

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON,
STATE OF NEW JERSEY**

**FINANCIAL STATEMENTS AND
SUPPLEMENTAL DATA**

December 31, 2024

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

TABLE OF CONTENTS

<u>Exhibit</u>	<u>Title</u>	<u>Page Number</u>
	INDEPENDENT AUDITORS' REPORT	
	Independent Auditors' Report	1
	BASIC FINANCIAL STATEMENTS – REGULATORY BASIS	
	<u>Current Fund</u>	
A	Comparative Statements of Assets, Liabilities, Reserves and Fund Balance	5
A-1	Comparative Statement of Operations and Changes in Fund Balance	7
A-2	Statement of Revenues	8
A-3	Statement of Expenditures	11
	<u>Trust Funds</u>	
B	Comparative Statements of Assets, Liabilities, Reserves and Fund Balance	15
	<u>General Capital Fund</u>	
C	Comparative Statements of Assets, Liabilities, Reserves and Fund Balance	16
C-1	Statement of Fund Balance	17
	<u>Payroll Fund</u>	
D	Comparative Statements of Assets, Liabilities, Reserves and Fund Balance	18
	<u>General Fixed Assets Account Group</u>	
E	Comparative Statements of Assets, Liabilities, Reserves and Fund Balance	19
	Notes to Financial Statements	20
	SUPPLEMENTAL SCHEDULES	
	<u>Current Fund</u>	
A-4	Schedule of Cash – Chief Financial Officer	46
A-5	Schedule of Taxes Receivable and Analysis of Property Tax Levy	47
A-6	Schedule of Tax Title Liens Receivable	48
A-7	Schedule of Property Acquired for Taxes	48
A-8	Schedule of Property Maintenance Receivable	48
A-9	Schedule of Revenue Accounts Receivable	49
A-10	Schedule of Prior Year Appropriation Reserves	50
A-11	Schedule of Local District School Taxes Payable	52
A-12	Schedule of Regional District School Taxes Payable	52
A-13	Schedule of Fire District Tax Payable	52
	<u>Federal and State Grant Fund</u>	
A-14	Schedule of Federal and State Grants Receivable	53
A-15	Schedule of Reserve for Federal and State Grants – Appropriated Reserves	54
A-16	Schedule of Reserve for Federal and State Grants – Unappropriated Reserves	55

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

TABLE OF CONTENTS

<u>Exhibit</u>	<u>Title</u>	<u>Page Number</u>
	<u>Trust Funds</u>	
B-1	Schedule of Cash – Chief Financial Officer.....	56
B-2	Schedule of Reserve for Animal Control Expenditures.....	57
B-3	Schedule of Deposits for Redemption of Tax Title Liens.....	58
B-4	Schedule of Premiums Received at Tax Sale.....	58
B-5	Schedule of Reserve for Uniform Construction Code Fees.....	59
B-6	Schedule of Due to State of New Jersey – Dog License Fund.....	59
B-7	Schedule of Miscellaneous Trust Reserves.....	60
	<u>General Capital Fund</u>	
C-2	Schedule of General Capital Cash.....	61
C-3	Analysis of General Capital Cash.....	61
C-4	Schedule of Deferred Charges to Future Taxation – Unfunded.....	62
C-5	Schedule of Capital Improvement Fund.....	63
C-6	Schedule of Improvement Authorizations.....	64
C-7	Schedule of Bond Anticipation Notes.....	65
C-8	Schedule of General Serial Bonds.....	66
C-9	Schedule of Bonds and Notes Authorized but not Issued.....	69
	<u>Payroll Fund</u>	
D-1	Schedule of Payroll Fund Cash.....	70
	<u>General Fixed Assets Account Group</u>	
E-1	Schedule of Investments in Fixed Assets.....	71
	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 <i>Government Auditing Standards</i>	72
	OTHER SUPPLEMENTARY INFORMATION - UNAUDITED	
	Comparative Statement of Operations and Change in Fund Balance – Current Fund.....	74
	Comparative Statement of Tax Levies and Collection Currently.....	75
	Property Acquired by Tax Title Lien Liquidation.....	76
	Officials in Office and Surety Bonds.....	77
	Schedule of Township's Proportionate Share of Net Pension Liability.....	78
	Schedule of Township's Contribution.....	79
	Schedule of Township's Proportionate Share of Net OPEB Liability.....	80
	General Comments and Responses.....	81
	Schedule of Current Year Findings and Recommendations.....	84
	Schedule of Prior Year Audit Findings.....	85

INDEPENDENT AUDITORS' REPORT

INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and Members
of the Township Council
Township of Mount Holly
County of Burlington
Mount Holly, New Jersey 08060

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 Mount Holly, County of Burlington, State of New Jersey (the “Township”), as of and for the year ended December 31, 2024, and the related notes to financial statements, which collectively comprise the Township’s basic financial statements, as listed in the table of contents.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of each fund and account group of the Township as of December 31, 2024, and the respective changes in financial position for the year then ended, in accordance with the financial reporting provisions of the Division of Local Government Services, Department of Community Affairs, State of New Jersey, as described in Note A to the financial statements.

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 financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the respective financial position of each fund and account group of the Township as of December 31, 2024, or the changes in financial position for the year then ended.

Basis for Opinions

We conducted our audit 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, and requirements of audit prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Our responsibilities under those standards are further described in the Auditors’ 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.

INDEPENDENT AUDITORS' REPORT (CONTINUED)

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

As described in Note A of the financial statements, the financial statements are prepared by the Township on the basis of the financial reporting provisions of the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of the State of New Jersey. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note A 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 the financial statements in accordance with financial reporting provisions of the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' 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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with GAAS as well as the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and requirements of audit prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than 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 requirements of audit issued by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, 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.

INDEPENDENT AUDITORS' REPORT (CONTINUED)

Auditors' Responsibilities for the Audit of the Financial Statements (Continued)

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Township's ability to continue as a going concern for a reasonable period of time.

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

Report on Summarized Comparative Information

We have previously audited the Township's 2023 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated July 16, 2024, in accordance with the financial reporting provisions described in Note A. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2023, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Supplementary Information

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

Other Information

Management is responsible for the other information included in the financial statements. The other information comprises the other supplementary information and statistical section, as listed in the table of contents, but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

INDEPENDENT AUDITORS' REPORT (CONTINUED)

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated July 28, 2025, on our consideration of the Township's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of 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.

MERCADIEN, P.C.
CERTIFIED PUBLIC ACCOUNTANTS

A handwritten signature in black ink, appearing to read "Warren A. Broudy". The signature is fluid and cursive, with the first name "Warren" and last name "Broudy" clearly distinguishable.

Warren A. Broudy, CPA, RMA, CGFM, PSA, CGMA
Registered Municipal Accountant
License No. 554

July 28, 2025

BASIC FINANCIAL STATEMENTS – REGULATORY BASIS

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

A

**CURRENT FUND
COMPARATIVE STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE**

December 31, 2024 and 2023

	<u>REFERENCE</u>	<u>2024</u>	<u>2023</u>
<u>ASSETS</u>			
Regular Fund:			
Cash:			
Chief Financial Officer	A-4	\$ 3,598,151	\$ 3,545,980
Change Fund	A	750	750
Total Regular Fund		3,598,901	3,546,730
Due from State of New Jersey for Senior Citizen & Veteran Deductions		3,012	2,982
Receivables & Other Assets With Full Reserves:			
Delinquent Property Taxes Receivable	A-5	11,827	29,196
Tax Title Liens Receivable	A-6	399,684	328,199
Property Acquired for Taxes - Assessed Valuation	A-7	646,355	646,355
Property Maintenance Receivable	A-8	15,636	12,869
Revenue Accounts Receivable	A-9	3,381	3,419
Interfunds Receivable:			
Due from State and Federal Grants	A	227,517	227,517
Due from Animal Control Fund	B	21	660
Due from Trust Other	B	4,281	3,597
Due from Payroll Fund	D	92,469	10,021
Total Receivables & Other Assets with Full Reserves		1,401,171	1,261,833
Subtotal		5,003,084	4,811,545
Federal & State Grant Fund:			
Cash	A-4	742,304	-
Federal & State Aid Receivable	A-14	3,593,560	2,323,532
Total Federal & State Grant Fund		4,335,864	2,323,532
Total Assets		\$ 9,338,948	\$ 7,135,077

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

A

**CURRENT FUND
COMPARATIVE STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE
(CONTINUED)**

December 31, 2024 and 2023

	REFERENCE	2024	2023
<u>LIABILITIES, RESERVES & FUND BALANCE</u>			
Regular Fund:			
Liabilities:			
Appropriation Reserves	A-3	\$ 390,964	\$ 446,386
Reserve for Encumbrances	A-3	142,845	231,026
Accounts Payable	A	-	40,333
Prepaid Taxes	A	120,818	83,838
Tax Overpayments	A	109,006	13,289
Due County for Added & Omitted Taxes	A-5	20,460	60,637
Local School Taxes Payable	A-11	1	1
Regional School Taxes Payable	A-12	5	5
Fire District Taxes Payable	A-13	423,526	
Due to State of New Jersey - Marriage License/Abatement Fees	A	10,255	5,585
Due to Mount Holly MUA	A	1,908	3,563
Interfunds Payable:			
Due to Capital Fund	C	19,461	1,388
Reserve for Municipal Relief Funds	A	-	158,391
Reserve for Master Plan	A	-	15,513
Reserve for Flood	A	6	6
Total Liabilities		<u>1,239,255</u>	<u>1,059,961</u>
Reserves for Receivables & Other Assets	A	1,401,171	1,261,833
Fund Balance	A-1	<u>2,362,658</u>	<u>2,489,751</u>
Subtotal		<u>5,003,084</u>	<u>4,811,545</u>
Federal & State Grant Fund:			
Reserve for Encumbrances	A-15	51,044	41,397
Appropriated Reserves	A-15	3,904,341	2,034,413
Unappropriated Reserves	A-16	152,962	20,205
Due to Current Fund	A	<u>227,517</u>	<u>227,517</u>
Total Federal & State Grant Fund		<u>4,335,864</u>	<u>2,323,532</u>
Total Liabilities, Reserves & Fund Balance		<u>\$ 9,338,948</u>	<u>\$ 7,135,077</u>

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

A-1

**CURRENT FUND
COMPARATIVE STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCE**

Years Ended December 31, 2024 and 2023

	2024	2023
<u>REVENUE & OTHER INCOME REALIZED</u>		
Fund Balance Utilized	\$ 1,125,000	\$ 790,000
Miscellaneous Revenue Anticipated	7,859,185	5,675,760
Receipts from Delinquent Taxes	68,200	83,220
Receipts from Current Taxes	22,733,490	22,113,051
Nonbudget Revenue	384,724	64,402
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	375,299	179,869
Interfund Liquidated	286	-
Prior Year Accounts Payable Canceled	98	-
Total Revenue & Other Income Realized	32,546,282	28,906,302
<u>EXPENDITURES</u>		
Budget & Appropriations:		
Operations within "CAPS":		
Salaries and Wages	4,188,392	3,722,603
Other Expenses	4,408,038	4,800,727
Deferred Charges & Statutory Expenditures	1,157,649	1,147,110
Operations Excluded from "CAPS":		
Other Expenses	3,095,681	768,883
Capital Improvements	-	80,000
Municipal Debt Service	1,530,458	1,480,169
Transferred to Board of Education	66,963	67,578
County Taxes	3,145,465	2,820,943
Due County for Added & Omitted	20,460	60,637
Local District School Tax	9,141,942	8,906,059
Regional High School Taxes	3,035,960	2,980,291
Special Fire District Taxes	1,633,585	1,451,992
Senior Citizens' & Veterans' Deductions Disallowed	3,482	5,633
Refund of Prior Year Revenue	1,352	-
Interfunds Created	118,948	57,150
Total Expenditures	31,548,375	28,349,775
Excess in Revenue to Fund Balance	997,907	556,527
Fund Balance - Balance January 1	2,489,751	2,723,224
Decreased by: Utilization as Anticipated Revenue	1,125,000	790,000
Balance December 31	\$ 2,362,658	\$ 2,489,751

See notes to financial statements.

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

A-2

**CURRENT FUND
STATEMENT OF REVENUES**

Year Ended December 31, 2024

	ANTICIPATED BUDGET	SPECIAL N.J.S.A. 40:4-87	REALIZED	EXCESS OR (DEFICIT)
Fund Balance Anticipated	\$ 1,125,000	\$ -	\$ 1,125,000	\$ -
MISCELLANEOUS REVENUES				
Licenses - Alcoholic Beverages	22,750	-	22,876	126
Licenses - Other	6,000	-	13,520	7,520
Fees & Permits	200,000	-	197,036	(2,964)
Municipal Court Fines & Costs	40,000	-	55,346	15,346
Interest & Costs on Taxes	85,000	-	70,217	(14,783)
Interest on Investments & Deposits	115,000	-	190,823	75,823
Housing Inspection Fees	100,000	-	100,800	800
Consolidated Municipal Property Tax Relief				
Energy Receipts Tax	1,536,639	-	1,536,639	-
Municipal Relief Fund	158,391	-	158,391	-
Urban Enterprise Zone - Assistance Fund	-	183,308	183,308	-
Urban Enterprise Zone - Administrative Budget	-	56,982	56,982	-
Urban Enterprise Zone	64,946	-	64,946	-
Clean Communities Grant	-	25,983	25,983	-
Green Acres - Iron Works Park Improvement	900,000	-	900,000	-
NJDEP - Iron Works Park Improvement	500,000	-	500,000	-
Body Armor Grant	1,024	-	1,024	-
NJDCA Lead Grant Assistance Program				
NJ DOT - Levis Drive Flood Relief Program	750,000	-	750,000	-
NJ DOT - Front & Mary Street Improvements	-	308,046	308,046	-
NJ DOT - Clover Street Roadway Improvements	-	273,646	273,646	-
State Rental of Parking Lots	10,000	-	10,903	903
Construction Code Office - Indirect Costs	21,000	-	-	(21,000)
Mt. Holly Memorial Health Alliance	397,500	-	405,546	8,046
County Rental of Parking Lots	98,203	-	98,203	-
Payment in Lieu of Taxes:				
Mt. Holly Sewerage Authority	558,000	-	558,000	-
West Rancocas	240,000	-	282,571	42,571
Senior Housing	15,000	-	17,267	2,267
Legacy/Children's Home	30,000	-	30,000	-
Regency Park	200,000	-	213,465	13,465
Fermoor	430,000	-	469,351	39,351
Master Plan	15,513	-	15,513	-

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

A-2

**CURRENT FUND
STATEMENT OF REVENUES (CONTINUED)**

Year Ended December 31, 2024

	ANTICIPATED BUDGET	SPECIAL N.J.S.A. 40:4-87	REALIZED	EXCESS OR (DEFICIT)
MISCELLANEOUS REVENUES				
Service Contract - Mt. Holly MUA	30,000	-	30,000	-
Rent - 14 King Street	40,000	-	40,000	-
Contribution from Rancocas Valley Regional High School	111,750	-	111,750	-
Contribution from Mt. Holly BOE	75,866	-	75,886	20
Cable TV Franchise Fee	91,147	-	91,147	-
Total	6,843,729	847,965	7,859,185	167,491
Receipts from Delinquent Taxes	7,000	-	68,200	61,200
Amount to be Raised by Support of Municipal Budget	5,755,020	-	5,887,610	132,590
Budget Totals	13,730,749	847,965	14,939,995	\$ 361,281
Nonbudget Revenues	-	-	384,724	
TOTAL REVENUES	\$ 13,730,749	\$ 847,965	\$ 15,324,719	

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

A-2

**CURRENT FUND
STATEMENT OF REVENUES (CONTINUED)**

Year Ended December 31, 2024

ANALYSIS OF REALIZED REVENUES

Allocation of Current Tax Collections:

Revenue from Collections	\$ 22,733,490
Allocated to School, County & Fire District Taxes	<u>16,977,412</u>

Balance for Support of Municipal Budget Appropriations	5,756,078
Increased by Appropriation - Reserve for Uncollected Taxes	<u>131,532</u>

Amount for Support of Municipal Budget Appropriations	<u>\$ 5,887,610</u>
---	---------------------

Receipts from Delinquent Taxes:

Taxes Receivable	\$ 25,544
Tax Title Lien Receivable	<u>42,656</u>

Total	<u>\$ 68,200</u>
-------	------------------

ANALYSIS OF NONBUDGET REVENUE

Miscellaneous Revenues not Anticipated:

