

TOWNSHIP OF MORRIS

COUNTY OF MORRIS

REPORT OF AUDIT

2023

*NISIVOCIA LLP
CERTIFIED PUBLIC ACCOUNTANTS*

TOWNSHIP OF MORRIS
COUNTY OF MORRIS
REPORT OF AUDIT
2023

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TOWNSHIP OF MORRIS

PART I

FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

YEAR ENDED DECEMBER 31, 2023

Independent Auditors' Report

The Honorable Mayor and Members
of the Township Committee
Township of Morris
Morris, New Jersey

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements – *regulatory basis* - of the various funds and account group of the Township of Morris, in the County of Morris (the "Township") as of and for the years ended December 31, 2023 and 2022, and the related notes to the financial statements, as listed in the table of contents.

Unmodified Opinions on Regulatory Basis of Accounting

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of each fund and account group of the Township as of December 31, 2023 and 2022, and the results of operations and changes in fund balance, where applicable, of such funds and account group, thereof for the years then ended in accordance with the accounting practices prescribed or permitted, as described in Note 1, by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division").

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles section of our report, the accompanying financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of each fund and account group of the Township as of December 31, 2023 and 2022, or the changes in financial position or where applicable, cash flows thereof 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 (GAAS), audit requirements prescribed by the Division and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Township, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

The Honorable Mayor and Members
of the Township Committee
Township of Morris
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Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 1 of the financial statements, the financial statements are prepared by the Township on the basis of the financial reporting provisions prescribed or permitted by the Division, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of the Division's regulatory basis of accounting and the budget laws of New Jersey.

The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting provisions of the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division") to demonstrate compliance with the Division's regulatory basis of accounting, and the budget laws 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.

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, *Government Auditing Standards* and audit requirements prescribed by the Division, we:

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

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements of the various funds and account group that collectively comprise the Township's financial statements. The supplementary data schedules listed in the table of contents and the schedules of expenditures of federal and state awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance") and New Jersey's OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the various fund and account group financial statements. The information has been subjected to the auditing procedures applied in the audit of the various fund financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the various fund and account group financial statements or to the various fund and account group financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary data schedules and the schedules of expenditures of federal and state awards are fairly stated, in all material respects, in relation to the various fund and account group financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 6, 2024 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 the Township's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Township's internal control over financial reporting and compliance.

Mount Arlington, New Jersey
June 6, 2024

Nisivoccia LLP
NISIVOCCIA LLP

Valerie A. Dolan

Valerie A. Dolan
Registered Municipal Accountant No. 548
Certified Public Accountant

TOWNSHIP OF MORRIS
COUNTY OF MORRIS
2023
CURRENT FUND

TOWNSHIP OF MORRIS
CURRENT FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

	Ref.	December 31,	
		2023	2022
<u>ASSETS</u>			
Regular Fund:			
Cash and Cash Equivalents		\$ 20,829,452.64	\$ 9,630,370.57
Investments			12,000,000.00
	A-4	20,829,452.64	21,630,370.57
Change Fund		700.00	700.00
		<u>20,830,152.64</u>	<u>21,631,070.57</u>
Receivables and Other Assets with Full Reserves:			
Delinquent Property Taxes Receivable	A-7	639,350.55	627,007.38
Tax Title Liens Receivable	A-8	107,843.13	94,678.15
Property Acquired for Taxes at Assessed Valuation		36,475.00	36,475.00
Revenue Accounts Receivable	A-9	16,325.62	22,695.49
Other Accounts Receivable		15,561.00	15,650.00
Due Assessment Trust Fund	B	136.73	0.94
Due Other Trust Funds	B	16,260.75	77.61
Due General Capital Fund	C	3,641.12	
Due Swimming Pool Utility Operating Fund	F		8,104.40
		<u>835,593.90</u>	<u>804,688.97</u>
Total Receivables and Other Assets with Full Reserves			
Total Regular Fund		<u>21,665,746.54</u>	<u>22,435,759.54</u>
Federal and State Grant Fund:			
Due Current Fund	A	311,712.42	2,012,932.67
Due Other Trust Funds	B		8,762.44
Grants Receivable	A-10	524,249.57	197,078.69
		<u>835,961.99</u>	<u>2,218,773.80</u>
Total Federal and State Grant Fund			
TOTAL ASSETS		<u>\$ 22,501,708.53</u>	<u>\$ 24,654,533.34</u>

TOWNSHIP OF MORRIS
CURRENT FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS
(Continued)

	Ref.	December 31,	
		2023	2022
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Regular Fund:			
Appropriation Reserves:			
Encumbered	A-3;A-11	\$ 1,350,115.42	\$ 1,289,706.79
Unencumbered	A-3;A-11	1,228,996.23	1,324,162.06
		<u>2,579,111.65</u>	<u>2,613,868.85</u>
Other Encumbrances		1,945,138.14	1,785,664.99
Third Party Tax Title Lien Payable		32,074.53	
Due State of New Jersey:			
Senior Citizens' and Veterans' Deductions		7,063.34	5,746.90
County Added and Omitted Taxes Payable		0.01	0.01
County PILOT Taxes Payable		70,791.00	56,431.10
Regional School District Taxes Payable	A-12	1.00	
Prepaid Taxes		690,096.86	983,863.15
Tax Overpayments		1,947.11	
Special Deposits		56,600.00	56,600.00
Due Federal and State Grant Fund	A	311,712.42	2,012,932.67
Due Other Trust Funds:			
Local Open Space Taxes	B	1,112.37	
Premium on Tax Sale Certificates	B	918,700.00	1,337,200.00
Due Swimming Pool Utility Operating Fund	F	19,140.38	
Reserve for Municipal Relief Fund Aid		342,116.00	171,094.46
Reserve for Pending Tax Appeals		1,229,366.84	1,241,604.59
		<u>8,204,971.65</u>	<u>10,265,006.72</u>
Reserve for Receivables and Other Assets	A	835,593.90	804,688.97
Fund Balance	A-1	12,625,180.99	11,366,063.85
		<u>21,665,746.54</u>	<u>22,435,759.54</u>
Total Regular Fund			
Federal and State Grant Fund:			
Appropriated Reserves:			
Unencumbered	A-13	647,749.33	938,580.18
Encumbered		163,361.97	1,033,154.27
Unappropriated Reserves	A-14	24,850.69	247,039.35
		<u>835,961.99</u>	<u>2,218,773.80</u>
Total Federal and State Grant Fund			
TOTAL LIABILITIES, RESERVES AND FUND BALANCE		<u><u>\$ 22,501,708.53</u></u>	<u><u>\$ 24,654,533.34</u></u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF MORRIS
CURRENT FUND
COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE IN
FUND BALANCE - REGULATORY BASIS

	Ref.	Year Ended December 31,	
		2023	2022
<u>Revenue and Other Income Realized</u>			
Fund Balance Utilized		\$ 6,000,000.00	\$ 5,800,000.00
Miscellaneous Revenue Anticipated		10,274,629.00	9,376,401.90
Receipts from:			
Delinquent Taxes		629,877.92	568,950.31
Current Taxes		108,317,144.01	105,142,400.10
Nonbudget Revenue		659,733.25	838,214.11
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves		1,209,918.50	1,480,013.52
Cancellations:			
Other Encumbrances			8,689.76
Federal and State Grant Fund Appropriated Reserves		65,250.00	217.85
Federal and State Grant Fund Unappropriated Reserves			4,000.00
Interfunds and Other Receivables Returned		8,193.40	0.56
		<u>127,164,746.08</u>	<u>123,218,888.11</u>
Total Income			
<u>Expenditures</u>			
Budget Appropriations:			
Municipal Purposes		37,444,251.13	37,084,952.00
County Taxes		15,404,974.97	15,070,429.34
Regional School District Taxes		66,366,911.00	64,513,478.00
Local Open Space Taxes		597,781.79	543,412.22
Federal and State Grant Fund Receivables Canceled		69,250.00	8,818.10
Prior Year Senior Citizens' and Veterans' Deductions Disallowed		2,500.00	3,823.29
Refund of Prior Year Revenue - Other			2,781.83
Interfunds and Other Receivables Advanced		19,960.05	8,105.05
		<u>119,905,628.94</u>	<u>117,235,799.83</u>
Total Expenditures			
Excess in Revenue/Statutory Excess to Fund Balance		7,259,117.14	5,983,088.28
<u>Fund Balance</u>			
Balance January 1		<u>11,366,063.85</u>	<u>11,182,975.57</u>
		18,625,180.99	17,166,063.85
Decreased by - Utilized as Anticipated Revenue		<u>6,000,000.00</u>	<u>5,800,000.00</u>
Balance December 31	A	<u>\$ 12,625,180.99</u>	<u>\$ 11,366,063.85</u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF MORRIS
CURRENT FUND
STATEMENT OF REVENUE - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2023

	Budget	Added by NJSA 40A:4-87	Realized	Excess or Deficit *
Fund Balance Anticipated	\$ 6,000,000.00		\$ 6,000,000.00	
Miscellaneous Revenue:				
Licenses:				
Alcoholic Beverages	22,500.00		22,500.00	
Other	15,000.00		34,035.24	\$ 19,035.24
Fees and Permits - Other	700,000.00		798,896.74	98,896.74
Fines and Costs - Municipal Court	149,000.00		159,560.86	10,560.86
Interest and Costs on Taxes	180,000.00		194,340.13	14,340.13
Interest on Investments and Deposits	81,000.00		1,221,164.42	1,140,164.42
Fire UFS Fees	50,000.00		50,420.11	420.11
Energy Receipts Tax	3,302,613.00		3,302,613.12	0.12
Reserve for Municipal Relief Fund Aid	171,094.46		171,094.93	0.47
Uniform Construction Code Fees	975,000.00		1,794,398.00	819,398.00
Recycling Tonnage Grant	38,582.44		38,582.44	
Clean Communities Grant		\$ 61,486.07	61,486.07	
Alcohol Education, Rehabilitation and Enforcement Fund		6,749.32	6,749.32	
NJCA Local Recreation Improvement Grant	100,000.00	68,000.00	168,000.00	
Enhancing Local Public Health Infrastructure	126,550.00	126,981.00	253,531.00	
Sustainable Jersey Small Grants Program		2,000.00	2,000.00	
Lead Grant Assistance Program		13,200.00	13,200.00	
Stormwater Assistance Grant		25,000.00	25,000.00	
Municipal Alliance on Alcoholism and Drug Abuse	17,405.00		17,405.00	
Municipal Alliance on Alcoholism and Drug Abuse - Supplemental	4,000.00		4,000.00	
National Opioid Settlement	39,613.04		39,613.04	
Body Armor Replacement Fund	2,863.56		2,863.56	
Bulletproof Vest Partnership Program	1,155.07		1,155.07	
American Rescue Plan - Firefighter Grant	27,000.00		27,000.00	
Parking Lot Utility Operating Surplus of Prior Year	50,000.00		50,000.00	
Sewer Utility Operating Surplus of Prior Year	250,000.00		250,000.00	
General Capital Fund - Fund Balance	50,000.00		50,000.00	
Reimbursement for Expenses:				
Police Outside Detail Trust Fund	100,000.00		100,000.00	
Recreation Trust Fund	75,000.00		75,000.00	
Payments in Lieu of Taxes	1,050,000.00		1,340,019.95	290,019.95
	<u>7,578,376.57</u>	<u>303,416.39</u>	<u>10,274,629.00</u>	<u>2,392,836.04</u>
Receipt from Delinquent Taxes	550,000.00		629,877.92	79,877.92
Amount to be Raised by Taxes for Support of Municipal Budget				
Local Tax for Municipal Purposes	24,391,534.64		27,130,624.25	2,739,089.61
Minimum Library Tax	2,016,852.00		2,016,852.00	
Total Amount to be Raised by Taxes for Support of Municipal Budget	<u>26,408,386.64</u>		<u>29,147,476.25</u>	<u>2,739,089.61</u>
Budget Totals	40,536,763.21	303,416.39	46,051,983.17	<u>\$ 5,211,803.57</u>
Nonbudget Revenue			659,733.25	
	<u>\$ 40,536,763.21</u>	<u>\$ 303,416.39</u>	<u>\$ 46,711,716.42</u>	

TOWNSHIP OF MORRIS
CURRENT FUND
STATEMENT OF REVENUE - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2023
(Continued)

Allocation of Current Tax Collections:

Revenue from Collection of Current Taxes	\$ 108,317,144.01
Allocated to County, Regional School District and Local Open Space Taxes	82,369,667.76
	25,947,476.25
Balance for Support of Municipal Budget	25,947,476.25
Add: Appropriation "Reserve for Uncollected Taxes"	3,200,000.00
	3,200,000.00
Realized for Support of Municipal Budget	\$ 29,147,476.25

Receipts from Delinquent Taxes:

Delinquent Tax Collections	\$ 629,506.63
Tax Title Lien Collections	371.29
	371.29
Realized for Support of Municipal Budget	\$ 629,877.92

Analysis of Interest on Investments and Deposits:

Collected/Received by Treasurer	\$ 1,220,726.88
Due from Assessment Trust Fund	135.79
Due from Other Trust Funds	301.75
	301.75
	\$ 1,221,164.42

Analysis of Nonbudget Revenue:

Miscellaneous Revenue Not Anticipated:	
Treasurer:	
Cable TV Franchise Fees	\$ 329,071.23
Federal Emergency Management Agency Reimbursements:	
Tropical Storm Isaias	1,530.34
Severe Winter Storm and Snow Storm Orlena	43.73
Cell Tower Rents	66,106.99
Sale of Property/Auction	59,934.00
Urban Renewal Minimum Payment	49,166.00
Insurance Claims/Settlements	37,878.89
Reimbursements	457.73
Construction Code:	
Continued Certificate of Occupancy Inspections	52,895.00
Penalties	16,450.00
Variations	900.00
Health Department	18,336.26
Payments in Lieu of Taxes	15,009.00
State of New Jersey:	
Senior Citizens' and Veterans' Deductions Administrative Reimbursement	1,940.00
Chargepoint Fees	2,338.72
Returned Check Fees	200.00
Fire Department	37.00
Other Miscellaneous Revenue	1,077.77
	653,372.66
Tax Collector:	
Miscellaneous Revenue Not Anticipated	6,360.59
	\$ 659,733.25

TOWNSHIP OF MORRIS
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2023

	Appropriation		Expended By		Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Reserved	
GENERAL GOVERNMENT:					
General Administration:					
Salaries and Wages	\$ 383,442.19	\$ 372,892.19	\$ 371,039.04	\$ 1,853.15	
Other Expenses	119,200.00	119,200.00	118,968.96	231.04	
Mayor and Council:					
Salaries and Wages	36,284.55	36,284.55	36,284.55	121.00	
Other Expenses	500.00	500.00	379.00		
Municipal Clerk:					
Salaries and Wages	140,394.19	142,394.19	139,811.32	2,582.87	
Other Expenses	46,100.00	49,600.00	48,582.72	1,017.28	
Financial Administration:					
Salaries and Wages	201,706.47	201,706.47	201,571.36	135.11	
Other Expenses	77,000.00	77,000.00	72,537.23	4,462.77	
Annual Audit	32,645.00	32,645.00	32,645.00		
Computer Information Technology:					
Salaries and Wages	47,926.30	53,476.30	53,416.81	59.49	
Other Expenses	308,600.00	303,600.00	249,594.23	54,005.77	
Revenue Administration (Tax Collection):					
Salaries and Wages	99,212.65	99,212.65	94,959.78	4,252.87	
Other Expenses	17,700.00	16,700.00	14,644.37	2,055.63	
Tax Assessment Administration:					
Salaries and Wages	162,678.80	162,678.80	161,678.88	999.92	
Other Expenses	21,900.00	21,900.00	21,006.40	893.60	
Legal Services and Costs:					
Other Expenses	375,000.00	375,000.00	323,800.13	51,199.87	
Engineering Services and Costs:					
Salaries and Wages	487,808.06	487,808.06	470,216.42	17,591.64	
Other Expenses	32,100.00	32,100.00	23,892.54	8,207.46	
Historic Preservation Commission:					
Salaries and Wages	5,409.27	5,409.27	4,204.58	1,204.69	
Other Expenses	500.00	500.00	240.64	259.36	

TOWNSHIP OF MORRIS
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2023
(Continued)

	Appropriation		Expended By		Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Reserved	
GENERAL GOVERNMENT (Cont'd):					
Municipal Land Use Law (NJSA 40:55D-1):					
Planning Board:					
Salaries and Wages	\$ 59,754.69	\$ 59,754.69	\$ 53,975.92	\$ 5,778.77	
Other Expenses	51,000.00	51,000.00	42,187.01	8,812.99	
Board of Adjustment:					
Salaries and Wages	32,617.56	32,617.56	32,617.56		
Other Expenses	11,750.00	11,750.00	9,007.23	2,742.77	
INSURANCE:					
General Liability	613,123.00	613,123.00	611,840.09	1,282.91	
Workers Compensation	552,411.00	552,411.00	542,411.00	10,000.00	
Group Insurance - Hospital and Medical	3,017,020.35	3,017,020.35	2,853,705.23	163,315.12	
Health Benefit Waiver	63,000.00	63,000.00	63,000.00		
PUBLIC SAFETY:					
County Communications Expense	326,023.66	326,023.66	326,023.66		
Traffic Lights Maintenance Expense	35,000.00	35,000.00	16,991.24	18,008.76	
Aid to Volunteer Ambulance Company	55,000.00	55,000.00	55,000.00		
Fire:					
Salaries and Wages	2,404,824.09	2,384,824.09	2,368,347.54	16,476.55	
Other Expenses	218,950.00	238,950.00	233,697.52	5,252.48	
Fire Hydrant Services					
Municipal Prosecutor:					
Other Expenses	16,500.00	16,500.00	15,000.00	1,500.00	
Police:					
Salaries and Wages	4,886,039.54	4,886,039.54	4,860,371.17	25,668.37	
Other Expenses	221,430.00	241,930.00	241,314.82	615.18	
Purchase of Police Vehicle	150,000.00	150,000.00	147,929.91	2,070.09	
Emergency Management Services:					
Other Expenses	13,850.00	13,850.00	13,849.23	0.77	
Project Pride - Other Expenses					
Project Pride - Other Expenses	30,000.00	30,000.00	30,000.00		
PUBLIC WORKS:					
Road Repair and Maintenance:					
Salaries and Wages	2,577,373.94	2,419,373.94	2,313,413.29	105,960.65	
Other Expenses	448,600.00	491,600.00	420,974.25	70,625.75	

TOWNSHIP OF MORRIS
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2023
(Continued)

	Appropriation		Expended By		Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Reserved	
PUBLIC WORKS:					
Garbage and Trash Removal:					
Salaries and Wages	\$ 988,191.04	\$ 963,191.04	\$ 917,934.30	\$ 45,256.74	
Other Expenses	1,353,500.00	1,353,500.00	1,291,515.50	61,984.50	
Public Buildings and Grounds:					
Salaries and Wages	93,581.94	85,581.94	85,208.66	373.28	
Other Expenses	55,200.00	63,200.00	57,046.10	6,153.90	
Vehicle Maintenance:					
Salaries and Wages	733,234.94	733,234.94	689,791.36	43,443.58	
Other Expenses	383,300.00	498,300.00	453,795.94	44,504.06	
Community Services Act-Condo Costs:					
Other Expenses	85,000.00	85,000.00	28,141.74	56,858.26	
HEALTH AND HUMAN SERVICES:					
Board of Health:					
Salaries and Wages	285,799.00	270,799.00	268,220.38	2,578.62	
Other Expenses	98,075.00	113,075.00	106,374.31	6,700.69	
Environmental Commission:					
Salaries and Wages	5,409.27	5,409.27	3,659.22	1,750.05	
Other Expenses	6,450.00	6,450.00	3,812.96	2,637.04	
Animal Control:					
Other Expenses	24,500.00	24,500.00	24,500.00		
Cooperative Transportation:					
Other Expenses	9,000.00	9,000.00	7,689.36	1,310.64	
COURT AND PUBLIC DEFENDER:					
Joint Municipal Court:					
Other Expenses	278,000.00	275,000.00	272,221.67	2,778.33	
RECREATION AND EDUCATION:					
Recreation Services and Programs:					
Salaries and Wages	315,062.10	335,062.10	334,056.47	1,005.63	
Other Expenses	139,405.00	134,405.00	128,441.33	5,963.67	
	3,259.00	3,259.00	3,259.00		
Handicapped Person's Recreation Opportunity Act - Township of Morris Share					
Maintenance of Parks:					
Salaries and Wages	377,903.97	372,903.97	350,011.77	22,892.20	
Other Expenses	174,560.00	174,560.00	159,077.14	15,482.86	

TOWNSHIP OF MORRIS
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2023
(Continued)

	Appropriation		Budget After Modification	Expended By		Unexpended Balance Canceled
	Budget			Paid or Charged	Reserved	
UTILITIES:	\$	170,000.00	\$ 155,000.00	\$ 141,065.86	\$ 13,934.14	
Electricity		160,000.00	155,000.00	144,183.73	10,816.27	
Street Lighting		124,000.00	122,000.00	83,213.91	38,786.09	
Telephone		15,700.00	17,700.00	17,412.76	287.24	
Water		92,000.00	92,000.00	81,724.37	10,275.63	
Natural Gas		475,000.00	453,000.00	383,070.91	69,929.09	
Gasoline, Diesel Fuel						
UNCLASSIFIED:						
Accumulated Leave Compensation - Salaries and Wages		85,000.00	85,000.00	51,499.45	33,500.55	
UNIFORM CONSTRUCTION CODE:						
Construction Official:						
Salaries and Wages		807,658.68	867,658.68	864,416.33	3,242.35	
Other Expenses		78,650.00	63,650.00	60,433.36	3,216.64	
Total Operations Within "CAPS"		25,797,815.25	25,797,815.25	24,702,908.52	1,094,906.73	
Detail:						
Salaries and Wages		15,280,313.24	15,126,313.24	14,789,706.16	336,607.08	
Other Expenses		10,517,502.01	10,671,502.01	9,913,202.36	758,299.65	
Deferred Charges & Statutory Expenditures - Municipal Within "CAPS":						
Deferred Charges:						
Anticipated Deficit Swimming Pool Utility Operating Fund		614,731.28	614,731.28	418,802.81		\$ 195,928.47
Statutory Expenditures:						
Contribution to:						
Public Employees' Retirement System		1,151,250.87	1,151,250.87	1,151,250.87		
Social Security System (O.A.S.I.)		1,190,000.00	1,190,000.00	1,097,204.38	92,795.62	
Police and Firemen's Retirement System of NJ		2,237,203.00	2,237,203.00	2,237,203.00		
Defined Contribution Retirement Program (DCRP)		4,000.00	4,000.00		4,000.00	
Total Deferred Charges and Statutory Expenditures - Municipal Within "CAPS"		5,197,185.15	5,197,185.15	4,904,461.06	96,795.62	195,928.47
Total General Appropriations for Municipal Purposes Within "CAPS"		30,995,000.40	30,995,000.40	29,607,369.58	1,191,702.35	195,928.47

TOWNSHIP OF MORRIS
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2023
(Continued)

	Appropriation		Expended By		Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Reserved	
Operations Excluded from "CAPS":					
Maintenance of Free Public Library - Proportionate Share (R.S. 40:54-29.17)	\$ 2,016,852.00	\$ 2,016,852.00	\$ 2,016,852.00		
Recycling Tax (PL 2007, c.311)	26,000.00	26,000.00	25,019.19	\$ 980.81	
Public and Private Programs Offset by Revenue:					
Recycling Tonnage Grant	38,582.44	38,582.44	38,582.44		
Clean Communities Program (NJSA 40A:4-87 +\$61,486.07)	61,486.07	61,486.07	61,486.07		
Municipal Alliance on Alcoholism and Drug Abuse	17,405.00	17,405.00	17,405.00		
Municipal Alliance on Alcoholism and Drug Abuse - Supplemental	4,000.00	4,000.00	4,000.00		
Bulletproof Vest Partnership Program	1,155.07	1,155.07	1,155.07		
Body Armor Replacement Fund	2,863.56	2,863.56	2,863.56		
Alcohol Education, Rehabilitation and Enforcement Fund (NJSA 40A:4-87 +\$6,749.32)	6,749.32	6,749.32	6,749.32		
Sustainable Jersey Small Grants Program (NJSA 40A:4-87 +\$2,000.00)	2,000.00	2,000.00	2,000.00		
Lead Grant Assistance Program (NJSA 40A:4-87 +\$13,200.00)	13,200.00	13,200.00	13,200.00		
Stormwater Assistance Grant (NJSA 40A:4-87 +\$25,000.00)	25,000.00	25,000.00	25,000.00		
NJDCA Local Recreation Improvement Grant (NJSA 40A:4-87 +\$68,000.00)	168,000.00	168,000.00	168,000.00		
National Opioid Settlement	39,613.04	39,613.04	39,613.04		
Enhancing Local Public Health Infrastructure (NJSA 40A:4-87 +\$126,981.00)	126,550.00	253,531.00	253,531.00		
American Rescue Plan - Firefighter Grant	27,000.00	27,000.00	27,000.00		
Total Public and Private Programs Offset by Revenues	357,169.11	660,585.50	660,585.50		
Total Operations Excluded from "CAPS"	2,400,021.11	2,703,437.50	2,702,456.69	980.81	
Detail:					
Other Expenses	2,400,021.11	2,703,437.50	2,702,456.69	980.81	
Capital Improvements - Excluded from "CAPS":					
Capital Improvement Fund	512,261.70	512,261.70	512,261.70		
Improvements to Fire House	40,000.00	40,000.00	34,759.74	5,240.26	
Improvements to DPW	53,000.00	53,000.00	47,536.77	5,463.23	
Emerald Ash Tree Removal	25,000.00	25,000.00	24,975.00	25.00	
Police Department and Municipal Building Parking Lots	40,000.00	40,000.00	26,004.38	13,995.62	
Purchase of Parks Equipment and Vehicle	7,000.00	7,000.00	5,877.00	1,123.00	
Fire Department Call Boxes	35,000.00	35,000.00	31,989.04	3,010.96	
Street Tree Replacement	75,000.00	75,000.00	67,545.00	7,455.00	
Total Capital Improvements - Excluded from "CAPS"	787,261.70	787,261.70	750,948.63	36,313.07	

TOWNSHIP OF MORRIS
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2023
(Continued)

	Appropriation		Expended By		Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Reserved	
Municipal Debt Service - Excluded from "CAPS":					
Payment of Bond Principal	\$ 2,800,000.00	\$ 2,800,000.00	\$ 2,800,000.00		
Interest on Bonds	354,480.00	354,480.00	354,480.00		
Total Municipal Debt Service - Excluded from "CAPS"	3,154,480.00	3,154,480.00	3,154,480.00		
Total General Appropriations - Excluded from "CAPS"	6,341,762.81	6,645,179.20	6,607,885.32	\$ 37,293.88	
Subtotal General Appropriations	37,336,763.21	37,640,179.60	36,215,254.90	1,228,996.23	\$ 195,928.47
Reserve for Uncollected Taxes	3,200,000.00	3,200,000.00	3,200,000.00		
Total General Appropriations	\$ 40,536,763.21	\$ 40,840,179.60	\$ 39,415,254.90	\$ 1,228,996.23	\$ 195,928.47

Ref.

