

Report of Audit

on the

Financial Statements

of the

Borough of Pine Beach

in the

County of Ocean
New Jersey

for the

Year Ended
December 31, 2023

BOROUGH OF PINE BEACH

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BOROUGH OF PINE BEACH

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INDEPENDENT AUDITOR'S REPORT ON
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YEAR ENDED DECEMBER 31, 2023



SUPLEE, CLOONEY & COMPANY LLC

CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and Members
of the Borough Council
Borough of Pine Beach
County of Ocean
Pine Beach, New Jersey 08741

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying balance sheets - regulatory basis of the various individual funds and account group of the Borough of Pine Beach (the "Borough"), as of and for the year ended December 31, 2023 and 2022, the related statements of operations and changes in fund balance - regulatory basis for the years then ended, and the related statement of revenues - regulatory basis and statement of expenditures - regulatory basis of the various individual funds for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Borough's regulatory financial statements as listed in the table of contents.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the regulatory financial statements referred to above present fairly, in all material respects, the regulatory basis balances sheets of the various individual funds and account group as of December 31, 2023 and 2022, the regulatory basis statement of operations and changes in fund balance for the years then ended and the regulatory basis statement of revenues and expenditures and changes in fund balance for the year ended December 31, 2023 in accordance with the basis of financial reporting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division") as described in Note 1.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the "Matter Giving Rise to Adverse Opinion" paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the various individual funds and account group of the Borough as of December 31, 2023 and 2022, or the results of its operations and changes in fund balance for the years then ended of the revenues or expenditures for the year ended December 31, 2023.

Basis for Adverse and Unmodified Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the audit requirements prescribed by the Division, and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Borough 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 adverse and unmodified audit opinions.

Matter Giving Rise to Adverse Opinion

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the regulatory financial statements in accordance with the regulatory basis of accounting prescribed by the Division, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of regulatory financial statements that are free from material misstatement, whether due to fraud or error. In preparing the regulatory financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Borough's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

SUPLEE, CLOONEY & COMPANY LLC

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

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Borough's regulatory financial statements. The supplementary information, and data listed in the table of contents as required by the Division 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 auditing standards generally accepted in the United States of America. In our opinion, the supplemental information, and data listed in the table of contents, as required by the Division are fairly stated, in all material respects, in relation to the regulatory financial statements as a whole.

SUPLEE, CLOONEY & COMPANY LLC

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 30, 2024, on our consideration of the Borough'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 Borough'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 Borough's internal control over financial reporting and compliance.


CERTIFIED PUBLIC ACCOUNTANTS


REGISTERED MUNICIPAL ACCOUNTANT NO. 419

May 30, 2024



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

The Honorable Mayor and Members
of the Borough Council
Borough of Pine Beach
County of Ocean
Pine Beach, New Jersey 08741

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the regulatory financial statements of the various individual funds and the account group of the Borough of Pine Beach, as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Borough's regulatory financial statements, and have issued our report thereon dated May 30, 2024. Our report disclosed that, as described in Note 1 to the financial statements, the Borough of Pine Beach prepares its financial statements on a basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, that demonstrates compliance with a modified accrual basis and the budget laws of the State of New Jersey, which is a comprehensive basis of accounting other than U.S. generally accepted accounting principles.

Internal Control Over Financial Reporting

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

SUPLEE, CLOONEY & COMPANY LLC

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 Borough's financial statements will not be prevented, or detected and corrected on a timely basis. We consider deficiency 2018-01 which is described in the accompanying Schedule of Findings to be a material weakness.

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Borough'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 of 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 Borough'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 Borough's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.


CERTIFIED PUBLIC ACCOUNTANTS


REGISTERED MUNICIPAL ACCOUNTANT NO. 419

May 30, 2024

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CURRENT FUND

BOROUGH OF PINE BEACH

CURRENT FUND

BALANCE SHEETS - REGULATORY BASIS

	<u>REF.</u>	<u>BALANCE DECEMBER 31, 2023</u>	<u>BALANCE DECEMBER 31, 2022</u>
<u>ASSETS</u>			
Current Fund:			
Cash - Treasurer	A-4	\$ 1,531,969.04	\$ 1,627,846.33
Cash - Change Fund	A-6	150.00	150.00
Due from State of New Jersey Ch. 20, P.L. 1971	A-9	950.01	762.71
		<u>1,533,069.05</u>	<u>1,628,759.04</u>
Receivables and Other Assets With Full Reserves:			
Delinquent Property Taxes Receivable	A-8	51,692.07	58,251.78
Property Acquired for Taxes - Assessed Valuation	A-10	13,587.00	13,587.00
Revenue Accounts Receivable	A-11	7,460.18	3,737.94
	A	<u>72,739.25</u>	<u>75,576.72</u>
Deferred Charges:			
Special Emergency Authorizations (40A:4-55)	A-13	40,000.00	50,000.00
		<u>1,645,808.30</u>	<u>1,754,335.76</u>
Grant Fund:			
Interfunds Receivable	A-25	37,803.43	168,455.68
Grants Receivable	A-22	69,085.00	69,000.00
		<u>106,888.43</u>	<u>237,455.68</u>
		<u>\$ 1,752,696.73</u>	<u>\$ 1,991,791.44</u>