Police Fees	\$ 10,952
Street Openings	9,691
Pilot Payments	1,004
Senior Citizens' and Veterans' Administrative Fee	1,040
Tax Search Fees	70
Sale of Property	28,652
Cannabis Tax	133,813
Performance Guarantee Release	125,000
Refunds	6,000
Miscellaneous	<u>68,502</u>

Total	<u>\$ 384,724</u>
-------	-------------------

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

A-3

**CURRENT FUND
STATEMENT OF EXPENDITURES**

Year Ended December 31, 2024

OPERATIONS	APPROPRIATIONS		EXPENDED		UNEXPENDED BALANCE CANCELED	OVER- EXPENDED
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED		
General Government:						
Administrative & Executive:						
Salaries and Wages	\$ 161,200	\$ 164,800	\$ 164,800	\$ -	\$ -	\$ -
Other Expenses	171,800	205,800	196,913	8,887	-	-
Mayor and Council:						
Salaries and Wages	22,500	22,500	22,500	-	-	-
Other Expenses	500	500	-	500	-	-
Township Clerk:						
Salaries and Wages	125,514	125,514	123,468	2,046	-	-
Other Expenses	32,250	36,250	34,815	1,435	-	-
Financial Administration:						
Salaries and Wages	104,697	104,697	99,697	5,000	-	-
Other Expenses	32,600	32,600	17,869	14,731	-	-
Audit Services	41,000	45,000	45,000	-	-	-
Revenue Administration (Tax Collection):						
Salaries and Wages	180,800	158,800	154,723	4,077	-	-
Other Expenses	25,000	29,500	28,967	533	-	-
Assessment of Taxes:						
Salaries and Wages	17,927	17,927	17,920	7	-	-
Other Expenses	26,900	5,900	5,382	518	-	-
Legal Services & Costs:						
Other Expenses	170,000	170,000	145,236	24,764	-	-
Engineering Services & Costs:						
Other Expenses	446,500	321,500	192,982	128,518	-	-
Municipal Land Use Law (NJSA 40:55D-1):						
Planning Board:						
Salaries and Wages	13,200	13,200	13,031	169	-	-
Other Expenses	27,463	6,463	5,136	1,327	-	-
Code Enforcement and Administration:						
Inspection of Housing:						
Salaries and Wages	121,800	116,700	116,700	-	-	-
Other Expenses	9,500	9,500	2,338	7,162	-	-
Insurance:						
Employee Group Health Insurance	1,058,672	1,043,672	1,032,250	11,422	-	-
General Liability Insurance	207,040	216,540	212,528	4,012	-	-
Workers Compensation	231,888	231,888	228,075	3,813	-	-
Medical Waiver	4,000	4,000	403	3,597	-	-
Public Safety:						
Police:						
Salaries & Wages	2,683,657	2,609,657	2,583,663	25,994	-	-
Other Expenses	183,225	197,225	194,600	2,625	-	-
Emergency Management:						
Other Expenses	1,500	1,500	-	1,500	-	-
Public Works Functions:						
Streets & Road Maintenance:						
Salaries & Wages	620,722	627,722	623,096	4,626	-	-
Other Expenses	114,350	250,350	244,092	6,258	-	-

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

A-3

**CURRENT FUND
STATEMENT OF EXPENDITURES (CONTINUED)**

Year Ended December 31, 2024

	APPROPRIATIONS		EXPENDED		UNEXPENDED BALANCE CANCELED	OVER- EXPENDED
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED		
OPERATIONS - Within "CAPS"						
Public Works Functions (continued):						
Public Buildings & Grounds:						
Salaries & Wages	12,500	500	375	125	-	-
Other Expenses	15,000	55,000	51,688	3,312	-	-
Vehicle Maintenance:						
Other Expenses	50,000	62,000	59,077	2,923	-	-
Health & Welfare:						
Animal Control Services:						
Other Expenses	12,000	12,000	12,000	-	-	-
Community Drug Alliance Program:						
Other Expenses	2,200	2,200	-	2,200	-	-
Park & Recreation Functions:						
Recreation Services & Programs:						
Salaries & Wages	63,375	63,375	55,699	7,676	-	-
Other Expenses	3,000	3,000	-	3,000	-	-
Celebration of Public Events:						
Other Expenses	25,000	25,000	24,992	8	-	-
Municipal Court:						
Municipal Court:						
Salaries and Wages	138,500	138,500	129,006	9,494	-	-
Other Expenses	12,750	12,750	7,577	5,173	-	-
Municipal Prosecutor:						
Salaries and Wages	24,000	24,500	22,333	2,167	-	-
Public Defender:						
Other Expenses - Contractual	14,400	14,400	12,000	2,400	-	-
Utility Expenses & Bulk Purchase:						
Electricity	35,000	35,000	34,662	338	-	-
Street Lighting	245,000	245,000	234,373	10,627	-	-
Telecommunication Costs	45,000	56,000	55,796	204	-	-
Water	10,000	10,000	8,871	1,129	-	-
Gasoline	75,000	75,000	68,604	6,396	-	-
Landfill/Solid Waste:						
Garbage & Trash Removal:						
Other Expenses	599,000	604,000	543,708	60,292	-	-
Sanitary Landfill:						
Contractual	380,000	387,000	380,991	6,009	-	-
Unclassified:						
Contingency	1,500	1,500	-	1,500	-	-
Total Operations Within "CAPS"	8,599,430	8,596,430	8,207,936	388,494	-	-
Total Operations Including Contingent Within "CAPS"	8,599,430	8,596,430	8,207,936	388,494	-	-
Detail:						
Salaries and Wages	4,290,392	4,188,392	4,127,011	61,381	-	-
Other Expenses (Including Contingent)	4,309,038	4,408,038	4,080,925	327,113	-	-

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

A-3

**CURRENT FUND
STATEMENT OF EXPENDITURES (CONTINUED)**

Year Ended December 31, 2024

	APPROPRIATIONS		EXPENDED		UNEXPENDED BALANCE CANCELED	OVER- EXPENDED
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED		
OPERATIONS - Within "CAPS"						
Deferred Charges & Statutory Expenditures - Municipal Within "CAPS":						
Statutory Expenditures:						
Public Employees' Retirement System	262,291	262,291	262,291	-	-	-
Police & Fire Pension Fund	706,358	706,358	706,358	-	-	-
Social Security System (O.A.S.I.)	167,000	168,000	168,000	-	-	-
DCRP	4,000	4,000	3,047	953	-	-
Unemployment Fund	15,000	17,000	15,804	1,196	-	-
Total Deferred Charges & Statutory Expenditures	1,154,649	1,157,649	1,155,500	2,149	-	-
Total General Appropriations for Municipal Purposes Within "CAPS"	9,754,079	9,754,079	9,363,436	390,643	-	-
Mandated Expenditures Excluded from "CAPS": Other Operations - Excluded from "CAPS"						
Shared Services Agreements	27,500	27,500	27,179	321	-	-
Total Shared Services Agreements	27,500	27,500	27,179	321	-	-
Public and Private Programs Offset by Revenues:						
Supplemental Fire Services	4,246	4,246	4,246	-	-	-
Urban Enterprise Zone - Assistance Fund	-	183,308	183,308	-	-	-
Urban Enterprise Zone - Administrative Budget	-	56,982	56,982	-	-	-
NJ Urban Enterprise Zone:						
Other	64,946	64,946	64,946	-	-	-
Clean Communities Program						
NJ DOT - Levis Drive Flood Relief Improvements	750,000	750,000	750,000	-	-	-
NJ DOT - Front & Mary Street Improvements	-	308,046	308,046	-	-	-
NJ DOT - Clover Street Roadway Improvements	-	273,646	273,646	-	-	-
State Body Armor	1,024	1,024	1,024	-	-	-
Green Acres - Iron Works Park Improvement	900,000	900,000	900,000	-	-	-
NJDEP - Iron Works Park Improvement	500,000	500,000	500,000	-	-	-
Recycling Tonnage Grant	-	25,983	25,983	-	-	-
Total Operations Excluded from "CAPS"	2,247,716	3,095,681	3,095,360	321	-	-
Detail:						
Other Expenses	2,247,716	3,095,681	3,095,360	321	-	-
Capital Improvements Excluded from "CAPS"						
Capital Improvements:						
Public Works Equipment	-	-	-	-	-	-
Electrical Stations	-	-	-	-	-	-
Road Improvements	-	-	-	-	-	-
Total Capital Improvements Excluded from "CAPS"	-	-	-	-	-	-

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

A-3

**CURRENT FUND
STATEMENT OF EXPENDITURES (CONTINUED)**

Year Ended December 31, 2024

OPERATIONS - Excluded from "CAPS"	APPROPRIATIONS		EXPENDED		UNEXPENDED	OVER-
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED	BALANCE CANCELED	
Municipal Debt Service:						
Payment of Bond Principal	885,000	885,000	885,000	-	-	-
Interest on Bonds	409,630	409,630	409,629	-	1	-
Payment of Bond Anticipation Notes	36,000	36,000	36,000	-	-	-
Interest on Notes	199,829	199,829	199,829	-	-	-
Total Municipal Debt Service	1,530,459	1,530,459	1,530,458	-	1	-
Total General Appropriations - Municipal Purposes - Excluded from "CAPS"	3,778,175	4,626,140	4,625,818	321	1	-
Subtotal General Appropriation Items	13,532,254	14,380,219	13,989,254	390,964	1	-
Transferred to Board of Education for Use of Local Schools (N.J.S.A. 40:48-17 & 17.3)	66,963	66,963	66,963	-	-	-
Reserve For Uncollected Taxes	131,532	131,532	131,532	-	-	-
Total General Appropriations	\$ 13,730,749	\$ 14,578,714	\$ 14,187,749	\$ 390,964	\$ 1	\$ -
Budget		\$ 13,730,749				
Appropriation by 40A:4-87		847,965				
Total		\$ 14,578,714				
Deferred Charges:						
Reserve for Uncollected Taxes			\$ 131,532			
Federal and State Grant Funds			3,063,935			
Due to Capital Fund			22,393			
Encumbrances			142,845			
Refunds			(461,748)			
Disbursed			11,288,792			
Total			\$ 14,187,749			

See notes to financial statements.

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

B

**TRUST FUNDS
COMPARATIVE STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE**

December 31, 2024 and 2023

	REFERENCE	2024	2023
<u>ASSETS</u>			
Dog License Fund:			
Cash - Chief Financial Officer	B-1	\$ 4,986	\$ 8,524
Total Dog License Fund		4,986	8,524
Other Funds:			
Cash - Chief Financial Officer	B-1	1,861,440	1,863,407
Forgivable Mortgage Receivable	B	620,000	620,000
Total Other Funds		2,481,440	2,483,407
Total Assets		<u>\$ 2,486,426</u>	<u>\$ 2,491,931</u>
<u>LIABILITIES & RESERVES</u>			
Dog License Fund:			
Due to Current Fund	A	\$ 21	\$ 660
Due to State of New Jersey	B-6	312	312
Reserve for Dog Fund Expenditures	B-2	4,653	7,552
Total Dog License Fund		4,986	8,524
Other Funds:			
Due to Current Fund	A	4,281	3,597
Due to State of New Jersey		4,581	4,507
Reserve for:			
Forgivable Mortgage Receivable	B	620,000	620,000
Tax Sale Premiums	B-4	762,200	600,800
Recreation Commission Funds	B-7	43,831	62,740
Law Enforcement Trust Fund	B-7	35,020	32,507
Neighborhood Preservation	B-7	11,561	11,561
Affordable Housing	B-7	274	274
CDBG - Small Cities	B-7	53,921	53,921
Builder's Escrow	B-7	227,164	271,057
Recycling Program	B-7	9,622	9,169
Uniform Construction Code	B-5	366,114	287,072
Outside Police Services	B-7	109,353	61,316
Snow Removal	B-7	-	49,954
Public Defender	B-7	1,600	25
P.O.A.A. - Parking Fines	B-7	10,997	10,793
Redemption of Tax Sale Certificates	B-3	57,921	179,865
RCA Trust	B-7	90,327	96,096
Environmental Committee	B-7	996	996
Shade Tree	B-7	41	41
Urban Enterprise Zone	B-7	1,509	56,989
Compensated Absences	B-7	70,127	70,127
Total Other Funds		2,481,440	2,483,407
Total Liabilities & Reserves		<u>\$ 2,486,426</u>	<u>\$ 2,491,931</u>

See notes to financial statements.

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

C

**GENERAL CAPITAL FUND
COMPARATIVE STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE**

December 31, 2024 and 2023

	<u>REFERENCE</u>	<u>2024</u>	<u>2023</u>
<u>ASSETS</u>			
Cash & Investments	C-2	\$ 970,885	\$ 1,059,834
Due from Current Fund	A	19,461	1,388
Deferred Charges to Future Taxation:			
Funded		11,980,000	12,865,000
Unfunded	C-4	4,492,300	4,528,300
Total Assets		\$ 17,462,646	\$ 18,454,522
<u>LIABILITIES, RESERVES & FUND BALANCE</u>			
Encumbrances Payable	C-6	\$ -	\$ 60,457
Bond Anticipation Notes	C-7	4,417,000	4,453,000
Serial Bonds	C-8	11,980,000	12,865,000
Improvement Authorizations:			
Funded	C-6	1,463	1,463
Unfunded	C-6	787,639	851,680
Capital Improvement Fund	C-5	25,154	154
Fund Balance	C-1	251,390	222,768
Total Liabilities, Reserves & Fund Balance		\$ 17,462,646	\$ 18,454,522
Bonds and Notes Authorized But not Issued	C-9	\$ 75,300	\$ 75,300

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

C-1

**GENERAL CAPITAL FUND
STATEMENT OF FUND BALANCE**

Year Ended December 31, 2024

Balance December 31, 2023		\$	222,768
Increased by:			
Premium on bond anticipation notes	\$	28,622	<u>28,622</u>
Balance December 31, 2024		\$	<u>251,390</u>

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

D

**PAYROLL FUND
COMPARATIVE STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE**

December 31, 2024 and 2023

	<u>REFERENCE</u>	<u>2024</u>	<u>2023</u>
<u>ASSETS</u>			
Cash - Chief Financial Officer	D-1	\$ 94,068	\$ 10,021
Total		<u>\$ 94,068</u>	<u>\$ 10,021</u>
<u>LIABILITIES</u>			
Payroll Taxes Payable		\$ 1,599	\$ -
Due to Current Fund	A	<u>92,469</u>	<u>10,021</u>
Total		<u>\$ 94,068</u>	<u>\$ 10,021</u>

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

E

**GENERAL FIXED ASSETS ACCOUNT GROUP
COMPARATIVE STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE**

December 31, 2024 and 2023

	2024	2023
General Fixed Assets		
Land	\$ 7,076,829	\$ 7,076,829
Buildings & Contents	7,364,885	7,364,885
Vehicles & Equipment	3,572,364	3,404,997
Total	<u>\$ 18,014,078</u>	<u>\$ 17,846,711</u>
 Investment in General		
Fixed Assets	<u>\$ 18,014,078</u>	<u>\$ 17,846,711</u>

NOTES TO FINANCIAL STATEMENTS

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of the Financial Reporting Entity

The Township of Mount Holly ("Township") is located in the County of Burlington, State of New Jersey. The governing body, the Township Committee, is comprised of five elected members who serve three-year terms.

The Governmental Accounting Standards Board ("GASB") Statement No. 14 established criteria to be used to determine which component units should be included in the financial statements of an oversight entity. The primary criterion for including activities within the reporting entity, as set forth in the Statement, is the degree of oversight responsibility maintained by the reporting entity. However, the Division of Local Government Services, Department of Community Affairs, State of New Jersey requires the financial statements of the Township to be presented separately. As such, the financial statements of the Township include each board, body, officer or commission supported and maintained wholly or in part by funds appropriated by the Township, as required by N.J.S.A. 40A:5-5.

Description of Funds and Account Groups

The accounting policies of the Township conform to the accounting principles applicable to municipalities, which have been prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Such principles and 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 accounts for its financial transactions through the following separate funds:

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

Trust Fund - receipts, custodianship and disbursement of funds in accordance with the purpose for which each reserve was created, including dog license revenue and expenditures and sundry deposits held for satisfactory completion of specific work.

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

Payroll Fund - is used for the receipt and disbursement of funds used to meet obligations to employees and payroll tax liability.

General Fixed Assets Account Group - is used to account for fixed assets used in governmental operations.

Basis of Accounting, Measurement Focus and Basis of Presentation

Revenues - Revenues are recorded as received in cash except for certain amounts, which may be due from the State of New Jersey or the federal government as grants. The amounts recorded as property taxes receivable 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.