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TOWNSHIP OF MORRIS
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2023
(Continued)

	<u>Ref.</u>	<u>Budget After Modification</u>	<u>Analysis of Paid or Charged</u>
Adopted Budget		\$ 40,536,763.21	
Added by NJSA 40A:4-87		303,416.39	
		<u>\$ 40,840,179.60</u>	
Reserve for Uncollected Taxes			\$ 3,200,000.00
Reserve for Encumbrances	A		1,350,115.42
Due Federal and State Grant Fund			660,585.50
Due Swimming Pool Utility Operating Fund			19,140.38
Cash Disbursed			<u>35,026,550.16</u>
			40,256,391.46
Less: Appropriation Refunds Received			<u>841,136.56</u>
			<u>\$ 39,415,254.90</u>

TOWNSHIP OF MORRIS
COUNTY OF MORRIS
2023
TRUST FUNDS

TOWNSHIP OF MORRIS
TRUST FUNDS
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

		December 31,	
<u>ASSETS</u>	<u>Ref.</u>	<u>2023</u>	<u>2022</u>
Assessment Trust Fund:			
Cash and Cash Equivalents	B-4	\$ 5,067.45	\$ 0.94
Assessments Receivable	B-7	1,423.77	6,354.49
		6,491.22	6,355.43
Animal Control Fund:			
Cash and Cash Equivalents:			
Treasurer	B-4	12,442.03	14,800.98
Collector	B-4A	621.25	563.77
		13,063.28	15,364.75
Other Trust Funds:			
Cash and Cash Equivalents	B-4	7,875,778.04	7,460,010.50
Due Current Fund:			
Local Open Space Taxes	A	1,112.37	
Premium on Tax Sale Certificates	A	918,700.00	1,337,200.00
Due General Capital Fund	C	11,698.00	
		8,807,288.41	8,797,210.50
TOTAL ASSETS		\$ 8,826,842.91	\$ 8,818,930.68

TOWNSHIP OF MORRIS
TRUST FUNDS
COMPARATIVE BALANCE SHEET - REGULATORY BASIS
(Continued)

	Ref.	December 31,	
		2023	2022
<u>LIABILITIES AND RESERVES</u>			
Assessment Trust Fund:			
Due Current Fund	A	\$ 136.73	\$ 0.94
Due General Capital Fund	C	6,354.49	6,354.49
		<u>6,491.22</u>	<u>6,355.43</u>
Animal Control Fund:			
Due State of New Jersey		5.40	12.00
Reserve for Animal Control Expenditures	B-6	13,057.88	15,352.75
		<u>13,063.28</u>	<u>15,364.75</u>
Other Trust Funds:			
Due State of New Jersey:			
Department of Community Affairs State Training Fees		4,268.00	4,868.00
Due Current Fund	A	16,260.75	77.61
Due Federal and State Grant Fund	A		8,762.44
Special Deposits		180,489.99	166,489.99
Developers' Escrow Deposits		513,020.57	583,269.99
Clients' Escrow Deposits		716,903.30	703,207.31
Premium on Tax Sale Certificates		918,700.00	1,337,200.00
Reserve for:			
State Unemployment Insurance		337,700.00	336,564.47
Police Outside Detail		264,015.29	217,333.61
Recycling		14,484.33	6,403.42
Police Forfeited Assets		18,517.62	20,987.44
Municipal Court:			
Parking Offense Adjudication Act		14,800.51	14,398.51
Public Defender Fees		2,004.85	2,004.85
Municipal Drug Alliance		86,296.65	92,463.85
Municipal Open Space		2,513,522.33	2,137,470.50
Uniform Fire Safety Act		1,709.45	1,920.03
Recreation		115,959.83	111,974.21
Council on Affordable Housing (C.O.A.H.)		1,537,855.15	1,394,435.48
Accumulated Absences		212,603.26	212,603.26
Storm Recovery		1,335,778.60	1,442,302.28
Dedicated Fire Penalties		2,397.93	2,473.25
		<u>8,807,288.41</u>	<u>8,797,210.50</u>
TOTAL LIABILITIES AND RESERVES		<u><u>\$ 8,826,842.91</u></u>	<u><u>\$ 8,818,930.68</u></u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF MORRIS
ASSESSMENT TRUST FUND
STATEMENT OF FUND BALANCE - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2023

NOT APPLICABLE

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF MORRIS
ASSESSMENT TRUST FUND
STATEMENT OF REVENUE - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2023

NOT APPLICABLE

ASSESSMENT TRUST FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2023

NOT APPLICABLE

TOWNSHIP OF MORRIS
COUNTY OF MORRIS
2023
GENERAL CAPITAL FUND

TOWNSHIP OF MORRIS
GENERAL CAPITAL FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

	Ref.	December 31,	
		2023	2022
<u>ASSETS</u>			
Cash and Cash Equivalents	C-2	\$ 11,209,718.58	\$ 1,965,526.62
Grants Receivable:			
New Jersey Department of Transportation		726,344.00	830,450.00
Due Assessment Trust Fund	B	6,354.49	6,354.49
Deferred Charges to Future Taxation:			
Funded		10,079,000.00	12,879,000.00
Unfunded	C-4	11,232,352.56	7,141,380.56
TOTAL ASSETS		<u>\$ 33,253,769.63</u>	<u>\$ 22,822,711.67</u>
 <u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Serial Bonds Payable	C-8	\$ 10,079,000.00	\$ 12,879,000.00
Bond Anticipation Notes Payable	C-7	11,231,647.00	
Improvement Authorizations:			
Funded	C-5	4,822,528.83	5,492,056.80
Unfunded	C-5	6,451,606.74	4,211,182.35
Capital Improvement Fund	C-6	63,184.48	102,184.78
Due Current Fund	A	3,641.12	
Due Other Trust Funds	B	11,698.00	
Reserve for:			
Sidewalks		21,794.44	21,794.44
Curbing		2,970.00	2,970.00
Trees		6,800.00	18,890.00
Road Opening Repairs		1,000.00	1,000.00
Payment of Debt Service		12,150.00	
Fund Balance	C-1	545,749.02	93,633.30
TOTAL LIABILITIES, RESERVES AND FUND BALANCE		<u>\$ 33,253,769.63</u>	<u>\$ 22,822,711.67</u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF MORRIS
GENERAL CAPITAL FUND
STATEMENT OF FUND BALANCE - REGULATORY BASIS

	<u>Ref.</u>	
Balance December 31, 2022	C	\$ 93,633.30
Increased by:		
Premium on Sale of Notes	\$ 111,909.51	
Refund Received for Fully Funded Completed Ordinance	15,104.00	
Improvement Authorizations Canceled	407,102.21	
	534,115.72	627,749.02
Decreased by:		
Anticipated in Current Fund Budget	50,000.00	
Appropriated to Finance Improvement Authorizations	32,000.00	
	82,000.00	
Balance December 31, 2023	C	\$ 545,749.02

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF MORRIS
COUNTY OF MORRIS
2023
WATER UTILITY FUND

NOT APPLICABLE

TOWNSHIP OF MORRIS
COUNTY OF MORRIS
2023
SEWER UTILITY FUND

TOWNSHIP OF MORRIS
SEWER UTILITY FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

		December 31,	
	Ref.	2023	2022
<u>ASSETS</u>			
Operating Fund:			
Cash and Cash Equivalents:			
Treasurer	E-4	\$ 2,767,546.93	\$ 5,000,385.33
Due Sewer Utility Capital Fund	E	96,383.01	
Due Swimming Pool Utility Operating Fund	F		200,000.00
		2,863,929.94	5,200,385.33
Receivables with Full Reserves:			
Consumer Accounts Receivable	E-6	5,250,260.98	5,176,524.01
Total Receivables with Full Reserves		5,250,260.98	5,176,524.01
Deferred Charges:			
Emergency Authorizations	E-3	500,000.00	
Total Operating Fund		8,614,190.92	10,376,909.34
Capital Fund:			
Cash and Cash Equivalents		11,727,272.54	7,792,514.31
Investments			2,000,000.00
Fixed Capital	E-4	11,727,272.54	9,792,514.31
Fixed Capital Authorized and Uncompleted	E-7	92,605,127.92	91,805,127.92
	E-8	20,326,494.27	17,072,637.74
Total Capital Fund		124,658,894.73	118,670,279.97
TOTAL ASSETS		\$ 133,273,085.65	\$ 129,047,189.31

TOWNSHIP OF MORRIS
SEWER UTILITY FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS
(Continued)

	Ref.	December 31,	
		2023	2022
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Operating Fund:			
Appropriation Reserves:			
Unencumbered	E-3;E-9	\$ 178,348.21	\$ 151,487.51
Encumbered	E-3;E-9	300,731.75	215,080.52
		<u>479,079.96</u>	<u>366,568.03</u>
Accounts Payable - Vendors		158,948.29	133,944.70
Accrued Interest on Bonds		39,338.02	43,879.78
Accrued Interest on Loans		10,312.50	11,770.83
		<u>687,678.77</u>	<u>556,163.34</u>
Reserve for Receivables	E	5,250,260.98	5,176,524.01
Fund Balance	E-1	2,676,251.17	4,644,221.99
		<u>8,614,190.92</u>	<u>10,376,909.34</u>
Total Operating Fund			
Capital Fund:			
Serial Bonds Payable	E-15	4,822,000.00	5,372,000.00
NJ Infrastructure Bank Loans Payable	E-16	2,752,642.57	3,042,380.61
Improvement Authorizations - Funded	E-10	10,662,370.36	8,639,766.61
Capital Improvement Fund	E-11	351,736.49	660,736.49
Due Sewer Utility Operating Fund	E	96,383.01	
Reserve for Amortization	E-12	85,722,541.33	84,082,803.29
Deferred Reserve for Amortization	E-13	19,552,244.82	16,298,388.29
Fund Balance	E-1A	698,976.15	574,204.68
		<u>124,658,894.73</u>	<u>118,670,279.97</u>
Total Capital Fund			
		<u>124,658,894.73</u>	<u>118,670,279.97</u>
TOTAL LIABILITIES, RESERVES AND FUND BALANCE		<u><u>\$ 133,273,085.65</u></u>	<u><u>\$ 129,047,189.31</u></u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF MORRIS
SEWER UTILITY OPERATING FUND
COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE IN
FUND BALANCE - REGULATORY BASIS

	Ref.	Year Ended December 31,	
		2023	2022
<u>Revenue and Other Income Realized</u>			
Fund Balance Utilized		\$ 2,714,774.71	\$ 548,737.23
Sewer User Charges		5,984,218.58	6,362,494.76
Miscellaneous Revenue Anticipated		1,117,987.26	183,828.22
Industrial Pretreatment Program		65,000.00	12,500.00
Sewer User Charges - Borough of Morris Plains Contract		1,593,059.43	1,555,605.42
Township of Randolph - Annual Sewer User Charges		631,806.08	621,828.98
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves		121,132.45	264,641.37
		<u>12,227,978.51</u>	<u>9,549,635.98</u>
<u>Expenditures</u>			
Budget Appropriations:			
Operating		6,357,408.66	5,651,718.91
Capital Improvements		3,869,628.00	1,969,500.00
Debt Service		1,027,160.45	1,035,089.70
Deferred Charges and Statutory Expenditures		476,977.51	447,007.78
		<u>11,731,174.62</u>	<u>9,103,316.39</u>
Excess in Revenue		496,803.89	446,319.59
Adjustments Before Fund Balance:			
Expenditures Included Above Which Are by Statute			
Deferred Charges to Budget of Succeeding Year		500,000.00	
		<u>996,803.89</u>	446,319.59
<u>Fund Balance</u>			
Balance January 1		4,644,221.99	4,996,639.63
		<u>5,641,025.88</u>	<u>5,442,959.22</u>
Decreased by:			
Utilized as Anticipated Revenue:			
Sewer Utility Operating Budget		2,714,774.71	548,737.23
Current Fund Budget		250,000.00	250,000.00
		<u>2,964,774.71</u>	<u>798,737.23</u>
Balance December 31	E	<u>\$ 2,676,251.17</u>	<u>\$ 4,644,221.99</u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF MORRIS
SEWER UTILITY CAPITAL FUND
STATEMENT OF CAPITAL FUND BALANCE - REGULATORY BASIS

	<u>Ref.</u>	
Balance December 31, 2022	E	\$ 574,204.68
Increased by:		
Improvement Authorizations Canceled		624,771.47
		<u>1,198,976.15</u>
Decreased by:		
Appropriated to Finance Improvement Authorizations		500,000.00
		<u>500,000.00</u>
Balance December 31, 2023	E	<u><u>\$ 698,976.15</u></u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF MORRIS
SEWER UTILITY OPERATING FUND
STATEMENT OF REVENUE - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2023

	<u>Budget</u>	<u>Realized</u>	<u>Excess or Deficit*</u>
Fund Balance Anticipated	\$ 2,714,774.71	\$ 2,714,774.71	
Sewer User Charges	6,362,400.00	5,984,218.58	\$ 378,181.42 *
Miscellaneous Revenue	110,000.00	1,117,987.26	1,007,987.26
Industrial Pretreatment Program	50,000.00	65,000.00	15,000.00
Sewer User Charges:			
Borough of Morris Plains Contract	1,400,000.00	1,593,059.43	193,059.43
Township of Randolph:			
Annual Sewer User Charges	600,000.00	631,806.08	31,806.08
	<u>\$ 11,237,174.71</u>	<u>\$ 12,106,846.06</u>	<u>\$ 869,671.35</u>

Analysis of Miscellaneous Revenue

Collector:

Connection Fees and Permits	\$ 592,797.13	
Interest and Costs on Delinquent Sewer User Charges	<u>21,014.78</u>	
		\$ 613,811.91

Treasurer:

Interest on Investments and Deposits:		
Collected/Received by Treasurer	405,443.34	
Due from Sewer Utility Capital Fund	<u>96,383.01</u>	
		501,826.35
Sewer Inspection Fees	1,050.00	
Industrial Pretreatment Program Penalty	1,000.00	
Miscellaneous	<u>299.00</u>	
		<u>2,349.00</u>
		<u>\$ 1,117,987.26</u>

TOWNSHIP OF MORRIS
SEWER UTILITY OPERATING FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2023

	Appropriation		Expended By		Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Reserved	
Operating:					
Salaries and Wages	\$ 2,120,710.66	\$ 2,120,710.66	\$ 2,052,916.57	\$ 67,794.09	
Other Expenses (N.J.S.A 40A:4-46 +\$500,000.00)	3,736,698.00	4,236,698.00	4,131,049.22	105,648.78	
Capital Improvements:					
Capital Improvement Fund	3,869,628.00	3,869,628.00	3,869,628.00		
Debt Service:					
Payment of Bond Principal	550,000.00	550,000.00	550,000.00		
Interest on Bonds	165,172.50	165,172.50	160,630.74		\$ 4,541.76
NJ Environmental Infrastructure Trust Loans:					
Principal	289,738.04	289,738.04	289,738.04		
Interest	28,250.00	28,250.00	26,791.67		1,458.33
Statutory Expenditures:					
Contribution to:					
Public Employees' Retirement System	313,977.51	313,977.51	313,977.51		
Social Security System (O.A.S.I.)	163,000.00	163,000.00	158,094.66	4,905.34	
	<u>\$ 11,237,174.71</u>	<u>\$ 11,737,174.71</u>	<u>\$ 11,552,826.41</u>	<u>\$ 178,348.21</u>	<u>\$ 6,000.09</u>

Ref.

E

Adopted Budget	\$ 11,237,174.71
Emergency Appropriation (N.J.S.A 40A:4-46)	500,000.00
	<u>\$ 11,737,174.71</u>
Cash Disbursed	\$ 11,068,352.25
Accrued Interest on:	
Bonds	160,630.74
Loans	26,791.67
Encumbrances Payable	300,731.75
	11,556,506.41
Less: Appropriation Refunds	3,680.00
	<u>\$ 11,552,826.41</u>

TOWNSHIP OF MORRIS
COUNTY OF MORRIS
2023
SWIMMING POOL UTILITY FUND

TOWNSHIP OF MORRIS
SWIMMING POOL UTILITY FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

	Ref.	December 31,	
		2023	2022
<u>ASSETS</u>			
Operating Fund:			
Cash and Cash Equivalents - Treasurer	F-4	\$ 57,804.02	\$ 67,782.80
Due Current Fund	A	19,140.38	
Due Swimming Pool Utility Capital Fund	F	13,573.02	
		<u>90,517.42</u>	<u>67,782.80</u>
Deferred Charges - Special Emergency Authorization			217,995.85
Total Operating Fund		<u>90,517.42</u>	<u>285,778.65</u>
Capital Fund:			
Cash and Cash Equivalents	F-4	1,293,630.16	237,312.29
Fixed Capital	F-7	7,593,006.31	7,593,006.31
Fixed Capital Authorized and Uncompleted	F-8	1,861,776.74	1,267,774.84
Total Capital Fund		<u>10,748,413.21</u>	<u>9,098,093.44</u>
TOTAL ASSETS		<u><u>\$ 10,838,930.63</u></u>	<u><u>\$ 9,383,872.09</u></u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Operating Fund:			
Appropriation Reserves:			
Unencumbered	F-3;F-9	\$ 57,184.39	\$ 17,773.99
Encumbered	F-3;F-9	9,378.00	47,893.25
		<u>66,562.39</u>	<u>65,667.24</u>
Accrued Interest on Bonds		5,666.67	7,291.67
Accrued Interest on Notes		13,573.02	
Due Current Fund	A		8,104.40
Due Sewer Utility Operating Fund	E		200,000.00
		<u>85,802.08</u>	<u>281,063.31</u>
Fund Balance	F-1	4,715.34	4,715.34
Total Operating Fund		<u>90,517.42</u>	<u>285,778.65</u>
Capital Fund:			
Serial Bonds Payable	F-15	1,230,000.00	1,620,000.00
Bond Anticipation Notes Payable	F-14	1,094,353.00	
Improvement Authorizations:			
Funded	F-10	469,517.05	450,137.10
Unfunded	F-10	739,155.32	257,981.47
Capital Improvement Fund	F-11	40,419.68	40,419.68
Due Swimming Pool Utility Operating Fund	F	13,573.02	
Reserve for Amortization	F-12	6,919,706.31	6,529,706.31
Deferred Reserve for Amortization	F-13	210,376.74	181,624.84
Fund Balance	F-1A	31,312.09	18,224.04
Total Capital Fund		<u>10,748,413.21</u>	<u>9,098,093.44</u>
TOTAL LIABILITIES, RESERVES AND FUND BALANCE		<u><u>\$ 10,838,930.63</u></u>	<u><u>\$ 9,383,872.09</u></u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF MORRIS
SWIMMING POOL UTILITY OPERATING FUND
COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE IN
FUND BALANCE - REGULATORY BASIS

	Ref.	Year Ended December 31,	
		2023	2023
<u>Revenue and Other Income Realized</u>			
Swimming Pool Fees	\$	909,435.00	\$ 837,075.00
Miscellaneous Revenue Anticipated		82,814.90	49,531.93
American Rescue Plan:			
Coronavirus State and Local Fiscal Recovery Funds		217,042.58	218,000.00
Deficit (General Budget)		418,802.81	286,235.62
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves		17,053.57	132,179.79
 Total Income		<u>1,645,148.86</u>	<u>1,523,022.34</u>
<u>Expenditures</u>			
Budget Appropriations:			
Operating		907,576.70	830,889.82
Capital Improvements		29,750.00	9,750.00
Debt Service		423,375.00	410,858.34
Deferred Charges and Statutory Expenditures		284,447.16	271,524.18
 Total Expenditures		<u>1,645,148.86</u>	<u>1,523,022.34</u>
 Excess in Revenues/Statutory Excess to Fund Balance		-0-	-0-
<u>Fund Balance</u>			
Balance January 1		<u>4,715.34</u>	<u>4,715.34</u>
Balance December 31	F	<u>\$ 4,715.34</u>	<u>\$ 4,715.34</u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF MORRIS
SWIMMING POOL UTILITY CAPITAL FUND
STATEMENT OF CAPITAL FUND BALANCE - REGULATORY BASIS

	<u>Ref.</u>	
Balance December 31, 2022	F	\$ 18,224.04
Increased by:		
Premium on Sale of Notes		\$ 12,089.95
Improvement Authorizations Canceled		998.10
		<hr/>
		13,088.05
		<hr/>
Balance December 31, 2023	F	<u>\$ 31,312.09</u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF MORRIS
SWIMMING POOL UTILITY OPERATING FUND
STATEMENT OF REVENUE - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2023

	<u>Budget</u>	<u>Realized</u>	<u>Excess or Deficit*</u>
Swimming Pool Fees	\$ 775,000.00	\$ 909,435.00	\$ 134,435.00
Miscellaneous Revenue	40,000.00	82,814.90	42,814.90
American Rescue Plan:			
Coronavirus State and Local Fiscal Recovery Funds	217,042.58	217,042.58	
Deficit (General Budget)	<u>614,731.28</u>	<u>418,802.81</u>	<u>195,928.47</u> *
	<u>\$ 1,646,773.86</u>	<u>\$ 1,628,095.29</u>	<u>\$ 18,678.57</u> *

Analysis of Deficit (General Budget)

Collected/Received by Treasurer	\$ 399,662.43
Due from Current Fund	<u>19,140.38</u>
	<u>\$ 418,802.81</u>

Analysis of Swimming Pool Fees

Memberships	\$ 859,880.00
Guest Book	37,465.00
Babysitter	<u>12,900.00</u>
	910,245.00
Less: Refunds	<u>810.00</u>
	<u>\$ 909,435.00</u>

Analysis of Miscellaneous Revenue

Interest on Investments and Deposits:	
Collected/Received by Treasurer	\$ 25,361.90
Swim Team/Leases/Rentals	\$ 18,820.00
Swimming Lessons	5,530.00
Gate	14,860.00
Concession Stand/Vending Machine	10,798.00
Lost Cards	3,090.00
Visitor Pass	1,050.00
Reconciling Items Canceled	<u>3,320.00</u>
	57,468.00
	<u>82,829.90</u>
Less: Refunds	<u>15.00</u>
	<u>\$ 82,814.90</u>

TOWNSHIP OF MORRIS
SWIMMING POOL UTILITY OPERATING FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2023

	Appropriation		Expended By		Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Reserved	
Operating:					
Salaries and Wages	\$ 362,054.12	\$ 407,054.12	\$ 355,128.32	\$ 51,925.80	
Salaries and Wages - American Rescue Plan	217,042.58	217,042.58	217,042.58		
Other Expenses	335,480.00	283,480.00	282,644.03	835.97	
Capital Improvements:					
Capital Improvement Fund	29,750.00	29,750.00	29,750.00		
Debt Service:					
Payment of Bonds	390,000.00	390,000.00	390,000.00		
Interest on Bonds	35,000.00	35,000.00	33,375.00		\$ 1,625.00
Deferred Charges:					
Special Emergency Authorizations	217,995.85	217,995.85	217,995.85		
Statutory Expenditures:					
Contribution to:					
Public Employees' Retirement System	14,951.31	14,951.31	14,951.31		
Social Security System (O.A.S.I.)	44,500.00	51,500.00	47,077.38	4,422.62	
	<u>\$ 1,646,773.86</u>	<u>\$ 1,646,773.86</u>	<u>\$ 1,587,964.47</u>	<u>\$ 57,184.39</u>	<u>\$ 1,625.00</u>

Ref.

F

Cash Disbursed		\$ 1,327,215.62
Deferred Charges:		
Emergency Authorizations		217,995.85
Accrued Interest on Bonds		33,375.00
Encumbrances	F	9,378.00
		<u>\$ 1,587,964.47</u>

TOWNSHIP OF MORRIS
COUNTY OF MORRIS
2023
PARKING LOT UTILITY FUND

TOWNSHIP OF MORRIS
PARKING LOT UTILITY FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

	Ref.	December 31,	
		2023	2022
<u>ASSETS</u>			
Operating Fund:			
Cash and Cash Equivalents - Treasurer	G-4	\$ 466,359.59	\$ 429,535.77
Deferred Charges - Special Emergency Authorization			108,962.74
Total Operating Fund		<u>466,359.59</u>	<u>538,498.51</u>
Capital Fund:			
Cash and Cash Equivalents	G-4	237,774.65	237,774.65
Fixed Capital	G-7	1,612,810.77	1,612,810.77
Fixed Capital Authorized and Uncompleted	G-8	118,100.00	118,100.00
Total Capital Fund		<u>1,968,685.42</u>	<u>1,968,685.42</u>
TOTAL ASSETS		<u><u>\$ 2,435,045.01</u></u>	<u><u>\$ 2,507,183.93</u></u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Operating Fund:			
Appropriation Reserves:			
Unencumbered	G-3;G-9	\$ 18,162.01	\$ 32,877.27
Encumbered	G-3;G-9	5,127.00	4,184.27
		<u>23,289.01</u>	<u>37,061.54</u>
Accounts Payable - Vendors		916.00	916.00
Accrued Interest on Bonds		145.83	291.67
		<u>24,350.84</u>	<u>38,269.21</u>
Fund Balance	G-1	442,008.75	500,229.30
Total Operating Fund		<u>466,359.59</u>	<u>538,498.51</u>
Capital Fund:			
Serial Bonds Payable	G-15	35,000.00	70,000.00
Improvement Authorizations - Funded	G-10	60,106.00	60,106.00
Capital Improvement Fund	G-11	152,984.65	152,984.65
Reserve for Amortization	G-12	1,577,810.77	1,542,810.77
Deferred Reserve for Amortization	G-13	118,100.00	118,100.00
Fund Balance	G-1A	24,684.00	24,684.00
Total Capital Fund		<u>1,968,685.42</u>	<u>1,968,685.42</u>
TOTAL LIABILITIES, RESERVES AND FUND BALANCE		<u><u>\$ 2,435,045.01</u></u>	<u><u>\$ 2,507,183.93</u></u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF MORRIS
PARKING LOT UTILITY OPERATING FUND
COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE IN
FUND BALANCE - REGULATORY BASIS

	Ref.	Year Ended December 31,	
		2023	2022
<u>Revenue and Other Income Realized</u>			
Fund Balance Utilized	\$	203,724.42	\$ 140,661.81
Parking Lot Fees and Permits		342,675.45	244,363.45
American Rescue Plan:			
Coronavirus State and Local Fiscal Recovery Funds			85,000.00
Nonbudget Revenue		22,242.83	2,101.48
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves		30,439.75	44,070.88
		<u>599,082.45</u>	<u>516,197.62</u>
<u>Expenditures</u>			
Budget Appropriations:			
Operating		236,410.37	233,337.63
Debt Service		36,254.16	36,954.17
Deferred Charges and Statutory Expenditures		130,914.05	105,224.18
		<u>403,578.58</u>	<u>375,515.98</u>
Excess in Revenues/Statutory Excess to Fund Balance		195,503.87	140,681.64
<u>Fund Balance</u>			
Balance January 1		<u>500,229.30</u>	<u>550,209.47</u>
		695,733.17	690,891.11
Decreased by:			
Utilized as Anticipated Revenue:			
Parking Lot Utility Operating Budget		203,724.42	140,661.81
Current Fund Budget		50,000.00	50,000.00
		<u>442,008.75</u>	<u>500,229.30</u>
Balance December 31	G	<u>\$ 442,008.75</u>	<u>\$ 500,229.30</u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF MORRIS
PARKING LOT UTILITY CAPITAL FUND
STATEMENT OF CAPITAL FUND BALANCE - REGULATORY BASIS

	<u>Ref.</u>	
Balance December 31, 2022	G	<u>\$ 24,684.00</u>
Balance December 31, 2023	G	<u><u>\$ 24,684.00</u></u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF MORRIS
PARKING LOT ENTERPRISE OPERATING FUND
STATEMENT OF REVENUE - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2023

	<u>Budget</u>	<u>Realized</u>	<u>Excess</u>
Operating Surplus Anticipated	\$ 203,724.42	\$ 203,724.42	
Parking Lot Fees and Permits	200,000.00	342,675.45	\$ 142,675.45
	<hr/>	<hr/>	
Budget Totals	403,724.42	546,399.87	\$ 142,675.45
Nonbudget Revenue		22,242.83	
	<hr/>	<hr/>	
	<u>\$ 403,724.42</u>	<u>\$ 568,642.70</u>	

Analysis of Parking Lot Fees and Permits

Parking Permits	\$ 141,947.50	
Parking Meters	202,179.20	
	<hr/>	
		\$ 344,126.70
Less: Refunds		1,451.25
		<hr/>
		<u>\$ 342,675.45</u>

Analysis of Nonbudget Revenue

Interest on Investments and Deposits:		
Collected/Received by Treasurer	\$ 22,165.83	
Miscellaneous	77.00	
	<hr/>	
		<u>\$ 22,242.83</u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF MORRIS
PARKING LOT UTILITY OPERATING FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2023

	Appropriation		Expended By		Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Reserved	
Operating:					
Salaries and Wages	\$ 91,238.37	\$ 91,238.37	\$ 80,416.15	\$ 10,822.22	
Other Expenses	145,172.00	145,172.00	138,951.73	6,220.27	
Debt Service:					
Payment of Bonds	35,000.00	35,000.00	35,000.00		
Interest on Bonds	1,400.00	1,400.00	1,254.16		\$ 145.84
Deferred Charges:					
Special Emergency Authorizations	108,962.74	108,962.74	108,962.74		
Statutory Expenditures:					
Contribution to:					
Public Employees' Retirement System	14,951.31	14,951.31	14,951.31		
Social Security System (O.A.S.I.)	7,000.00	7,000.00	5,880.48	1,119.52	
	<u>\$ 403,724.42</u>	<u>\$ 403,724.42</u>	<u>\$ 385,416.57</u>	<u>\$ 18,162.01</u>	<u>\$ 145.84</u>

Ref.

