Issue	Date of		Interest Rate	Balance Dec. 31, 2023	Increased	Decreased	Balance Dec. 31, 2024		
			Original Issue	Date of Issue						Date of Maturity	
13-2020	Acquisition of Various Pieces of Equipment and Completion of Various Capital Improvements	\$ 321,195.00	11/16/22	11/28/23 11/26/24	11/27/24 11/25/25	5.00% 4.00%	\$ 321,195.00	\$ 285,495.00	\$ 321,195.00	\$ 285,495.00	
16-2021	Acquisition of Various Pieces of Equipment and Completion of Various Capital Improvements	468,155.00	11/16/22	11/28/23 11/26/24	11/27/24 11/25/25	5.00% 4.00%	468,155.00	416,055.00	468,155.00	416,055.00	
21-2022	Acquisition of Various Pieces of Equipment and Completion of Various Capital Improvements	721,050.00	11/16/22	11/28/23 11/26/24	11/27/24 11/25/25	5.00% 4.00%	721,050.00	\$ 640,850.00	721,050.00	640,850.00	
							<u>\$ 1,510,400.00</u>	<u>\$ 1,342,400.00</u>	<u>\$ 1,510,400.00</u>	<u>\$ 1,342,400.00</u>	
Renewed in Current Fund Paid by Budget Appropriation								\$ 1,342,400.00	\$ 1,342,400.00	168,000.00	
								<u>\$ 1,342,400.00</u>	<u>\$ 1,510,400.00</u>		

TOWNSHIP OF HARRISON
GENERAL CAPITAL FUND
 Statement of General Obligation Bonds
 For the Year Ended December 31, 2024

Purpose	Date of Issue	Original Issue	Maturities of Bonds Outstanding Dec. 31, 2023		Interest Rate	Balance Dec. 31, 2023	Paid by Budget Appropriation	Balance Dec. 31, 2024
			Date	Amount				
General Obligation Refunding Bonds, Series 2014	08/05/14	\$ 4,810,000.00	08/01/25	\$ 555,000.00	4.000%	\$ 1,115,000.00	\$ 560,000.00	\$ 555,000.00
General Obligation Bonds, Series 2017	05/18/17	7,172,000.00	06/01/25	330,000.00	2.750%			
			06/01/26	340,000.00	2.750%			
			06/01/27	350,000.00	2.750%			
			06/01/28	360,000.00	3.000%			
			06/01/29	370,000.00	3.000%			
			06/01/30	385,000.00	3.000%			
			06/01/31	395,000.00	3.000%			
			06/01/32	410,000.00	3.000%			
			06/01/33	425,000.00	3.000%			
			06/01/34	440,000.00	3.000%			
			06/01/35	460,000.00	3.000%			
			06/11/36-37	460,000.00	3.125%	5,505,000.00	320,000.00	5,185,000.00
General Obligation Bonds, Series 2019	05/28/19	9,172,000.00	05/15/25	535,000.00	2.000%			
			05/15/26	545,000.00	2.000%			
			05/15/27	560,000.00	2.000%			
			05/15/28	580,000.00	2.000%			
			05/15/29	595,000.00	2.250%			
			05/15/30	615,000.00	2.500%			
			05/15/31	630,000.00	2.500%			
			05/15/32	650,000.00	2.750%			
			05/15/33	670,000.00	2.750%			
			05/15/34	690,000.00	3.000%			
			05/15/35	710,000.00	3.000%	7,305,000.00	525,000.00	6,780,000.00
General Obligation Refunding Bonds, Series 2020	08/04/20	11,565,000.00	08/01/25	515,000.00	4.000%			
			08/01/26	540,000.00	4.000%			
			08/01/27	565,000.00	5.000%			
			08/01/28	575,000.00	5.000%			
			08/01/29	605,000.00	5.000%			
			08/01/30	635,000.00	5.000%			
			08/01/31	645,000.00	3.000%			
			08/01/32	635,000.00	3.000%			
			08/01/33	625,000.00	3.000%			
			08/01/34	615,000.00	2 & 3.000%			
			08/01/35	600,000.00	2.000%	7,890,000.00	1,335,000.00	6,555,000.00
General Obligation Bonds, Series 2021	5/24/2021	1,434,000.00	2/1/25-26	215,000.00	3.000%			
			02/01/27	220,000.00	3.000%			
			02/01/28	220,000.00	2.000%	1,085,000.00	215,000.00	870,000.00
						<u>\$ 22,900,000.00</u>	<u>\$ 2,955,000.00</u>	<u>\$ 19,945,000.00</u>
							Paid by Current Fund Budget Appropriation	\$ 2,470,000.00
							Paid by Municipal Open Space Trust Fund	485,000.00
								<u>\$ 2,955,000.00</u>