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Accounting, Measurement Focus and Basis of Presentation (Continued)

Expenditures - Expenditures are recorded on the "budgetary" basis of accounting. Generally, expenditures are recorded when an amount is encumbered for goods or services through the issuance of a purchase order in conjunction with the Encumbrance Accounting System. Outstanding encumbrances at December 31 are reported as a liability in the financial statements and constitute part of the Township's statutory Appropriation Reserve balance. Appropriation reserves covering unexpended appropriation balance are automatically created on 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. Appropriations for principal payments on outstanding general capital and utility bonds and notes are provided on the cash basis; interest on general capital indebtedness is on the cash basis.

Pension expenses are recorded on a cash basis as billed by the State of New Jersey. Thus, net pension liability and related deferred inflows and outflows are not recorded on the statements of assets, liabilities, reserves and fund balance.

Property Taxes - Property taxes are an enforceable lien on property as of January 1. Taxes are levied annually and are payable in quarterly installments on February 1, May 1, August 1 and November 1 of each year.

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

Interfunds - 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.

Insurance - Costs of insurance for all funds are recorded as expenditures at the time of payment. Insurance costs chargeable to future periods are not carried as prepayments.

Accrued Sick and Vacation Time - The Township allows employees to accrue vacation time. By contract and personnel policy employees may accrue sick time. The Township's payroll records do provide data on the number of hours accumulated. This amount is not reported as either an expenditure or liability.

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 Account Group - Property and equipment purchased by the Current and General Capital Funds are recorded at cost as expenditures at the time of purchase and are not capitalized or depreciated. They are maintained at cost with an equal reserve until disposal. Fixed assets acquired through grants and/or contributed capital are not accounted for separately.

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Accounting, Measurement Focus and Basis of Presentation (Continued)

Tax Appeals and Other Contingent Losses - Losses which arise from tax appeals and other contingent losses are recognized at the time an unfavorable decision is rendered by an administrative or judicial body.

Budgets - The governing body prepares and approves by resolution an operating and capital budget for the Current Fund, which is then submitted for certification to the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Upon the receipt of such certification and after a public hearing, the budget is then adopted by resolution. Transfers of budgeted amounts may be made by resolution of the Township Council subsequent to October 31 in the current budget year and up to March 31 of the following year.

Once adopted, the Township may make emergency appropriations for purposes which are not known at the time the budget was adopted per N.J.S.A. 40A:4-46. Also, the Township may make amendments to the budget for any special item of revenue made available by any public or private funding source per N.J.S.A. 40A:4-87.

Comparative Data - Comparative total data for the prior year has been presented in the accompanying financial statements in order to provide an understanding of changes in the Township's financial position and operations. However, comparative data has not been presented in each of the statements because its inclusion would make the statements unduly complex and difficult to read.

Departures from U.S. Generally Accepted Accounting Principles - The accounting principles and practices followed by the Township differ in some respects, which in some instances may be material from U.S. generally accepted accounting principles. The more significant differences are as follows:

- Taxes and other receivables are fully reserved.
- Interfund receivables in the Current Fund are fully reserved and recognized as revenue in the year of liquidation.
- Unexpended and uncommitted appropriations are reflected as expenditures.
- Overexpended appropriations and emergency appropriations are deferred to the succeeding year's operations.
- No provision is made for accumulated vested vacation and sick leave.
- Estimated losses arising from tax appeals and other contingencies are not recorded when it is probable that a loss has been incurred and the amount of such loss can be reasonably estimated.
- Depreciation expense is not calculated on fixed assets.
- Pension expenses are recorded on a cash basis as billed by the State of New Jersey. Thus, net pension liability and related deferred outflows and inflows are not recorded on the statement of assets, liabilities, reserves and fund balance.

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Use of Estimates - The preparation of financial statements in accordance with accounting principles applicable to municipalities which have been prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

B. BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

At December 31, 2024, the Township had authorized but not issued bonds and notes as follows:

General Capital Fund - Bonds and Notes	<u>\$ 75,300</u>
--	------------------

C. CURRENT FUND BALANCE APPROPRIATED

The following amounts of fund balance at December 31, 2024, were anticipated as revenue in the adopted 2025 budget:

	Balance December 31, 2024	Utilized 2025 Budget
Current Fund	<u>\$ 2,362,658</u>	<u>\$ 1,000,000</u>

D. DEFERRED CHARGES TO BE RAISED IN SUCCEEDED BUDGETS

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2024, there were no deferred charges that needed to be raised in the succeeding year's budget.

E. DEFERRED DISTRICT SCHOOL TAXES

School taxes are raised on a calendar year basis for both the local and regional high school districts; therefore, school taxes cannot and have not been deferred as of December 31, 2024.

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

F. CASH AND CASH EQUIVALENTS

The Township is governed by the deposit limitations of New Jersey state law. The deposits held at December 31, 2024, and reported book balances are as follows:

Type Deposits	Book Balances
Demand Deposits	\$ 6,529,004
Total Deposits	<u>\$ 6,529,004</u>

Type	Book Balances
Demand Deposits by Fund	
Current	\$ 3,598,151
Dog Trust	4,986
Other Trust	1,860,914
Payroll	94,068
General Capital	<u>970,885</u>
Total	<u>\$ 6,529,004</u>

Custodial Credit Risk - Custodial credit risk is the risk that, in the event of a bank failure, the Township's deposits may not be returned. The Township does have a deposit policy for custodial credit risk. As of December 31, 2024, the Township's bank balance of \$7,175,656 was insured or collateralized as follows:

Insured	\$ 477,745
Collateralized in the Township's name under GUDPA (see Note G)	<u>6,697,911</u>
Total	<u>\$ 7,175,656</u>

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

G. GOVERNMENTAL UNIT DEPOSIT PROTECTION ACT (“GUDPA”)

The Township has deposited cash in 2024 with an approved public fund depository qualified under the provisions of GUDPA. In addition to savings and checking accounts the Township invests monies in certificates of deposits.

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

N.J.S.A. 17:9-41 et seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with GUDPA, a multiple financial institutional collateral pool, which was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey. Public depositories include state or federally chartered banks, savings banks or associations located in or having a branch office in the State of New Jersey, the deposits of which are federally insured.

Each depository participating in the GUDPA system must pledge collateral equal to at least 5% of the average amount of its public deposits and 100% of the average amount of its public funds in excess of the lesser of 75% of its capital funds or \$200 million. The minimum 5% pledge applies to institutions that are categorized as "well capitalized" by federal banking standards. The percentage of the required pledge will increase for institutions that are less than "well capitalized."

No collateral is required for amounts covered by Federal Deposit Insurance Corporation (“FDIC”) insurance. The collateral which may be pledged to support these deposits includes obligations of state and federal governments, insured securities and other collateral approved by the Department of Banking and Insurance. When the capital position of the depository deteriorates or the depository takes an unusually large amount of public deposits, the Department of Banking and Insurance requires additional collateral to be pledged.

If a governmental depository fails and the FDIC insurance does not insure or pay out the full amount of public deposits, the collateral pledged to protect these funds would first be liquidated and paid out. If this amount is insufficient, other institutions holding public funds would be assessed pro rata up to 4% of their uninsured public funds. Although these protections do not constitute a 100% guarantee of the safety of all funds, no governmental unit under GUDPA has ever lost protected deposits.

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

H. PENSION OBLIGATION

A substantial number of the Township's employees participate in the following defined benefit pension plans: the Public Employees' Retirement System ("PERS") and the Police and Firemen's Retirement System ("PFRS"), which are administered and/or regulated by the New Jersey Division of Pensions and Benefits (the "Division"). Both plans have a board of trustees that is primarily responsible for its administration. The Division issues publicly available financial reports for each plan that includes financial statements and required supplementary information. Those reports may be obtained at <https://www.state.nj.us/treasury/pensions/annual-reports.shtml> or by writing to:

State of New Jersey
Division of Pensions and Benefits
P.O. Box 295
Trenton, New Jersey 08625-0295

Plan Descriptions - PERS is a cost-sharing multiple-employer defined benefit pension plan which was established as of January 1, 1955. PFRS is a cost-sharing multiple-employer defined benefit pension plan administered by the Division. For additional information about PERS and PFRS, please refer to the Division's annual financial statements, which can be found at the link above.

The Defined Contribution Retirement Program ("DCRP") is a multiple-employer defined contribution pension fund established on July 1, 2007, under the provisions of Chapter 92, P.L. 2007, and Chapter 103, P.L. 2007 (N.J.S.A. 43:15C-1 et. seq.). The DCRP is a tax-qualified defined contribution money purchase pension plan under Internal Revenue Code ("IRC") 401(a) et seq. and is a governmental plan within the meaning of IRC 414(d). The DCRP provides benefits for eligible employees and their beneficiaries. Individuals covered under DCRP are employees enrolled in PERS on or after July 1, 2007, who earn a salary in excess of established "maximum compensation" limits; employees enrolled in PFRS after May 21, 2010, who earn a salary in excess of established "maximum compensation" limits; employees otherwise eligible to enroll in PERS on or after November 2, 2008, who do not earn the minimum annual salary for tier 3 enrollment but who earn a salary of at least \$5,000.00 annually; and employees otherwise eligible to enroll in PERS after May 21, 2010, who do not work the minimum number of hours per week required for tiers 4 or 5 enrollment, but who earn a salary of at least \$5,000.00 annually.

Since the GASB Statement No. 68 report of the Plan for the period ended June 30, 2024, was not available as of the initial preparation of this report, the Township included in the note below, disclosures based on the period ended June 30, 2023, audited Plan information.

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

H. PENSION OBLIGATION (CONTINUED)

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

The following represents the membership tiers for PERS:

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

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

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

The following represents the membership tiers for PFRS:

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

Service retirement benefits are available at age 55 and are generally determined to be 2% of final compensation for each year of creditable service, as defined, up to 30 years plus 1% for each year of service in excess of 30 years. Members may seek special retirement after achieving 25 years of creditable service, in which benefits would equal 65% (tiers 1 and 2 members) and 60% (tier 3 members) of final compensation plus 1% for each year 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.

For DCRP, eligible members are provided with a defined contribution retirement plan intended to qualify for favorable federal income tax treatment under IRC Section 401(a), a noncontributory group life insurance plan and a noncontributory group disability benefit plan. A participant's interest in that portion of his or her defined contribution retirement plan account attributable to employee contributions shall immediately become and shall at all times remain fully vested and

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

H. PENSION OBLIGATION (CONTINUED)

non-forfeitable. A participant's interest in that portion of his or her defined contribution retirement plan account attributable to employer contributions shall be vested and non-forfeitable on the date the participant commences the second year of employment or upon his or her attainment of age 65, while employed by an employer, whichever occurs first.

Contributions

For DCRP, the contribution policy is set by N.J.S.A. 43:15C-3 and requires contributions by active members and contributing employers. In accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members are required to contribute 5.5% of their annual covered salary. In addition to the employee contributions, the Township contributes 3% of the employees' base salary, for each pay period, to Empower Plan Services not later than the fifth business day after the date on which the employee is paid for that pay period. For the plan year ended December 31, 2024, the Township's contributions were \$3,047. There were no forfeitures during the year.

The contribution policy for PERS and PFRS is set by N.J.S.A. 43:15A and 43:16A, respectively and requires contributions by active members and contributing employers. 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 \$262,291 for 2024. The employee contribution rate for PERS was 7.50% effective July 1, 2018. Township contributions to PFRS amounted to \$706,358 for 2024. The employee contribution rate for PFRS was ten percent of employees' annual compensation, as defined.

PERS 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 that legally obligated the state if certain circumstances occurred. The legislation, which legally obligates the state, are Chapter 366, P.L. 2001 and Chapter 133, P.L. 2001. The amounts contributed on behalf of the local participating employers under this legislation are considered to be a special funding situation as defined by GASB Statement No. 68 and the state is treated as a non-employer contributing entity. Since the local participating employers do not contribute under this legislation directly to the plan (except for employer-specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers related to this legislation. For the special funding situation, the unaudited proportionate share of the net pension liability of the State of New Jersey ("State") related to the Township for the year ended December 31, 2023, was .0196993244% and \$8,865. Unaudited State contributions and pension expense for the year ended December 31, 2023, was \$8,865 and \$8,865, respectively.

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

H. PENSION OBLIGATION (CONTINUED)

PFRS 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 that 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-specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers related to this legislation. For the special funding situation, the unaudited proportionate share of the net pension liability of the State related to the Township for the year ended December 31, 2023, was .05306180% and \$1,080,266. Unaudited State contributions and pension expense for the year ended December 31, 2023, was \$123,541 and \$122,878, respectively.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - At plan year ended June 30, 2023, the Township had a liability of \$2,842,532 for its proportionate share of the net pension liability in PERS and at plan year ended June 30, 2023, the Township had a liability of \$5,862,673 for its proportionate share of the net pension liability in PFRS. The PERS net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The PFRS net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

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 of the plan, actuarial determined. At plan year ended June 30, 2023, the Township's PERS proportion was 0.0196248149%, which was a slight decrease of 0.000693% from its proportion measured as of plan year ended June 30, 2022. At plan year ended June 30, 2023, the Township's PFRS proportion was 0.0530617100% which was a slight decrease of 0.000791% from its proportion measured as of plan year ended June 30, 2022. The Township's PERS pension expense for the plan year ended June 30, 2023, was a net benefit of \$24,276. The Township's PFRS pension expense for the plan year ended June 30, 2023, was a net expense of \$234,006.

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

	PERS as of Plan Year Ended June 30, 2023		PFRS as of Plan Year Ended June 30, 2023	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 27,178	\$ 11,619	\$ 251,028	\$ 279,597
Changes in Assumptions	6,244	172,270	12,654	395,871
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	13,090	-	298,575	-
Changes in Proportion	90,240	232,534	111,344	488,789
	<u>\$ 136,752</u>	<u>\$ 416,423</u>	<u>\$ 673,601</u>	<u>\$ 1,164,257</u>

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

H. PENSION OBLIGATION (CONTINUED)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued) - Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

PERS as of		PFRS as of	
Years Ending June 30,		Years Ending June 30,	
2024	\$ (150,075)	2024	\$ (228,155)
2025	(83,766)	2025	(218,955)
2026	117,058	2026	352,276
2027	(20,949)	2027	(30,299)
2028	356	2028	10,814
Thereafter	-	Thereafter	1,106
	<u>\$ (137,376)</u>		<u>\$ (113,212)</u>

The previous amounts do not include Township-specific deferred outflows of resources and deferred inflows of resources related to changes in proportion. These amounts should be recognized (amortized) by the Township over the average of the expected remaining service lives of all plan members, which is 5.08, 5.04, 5.13, 5.16, 5.21, and 5.63, for the years 2023, 2022, 2021, 2020, 2019 and 2018, respectively.

Actuarial Assumptions - The total PERS pension liability for the plan year ended June 30, 2023, and the total PFRS pension liability for the plan year ended June 30, 2023, actuarial valuations were determined using the following actuarial assumptions, applied to all periods included in the measurement:

	PERS - 2023	PFRS - 2023
Inflation Rate		2.75%
Price	2.75%	
Wage	3.25%	
Salary Increases		
Based on years of service	2.75 - 6.55%	3.25 - 16.25%
Investment Rate of Return	7.00%	7.00%

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

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

H. PENSION OBLIGATION (CONTINUED)

Actuarial Assumptions – (Continued) The actuarial assumptions used in the July 1, 2022, valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2021.

For PFRS, employee mortality rates were based on the Pub-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 Pub-2010 amount-weighted table with a 96.7% adjustment for males and 96.0% adjustment for females. Disability rates were based on the Pub-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, 2022, valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2021.