G

Cash Disbursed		\$ 270,072.67
Deferred Charges:		
Emergency Authorizations		108,962.74
Accrued Interest on Bonds		1,254.16
Encumbrances	G	5,127.00
		<u>\$ 385,416.57</u>

TOWNSHIP OF MORRIS
COUNTY OF MORRIS
2023
PUBLIC ASSISTANCE FUND

TOWNSHIP OF MORRIS
PUBLIC ASSISTANCE FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

	Ref.	December 31,	
		<u>2023</u>	<u>2022</u>
<u>ASSETS</u>			
Cash and Cash Equivalents:			
Treasurer	H-1	\$ 55,815.79	\$ 55,815.79
TOTAL ASSETS		<u>\$ 55,815.79</u>	<u>\$ 55,815.79</u>
<u>RESERVES</u>			
Reserve for Public Assistance Expenditures		\$ 55,815.79	\$ 55,815.79
TOTAL RESERVES		<u>\$ 55,815.79</u>	<u>\$ 55,815.79</u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF MORRIS
COUNTY OF MORRIS
2023
GENERAL FIXED ASSETS ACCOUNT GROUP

TOWNSHIP OF MORRIS
GENERAL FIXED ASSETS ACCOUNT GROUP
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

	December 31,	
	2023	2022 (Restated)
<u>ASSETS</u>		
Land	\$ 17,025,241.00	\$ 17,025,241.00
Land Improvements	2,823,575.00	2,823,575.00
Buildings and Improvements	24,781,613.60	24,065,488.66
Equipment	30,582,757.17	29,050,053.86
TOTAL ASSETS	\$ 75,213,186.77	\$ 72,964,358.52
 <u>RESERVES</u>		
Investment in Fixed Assets	\$ 75,213,186.77	\$ 72,964,358.52
TOTAL RESERVES	\$ 75,213,186.77	\$ 72,964,358.52

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWNSHIP OF MORRIS
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2023

Note 1: Summary of Significant Accounting Policies

A. Reporting Entity

Except as noted below, the financial statements of the Township of Morris include every board, body, officer or commission supported and maintained wholly or in part by funds appropriated by the Township of Morris, as required by N.J.S. 40A:5-5. Accordingly, the financial statements of the Township of Morris do not include the operations of the joint Municipal Library, Volunteer Fire and First Aid Squads.

Governmental Accounting Standards Board ("GASB") Codification Section 2100, "Defining the Financial Reporting Entity" establishes standards to determine whether a governmental component unit should be included in the financial reporting entity. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. In addition, component units can be other organizations for which the nature and significance of their relationship with a primary government are such that exclusion would cause the reporting entity's financial statements to be misleading. The primary government is financially accountable if it appoints a voting majority of the organization's governing body and (1) it is able to impose its will on that organization or (2) there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government. A legally separate, tax-exempt organization should be reported as a component unit of a reporting entity if all of the following criteria are met: (1) The economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units, or its constituents. (2) The primary government, or its component units, is entitled to, or has the ability to otherwise access, a majority of the economic resources received or held by the separate organization. (3). The economic resources received or held by an individual organization that the specific primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to that primary government. As the financial reporting entity was established in accordance with New Jersey statutes, the requirements of GASB Codification Section 2100 were not followed and, accordingly, the reporting entity could be different from accounting principles generally accepted in the United States of America.

B. Description of Funds

The accounting policies of the Township of Morris conform to the accounting practices applicable to municipalities which have been prescribed or permitted by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division"). Such practices are designed primarily for determining compliance with legal provisions and budgetary restrictions and as a means of reporting on the stewardship of public officials with respect to public funds. Under this method of accounting, the Township of Morris accounts for its financial transactions through the following separate funds:

Current Fund - Resources and expenditures for governmental operations of a general nature, including federal and state grant funds.

Trust Fund - Receipt, custodianship and disbursement of funds in accordance with the purpose for which each reserve was created.

Assessment Trust Fund - Resources and expenditures for payment of Assessment Trust Fund debt.

TOWNSHIP OF MORRIS
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2023
(Continued)

Note 1: Summary of Significant Accounting Policies (Cont'd)

B. Description of Funds (Cont'd)

General Capital Fund - 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 - Account for the operations and acquisition of capital facilities of the municipally owned sewer utility.

Swimming Pool Utility Operating and Capital Funds - Account for the operations and acquisition of capital facilities of the municipally owned swimming pool utility.

Parking Lot Utility Operating and Capital Funds - Account for the operations and acquisition of capital facilities of the municipally owned parking lot utility.

Public Assistance Fund - Receipt and disbursement of funds that provide assistance to certain residents of the municipality pursuant to Title 44 of New Jersey Statutes. The operations of the State funded General Assistance were transferred to the County of Morris in a prior year.

General Fixed Assets Account Group (Unaudited) - Estimated values of land, buildings and certain fixed assets of the Township as discussed in Note 1E - "Other significant accounting policies".

C. Basis of Accounting

Basis of accounting refers to when revenue and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The following is a summary of the significant accounting policies.

Revenue is recorded when received in cash except for certain amounts which may be due from the State of New Jersey and for the prepayment of future years' revenue. Grant revenue is realized in the operating funds when it is budgeted and in the capital funds when improvements are authorized. The amounts recorded as property taxes and consumer accounts receivable have not been included in revenue. Amounts that are due to the municipality, which are susceptible of accrual, are recorded as receivables with offsetting reserves in the Current Fund.

Expenditures are charged to operations generally based on budgeted amounts. Exceptions to this general rule include:

1. Accumulated unpaid vacation, sick pay and other employee amounts are not accrued.
2. Prepaid expenses, such as insurance premiums applicable to subsequent periods, are charged to current budget appropriations in total.
3. Principal and interest on long-term debt are recognized when due.

TOWNSHIP OF MORRIS
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2023
(Continued)

Note 1: Summary of Significant Accounting Policies (Cont'd)

C. Basis of Accounting (Cont'd)

Expenditures, if any, in excess of appropriations, appropriation reserves or ordinances become deferred charges which must be raised by future taxes. Outstanding encumbrances at December 31 are reported as a cash liability in the financial statements and constitute part of the statutory appropriation reserve balance. Appropriation reserves covering unexpended appropriation balances are automatically created at December 31 of each year and recorded as liabilities, except for amounts which may be cancelled by the governing body. Appropriation reserves are available, until lapsed at the close of the succeeding year, to meet specific claims, commitments or contracts incurred during the preceding fiscal year. Lapsed appropriation reserves are recorded as income.

Had the Township's financial statements been prepared under accounting principles generally accepted in the United States of America, encumbrances would not be considered as expenditures; appropriation reserves would not be recorded; revenue susceptible to accrual would have been reflected without offsetting reserves; Federal and State grants and assistance would be recognized when earned, not when awarded; inventories would not be reflected as expenditures at the time of purchase; fixed assets purchased by the Utility Capital Funds would be depreciated; investments would generally be stated at fair value; and the Township's net pension liability and related deferred inflows and outflows, where applicable, would be recorded.

The cash basis of accounting is followed in the Trust and Capital Funds.

- D. Deferred Charges to Future Taxation - The General Capital Fund balance sheet includes both funded and unfunded deferred charges. Funded means that bonds have been issued and are being paid off on a serial basis. Unfunded means that debt has been authorized but not permanently financed. A municipality can eliminate an unfunded deferred charge by raising it in the budget, by collecting a grant, by selling bonds, by loans or by financed purchase agreements.

- E. Other significant accounting policies include:

Management Estimates - The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents - Amounts include petty cash, change funds, amounts on deposit, and short-term investments with original maturities of three months or less.

Investments - Investments are stated at cost.

Grants Receivable - Grants receivable represent total grant awards less amounts collected to date. Because the amount of grants funds to be collected are dependent on the total costs eligible for reimbursement, the actual amount collected may be less than the total amount awarded.

Allowance for Uncollectible Accounts - No allowance for uncollectible accounts has been recorded as all amounts are considered collectible.

TOWNSHIP OF MORRIS
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2023
(Continued)

Note 1: Summary of Significant Accounting Policies (Cont'd)

E. Other significant accounting policies include: (Cont'd)

Compensated Absences - Expenditures relating to unused vested accumulated vacation and sick pay are not recorded until paid.

Foreclosed Property - Foreclosed property is recorded in the Current Fund at the assessed valuation when such property was acquired, and is fully reserved.

Interfunds - 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 cost of inventories of supplies for all funds are recorded as expenditures at the time individual items are purchased. The costs of inventories are not included on the various balance sheets.

General Fixed Assets

General fixed assets are recorded at historical cost or estimated historical cost except for land which is recorded at the assessed value at the time the independent appraisal was completed. Infrastructure assets are not included in general fixed assets, as per state directive. Major renewals and betterments are charged to the asset accounts; maintenance and minor repairs and replacements, which do not improve or extend the lives of the respective assets, are expensed currently. Donated fixed assets are valued at their fair market value on the date donated. No depreciation has been provided on general fixed assets. The total value recorded for general fixed assets is offset by a "Investment in Fixed Assets." When properties are retired or otherwise disposed of, the asset and the reserve are adjusted accordingly.

Assets recorded in the General Fixed Assets Account Group may also be recorded in the Current Fund, General Capital Fund and Utility Capital Funds. The values recorded in the General Fixed Asset Account Group and the Current and Capital Funds may not always agree due to differences in valuation methods, timing or recognition of assets and the recognition of infrastructures. Fixed assets are reviewed for impairment.

Property and equipment purchased by the Utility Funds is recorded in the Utility Capital accounts at cost and are not adjusted for disposition and abandonment. The amounts shown do not purport to represent replacement costs or current value. Contributions in aid of construction are not capitalized. The balances in the Reserve for Amortization and Deferred Reserve for Amortization accounts in the Utility Capital Funds represent charges to operations for the costs of acquisitions of property, equipment and improvements. The utilities do not record depreciation on fixed assets.

TOWNSHIP OF MORRIS
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2023
(Continued)

Note 1: Summary of Significant Accounting Policies (Cont'd)

- F. Budget/Budgetary Control - Annual appropriated budgets are usually prepared in the first quarter for the Current, Utility Operating, and Open Space Trust Funds. The budgets are submitted to the governing body and the Division of Local Government Services. Budgets are prepared using the cash basis of accounting. The legal level of budgetary control is established at the line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the flexible chart of accounts referenced in N.J.S.A. 40A. All budget amendments/transfers must be approved by the Township during the year.

Note 2: Long-Term Debt

The Local Bond Law governs the issuance of bonds to finance general Township capital expenditures. All bonds are retired in serial installments within the statutory period of usefulness. All bonds issued by the Township are general obligation bonds. The Township's full faith and credit and taxing power has been pledged to the payment of the general obligation debt principal and interest.

Summary of Municipal Debt

	December 31,		
	2023	2022	2021
<u>Issued:</u>			
General:			
Bonds and Notes	\$21,310,647.00	\$12,879,000.00	\$16,178,000.00
Sewer Utility:			
Bonds and Loans	7,574,642.57	8,414,380.61	9,244,118.65
Swimming Pool Utility:			
Bonds and Notes	2,324,353.00	1,620,000.00	1,990,000.00
Parking Lot Utility:			
Bonds	35,000.00	70,000.00	105,000.00
Total Issued	<u>31,244,642.57</u>	<u>22,983,380.61</u>	<u>27,517,118.65</u>
<u>Authorized but not Issued:</u>			
General:			
Bonds and Notes	705.56	7,141,381.56	5,144,956.00
Sewer Utility:			
Bonds and Notes	82,193.47	82,193.47	82,193.00
Swimming Pool Utility:			
Bonds and Notes	347.00	529,450.00	344,200.00
Total Authorized but not Issued	<u>83,246.03</u>	<u>7,753,025.03</u>	<u>5,571,349.00</u>
Less:			
Funds Temporarily Held to Pay			
Bonds, Notes and Loans:			
Reserve for Payment of Debt Service:			
General Capital Fund	12,150.00		
Total Bonds, Notes and Loans Issued and Authorized but not Issued	<u>\$ 31,315,738.60</u>	<u>\$ 30,736,405.64</u>	<u>\$ 33,088,467.65</u>

TOWNSHIP OF MORRIS
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2023
(Continued)

Note 2: Long-Term Debt (Cont'd)

Summary of Municipal Debt Issued and Outstanding - Current and Prior Years

	Balance 12/31/22	Additions	Matured	Balance 12/31/23
Serial Bonds:				
General Capital Fund	\$ 12,879,000.00		\$ 2,800,000.00	\$ 10,079,000.00
Sewer Utility	5,372,000.00		550,000.00	4,822,000.00
Swimming Pool Utility	1,620,000.00		390,000.00	1,230,000.00
Parking Lot Utility	70,000.00		35,000.00	35,000.00
Bond Anticipation Notes:				
General Capital Fund		\$ 11,231,647.00		11,231,647.00
Swimming Pool Utility		1,094,353.00		1,094,353.00
Loans Payable:				
Sewer Utility - NJIB	3,042,380.61		289,738.04	2,752,642.57
Total	\$ 22,983,380.61	\$ 12,326,000.00	\$ 4,064,738.04	\$ 31,244,642.57
	Balance 12/31/21	Additions	Matured	Balance 12/31/22
Serial Bonds:				
General Capital Fund	\$ 16,178,000.00		\$ 3,299,000.00	\$ 12,879,000.00
Sewer Utility	5,912,000.00		540,000.00	5,372,000.00
Swimming Pool Utility	1,990,000.00		370,000.00	1,620,000.00
Parking Lot Utility	105,000.00		35,000.00	70,000.00
Loans Payable:				
Sewer Utility - NJIB	3,332,118.65		289,738.04	3,042,380.61
Total	\$ 27,517,118.65	\$ -0-	\$ 4,533,738.04	\$ 22,983,380.61

Summary of Statutory Debt Condition - Annual Debt Statement

The summarized statement of debt condition, which follows, is prepared in accordance with the required method of setting up the Annual Debt Statement and indicates a statutory net debt of .386%.

	Gross Debt	Deductions	Net Debt
Sewer Utility Debt	\$ 7,656,836.04	\$ 7,656,836.04	
Swimming Pool Utility Debt	2,324,700.00		\$ 2,324,700.00
Parking Lot Utility Debt	35,000.00	35,000.00	
General Debt	21,311,352.56	12,500.00	21,298,852.56
	\$ 31,327,888.60	\$ 7,704,336.04	\$ 23,623,552.56

Net Debt: \$23,623,553 divided by Average Equalized Valuations of \$6,113,032,563 of Real Property = .386%.

TOWNSHIP OF MORRIS
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2023
(Continued)

Note 2: Long-Term Debt (Cont'd)

Summary of Statutory Debt Condition - Annual Debt Statement (Cont'd)

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

3-1/2% Average Equalized Valuation of Real Property \$213,956,139.71

Net Debt 23,623,552.56

Remaining Borrowing Power \$190,332,587.15

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

Cash Receipts from Fees, Rents or Other Charges for Year \$ 12,106,846.06

Deductions:

Operating and Maintenance Cost \$ 6,834,386.17

Debt Service 1,027,160.45

Total Deductions 7,861,546.62

Excess in Revenue \$ 4,245,299.44

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

Cash Receipts from Fees, Rents or Other Charges for Year \$ 1,209,292.48

Deductions:

Operating and Maintenance Cost \$ 974,028.01

Debt Service 423,375.00

Total Deductions 1,397,403.01

Excess/(Deficit) in Revenue \$ (188,110.53)

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

Cash Receipts from Fees, Rents or Other Charges for Year \$ 568,642.70

Deductions:

Operating and Maintenance Cost \$ 258,361.68

Debt Service 36,254.16

Total Deductions 294,615.84

Excess in Revenue \$ 274,026.86

TOWNSHIP OF MORRIS
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2023
(Continued)

Note 2: Long-Term Debt (Cont'd)

Summary of Statutory Debt Condition - Annual Debt Statement (Cont'd)

Footnote: If there is an "excess in revenue", all such utility debt is deductible. If there is a "deficit", then utility debt is not deductible to the extent of 20 times such deficit amount.

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

The Township's debt issued and outstanding on December 31, 2023 is described as follows:

General Capital Bond Anticipation Notes

<u>Purpose</u>	<u>Issue Date</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Balance Dec. 31, 2023</u>
Capital Improvements	09/26/23	09/26/24	4.75%	<u>\$11,231,647.00</u>

General Capital Serial Bonds

<u>Purpose</u>	<u>Maturities of Bonds Outstanding</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2023</u>
	<u>Date</u>	<u>Amount</u>		
2014 General Obligation	10/15/24	\$1,589,000.00	2.00%	\$ 1,589,000
2019 General Obligation	10/1/24	1,250,000.00	3.00%	
	10/1/24	1,450,000.00	3.00%	
	10/1/26-28	1,445,000.00	3.00%	
	10/1/29	1,455,000.00	3.00%	<u>8,490,000.00</u>
				<u>\$10,079,000.00</u>

Sewer Capital Serial Bonds

<u>Purpose</u>	<u>Maturities of Bonds Outstanding</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2023</u>
	<u>Date</u>	<u>Amount</u>		
2009 Sewer Improvements	09/01/24-25	\$ 300,000.00	3.50%	
	09/01/26-27	300,000.00	3.625%	
	09/01/28-29	300,000.00	3.75%	\$ 1,800,000.00
2014 Sewer Improvements	10/15/24	260,000.00	2.00%	
	10/15/25	260,000.00	2.25%	
	10/15/26	270,000.00	2.375%	
	10/15/27-33	280,000.00	3.00%	
	10/15/34	272,000.00	3.00%	<u>3,022,000.00</u>
				<u>\$ 4,822,000.00</u>

TOWNSHIP OF MORRIS
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2023
(Continued)

Note 2: Long-Term Debt (Cont'd)

<u>Sewer Capital NJIB Loans</u>				
<u>Purpose</u>	<u>Type</u>	<u>Final Maturity Date</u>	<u>Interest Rate</u>	<u>Balance Dec. 31, 2023</u>
Sewer Improvements	Trust Loan	08/01/32	3.00 %-5.00%	\$ 775,000.00
	Fund Loan	08/01/32	N/A	1,977,642.57
				<u>\$ 2,752,642.57</u>
<u>Swimming Pool Capital Bond Anticipation Notes</u>				
<u>Purpose</u>	<u>Issue Date</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Balance Dec. 31, 2023</u>
Swimming Pool Improvements	09/26/23	09/26/24	4.75%	<u>\$ 1,094,353.00</u>
<u>Swimming Pool Capital Serial Bonds</u>				
<u>Purpose</u>	<u>Maturities of Bonds Outstanding</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2023</u>
	<u>Date</u>	<u>Amount</u>		
Swimming Pool Improvements	10/15/24	\$ 400,000.00	2.00%	
	10/15/25	410,000.00	2.25%	
	10/15/26	420,000.00	2.375%	\$ 1,230,000.00
				<u>\$ 1,230,000.00</u>
<u>Parking Lot Capital Serial Bonds</u>				
<u>Purpose</u>	<u>Maturities of Bonds Outstanding</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2023</u>
	<u>Date</u>	<u>Amount</u>		
Parking Lot Improvements	10/15/24	\$ 35,000.00	2.00%	\$ 35,000.00
				<u>\$ 35,000.00</u>
				<u>\$31,244,642.57</u>

TOWNSHIP OF MORRIS
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2023
(Continued)

Note 2: Long-Term Debt (Cont'd)

Schedule of Annual Debt Service for Principal and Interest for the Next Five
Years and Thereafter for Bonded Debt and Loans Issued and Outstanding

Calendar Year	General Capital		Sewer Utility Capital		Swimming Pool Capital	
	Principal	Interest	Principal	Interest	Principal	Interest
2024	\$ 2,839,000	\$ 286,480	\$ 854,738	\$ 174,423	\$ 400,000	\$ 27,200
2025	1,450,000	217,200	859,738	154,973	410,000	19,200
2026	1,445,000	173,700	869,738	136,223	420,000	9,975
2027	1,445,000	130,350	884,738	116,535		
2028	1,445,000	87,000	884,738	94,710		
Thereafter:						
2029-2033	1,455,000	43,650	2,948,953	206,100		
2034			272,000	8,160		
Total	<u>\$ 10,079,000</u>	<u>\$ 938,380</u>	<u>\$ 7,574,643</u>	<u>\$ 891,124</u>	<u>\$1,230,000</u>	<u>\$ 56,375</u>

Calendar Year	Parking Lot Capital		Total
	Principal	Interest	
2024	\$ 35,000	\$ 700	\$ 4,617,541
2025			3,111,111
2026			3,054,636
2027			2,576,623
2028			2,511,448
Thereafter:			
2029-2033			4,653,703
2034			280,160
Total	<u>\$ 35,000</u>	<u>\$ 700</u>	<u>\$ 20,805,222</u>

NJ Infrastructure Bank Trust (NJIB) Loans

On January 16, 2013, the Township of Morris entered into NJ Infrastructure Financing Program loan agreements with the State of New Jersey, acting by and through the NJ Department of Environmental Protection. The Fund loan portion is \$4,321,515 and the Trust loan portion is \$1,440,505. The aggregate amount of \$5,762,020 represents direct obligations of the Township. The loan proceeds were obtained to finance a portion of the cost of the Woodland Sewer Treatment Plant upgrades project.

TOWNSHIP OF MORRIS
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2023
(Continued)

Note 2: Long-Term Debt (Cont'd)

NJ Infrastructure Bank Trust (NJIB) Loans (Cont'd)

At December 31, 2023, the Township had borrowed or "drawn down" the required amount for the project. Principal payments to the Fund are on a semiannual basis over 20 years at zero interest. Principal payments to the Trust are on a semiannual basis over 20 years at 3.00%-5.00% interest. It is expected that interest will be paid from trust bond proceeds on deposit in the capitalized interest account (as defined in the bond resolution), and earnings on the debt service reserve fund (as defined in the bond resolution) will be transferred to such capitalized interest account. The Township will nonetheless be responsible for all such interest payments to the extent such trust bond proceeds and interest earnings are not available from the capitalized interest account. Also, an annual administrative fee of up to one percent (1.0%) of the initial principal amount of the loan or such lesser amount, if any, as may be authorized by any act of the NJ State Legislature and as the State may approve from time to time is payable on this loan.

Note 3: Fund Balances Appropriated

Fund balances at December 31, 2023 which are appropriated and included in the 2024 adopted budget as anticipated revenue in their own respective funds for the year ending December 31, 2024 are as follows:

Current Fund	\$ 6,591,445.00
Sewer Utility Operating Fund	800,000.00
General Capital Fund Surplus Anticipated in Current Fund Operating Budget	161,901.51
Utility Capital Fund Surplus Anticipated in Utility Operating Budget:	
Swimming Pool	12,089.95
Utility Operating Fund Surplus Anticipated in Current Fund Operating Budget:	
Parking Lot	100,000.00

Note 4: Regional School District Taxes

Regulations provide for the deferral of not more than 50% of the annual levy when school taxes are raised for a school year and have not been requisitioned by the school district.

The Township of Morris has elected not to defer school taxes.

TOWNSHIP OF MORRIS
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2023
(Continued)

Note 5: Deferred Charges to be Raised in Succeeding Years

Certain expenditures are required to be deferred to budgets of the succeeding years. At December 31, 2023, the following deferred charges are shown on the balance sheet of the following fund:

	<u>Balance</u> <u>Dec. 31, 2023</u>	<u>2024</u> <u>Budget</u> <u>Appropriation</u>
Sewer Utility Operating Fund:		
Emergency Appropriation - (N.J.S.A. 40A:4-47)	<u>\$ 500,000.00</u>	<u>\$ 500,000.00</u>

The 2024 Budget Appropriation is not less than that required by statute.

Note 6: Pension Plans

Township employees participate in one of two contributory, defined benefit public employee retirement systems: the State of New Jersey Public Employee’s Retirement System (PERS) or the State of New Jersey Police and Firemen’s Retirement System (PFRS); or the Defined Contribution Retirement Program (DCRP), a tax-qualified defined contribution money purchase pension plan under Internal Revenue Code (IRC) 401(a).

A. Public Employees’ Retirement System (PERS)

Plan Description

The State of New Jersey, Public Employees’ Retirement System (PERS) is a cost-sharing multiple-employer defined benefit pension plan administered by the State of New Jersey, Division of Pensions and Benefits (the Division). For additional information about the PERS, please refer to the Division’s annual financial statements which can be found at www.state.nj.us/treasury/pensions/annual-reports.shtml.

Benefits Provided

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

TOWNSHIP OF MORRIS
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2023
(Continued)

Note 6: Pension Plans (Cont'd)

Benefits Provided (Cont'd)

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

Contributions

The contribution policy for PERS is set by N.J.S.A. 43:15A and requires contributions by active members and contributing members. 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.

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.

Township contributions to PERS amounted to \$1,495,131 for 2023. During the fiscal year ended June 30, 2022, the State of New Jersey contributed \$37,647 to the PERS for normal pension benefits on behalf of the Township.

The employee contribution rate was 7.50% effective July 1, 2018.