TOWNSHIP OF HARRISON
GENERAL CAPITAL FUND
 Statement of Due to Current Fund
 For the Year Ended December 31, 2024

Balance December 31, 2023		\$ 844.89
Increased by:		
Interest Earned on Deposits		119,101.20
		119,946.09
Decreased by:		
Disbursed to Current Fund - Interest Earned on Deposits	107,032.78	
Interfund Loans Returned	844.89	
		107,877.67
Balance December 31, 2024		\$ 12,068.42

TOWNSHIP OF HARRISON
GENERAL CAPITAL FUND
 Statement of Bonds and Notes Authorized But Not Issued
 For the Year Ended December 31, 2024

<u>Ordinance</u>	<u>Improvement Description</u>	<u>Balance Dec. 31, 2023</u>	<u>2024 Authorizations</u>	<u>Balance Dec. 31, 2024</u>
15-2017	Acquisition of Various Pieces of Equipment and Completion of Various Capital Improvements	\$ 420.00		\$ 420.00
10-2018	Acquisition of Various Pieces of Equipment and Completion of Various Capital Improvements	140.00		140.00
13-2019	Acquisition of Various Pieces of Equipment and Completion of Various Capital Improvements	450.00		450.00
18-2024	Acquisition of Various Pieces of Equipment and Completion of Various Capital Improvements		902,500.00	902,500.00
		<u>\$ 1,010.00</u>	<u>\$ 902,500.00</u>	<u>\$ 903,510.00</u>

SUPPLEMENTAL EXHIBITS
SEWER UTILITY OPERATING FUND

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TOWNSHIP OF HARRISON
SEWER UTILITY OPERATING FUND
Statement of Sewer Utility Cash
For The Year Ended December 31, 2024

	<u>Operating</u>	<u>Sewer Collector</u>
Balance December 31, 2023	\$ 1,152,895.10	\$ -
Increased by Receipts:		
Consumer Accounts Receivable		\$ 2,279,344.56
Tax Title Liens		3,273.76
Prepaid Rents		48,045.75
Overpayments		
Penalties and Interest on Rents		20,102.19
Miscellaneous Revenue:		
Connection Fees		
Miscellaneous	\$ 45,814.70	
Interest Earned on Deposits	127,764.66	8,693.39
Reimbursements	40,750.98	
Sewer Clerk	2,359,459.65	
Reserve for Payment of Debt - Sewer Utility Capital	45,800.00	
Sewer Utility Capital Fund Surplus	-	
Due from Sewer Utility Capital Fund	<u>684.92</u>	
	<u>2,620,274.91</u>	<u>2,359,459.65</u>
	3,773,170.01	2,359,459.65
Decreased by Disbursements:		
Disbursed to Sewer Utility Operating Fund		2,359,459.65
Budget Appropriations	2,338,466.96	
Appropriation Reserves	67,882.67	
Refund of Prior Year Revenue	1,642.80	
Refund of Sewer Rent Overpayments	<u>207.20</u>	
	<u>2,408,199.63</u>	<u>2,359,459.65</u>
Balance December 31, 2024	<u>\$ 1,364,970.38</u>	<u>\$ -</u>

TOWNSHIP OF HARRISON
SEWER UTILITY OPERATING FUND
 Statement of Consumer Accounts Receivable
 For The Year Ended December 31, 2024