In accordance with state statute, the long-term expected rate of return on plan investments (7.00% at plan year ended June 30, 2023, for PERS and June 30, 2022, for PFRS) is determined by the State Treasurer, after consultation with the directors of the Division of Investments and Division, 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's and PFRS's target asset allocation, are summarized in the following table:

Asset Class	Target Allocation	PERS - 2023	PFRS - 2023
		Long-Term Expected Real Rate of Return	Long-Term Expected Real Rate of Return
U.S. Equity	28.00%	8.98%	8.98%
Non-U.S. Developed Market Equity	12.75%	9.22%	9.22%
International Small Cap Equity	1.25%	9.22%	9.22%
Emerging Market Equity	5.50%	11.13%	11.13%
Private Equity	13.00%	12.50%	12.50%
Real Estate	8.00%	8.58%	8.58%
Real Assets	3.00%	8.40%	8.40%
High Yield	4.50%	6.97%	6.97%
Private Credit	8.00%	9.20%	9.20%
Investment Grade Credit	7.00%	5.19%	5.19%
Cash Equivalents	2.00%	3.31%	3.31%
U.S. Treasuries	4.00%	3.31%	3.31%
Risk Mitigation Strategies	3.00%	6.21%	6.21%
	<u>100.00%</u>		

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

H. PENSION OBLIGATION (CONTINUED)

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

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

Sensitivity of the Township's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate - The following presents the Township's proportionate share of the collective net pension liability calculated using the discount rate as disclosed above, as well as what the Township's proportionate share of the collective 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:

	At 1% Decrease (6.00%)	At Current Discount Rate (7.00%)	At 1% Increase (8.00%)
Township's proportionate share of PERS plan year ended June 30, 2023	\$ 3,700,372	\$ 2,842,532	\$ 2,112,397
	At 1% Decrease (6.00%)	At Current Discount Rate (7.00%)	At 1% Increase (8.00%)
Township's proportionate share of PFRS plan year ended June 30, 2023	\$ 8,168,608	\$ 5,862,673	\$ 3,942,380

I. PROPERTY TAXES

Property taxes are an enforceable lien on the assessed property. Taxes are due on a quarterly basis on February 1, May 1, August 1 and November 1. All unpaid taxes become delinquent eight days after the above due dates. The Township bills and collects its own property taxes as well as the taxes levied by the other taxing bodies within the municipality. Property tax revenues are recognized when collected. A reserve for uncollected taxes is established in the current operating budget to the extent that their collectability is improbable.

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

J. INTERFUNDS, RECEIVABLES AND PAYABLES

The composition of interfund balances as of December 31, 2024, is as follows:

	Interfunds Receivable	Interfunds Payable
Current Fund	\$ 324,288	\$ 19,461
Federal and State Grant Fund	-	227,517
General Capital Fund	19,461	
Payroll Fund	-	92,469
Trust Fund - Animal Control	-	21
Trust Other Funds	-	4,281
Total Funds	<u>\$ 343,749</u>	<u>\$ 343,749</u>

K. 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 and natural disasters. The Township maintains commercial insurance coverage for property, liability and surety bonds.

L. GENERAL LONG-TERM DEBT

During the year ended December 31, 2024, the following changes occurred in long-term debt including loans:

	Balance December 31, 2023	Reduction	Balance December 31, 2024
General Capital			
Serial Bonds	\$ 12,865,000	\$ 885,000	\$ 11,980,000
Total	<u>\$ 12,865,000</u>	<u>\$ 885,000</u>	<u>\$ 11,980,000</u>

Permanently Funded Debt

General Obligation and Serial Bonds as of December 31, 2024, consists of the following:

Date of Issue	Purpose	Maturities	Interest Rate	Amount
October 31, 2013	General Obligation	2021 to 2025	Various	\$ 130,000
September 27, 2017	Refund Bond Series 2010	2021 to 2030	Various	2,755,000
November 7, 2018	General Obligation 2018	2021 to 2043	Various	3,260,000
July 22, 2020	Taxable General Obligation Refunding	2021 to 2038	Various	3,755,000
October 29, 2021	Taxable General Obligation Refunding	2021 to 2041	Various	2,080,000
				<u>\$ 11,980,000</u>

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

L. GENERAL LONG-TERM DEBT (CONTINUED)

Debt Service Requirements

Schedule of Annual Debt Service for Principal and Interest for the next five (5) years and five-year increments thereafter for Bonded Debt issued and outstanding:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 900,000	\$ 1,283,398	\$ 1,283,398
2026	795,000	1,151,030	1,151,030
2027	870,000	1,200,256	1,200,256
2028	885,000	1,187,146	1,187,146
2029	915,000	1,188,693	1,188,693
2030-2034	3,165,000	4,198,035	4,198,035
2035-2039	3,355,000	3,894,343	3,894,343
2040-2043	1,095,000	1,202,278	1,202,278
	<u>\$ 11,980,000</u>	<u>\$ 15,305,176</u>	<u>\$ 15,305,176</u>

Bond Anticipation Notes issued as of December 31, 2024, are as follows:

<u>Interest</u>	<u>Purpose</u>	<u>Rate</u>	<u>Amount</u>
General Capital Fund	Restoration of Upper Buttonwood & Woolman Lakes	4.0000%	\$ 177,000
General Capital Fund	Restoration & Rehab of Mill Dam Park	4.0000%	2,200,000
General Capital Fund	Replacement of Buttonwood Lake Dam	4.0000%	721,300
General Capital Fund	Various Capital Improvements	4.0000%	407,000
General Capital Fund	Construction & Improvements to Real Property	4.0000%	570,000
General Capital Fund	Construction of Improvements at Buttonwood	4.0000%	142,500
General Capital Fund	Repair & Reconstruction of Union Mill Dam	4.0000%	199,200
Total			<u>\$ 4,417,000</u>

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

L. GENERAL LONG-TERM DEBT (CONTINUED)

Summary of Municipal Debt (Excluding Current Debt)

**Summary of Municipal Debt
(Excluding Current Debt)**

	2024	2023	2022
Issued -			
General - Bonds and Notes	\$ 16,397,000	\$ 17,318,000	\$ 18,184,000
Net Debt Issued	16,397,000	17,318,000	18,184,000
Authorized but not Issued:			
General - Bonds and Notes	75,300	75,300	75,300
Net Debt	\$ 16,472,300	\$ 17,393,300	\$ 18,259,300

**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 1.66%.

	GROSS DEBT	DEDUCTIONS	NET DEBT
Regional School District	\$ 4,385,000	\$ 4,385,000	\$ -
Local School District	3,535,380	3,535,380	-
General Debt	16,472,300	-	16,472,300
Total	\$ 24,392,680	\$ 7,920,380	\$ 16,472,300

Net debt, \$16,472,300 divided by Equalized Valuation Basis Per N.J.S.A. 40A:2-2 as amended, \$886,975,715 equals 1.857%.

Equalized Valuation Basis:

2024	\$ 993,438,201
2023	891,746,060
2022	775,742,885
Average	\$ 886,975,715

Borrowing Power Under 40A:2-6

3.5% of Equalized Valuation Basis (Municipal)	\$ 31,044,150
Net Debt	16,472,300
Remaining Borrowing Power	\$ 14,571,850

This information above is in agreement with the annual debt statement filed by the CFO.

New Jersey Statutes limit the debt of a municipality to 3.50% of the average of the last three preceding years' equalized valuations of the taxable real estate and improvements. The Township's statutory net debt at December 31, 2024, was 1.857%. The Township's remaining borrowing power is 1.643%.

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

L. GENERAL LONG-TERM DEBT (CONTINUED)

Lease Obligations

On September 30, 2022, the Township entered into a lease for a mail machine with a five (5) year term at an interest rate of 6.25%. This lease is under a long-term, noncancelable lease agreement.

As of December 31, 2024, the lease payments are as follows:

Year	Amount
2025	\$ 3,501
2026	3,501
2027	1,751
Total	<u>\$ 8,753</u>

Lease payments under this lease for the year 2024 were \$3,501.

M. FIXED ASSETS

The following schedule is a summarization of the changes in General Fixed Assets for the fiscal year ended December 31, 2024:

	Balance December 31, 2023	Additions	Deletions	Balance December 31, 2024
Land	\$ 7,076,829	\$ -	\$ -	\$ 7,076,829
Buildings and Contents	7,364,885	-	-	7,364,885
Vehicles and Equipment	3,404,997	198,033	30,666	3,572,364
Total	<u>\$ 17,846,711</u>	<u>\$ 198,033</u>	<u>\$ 30,666</u>	<u>\$ 18,014,078</u>

N. DEFERRED COMPENSATION SALARY ACCOUNT

The Township offers its employees a Deferred Compensation Plan created in accordance with IRC Section 457. The plan, available to all Township employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are solely the property and rights of the participants and their beneficiaries, and are held in a custodial account as described in IRC Section 457(g). Such amounts are part of a common fund held with the assets of other Section 457 plans.

All assets of the plan are held by two independent administrators; Nationwide Retirement Solutions, Inc. and AXA Equitable.

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

O. ACCRUED SICK AND VACATION TIME

Township employees are entitled to paid vacation and sick time depending on their length of service with the Township. Vacation days not used during the year may be accumulated and carried forward for two years. Vacation days not used within this time period are forfeited. Vacation time unused at termination is reimbursed to the employee at their current rate of pay. Unused sick leave may be accumulated and carried forward to subsequent years. One-half of accrued sick time is reimbursed to employees only if they meet the requirements of retirement according to PERS or PFRS. Sick time is reimbursed to the employee at their current rate of pay up to a maximum of 62 to 65 days depending on their job classification.

The amount of accrual for compensated absences as of December 31, 2024, is as follows:

Vacation Time and Sick Time:	
Employees' Accrual	\$ 601,756
Township Share of Payroll Taxes	<u>27,197</u>
Total	<u>\$ 628,953</u>

This liability has not been recorded in the financial statements. Actual payment and funding for compensated absences occurs through budget appropriation in the annual operating budget and only during the year the employee terminates or retires (pay-as-you-go basis). As of December 31, 2024, the reserve balance is \$70,127.

P. LITIGATION

It is the Township's Counsel's opinion that there exists no litigation or contingent liability that may be pending against the Township that would have a material adverse effect on the financial position of the Township.

Q. SERVICE AGREEMENT

In 1978, the Township entered into a service agreement with the Mount Holly Municipal Utilities Authority (the "Authority") whereby the Township will pay the Authority any annual charges made and charged by the Authority in accordance with the service agreement. The annual charges made and to be charged by the Authority to and payable by the Township for or with respect to any fiscal year shall be the sum of money equal to any deficiency in (a) the fund established by resolution or any other bond resolution for the payment of debt service and (b) any reserve fund for debt service below the bond's reserve requirement established therein. The Authority covenants that (a) the bond reserve requirement referred to above will not exceed the maximum annual debt service in any given year (excluding short-term debt) without the consent of the Township and (b) the requirements as to the payments of debt service therefrom and the priority of payments of revenues into various funds set forth in the resolution shall not be substantially altered or amended without the consent of the Township.

The Township will in each year make all budgetary and other provisions or appropriations necessary to provide for and authorize the payment by the Township to the Authority during each fiscal year of the estimated amount of the annual charges and the amount of any deficiency in

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

Q. SERVICE AGREEMENT (CONTINUED)

prior annual charges (if any) stated in the certificate delivered in such fiscal year to the Township by the Authority.

The Authority will at all times take reasonable measures permitted by the act or otherwise by law to collect and enforce prompt payment of all service charges prescribed, fixed and charged in accordance with the 1978 service contract and the service agreement.

The Authority shall repay to the Township from the revenues collected by the Authority in the next succeeding fiscal year of the Authority, all monies by the Township to the Authority under the 1978 service contract, except service charges on property owned by the Township itself and including reasonable expenses of the Township. Such repayment shall be made without interest, except for any interest incurred by the Township in providing for such repayment. The 1978 service agreement states that failure by the Authority to make any such repayment shall not relieve the Township of the obligation to pay any annual charges, as described above.

In exchange for the service agreement, the Authority pays an annual sum of \$30,000 to the Township as a fee for the financial obligation accepted by the Township as long as the 1978 service agreement is in effect.

R. ECONOMIC UNDERTAKING

The Township previously determined to undertake a Redevelopment Project consisting of the acquisition of various parcels of real property in the Township, together with the demolition of any improvements thereon, as part of the Township's West End Redevelopment Plan ("Redevelopment Plan"). Located within the West End Redevelopment Area ("Redevelopment Area") in the Mount Holly Gardens ("Gardens"), a residential neighborhood originally comprised of three hundred seventy-nine (379) attached housing units built in the early 1950s. Over the past thirty years, the number of owner-occupied housing units in the Gardens declined to the point that the majority of the housing units were renter occupied and owned largely by absentee landlords. This led to a destabilizing effect on the development and resulted in declined building maintenance and property upkeep. The Redevelopment Area also includes a commercial area which is located north of and adjacent to the Gardens. This land was vacant and underutilized. The goal of the Redevelopment Plan is to create an attractive, safe and cohesive residential neighborhood that provides a variety of housing options that meet the needs of the Mount Holly community and to provide opportunities for commercial establishments that will serve the immediate area and the larger community.

In order to proceed with the implementation of the Redevelopment Plan, the Township entered into a redevelopment agreement with Keating Urban Partners, LLC ("Keating").

In order to complete the redevelopment of the area in accordance with the goals of the Redevelopment Plan, the Township began a process to acquire all the units in the Gardens, necessitating the relocation of its residents. The Township began this process several years ago. The Township's decision to select the Gardens complex is reflective of an opportunity to restore an aging and blighted residential complex to an attractive and functional market rate housing Redevelopment Plan which includes approximately five hundred twenty (520) units of mixed-income housing and an approximate 54,000 square feet commercial area.

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

R. ECONOMIC UNDERTAKING (CONTINUED)

On February 27, 2012, the Township introduced several ordinances, which allow the Township to move forward with the redevelopment of the Redevelopment Area through the sale and redevelopment of the vacant commercial area located north of the Gardens. These ordinances authorize the sale of this land for \$1,526,903.00 and the redevelopment of the land into an apartment complex containing 228 apartment units with shared recreational amenities such as a clubhouse and a swimming pool. Closing occurred in the fall of 2012.

The Township also sold a second parcel of land for the development of 60 townhouses. The Township received a total of \$1,073,098 for this parcel.

As of December 31, 2021, the Township has sold a third parcel of land which should be considered Phase 3 of the redevelopment which consists of 96 additional apartment units and 80 townhomes for a total of \$1,799,746 with 12,000 square feet of commercial space yet to be sold and built. The 96 apartments have been completed and rented. The 80 townhomes have been completed and sold.

As part of the Redevelopment Plan the Township was required to acquire existing homes and provide new replacement housing for twenty (20) families. As of December 31, 2021, the Township has acquired all twenty (20) of these properties and these mortgages have been transferred to Republic Bank as per the Gardens Settlement Agreement.

The Township has one remaining phase left (phase 4) as part of the Redevelopment Plan. The Township is currently in discussions with the Developer regarding the implementation of the commercial space that consists of 12,000 sq. feet on the Mount Holly bypass.

The Plan anticipates building 80 additional townhome units at a predetermined price in accordance with the Redevelopment Agreement. The Township is in discussion with the Developer to move forward with this phase at the end of 2026 and the Commercial phase shortly thereafter. The sale of this portion should go directly towards reducing the Township's long-term debt.

S. FORGIVABLE MORTGAGE RECEIVABLE

The Township implemented a scattered site housing rehabilitation program for owner-occupied single family and renter-occupied unit homes throughout the Township in 2002. This program is open to low or moderate-income owner-occupants of single-family dwelling units. The dwelling unit must be certified as substandard and the occupant must be certified as income eligible.

The program provides funding and financial assistance that will be spent in a manner that is consistent with Council on Affordable Housing rules. Rehabilitation funding shall be used to address deficiencies in major systems and bring each housing unit to code. Financial assistance will be available for repair or replacement of substandard conditions within the housing unit in order to correct code violations. Once the funding or financial assistance is given to the approved occupant the Township files the required lien on the owner-occupied property. The owner-occupants of the single-family homes that qualify will be required to repay the loan in full to the Township if they sell or vacate the unit within six years of the completion of work. Twenty-five percent of the loan shall be forgiven if the owner-occupant remains in the unit for seven (7) years after receiving

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

S. FORGIVABLE MORTGAGE RECEIVABLE (CONTINUED)

the loan. Similarly, 25 percent of the loan shall be forgiven for each additional year the owner-occupant remains in the unit. Finally, after 10 years, the loan shall be forgiven. The amount of forgivable mortgage receivable as of December 31, 2024, is \$620,000.

T. POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS

The Township participates in the State Health Benefits Local Government Retired Employees Plan (the "SHBP" or "OPEB Plan"), a cost sharing multiple-employer defined post-retirement benefit plan, which is administered by the Division. The SHBP provides health care benefits to employees, retirees and their dependents. Rules governing the operation and administration of the program are found in Title 17, Chapter 9 of the New Jersey Administrative Code. SHBP provides medical, prescription drugs, mental health/substance abuse, and Medicare Part B reimbursement to retirees and their covered dependents. The Township does not offer the OPEB Plan to active employees but retired employees are eligible due to a special funding situation. The total number of retired participants eligible for benefits was 55 at December 31, 2023.

General Information About the OPEB Plan - The State Health Benefits Commission is the executive body established by statute to be responsible for the operation of the SHBP. The Division issues a publicly available financial report that includes financial statements and required supplementary information for the SHBP. That report may be obtained by writing to: State of New Jersey Division of Pensions and Benefits, P.O. Box 295, Trenton, NJ 08625-0295 or by visiting their website at <https://www.state.nj.us/treasury/pensions/financial-reports.shtml>.