TOWNSHIP OF MORRIS
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2023
(Continued)

Note 6: Pension Plans (Cont'd)

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

Special Funding Situation

Under N.J.S.A. 43:15A-15, local participating employers are responsible for their own contributions based on actuarially determined amounts, except where legislation was passed that legally obligated the State if certain circumstances occurred. The legislation, which legally obligates the State, is Chapter 366, P.L. 2001 and Chapter 133, P.L. 2001. The amounts contributed on behalf of the local participating employers under the legislation is considered to be special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute under the legislation directly to the plan (except for employer specific financed amounts), there is no pension liability or deferred outflows or inflows to report in the financial statement of the local participating employers related to the legislation. However, the notes to the financial statements of the local participating employers must disclose the portion of the nonemployer contributing entity's total proportionate share of the collective net pension liability that is associated with the local participating employer. In addition, each local participating employer must disclose pension expense associated with the employers in an amount equal to the nonemployer contributing entity's total proportionate share of the collective pension expense associated with the local participating employer.

Pension Liabilities and Pension Expense

At June 30, 2022, the Township's liability was \$17,892,725 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2021 which was rolled forward to June 30, 2022. The Township's proportion of the net pension liability was based on a projection of the Township's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2022, the Township's proportion was .119%, which was an increase of 0.003% from its proportion measured as of June 30, 2021. The Township has rolled forward the net pension liability as of June 30, 2022 with no adjustments. The State of New Jersey Public Employees' Retirement System (PERS)' valuation cycle is July 1 instead of December 31. The roll forward methodology puts them a year in arrears in terms of valuation. The Division of Local Government Services, Department of Community Affairs, State of New Jersey is permitting municipalities and counties to include the June 30, 2022 information in the Notes to the Financial Statements as the June 30, 2023 information has not been released as of the date of this audit.

There was no state proportionate share of net pension liability attributable to the Township as of June 30, 2022.

For the year ended December 31, 2023, the Township recognized actual pension expense in the amount of \$1,495,131.

TOWNSHIP OF MORRIS
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2023
(Continued)

Note 6: Pension Plans (Cont'd)

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

Actuarial Assumptions

The collective total pension liability for the June 30, 2022 measurement date was determined by an actuarial valuation as of July 1, 2021 which was rolled forward to June 30, 2022. This actuarial valuation used the following actuarial assumptions:

Inflation Rate:	
Price	2.75%
Wage	3.25%
Salary Increases	2.75 – 6.55% based on years of service
Investment Rate of Return	7.00%

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

TOWNSHIP OF MORRIS
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2023
(Continued)

Note 6: Pension Plans (Cont'd)

Long Term Expected Rate of Return

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

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

Discount Rate

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2022. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be based upon 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 all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments in determining the total pension liability.

TOWNSHIP OF MORRIS
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2023
(Continued)

Note 6: Pension Plans (Cont'd)

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

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 collective net pension liability as of June 30, 2022 calculated using the discount rate as disclosed below, 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 or 1-percentage-point higher than the current rate:

	June 30, 2022		
	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Township's proportionate share of the Net Pension Liability	\$ 22,986,910	\$ 17,892,725	\$ 13,557,368

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued PERS financial statements.

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 the PFRS, please refer to the Division's annual financial statements which can be found at www.state.nj.us/treasury/pensions/annual-reports.shtml.

Benefits Provided

The vesting and benefit provisions are set by N.J.S.A. 43:16A. The PFRS provides retirement as well as death and disability benefits. All benefits vest after ten years of service, except disability benefits, which vest after 4 years of service.

The following represents the membership tiers for PFRS:

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

TOWNSHIP OF MORRIS
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2023
(Continued)

Note 6: Pension Plans (Cont'd)

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

Benefits Provided (Cont'd)

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

Contributions

The contribution policy for PFRS is set by N.J.S.A. 43:16A and requires contributions by active members and contributing members. 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 costs and unfunded accrued liability. For fiscal year 2022, the State contributed an amount more 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 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 amounts 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 the assets.

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 are considered to be a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute under this legislation directly to the plan (except for employer specified financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers related to this legislation. However, the notes to the financial statements of the local participating employers must disclose the portion of the nonemployer contributing entities' total proportionate share of the collective net pension liability that is associated with the local participating employer.

TOWNSHIP OF MORRIS
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2023
(Continued)

Note 6: Pension Plans (Cont'd)

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

Special Funding Situation (Cont'd)

Township contributions to PFRS amounted to \$2,237,203 for the year ended December 31, 2023. During the fiscal year ended June 30, 2022, the State of New Jersey contributed \$436,260 to the PFRS for normal pension benefits on behalf of the Township, which is more than the contractually required contribution of \$404,296.

The employee contributions for PFRS are 10.00% of employees' annual compensation, as defined.

Pension Liabilities and Pension Expense

At June 30, 2022, the Township's liability for its proportionate share of the net pension liability was \$19,689,935. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2021 which was rolled forward to June 30, 2022. The Township's proportion of the net pension liability was based on a projection of the Township's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2022, the Township's proportion was .1720%, which was an increase of .0053% from its proportion measured as of June 30, 2021. The Township has rolled forward the net pension liability as of June 30, 2022 with no adjustments. The State of New Jersey Police and Firemen's Retirement System (PFRS)' valuation cycle is July 1 instead of December 31. The roll forward methodology puts them a year in arrears in terms of valuation. The Division of Local Government Services, Department of Community Affairs, State of New Jersey is permitting municipalities and counties to include the June 30, 2022 information in the Notes to the Financial Statements as the June 30, 2023 information has not been released as of the date of this audit.

Additionally, the State's proportionate share of the net pension liability attributable to the Township is \$3,504,231 as of June 30, 2022. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2021 which was rolled forward to June 30, 2022. The State's proportionate share 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. At June 30, 2022, the State's proportion was .1720%, which was an increase of .0053% from its proportion measured as of June 30, 2021 which is the same proportion as the Township's.

TOWNSHIP OF MORRIS
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2023
(Continued)

Note 6: Pension Plans (Cont'd)

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

Pension Liabilities and Pension Expense (Cont'd)

Township's Proportionate Share of the Net Pension Liability	\$ 19,689,935
State's Proportionate Share of the Net Pension Liability Associated with the Township	<u>3,504,231</u>
Total Net Pension Liability	<u>\$ 23,194,166</u>

For the year ended December 31, 2023, the Township recognized total pension expense of \$2,237,203.

Actuarial Assumptions

The total pension liability for the June 30, 2022 measurement date was determined by an actuarial valuation as of July 1, 2021 which was rolled forward to June 30, 2022. This actuarial valuation used the following actuarial assumptions:

Inflation Rate:	
Price	2.75%
Wage	3.25%
Salary Increases:	
Through all future years	3.25 – 16.25% based on years of service
Thereafter	Not Applicable
Investment Rate of Return	7.00%

Employee mortality rates were based on the PubS-2010 amount-weighted mortality table with a 105.6% adjustment for males and 102.5% adjustment for females. For healthy annuitants, mortality rates were based on the PubS-2010 amount-weighted mortality table with a 96.7% adjustment for males and 96.0% adjustment for females. Disability rates were based on the PubS-2010 amount-weighted mortality table with a 152.0% adjustment for males and 109.3% adjustment for females. 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 pension plan investments (7.00% at June 30, 2022) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the Board of Trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

TOWNSHIP OF MORRIS
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2023
(Continued)

Note 6: Pension Plans (Cont'd)

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

Long Term Expected Rate of Return (Cont'd)

Best estimates of arithmetic real rates of return for each major asset class included in PFRS' target asset allocation as of June 30, 2022 are summarized in the following table:

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

Discount Rate – PFRS

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2022. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be based upon 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 all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments to determine the total pension liability

TOWNSHIP OF MORRIS
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2023
(Continued)

Note 6: Pension Plans (Cont'd)

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

Sensitivity of the Total Net Pension Liability (including the State’s proportionate share of the net pension liability attributable to the Township) to Changes in the Discount Rate

The following presents the total net pension liability (including the State’s proportionate share of the net pension liability attributable to the Township) as of June 30, 2022 calculated using the discount rate as disclosed above, as well as what the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	June 30, 2022		
	1%	Current	1%
	Decrease	Discount Rate	Increase
	(6.00%)	(7.00%)	(8.00%)
Township's proportionate share of the Net Pension Liability and the State's proportionate share of the Net Pension Liability associated with the Township	\$ 31,824,901	\$ 23,194,166	\$ 16,009,037

Pension Plan Fiduciary Net Position - PFRS

Detailed information about the PFRS's fiduciary net position is available in the separately issued PFRS financial statements.

C. Defined Contribution Retirement Program (DCRP)

Prudential Financial jointly administers the DCRP investments with the NJ Division of Pensions and Benefits. If an employee is ineligible to enroll in the PERS or PFRS, the employee may be eligible to enroll in the DCRP. DCRP provides eligible members with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Vesting is immediate upon enrollment for members of the DCRP.

The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, issues publicly available financial reports that include the financial statements and required supplementary information of the DCRP. The financial reports may be obtained by writing to the State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, PO Box 295, Trenton, New Jersey, 08625-0295.

Employers are required to contribute at an actuarially determined rate. Employee contributions are based on percentages of 5.50% for DCRP of employees’ annual compensation, as defined. The DCRP was established July 1, 2007, under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007 and expanded under the provisions of Chapter 89, P.L. 2008. Employee contributions for DCRP are matched by a 3% employer contribution.

For DCRP, the Township recognized pension expense of \$4,000.00 for the year ended December 31, 2023. Employee contributions to DCRP amounted to \$7,088.66 for the year ended December 31, 2023.

TOWNSHIP OF MORRIS
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2023
(Continued)

Note 7: Accrued Sick Benefits

Municipal employees are permitted to accrue unused sick time of which 40%, up to a maximum of 100 days, may be taken as time off or paid upon retirement at the employee's current rate of compensation upon such termination. It is estimated that the current cost of such unpaid compensation would approximate \$997,627. This amount is not reported either as an expenditure or liability. However, it is expected that the cost of such unpaid compensation will be included in the Township's budget operating expenditures in the year in which it is used.

The above amount is partially funded by the Reserve for Accumulated Absences of \$212,603.26 on the Other Trust Funds balance sheet at December 31, 2023.

Note 8: Deferred Compensation Plan

The Township offers its employees a deferred compensation plan (the "plan") created in accordance with Section 457 of the Internal Revenue Code. The plan, which is administered by VALIC, is available to all Township employees and permits participants to defer a portion of their salary. The deferred compensation is not available to employees until termination, retirement, unforeseeable emergency or upon death to their beneficiaries.

Note 9: Selected Tax Information

Property taxes are levied as of January 1 on property values assessed as of the previous calendar year. The tax levy is divided into two billings. The first billing is an estimate of the current year's levy based on the prior year's taxes. The second billing reflects adjustments to the current year's actual levy. The final tax bill is usually mailed on or before June 14th, along with the first half estimated tax bills for the subsequent year. The first half estimated taxes are divided into two due dates, February 1 and May 1. The final tax bills are also divided into two due dates, August 1 and November 1. A ten-day grace period is usually granted before the taxes are considered delinquent and the imposition of interest charges. A penalty may be assessed for any unpaid taxes in excess of \$10,000 at December 31 of the current year. Unpaid taxes of the prior year may be placed in lien at a tax sale held after April 1 and through December 31. Unpaid taxes of the current year may be placed in lien at a tax sale held after December 10.

Comparative Schedule of Tax Rate Information

	<u>2023</u>	<u>2022</u>	<u>2021</u>
<u>Tax Rate</u>	\$ 2.005	\$ 1.953	\$ 1.912
<u>Apportionment of Tax Rate</u>			
Municipal	0.486	0.475	0.467
Municipal Open Space	0.011	0.011	0.002
County	0.284	0.278	0.279
Regional School District	1.224	1.189	1.164
<u>Assessed Valuations</u>			
2023	<u>\$ 5,424,267,438</u>		
2022		<u>\$ 5,426,750,138</u>	
2021			<u>\$ 5,402,534,838</u>

TOWNSHIP OF MORRIS
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2023
(Continued)

Note 9: Selected Tax Information (Cont'd)

Comparison of Tax Levies and Collections Currently

A study of this tabulation could indicate a possible trend in future tax levies. A decrease in the percentage of current collection could be an indication of a probable increase in future tax levies.

<u>Year</u>	<u>Tax Levy</u>	<u>Currently</u>	
		<u>Cash Collections</u>	<u>Percentage of Collection</u>
2023	\$ 108,972,035	\$ 108,317,144	99.39%
2022	106,117,533	105,142,400	99.08%
2021	103,768,283	103,135,550	99.39%

Also, increases in future tax levies can also be warranted if revenue sources outside of those directly generated by the municipality, such as federal or state aid, should decline without corresponding decreases in budgeted expenditures.

Note 10: Cash and Cash Equivalents and Investments

Cash and cash equivalents include petty cash, change funds, amounts in deposits, money market accounts, and short-term investments with original maturities of three months or less.

Investments are stated at cost. The Township classifies certificates of deposit which have original maturity dates of more than three months but less than twelve months from the date of purchase, as investments.

GASB requires disclosure of the level of custodial credit risk assumed by the Township in its cash, cash equivalents and investments, if those items are uninsured or unregistered. Custodial credit risk is the risk that in the event of a bank failure, the government’s deposits may not be returned.

Interest Rate Risk – In accordance with its cash management plan, the Township ensures that any deposit or investment matures within the time period that approximates the prospective need for the funds, deposited or invested, so that there is not a risk to the market value of such deposits or investments.

Credit Risk – The Township limits its investments to those authorized in its cash management plan which are those permitted under state statute as detailed in the investment section of this note.

Custodial Credit Risk – The Township’s policy with respect to custodial credit risk requires that the Township ensures that Township funds are only deposited in financial institutions in which New Jersey municipalities are permitted to invest their funds.

Deposits

New Jersey statutes permit the deposit of public funds in institutions located in New Jersey, which are insured by the Federal Deposit Insurance Corporation (FDIC) or by any other agencies of the United States that insure deposits or the State of New Jersey Cash Management Fund.

TOWNSHIP OF MORRIS
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2023
(Continued)

Note 10: Cash and Cash Equivalents and Investments (Cont'd)

Deposits (Cont'd)

New Jersey statutes require public depositories to maintain collateral for deposits of public funds that exceed insurance limits as noted in the section of this note on investments.

The market value of the collateral must equal 5% of the average daily balance of public funds on deposit.

In addition to the above collateral requirement, if public funds deposited exceed 75% of the capital funds of the depository, the depository must provide collateral having a market value at least equal to 100% of the amount exceeding 75%.

All collateral must be deposited with the Federal Reserve Bank, the Federal Home Loan Bank Board or a banking institution that is a member of the Federal Reserve System and has capital funds of not less than \$25,000,000.

Investments

New Jersey statutes permit the Township to purchase the following types of securities:

- (1) Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;
- (2) Government money market mutual funds;
- (3) Any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligation bears a fixed rate of interest not dependent on any index or other external factor;
- (4) Bonds or other obligations of the local unit or bonds or other obligations of school districts of which the local unit is a part or within which the school district is located;
- (5) Bonds or other obligations, having a maturity date not more than 397 days from the date of purchase, issued by New Jersey school districts, municipalities, counties, and entities subject to the "Local Authorities Fiscal Control Law" P.L. 1983, c. 313 (C.40A:5A-1 et seq.). Other bonds or obligations having a maturity date not more than 397 days from the date of purchase may be approved by the Division of Local Government Services in the Department of Community Affairs for investment by local units;
- (6) Local government investment pools;
- (7) Deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281 (C.52:18A-90.4); or
- (8) Agreements for the repurchase of fully collateralized securities if:
 - (a) the underlying securities are permitted investments pursuant to paragraphs (1) and (3) of this subsection a. or are bonds or other obligations, having a maturity date not more than 397 days from the date of purchase, issued by New Jersey school districts, municipalities, counties and entities subject to the "Local Authorities Fiscal Control Law", P.L. 1983 c.313 (C.40A:5A-1 et seq.);

TOWNSHIP OF MORRIS
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2023
(Continued)

Note 10: Cash and Cash Equivalents and Investments (Cont'd)

Investments (Cont'd)

New Jersey statutes permit the Township to purchase the following types of securities (Cont'd):

- (b) the custody of collateral is transferred to a third party;
- (c) the maturity of the agreement is not more than 30 days;
- (d) the underlying securities are purchased through a public depository as defined in section 1 of P.L. 1970, c.236 (C.17:9-41); and
- (e) a master repurchase agreement providing for the custody and security of collateral is executed.

As of December 31, 2023, cash and cash equivalents of the Township of Morris consisted of the following:

<u>Fund</u>	<u>Cash on Hand</u>	<u>Checking Accounts</u>	<u>Total</u>
Current	\$ 700.00	\$ 20,829,452.64	\$ 20,830,152.64
Assessment Trust		5,067.45	5,067.45
Animal Control		13,063.28	13,063.28
Other Trust		7,875,778.04	7,875,778.04
General Capital		11,209,718.58	11,209,718.58
Utilities:			
Sewer Operating		2,767,546.93	2,767,546.93
Sewer Capital		11,727,272.54	11,727,272.54
Swimming Pool Operating		57,804.02	57,804.02
Swimming Pool Capital		1,293,630.16	1,293,630.16
Parking Lot Operating		466,359.59	466,359.59
Parking Lot Capital		237,774.65	237,774.65
Public Assistance		55,815.79	55,815.79
	<u>\$ 700.00</u>	<u>\$ 56,539,283.67</u>	<u>\$ 56,539,983.67</u>

During the period ended December 31, 2023, the Township did not hold any investments other than certificates of deposit. The carrying amount of the Township's cash and cash equivalents at December 31, 2023, was \$56,539,983.67 and the bank balance was \$57,454,588.48.

TOWNSHIP OF MORRIS
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2023
(Continued)

Note 11: Interfund Receivables and Payables

The following interfund balances remained on the balance sheet at December 31, 2023:

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
Current	\$ 20,038.60	\$ 1,250,665.17
Federal and State Grant	311,712.42	
Assessment Trust Fund		6,491.22
Other Trust	931,510.37	16,260.75
General Capital Fund	6,354.49	15,339.12
Sewer Utility Operating	96,383.01	
Sewer Utility Capital		96,383.01
Swimming Pool Utility Operating	32,713.40	
Swimming Pool Utility Capital		13,573.02
	<u>\$ 1,398,712.29</u>	<u>\$ 1,398,712.29</u>

The Current Fund interfund receivable of \$3,777.85 is comprised of \$3,641.12 on-behalf disbursement activity due from the General Capital Fund, \$16,260.75 of on-behalf disbursement activity due from the Other Trust Funds and interest earnings of \$136.73 due from the Assessment Trust Fund. The Current Fund interfund payable of \$1,250,665.17 is comprised of \$311,712.42 due to the Federal and State Grant Fund as a result of on-behalf grant receipt and disbursement activity and \$918,700.00 of premiums on tax sale certificates and \$1,112.37 of open space taxes due to the Other Trust Funds. The General Capital Fund interfund receivable of \$6,354.49 represents assessments receivable due from the Assessment Trust Fund for local improvements. The Sewer Utility Operating Fund interfund receivable of \$96,383.01 represents interest earnings due from the Sewer Utility Capital Fund. The Swimming Pool Utility Operating Fund receivable of \$32,713.40 is comprised of interest due from Swimming Pool Capital Fund of \$13,573.02 and the balance of the anticipated deficit of \$19,140.38 due from the Current Fund. Interest earned in the Capital Funds, General and Utility, was realized as revenue in the Current and Utility Operating Funds, respectively.

Note 12: Risk Management

The Township is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Health benefits are provided to employees through the State of New Jersey Health Benefits Plan.

Property and Liability

The Township of Morris is a member of the Garden State Municipal Joint Insurance Fund (the "Fund"). The Fund is both an insured and self-administered group of municipalities established for the purpose of providing insurance for general liability, property and workers' compensation.

As a member of the Fund, the Township could be subjected to supplemental assessments in the event of deficiencies. If the assets of the Fund were to be exhausted, members would become responsible for their respective shares of the Fund's liability.

TOWNSHIP OF MORRIS
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2023
(Continued)

Note 12: Risk Management (Cont'd)

Property and Liability (Cont'd)

The Fund can declare and distribute dividends to members upon approval of the State of New Jersey Department of Banking and Insurance. These distributions are divided amongst the members in the same ratio as their individual assessment relates to the total assessment of the membership body. The members may either receive payment or offset their subsequent year assessments with their respective share of the distribution.

The December 31, 2023 audit report of the Garden State Municipal Joint Insurance Fund is not filed as of the date of this audit. Selected financial information for the Fund as of December 31, 2022 is as follows:

Total Assets	\$ 63,828,590
Net Position/(Deficit)	\$ (4,763,931)
Total Revenue	\$ 40,854,829
Total Expenses	\$ 45,988,388
Members Dividends	\$ -0-
Change in Net Position	\$ (5,133,559)

Financial statements for the Fund are available at the Office of the Executive Director:

Garden State Municipal Joint Insurance Fund
900 Route 9 North, Suite 503
Woodbridge, NJ 07095
(800) 446-7647, Ext. 251

New Jersey Unemployment Compensation Insurance

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

<u>Year</u>	<u>Township Contributions</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2023	\$ -0-	\$ 23,087.04	\$ 21,951.51	\$ 337,700.00
2022	-0-	21,809.90	6,624.54	336,564.47
2021	-0-	23,372.66	7,704.73	321,379.11

TOWNSHIP OF MORRIS
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2023
(Continued)

Note 13: Open Space Trust Fund

The Township created an Open Space Trust Fund with a tax levy of \$.02 per \$100 of assessed valuation in 1993. The funds collected are used to acquire and maintain open space property in the Township. To date, \$9,657,801.01 has been collected in taxes and the balances in the Open Space Trust Fund at December 31, 2023 and 2022 were \$2,513,522.33 and \$2,137,470.50, respectively.

Note 14: Economic Dependency

The Township receives a substantial amount of its support from federal and state governments. A significant reduction in the level of support, if this were to occur, may have an effect on the Township's programs and activities.

Note 15: Fixed Assets

The following schedule is a summarization of general fixed assets for the year ended December 31, 2023.

	Balance Dec. 31, 2022 (Restated)	Additions	Disposals	Balance Dec. 31, 2023
Land	\$ 17,025,241.00			\$ 17,025,241.00
Land Improvements	2,823,575.00			2,823,575.00
Buildings and Improvements	24,065,488.66	\$ 1,244,124.94	\$ 528,000.00	24,781,613.60
Equipment	29,050,053.86	1,677,703.31	145,000.00	30,582,757.17
	<u>\$ 72,964,358.52</u>	<u>\$ 2,921,828.25</u>	<u>\$ 673,000.00</u>	<u>\$ 75,213,186.77</u>

Note 16: Contingent Liabilities

The Township is periodically involved in various lawsuits arising in the normal course of business, including claims for property damage, personal injury, and various contract disputes. The Township vigorously contests these lawsuits and believes the ultimate resolution will not have a material adverse effect on its financial position.

Amounts received or receivable from grantors, principally the federal and state governments are subject to regulatory requirements and adjustments by the agencies. Any disallowed claims, including amounts previously recognized by the Township as revenue would constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantors cannot be determined at this time, although Township officials expect such amounts, if any, to be immaterial.

Various tax appeals on assessed valuations have been filed against the Township and are awaiting tax court decisions. The ultimate outcome and effect of such appeals have not been determined; however, the Township Tax Assessor will aggressively defend the Township's assessments. The Township has established a reserve, which it feels is sufficient, for this contingency in the amount of \$1,229,366.84.

TOWNSHIP OF MORRIS
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2023
(Continued)

Note 17: Postemployment Benefits Other Than Pensions (OPEB)

State Health Benefit Local Government Retired Employees Plan

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 financial statements, which can be found at <https://www.state.nj.us/treasury/pensions/financial-reports.shtml>.

Benefits Provided

The Plan provides medical and prescription drug coverage to retirees and their covered dependents of the participating employers. Under the provisions of Chapter 88, P.L. 1974 and Chapter 48, P.L. 1999, local government employers electing to provide 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.

Contributions

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.

TOWNSHIP OF MORRIS
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2023
(Continued)

Note 17: Postemployment Benefits Other Than Pensions (OPEB) (Cont'd)

State Health Benefit Local Government Retired Employees Plan (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. For New Jersey local governments who report under the regulatory basis of accounting, the net OPEB liability and related deferred inflows are not recorded in the financial statements and there is only note disclosure of this information. 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.

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 expense/(benefit) are based on separately calculated total OPEB liabilities. The nonspecial funding situation's net OPEB liability, deferred outflows of resources, deferred inflows of resources, and OPEB expense/(benefit) 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, 2021 through June 30, 2022. Employer and nonemployer allocation percentages were rounded for presentation purposes; therefore, amounts presented in the schedule of OPEB amounts by employer and nonemployer may result in immaterial differences.

OPEB Expense Related to OPEB

The Township has rolled forward the net OPEB liability as of June 30, 2022 with no adjustments. The Division of Local Government Services, Department of Community Affairs, State of New Jersey, is permitting municipalities and counties to include the June 30, 2022 OPEB information in the Notes to the Financial Statements as the June 30, 2023 information has not been released as of the date of this report.

TOWNSHIP OF MORRIS
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2023
(Continued)

Note 17: Postemployment Benefits Other Than Pensions (OPEB) (Cont'd)

State Health Benefit Local Government Retired Employees Plan (Cont'd)

OPEB Expense Related to OPEB (Cont'd)

The State’s proportionate share of the net OPEB liability attributable to the Township at June 30, 2022 was \$23,600,237. At June 30, 2022, the State’s proportion related to the Township was 0.6995%. This is the percentage of the total State Share of the net OPEB liability of the Plan.

During the year ended June 30, 2022, the State of New Jersey’s OPEB benefit related to the Township was \$3,870,935.

Actuarial Assumptions and Other Inputs

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% - 6.55%
Police and Firemen’s Retirement System (PFRS)	
Rate for all future years	3.25% to 16.25%

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

Mortality:

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

Actuarial assumptions used in the June 30, 2021 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.

TOWNSHIP OF MORRIS
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2023
(Continued)

Note 17: Postemployment Benefits Other Than Pensions (OPEB) (Cont'd)

State Health Benefit Local Government Retired Employees Plan (Cont'd)

Health Care Trend Assumptions

For pre-Medicare medical benefits, the trend rate is initially is 6.25% for fiscal year 2023 and decreases to a 4.50% long term trend rate in 2030. For PPO post 65 medical benefits, the trend rate is -1.89% in fiscal year 2023 and increases to a 4.50% trend rate starting with fiscal year 2033 and later. For HMO Post 65 medical benefits, the trend rate is -1.99% in fiscal year 2023 and increases to a 4.50% trend rate starting with fiscal year 2033 and later. For prescription drug benefits, the trend rate is 8.00% for fiscal year 2023 and decreases to a 4.50% trend rate in 2030 and later.

Discount Rate

The discount rate for June 30, 2022 was 3.54%. This represents the municipal bond 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 18: Tax Abatements

As of December 31, 2023, the Township provides a tax abatement to The Collection, a luxury townhome community (the "Property") pursuant to the authority contained in the Redevelopment and Housing Law (N.J.S.A. 40A:12A-1) (the "Law") and agreements dated November 8, 2017 and amended on October 17, 2018. As of 12/31/2022, all 143 townhome units had been sold. In consideration of the full abatement of taxes, the entity is required to pay to the Township an annual service charge and an annual administrative fee. The annual service charge will be calculated in five stages. In 2023, the annual service charge was in stage one, which is 15% of the annual gross revenue. The annual administrative fee is 2% of the annual service charge. The Property shall be exempt from land taxes. The tax abatement provided under the agreement shall be terminated upon the 35th anniversary of the effective date, the 30th anniversary of the annual service charge commencement date or such other date pursuant to the terms hereof or pursuant to applicable Law, whichever is earlier.