Balance December 31, 2023		\$ 203,186.97
Increased by:		
Sewer Rents Levied - Net of Adjustments		2,367,321.58
		2,570,508.55
Decreased by:		
Collections	\$ 2,279,344.56	
Overpaid Sewer Rents Applied	4,812.47	
Transferred from Sewer Prepaid Rents	46,893.32	
Transferred to Sewer Utility Liens	778.66	
		2,331,829.01
Balance December 31, 2024		\$ 238,679.54

TOWNSHIP OF HARRISON
SEWER UTILITY OPERATING FUND
 Statement of 2023 Appropriation Reserves
 For The Year Ended December 31, 2024

	<u>Balance December 31, 2023</u>			<u>Lapsed to</u>
	<u>Appropriation</u>	<u>Reserve for</u>	<u>Paid or</u>	<u>Fund</u>
	<u>Reserves</u>	<u>Encumbrances</u>	<u>Charged</u>	<u>Balance</u>
Operating:				
Salaries and Wages	\$ 60,831.53			\$ 60,831.53
Other Expenses	144,695.74	\$ 3,920.00	\$ 54,182.67	94,433.07
Statutory Expenditures:				
Social Security System (O.A.S.I)	3,432.72			3,432.72
Unemployment Compensation Insurance	200.00			200.00
	\$ 209,159.99	3,920.00	\$ 54,182.67	\$ 158,897.32
Cash Disbursements			\$ 67,882.67	
Cash Reimbursements			(13,700.00)	
			\$ 54,182.67	

TOWNSHIP OF HARRISON
SEWER UTILITY OPERATING FUND
 Statement of Accrued Interest on Bonds and Notes and Analysis of Balance
 For The Year Ended December 31, 2024

Balance December 31, 2023		\$ 95,228.00
Increased by:		
Budget Appropriation for:		
Interest on Bonds	\$ 285,582.77	
Interest on Notes	140,154.05	
Interest on Bonds		425,736.82
		520,964.82
Decreased by:		
Cash Disbursements		434,646.82
Balance December 31, 2024		\$ 86,318.00

Analysis of Accrued Interest - December 31, 2024

<u>Issue</u>	<u>Principal Outstanding Dec. 31, 2024</u>	<u>Interest Rate</u>	<u>From</u>	<u>To</u>	<u>Period</u>	<u>Amount</u>
Sewer Serial Bonds 2014	\$ 105,000.00	Various	08/01/24	12/31/24	153 Days	\$ 1,756.00
Sewer Serial Bonds 2017	2,855,000.00	Various	12/01/24	12/31/24	31 Days	7,278.00
Sewer Serial Bonds 2019	1,555,000.00	Various	11/15/24	12/31/24	47 Days	4,932.00
Sewer Serial Bonds 2020	3,385,000.00	Various	08/01/24	12/31/24	153 Days	51,607.00
Sewer Serial Bonds 2021	990,000.00	Various	08/01/24	12/31/24	153 Days	9,782.00
Sewer Bond Anticipation Notes	2,858,000.00	4.00%	11/27/24	12/31/24	35 Days	10,963.00
						\$ 86,318.00

TOWNSHIP OF HARRISON
SEWER UTILITY OPERATING FUND
 Statement of Utility Overpayments
 For The Year Ended December 31, 2024

Balance December 31, 2023		\$	9,655.85
Decreased by:			
Overpayments Refunded by Treasurer	\$		207.20
Overpayments Applied to Consumer Accounts Receivable			<u>4,812.47</u>
			<u>5,019.67</u>
Balance December 31, 2024		\$	<u><u>4,636.18</u></u>

TOWNSHIP OF HARRISON
SEWER UTILITY OPERATING FUND
 Statement of Sewer Prepaid Rents
 For The Year Ended December 31, 2024

Balance December 31, 2023		\$	46,893.32
Increased by:			
Receipts			<u>48,045.75</u>
			94,939.07
Decreased by:			
Transferred to Consumer Accounts Receivable			<u>46,893.32</u>
Balance December 31, 2024		\$	<u><u>48,045.75</u></u>