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

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

T. POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

General Information About the OPEB Plan (Continued) - State also provides funding for retiree health benefits to survivors of local police officers and firefighters who die in the line of duty under Chapter 271, P.L.1989.

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

The GASB Statement No. 75 report of the Plan for the period ended June 30, 2024, was not available as of the date of this report. Per Local Finance Notice 2023-10, issued by the Division of Local Government Services, calendar year municipalities are able to include in their annual audits the most recent audited GASB 75 information published by the Division. Thus, the Township included in the note below disclosures based on the period ended June 30, 2023, audited Plan information.

Funding Policy - Participating employers are contractually required to contribute based on the amount of premiums attributable to their retirees. Post-retirement medical benefits under the plan have been funded on a pay-as-you-go basis since 1994. Prior to 1994, medical benefits were funded on an actuarial basis. Contributions to pay for the health premiums of participating retirees in the SHBP are billed to the Township on a monthly basis. As a participating employer the Township will pay and remit to contributions to the State treasury contributions to cover the full cost of premiums for eligible pensioners on a basis comparable to the reimbursement made by the State to its eligible pensioners and their spouses in accordance with provisions of Chapter 75, Public Law of 1972.

The Township's contribution to the Plan for the year ended December 31, 2023, was \$38,383, which equaled the required contribution for the year.

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 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 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 are further allocated to employers based on the ratio of the plan members of an individual employer to the total members of the Plan's nonspecial funding situation during the measurement period July 1, 2022 through June 30, 2023.

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

T. POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

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 non-employer contributing entity. Since the local participating employers do not contribute under this legislation directly to the SHBP, 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. For the special funding situation, the unaudited proportionate share of the net pension liability of the State related to the Township for the year ended December 31, 2023, was .0137139% and \$4,784,908. Unaudited State pension expense (revenue) for the year ended December 31, 2023, was a balance of (\$867,597).

Net OPEB Liability

Components of Net OPEB Liability

The components of the collective net OPEB liability of the participating employers in the SHBP as of plan year ended June 30, 2023, are as follows:

	June 30, 2023
Total OPEB Liability	\$ 8,487,505
Plan Fiduciary Net Position	<u>(66,672)</u>
Net OPEB Liability	<u>\$ 8,554,178</u>
Plan Fiduciary Net Position as a percentage of total OPEB liability	-0.79%

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

T. POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

The total OPEB liability as of plan year ended June 30, 2023, was determined by an actuarial valuation as of July 1, 2022, which was rolled forward to June 30, 2023. The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

Salary increases*:

Public Employees' Retirement System (PERS)

Rate for all future years	2.75% - 6.55%
Based on years of service	

Police and Firemen's Retirement System (PFRS)

Rate for all future years	3.25 - 16.25%
Based on years of service	

Mortality:

PERS

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

PFRS

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

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

Actuarial assumptions used in the July 1, 2022, valuation were based on the results of the PFRS and PERS experience studies prepared for July 1, 2018 to June 30, 2021. One hundred-percent of active members are considered to participate in the Plan upon retirement.

Health Care Trend Assumptions - For pre-Medicare medical benefits, the trend is initially 6.50% and decreases to a 4.50% long-term trend rate after nine years. For post-65 PPO, the trend is increasing to 14.8% in fiscal year 2026 and decreases to 4.50% in fiscal year 2033. For HMO, the trend is increasing to 17.45 in fiscal year 2026 and decreases to 4.50% in fiscal year 2033. For prescription drug benefits, the initial trend rate is 9.5% and decreases to a 4.50% long-term trend rate after seven years. For the Medicare Part B reimbursement, the trend rate is 5.00%.

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

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

T. POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

Sensitivity of Net OPEB Liability to Changes in the Discount Rate:

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

	At 1% Decrease (2.65%)	At Current Discount Rate (3.65%)	At 1% Increase (4.65%)
Local	<u>\$ 9,682,796</u>	<u>\$ 8,359,354</u>	<u>\$ 7,294,849</u>

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

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

	At 1% Decrease	At Current Healthcare Cost Trend Rate	At 1% Increase
Local	<u>\$ 7,104,467</u>	<u>\$ 8,359,354</u>	<u>\$ 9,965,992</u>

Deferred Outflows of Resources and Deferred Inflows of Resources

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 394,475	\$ 2,323,035
Changes in Assumptions	1,108,087	2,417,992
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	1,411
Changes in Proportion	<u>8,262,429</u>	<u>259,529</u>
	<u>\$ 9,764,991</u>	<u>\$ 5,001,967</u>

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

NOTES TO FINANCIAL STATEMENTS

T. POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

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

	Years Ending June 30,
2023	\$ (970,466)
2024	(794,873)
2025	(430,013)
2026	(201,575)
2027	(406,887)
Thereafter	(436,063)
	<u>\$ (3,239,877)</u>

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

U. SUBSEQUENT EVENTS

The Township has evaluated all subsequent events occurring after December 31, 2024, through July 28, 2025, which is the date the financial statements were available to be issued. Management has determined no events have occurred that require disclosure.

SUPPLEMENTAL SCHEDULES

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

A-4

**CURRENT FUND
SCHEDULE OF CASH – CHIEF FINANCIAL OFFICER**

Year Ended December 31, 2024

	CURRENT FUND	FEDERAL & STATE GRANT FUND
Balance December 31, 2023	\$ 3,545,980	\$ -
Increased by Receipts:		
Taxes Receivable	\$ 22,609,649	\$ -
Tax Title Liens Receivable	42,656	-
Tax Overpayments	164,121	-
Due from State of New Jersey - Senior Citizen & Veteran Deductions	51,988	-
Prepaid Taxes	120,818	-
Revenue Accounts Receivable	4,621,346	-
Miscellaneous Revenue not Anticipated	384,724	-
Budget Refunds	463,186	-
Property Maintenance Receivable	331	-
Amount Due to State for Marriage Licenses/Funeral Licenses	6,820	-
Due from Animal Control Fund	638	-
Due from Trust Other Funds	521,005	-
Due from Mt. Holly MUA	97,344	-
State & Federal Grants Receivable	-	1,793,907
Federal and State Grants Unappropriated	-	132,757
Total	29,084,626	1,926,664
Subtotal	32,630,606	1,926,664
Decreased by Disbursements:		
2024 Appropriations	11,288,792	
2023 Appropriation Reserve	302,782	
Refund Tax Overpayments	87,735	
County Taxes	3,206,102	
Local District School Taxes	9,141,942	
Regional High School District Taxes	3,035,960	
Fire District Taxes	1,210,058	
Refund of Prior Year Revenue	1,352	
Due to Mt. Holly MUA	98,998	
Due from Trust Funds	635	
Due to Capital Fund	1,388	
Due to Payroll Fund	100,000	
Due to TTL Redemption Fund	514,600	
Accounts Payable	40,236	
Due to State of New Jersey	1,625	
Due to Municipal Court	250	
Reserve for Federal & State Grant Funds - Appropriated	-	1,184,360
Total Disbursements	29,032,455	1,184,360
Balance December 31, 2024	\$ 3,598,151	\$ 742,304

TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY

A-5

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

Year Ended December 31, 2024

YEAR	BALANCE DECEMBER 31, 2023		2024 LEVY	ADDED TAXES	COLLECTED		DUE FROM STATE OF NEW JERSEY	OVER- PAYMENTS APPLIED	CANCELED	TRANSFERRED TO TAX TITLE LIENS	BALANCE DECEMBER 31, 2024	
					2023	2024						
2019	\$	4,722	\$	-	\$	2,572	\$	-	\$	-	\$	638
2020		1,125		-		-		-		-		1,125
2021		3,072		-		-		257		-		2,815
2022		1,872		-		-		7		-		1,865
2023		18,405		-		3,482		-		188		3,263
Total		29,196		-		6,054		-		188		3,263
2024		-		22,868,213		-		83,838		22,584,293		55,500
Total	\$	29,196	\$	22,868,213	\$	6,054	\$	83,838	\$	22,609,649	\$	55,500
								10,047		21,724		110,878
												11,827

Cash Receipts \$ 22,609,649

Total \$ 22,609,649

ANALYSIS OF 2024 PROPERTY TAX LEVY

Tax Yield:	
General Purpose Tax	\$ 22,717,098
Added Taxes (54:4-63.1 et seq)	151,115
Total	\$ 22,868,213
Tax Levy:	
Local District School Tax (Abstract)	\$ 9,141,942
Regional School District Tax	3,035,960
Fire District Tax (Abstract)	1,633,585
County Taxes:	
County Tax (Abstract)	\$ 2,608,263
County Open Space Tax (Abstract)	312,251
County Library Tax (Abstract)	224,951
Due County for Added & Omitted Taxes	20,460
	3,165,925
Local Tax For Municipal Purposes	5,755,020
Add: Additional Tax Levy	135,781
	5,890,801
Total Levy	\$ 22,868,213

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

A-6

**CURRENT FUND
SCHEDULE OF TAX TITLE LIENS RECEIVABLE**

Year Ended December 31, 2024

Balance December 31, 2023		\$	328,199
Increased by:			
Interest and Costs	\$	3,263	
Transfer from Taxes Receivable - 2024		110,878	114,141
Subtotal			442,340
Decreased by:			
Collections		42,656	42,656
Balance December 31, 2024		\$	<u>399,684</u>

**CURRENT FUND
SCHEDULE OF PROPERTY ACQUIRED FOR TAXES**

A-7

Year Ended December 31, 2024

Balance December 31, 2024 and 2023	\$	<u>646,355</u>
------------------------------------	----	----------------

**CURRENT FUND
SCHEDULE OF PROPERTY MAINTENANCE RECEIVABLE**

A-8

Year Ended December 31, 2024

Balance December 31, 2023	\$	12,869
Increased by:		
Billings		<u>3,098</u>
Subtotal		15,967
Decreased by:		
Collections		<u>331</u>
Balance December 31, 2024	\$	<u>15,636</u>

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

A-9

**CURRENT FUND
SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE**

Year Ended December 31, 2024

	BALANCE DECEMBER 31, 2023	ACCRUED IN 2024	COLLECTED BY TREASURER	BALANCE DECEMBER 31, 2024
Municipal Clerk:				
Licenses:				
Alcoholic Beverages	\$ -	\$ 22,876	\$ 22,876	\$ -
Other Licenses	-	13,520	13,520	-
Fees & Permits	-	197,036	197,036	-
Service Contract - Mt. Holly MUA	-	30,000	30,000	-
Cable TV Franchise Fee	-	91,147	91,147	-
Payment In-Lieu of Taxes:				
Mt. Holly MUA	-	558,000	558,000	-
Children's Home	-	30,000	30,000	-
Stouber	-	282,571	282,571	-
Regency Park	-	213,465	213,465	-
Fermoor	-	469,351	469,351	-
Presbyterian Home	-	17,267	17,267	-
Mt Holly Memorial Health Alliance Donation	-	405,546	405,546	-
State Rental of Parking Lots	-	10,903	10,903	-
County Rental of Parking Lots	-	98,203	98,203	-
Municipal Court - Fines & Costs	3,419	55,308	55,346	3,381
Rent - 14 Kings Street	-	40,000	40,000	-
Contribution from Rancocas Valley Regional High School	-	111,750	111,750	-
Contribution from Mt. Holly BOE	-	75,886	75,886	-
Energy Receipts Tax	-	1,536,639	1,536,639	-
Housing Inspection Fees	-	100,800	100,800	-
Interest and Costs on Taxes	-	70,217	70,217	-
Interest on Investments	-	190,823	190,823	-
Total	\$ 3,419	\$ 4,621,308	\$ 4,621,346	\$ 3,381

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

A-10

**CURRENT FUND
SCHEDULE OF PRIOR YEAR APPROPRIATION RESERVES**

Year Ended December 31, 2024

OPERATIONS	BALANCE DECEMBER 31, 2024	BALANCE AFTER TRANSFERS	DISBURSED	BALANCE LAPSED	OVER- EXPENDED
General Government:					
Administrative & Executive:					
Salaries and Wages	\$ 592	\$ 592	\$ -	\$ 592	\$ -
Other Expenses	5,509	5,509	4,342	1,167	-
Mayor and Council:					
Other Expenses	52	52	-	52	-
Municipal Clerk:					
Salaries and Wages	500	500	-	500	-
Other Expenses	3,461	3,461	1,271	2,190	-
Financial Administration:					
Salaries and Wages	5,000	5,000	-	5,000	-
Other Expenses	13,825	13,825	2,251	11,574	-
Assessment of Taxes:					
Other Expenses	2,305	2,305	-	2,305	-
Collection of Taxes:					
Salaries and Wages	144	144	-	144	-
Other Expenses	527	527	125	402	-
Legal Services & Costs:					
Other Expenses	57,401	57,401	24,868	32,533	-
Engineering Services & Costs:					
Other Expenses	96,499	96,499	84,507	11,992	-
Municipal Land Use Law (N.J.S.A. 40:55D-1):					
Planning Board:					
Salaries and Wages	408	408	-	408	-
Other Expenses	1,279	1,279	300	979	-
Code Enforcement and Administration:					
Inspection of Housing:					
Salaries and Wages	11,857	11,857	-	11,857	-
Other Expenses	13,150	13,150	4,149	9,001	-
Insurance:					
Medical Waiver	3,890	3,890	-	3,890	-
General Liability Insurance	9,058	9,058	-	9,058	-
Workers Compensation	1,188	1,188	-	1,188	-
Employee Group Insurance	41,222	41,222	1,624	39,598	-
Public Safety:					
Police:					
Salaries and Wages	69,535	69,535	-	69,535	-
Other Expenses	20,763	20,763	19,639	1,124	-
Emergency Management:					
Other Expenses	1,500	1,500	-	1,500	-
Public Works Functions:					
Streets & Road Maintenance:					
Salaries and Wages	40,688	40,688	-	40,688	-
Other Expenses	10,566	10,566	10,433	133	-

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

A-10

**CURRENT FUND
SCHEDULE OF PRIOR YEAR APPROPRIATION RESERVES (CONTINUED)**

Year Ended December 31, 2024

OPERATIONS	BALANCE DECEMBER 31, 2024	BALANCE AFTER TRANSFERS	DISBURSED	BALANCE LAPSED	OVER- EXPENDED
Public Works Functions (continued):					
Public Buildings & Grounds:					
Salaries and Wages	2,435	2,435	-	2,435	-
Other Expenses	13,242	13,242	6,445	6,797	-
Vehicle Maintenance:					
Other Expenses	11,765	11,765	7,369	4,396	-
Health & Welfare:					
Community Drug Alliance Program:					
Other Expenses	2,200	2,200	-	2,200	-
Parks & Recreation:					
Recreation Services & Programs:					
Salaries and Wages	3,947	3,947	-	3,947	-
Other Expenses	3,000	3,000	-	3,000	-
Celebration of Public Events:					
Other Expenses					
Utility Expenses & Bulk Purchases:					
Electricity	5,964	5,964	-	5,964	-
Telephone	29,293	29,293	2,000	27,293	-
Water	1,242	1,242	-	1,242	-
Gasoline	29,700	29,700	-	29,700	-
Municipal Court:					
Municipal Court:					
Salaries and Wages	2,691	2,691	-	2,691	-
Other Expenses	4,620	4,620	1,536	3,084	-
Municipal Prosecutor:					
Salaries and Wages	1,833	1,833	1,833	-	-
Public Defender - Contractual	525	525	-	525	-
Landfill & Solid Waste Disposal Costs:					
Garbage & Trash Removal:					
Other Expenses	73,226	73,226	73,178	48	-
Sanitary Landfill:					
Contractual	51,808	51,808	28,845	22,963	-
Statutory Expenditures:					
Social Security System	107	107	-	107	-
DCRP	318	318	-	318	-
Unemployment Fund	767	767	-	767	-
Total General Appropriations for Municipal Purposes - Within "CAPS"	649,602	649,602	274,715	374,887	-
Mandated Expenditures Excluded from "CAPS":					
Other Operations - Excluded from "CAPS"					
Shared Service Agreements	2,810	2,810	2,398	412	-
Public and Private Programs Offset by Revenues:					
Supplemental Fire Services	-	-	-	-	-
Capital Improvements Excluded from "CAPS"					
Public Works Equipment	25,000	25,000	25,000	-	-
Subtotal General Appropriation Items	25,000	25,000	25,000	-	-
Transferred to Board of Education for Use of Local Schools (N.J.S.A. 40:48-17 & 17.3)	-	-	-	-	-
Total General Appropriations	\$ 677,412	\$ 677,412	\$ 302,113	\$ 375,299	\$ -
Appropriation Reserves	\$ 446,386				
Encumbrances Payable	231,026		\$ 769		
Refunds	-		(1,438)		
Cash Disbursements	-		302,782		
Total	\$ 677,412		\$ 302,113		