The Township shall remit to the County of Morris 5% of the annual service charge received each year.

The Township recognized revenue in the amount of \$1,340,019.95 from this payment in lieu of taxes which is recorded as an anticipated miscellaneous revenue in the Current Fund. The taxes which would have been paid on this property for 2023 without the abatement would have been \$180,057 of which \$44,633 would have been for the local municipal tax, minimum library tax and municipal open space tax.

TOWNSHIP OF MORRIS
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2023
(Continued)

Note 19: Prior Period Adjustment

The prior period balance for the general fixed assets account group was restated as a result of a recent independent appraisal done to complete a full inventory of the Township’s fixed assets.

	Balance Dec. 31, 2022	Retroactive Adjustments	Balance Dec. 31, 2022 (Restated)
Land	\$ 17,025,241.00		\$ 17,025,241.00
Land Improvements	2,747,140.00	\$ 76,435.00	2,823,575.00
Buildings and Improvements	24,022,858.66	42,630.00	24,065,488.66
Equipment	8,040,427.49	21,009,626.37	29,050,053.86
	\$ 51,835,667.15	\$ 21,128,691.37	\$ 72,964,358.52

TOWNSHIP OF MORRIS

SUPPLEMENTARY DATA

TOWNSHIP OF MORRIS
OFFICIALS IN OFFICE AND SURETY BONDS
FOR THE YEAR ENDED DECEMBER 31, 2023

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

Name		Amount of Bond
Mark J. Gyorfy	Mayor/Committeeman	
William Ravitz	Deputy Mayor/Committeeman	
Jeffrey R. Grayzel	Committeeman	
Donna J. Guariglia	Committeewoman	
Catherine J. Wilson	Committeewoman	
Timothy F. Quinn	Township Administrator	(B)
Danielle Lewis	Township Clerk (till 3/6/23)	(B)
Suzanne V. Walsh	Township Clerk (from 3/6/23)	(B)
Rebecca M. Roth	Tax Collector; Sewer Utility Collector; Tax Search Officer	(A)
Kathryn Viarengo	Tax Assessor	(B)
Sean Ferguson	Director of Finance; Chief Financial Officer; Treasurer (from 9/1/23)	(A)
Francine DeAngelis	Director of Finance; Chief Financial Officer; Treasurer (to 8/31/23)	(A)
Michelle Fischer	Purchasing Agent	(B)
Jarrid Kantor	Township Attorney	
Lisa C. Thompson	Municipal Prosecutor	
Albert Mastrobattista	Construction Code Official	(B)
James R. Slate	Engineer	(B)

(A) Surety bond coverage is provided as follows:

- Garden State Municipal Joint Insurance Fund - \$50,000 Basic coverage
- Municipal Excess Liability Joint Insurance Fund - \$950,000 Excess coverage

(B) All employees, who are not specifically bonded, are covered under \$50,000 and \$950,000 Faithful Performance Bonds provided by Garden State Municipal Joint Insurance Fund and the Municipal Excess Liability Joint Insurance Fund, respectively.

TOWNSHIP OF MORRIS
COUNTY OF MORRIS
2023
CURRENT FUND

TOWNSHIP OF MORRIS
CURRENT FUND
SCHEDULE OF CASH AND INVESTMENTS

	<u>Ref.</u>	
Balance December 31, 2022	A	\$ 21,630,370.57
Increased by Receipts:		
Tax Collector	\$ 109,638,804.46	
Revenue Accounts Receivable	8,027,444.49	
Miscellaneous Revenue Not Anticipated	653,372.66	
Petty Cash Returned	1,200.00	
Interest on Investments and Deposits	1,220,726.88	
Other Accounts Receivable	89.00	
Reserve for Municipal Relief Fund Aid	342,116.00	
Due Federal and State Grant Fund:		
Current Year Grants Receivable	196,166.61	
Prior Year Grants Receivable	38,001.24	
Unappropriated Grant Funds Received	24,850.69	
Due Other Trust Funds:		
Due Federal and State Grant Fund - Interfund Returned	8,762.44	
Due Swimming Pool Utility Operating Fund - Interfund Returned	8,104.40	
Due State of New Jersey - Senior Citizens' and Veterans' Deductions	97,000.00	
County PILOT Taxes Payable	70,791.00	
Appropriation Refunds	841,136.56	
	121,168,566.43	142,798,937.00
Decreased by Disbursements:		
2023 Appropriation Expenditures	35,026,550.16	
2022 Appropriation Reserve Expenditures	1,202,028.25	
Petty Cash Advanced	1,200.00	
Regional School District Taxes	66,366,910.00	
County Taxes	15,404,974.97	
County PILOT Taxes Payable	56,431.10	
Other Encumbrances	42,448.95	
Due Federal and State Grant Fund:		
Current Year Expenditures	302,320.52	
Prior Year Encumbrances	953,638.13	
Due to General Capital Fund for Ordinance #09-23 Funding	500,000.00	
Due to Swimming Pool Utility Operating Fund	217,042.58	
Due Other Trust Funds:		
Municipal Open Space Tax Levy	596,669.42	
Premium on Tax Sale Certificates Refunded	730,400.00	
Reserve for Recreation Expenditures	15,881.39	
Due General Capital Fund:		
Improvement Authorization Expenditures	3,641.12	
Third Party Tax Title Lien Redemptions	511,502.76	
Reserve for Pending Tax Appeals	12,237.75	
Refund of Tax Overpayments	25,607.26	
	121,969,484.36	20,829,452.64
Balance December 31, 2023	A	\$ 20,829,452.64

TOWNSHIP OF MORRIS
CURRENT FUND
SCHEDULE OF CASH - COLLECTOR
YEAR ENDED DECEMBER 31, 2023

Increased by Receipts:

Taxes Receivable	\$ 107,864,603.93
Interest and Costs on Taxes	194,340.13
2024 Prepaid Taxes	690,096.86
Tax Overpayments	27,554.37
Third Party Tax Title Liens	543,577.29
Tax Title Liens	371.29
Premium on Tax Sale Certificates - Due to Other Trust Fund	311,900.00
Miscellaneous Revenue Not Anticipated	6,360.59
	6,360.59

\$ 109,638,804.46

Decreased by:

Payments to Municipal Treasurer

\$ 109,638,804.46

CURRENT FUND
SCHEDULE OF CASH - GRANT FUNDS
YEAR ENDED DECEMBER 31, 2023

NOT APPLICABLE

TOWNSHIP OF MORRIS
CURRENT FUND
SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY

Year	Balance		2023 Levy		Collections		State of NJ Senior Citizens' and Veterans' Deductions	Canceled	Transferred to Tax Title Liens	Balance Dec. 31, 2023
	Dec. 31, 2022	2023 Levy	2022	2023	2022	2023				
2021	\$ 250.00			\$ 250.00						
2022	626,757.38			629,256.63			\$ (2,500.00)	0.75		
	627,007.38			629,506.63			(2,500.00)	0.75		
2023		\$ 108,972,034.95	\$ 983,863.15	107,235,097.30	\$ 983,863.15	\$ 107,864,603.93	98,183.56	2,084.15	\$ 13,456.24	\$ 639,350.55
		\$ 627,007.38	\$ 983,863.15	\$ 107,864,603.93	\$ 983,863.15	\$ 108,972,034.95	\$ 95,683.56	\$ 2,084.90	\$ 13,456.24	\$ 639,350.55

Ref. A

Analysis of 2023 Property Tax Levy

Tax Yield:	
General Purpose Tax	\$ 108,756,583.06
Added and Omitted Taxes	215,451.89
	<u>\$ 108,972,034.95</u>
Tax Levy:	
Regional School District Taxes	\$ 66,366,911.00
Local Open Space Taxes	597,781.79
County Taxes:	
General Tax	\$ 15,374,355.25
Due County for Added and Omitted Taxes	30,619.72
	<u>15,404,974.97</u>
	<u>82,369,667.76</u>
Local Tax for Municipal Purposes Levied	24,391,534.64
Minimum Library Tax Levied	2,016,852.00
	<u>26,408,386.64</u>
Add: Additional Tax Levied	193,980.55
	<u>26,602,367.19</u>
	<u>\$ 108,972,034.95</u>

TOWNSHIP OF MORRIS
CURRENT FUND
SCHEDULE OF TAX TITLE LIENS

	<u>Ref.</u>	
Balance December 31, 2022	A	\$ 94,678.15
Increased by:		
Transfer from Taxes Receivable	\$ 13,456.24	
Interest and Costs Accrued at Tax Sale	80.03	
	<hr/>	13,536.27
		<hr/>
		108,214.42
Decreased by:		
Cash Collections		371.29
		<hr/>
Balance December 31, 2023	A	<u><u>\$ 107,843.13</u></u>

TOWNSHIP OF MORRIS
CURRENT FUND
SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE

	Balance Dec. 31, 2022	Accrued in 2023	Collected by Treasurer	Balance Dec. 31, 2023
Licenses:				
Alcoholic Beverages		\$ 22,500.00	\$ 22,500.00	
Other		34,035.24	34,035.24	
Fees and Permits - Other	\$ 2,305.00	797,711.74	798,896.74	\$ 1,120.00
Fines and Costs - Municipal Court	20,390.49	154,375.99	159,560.86	15,205.62
Fire UFS Fees		50,420.11	50,420.11	
Energy Receipts Tax		3,302,613.12	3,302,613.12	
Reserve for Municipal Relief Fund Aid		0.47	0.47	
Uniform Construction Code Fees		1,794,398.00	1,794,398.00	
Parking Lot Utility Operating Surplus of Prior Year		50,000.00	50,000.00	
Sewer Utility Operating Surplus of Prior Year		250,000.00	250,000.00	
General Capital Fund - Fund Balance		50,000.00	50,000.00	
Reimbursement for Expenses:				
Police Outside Detail Trust Fund		100,000.00	100,000.00	
Recreation Trust Fund		75,000.00	75,000.00	
Payments in Lieu of Taxes		1,340,019.95	1,340,019.95	
	<u>\$ 22,695.49</u>	<u>\$ 8,021,074.62</u>	<u>\$ 8,027,444.49</u>	<u>\$ 16,325.62</u>

Ref.

A

A

TOWNSHIP OF MORRIS
FEDERAL AND STATE GRANT FUND
SCHEDULE OF GRANTS RECEIVABLE

Grant Description	Balance Dec. 31, 2022	Accrued in 2023	Received	Canceled to Current Fund Operations	Balance Dec. 31, 2023
Recycling Tonnage Grant		\$ 38,582.44	\$ 38,582.44		
Clean Communities Program		61,486.07	61,486.07		
Alcohol Education, Rehabilitation and Enforcement Fund		6,749.32	6,749.32		
Municipal Alliance on Alcoholism and Drug Abuse	\$ 23,241.07	17,405.00	26,756.24		\$ 13,889.83
Municipal Alliance on Alcoholism and Drug Abuse - Supplemental	4,000.00	4,000.00	4,000.00	\$ 4,000.00	
Division of Mental Health and Addiction Services (DMHAS) Youth Leadership Municipal Alliance	3,900.00		3,900.00		
Association of NJ Environmental Commissions Open Space Grant	250.00				250.00
Body Armor Replacement Fund		2,863.56	2,863.56		
Bulletproof Vests - Federal Grants	6,395.62	1,155.07	1,155.07		6,395.62
American Rescue Plan - Firefighter Grant		27,000.00			27,000.00
Local Efficiency Achievement Program (LEAP) Implementation Grant	90,000.00		24,750.00	65,250.00	
Body Worn Cameras	69,292.00				69,292.00
Sustainable Jersey Small Grants Program		2,000.00	2,000.00		
Lead Grant Assistance Program		13,200.00	13,200.00		
Stormwater Assistance Grant		25,000.00	15,000.00		10,000.00
NJDCA Local Recreation Improvement Grant		168,000.00			168,000.00
National Opioid Settlement		39,613.04	39,613.04		
Enhancing Local Public Health Infrastructure		253,531.00	24,108.88		229,422.12
	<u>\$ 197,078.69</u>	<u>\$ 660,585.50</u>	<u>\$ 264,164.62</u>	<u>\$ 69,250.00</u>	<u>\$ 524,249.57</u>

Ref. A

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Original Budget	\$ 357,169.11
Added by NJSA 40A:4-87	303,416.39
	<u>\$ 660,585.50</u>

Received in Current Fund:	
Current Year Receivable	\$ 196,166.61
Prior Year Receivable	38,001.24
Transferred from Prior Year Unappropriated Reserves	29,996.77
	<u>\$ 264,164.62</u>

TOWNSHIP OF MORRIS
CURRENT FUND
SCHEDULE OF 2022 APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2023

	Balance Dec. 31, 2022	Balance After Modification	Paid or Charged	Balance Lapsed
GENERAL GOVERNMENT:				
General Administration:				
Salaries and Wages	\$ 11,515.26	\$ 11,515.26		\$ 11,515.26
Other Expenses	43,678.75	43,678.75	\$ 28,943.32	14,735.43
Mayor and Township Committee:				
Salaries and Wages	549.54	549.54		549.54
Other Expenses	470.00	470.00	170.00	300.00
Municipal Clerk:				
Salaries and Wages	7,886.93	7,886.93		7,886.93
Other Expenses	9,983.43	9,983.43	2,121.94	7,861.49
Financial Administration:				
Salaries and Wages	4,302.72	4,302.72		4,302.72
Other Expenses	45,289.09	45,289.09	17,484.42	27,804.67
Annual Audit	32,000.00	32,000.00	32,000.00	
Computer Information Technology:				
Salaries and Wages	2,097.64	2,097.64		2,097.64
Other Expenses	51,461.70	51,461.70	45,321.79	6,139.91
Revenue Administration (Tax Collection):				
Salaries and Wages	2,912.51	2,912.51		2,912.51
Other Expenses	1,515.87	1,515.87	63.46	1,452.41
Tax Assessment Administration:				
Salaries and Wages	3,005.28	3,005.28		3,005.28
Other Expenses	11,627.51	11,627.51	9,058.00	2,569.51
Legal Services and Costs:				
Other Expenses	131,738.10	131,738.10	48,958.40	82,779.70
Joint Municipal Court:				
Other Expenses	26,848.79	26,848.79	1,110.00	25,738.79
Engineering Services and Costs:				
Salaries and Wages	30,921.57	30,921.57		30,921.57
Other Expenses	45,578.95	45,578.95	33,347.56	12,231.39
Historical Preservation Commission:				
Salaries and Wages	314.83	314.83		314.83
LAND USE ADMINISTRATION:				
Municipal Land Use Law (NJSA 40:55D-1):				
Planning Board:				
Salaries and Wages	1,946.70	1,946.70		1,946.70
Other Expenses	33,482.77	33,482.77	4,794.66	28,688.11
Board of Adjustment:				
Salaries and Wages	67.75	67.75		67.75
Other Expenses	4,760.73	4,760.73	1,304.00	3,456.73
INSURANCE:				
General Liability Insurance	44,298.58	44,298.58	44,000.00	298.58
Workers' Compensation Insurance	40,634.87	40,634.87	40,000.00	634.87
Group Insurance for Employees -				
Hospital and Medical	146,474.29	146,474.29		146,474.29
Health Benefit Waiver	17,000.00	17,000.00		17,000.00

TOWNSHIP OF MORRIS
CURRENT FUND
SCHEDULE OF 2022 APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2023
(Continued)

	Balance Dec. 31, 2022	Balance After Modification	Paid or Charged	Balance Lapsed
PUBLIC SAFETY:				
Traffic Lights Maintenance Expense	\$ 21,319.03	\$ 21,319.03	\$ 12,063.52	\$ 9,255.51
Aid to Volunteer Ambulance Company	55,000.00	55,000.00	55,000.00	
Fire:				
Salaries and Wages	63,520.49	63,520.49		63,520.49
Other Expenses	38,220.25	38,220.25	31,148.56	7,071.69
Fire Hydrant Service	6,829.60	6,829.60	6,688.24	141.36
Municipal Prosecutor:				
Other Expenses	9,000.00	9,000.00	7,500.00	1,500.00
Police:				
Salaries and Wages	94,269.03	94,269.03	62,398.01	31,871.02
Other Expenses	119,677.41	119,677.41	119,229.38	448.03
Purchase of Police Vehicles	43,901.51	43,901.51	35,855.98	8,045.53
Emergency Management Services:				
Other Expenses	4,738.12	4,738.12	1,748.71	2,989.41
PUBLIC WORKS:				
Road Repairs and Maintenance:				
Salaries and Wages	59,691.92	59,691.92		59,691.92
Other Expenses	106,074.50	106,074.50	94,497.68	11,576.82
Garbage and Trash Removal:				
Salaries and Wages	75,990.69	75,990.69		75,990.69
Other Expenses	345,949.70	345,949.70	272,930.44	73,019.26
Public Buildings and Grounds:				
Salaries and Wages	12,350.80	12,350.80		12,350.80
Other Expenses	8,861.80	8,861.80	1,030.37	7,831.43
Vehicle Maintenance:				
Salaries and Wages	52,652.14	52,652.14		52,652.14
Other Expenses	118,089.24	118,089.24	73,131.46	44,957.78
Community Services Act - Condo Costs:				
Other Expenses	67,000.00	67,000.00	32,138.29	34,861.71
HEALTH AND HUMAN SERVICES:				
Board of Health:				
Salaries and Wages	12,790.69	12,790.69		12,790.69
Other Expenses	28,396.48	28,396.48	17,676.30	10,720.18
Environmental Commission:				
Salaries and Wages	834.06	834.06		834.06
Other Expenses	2,927.80	2,927.80	320.00	2,607.80
Cooperative Transportation:				
Other Expenses	262.08	262.08		262.08
RECREATION AND EDUCATION:				
Recreation Services and Programs:				
Salaries and Wages	3,854.42	3,854.42		3,854.42
Other Expenses	14,845.45	14,845.45	3,443.02	11,402.43
Handicapped Person's Recreation Opportunity Act- Township of Morris Share				
	3,259.00	3,259.00		3,259.00
Maintenance of Parks:				
Salaries and Wages	15,090.18	15,090.18		15,090.18
Other Expenses	38,701.21	38,701.21	37,134.90	1,566.31

TOWNSHIP OF MORRIS
CURRENT FUND
SCHEDULE OF 2022 APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2023
(Continued)

	Balance Dec. 31, 2022	Balance After Modification	Paid or Charged	Balance Lapsed
UTILITIES:				
Electricity	\$ 17,007.75	\$ 17,007.75	\$ 12,453.06	\$ 4,554.69
Street Lighting	12,855.00	12,855.00	2,609.45	10,245.55
Telephone	45,360.95	45,360.95	15,389.57	29,971.38
Water	51.56	51.56		51.56
Natural Gas	3,066.30	3,066.30	3,054.17	12.13
Gasoline, Diesel Fuel	84,712.62	84,712.62	83,494.95	1,217.67
UNIFORM CONSTRUCTION CODE:				
Construction Official:				
Salaries and Wages	16,708.48	16,708.48		16,708.48
Other Expenses	48,105.42	48,105.42	39,211.50	8,893.92
Statutory Expenditures:				
Contribution to:				
Social Security System (O.A.S.I.)	86,115.83	86,115.83		86,115.83
Recycling Tax (P.L. 2007, c. 311)	7,186.88	7,186.88	3,859.56	3,327.32
Police Equipment	17,000.00	17,000.00	17,000.00	
Improvements to Parks and Playgrounds	21,352.00	21,352.00	13,253.80	8,098.20
Improvements to DPW	32,000.00	32,000.00	30,222.88	1,777.12
Improvements to Police Headquarters	7,500.00	7,500.00		7,500.00
Emerald Ash Tree Removal	2,595.00	2,595.00		2,595.00
Police Department and Municipal Building Parking Lots	25,000.00	25,000.00		25,000.00
Office of Emergency Management - Light Tower	10,789.30	10,789.30	10,789.00	0.30
	<u>\$ 2,613,868.85</u>	<u>\$ 2,613,868.85</u>	<u>\$ 1,403,950.35</u>	<u>\$ 1,209,918.50</u>

Analysis of Balance December 31, 2022:

	<u>Ref.</u>		
Encumbered	A	\$ 1,289,706.79	
Unencumbered	A	1,324,162.06	
		<u>\$ 2,613,868.85</u>	
Cash Disbursed			\$ 1,202,028.25
Other Encumbrances			201,922.10
			<u>\$ 1,403,950.35</u>

TOWNSHIP OF MORRIS
CURRENT FUND
SCHEDULE OF REGIONAL SCHOOL TAXES PAYABLE
YEAR ENDED DECEMBER 31, 2023

Increased by:		
Levy - Calendar Year 2023		\$ 66,366,911.00
Decreased by:		
Payments to Regional School District		<u>66,366,910.00</u>
Balance December 31, 2023	A	<u><u>\$ 1.00</u></u>

TOWNSHIP OF MORRIS
FEDERAL AND STATE GRANT FUND
SCHEDULE OF APPROPRIATED RESERVES

	Balance		Transferred from		Expended		Prior Year		Canceled to		Balance Dec. 31, 2024
	Dec. 31, 2023	2023 Budget	Appropriations	2023 Budget	Expended	Encumbrances Canceled	Current Fund Operations	Balance			
Recycling Tonnage Grant	\$ 5,082.30	\$ 38,582.44	\$ 38,582.44	\$ 40,837.52				\$ 2,827.22			
Drunk Driving Enforcement Fund	8,762.44			531.05				8,231.39			
Clean Communities Program	134,486.69		61,486.07	81,590.02				114,382.74			
Alcohol Education, Rehabilitation and Enforcement Fund	22,939.32		6,749.32	2,700.00				26,988.64			
Association of NJ Environmental Commissions Open Space Grant	933.56			928.48				5.08			
Body Armor Replacement Fund	5,200.92		2,863.56					8,064.48			
Municipal Alliance on Alcoholism and Drug Abuse:											
Grant Funds	75,577.12		21,405.00	28,148.64				68,833.48			
Matching Funds	2,240.54							2,240.54			
Body Worn Cameras	69,292.00							69,292.00			
Division of Mental Health and Addiction Services (DMHAS) Youth Leadership Municipal Alliance	3,900.00			3,900.00							
Local Efficiency Achievement Program (LEAP) Implementation Grant	15,000.00						\$ 50,250.00	\$ 65,250.00			
Bulletproof Vests - Federal Grants American Rescue Plan:	13,424.83		1,155.07	9,139.01				5,440.89			
Coronavirus State and Local Fiscal Recovery Funds	565,740.46			557,666.50				8,073.96			
Firefighter Grant			27,000.00	26,766.04				233.96			

TOWNSHIP OF MORRIS
FEDERAL AND STATE GRANT FUND
SCHEDULE OF APPROPRIATED RESERVES
(Continued)

	Balance Dec. 31, 2023	Transferred from 2023 Budget Appropriations	Expended	Prior Year Encumbrances Canceled	Canceled to Current Fund Operations	Balance Dec. 31, 2023
Pays to Plug In - EV Charging Stations	\$ 16,000.00				\$	16,000.00
Sustainable Jersey Small Grants Program		\$ 2,000.00	\$ 1,370.89			629.11
Lead Grant Assistance Program		13,200.00				13,200.00
Stormwater Assistance Grant		25,000.00				25,000.00
NJDCA Local Recreation Improvement Grant		168,000.00				168,000.00
National Opioid Settlement		39,613.04				39,613.04
Enhancing Local Public Health Infrastructure		253,531.00	182,838.20			70,692.80
	<u>\$ 938,580.18</u>	<u>\$ 660,585.50</u>	<u>\$ 936,416.35</u>	<u>\$ 50,250.00</u>	<u>\$ 65,250.00</u>	<u>\$ 647,749.33</u>

Ref. A

A

Original Budget
Added by NJSA 40A:4-87

\$ 357,169.11
303,416.39
\$ 660,585.50

Due to Current Fund - Cash Disbursed:
Expended
American Rescue Plan to General Capital Fund for Ordinance #09-23 Funding
Encumbrances Payable

\$ 302,320.52
500,000.00
134,095.83
\$ 936,416.35

TOWNSHIP OF MORRIS
FEDERAL AND STATE GRANT FUND
SCHEDULE OF UNAPPROPRIATED RESERVES

	<u>Balance</u> <u>Dec. 31, 2022</u>	<u>Received in</u> <u>Current Fund</u>	<u>Transferred to</u> <u>2023 Budget</u> <u>Revenue</u>	<u>Balance</u> <u>Dec. 31, 2023</u>
Municipal Alliance on Alcoholism and Drug Abuse - Supplemental	\$ 4,000.00		\$ 4,000.00	
Body Armor Replacement Fund	2,863.56	\$ 3,379.47	2,863.56	\$ 3,379.47
American Rescue Plan: Coronavirus State and Local Fiscal Recovery Funds	217,042.58		217,042.58	
National Opioid Settlement	23,133.21	21,471.22	23,133.21	21,471.22
	<u>\$ 247,039.35</u>	<u>\$ 24,850.69</u>	<u>\$ 247,039.35</u>	<u>\$ 24,850.69</u>

Ref. A

A

Current Fund	\$ 29,996.77
Swimming Pool Utility Operating Fund	217,042.58
	<u>\$ 247,039.35</u>

TOWNSHIP OF MORRIS
COUNTY OF MORRIS
2023
TRUST FUNDS

TOWNSHIP OF MORRIS
TRUST FUNDS
SCHEDULE OF CASH - TREASURER

<u>Ref.</u>	<u>Assessment Trust Fund</u>	<u>Animal Control Fund</u>	<u>Other Trust Funds</u>
Balance December 31, 2022	\$ 0.94	\$ 14,800.98	\$ 7,460,010.50
Increased by Receipts:			
Assessments Receivable	\$ 4,930.72	\$ 20,554.60	
Collector		674.10	
Interest on Investments and Deposits			
Due to State of New Jersey:			
Department of Community Affairs State Training Fees			\$ 161,510.00
Budget Appropriations - Reserve for:			
Animal Control		24,500.00	
Due Current Fund:			
Interest Income	135.79		83,084.29
Municipal Open Space Tax Levy			596,669.42
Special Deposits			19,000.00
Developers' Escrow Deposits			24,959.61
Clients' Escrow Deposits			168,786.92
Municipal Court:			402.00
Parking Offense Adjudication Act Late Parking Fees			
Deposits and Interest:			
State Unemployment Insurance			23,087.04
Police Outside Detail			921,961.50
Recycling			15,840.91
Police Forfeited Assets			695.18
C.O.A.H.			244,916.67
Municipal Open Space			69,812.28
Recreation			219,354.06
Dedicated Fire Penalties			2,500.00
	<u>5,066.51</u>	<u>45,728.70</u>	<u>2,552,579.88</u>
	5,067.45	60,529.68	10,012,590.38

TOWNSHIP OF MORRIS
TRUST FUNDS
SCHEDULE OF CASH - TREASURER
(Continued)