TOWNSHIP OF HARRISON
SEWER UTILITY OPERATING FUND
 Statement of Sewer Utility Liens Receivable
 For The Year Ended December 31, 2024

Balance December 31, 2023		\$ 2,045.10
Increased by:		
Transferred from Sewer Rents Receivable	\$ 778.66	
Interest & Costs Accrued to Tax sale	450.00	
		1,228.66
		3,273.76
Decreased by:		
Collections		3,273.76
Balance December 31, 2024		\$ -

SUPPLEMENTAL EXHIBITS
SEWER UTILITY CAPITAL FUND

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TOWNSHIP OF HARRISON
SEWER UTILITY CAPITAL FUND
 Statement of Sewer Capital Cash per N.J.S. 40A:5-5 -- Treasurer
 For the Year Ended December 31, 2024

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Balance December 31, 2023	\$ 3,171,009.11
Increased by Receipts:	
Capital Improvement Fund	\$ 2,500.00
Reserve for Payment of Debt - Premium on Bond Anticipation Notes	13,689.82
Due Sewer Utility Operating Fund - Interest Earned on Deposits	104,987.76
	121,177.58
	3,292,186.69
Decreased by Disbursements:	
Improvement Authorizations	127,701.26
Reserve for Payment of Debt	
Anticipated as Revenue in the Sewer Operating Fund	45,800.00
Due Sewer Utility Operating Fund - Interest Earned on Deposits	95,265.16
Due Sewer Utility Operating Fund	684.92
Excess Note Cash Refunded	45,814.70
	315,266.04
Balance December 31, 2024	\$ 2,976,920.65

TOWNSHIP OF HARRISON
SEWER UTILITY CAPITAL FUND
 Analysis of Sewer Utility Capital Cash and Investments
 For the Year Ended December 31, 2024

	Balance/ (Deficit) Dec. 31, 2023	Receipts		Disbursements		Transfers		Balance/ (Deficit) Dec. 31, 2024
		Miscellaneous		Improvement Authorizations	Miscellaneous	From	To	
Capital Improvement Fund	\$ 77,016.00	\$ 2,500.00						\$ 79,516.00
Due Sewer Utility Operating Fund	684.92	104,987.76			\$ 95,950.08			9,722.60
Reserve for Developer Contribution	118,143.00					\$ 118,143.00		-
Reserve for Preliminary Expenditures	1,113.25					1,113.25		-
Reserve for Payment of Debt	45,883.60	13,689.82			45,800.00			13,773.42
Reserve for Encumbrances							10,500.00	10,500.00
Excess Note Cash	45,814.70				45,814.70			-
Fund Balance	604.90				-		119,256.25	119,861.15
Improvement Authorizations:								
Ordinance								
<u>Number</u>								
2019-14	Completion of Various Capital Improvements and the Acquisition of Capital Equipment for the Sewer Utility	183,713.59		126,201.26		10,500.00		47,012.33
2020-14	Completion of Various Capital Improvements and the Acquisition of Capital Equipment for the Sewer Utility	2,698,035.15		1,500.00				2,696,535.15
		<u>\$ 3,171,009.11</u>	<u>\$ 121,177.58</u>	<u>\$ 127,701.26</u>	<u>\$ 187,564.78</u>	<u>\$ 129,756.25</u>	<u>\$ 129,756.25</u>	<u>\$ 2,976,920.65</u>

TOWNSHIP OF HARRISON
SEWER UTILITY CAPITAL FUND
 Statement of Due to Sewer Utility Operating Fund
 For the Year Ended December 31, 2024

Balance December 31, 2023		\$ 684.92
Increased by:		
Interest Earned on Deposits		104,987.76
		105,672.68
Decreased by:		
Disbursed to Sewer Utility Operation Fund:		
Due Sewer Utility Operating Fund - Interest Earned on Deposits	\$ 95,265.16	
Interfund Loans Returned	684.92	
		95,950.08
Balance December 31, 2024		\$ 9,722.60

TOWNSHIP OF HARRISON
SEWER UTILITY CAPITAL FUND
 Statement of Capital Improvement Fund
 For the Year Ended December 31, 2024