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

A-11

**CURRENT FUND
SCHEDULE OF LOCAL DISTRICT SCHOOL TAXES PAYABLE**

Year Ended December 31, 2024

Balance December 31, 2023	\$ 1
Increased by: Levy Calendar Year 2024	<u>9,141,942</u>
Subtotal	9,141,943
Decreased by: Payments	<u>9,141,942</u>
Balance December 31, 2024	<u>\$ 1</u>

A-12

**CURRENT FUND
SCHEDULE OF REGIONAL DISTRICT SCHOOL TAXES PAYABLE**

Year Ended December 31, 2024

Balance December 31, 2023	\$ 5
Increased by: Levy Calendar Year 2024	<u>3,035,960</u>
Subtotal	3,035,965
Decreased by: Payments	<u>3,035,960</u>
Balance December 31, 2024	<u>\$ 5</u>

A-13

**CURRENT FUND
SCHEDULE OF FIRE DISTRICT TAX PAYABLE**

Year Ended December 31, 2024

Balance December 31, 2023	\$ -
Increased by: Levy Calendar Year 2024	<u>1,633,585</u>
Subtotal	1,633,585
Decreased by: Payments	<u>1,210,059</u>
Balance December 31, 2024	<u>\$ 423,526</u>

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

A-14

**FEDERAL AND STATE GRANT FUND
SCHEDULE OF FEDERAL AND STATE GRANTS RECEIVABLE**

Year Ended December 31, 2024

PROGRAM	BALANCE DECEMBER 31, 2023	2024 REVENUE	RECEIPTS	CANCELLED	BALANCE DECEMBER 31, 2024
Federal Grants:					
Transportation Enhancement Fund -					
Pedestrian Safety	\$ 71,748	\$ -	\$ -	\$ -	\$ 71,748
Small Cities CDBG - Rehabilitation	61,497	-	41,325	-	20,172
TAP Grant	17,056	-	-	-	17,056
USDA AMS Farmers Market Promotion	32,655	-	-	-	32,655
USDA NRCS Urban Conservation	5,000	-	-	-	5,000
Total Federal Grants	187,956	-	41,325	-	146,631
State Grants:					
Sustainable New Jersey Small Grant Program	6,000	-	-	-	6,000
Sustainable New Jersey Grant - Roots to River	5,895	-	-	-	5,895
Alcohol Education &					
Rehabilitation	1,656	-	-	-	1,656
NJ DOT - Park Drive	33,868	-	-	-	33,868
NJ DOT - Phase II High Street	40,249	-	40,249	-	-
NJ DOT - Smith Lane Improvements	40,714	-	-	-	40,714
NJ DOT - Commerce Street Bridge	65,779	-	65,779	-	-
NJ DOT - Holly Lane Improvements	26,836	-	-	-	26,836
NJ DOT - Levis Drive	582,979	-	376,202	-	206,777
NJ DOT - Levis Drive Flood Relief Improvements	-	750,000	328,539	-	421,461
NJ DOT - Front & Mary Street Improvements	-	308,046	231,034	-	77,012
NJ DOT - Clover Street Roadway Improvements	-	273,646	-	-	273,646
Safe Routes to School Grant	125,000	-	-	-	125,000
EDA - Ankocas Lagoon/Mills	92,486	-	-	-	92,486
EDA - Holly Chemical Co., Inc.	11,650	-	-	-	11,650
EDA - Regal Custom Fixtures	3,737	-	-	-	3,737
Click-It-Ticket	4,916	-	-	-	4,916
Community Forestry	1,729	-	-	-	1,729
Urban Tree Reforestation Project	8,222	-	-	-	8,222
Distracted Driver	550	-	-	-	550
Recycling Tonnage Grant	10,310	-	10,310	-	-
Electrical Charging Stations	166,000	-	-	-	166,000
ROID Grant	20,000	-	-	-	20,000
Neighborhood Prevention Program	12,500	-	-	-	12,500
USDA Community Facility Grant	25,200	-	-	-	25,200
Body Armor Fund	-	1,024	-	-	1,024
Clean Communities Grant	-	25,983	25,983	-	-
Stormwater Management	285,000	-	-	-	285,000
Stormwater Assistance	10,000	-	-	-	10,000
Green Acres - Iron Works Park Improvement	-	900,000	-	-	900,000
NJDEP - Iron Works Park Improvement	-	500,000	-	-	500,000
NJDEP Asset Activation Planning	2,750	-	2,750	-	-
Urban Enterprise Zone - Assistance Fund	-	183,308	183,308	-	-
Urban Enterprise Zone - Administrative Budget	-	56,982	-	-	56,982
Total State Grants	1,584,026	2,998,989	1,264,154	-	3,318,861
Other Grants:					
Insurance Fund Safety Grant	11,550	-	8,482	-	3,068
Urban Enterprise Zone	-	64,946	64,946	-	-
Total Other Grants	11,550	64,946	73,428	-	3,068
County Grants:					
County Parks Grant	540,000	-	415,000	-	125,000
Total County Grants	540,000	-	415,000	-	125,000
Total	\$ 2,323,532	\$ 3,063,935	\$ 1,793,907	\$ -	\$ 3,593,560
Cash			\$ 1,793,907		
			<u>\$ 1,793,907</u>		

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

A-15

**FEDERAL AND STATE GRANT FUND
SCHEDULE OF RESERVE FOR FEDERAL AND STATE GRANTS – APPROPRIATED RESERVES**

Year Ended December 31, 2024

PROGRAM	BALANCE DECEMBER 31, 2023	TRANSFERRED FROM 2024 BUDGET APPROPRIATIONS	PRIOR YEAR ENCUMBRANCES RECLASSIFIED	REFUNDS	EXPENDED	CANCELED	BALANCE DECEMBER 31, 2024
Federal Grants:							
Transportation Enhancement Pedestrian Safety	\$ 120,916	\$ -	\$ -	\$ -	\$ -	\$ -	120,916
Bullet Proof Vest Program	2,629	-	-	-	-	-	2,629
Community Development Block Grant	28,656	-	-	-	-	-	28,656
Small Cities CDBG - 2016	3,086	-	-	-	-	-	3,086
Small Cities CDBG - 2021	20,740	-	-	-	4,225	-	16,515
Small Cities CDBG - Rehabilitation 2017	6,521	-	-	-	-	-	6,521
TAP Grant	15,388	-	-	-	-	-	15,388
USDA AMS Farmers Market Promotion	15,106	-	-	-	-	-	15,106
USDA NRCS Urban Conservation	5,000	-	-	-	1,244	-	3,756
Total Federal Grants	218,042	-	-	-	5,469	-	212,573
State Grants:							
NJ DOT - Holly Lane Improvements	53,653	-	-	-	-	-	53,653
NJ DOT - Smith Lane Improvements	87,658	-	-	-	-	-	87,658
NJ DOT - Levis Drive	582,979	-	-	-	487,662	-	95,317
NJ DOT - Levis Drive Flood Relief Improvements	-	750,000	-	-	587,634	-	162,366
NJ DOT - Front & Mary Street Improvements	-	308,046	-	-	-	-	308,046
NJ DOT - Clover Street Roadway Improvements	-	273,646	-	-	-	-	273,646
Drunk Driving Enforcement Grant	10,925	-	-	-	224	-	10,701
Alcohol Education & Rehabilitation Fund	16,499	-	-	-	-	-	16,499
Recycling Tonnage Grant	72,710	-	7,480	-	9,991	-	70,199
Urban Enterprise Zone - Assistance Fund	-	183,308	-	-	-	-	183,308
Urban Enterprise Zone - Administrative Budget	-	56,982	-	-	-	-	56,982
Click-It-Ticket	4,916	-	-	-	-	-	4,916
Distracted Driver	6,600	-	-	-	-	-	6,600
Clean Communities Grant	155,539	25,983	-	-	-	-	181,522
ROID Grant	15,903	-	-	-	-	-	15,903
NJ Economic Development Authority	32,876	-	17,756	-	24,999	-	25,633
Community Forestry	3,533	-	-	-	-	-	3,533
Urban Tree Reforestation Project	9,234	-	-	-	-	-	9,234
Safe Routes to School Grant	125,000	-	-	-	-	-	125,000
Safe and Secure Communities Grant	32,400	-	-	-	-	-	32,400
Electrical Charging Stations	16,000	-	-	-	-	-	16,000
Body Armor Fund	2,165	1,024	1,089	-	2,638	-	1,640
Neighborhood Prevention Program	98,492	-	-	-	61,807	-	36,685
Green Acres - Iron Works Park Improvement	-	900,000	-	-	-	-	900,000
NJDEP - Iron Works Park Improvement	-	500,000	-	-	-	-	500,000
NJDEP Asset Activation Planning	-	-	11,000	-	11,000	-	-
Stormwater Management	285,000	-	-	-	-	-	285,000
Stormwater Assistance	25,000	-	-	-	-	-	25,000
NJDCA Lead Grant Assistance Program	13,300	-	-	-	-	-	13,300
Total State Grants	1,650,382	2,998,989	37,325	-	1,185,955	-	3,500,741
Other Grants:							
Insurance Fund Safety Grant	12,565	-	4,072	-	7,562	-	9,075
Urban Enterprise Zone	151,217	64,946	-	-	36,418	-	179,745
Total Other Grants	163,782	64,946	4,072	-	43,980	-	188,820
County Grants:							
County Historic Grant	841	-	-	-	-	-	841
County Parks Grant	76	-	-	-	-	-	76
Total County Grants	917	-	-	-	-	-	917
Local Grants:							
Mt Holly Youth Soccer Program	1,000	-	-	-	-	-	1,000
NJ American Water	290	-	-	-	-	-	290
Total Local Grants	1,290	-	-	-	-	-	1,290
Total	\$ 2,034,413	\$ 3,063,935	\$ 41,397	\$ -	\$ 1,235,404	\$ -	\$ 3,904,341
					Cash Disbursed	\$ 1,184,360	
					Encumbrances	51,044	
					Total	\$ 1,235,404	

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

A-16

**FEDERAL AND STATE GRANT FUND
SCHEDULE OF RESERVE FOR FEDERAL AND STATE GRANTS –
UNAPPROPRIATED RESERVES**

December 31, 2024

PROGRAM	BALANCE DECEMBER 31, 2023	GRANTS RECEIVED	REVENUE IN 2024 BUDGET	BALANCE DECEMBER 31, 2024
Federal & State Grants:				
Recycling Tonnage Grant	\$ 13,101	\$ 2,828	\$ -	\$ 15,929
Urban Enterprise Zone - Assistance Fund	-	125,000	-	125,000
Body Armor Fund	2,100	2,178	-	4,278
Bulletproof Vest Program	5,004	2,751	-	7,755
Total Federal & State Grants	\$ 20,205	\$ 132,757	\$ -	\$ 152,962

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

B-1

**TRUST FUNDS
SCHEDULE OF CASH – CHIEF FINANCIAL OFFICER**

Year Ended December 31, 2024

	DOG LICENSE	OTHER
Balance December 31, 2023	\$ 8,523	\$ 1,863,407
Receipts:		
State Share of Dog License Fees	\$ 393	\$ -
Dog License Fees	3,699	-
Late Fees	300	-
Current Fund Budget	12,000	-
RCA Trust Fund Deposits	-	2,607
P.O.A.A. Fines	-	204
Public Defenders Fees	-	1,575
Recreation Commission Funds	-	33,376
Builder's Escrow	-	164,331
Tax Sale Premiums	-	514,600
Uniform Construction Code Fees	-	301,642
Outside Police Services	-	390,731
Snow Removal	-	13,065
Law Enforcement Funds	-	2,513
Deposits for Tax Sale Redemptions	-	614,222
Due to State of New Jersey	-	15,230
Recycling Program	-	453
Urban Enterprise Zone	-	1,502
Due Current Fund	192	34,194
Total Receipts	16,584	2,090,245
Total Receipts & Balances	25,107	3,953,652
Disbursements:		
Paid to State of New Jersey	393	15,156
Expenditures Under N.J.S.A. 40:19-15.11	18,898	-
Compensated Absences	-	-
Tax Sale Premiums Received	-	353,200
Public Defenders Fees	-	-
Recreation Commission Funds	-	52,285
Builder's Escrow	-	208,224
Recycling Program	-	-
Uniform Construction Code Fees	-	222,600
Outside Police Officers	-	342,694
Law Enforcement Fund	-	-
Tax Sale Redemptions	-	736,166
P.O.A.A. Fines	-	-
Snow Removal	-	63,019
Environmental Committee	-	-
RCA Trust Fund Deposits	-	8,376
State and Federal Grants	-	-
Urban Enterprise Zone	-	56,982
Shade Tree	-	-
Due to Current Fund	830	33,510
Total Disbursements	20,121	2,092,212
Balance December 31, 2024	\$ 4,986	\$ 1,861,440

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

B-1

**TRUST FUNDS
SCHEDULE OF CASH – CHIEF FINANCIAL OFFICER (CONTINUED)**

Year Ended December 31, 2024

	<u>DOG LICENSE</u>	<u>OTHER</u>
Balance Per Certification of:		
Fulton/WSFS Banks:		
Dog License	\$ 4,986	\$ -
Tax Sale Premiums	-	768,775
Recreation Commission Funds	-	47,408
Law Enforcement	-	35,020
Builder's Escrow	-	227,745
Recycling Program	-	9,651
Uniform Construction Code	-	364,586
Outside Police Services	-	100,942
Snow Removal	-	1,060
Public Defender	-	2,774
P.O.A.A. - Parking Fines	-	11,030
Tax Sale Redemptions	-	21,730
RCA Trust	-	90,327
Environmental Committee	-	999
Urban Enterprise Zone	-	1,509
Affordable Housing	-	275
CDBG - Small Cities	-	54,081
Neighborhood Preservation	-	11,596
Compensated Absences	-	70,336
Shade Tree	-	40
Add: Deposit in Transit	-	51,743
Less: Outstanding Checks Per Permanent Record	-	(10,187)
Balance December 31, 2024	<u>\$ 4,986</u>	<u>\$ 1,861,440</u>

**TRUST FUNDS
SCHEDULE OF RESERVE FOR ANIMAL CONTROL EXPENDITURES**

B-2

Year Ended December 31, 2024

Balance December 31, 2023	\$ 7,552
Increased by:	
Dog License Fees - Collected	\$ 3,699
Late Fees	300
Current Fund Budget	12,000
Subtotal	23,551
Decreased by:	
Expenditures Under N.J.S.A. 4:19-15.11:	18,898
Due to Current Fund for Excess Dog Fees	18,898
Balance December 31, 2024	<u>\$ 4,653</u>

LICENSE FEES COLLECTED

<u>YEAR</u>	<u>AMOUNT</u>
2023	\$ 4,126
2022	3,947
Total	<u>\$ 8,073</u>

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

B-3

**TRUST FUNDS
SCHEDULE OF DEPOSITS FOR REDEMPTION OF TAX TITLE LIENS**

Year Ended December 31, 2024

Balance December 31, 2023	\$ 179,865
Increased by:	
Cash Receipts	<u>614,222</u>
Subtotal	794,087
Decreased by:	
Cash Disbursements	<u>736,166</u>
Balance December 31, 2024	<u>\$ 57,921</u>

B-4

**TRUST FUNDS
SCHEDULE OF PREMIUMS RECEIVED AT TAX SALE**

Year Ended December 31, 2024

Balance December 31, 2023	\$ 600,800
Increased by:	
Premiums Received at Tax Sale - Due from Current	<u>514,600</u>
Subtotal	1,115,400
Decreased by:	
Premiums Refunded at Redemption	<u>353,200</u>
Balance December 31, 2024	<u>\$ 762,200</u>

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

B-5

**TRUST FUNDS
SCHEDULE OF RESERVE FOR UNIFORM CONSTRUCTION CODE FEES**

Year Ended December 31, 2024

Balance December 31, 2023	\$ 287,072
Increased by:	
Construction Code Fees Received	<u>301,642</u>
Subtotal	588,714
Decreased by:	
Disbursement of Construction Code Funds	<u>222,600</u>
Balance December 31, 2024	<u>\$ 366,114</u>