<u>Ref.</u>	<u>Assessment Trust Fund</u>	<u>Animal Control Fund</u>	<u>Other Trust Funds</u>
Decreased by Disbursements:			
Administrative Expenses			
Due to State of New Jersey:	\$ 48,087.65		
Department of Community Affairs State Training Fees			\$ 162,110.00
Due Current Fund:			
Interest Income			82,782.54
Due Federal and State Grant Fund - Interfund Returned			8,762.44
Anticipated in General Budget:			
Police Outside Detail			100,000.00
Recreation			75,000.00
Special Deposits			5,000.00
Developers' Escrow Deposits			95,209.03
Clients' Escrow Deposits			155,090.93
State Unemployment Insurance			21,951.51
Police Outside Detail			775,279.82
Recycling			7,760.00
Police Forfeited Assets			3,165.00
Municipal Drug Alliance			6,167.20
C.O.A.H.			101,497.00
Municipal Open Space			303,240.24
Uniform Fire Safety Act			210.58
Recreation			124,487.05
Storm Recovery			106,523.68
Dedicated Fire Penalties			2,575.32
	\$ -0 -	\$ 48,087.65	\$ 2,136,812.34
Balance December 31, 2023	\$ 5,067.45	\$ 12,442.03	\$ 7,875,778.04

TOWNSHIP OF MORRIS
TRUST FUNDS
SCHEDULE OF CASH - COLLECTOR

	<u>Ref.</u>	
Balance December 31, 2022	B	\$ 563.77
Increased by:		
Animal Control License Fees - Municipal:		
Dog		\$ 17,517.20
Cat		1,752.00
Late and Other Fees		1,304.00
Interest on Investments and Deposits		45.48
		20,618.68
Animal Control License Fees - State		1,753.80
		22,936.25
Decreased by:		
Disbursed to:		
Treasurer - Animal Control Fund		20,554.60
State of New Jersey		1,760.40
		22,315.00
Balance December 31, 2023	B	\$ 621.25

TOWNSHIP OF MORRIS
ASSESSMENT TRUST FUND
ANALYSIS OF CASH

	Balance/ (Deficit)	Receipts		Balance/ (Deficit)
	Dec. 31, 2022	Assessments	Miscellaneous	Dec. 31, 2023
Due Current Fund	\$ 0.94		\$ 135.79	\$ 136.73
Due General Capital Fund	6,354.49			6,354.49
<u>Improvement Description</u>				
Ord. # 14-16 Resurfacing of Old Army Post Road	(6,354.49)	\$ 4,930.72		(1,423.77)
	<u>\$ 0.94</u>	<u>\$ 4,930.72</u>	<u>\$ 135.79</u>	<u>\$ 5,067.45</u>

TOWNSHIP OF MORRIS
ANIMAL CONTROL FUND
SCHEDULE OF RESERVE FOR ANIMAL CONTROL FUND EXPENDITURES

	<u>Ref.</u>	
Balance December 31, 2022	B	\$ 15,352.75
Increased by:		
Collector:		
Animal Control Fees:		
Dog Licenses		\$ 17,517.20
Cat Licenses		1,752.00
Late and Other Fees		1,304.00
Interest on Investments and Deposits		45.48
		20,618.68
Treasurer:		
Interest on Investments and Deposits		674.10
Budget Appropriation		24,500.00
		45,792.78
		61,145.53
Decreased by:		
Animal Control Expenditures		48,087.65
		48,087.65
Balance December 31, 2023	B	\$ 13,057.88

License Fees Collected:

<u>Year</u>		
2021		\$ 13,990.60
2022		19,881.00
		33,871.60
Maximum Allowable Reserve		\$ 33,871.60

TOWNSHIP OF MORRIS
ASSESSMENT TRUST FUND
SCHEDULE OF ASSESSMENTS AND LIENS RECEIVABLE

<u>Improvement Description</u>	<u>Date of Confir- mation</u>	<u>Annual Install- ments</u>	<u>Balance Dec. 31, 2022</u>	<u>Collected</u>	<u>Balance Dec. 31, 2023</u>	<u>Balance Pledged to Due to General Capital Fund</u>
Resurfacing of Old Army Post Road	11/9/2016	7	\$ 6,354.49	\$ 4,930.72	\$ 1,423.77	\$ 1,423.77
			<u>\$ 6,354.49</u>	<u>\$ 4,930.72</u>	<u>\$ 1,423.77</u>	<u>\$ 1,423.77</u>
			<u>Ref.</u>		B	
					B	

TOWNSHIP OF MORRIS
COUNTY OF MORRIS
2023
GENERAL CAPITAL FUND

TOWNSHIP OF MORRIS
GENERAL CAPITAL FUND
SCHEDULE OF CASH

	<u>Ref.</u>	
Balance December 31, 2022	C	\$ 1,965,526.62
Increased by Receipts:		
Grants Receivable:		
New Jersey Department of Transportation	\$ 672,775.00	
Budget Appropriation:		
Capital Improvement Fund	512,261.70	
Bond Anticipation Note Proceeds	11,231,647.00	
General Capital Fund Balance:		
Premium on Sale of Notes	111,909.51	
Refund Received for Fully Funded and Completed Ordinance	15,104.00	
Due Current Fund:		
Interest Income	145,954.20	
Due Federal and State Grant Fund:		
American Rescue Plan	500,000.00	
Improvement Authorization Refunds	4,665.27	
		13,194,316.68
		15,159,843.30
Decreased by Disbursements:		
Improvement Authorization Expenditures	3,742,080.52	
Reserve for Trees	12,090.00	
Due Current Fund:		
Interest Income	145,954.20	
Fund Balance Anticipated in Current Fund Budget	50,000.00	
		3,950,124.72
Balance December 31, 2023	C	\$ 11,209,718.58

TOWNSHIP OF MORRIS
GENERAL CAPITAL FUND
ANALYSIS OF CASH

Ord. No.	Improvement Description	Balance/ (Deficit) Dec. 31, 2022	Receipts		Disbursements			Transfers		Balance/ (Deficit) Dec. 31, 2023
			Budget Appropriation	Bond Anticipation Notes	Miscellaneous	Improvement Authorizations	Miscellaneous	From	To	
	Fund Balance	\$ 93,633.30			\$ 127,013.51			\$ 32,000.00	\$ 407,102.21	\$ 545,749.02
	Capital Improvement Fund	102,184.78	\$ 512,261.70				551,262.00			63,184.48
	Grants Receivable:	(830,450.00)			672,775.00		568,669.00		500,000.00	(726,344.00)
	New Jersey Department of Transportation American Rescue Plan						500,000.00		3,641.12	3,641.12
	Due Current Fund				145,954.20					
	Due Federal and State Grant Fund				500,000.00					
	Due Assessment Trust Fund	(6,354.49)								(6,354.49)
	Due Other Trust Funds - Municipal Open Space Reserve for:								11,698.00	11,698.00
	Sidewalks	21,794.44								21,794.44
	Curbing	2,970.00								2,970.00
	Trees	18,890.00						12,090.00		6,800.00
	Road Opening Repairs	1,000.00								1,000.00
	Payment of Debt Service								12,150.00	12,150.00
	Ord.									
	<u>General Improvements</u>									
13-01	Various Capital Improvements	30,613.86								30,613.86
11-05	Various Capital Improvements	25,000.00								25,000.00
14-09	Various Capital Improvements	227,488.78								227,488.78
17-09	Various Projects & Purchases	7.32						7.32		
08-13;										
17-14	Various Capital Improvements	45,000.00								45,000.00
21-15	Various Capital Improvements	154,237.69			4,590.27		21,265.47	25,005.47		112,557.02
07-16	Various Capital Improvements	78,030.00								78,030.00
09-16;										
14-16	Various Capital Improvements	91,015.80						26,015.80		65,000.00
10-16	Various Capital Improvements	102,001.35								102,001.35
11-17	Various Capital Improvements and the Purchase of Equipment	22,135.17						35.17		22,100.00
15-17	Various Capital Improvements and the Purchase of Equipment	431,517.71					142,202.95			289,314.76

TOWNSHIP OF MORRIS
GENERAL CAPITAL FUND
ANALYSIS OF CASH
(Continued)

Ord. No.	Improvement Description	Balance/ (Deficit) Dec. 31, 2022	Receipts		Disbursements			Transfers		Balance/ (Deficit) Dec. 31, 2023
			Budget Appropriation	Bond Anticipation Notes	Miscellaneous	Improvement Authorizations	Miscellaneous	From	To	
02-18	Various Improvements to Parks and Recreation Facilities	\$ 199,583.46			\$ 10,930.00					\$ 188,653.46
17-18	Various Capital Improvements and the Purchase of Equipment	175,952.45			7,258.43		298.42			168,395.60
18-18	Various Capital Improvements and the Purchase of Equipment	26,769.00			178.68					26,769.00
20-18	Various Capital Improvements	242,178.68					10,000.00			232,000.00
14-19	Various Capital Improvements	219,330.63					16,262.56			203,068.07
18-19	Various Capital Improvements	26,798.14			12,000.00					14,798.14
32-19	Various Capital Improvements	91,815.71			17,302.86		2,382.00			72,130.85
05-20	Purchase of Property and Portions of Property	11,698.00					11,698.00			
11-20	Various Capital Improvements	463,288.15			342,366.00		2,125.50			118,796.65
12-20	Various Capital Improvements	311,368.40			32,287.05		279,081.35			
13-20	Various Capital Improvements	(1,335,401.88)	\$ 2,531,750.00		669,018.46		0.48			527,329.18
11-21	Various Capital Improvements	(1,046,676.86)	2,612,500.00		18,118.06		12,150.00			1,535,555.08
14-21	Various Capital Improvements	531,674.94			62,498.67		45,888.14			423,288.13
29-21	Relocation of Emergency Generator and Installation of Above Ground Storage Tank	300,000.00						\$ 32,000.00		332,000.00
09-22	Various Capital Improvements	(548,119.47)		1,996,425.00	477,171.22					971,134.31
11-22	Various Capital Improvements	1,321,700.00			349,633.84					972,066.16
14-22	Various Capital Improvements	42,974.56			26,348.87					16,625.69
23-22	Fire Apparatus Refurbish	319,877.00			8,343.36					311,533.64
07-23	Various Capital Improvements				14,254.60				337,000.00	322,745.40
09-23	Various Capital Improvements			3,329,972.00	817,737.61			3,641.12	1,243,931.00	3,752,524.27
16-23	Various Capital Improvements			761,000.00	75.00				39,000.00	86,910.61
25-23	Removal of Underground Storage Tank				713,164.39		32,000.00			
		\$ 1,965,526.62	\$ 512,261.70	\$ 11,231,647.00	\$ 1,450,407.98	\$ 3,742,080.52	\$ 208,044.20	\$ 2,618,522.33	\$ 2,618,522.33	\$ 11,209,718.58

TOWNSHIP OF MORRIS
GENERAL CAPITAL FUND
SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED

Ordinance No.	Improvement Description	Ordinance Date	Balance		2023 Improvement Authorizations	Balance Dec. 31, 2023	Analysis of Balance December 31, 2023	
			Dec. 31, 2022	2023 Improvement Authorizations			Financed by Bond Anticipation Notes	Unexpended Improvement Authorizations
	<u>General Improvements</u>							
21-15	Various Capital Improvements	6/17/2015	\$ 280.56	\$ 280.56	\$ 280.56	\$ 280.56	\$ 280.56	
14-19	Various Capital Improvements	5/15/2019	425.00	425.00	425.00	425.00	425.00	
13-20	Various Capital Improvements	5/20/2020	2,531,750.00	2,531,750.00	2,531,750.00	\$ 2,531,750.00	\$ 2,531,750.00	
11-21	Various Capital Improvements	5/19/2021	2,612,500.00	2,612,500.00	2,612,500.00	2,612,500.00	2,612,500.00	
09-22	Various Capital Improvements	5/18/2022	1,996,425.00	1,996,425.00	1,996,425.00	1,996,425.00	1,996,425.00	
09-23	Various Capital Improvements	5/17/2023	\$ 3,329,972.00	\$ 3,329,972.00	3,329,972.00	3,329,972.00	3,329,972.00	
16-23	Various Capital Improvements	7/19/2023	761,000.00	761,000.00	761,000.00	761,000.00	761,000.00	
			<u>\$ 7,141,380.56</u>	<u>\$ 4,090,972.00</u>	<u>\$ 11,232,352.56</u>	<u>\$ 11,231,647.00</u>	<u>\$ 705.56</u>	
		<u>Ref.</u>	C	C	C			
	Improvement Authorizations - Unfunded							\$ 6,451,606.74
	Less: Unexpended Proceeds of Bond Anticipation Notes Issued:							
	Ordinance #13-20 Dated 5/20/2020 - Various Capital Improvements					\$ 527,329.18		
	Ordinance #11-21 Dated 5/19/2021 - Various Capital Improvements					1,535,555.08		
	Ordinance #09-22 Dated 5/18/2022 - Various Capital Improvements					971,134.31		
	Ordinance #09-23 Dated 5/17/2023 - Various Capital Improvements					3,329,972.00		
	Ordinance #16-23 Dated 7/19/2023 - Various Capital Improvements					86,910.61		
								<u>6,450,901.18</u>
								<u>\$ 705.56</u>

TOWNSHIP OF MORRIS
GENERAL CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

2023 Authorizations

Ord. No.	Improvement Description	Date	Ordinance	Amount	Balance Dec. 31, 2022		Other Sources	Deferred Charges to Future Taxation - Unfunded	Improvement Authorizations Canceled	Paid or Charged	Balance Dec. 31, 2023	
					Funded	Unfunded					Funded	Unfunded
	<u>General Improvements</u>											
13-01	Various Capital Improvements	5/16/2001	\$ 1,674,000.00	\$	30,613.86						30,613.86	
11-05	Various Capital Improvements	5/4/2005	1,270,850.00		25,000.00						25,000.00	
14-09	Various Capital Improvements	6/17/2009	2,440,500.00		227,488.78						227,488.78	
17-09	Various Projects & Purchases	6/17/2009	71,500.00		7.32				7.32			
08-13;		5/15/2013;	2,455,500.00									
17-14	Various Capital Improvements	8/27/2014			45,000.00						45,000.00	
21-15	Various Capital Improvements	6/17/2015	3,272,500.00		154,237.69	\$ 280.56			25,005.47	\$ 16,675.20	112,557.02	\$ 280.56
07-16	Various Capital Improvements	5/17/2016	718,000.00		78,030.00						78,030.00	
09-16;		5/17/2016;	321,500.00						26,015.80		65,000.00	
14-16	Various Capital Improvements	11/9/2016	(44,200.00)		91,015.80						102,001.35	
10-16	Various Capital Improvements	5/17/2016	2,429,500.00		102,001.35							
11-17	Various Capital Improvements and the Purchase of Equipment	5/17/2017	568,500.00		22,135.17				35.17		22,100.00	
15-17	Various Capital Improvements and the Purchase of Equipment	5/17/2017	2,422,000.00		431,517.71					142,202.95	289,314.76	
02-18	Various Improvements to Parks and Recreation Facilities	2/28/2018	440,000.00		199,583.46					10,930.00	188,653.46	
17-18	Various Capital Improvements and the Purchase of Equipment	6/20/2018	2,985,000.00		175,952.45				298.42	7,258.43	168,395.60	
18-18	Various Capital Improvements and the Purchase of Equipment	6/20/2018	215,000.00		26,769.00						26,769.00	
20-18	Various Capital Improvements	6/20/2018	587,000.00		242,178.68					178.68	232,000.00	
14-19	Various Capital Improvements	5/15/2019	2,700,000.00		219,330.63	425.00					203,068.07	425.00
18-19	Various Capital Improvements	5/15/2019	507,500.00		26,798.14					12,000.00	14,798.14	
32-19	Various Capital Improvements	12/18/2019	195,000.00		91,815.71				2,382.00	17,302.86	72,130.85	
05-20	Purchase of Property and Portions of Property	3/18/2020	350,000.00		11,698.00				11,698.00			
11-20	Various Capital Improvements	5/20/2020	666,500.00		463,288.15				2,125.50	342,366.00	118,796.65	
12-20	Various Capital Improvements	5/20/2020	1,220,000.00		311,368.40				279,081.35	32,287.05		
13-20	Various Capital Improvements	5/20/2020	2,665,000.00			1,196,348.12			0.48	669,018.46		527,329.18

TOWNSHIP OF MORRIS
GENERAL CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS
(Continued)

Ord. No.	Improvement Description	Date	Ordinance Amount		Balance Dec. 31, 2022		Other Sources	2023 Authorizations	Deferred Charges to Future Taxation - Unfunded	Improvement Authorizations Canceled	Paid or Charged	Balance Dec. 31, 2023	
			Funded	Unfunded	Funded	Unfunded						Funded	Unfunded
11-21	Various Capital Improvements	5/19/2021	\$ 2,750,000.00		\$ 1,565,823.14					\$ 12,150.00	\$ 18,118.06	\$ 423,288.13	\$ 1,535,555.08
14-21	Various Capital Improvements	5/19/2021	1,088,500.00		\$ 531,674.94					45,888.14	62,498.67		
29-21	Removal of Underground Storage Tank, Relocation of Emergency Generator and Installation of Above Ground Storage Tank	12/15/2021	300,000.00		300,000.00						(32,000.00)	332,000.00	971,134.31
09-22	Various Capital Improvements	5/18/2022	2,101,500.00		1,448,305.53						477,171.22	972,066.16	
11-22	Various Capital Improvements	5/18/2022	1,321,700.00		1,321,700.00						349,633.84	16,625.69	
14-22	Various Capital Improvements	5/18/2022	115,250.00		42,974.56						26,348.87	311,533.64	
23-22	Fire Apparatus Refurbishment	11/9/2022	319,877.00		319,877.00						8,343.36	322,745.40	
07-23	Various Capital Improvements	5/17/2023	337,000.00			\$ 337,000.00					14,254.60	422,552.27	3,329,972.00
09-23	Various Capital Improvements	5/17/2023	4,573,903.00			1,243,931.00		\$ 3,329,972.00			821,378.73		86,910.61
16-23	Various Capital Improvements	7/19/2023	800,000.00			39,000.00		761,000.00			713,089.39		
25-23	Removal of Underground Storage Tank	10/18/2023	32,000.00			32,000.00					32,000.00		
					\$ 5,492,056.80	\$ 4,211,182.35	\$ 1,651,931.00	\$ 4,090,972.00	\$ 430,950.21	\$ 3,741,056.37	\$ 4,822,528.83	\$ 6,451,606.74	

Ref.	C	C
Capital Improvement Fund	\$ 551,262.00	
Capital Fund Balance	32,000.00	
NJ Department of Transportation Grants	568,669.00	
Due Federal and State Grant Fund:		
American Rescue Plan Grant	500,000.00	
	\$ 1,651,931.00	

Capital Fund Balance	\$ 407,102.21
Due to Other Trust Funds - Reserve for Municipal Open Space	11,698.00
Reserve for Payment of Debt Service	12,150.00
	\$ 430,950.21

Cash Disbursed	\$ 3,742,080.52
Due to Current Fund	3,641.12
	3,745,721.64
Less: Refunds	4,665.27
	\$ 3,741,056.37

TOWNSHIP OF MORRIS
GENERAL CAPITAL FUND
SCHEDULE OF CAPITAL IMPROVEMENT FUND

	<u>Ref.</u>	
Balance December 31, 2022	C	\$ 102,184.78
Increased by:		
2023 Budget Appropriation		512,261.70
		<u>614,446.48</u>
Decreased by:		
Appropriated to Finance Improvement Authorizations		551,262.00
		<u>551,262.00</u>
Balance December 31, 2023	C	<u>\$ 63,184.48</u>

TOWNSHIP OF MORRIS
GENERAL CAPITAL FUND
SCHEDULE OF BOND ANTICIPATION NOTES PAYABLE
YEAR ENDED DECEMBER 31, 2023

Improvement Description	Ord. No.	Date of Ordinance	Date of			Interest Rate	Issued	Balance Dec. 31, 2023
			Issue of Original Note	Issue	Maturity			
Various Capital Improvements	13-20	5/20/2020	9/26/2023	9/26/2023	9/26/2024	4.75%	\$ 2,531,750.00	\$ 2,531,750.00
Various Capital Improvements	11-21	5/19/2021	9/26/2023	9/26/2023	9/26/2024	4.75%	2,612,500.00	2,612,500.00
Various Capital Improvements	09-22	5/18/2022	9/26/2023	9/26/2023	9/26/2024	4.75%	1,996,425.00	1,996,425.00
Various Capital Improvements	09-23	5/17/2023	9/26/2023	9/26/2023	9/26/2024	4.75%	3,329,972.00	3,329,972.00
Various Capital Improvements	16-23	7/19/2023	9/26/2023	9/26/2023	9/26/2024	4.75%	761,000.00	761,000.00
							<u>\$ 11,231,647.00</u>	<u>\$ 11,231,647.00</u>

Ref. C

Issued for Cash \$ 11,231,647.00

TOWNSHIP OF MORRIS
GENERAL CAPITAL FUND
SCHEDULE OF SERIAL BONDS PAYABLE

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds		Interest Rate	Balance Dec. 31, 2022	Matured	Balance Dec. 31, 2023
			Outstanding Date	Amount				
General Obligation Bonds of 2014	10/15/2014	\$ 13,339,000	10/15/2024	\$ 1,589,000.00	2.00%	\$ 3,189,000.00	\$ 1,600,000.00	\$ 1,589,000.00
General Obligation Bonds of 2019	11/1/2019	12,543,000	10/1/2024	1,250,000.00	3.00%	9,690,000.00	1,200,000.00	8,490,000.00
			10/1/2025	1,450,000.00	3.00%			
			10/1/2026-28	1,445,000.00	3.00%			
			10/1/2029	1,455,000.00	3.00%			
						<u>\$ 12,879,000.00</u>	<u>\$ 2,800,000.00</u>	<u>\$ 10,079,000.00</u>
					<u>Ref.</u>	<u>C</u>	<u>C</u>	<u>C</u>

TOWNSHIP OF MORRIS
GENERAL CAPITAL FUND
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

<u>Ord. No.</u>	<u>Improvement Description</u>	<u>Balance Dec. 31, 2022</u>	<u>2023 Authorizations</u>	<u>Bond Anticipation Notes Issued</u>	<u>Balance Dec. 31, 2023</u>
21-15	Various Capital Improvements	\$ 280.56			\$ 280.56
14-19	Various Capital Improvements	425.00			425.00
13-20	Various Capital Improvements	2,531,750.00		\$ 2,531,750.00	
11-21	Various Capital Improvements	2,612,500.00		2,612,500.00	
09-22	Various Capital Improvements	1,996,425.00		1,996,425.00	
09-23	Various Capital Improvements		\$ 3,329,972.00	3,329,972.00	
16-23	Various Capital Improvements		761,000.00	761,000.00	
		<u>\$ 7,141,380.56</u>	<u>\$ 4,090,972.00</u>	<u>\$ 11,231,647.00</u>	<u>\$ 705.56</u>

TOWNSHIP OF MORRIS
COUNTY OF MORRIS
2023
WATER UTILITY FUND

NOT APPLICABLE

TOWNSHIP OF MORRIS
COUNTY OF MORRIS
2023
SEWER UTILITY FUND

TOWNSHIP OF MORRIS
SEWER UTILITY FUND
SCHEDULE OF CASH AND INVESTMENTS - TREASURER

	<u>Ref.</u>	<u>Operating</u>	<u>Capital</u>
Balance December 31, 2022	E	\$ 5,000,385.33	\$ 9,792,514.31
Increased by Receipts:			
Sewer Utility Collector		\$ 8,822,896.00	
Due Sewer Utility Capital Fund:			
Interest Earned		305,403.40	
Interest Earned		100,039.94	
Miscellaneous Revenue		2,349.00	
Industrial Pretreatment Program		65,000.00	
Appropriation Refunds		3,680.00	
Budget Appropriation:			
Capital Improvement Fund			\$ 3,869,628.00
Due Sewer Utility Operating Fund:			
Interest Earned			401,786.41
Due Swimming Pool Utility Operating Fund:			
Interfund Returned		200,000.00	
Improvement Authorization Refunds			4,800.00
		<u>9,499,368.34</u>	<u>4,276,214.41</u>
		14,499,753.67	14,068,728.72
Decreased by Disbursements:			
2023 Appropriation Expenditures		11,068,352.25	
2022 Appropriation Reserve Expenditures		205,866.24	
Interest on Bonds		165,172.50	
Interest on Loans		28,250.00	
Accounts Payable		14,565.75	
Due Current Fund:			
Fund Balance Anticipated		250,000.00	
Due Sewer Utility Operating Fund:			
Interest Earned			305,403.40
Improvement Authorizations			2,036,052.78
		<u>11,732,206.74</u>	<u>2,341,456.18</u>
Balance December 31, 2023	E	<u>\$ 2,767,546.93</u>	<u>\$ 11,727,272.54</u>

TOWNSHIP OF MORRIS
SEWER UTILITY OPERATING FUND
SCHEDULE OF CASH - COLLECTOR
YEAR ENDED DECEMBER 31, 2023

Increased by Receipts:

Consumer Accounts Receivable:

Sewer User Charges	\$ 5,984,218.58
Miscellaneous Revenue	613,811.91
Sewer User Charges - Borough of Morris Plains Contract	1,593,059.43
Township of Randolph - Annual Sewer User Charges	631,806.08

Total Consumer Accounts Receivable \$ 8,822,896.00

Decreased by Disbursements:

Paid to Treasurer \$ 8,822,896.00

TOWNSHIP OF MORRIS
SEWER UTILITY CAPITAL FUND
ANALYSIS OF CASH

Ord. No.	Improvement Authorizations	Balance/ (Deficit) Dec. 31, 2022	Budget		Disbursements		Transfers		Balance/ (Deficit) Dec. 31, 2023
			Appropriation	Receipts	Improvement	Miscellaneous	From	To	
	Fund Balance	\$ 574,204.68							\$ 698,976.15
	Capital Improvement Fund	660,736.49	\$ 3,869,628.00					\$ 500,000.00	\$ 4,178,628.00
	Due Sewer Utility Operating Fund			\$ 401,786.41					\$ 305,403.40
17-11;	Improvement Authorizations								
25-11	Various Sewer Improvements	(82,193.47)							(82,193.47)
22-15	Various Sewer Improvements	183,830.00		\$ 2,244.00				25,000.00	156,586.00
07-16	Various Sewer Improvements	705,814.60		39,732.00					666,082.60
08-16	Various Sewer Improvements	242,219.46		93,689.12				139,435.98	9,094.36
16-17	Purchase of Equipment and Various Sewer Improvements	434,996.02		4,800.00				4,613.32	133,568.26
19-18	Purchase of Equipment and Various Sewer Improvements	711,121.60						123,185.00	544,107.91
16-19	Various Wastewater Treatment Plant and Sewer System Improvements	305,716.68							305,716.68
14-20	Various Wastewater Treatment Plant and Sewer System Improvements	1,102,695.40						321,448.32	735,816.05
13-21	Various Wastewater Treatment Plant and Sewer System Improvements	2,183,872.85						11,088.85	2,144,116.00
12-22	Various Wastewater Treatment Plant and Sewer System Improvements	1,969,500.00						603,176.00	1,366,324.00
28-22	Woodland Sewage Treatment Plant Internal Recycle System Improvements	800,000.00							
06-23	Butterworth Wastewater Treatment Plant Headworks Project							500,000.00	500,000.00
10-23	Various Wastewater Treatment Plant and Sewer System Improvements							4,178,628.00	4,100,958.50
		\$ 9,792,514.31	\$ 3,869,628.00	\$ 406,586.41	\$ 2,036,052.78	\$ 305,403.40	\$ 5,303,399.47	\$ 5,303,399.47	\$ 11,727,272.54

TOWNSHIP OF MORRIS
SEWER UTILITY OPERATING FUND
SCHEDULE OF CONSUMER ACCOUNTS RECEIVABLE

	<u>Ref.</u>	
Balance December 31, 2022	E	\$ 5,176,524.01
Increased by:		
Sewer User Charges Levied		\$ 6,057,955.55
Miscellaneous Fees Levied		613,811.91
Sewer User Charges Levied - Borough of Morris Plains Contract		1,593,059.43
Township of Randolph - Annual Sewer User Charges Levied		631,806.08
		8,896,632.97
		14,073,156.98
Decreased by:		
Collections:		
Sewer User Charges		5,984,218.58
Miscellaneous Fees		613,811.91
Sewer User Charges - Borough of Morris Plains Contract		1,593,059.43
Township of Randolph - Annual Sewer User Charges Levied		631,806.08
		8,822,896.00
Balance December 31, 2023	E	\$ 5,250,260.98

TOWNSHIP OF MORRIS
SEWER UTILITY CAPITAL FUND
SCHEDULE OF FIXED CAPITAL

	<u>Ref.</u>	
Balance December 31, 2022	E	\$ 91,805,127.92
Increased by:		
Additions by Ordinance		<u>800,000.00</u>
Balance December 31, 2023	E	<u>\$ 92,605,127.92</u>

TOWNSHIP OF MORRIS
SEWER UTILITY CAPITAL FUND
SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED

Improvement Description	Ordinance		Balance Dec. 31, 2022	2023 Authorizations	Improvement Authorizations Canceled	Costs to Fixed Capital	Balance Dec. 31, 2023
	Date	Amount					
Various Sewer Improvements	6/17/2015	\$ 3,334,000.00	\$ 204,268.00		\$ 25,000.00	\$	\$ 179,268.00
Various Sewer Improvements	5/17/2016	869,616.45	774,249.45				774,249.45
Various Sewer Improvements	5/17/2016	4,300,000.00	655,608.56		139,435.98		516,172.58
Purchase of Equipment and Various Sewer Improvements	5/17/2017	4,904,500.00	4,884,864.45		4,613.32		4,880,251.13
Purchase of Equipment and Various Sewer Improvements	6/20/2018	1,622,750.00	1,465,500.13		123,185.00		1,342,315.13
Wastewater Treatment Plant and Sewer System Improvements	4/17/2019	2,103,500.00	2,061,500.00				2,061,500.00
Various Wastewater Treatment Plant and Sewer System Improvements	5/20/2020	3,360,000.00	1,816,147.15		321,448.32		1,494,698.83
Various Wastewater Treatment Plant and Sewer System Improvements	5/19/2021	2,441,000.00	2,441,000.00		11,088.85		2,429,911.15
Various Wastewater Treatment Plant and Sewer System Improvements	5/18/2022	1,969,500.00	1,969,500.00				1,969,500.00
Woodland Sewage Treatment Plant	12/21/2022	800,000.00	800,000.00			\$ 800,000.00	
Internal Recycle System Improvements							
Butterworth Wastewater Treatment Plant	5/17/2023	500,000.00		\$ 500,000.00			500,000.00
Headworks Project							
Various Wastewater Treatment Plant and Sewer System Improvements	5/17/2023	4,178,628.00		4,178,628.00			4,178,628.00
			\$ 17,072,637.74	\$ 4,678,628.00	\$ 624,771.47	\$ 800,000.00	\$ 20,326,494.27

Ref.