Balance December 31, 2023		\$ 77,016.00
Increased by:		
2024 Budget Appropriation		2,500.00
Balance December 31, 2024		\$ 79,516.00

TOWNSHIP OF HARRISON
SEWER UTILITY CAPITAL FUND
 Schedule of Fixed Capital
 For the Year Ended December 31, 2024

<u>Account</u>	<u>Balance</u> <u>Dec. 31, 2023</u>	<u>Additions by</u> <u>Ordinance</u>	<u>Balance</u> <u>Dec. 31, 2024</u>
Plant & Sanitation Sewer System	\$ 8,899,450.08		\$ 8,899,450.08
Sewer Equipment	2,051,482.98		2,051,482.98
Sludge Press	1,990,890.61		1,990,890.61
Infiltration and Inflow Study	92,520.00		92,520.00
Sewer Improvements	4,253,604.97		4,253,604.97
Pump Stations	4,762,004.55		4,762,004.55
	<u>\$ 22,049,953.19</u>	<u>\$ -</u>	<u>\$ 22,049,953.19</u>

TOWNSHIP OF HARRISON
SEWER UTILITY CAPITAL FUND
 Schedule of Fixed Capital Authorized and Uncompleted
 For the Year Ended December 31, 2024

Ordinance Number	Improvement Description	Ordinance Date	Ordinance Amount	Balance Dec. 31, 2023	Costs to Fixed Capital	Authorization Canceled	Balance Dec. 31, 2024
2019-14	Completion of Various Capital Improvements and the Acquisition of Capital Equipment for the Sewer Utility	05/06/19	\$ 433,000.00	\$ 433,000.00			\$ 433,000.00
2020-14	Completion of Various Capital Improvements and the Acquisition of Capital Equipment for the Sewer Utility	06/01/20	2,858,000.00	2,858,000.00			2,858,000.00
			<u>\$ 3,291,000.00</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,291,000.00</u>
					Completed Authorization Costs to Fixed Capital	<u>\$ -</u>	

TOWNSHIP OF HARRISON
SEWER UTILITY CAPITAL FUND
 Statement of Improvement Authorizations
 For the Year Ended December 31, 2024

Ordinance Number	Improvement Description	Date	Ordinance		Balance December 31, 2023		Paid or Charged	Balance December 31, 2024	
			Amount		Funded	Unfunded		Funded	Unfunded
2019-14	Completion of Various Capital Improvements and the Acquisition of Capital Equipment for the Sewer Utility	05/06/19	\$ 433,000.00	\$ 183,713.59			\$ 136,701.26	\$ 47,012.33	
2020-14	Completion of Various Capital Improvements and the Acquisition of Capital Equipment for the Sewer Utility	06/01/20	2,858,000.00			\$ 2,698,035.15	1,500.00		\$ 2,696,535.15
					\$ 183,713.59	\$ 2,698,035.15	\$ 138,201.26	\$ 47,012.33	\$ 2,696,535.15
							\$ 127,701.26		
							10,500.00		
							<u>\$ 138,201.26</u>		

TOWNSHIP OF HARRISON
SEWER UTILITY CAPITAL FUND
Statement of Sewer Serial Bonds
For the Year Ended December 31, 2024