B-6

**TRUST FUNDS
SCHEDULE OF DUE TO STATE OF NEW JERSEY – DOG LICENSE FUND**

Year Ended December 31, 2024

Balance December 31, 2023	\$ 312
Increased by:	
Dog License Fees Collected:	
State Share	<u>393</u>
Subtotal	705
Decreased by:	
Payments	<u>393</u>
Balance December 31, 2024	<u>\$ 312</u>

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

B-7

**TRUST FUNDS
SCHEDULE OF MISCELLANEOUS TRUST RESERVES**

Year Ended December 31, 2024

	BALANCE DECEMBER 31, 2023	INCREASED BY			DECREASED BY		BALANCE DECEMBER 31, 2024
		RECEIPTS	INTEREST EARNINGS	OTHER	DISBURSEMENTS	OTHER	
Recreation Commission Funds	\$ 62,740	\$ 33,376	\$ -	\$ -	\$ 52,285	\$ -	\$ 43,831
Law Enforcement Funds	32,507	1,550	963				35,020
Builder's Escrow	271,057	164,331			208,224		227,164
Recycling Program	9,169	453					9,622
Outside Police Services	61,316	390,731			342,694		109,353
Snow Removal	49,954	13,065			63,019		-
Public Defender	25	1,575					1,600
P.O.A.A. - Parking Fines	10,793	204					10,997
RCA Trust	96,096		2,607		8,376		90,327
Compensated Absences	70,127						70,127
Environmental Committee	996						996
Shade Tree	41						41
Urban Enterprise Zone	56,989	1,502			56,982		1,509
Affordable Housing	274						274
CDBG - Small Cities	53,921						53,921
Neighborhood Preservation	11,561						11,561
Total	\$ 787,566	\$ 606,787	\$ 3,570	\$ -	\$ 731,580	\$ -	\$ 666,343

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

C-2

**GENERAL CAPITAL FUND
SCHEDULE OF GENERAL CAPITAL CASH**

Year Ended December 31, 2024

Balance December 31, 2023		\$	1,059,834
Increased By:			
Interest on Investments	\$	29,094	
Premiums		28,622	
Due Current Fund		239,823	
Bond Anticipation Note Proceeds		4,417,000	
Bond Proceeds			4,714,539
Subtotal			5,774,373
Decreased By:			
Due Current Fund		26,162	
Bond Anticipation Note Principal and Interest		4,652,828	
Improvement Authorizations		124,498	4,803,488
Balance December 31, 2024		\$	970,885

C-3

**GENERAL CAPITAL FUND
ANALYSIS OF GENERAL CAPITAL CASH**

Year Ended December 31, 2024

Fund Balance	\$	251,390
Capital Improvement Fund		25,154
Due to/(from) Current Fund		(19,461)
Improvement Authorizations:		
Ordinance Numbers & Descriptions		
99-22 Acquisition of Various Equipment & Completion of Various Capital Improvements		1,463
10-17 The Gardens Redevelopment Project		3
16-14 Renovation & Rehabilitation of Mill Dam Park		37,965
16-15 Replacement of Buttonwood Lake Dam		9
17-15 Various Capital Improvements		80,727
17-16 Refunding Bond Ordinance GOB Series		(68,178)
21-16 Acquisition of Various Properties		600,000
22-09 Construction of Improvements at Buttonwood		23,539
22-11 Repair & Reconstruction of the Mill Dam		38,274
Total Cash & Investments	\$	970,885

TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY

C-4

GENERAL CAPITAL FUND
SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION – UNFUNDED

Year Ended December 31, 2024

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	BALANCE DECEMBER 31, 2023	2024 AUTHORIZATIONS	PAYMENT OF BOND ANTICIPATION NOTES	DECREASED BY SERIAL BONDS	BALANCE DECEMBER 31, 2024	ANALYSIS OF BALANCE DECEMBER 31, 2024			
							FINANCED BY BOND ANTICIPATION NOTES	EXPENDITURES	UNEXPENDED IMPROVEMENT AUTHORIZATIONS	
09-11	Restoration of Upper Buttonwood & Woolman Lakes	\$ 177,000	\$ -	\$ -	\$ -	177,000	\$ 177,000	\$ -	\$ -	-
16-14	Renovation & Rehabilitation of Mill Dam Park	2,200,000	-	-	-	2,200,000	2,200,000	-	-	-
16-15	Replacement of Buttonwood Lake Dam	734,200	-	12,900	-	721,300	721,300	-	-	-
17-15	Various Capital Improvements	430,100	-	23,100	-	407,000	407,000	-	-	-
17-16	Refunding Bond Ordinance GOB Series 2010	75,000	-	-	-	75,000	-	68,178	6,822	-
21-16	Construction & Improvements to Real Property	570,000	-	-	-	570,000	570,000	-	-	-
22-09	Construction & Improvements at Buttonwood	142,500	-	-	-	142,500	142,500	-	-	-
22-11	Repair & Reconstruction of Union Mill Dam	199,500	-	-	-	199,500	199,200	300	-	-
Total		\$ 4,528,300	\$ -	\$ 36,000	\$ -	4,492,300	\$ 4,417,000	\$ 68,478	\$ 6,822	
Improvement Authorizations - Unfunded										\$ 787,639
Less: Unexpended Proceeds of Bond Anticipation Notes Issued:										
Ordinance No. 10-17								\$ 3		
Ordinance No. 16-14								37,965		
Ordinance No. 16-15								9		
Ordinance No. 17-15								80,727		
Ordinance No. 21-16								600,000		
Ordinance No. 22-09								23,539		
Ordinance No. 22-11								38,574	780,817	
Total										\$ 6,822

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

C-5

**GENERAL CAPITAL FUND
SCHEDULE OF CAPITAL IMPROVEMENT FUND**

Year Ended December 31, 2024

Balance December 31, 2023	\$	154
Increased by:		
Budget Appropriation		<u>25,000</u>
Balance December 31, 2024	\$	<u>25,154</u>

TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY

C-6

GENERAL CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

Year Ended December 31, 2024

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	ORDINANCE		BALANCE DECEMBER 31, 2023		2024 AUTHORIZATIONS	ENCUMBRANCES RECLASSIFIED	PAID OR CHARGED	CANCELED	BALANCE DECEMBER 31, 2024	
		DATE	AMOUNT	FUNDED	UNFUNDED					FUNDED	UNFUNDED
99-22	Acquisition of Various Equipment Completion of Various Capital Improvements	07/23/91	\$ 1,447,000	\$ 1,463	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,463	\$ -
10-17	Acquisition of Various Properties	12/13/10	2,500,000	-	3	-	-	-	-	-	3
16-14	Renovation & Rehabilitation of Mill Dam Park	05/09/16	2,200,000	-	150,585	-	-	112,620	-	-	37,965
16-15	Replacement of Buttonwood Lake Dam	05/09/16	800,000	-	9	-	-	-	-	-	9
17-15	Various Capital Improvements	07/10/17	550,000	-	80,727	-	-	-	-	-	80,727
17-16	Refunding Bond Ordinance GOB Series 2010	07/10/17	695,000	-	6,822	-	-	-	-	-	6,822
21-16	Construction & Improvements to Real Property	12/13/21	600,000	-	539,543	-	60,457	-	-	-	600,000
22-09	Construction of Improvements at Buttonwood	06/27/22	-	-	35,417	-	-	11,878	-	-	23,539
22-11	Repair & Reconstruction of the Union Mill Dam	07/11/22	-	-	38,574	-	-	-	-	-	38,574
Total				\$ 1,463	\$ 851,680	\$ -	\$ 60,457	\$ 124,498	\$ -	\$ 1,463	\$ 787,639
Cash Disbursement								\$ 124,498			
Total								\$ 124,498			

TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY

C-7

GENERAL CAPITAL FUND
SCHEDULE OF BOND ANTICIPATION NOTES

Year Ended December 31, 2024

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	DATE OF ISSUE OF ORIGINAL NOTE	DATE OF ISSUE	DATE OF MATURITY	BALANCE DECEMBER 31, 2023	INCREASE	DECREASE	BALANCE DECEMBER 31, 2024
2009-11	Restoration of Upper Buttonwood & Woolman Lakes	09/02/22	09/25/24 09/27/23	09/24/25 09/26/24	\$ - 177,000	\$ 177,000	\$ - 177,000	\$ 177,000
2016-14	Restoration & Rehab of Mill Dam Park	09/02/22	09/25/24 09/27/23	09/24/25 09/26/24	2,200,000	2,200,000	2,200,000	2,200,000
2016-15	Replacement of Buttonwood Lake Dam	06/27/19	09/25/24 09/27/23	09/24/25 09/26/24	734,200	721,300	734,200	721,300
2017-15	Various Capital Improvements	10/12/17	09/25/24 09/27/23	09/24/25 09/26/24	430,100	407,000	430,100	407,000
2021-16	Construction & Improvements to Real Property	09/02/22	09/25/24 09/27/23	09/24/25 09/26/24	570,000	570,000	570,000	570,000
2022-09	Construction of Improvements at Buttonwood	09/02/22	09/25/24 09/27/23	09/24/25 09/26/24	142,500	142,500	142,500	142,500
2022-11	Repair & Reconstruction of Union Mill Dam	09/02/22	09/25/24 09/27/23	09/24/25 09/26/24	199,200	199,200	199,200	199,200
Total					\$ 4,453,000	\$ 4,417,000	\$ 4,453,000	\$ 4,417,000
Paid by Budget Appropriation					\$ -	\$ 36,000		
Renewals					4,417,000	4,417,000		
Total					\$ 4,417,000	\$ 4,453,000		

TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY

C-8

GENERAL CAPITAL FUND
SCHEDULE OF GENERAL SERIAL BONDS

Year Ended December 31, 2024

PURPOSE	DATE OF ISSUE	AMOUNT OF ORIGINAL ISSUE	MATURITIES OF BONDS OUTSTANDING		INTEREST RATE	BALANCE DECEMBER 31, 2023	ISSUED	PAID	BALANCE DECEMBER 31, 2024
			DATE	AMOUNT					
Taxable Redevelopment General Obligation Refunding Bonds, Series 2017	9/27/17	\$ 4,610,000	06/01/25	\$ 425,000	3.040%	\$ 3,170,000	\$ -	\$ 415,000	\$ 2,755,000
			06/01/26	440,000	3.140%				
			06/01/27	455,000	3.240%				
			06/01/28	465,000	3.380%				
			06/01/29	480,000	3.550%				
			06/01/30	490,000	3.550%				
General Obligation Bonds Series 2013	10/31/13	1,375,000	11/15/25	130,000	3.000%	260,000	-	130,000	130,000

TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY

C-8

GENERAL CAPITAL FUND
SCHEDULE OF GENERAL SERIAL BONDS (CONTINUED)

Year Ended December 31, 2024

PURPOSE	DATE OF ISSUE	AMOUNT OF ORIGINAL ISSUE	MATURITIES OF BONDS OUTSTANDING		INTEREST RATE	BALANCE DECEMBER 31, 2023	ISSUED	PAID	BALANCE DECEMBER 31, 2024
			DATE	AMOUNT					
Taxable Redevelopment General Obligation Bonds Series 2018	11/07/18	3,913,000	11/01/25	125,000	4.500%	3,380,000	-	120,000	3,260,000
			11/01/26	130,000	4.500%				
			11/01/27	135,000	4.500%				
			11/01/28	140,000	4.500%				
			11/01/29	145,000	4.500%				
			11/01/30	150,000	4.500%				
			11/01/31	155,000	4.500%				
			11/01/32	165,000	4.500%				
			11/01/33	170,000	4.500%				
			11/01/34	175,000	4.500%				
			11/01/35	185,000	4.500%				
			11/01/36	190,000	4.500%				
			11/01/37	195,000	4.500%				
			11/01/38	200,000	4.500%				
			11/01/39	200,000	4.550%				
			11/01/40	200,000	4.600%				
			11/01/41	200,000	4.650%				
			11/01/42	200,000	4.700%				
			11/01/43	200,000	4.750%				

TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY

C-8

GENERAL CAPITAL FUND
SCHEDULE OF GENERAL SERIAL BONDS (CONTINUED)

Year Ended December 31, 2024

PURPOSE	DATE OF ISSUE	AMOUNT OF ORIGINAL ISSUE	MATURITIES OF BONDS OUTSTANDING		INTEREST RATE	BALANCE DECEMBER 31, 2023	ISSUED	PAID	BALANCE DECEMBER 31, 2024
			DATE	AMOUNT					
Taxable General Obligation Refunding Bonds Series 2020	07/22/20	4,090,000	11/15/25	125,000	1.300%	3,880,000	-	125,000	3,755,000
			11/15/26	125,000	2.100%				
			11/15/27	175,000	2.100%				
			11/15/28	175,000	2.100%				
			11/15/29	180,000	2.100%				
			11/15/30	230,000	2.100%				
			11/15/31	235,000	2.600%				
			11/15/32	240,000	2.600%				
			11/15/33	240,000	2.600%				
			11/15/34	325,000	2.600%				
			11/15/35	370,000	2.600%				
			11/15/36	380,000	2.600%				
			11/15/37	470,000	2.600%				
			11/15/38	485,000	2.600%				
Taxable General Obligation Bonds Series 2021	10/29/21	4,090,000	10/15/25	95,000	3.000%	2,175,000	-	95,000	2,080,000
			10/15/26	100,000	3.000%				
			10/15/27	105,000	3.000%				
			10/15/28	105,000	2.000%				
			10/15/29	110,000	2.000%				
			10/15/30	110,000	2.100%				
			10/15/31	115,000	2.200%				
			10/15/32	120,000	2.300%				
			10/15/33	120,000	2.400%				
			10/15/34	125,000	2.500%				
			10/15/35	130,000	2.600%				
			10/15/36	130,000	2.700%				
			10/15/37	135,000	2.800%				
			10/15/38	140,000	2.850%				
			10/15/39	145,000	2.900%				
			10/15/40	145,000	2.950%				
			10/15/41	150,000	3.000%				
Totals						\$ 12,865,000	\$ -	\$ 885,000	\$ 11,980,000

TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY

C-9

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

Year Ended December 31, 2024

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	BALANCE DECEMBER 31, 2023	2024 AUTHORIZATIONS	BOND ANTICIPATION NOTES ISSUED	BALANCE DECEMBER 31, 2024
17-16	Refunding Bond Ordinance GOB Series 2010	\$ 75,000	\$ -	\$ -	\$ 75,000
22-11	Repair & Reconstruction of the Union Mill Dam	300	-	-	300
	Total	\$ 75,300	\$ -	\$ -	\$ 75,300

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

D-1

**PAYROLL FUND
SCHEDULE OF PAYROLL FUND CASH**

Year Ended December 31, 2024

Balance December 31, 2023		\$	10,021
Increased by:			
Net Payroll & Payroll Deductions	\$	5,851,075	
Due Current Fund		105,746	5,956,821
Subtotal			5,966,842
Decreased by:			
Net Payroll & Payroll Deductions		5,849,476	
Due Current Fund		23,298	5,872,774
Balance December 31, 2024		\$	<u>94,068</u>

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

E-1

**GENERAL FIXED ASSETS ACCOUNT GROUP
SCHEDULE OF INVESTMENTS IN FIXED ASSETS**

Year Ended December 31, 2024

	BALANCE DECEMBER 31, 2023		ADDITIONS	DELETIONS	BALANCE DECEMBER 31, 2024	
General Fixed Assets:						
Land	\$	7,076,829	\$	-	\$	7,076,829
Buildings & Contents		7,364,885		-		7,364,885
Vehicles and Equipment		3,404,997	198,033	(30,666)		3,572,364
Total	\$	17,846,711	\$	198,033	\$	18,014,078
Total Investment in General Fixed Assets	\$	17,846,711	\$	198,033	\$	18,014,078

**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**

To the Honorable Mayor and Members
of the Township Council
Township of Mount Holly
County of Burlington
Mount Holly, New Jersey 08060

We have audited, in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, and requirements of audit prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the financial statements of the Township of Mount Holly (the "Township"), as of and for the year ended December 31, 2024, and the related notes to financial statements, which comprise the Township's basic financial statements, as listed in the table of contents and have issued our report thereon dated July 28, 2025, in which we expressed an adverse opinion on the conformity of the financial statements with accounting principles generally accepted in the United States of America due to differences between those principles and accounting practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Township's internal control over financial reporting ("internal control") as a basis for designing audit procedures that are appropriate in the circumstances for the purposes 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 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.

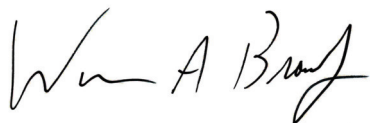
**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS
(CONTINUED)**

Report on Compliance and Other Matters

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

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.