E

E

TOWNSHIP OF MORRIS
SEWER UTILITY OPERATING FUND
SCHEDULE OF 2022 APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2023

	Balance Dec. 31, 2022	Balance After Modification	Paid or Charged	Balance Lapsed
Operating:				
Salaries and Wages	\$ 36,621.85	\$ 36,621.85		\$ 36,621.85
Other Expenses	327,385.11	327,385.11	\$ 245,435.58	81,949.53
Statutory Expenditures:				
Contribution to:				
Social Security System (O.A.S.I.)	2,561.07	2,561.07		2,561.07
	\$ 366,568.03	\$ 366,568.03	\$ 245,435.58	\$ 121,132.45

Ref.

Analysis of Balance December 31, 2022:

Appropriation Reserves:		
Unencumbered	E	\$ 151,487.51
Encumbered	E	215,080.52
		\$ 366,568.03

Cash Disbursed	\$ 205,866.24
Accounts Payable	39,569.34
	\$ 245,435.58

TOWNSHIP OF MORRIS
SEWER UTILITY CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

Ord. No.	Improvement Description	Ordinance		Balance		2023 Authorizations			Paid or Charged	Improvement Authorizations Canceled	Balance Dec. 31, 2023 Funded
		Date	Amount	Dec. 31, 2022 Funded	Capital Fund Balance	Capital Improvement Fund					
22-15	Various Sewer Improvements	6/17/2015	\$ 3,334,000.00	\$ 183,830.00	\$	\$	\$	2,244.00	\$ 25,000.00	\$ 156,586.00	
07-16	Various Sewer Improvements	5/17/2016	869,616.45	705,814.60			39,732.00			666,082.60	
08-16	Various Sewer Improvements	5/17/2016	4,300,000.00	242,219.46			93,689.12		139,435.98	9,094.36	
16-17	Purchase of Equipment and Various Sewer Improvements	5/17/2017	4,904,500.00	434,996.02			296,814.44		4,613.32	133,568.26	
19-18	Purchase of Equipment and Various Sewer Improvements	6/20/2018	1,622,750.00	711,121.60			43,828.69		123,185.00	544,107.91	
16-19	Various Wastewater Treatment Plant and Sewer System Improvements	5/15/2019	2,103,500.00	305,716.68						305,716.68	
14-20	Various Wastewater Treatment Plant and Sewer System Improvements	5/20/2020	3,360,000.00	1,102,695.40			45,431.03		321,448.32	735,816.05	
13-21	Various Wastewater Treatment Plant and Sewer System Improvements	5/19/2021	2,441,000.00	2,183,872.85			28,668.00		11,088.85	2,144,116.00	
12-22	Various Wastewater Treatment Plant and Sewer System Improvements	5/18/2022	1,969,500.00	1,969,500.00			603,176.00			1,366,324.00	
28-22	Woodland Sewage Treatment Plant Internal Recycle System Improvements	12/21/2022	800,000.00	800,000.00			800,000.00				
06-23	Butterworth Wastewater Treatment Plant Headworks Project	5/17/2023	500,000.00		\$	\$ 500,000.00				500,000.00	
10-23	Various Wastewater Treatment Plant and Sewer System Improvements	5/17/2023	4,178,628.00		\$	\$ 4,178,628.00		77,669.50		4,100,958.50	
				\$ 8,639,766.61	\$ 500,000.00	\$ 4,178,628.00	\$ 2,031,252.78	\$ 624,771.47	\$ 10,662,370.36		

Ref. E

Cash Disbursed \$ 2,036,052.78
Less: Refunds 4,800.00
\$ 2,031,252.78

Sewer Utility Capital Fund Balance \$ 624,771.47

E

TOWNSHIP OF MORRIS
SEWER UTILITY CAPITAL FUND
SCHEDULE OF CAPITAL IMPROVEMENT FUND

	<u>Ref.</u>	
Balance December 31, 2022	E	\$ 660,736.49
Increased by:		
2023 Budget Appropriation		3,869,628.00
		<u>4,530,364.49</u>
Decreased by:		
Appropriated to Finance Improvement Authorizations		4,178,628.00
		<u>4,178,628.00</u>
Balance December 31, 2024	E	<u><u>\$ 351,736.49</u></u>

TOWNSHIP OF MORRIS
SEWER UTILITY CAPITAL FUND
SCHEDULE OF RESERVE FOR AMORTIZATION

	<u>Ref.</u>	
Balance December 31, 2022	E	\$ 84,082,803.29
Increased by:		
Transfer from Deferred Reserve for Amortization	\$ 800,000.00	
Paid by Sewer Utility Operating Budget:		
Serial Bonds	550,000.00	
NJ Infrastructure Bank Loans	289,738.04	
		<u>1,639,738.04</u>
Balance December 31, 2023	E	<u>\$ 85,722,541.33</u>

TOWNSHIP OF MORRIS
SEWER UTILITY CAPITAL FUND
SCHEDULE OF DEFERRED RESERVE FOR AMORTIZATION

Ord. No.	Improvement Description	Ordinance Date	Balance Dec. 31, 2022	2023 Authorizations	Improvement Authorizations Canceled	To Reserve for Amortization Fixed Capital	Balance Dec. 31, 2023
22-15	Various Sewer Improvements	6/17/2015	\$ 204,268.00		\$ 25,000.00	\$	\$ 179,268.00
08-16	Various Sewer Improvements	5/17/2016	655,608.56		139,435.98		516,172.58
16-17	Purchase of Equipment and Various Sewer Improvements	5/17/2017	4,884,864.45		4,613.32		4,880,251.13
19-18	Purchase of Equipment and Various Sewer Improvements	6/20/2018	1,465,500.13		123,185.00		1,342,315.13
16-19	Wastewater Treatment Plant and Sewer System Improvements	4/17/2019	2,061,500.00				2,061,500.00
14-20	Various Wastewater Treatment Plant and Sewer System Improvements	5/20/2020	1,816,147.15		321,448.32		1,494,698.83
13-21	Various Wastewater Treatment Plant and Sewer System Improvements	5/19/2021	2,441,000.00		11,088.85		2,429,911.15
12-22	Various Wastewater Treatment Plant and Sewer System Improvements	5/18/2022	1,969,500.00				1,969,500.00
28-22	Woodland Sewage Treatment Plant Internal Recycle System Improvements	12/21/2022	800,000.00			\$ 800,000.00	
06-23	Butterworth Wastewater Treatment Plant Headworks Project	5/17/2023		\$ 500,000.00			500,000.00
10-23	Various Wastewater Treatment Plant and Sewer System Improvements	5/17/2023		4,178,628.00			4,178,628.00
			<u>\$ 16,298,388.29</u>	<u>\$ 4,678,628.00</u>	<u>\$ 624,771.47</u>	<u>\$ 800,000.00</u>	<u>\$ 19,552,244.82</u>

Ref.

E

E

TOWNSHIP OF MORRIS
SEWER UTILITY CAPITAL FUND
SCHEDULE OF BOND ANTICIPATION NOTES PAYABLE
YEAR ENDED DECEMBER 31, 2023

NOT APPLICABLE

TOWNSHIP OF MORRIS
SEWER UTILITY CAPITAL FUND
SCHEDULE OF SERIAL BONDS PAYABLE

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding Dec. 31, 2023		Interest Rate	Balance Dec. 31, 2022	Matured	Balance Dec. 31, 2023
			Date	Amount				
Sewer Utility Bonds of 2009	9/1/2009	\$ 4,655,000.00	9/1/2024-25	\$ 300,000.00	3.500%			
			9/1/2026-27	300,000.00	3.625%			
			9/1/2028-29	300,000.00	3.750%	\$ 2,100,000.00	\$ 300,000.00	\$ 1,800,000.00
Sewer Utility Bonds of 2014	10/15/2014	4,807,000.00	10/15/2024	260,000.00	2.000%			
			10/15/2025	260,000.00	2.250%			
			10/15/2026	270,000.00	2.375%			
			10/15/2027-33	280,000.00	3.000%			
			10/15/2034	272,000.00	3.000%	3,272,000.00	250,000.00	3,022,000.00
						\$ 5,372,000.00	\$ 550,000.00	\$ 4,822,000.00

Ref.

E

E

TOWNSHIP OF MORRIS
SEWER UTILITY CAPITAL FUND
SCHEDULE OF NEW JERSEY INFRASTRUCTURE BANK (NJIB) LOANS PAYABLE

	<u>Ref.</u>	
Balance December 31, 2022	E	\$ 3,042,380.61
Decreased by:		
Matured		289,738.04
Balance December 31, 2023	E	\$ 2,752,642.57

Schedule of Principal and Interest Payments Outstanding December 31, 2023

<u>Payment Number</u>	<u>Due</u>	<u>Fund Loan Principal</u>	<u>Trust Loan</u>		<u>Loan Balance</u>
			<u>Principal</u>	<u>Interest</u>	
					\$ 2,752,642.57
22	2/1/2024	\$ 73,246.01		\$ 12,375.00	2,679,396.56
23	8/1/2024	146,492.03	\$ 75,000.00	12,375.00	2,457,904.53
24	2/1/2025	73,246.01		10,500.00	2,384,658.52
25	8/1/2025	146,492.03	80,000.00	10,500.00	2,158,166.49
26	2/1/2026	73,246.01		9,300.00	2,084,920.48
27	8/1/2026	146,492.03	80,000.00	9,300.00	1,858,428.45
28	2/1/2027	73,246.01		8,100.00	1,785,182.44
29	8/1/2027	146,492.03	85,000.00	8,100.00	1,553,690.41
30	2/1/2028	73,246.01		6,825.00	1,480,444.40
31	8/1/2028	146,492.03	85,000.00	6,825.00	1,248,952.37
32	2/1/2029	73,246.01		5,550.00	1,175,706.36
33	8/1/2029	146,492.03	90,000.00	5,550.00	939,214.33
34	2/1/2030	73,246.01		4,200.00	865,968.32
35	8/1/2030	146,492.03	90,000.00	4,200.00	629,476.29
36	2/1/2031	73,246.01		2,850.00	556,230.28
37	8/1/2031	146,492.03	95,000.00	2,850.00	314,738.25
38	2/1/2032	73,246.01		1,425.00	241,492.24
39	8/1/2032	146,492.24	95,000.00	1,425.00	
		\$ 1,977,642.57	\$ 775,000.00	\$ 122,250.00	

TOWNSHIP OF MORRIS
SEWER UTILITY CAPITAL FUND
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

<u>Ord. No.</u>	<u>Improvement Description</u>	<u>Balance Dec. 31, 2022</u>	<u>Balance Dec. 31, 2023</u>
17-11; 25-11	Various Sewer Improvements	\$ 82,193.47	\$ 82,193.47
		<u>\$ 82,193.47</u>	<u>\$ 82,193.47</u>

TOWNSHIP OF MORRIS
COUNTY OF MORRIS
2023
SWIMMING POOL UTILITY FUND

TOWNSHIP OF MORRIS
SWIMMING POOL UTILITY FUND
SCHEDULE OF CASH - TREASURER

	<u>Ref.</u>	<u>Operating</u>	<u>Capital</u>
Balance December 31, 2023	F	\$ 67,782.80	\$ 237,312.29
Increased by Receipts:			
Swimming Pool Fees		\$ 910,245.00	
Interest Earned		9,866.12	
Miscellaneous Revenue		57,468.00	
American Rescue Plan		217,042.58	
Deficit (General Budget)		395,807.79	
Change Fund Returned		200.00	
Budget Appropriation:			
Capital Improvement Fund			\$ 29,750.00
Bond Anticipation Note Proceeds			1,094,353.00
Swimming Pool Utility Capital Fund Balance:			
Premium on Sale of Notes			12,089.95
Due Swimming Pool Utility Capital Fund:			
Interest Earned		15,495.78	
Due Swimming Pool Utility Operating Fund:			
Interest Earned			15,495.78
		<u>1,606,125.27</u>	<u>1,151,688.73</u>
		1,673,908.07	1,389,001.02
Decreased by Disbursements:			
2023 Appropriation Expenditures		1,327,215.62	
2022 Appropriation Reserve Expenditures		48,613.67	
Change Fund Advanced		200.00	
Interest on Bonds		35,000.00	
Refund of:			
Swimming Pool Fees		810.00	
Miscellaneous Revenue		15.00	
Due Current Fund:			
Interfund Returned		8,104.40	
Due Sewer Utility Operating Fund:			
Interfund Returned		200,000.00	
Due Swimming Pool Utility Operating Fund:			
Interest Earned			15,495.78
Improvement Authorizations			79,875.08
		<u>1,619,958.69</u>	<u>95,370.86</u>
Balance December 31, 2023	F	<u>\$ 53,949.38</u>	<u>\$ 1,293,630.16</u>

TOWNSHIP OF MORRIS
SWIMMING POOL UTILITY CAPITAL FUND
ANALYSIS OF CASH

Fund Balance Capital Improvement Fund Due Swimming Pool Utility Operating Func	Balance/ (Deficit) Dec. 31, 2022	Receipts			Disbursements			Transfers		Balance Dec. 31, 2023
		Budget Appropriation	Bond Anticipation Notes	Miscellaneous	Improvement Authorizations	Miscellaneous	From	To		
	\$ 18,224.04			\$ 12,089.95				\$ 998.10	\$ 31,312.09	
	40,419.68	\$ 29,750.00		15,495.78		\$ 29,750.00		13,573.02	40,419.68	
									13,573.02	
Ord. No.	Improvement Authorizations									
11-16	Swimming Pool Improvements and Purchase of Equipment									79,155.16
12-17	Swimming Pool Improvements and Purchase of Equipment					998.10				121,615.00
21-18	Swimming Pool Improvements and Purchase of Equipment									65,000.00
15-19	Swimming Pool Improvements									59,144.00
09-20; 30-20	Swimming Pool Improvements		\$ 116,375.00		\$ 486.22		1,443.37			12,763.41
12-21	Swimming Pool Improvements		227,478.00		53,980.30		2,821.36			81,136.55
15-21	Electrical Equipment Improvements at the Streeter Swim Pool Facility									124,224.84
10-22	Swimming Pool Improvements		185,250.00		23,047.28		2,297.62			79,658.36
08-23	Swimming Pool Improvements		565,250.00		2,361.28		7,010.67		29,750.00	585,628.05
		\$ 29,750.00	\$ 1,094,353.00	\$ 27,585.73	\$ 79,875.08	\$ 44,321.12	\$ 44,321.12	\$ 44,321.12	\$ 1,293,630.16	

TOWNSHIP OF MORRIS
SWIMMING POOL UTILITY OPERATING FUND
SCHEDULE OF CONSUMER ACCOUNTS RECEIVABLE
YEAR ENDED DECEMBER 31, 2023

NOT APPLICABLE

TOWNSHIP OF MORRIS
SWIMMING POOL UTILITY CAPITAL FUND
SCHEDULE OF FIXED CAPITAL

	<u>Ref.</u>	
Balance December 31, 2022	F	<u>\$ 7,593,006.31</u>
Balance December 31, 2023	F	<u><u>\$ 7,593,006.31</u></u>

TOWNSHIP OF MORRIS
SWIMMING POOL UTILITY CAPITAL FUND
SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED

Improvement Description	Ordinance		Balance Dec. 31, 2022	2023 Authorizations	Improvement Authorizations Canceled	Balance Dec. 31, 2023
	Date	Amount				
Swimming Pool Improvements and Purchase of Equipment	5/17/2016	\$ 235,000.00	\$ 235,000.00			\$ 235,000.00
Swimming Pool Improvements and Purchase of Equipment	5/17/2017	200,000.00	200,000.00		\$ 998.10	199,001.90
Swimming Pool Improvements and Purchase of Equipment	6/20/2018	65,000.00	65,000.00			65,000.00
Swimming Pool Improvements	5/15/2019	86,500.00	86,500.00			86,500.00
Swimming Pool Improvements	5/20/2020; 12/16/2020	122,500.00	122,500.00			122,500.00
Swimming Pool Improvements	5/19/2021	239,500.00	239,500.00			239,500.00
Electrical Equipment Improvements at the Streeter Swim Pool Facility	5/19/2021	124,274.84	124,274.84			124,274.84
Swimming Pool Improvements	5/18/2022	195,000.00	195,000.00			195,000.00
Swimming Pool Improvements	5/17/2023	595,000.00		\$ 595,000.00		595,000.00
			<u>\$ 1,267,774.84</u>	<u>\$ 595,000.00</u>	<u>\$ 998.10</u>	<u>\$ 1,861,776.74</u>
	<u>Ref.</u>		F			F

TOWNSHIP OF MORRIS
SWIMMING POOL UTILITY OPERATING FUND
SCHEDULE OF 2022 APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2023

	Balance Dec. 31, 2022	Balance After Modification	Paid or Charged	Balance Lapsed
Operating:				
Salaries and Wages	\$ 850.50	\$ 850.50		\$ 850.50
Other Expenses	64,106.33	64,106.33	\$ 48,613.67	15,492.66
Statutory Expenditures:				
Contribution to:				
Social Security System (O.A.S.I.)	710.41	710.41		710.41
	\$ 65,667.24	\$ 65,667.24	\$ 48,613.67	\$ 17,053.57

Ref.

Analysis of Balance December 31, 2022:

Appropriation Reserves:			
Unencumbered	F	\$ 17,773.99	
Encumbered	F	47,893.25	
		\$ 65,667.24	

TOWNSHIP OF MORRIS
SWIMMING POOL UTILITY CAPITAL FUND
SCHEDULE OF CAPITAL IMPROVEMENT FUND

	<u>Ref.</u>	
Balance December 31, 2023	F	\$ 40,419.68
Increased by:		
2023 Budget Appropriation		29,750.00
		<u>70,169.68</u>
Decreased by:		
Appropriated to Finance Improvement Authorizations		29,750.00
		<u>29,750.00</u>
Balance December 31, 2023	F	<u><u>\$ 40,419.68</u></u>

TOWNSHIP OF MORRIS
SWIMMING POOL UTILITY CAPITAL FUND
SCHEDULE OF RESERVE FOR AMORTIZATION

	<u>Ref.</u>	
Balance December 31, 2022	F	\$ 6,529,706.31
Increased by:		
Serial Bonds Paid by Swimming Pool Utility Operating Budget		<u>390,000.00</u>
Balance December 31, 2023	F	<u><u>\$ 6,919,706.31</u></u>

TOWNSHIP OF MORRIS
SWIMMING POOL UTILITY CAPITAL FUND
SCHEDULE OF DEFERRED RESERVE FOR AMORTIZATION

<u>Improvement Description</u>	<u>Ordinance Date</u>	<u>Balance Dec. 31, 2022</u>	<u>2023 Authorizations</u>	<u>Improvement Authorizations Canceled</u>	<u>Balance Dec. 31, 2023</u>
Swimming Pool Improvements and Purchase of Equipment	5/17/2016	\$ 11,750.00			\$ 11,750.00
Swimming Pool Improvements and Purchase of Equipment	5/17/2017	10,000.00		\$ 998.10	9,001.90
Swimming Pool Improvements and Purchase of Equipment	6/20/2018	3,250.00			3,250.00
Swimming Pool Improvements	5/15/2019	4,500.00			4,500.00
Swimming Pool Improvements	5/20/2020; 12/16/2020	6,125.00			6,125.00
Swimming Pool Improvements	5/19/2021	11,975.00			11,975.00
Electrical Equipment Improvements at the Streeter Swim Pool Facility	5/19/2021	124,274.84			124,274.84
Swimming Pool Improvements	5/18/2022	9,750.00			9,750.00
Swimming Pool Improvements	5/17/2023		\$ 29,750.00		29,750.00
		<u>\$ 181,624.84</u>	<u>\$ 29,750.00</u>	<u>\$ 998.10</u>	<u>\$ 210,376.74</u>
	<u>Ref.</u>	F			F

TOWNSHIP OF MORRIS
SWIMMING POOL UTILITY CAPITAL FUND
SCHEDULE OF BOND ANTICIPATION NOTES PAYABLE
YEAR ENDED DECEMBER 31, 2023

Improvement Description	Ord. No.	Date of			Interest Rate	Issued	Balance Dec. 31, 2023
		Ordinance	Issue of Original Note	Issue			
Swimming Pool Improvements	09-20; 30-20	5/20/2020; 12/16/2020	9/26/2023	9/26/2023	9/26/2024	\$ 116,375.00	\$ 116,375.00
Swimming Pool Improvements	12-21	5/19/2021	9/26/2023	9/26/2023	9/26/2024	227,478.00	227,478.00
Swimming Pool Improvements	10-22	5/17/2017	9/26/2023	9/26/2023	9/26/2024	185,250.00	185,250.00
Swimming Pool Improvements	08-23	5/17/2023	9/26/2023	9/26/2023	9/26/2024	565,250.00	565,250.00
						<u>\$ 1,094,353.00</u>	<u>\$ 1,094,353.00</u>

Ref. F

Issued for Cash
\$ 1,094,353.00

TOWNSHIP OF MORRIS
SWIMMING POOL UTILITY CAPITAL FUND
SCHEDULE OF SERIAL BONDS PAYABLE

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding Dec. 31, 2023		Interest Rate	Balance Dec. 31, 2022	Matured	Balance Dec. 31, 2023
			Date	Amount				
Swimming Pool Bonds of 2014	10/15/2014	\$ 3,855,000.00	10/15/2024	\$ 400,000.00	2.00%			
			10/15/2025	410,000.00	2.25%	\$ 1,620,000.00	\$ 390,000.00	\$ 1,230,000.00
				10/15/2026	420,000.00	2.375%	\$ 1,620,000.00	\$ 390,000.00
						<u>\$ 1,620,000.00</u>	<u>\$ 390,000.00</u>	<u>\$ 1,230,000.00</u>
					<u>Ref.</u>	F	F	F

TOWNSHIP OF MORRIS
SWIMMING POOL UTILITY CAPITAL FUND
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

Ordinance No.	Improvement Description	Balance Dec. 31, 2022	2023 Authorizations	Bond Anticipation Notes Issued	Balance Dec. 31, 2023
15-19	Swimming Pool Improvements	\$ 250.00			\$ 250.00
09-20; 30-20	Swimming Pool Improvements	116,375.00		\$ 116,375.00	
12-21	Swimming Pool Improvements	227,525.00		227,478.00	47.00
15-21	Electrical Equipment Improvements at the Streeter Swim Pool Facility	50.00			50.00
10-22	Swimming Pool Improvements	185,250.00		185,250.00	
08-23	Swimming Pool Improvements		\$ 565,250.00	565,250.00	
		<u>\$ 529,450.00</u>	<u>\$ 565,250.00</u>	<u>\$ 1,094,353.00</u>	<u>\$ 347.00</u>

TOWNSHIP OF MORRIS
COUNTY OF MORRIS
2023
PARKING LOT UTILITY FUND

TOWNSHIP OF MORRIS
PARKING LOT UTILITY FUND
SCHEDULE OF CASH - TREASURER

	<u>Ref.</u>	<u>Operating</u>		<u>Capital</u>
Balance December 31, 2022	G	\$ 429,535.77		\$ 237,774.65
Increased by Receipts:				
Due Parking Lot Utility Capital Fund:				
Interest Earned		\$ 7,359.87		
Interest Earned		14,805.96		
Miscellaneous		77.00		
Parking Lot Fees and Permits		344,126.70		
Due Parking Lot Utility Operating Fund:				
Interest Earned			\$ 7,359.87	
		<u>366,369.53</u>		<u>7,359.87</u>
		795,905.30		245,134.52
Decreased by Disbursements:				
2023 Appropriation Expenditures		270,072.67		
2022 Appropriation Reserve Expenditures		6,621.79		
Interest on Bonds		1,400.00		
Due Current Fund:				
Fund Balance Anticipated		50,000.00		
Refund of Parking Lot Fees and Permits		1,451.25		
Due Parking Lot Utility Operating Fund:				
Interest Earned			7,359.87	
		<u>329,545.71</u>		<u>7,359.87</u>
Balance December 31, 2023	G	<u>\$ 466,359.59</u>		<u>\$ 237,774.65</u>

TOWNSHIP OF MORRIS
PARKING LOT UTILITY CAPITAL FUND
ANALYSIS OF CASH

	Balance Dec. 31, 2022	Receipts Miscellaneous	Disbursements Miscellaneous	Balance Dec. 31, 2023
Fund Balance	\$ 24,684.00			\$ 24,684.00
Capital Improvement Fund	152,984.65			152,984.65
Due Parking Lot Utility Operating Fund		\$ 7,359.87	\$ 7,359.87	
Ord. No.	Improvement Authorizations			
10-20	Improvements to Convent Train Station Parking Lot			
	60,106.00			60,106.00
	\$ 237,774.65	\$ 7,359.87	\$ 7,359.87	\$ 237,774.65

TOWNSHIP OF MORRIS
PARKING LOT UTILITY OPERATING FUND
SCHEDULE OF CONSUMER ACCOUNTS RECEIVABLE
YEAR ENDED DECEMBER 31, 2023

NOT APPLICABLE

TOWNSHIP OF MORRIS
PARKING LOT UTILITY CAPITAL FUND
SCHEDULE OF FIXED CAPITAL

	<u>Ref.</u>	
Balance December 31, 2022	G	<u>\$ 1,612,810.77</u>
Balance December 31, 2023	G	<u><u>\$ 1,612,810.77</u></u>

TOWNSHIP OF MORRIS
PARKING LOT UTILITY CAPITAL FUND
SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED

<u>Improvement Description</u>	<u>Ordinance</u>		<u>Balance</u>	<u>Balance</u>
	<u>Date</u>	<u>Amount</u>	<u>Dec. 31, 2022</u>	<u>Dec. 31, 2023</u>
Improvements to Convent Train Station Parking Lot	5/20/2020	\$ 130,000.00	\$ 118,100.00	\$ 118,100.00
			<u>\$ 118,100.00</u>	<u>\$ 118,100.00</u>
		<u>Ref.</u>	G	G

TOWNSHIP OF MORRIS
PARKING LOT UTILITY OPERATING FUND
SCHEDULE OF 2022 APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2023

	Balance Dec. 31, 2022	Balance After Modification	Paid or Charged	Balance Lapsed
Operating:				
Salaries and Wages	\$ 22,612.32	\$ 22,612.32	\$ 73.08	\$ 22,539.24
Other Expenses	12,679.52	12,679.52	6,548.71	6,130.81
Statutory Expenditures:				
Contribution to:				
Social Security System (O.A.S.I.)	1,769.70	1,769.70		1,769.70
	<u>\$ 37,061.54</u>	<u>\$ 37,061.54</u>	<u>\$ 6,621.79</u>	<u>\$ 30,439.75</u>

Ref.