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Maturities of Bonds Outstanding Date</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Balance Dec. 31, 2023</u>	<u>Paid by Budget Appropriation</u>	<u>Balance Dec. 31, 2024</u>						
General Obligation Refunding Bonds, Series 2014	08/05/14	\$ 810,000.00	08/01/25	\$ 105,000.00	4.000%	\$ 205,000.00	\$ 100,000.00	\$ 105,000.00						
General Obligation Bonds, Series 2017	05/18/17	3,811,000.00	06/01/25	150,000.00	2.750%									
			06/01/26	155,000.00	2.750%									
			06/01/27	160,000.00	2.750%									
			06/01/28	165,000.00	3.000%									
			06/01/29	170,000.00	3.000%									
			06/01/30	175,000.00	3.000%									
			06/01/31	180,000.00	3.000%									
			06/01/32	185,000.00	3.000%									
			06/01/33	195,000.00	3.000%									
			06/01/34	200,000.00	3.000%									
			06/01/35	210,000.00	3.000%									
			06/01/36	215,000.00	3.125%									
			06/01/37	225,000.00	3.125%									
			06/01/38	230,000.00	3.125%									
	06/01/39	240,000.00	3.250%	3,000,000.00	145,000.00	2,855,000.00								
General Obligation Bonds, Series 2019	05/28/19	2,111,000.00	05/15/25	120,000.00	2.000%									
			05/15/26	125,000.00	2.000%									
			5/15/27-28	130,000.00	2.000%									
			05/15/29	135,000.00	2.250%									
			05/15/30	140,000.00	2.500%									
			05/15/31	145,000.00	2.500%									
			05/15/32	150,000.00	2.750%									
			05/15/33	155,000.00	2.750%									
			05/15/34	160,000.00	3.000%									
			05/15/35	165,000.00	3.000%				1,675,000.00	120,000.00	1,555,000.00			
			General Obligation Bonds, Series 2020	08/04/20	3,915,000.00				08/01/25	240,000.00	4.000%			
08/01/26	250,000.00	4.000%												
08/01/27	265,000.00	5.000%												
08/01/28	280,000.00	5.000%												
08/01/29	295,000.00	5.000%												
08/01/30	310,000.00	5.000%												
08/01/31	330,000.00	3.000%												
08/01/32	340,000.00	3.000%												
08/01/33	350,000.00	3.000%												
08/01/34	360,000.00	2.000%												
08/01/35	365,000.00	2.000%				3,610,000.00	225,000.00	3,385,000.00						
General Obligation Bonds, Series 2021	05/24/21	1,301,000.00				02/01/25-27	120,000.00	3.000%						
						02/01/28	120,000.00	2.000%						
			02/01/29-30	125,000.00	2.000%									
			02/01/31-32	130,000.00	2.000%	1,105,000.00	115,000.00	990,000.00						
						<u>\$ 9,595,000.00</u>	<u>\$ 705,000.00</u>	<u>\$ 8,890,000.00</u>						

TOWNSHIP OF HARRISON
SEWER UTILITY CAPITAL FUND
 Statement of Sewer Capital Bond Anticipation Notes
 For the Year Ended December 31, 2024

Ordinance Number	Improvement Description	Date of Original Issue	Amount of Original Issue	Date of Issue	Date of Maturity	Interest Rate	Balance Dec. 31, 2023	Increased	Decreased	Balance Dec. 31, 2024
2020-14	Completion of Various Capital Improvements and the Acquisition of Capital Equipment for the Sewer Utility	11/30/22	\$ 2,858,000.00	11/28/23 11/26/24	11/27/24 11/25/25	5.00% 4.00%	\$ 2,858,000.00		\$ 2,858,000.00	
							\$ 2,858,000.00	\$ 2,858,000.00	\$ 2,858,000.00	\$ 2,858,000.00
				Renewed				\$ 2,858,000.00	\$ 2,858,000.00	

TOWNSHIP OF HARRISON
SEWER UTILITY CAPITAL FUND
 Statement of Reserve for Amortization
 For the Year Ended December 31, 2024

Balance December 31, 2023	\$ 12,933,767.89
Increased by:	
Serial Bonds Paid by Sewer Utility Operating Fund	705,000.00
	13,638,767.89
Decreased by:	
Refund of Excess Note Cash	45,814.70
Balance December 31, 2024	\$ 13,592,953.19

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PART II
SCHEDULE OF FINANCIAL STATEMENT FINDINGS –
GOVERNMENT AUDITING STANDARDS
FOR THE YEAR ENDED DECEMBER 31, 2024

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TOWNSHIP OF HARRISON
Schedule of Financial Statement Findings
For the Year Ended December 31, 2024

Schedule of Financial Statement Findings

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

***Finding 2024-001**

Criteria or specific requirement:

The Township did not properly update the Sewer excess rate for commercial properties in accordance with Ordinance 04-2024.