Warren A. Broudy, CPA, RMA, CGFM, PSA, CGMA
Registered Municipal Accountant
License No. 554

MERCADIEN, P.C.
CERTIFIED PUBLIC ACCOUNTANTS

July 28, 2025

OTHER SUPPLEMENTARY INFORMATION - UNAUDITED

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

**COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE IN FUND BALANCE –
CURRENT FUND**

	YEAR 2024		YEAR 2023	
	AMOUNT	PERCENT	AMOUNT	PERCENT
Revenue and Other Income Realized				
Fund Balance Utilized	\$ 1,125,000	3.46%	\$ 790,000	2.73%
Miscellaneous - from Other Than Local Property Tax Levies	8,619,592	26.48%	5,920,031	20.48%
Collection of Delinquent Taxes & Tax Title Liens	68,200	0.21%	83,220	0.29%
Collection of Current Tax Levy	22,733,490	69.85%	22,113,051	76.50%
Total Income	32,546,282	100.00%	28,906,302	100.00%
Expenditures				
Budget Expenditures - Municipal Purposes	14,447,181	45.79%	12,067,070	42.56%
County Taxes	3,165,925	10.04%	2,881,580	10.16%
Local & Regional School Taxes	12,177,902	38.60%	11,886,350	41.93%
Fire District Taxes	1,633,585	5.18%	1,451,992	5.12%
Other Expenditures	123,782	0.39%	62,783	0.22%
Total Expenditures	31,548,375	100.00%	28,349,775	100.00%
Excess in Revenue to Fund Balance	997,907		556,527	
Fund Balance January 1	2,489,751		2,723,224	
Less: Utilization as Anticipated Revenue	1,125,000		790,000	
Fund Balance December 31	\$ 2,362,658		\$ 2,489,751	

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

COMPARATIVE STATEMENT OF TAX LEVIES AND COLLECTION CURRENTLY

**Comparison of Tax Levies
and Collection 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.

YEAR	TAX LEVY	CURRENTLY	
		CASH COLLECTIONS	PERCENTAGE OF COLLECTION
2024	\$ 22,868,213	\$ 22,733,490	99.41%
2023	22,238,288	22,113,051	99.44%
2022	21,397,133	21,235,171	99.24%
2021	20,854,539	20,717,146	99.34%
2020	19,794,647	19,696,831	99.51%

Comparison of Tax Rate Information

	2024	2023	2022
Total Tax Rate	<u>\$3.511</u>	<u>\$3.356</u>	<u>\$3.238</u>
Apportionment of Tax Rate:			
Municipal	0.890	0.890	0.866
County	0.486	0.430	0.404
Local School	1.413	1.358	1.337
Regional High School	0.469	0.454	0.444
Fire District	0.253	0.224	0.187

Net Valuation Taxable:

2024	<u>\$ 647,026,400</u>		
2023		<u>\$ 656,012,432</u>	
2022			<u>\$ 651,671,850</u>

Delinquent Taxes and Tax Title Liens

This tabulation includes a comparison, expressed in percentage, of the total of delinquent taxes and tax title liens in relation to the tax levies of the last three years.

YEAR ENDED DECEMBER 31	AMOUNT OF TAX TITLE LIENS	AMOUNT OF DELINQUENT TAXES	TOTAL DELINQUENT	PERCENTAGE OF TAX LEVY
2024	\$ 399,684	\$ 11,827	\$ 411,511	1.80%
2023	328,199	29,196	357,395	1.61%
2022	344,257	20,486	364,743	1.70%

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

PROPERTY ACQUIRED BY TAX TITLE LIEN LIQUIDATION

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

<u>Year</u>	<u>Amount</u>
2024	\$ 646,355
2023	646,355
2022	490,805
2021	490,805
2020	490,805

Comparative Schedule of Fund Balance

<u>Current Fund</u>	<u>December 31</u>	<u>Utilized in Budget of Succeeding Year</u>	<u>Percentage of Fund Balance Used</u>
2024	\$ 2,362,658	\$ 1,000,000	42.33%
2023	2,489,751	1,125,000	45.19%
2022	2,723,224	790,000	29.01%
2021	2,521,138	640,000	25.39%
2020	1,250,712	550,000	43.97%

OFFICIALS IN OFFICE AND SURETY BONDS

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

NAME	TITLE	NAME OF CORPORATE SURETY
Christopher Banks	Mayor	
Jason Jones	Deputy Mayor	
Tara Astor	Committeewoman	
Kim Burkus	Committeewoman	
Lew Brown	Committeeman	
Josh Brown	Township Manager/Administrator	(A)
Denise Muchowski	Certified Finance Officer	(A)
Lisa Hyczka	Tax Collector	(A)
Sherri Groves	Court Administrator (Retired 11/27/23)	(A)
Jaime Wisnieski	Acting Court Administrator (Effective 11/28/23)	(A)
William Sitzler	Judge of Municipal Court	(A)

(A) Statewide Insurance Fund – Employee is covered up to \$1,000,000 blanket bond under the Township's crime act policy as allowed per state statute.

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SCHEDULE OF TOWNSHIP'S PROPORTIONATE SHARE OF NET PENSION LIABILITY

PERS - Last 10 Fiscal Years										
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Township's proportion of the net pension liability	0.0196248149%	0.0203184966%	0.0196624379%	0.0205342191%	0.0217342262%	0.02009416%	0.0192823090%	0.0188827889%	0.0122733624%	0.0121010123%
Township's proportionate share of net pension liability	\$ 2,842,532	\$ 3,066,341	\$ 2,329,311	\$ 3,348,594	\$ 3,916,178	\$ 3,956,441	\$ 4,488,613	\$ 5,592,540	\$ 2,755,124	\$ 2,265,640
Township's covered-employee payroll	1,578,000	1,502,609	1,463,970	1,477,782	1,489,369	1,496,030	1,395,971	1,299,455	1,242,907	884,429
Township's proportionate share of net pension liability as a % of payroll	180.14%	204.07%	159.11%	226.60%	262.94%	264.47%	321.54%	430.38%	221.67%	256.17%
Total pension liability	8,243,781.77	8,336,530.62	7,910,844.55	8,070,884.73	9,017,848.61	8,526,268.27	8,648,572.01	9,342,202.81	5,290,994.99	4,728,043.46
Plan fiduciary net position	5,377,285.33	5,244,221.05	5,581,534.01	4,722,290.60	5,074,427.10	4,569,828.33	4,159,958.68	3,749,662.34	2,535,871.07	2,462,403.00
Plan fiduciary net position as a % of total pension liability	65.23%	62.91%	70.56%	58.51%	56.27%	53.60%	48.10%	40.14%	47.93%	52.08%

PPRS Plan - Last 10 Fiscal Years										
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Township's proportion of the net pension liability	0.0530617100%	0.0538528500%	0.0566047362%	0.0552075806%	0.0567546764%	0.0600252238%	0.0454134031%	0.0510600114%	0.0557690262%	0.054694821%
Township's proportionate share of net pension liability	\$ 5,862,673	\$ 6,164,189	\$ 4,137,326	\$ 7,133,548	\$ 6,945,534	\$ 8,122,402	\$ 8,629,734	\$ 9,753,768	\$ 9,289,176	\$ 6,880,101
State's proportionate share of net pension liability	1,080,266	1,097,045	1,163,622	1,107,094	1,096,698	1,103,294	966,603	819,075	814,629	740,871
Township's covered-employee payroll	1,880,991	1,955,859	1,904,512	1,959,356	1,885,092	1,873,646	1,692,770	1,603,016	1,603,016	1,771,103
Township's proportionate share of net pension liability as a % of payroll	311.68%	315.17%	217.24%	364.08%	368.45%	431.56%	460.59%	576.20%	579.48%	388.46%
Total pension liability	23,268,183.16	22,928,218.01	23,314,972.80	21,483,837.11	22,975,162.35	24,586,363.57	18,833,478.89	22,030,633.47	23,124,328.26	20,273,286.97
Plan fiduciary net position	16,325,244.33	15,066,984.06	18,014,024.40	14,350,289.56	14,932,914.81	15,360,667.18	11,037,241.82	11,457,790.57	13,020,522.94	12,652,314.55
Plan fiduciary net position as a % of total pension liability	70.16%	68.33%	77.26%	66.80%	65.00%	62.48%	58.60%	52.01%	56.31%	62.41%

Notes to the Required Supplementary Information

- There were no benefit changes.
- The PERS and PFRS discount rates changed from the measurement date of June 30, 2013, of 5.55% and 6.45% to 5.39% and 6.32%, respectively, as of the measurement date of June 30, 2014.
- The PERS and PFRS discount rates changed from the measurement date of June 30, 2014, of 5.39% and 6.32% to 4.90% and 5.79%, respectively, as of the measurement date of June 30, 2015.
- The PERS and PFRS discount rates changed from the measurement date of June 30, 2015, of 4.90% and 5.79% to 3.98% and 5.55%, respectively, as of the measurement date of June 30, 2016.
- The PERS and PFRS discount rates changed from the measurement date of June 30, 2016, of 3.98% and 5.55% to 5.00% and 6.14%, respectively, as of the measurement date of June 30, 2017.
- The PERS and PFRS discount rates changed from the measurement date of June 30, 2017, of 5.00% and 6.14% to 5.66% and 6.51%, respectively, as of the measurement date of June 30, 2018.
- The PERS and PFRS discount rates changed from the measurement date of June 30, 2018, of 5.66% and 6.51% to 6.28% and 6.85%, respectively, as of the measurement date of June 30, 2019.
- The PERS and PFRS discount rates changed from the measurement date of June 30, 2019, of 6.28% and 6.85% to 7.00% and 8.28%, respectively, as of the measurement date of June 30, 2020.
- The PERS and PFRS discount rates did not change from the measurement date of June 30, 2020, to the measurement date of June 30, 2021.
- The PERS and PFRS discount rates did not change from the measurement date of June 30, 2021, to the measurement date of June 30, 2022.
- The PERS and PFRS discount rates did not change from the measurement date of June 30, 2022, to the measurement date of June 30, 2023.

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SCHEDULE OF TOWNSHIP'S CONTRIBUTION

PERS - Last 10 Fiscal Years										
	Years Ended June 30,									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Contractually required contribution	\$ 262,291	\$ 256,226	\$ 230,270	\$ 224,634	\$ 211,410	\$ 199,872	\$ 178,630	\$ 167,752	\$ 105,518	\$ 99,759
Contributions in relation to the contractually required contribution	262,291	256,226	230,270	224,634	211,410	199,872	178,630	167,752	105,518	99,759
Township's covered-employee payroll	1,578,000	1,502,609	1,463,970	1,477,782	1,489,369	1,496,000	1,395,971	1,299,455	1,242,907	884,429
Contributions as a % of covered-employee payroll	16.62%	17.05%	15.73%	15.20%	14.19%	13.36%	12.80%	12.91%	8.49%	11.28%

PFRS - Last 10 Fiscal Years										
	Years Ended June 30,									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Contractually required contribution	\$ 706,358	\$ 700,385	\$ 659,708	\$ 616,763	\$ 573,285	\$ 586,835	\$ 494,717	\$ 416,313	\$ 453,319	\$ 420,094
Contributions in relation to the contractually required contribution	706,358	700,385	659,708	616,763	573,285	586,835	494,717	416,313	453,319	420,094
Township's covered-employee payroll	1,880,991	1,955,859	1,904,512	1,959,356	1,885,092	1,882,095	1,873,646	1,692,770	1,603,016	1,771,103
Contributions as a % of covered-employee payroll	37.55%	35.81%	34.64%	31.48%	30.41%	31.18%	26.40%	24.59%	28.28%	23.72%

See independent auditors' report.

TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY

SCHEDULE OF TOWNSHIP'S PROPORTIONATE SHARE OF NET OPEB LIABILITY

	Last 7 Fiscal Years*						
	2023	2022	2021	2020	2019	2018	2017
Township's Proportion of the net OPEB liability	0.057003%	0.051762%	0.053056%	N/A	N/A	N/A	N/A
State's Proportion of the net OPEB liability	0.137139%	0.158151%	0.160010%	0.201696%	0.164363%	0.165400%	0.158074%
Township's Proportionate share of net OPEB liability	\$ 8,554,178	\$ 8,359,354	\$ 9,549,964	N/A	N/A	N/A	N/A
State's Proportionate share of net OPEB liability	4,784,908	5,335,714	6,178,559	11,017,247	9,082,237	10,277,699	13,745,187
Contributions	38,383	38,976	31,507	N/A	N/A	N/A	N/A

* The OPEB schedules are intended to show information for ten years. The State of New Jersey has issued seven years of OPEB information to the Township. Additional years' information will be displayed as it becomes available.

This information was not available for 2024 due to the fact that the GASB Statement No. 74 and 75 reports of the state plan for the period ended June 30, 2024, and used for the Township's December 31, 2024, financial statements were not completed timely and made available to the Township. See Note T for additional information about the plan.

To the Honorable Mayor and
Members of the Township Council
Township of Mount Holly
Mount Holly, New Jersey 08060

We have audited the financial statements and transactions of the Township of Mount Holly in the County of Burlington for the year ended December 31, 2024. In accordance with requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the following are the *General Comments* and *Recommendations* for the year then ended.

GENERAL COMMENTS AND RESPONSES

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

N.J.S.A. 40A:11-4 - Every contract or agreement, for the performance of any work or furnishing or hiring of any materials or supplies, the cost or the contract price whereof is to be paid with or out of public funds not included within the terms of Section 3 of this act, shall be made or awarded only by the governing body of the contracting unit after public advertising for bids and bidding therefore, except as is provided otherwise in this act or specifically by any other Law. No work, materials or supplies shall be undertaken, acquired or furnished for a sum exceeding in the aggregate base bid threshold of \$44,000 except by contract or agreement. The base bid and quote thresholds have been increased because the Township appointed a temporary Qualified Purchasing Agent.

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

The minutes indicate that resolutions were adopted authorizing the awarding of contracts or agreements for "Professional 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.

Contracts and Agreements Requiring Solicitation of Quotations

The examination of expenditures did not reveal any individual payments, contracts or agreements in excess of \$6,600 "for the performance of any work or the furnishing or hiring of any materials or supplies", other than those where bids had been previously sought by public advertisement or where a resolution had been previously adopted under the provision of N.J.S.A. 40A:11-6.1.

Collection of Interest on Delinquent Taxes

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

The governing body on January 4, 2024, adopted the following resolution 2024-19 authorizing interest to be charged on delinquent taxes:

“BE IT RESOLVED by the Township Committee of the Township of Mount Holly, County of Burlington, State of New Jersey, the rate of interest charged on delinquent taxes or assessments on any installment made ten (10) days after the date upon which the same became payable, shall not exceed eight (8) percent per annum of the first One Thousand Five Hundred Dollars (\$1,500.00) of the delinquency, and eighteen (18) percent per annum on any amount in excess of One Thousand Five Hundred Dollars (\$1,500.00).

BE IT FURTHER RESOLVED, that where interest on delinquent tax payments is one dollar (\$1.00) or less, payment and collection of said interest is hereby waived.”

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

Delinquent Taxes and Tax Title Liens

The delinquent taxes at December 31, 2024, included 2023, 2022, 2021, 2020, and 2019 real estate taxes only.

The last tax sale was held on December 11, 2024, and was complete.

Examination of Bills

A test check of paid bills was made and each bill, upon proper approval, was considered as a separate and individual contract unless the records disclosed it to be a part payment or estimate.

Municipal Court

A separate report of the Municipal Court transactions was filed in accordance with the requirements of the Local Finance Board.

As part of the test of the Municipal Court records, no attempt was made to differentiate between fines due the Township, County or State, or to pass upon the authenticity of the preparation and procedures for complaints issued.

Capital Ordinances and Grant Balances

While auditing the grants and capital ordinances receivable it is recommended that management review the disposition of older grant balances, capital ordinances and cancel them as needed.

Acknowledgment

We received the complete cooperation of all the Township Officials and employees and we greatly appreciate the courtesies extended to the members of the audit team.

Should you have any questions concerning our comments, or should you desire any assistance, please call me.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Warren A. Broudy". The signature is fluid and cursive, with the first name "Warren" being more prominent than the last name "Broudy".

Warren A. Broudy, Certified Public Accountant
Registered Municipal Accountant No. CR554

July 28, 2025

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SCHEDULE OF CURRENT YEAR FINDINGS AND RECOMMENDATIONS

None noted.

**TOWNSHIP OF MOUNT HOLLY
COUNTY OF BURLINGTON, STATE OF NEW JERSEY**

SCHEDULE OF PRIOR YEAR AUDIT FINDINGS

None Noted