Analysis of Balance December 31, 2022:

Appropriation Reserves:			
Unencumbered	G	\$ 32,877.27	
Encumbered	G	4,184.27	
		<u>\$ 37,061.54</u>	

TOWNSHIP OF MORRIS
PARKING LOT UTILITY CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

Ord. No.	Improvement Description	Ordinance		Balance	Balance
		Date	Amount	Dec. 31, 2022 Funded	Dec. 31, 2023 Funded
10-20	Improvements to Convent Train Station Parking Lot	5/20/2020	\$ 130,000.00	\$ 60,106.00	\$ 60,106.00
				<u>\$ 60,106.00</u>	<u>\$ 60,106.00</u>
				<u>Ref.</u>	G
				G	G

TOWNSHIP OF MORRIS
PARKING LOT UTILITY CAPITAL FUND
SCHEDULE OF CAPITAL IMPROVEMENT FUND

	<u>Ref.</u>	
Balance December 31, 2022	G	<u>\$ 152,984.65</u>
Balance December 31, 2023	G	<u><u>\$ 152,984.65</u></u>

TOWNSHIP OF MORRIS
PARKING LOT UTILITY CAPITAL FUND
SCHEDULE OF RESERVE FOR AMORTIZATION

	<u>Ref.</u>	
Balance December 31, 2022	G	\$ 1,542,810.77
Increased by:		
Serial Bonds Paid by Parking Lot Utility Operating Budget		<u>35,000.00</u>
Balance December 31, 2023	G	<u><u>\$ 1,577,810.77</u></u>

TOWNSHIP OF MORRIS
PARKING LOT UTILITY CAPITAL FUND
SCHEDULE OF DEFERRED RESERVE FOR AMORTIZATION

<u>Ord. No.</u>	<u>Improvement Description</u>	<u>Ordinance Date</u>	<u>Balance Dec. 31, 2022</u>	<u>Balance Dec. 31, 2023</u>
10-20	Improvements to Convent Train Station Parking Lot	5/20/2020	\$ 118,100.00	\$ 118,100.00
			\$ 118,100.00	\$ 118,100.00
		<u>Ref.</u>	G	G

TOWNSHIP OF MORRIS
PARKING LOT UTILITY CAPITAL FUND
SCHEDULE OF BOND ANTICIPATION NOTES PAYABLE
YEAR ENDED DECEMBER 31, 2023

NOT APPLICABLE

**TOWNSHIP OF MORRIS
PARKING LOT UTILITY CAPITAL FUND
SCHEDULE OF SERIAL BONDS PAYABLE**

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds		Interest Rate	Balance	
			Outstanding Date	Amount		Dec. 31, 2022	Dec. 31, 2023
Parking Lot Bonds of 2014	10/15/2014	\$ 285,000.00	10/15/2024	\$ 35,000.00	2.00%	\$ 70,000.00	\$ 35,000.00
						<u>\$ 70,000.00</u>	<u>\$ 35,000.00</u>

Ref.

G

G

TOWNSHIP OF MORRIS
PARKING LOT UTILITY CAPITAL FUND
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED
YEAR ENDED DECEMBER 31, 2023

NOT APPLICABLE

TOWNSHIP OF MORRIS
COUNTY OF MORRIS
2023
PUBLIC ASSISTANCE FUND

TOWNSHIP OF MORRIS
PUBLIC ASSISTANCE FUND
SCHEDULE OF CASH - TREASURER

	<u>Ref.</u>	<u>P.A.T.F. I</u>
Balance December 31, 2022	H	\$ 55,815.79
Increased by Receipts:		
Due Current Fund - Interest Earned		1,726.02
		<u>57,541.81</u>
Decreased by Disbursements:		
Due Current Fund - Interest Earned		1,726.02
		<u>1,726.02</u>
Balance December 31, 2023	H	<u>\$ 55,815.79</u>

TOWNSHIP OF MORRIS

PART II

SINGLE AUDIT

YEAR ENDED DECEMBER 31, 2023

TOWNSHIP OF MORRIS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2023

Federal Department	Assistance Listing Number	State Program Account Number	Program	Grant Award	Grant Receipts	Grant Period		Grant Expenditures	MEMO Cumulative Total Expenditures	Amounts Provided to Subrecipients
						From	To			
U.S. Department of Justice: Office of Justice Programs	16.607	N/A	Bulletproof Vest Partnership Program	\$ 3,796.65 12,751.89 1,155.07	\$ 1,155.07 1,155.07	01/01/20 01/01/22 01/01/23	12/31/23 12/31/24 12/31/24	\$ 672.94 8,466.07 9,139.01	\$ 3,796.65 8,466.07 12,262.72	
Total U.S. Department of Justice				1,155.07	1,155.07			9,139.01	12,262.72	
U.S. Department of Homeland Security (Passed through NJ Department of Law and Public Safety)	97.036	100-066-1200-C73-069820	Disaster Grants - Public Assistance - F.E.M.A.:	186,905.85	1,530.34	08/05/20	12/31/20	1,530.34 *	188,436.19	
	97.036	100-066-1200-C80-066290	Tropical Storm Isaias Severe Winter Storm and Snow Storm Orlena	38,703.77	43.73	02/01/21	12/31/21	43.73 *	38,747.50	
Total U.S. Department of Homeland Security				1,574.07	1,574.07			1,574.07	227,183.69	
U.S. Department of Treasury: (Passed through NJ Department of Community Affairs)	21.027	100-022-8030-687-046010	COVID-19 - American Rescue Plan Act: Coronavirus State and Local Fiscal Recovery Funds	2,319,036.50		03/03/21	12/31/24	1,299,529.75	1,852,878.94	
	21.027	100-022-8030-689-046180	Firefighter Grant	27,000.00		01/01/23	12/31/24	26,766.04	26,766.04	
Total U.S. Department of Treasury					-0-			1,326,295.79	1,879,644.98	
U.S. Department of Health and Human Services (Passed thru NJ Department of Health and Senior Services)	93.323	N/A	NJACCHO: Enhancing Local Public Health	253,531.00	24,108.88	10/01/22	06/30/24	182,838.20	182,838.20	
Total U.S. Department of Treasury					24,108.88			182,838.20	182,838.20	-0-
TOTAL FEDERAL AWARDS				\$ 26,838.02	\$ 26,838.02			\$ 1,519,847.07	\$ 2,301,929.59	\$ -0-

N/A - Not Applicable/Available
* - Expended in Prior Year(s).

SEE ACCOMPANYING NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS

TOWNSHIP OF MORRIS
SCHEDULE OF EXPENDITURES OF STATE AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2023

State Funding Department	State Program	Program Account No.	Grant Award	Grant Receipts	Grant Period		Grant Expenditures	MEMO Cumulative Total Expenditures
					From	To		
Department of Environmental Protection	Clean Communities Program	765-042-4900-	\$ 49,726.53		01/01/20	12/31/23	\$ 26,755.54	\$ 49,726.53
		004-178910	52,911.98		01/01/21	12/31/23	52,911.98	52,911.98
			54,819.17		01/01/22	12/31/24	1,922.50	1,922.50
			61,486.07	\$ 61,486.07	01/01/23	12/31/24		
	Recycling Tonnage Grant	100-042-4910-	24,830.32		01/01/19	12/31/23	458.83	24,830.32
		224-238490	37,078.53		01/01/21	12/31/23	4,623.47	37,078.53
			38,582.44		01/01/23	12/31/24	35,755.22	35,755.22
			38,582.44				40,837.52	97,664.07
	Water Resources Monitoring and Planning - Constitutional Dedication: Stormwater Assistance	100-042-4850-099-290400	25,000.00	15,000.00	01/01/23	12/31/24	-0-	-0-
	Total Department of Environmental Protection			115,068.51			122,427.54	202,225.08
Department of Law and Public Safety	Drunk Driving Enforcement Fund	100-066-1110-260-YYYY	10,827.49		01/01/19	12/31/24	531.05	2,596.10
Department of Law and Public Safety	Body Armor Replacement Fund	718-066-1020-001-090160	3,379.47	3,379.47	01/01/23	12/31/24		
	Total Department of Law and Public Safety			3,379.47			531.05	-0-
Department of Treasury (Passed through the County of Morris)	Governor's Council on Alcoholism and Drug Abuse - Municipal Alliance Program	100-082-2000-044-995120	14,941.00	9,351.24	07/01/21	06/30/23	6,743.64	6,743.64
			17,405.00	17,405.00	07/01/23	06/30/24	17,405.00	17,405.00
			4,000.00		07/01/23	06/30/24	4,000.00	4,000.00
	Total Department of Treasury			26,756.24			28,148.64	28,148.64
Department of Human Services	Division of Mental Health and Addiction Services (DMHAS) - Youth Leadership Grant	N/A	3,900.00	3,900.00	01/01/22	12/31/23	3,900.00	3,900.00
	Total Department of Human Services			3,900.00			3,900.00	3,900.00

N/A - Not Applicable/Available

TOWNSHIP OF MORRIS
SCHEDULE OF EXPENDITURES OF STATE AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2023
 (Continued)

State Funding Department	State Program	Program Account No.	Grant Award	Grant Receipts	Grant Period		Grant Expenditures	MEMO Cumulative Total Expenditures
					From	To		
Department of Community Affairs	Local Efficiency Achievement Program (LEAP) Implementation	495-022-8030-						
		667-049680	\$ 90,000.00	\$ 24,750.00	01/01/21	12/31/24	\$	\$ 24,750.00
	Lead Programs (P.L.2021, C.182)	100-022-8020-304-023110	13,200.00	13,200.00	01/01/23	12/31/24		
Total Department of Community Affairs				37,950.00			\$ - 0 -	24,750.00
Department of Health and Senior Services	Alcohol Education, Rehabilitation and Enforcement Fund (Trust)	760-098-9735-	3,149.00		01/01/18	12/31/23	1,278.86	3,149.00
		001-060000	3,134.61	6,749.32	01/01/19	12/31/24	1,421.14	1,421.14
Total Department of Health and Senior Services				6,749.32			2,700.00	4,570.14
Department of Transportation	NJ Municipal Trust Fund Authority Act - Raynor Road Sherman Ave Normandy Parkway Southgate Parkway	480-078-6320-ANP-605179	499,000.00	124,750.00	01/01/20	12/31/21		499,000.00
		480-078-6320-AN8-606280	300,000.00	75,000.00	01/01/20	12/31/23	50,204.98	300,000.00
		480-078-6320-AOP-606281	291,700.00	218,775.00	01/01/22	12/31/23	291,700.00	291,700.00
		480-078-6320-AO1-606282	339,000.00	254,250.00	01/01/22	12/31/24		
Total Department of Transportation				672,775.00			341,904.98	1,090,700.00
TOTAL STATE AWARDS				\$ 862,678.54			\$ 495,712.21	\$ 1,350,393.86

N/A - Not Applicable/Available

SEE ACCOMPANYING NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS

TOWNSHIP OF MORRIS
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS
YEAR ENDED DECEMBER 31, 2023

A. BASIS OF PRESENTATION

The accompanying Schedules of Expenditures of Federal and State Awards (the “Schedules”) includes the federal and state grant activity of the Township of Morris under programs of the federal and state governments for the year ended December 31, 2023. The information in these schedules is presented in accordance with the requirements of the Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (“Uniform Guidance”) and New Jersey's OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Because the schedules present only a selected portion of the operations of the Township of Morris, they are not intended to and do not present the financial position, changes in fund balance or cash flows of the Township of Morris.

B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the accompanying Schedules of Expenditures of Federal and State Awards are reported on the cash basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts, if any, shown on the Schedules represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. Pass-through identifying numbers are presented where available. The Township has elected not to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

C. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

Amounts reported in the accompanying schedules agree with the amounts reported in the related federal and state financial reports.

D. STATE LOANS OUTSTANDING

The Township of Morris has the following loans outstanding as of December 31, 2023:

Sewer Utility Capital Fund:	
NJIB Loans	<u>\$ 2,752,642.57</u>

Currently, the Township is in the process of repaying the loan balances.

At December 31, 2023, the Township had received and reported as expended the entire \$5,762,020 of NJIB Loan funds related to the Woodland Sewer Treatment Plant upgrades project which was completed in a prior year.

Report on Internal Control Over Financial Reporting and on
Compliance and Other Matters Based on an Audit of Financial Statements
Performed in Accordance with Government Auditing Standards

Independent Auditors' Report

The Honorable Mayor and Members
of the Township Committee
Township of Morris
Morris, New Jersey

We have audited, in accordance with auditing standards generally accepted in the United States of America, audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division"), and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements - *regulatory basis* - of the various funds of the Township of Morris, in the County of Morris (the "Township") as of and for the year ended December 31, 2023, and the related notes to the financial statements and have issued our report thereon dated June 6, 2024. These financial statements have been prepared in accordance with accounting practices prescribed or permitted by the Division to demonstrate compliance with the Division's regulatory basis of accounting, and the budget laws of New Jersey, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

Report on Internal Control Over Financial Reporting

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

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

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

The Honorable Mayor and Members
of the Township Committee
Township of Morris
Page 2

Report on Compliance and Other Matters

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

Purpose of this Report

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

Mount Arlington, New Jersey
June 6, 2024

Nisivoccia LLP

NISIVOCCIA LLP

Valerie A. Dolan

Valerie A. Dolan

Certified Public Accountant

Registered Municipal Accountant No. 548

Report on Compliance for Each Major Federal Program;
Report on Internal Control Over Compliance Required by the Uniform Guidance

Independent Auditors' Report

The Honorable Mayor and Members
of the Township Committee
Township of Morris
Morris, New Jersey

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Township of Morris' (the "Township's") compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on the Township's major federal programs for the year ended December 31, 2023. The Township's major federal programs are identified in the summary of auditors' results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, the Township complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal programs for the year ended December 31, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Township and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for its major federal programs. Our audit does not provide a legal determination of the Township's compliance with the compliance requirements referred to above.

The Honorable Mayor and Members
of the Township Committee
Township of Morris
Page 2

Responsibilities of Management for Compliance

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

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Township's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards* and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Township's compliance with the requirements of the major federal programs as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards* and the Uniform Guidance, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Township's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of the Township's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Township's internal control over compliance. Accordingly, no such opinion is expressed.

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

The Honorable Mayor and Members
of the Township Committee
Township of Morris
Page 3

Report on Internal Control Over Compliance

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

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

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

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

Mount Arlington, New Jersey
June 6, 2024

Nisivoccia LLP
NISIVOCCIA LLP

Valerie A. Dolan

Valerie A. Dolan
Certified Public Accountant
Registered Municipal Accountant No. 548

TOWNSHIP OF MORRIS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31,2023

Summary of Auditors' Results:

- The Independent Auditors’ Report expresses an unmodified opinion on the financial statements prepared in accordance with accounting practices prescribed or permitted by the Division of Local Government Services, Department of Community Affairs, State of New Jersey to demonstrate compliance with the Division's regulatory basis of accounting and the budget laws of New Jersey.
- There were no material weaknesses or significant deficiencies disclosed during the audit of the financial statements as reported in the *Independent Auditors’ Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards*.
- No instances of noncompliance material to the financial statements of the Township which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
- There were no material weaknesses or significant deficiencies in internal control over the major federal program disclosed during the audit as reported in the *Independent Auditors’ Report on Compliance For Each Major Federal Program; Report on Internal Control Over Compliance Required by the Uniform Guidance*.
- The auditor’s report on compliance for the major federal programs for the Township expresses an unmodified opinion on its major federal programs.
- The audit did not disclose any findings which are required to be reported in accordance with 2 CFR 200.516(a) of the Uniform Guidance.
- The Township was not subject to the single audit provisions of New Jersey OMB’s Circular 15-08 for the year ended December 31, 2023 as state grant expenditures were less than the single audit threshold of \$750,000 identified in NJOMB 15-08.
- The threshold for distinguishing between Type A and B state programs was \$750,000.
- The Township was not determined to be a "low-risk" auditee for federal programs.
- The Township's program tested as major federal programs for the current fiscal year consisted of the following awards:

	Assistance Listing Number	Expenditures
COVID-19 - American Rescue Plan Act: Coronavirus State and Local Fiscal Recovery Funds	21.027	\$ 1,299,529.75
Firefighter Program Grant	21.027	26,766.04
		\$ 1,326,295.79

TOWNSHIP OF MORRIS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31,2023
(Continued)

Findings Relating to the Financial Statements which are required to be Reported in Accordance with Generally Accepted Government Auditing Standards:

- The audit did not disclose any findings required to be reported under Generally Accepted Government Auditing Standards.

Findings and Questioned Costs for Federal Awards:

- The audit did not disclose any audit findings which are required to be reported in accordance with 2 CFR 200.516(a) of the Uniform Guidance.

Findings and Questioned Costs for State Awards:

- Not Applicable since state expenditures were below the single audit threshold.

TOWNSHIP OF MORRIS
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2023

The Township had no prior year audit findings.

TOWNSHIP OF MORRIS

PART III

COMMENTS AND RECOMMENDATIONS

YEAR ENDED DECEMBER 31, 2023

TOWNSHIP OF MORRIS
COMMENTS AND RECOMMENDATIONS

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

N.J.S.A. 40A:11-3 states:

a. " When the cost or price of any contract awarded by the contracting agent in the aggregate does not exceed in a contract year the total sum of \$17,500, the contract may be awarded by a purchasing agent when so authorized by ordinance or resolution, as appropriate to the contracting unit, of the governing body of the contracting unit without public advertising for bids, except that the governing body of any contracting unit may adopt an ordinance or resolution to set a lower threshold for the receipt of public bids or the solicitation of competitive quotations. If the purchasing agent is qualified pursuant to Subsection b. of Section 9 of P.L. 1971, C.198 (N.J.S.A. 40A:11-9), the governing body of the contracting unit may establish that the bid threshold may be up to \$25,000. Such authorization may be granted for each contract or by a general delegation of the power to negotiate and award such contracts pursuant to this section.

b. Any contract made pursuant to this section may be awarded for a period of 24 consecutive months, except that contracts for professional services pursuant to subparagraph (i) of paragraph (a) of subsection (1) of section 5 of P.L. 1971, C.198 (N.J.S.A. 40A:11-5) may be awarded for a period not exceeding 12 consecutive months. The Division of Local Government Services shall adopt and promulgate rules and regulations concerning the methods of accounting for all contracts that do not coincide with the contracting unit's fiscal year.

c. The Governor, in consultation with the Department of the Treasury, shall, no later than March 1 of every fifth year beginning in the fifth year after the year in which P.L. 1999, C.440 takes effect, adjust the threshold amount and the higher threshold amount which the governing body is permitted to establish, as set forth in subsection a. of this section, or the threshold amount resulting from any adjustment under this subsection, in direct proportion to the rise or fall of the index rate as that term is defined in section 2 of P.L. 1971, C.198 (N.J.S.A. 40A:11-2), and shall round the adjustment to the nearest \$1,000. The Governor shall, no later than June 1 of every fifth year, notify each governing body of the adjustment. The adjustment shall become effective on July 1 of the year in which it is made."

N.J.S.A. 40A: 11-4 states: "Every contract awarded by the contracting agent for the provision or performance of any goods or services, the cost of which in the aggregate exceeds the bid threshold, shall be awarded only by resolution of the governing body of the contracting unit to the lowest responsible bidder after public advertising for bids and bidding therefore, except as is provided otherwise in this act or specifically by any other law. The governing body of a contracting unit may, by resolution approved by a majority of the governing body and subject to subsections b. and c. of this section, disqualify a bidder who would otherwise be determined to be the lowest responsible bidder, if the governing body finds that it has had prior negative experience with the bidder."

Effective July 1, 2020 and thereafter, the bid thresholds in accordance with N.J.S.A. 40A:11-3 are \$17,500 for a contracting unit without a qualified purchasing agent and \$44,000 for a contracting unit with a qualified purchasing agent.

The governing body of the municipality has the responsibility of determining whether the expenditures in any category will exceed the bid threshold within the fiscal year. Where question arises as to whether any contract or agreement might result in violation of the statute, the Township Committee's opinion should be sought before a commitment is made.

TOWNSHIP OF MORRIS
COMMENTS AND RECOMMENDATIONS
(Continued)

Contracts and Agreements Required to be Advertised for N.J.S.A. 40A:11-4 (Cont'd)

The minutes indicated that bids were requested by public advertising per N.J.S.A. 40A:11-4. The minutes also indicated that resolutions were adopted and advertised authorizing the awarding of contracts or agreements for "Professional Services" and "Extraordinary Unspecifiable Services" per N.J.S.A. 40A:11-5.

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. None were noted.

New Jersey Administrative Code Accounting Requirements

The Division of Local Government Services has established three (3) accounting requirements which are prescribed in the New Jersey Administrative Code. They are as follows:

1. Maintenance of an encumbrance accounting system.
2. Fixed asset accounting and reporting system.
3. General ledger accounting system.

The Township is currently in compliance with the above accounting requirements.

Municipal Court

Effective January 2014, the Township of Morris Municipal Court, along with three other courts, was combined with the Township of Madison Municipal Court as a Joint Municipal Court.

Collection of Interest on Delinquent Taxes, Utility Charges and Assessments

The statute provides the method for authorizing interest and the maximum rate to be charged for the nonpayment of taxes, utility charges or assessments on or before the date when they would become delinquent.

On January 4, 2023, the governing body adopted the following resolution authorizing interest to be charged on delinquent taxes and utility charges:

BE IT RESOLVED by the Township Committee of the Township of Morris, Morris County, New Jersey, that the rate of interest to be paid upon delinquent taxes and utility charges for the year 2023 shall be fixed at the rate of 8% per annum to \$1,500 and any amount in excess of \$1,500 shall be fixed at the rate of 18% per annum. However, interest shall not be collected upon taxes and utility charges that are not delinquent over ten (10) days. After the tenth day of "grace period", interest reverts back to the due date. An additional penalty of 6% will be imposed on tax delinquencies in excess of \$10,000 at year end.

It appears from a test of the Tax Collector's and Sewer Utility Collector's records that interest was generally collected in accordance with the foregoing resolution.

TOWNSHIP OF MORRIS
COMMENTS AND RECOMMENDATIONS
(Continued)

Delinquent Taxes and Tax Title Liens (Cont'd)

The last tax sale was held on October 25, 2023 and all eligible properties were transferred to lien.

The following comparison is made of the number of tax title liens receivable on December 31, of the last three years:

<u>Year</u>	<u>Number of Liens</u>
2023	7
2022	8
2021	7

Management Suggestions

Improvement Authorizations

There are several ordinances, which are more than five years old as of December 31, 2023. It is suggested that all capital ordinances which are more than five years old be reviewed in 2023 for possible cancellation.

Risk Management

The Township is a member of the Garden State Municipal Joint Insurance Fund (the “Fund”) and the financial position and results of the operations of the Fund could affect the Township’s financial position. As a member of the Fund, the Township could be subject to supplemental assessments in the event of deficiencies. Our review of the most recent financial statements of the Fund reflects a \$4,763,931 deficit in Net Position of the Fund. We suggest that the Township continue to monitor the Fund’s operations and evaluate the possibility of any supplemental assessments that might be assessed to the Township.

Governmental Accounting Standards Board (GASB) Statements

GASB Statement No. 101, *Compensated Absences*, is effective for the year ended December 31, 2024. This statement requires that the liability for compensated absences to be calculated for 1 – leave that has not been used and 2 – leave that has been used but not yet paid. The liability should be recognized for leave that has not been used if (a) – the leave is attributable to services already rendered, (b) the leave accumulates and (c) the leave is more likely than not to be used for time off or otherwise paid. In estimating the leave that is more likely than not to be used or otherwise paid or settled, a government should consider relevant factors such as employment policies related to compensated absences and historical information about the use or payment of compensated absences. Leave that is more likely than not to be settled through conversion to defined benefit postemployment benefits should not be included in the liability for compensated absences. The Statement directs that for leave that has not been used the calculation should generally use an employee’s pay rate as of the date of the financial statements.

TOWNSHIP OF MORRIS
COMMENTS AND RECOMMENDATIONS
(Continued)

Management Suggestions (Cont'd)

COVID-19 Federal Funding

It is possible that the Township will undergo some review of its COVID-19 funding by the federal government. We strongly suggest that the Township ensures that these funds are utilized in accordance with the applicable federal requirements especially with respect to procurement. Additionally, we strongly suggest that the Township ensures that these funds are separately accounted for in the Township's accounting records and that any applicable Township policies are current with respect to federal grant requirements. Because of the nature of these funds, being new programs, generally of a significant dollar amount, and some of which may be expended over a period of years, they may be subject to federal or state audit several years from now. It is important that the grant files maintained by local governments be complete, self-explanatory, and fully document the program(s) undertaken as part of the funding.

The American Rescue Plan funding must be obligated by December 31, 2024 and the liquidation of the obligation must be completed by December 31, 2026.

Status of Prior Year Recommendations

There were no recommendations noted in the prior year audit; therefore, corrective action was not necessary during 2022.

TOWNSHIP OF MORRIS
SUMMARY OF RECOMMENDATIONS

It is recommended that:

None.

* * * * *