Condition:

The Township billed three quarters of 2024 commercial property billings at the prior Ordinance 07-2022 for Sewer excess rate.

Cause:

Lack of oversight.

Effect or potential effect:

The Township's sewer revenue was directly affected.

Recommendation:

That the Township prepare excess sewer billings in accordance with the current rate structure established by the ordinance approved by the governing body.

View of responsible official:

The responsible official agrees with this finding and will address the matter as part of their corrective action plan.

TOWNSHIP OF HARRISON
Schedule of Findings & Questioned Costs
For the Year Ended December 31, 2024

Federal Awards & State Financial Assistance Findings & 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* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and New Jersey OMB's Circular 15-08.

FEDERAL AWARDS

N/A – Federal Single Audit not required.

STATE FINANCIAL ASSISTANCE

N/A – State Single Audit not required.

TOWNSHIP OF HARRISON
Summary Schedule of Prior Year Audit Findings
and Recommendations as Prepared by Management
For the Year Ended December 31, 2024

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

FINANCIAL STATEMENT FINDINGS

None.

FEDERAL AWARDS

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

STATE FINANCIAL ASSISTANCE

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

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PART III
LETTERS OF COMMENTS AND RECOMMENDATIONS –
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2024

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TOWNSHIP OF HARRISON
Officials in Office
For the Year Ended December 31, 2024

The following officials were in office at December 31, 2024:

<u>Name</u>	<u>Title</u>
Louis Manzo	Mayor
Michelle Powell	Deputy Mayor
Lawrence Moore	Councilmember
Jeffry Jacques	Councilmember
Kevin French	Councilmember
Dennis Chambers	Township Manager
Shawn Glynn	Chief Financial Officer
Julie Cundey	Acting Municipal Clerk
Patrick Hegarty	Tax Collector
Ronald Cundey	Chief of Police
John Eckler	Construction Code Official
Brian Duffield	Solicitor
Remington & Vernick	Engineer

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HOLT MCNALLY & ASSOCIATES

Certified Public Accountants & Advisors

Honorable Mayor and Members
of the Township Committee
Township of Harrison
Mullica Hill, New Jersey

In accordance with requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the following are the *General Comments* and *Recommendations* for the year ended December 31, 2024.

GENERAL COMMENTS:

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

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

The bid threshold in accordance with *N.J.S.A. 40A:11-4* was \$44,000 through year end of December 31, 2024.

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

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

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

Collection of Interest on Delinquent Taxes and Assessments

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

105 Atsion Road, Suite I, Medford, NJ 08055

P: 609.953.0612 • **F:** 609.257.0008

www.hmacpainc.com

The governing body on January 2, 2024 adopted the following resolution authorizing interest to be charged on delinquent taxes:

NOW THEREFORE, BE IT RESOLVED, that if said taxes are deemed to be delinquent for non-payment of taxes, the Tax Collector shall charge eight (8%) percent per annum on the first \$1,500.00 of the delinquency, and eighteen (18%) percent per annum on any amount in excess of \$1,500.00; and

BE IT FURTHER RESOLVED, by the Committee of the Township, that the Tax Collector shall allow that no interest will be charged on payments received and made by the tenth calendar day following the date upon which the same became payable; and

BE IT FURTHER RESOLVED, by the Committee of the Township, that the Tax Collector shall charge, in addition to the interest for delinquent taxes, as noted above, a penalty of six (6%) percent of the amount of the delinquency in taxes in excess of \$10,000.00 to a taxpayer who fails to pay the delinquency prior to the end of the calendar year.

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

OTHER COMMENTS (FINDINGS):

Finding 2024-01 (*Finding 2024-001 in the Schedule of Financial Statements Findings Section*)

The Township did not properly update the Sewer excess rate for commercial properties in accordance with Ordinance 04-2024 with the accounting software.

RECOMMENDATIONS:

Finding 2024-01

That the Township prepare excess sewer billings in accordance with the current rate structure established by the ordinance approved by the governing body.

Appreciation

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

Respectfully submitted,

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

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

Medford, New Jersey
July 24, 2025