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

BOROUGH OF PINE BEACH

CURRENT FUND

BALANCE SHEETS - REGULATORY BASIS

	<u>REF.</u>	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2023</u>	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2022</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Current Fund:			
Appropriation Reserves	A-3:A-14	\$ 256,040.97	\$ 364,852.56
Interfunds Payable	A-21	37,803.43	168,455.68
Prepaid Taxes	A-16	76,425.20	47,080.77
County Taxes Payable	A-18	6,261.58	5,862.61
Regional School Taxes Payable	A-19	109,216.84	107,018.72
Encumbrances Payable	A-15	27,515.32	81,673.90
Miscellaneous Reserves	A-12	44,788.51	16,291.88
		<u>558,051.85</u>	<u>791,236.12</u>
Reserves for Receivables	A	72,739.25	75,576.72
Fund Balance	A-1	1,015,017.20	887,522.92
		<u>1,645,808.30</u>	<u>1,754,335.76</u>
Grant Fund:			
Reserve for:			
Encumbrances	A-15	7,371.31	2,786.02
Grants Appropriated	A-23	92,389.14	105,304.95
Grants Unappropriated	A-24	7,127.98	129,364.71
		<u>106,888.43</u>	<u>237,455.68</u>
		\$ <u>1,752,696.73</u>	\$ <u>1,991,791.44</u>

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

BOROUGH OF PINE BEACH

CURRENT FUND

STATEMENTS OF OPERATIONS
AND CHANGE IN FUND BALANCE - REGULATORY BASIS

	REF.	YEAR ENDED DECEMBER 31, 2023	YEAR ENDED DECEMBER 31, 2022
<u>REVENUE AND OTHER INCOME REALIZED</u>			
Fund Balance Utilized	A-2	\$ 415,000.00	\$ 350,000.00
Miscellaneous Revenue Anticipated	A-2	592,619.30	478,069.03
Receipts from Delinquent Taxes	A-2	56,942.60	56,224.82
Receipts from Current Taxes	A-2	6,694,416.46	6,548,715.78
Non-Budget Revenue	A-2	55,047.60	118,238.37
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves	A-14	310,771.69	234,379.56
Grants Cancelled - Net			31,310.93
Accounts Payable Canceled	A-20	8,248.57	467.83
<u>Total Income</u>		\$ <u>8,133,046.22</u>	\$ <u>7,817,406.32</u>
<u>EXPENDITURES</u>			
Budget Appropriations:			
Appropriations Within "CAPS"			
Operations	A-3	\$ 1,965,225.00	\$ 1,948,400.00
Deferred Charges and Statutory Expenditures	A-3	296,073.00	298,280.00
Appropriations Excluded From "CAPS"			
Operations	A-3	273,179.20	174,659.49
Capital Improvements	A-3	30,000.00	73,000.00
Debt Service	A-3	592,355.30	542,079.27
		\$ 3,166,832.50	\$ 3,036,418.76
County Taxes	A-18	1,377,243.86	1,260,728.14
Due County for Added and Omitted Taxes	A-18	6,161.58	5,762.61
Regional District School Taxes	A-19	3,040,314.00	3,034,312.00
<u>Total Expenditures</u>		\$ <u>7,590,551.94</u>	\$ <u>7,337,221.51</u>
Excess in Revenue		\$ 542,494.28	\$ 480,184.81
Adjustment to Income before Fund Balance:			
Expenditures Included Above Which Are by Statute Deferred			
Charges to Budget of Succeeding Year			50,000.00
Regulatory Excess to Fund Balance		\$ 542,494.28	\$ 530,184.81
<u>Fund Balance</u>			
Balance, January 1	A	887,522.92	707,338.11
		\$ 1,430,017.20	\$ 1,237,522.92
Decreased by:			
Utilization as Anticipated Revenue	A-1:A-2	415,000.00	350,000.00
Fund Balance, December 31	A	\$ <u>1,015,017.20</u>	\$ <u>887,522.92</u>

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

BOROUGH OF PINE BEACH

CURRENT FUND

STATEMENT OF REVENUES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2023

		<u>ANTICIPATED</u>			
	<u>REF.</u>	<u>BUDGET</u>	<u>SPECIAL N.J.S. 40A: 4-87</u>	<u>REALIZED</u>	<u>EXCESS OR (DEFICIT)</u>
Fund Balance Anticipated	A-1	\$ 415,000.00	\$	\$ 415,000.00	\$
Miscellaneous Revenues:					
Licenses:					
A.B.C.	A-11	5,000.00		5,150.00	150.00
Other	A-11	500.00		449.00	(51.00)
Municipal Court	A-11	50,000.00		70,866.91	20,866.91
Interest and Costs on Taxes	A-11	9,000.00		15,492.75	6,492.75
Interest on Investments and Deposits	A-11	2,000.00		51,035.84	49,035.84
Boat Slip Rentals	A-11	2,000.00		4,050.00	2,050.00
Sale of Beach Badges	A-11	4,000.00		7,130.00	3,130.00
Cable T.V. Franchise Fees	A-11	18,010.00		18,010.49	0.49
Energy Receipts Tax	A-11	208,605.00		208,605.05	0.05
Uniform Construction Code Fees	A-11	4,000.00		3,632.40	(367.60)
Lease of Cell Tower	A-11	60,000.00		67,595.70	7,595.70
Municipal Relief Fund	A-12	10,806.96		10,806.96	
Recycling Tonnage Grant	A-22	1,571.56		1,571.56	
Distracted Driving Crackdown	A-22	7,000.00		7,000.00	
Clean Communities Program	A-22		6,454.05	6,454.05	
American Rescue Plan Firefighter Grant	A-22	27,000.00		27,000.00	
Water Quality Restoration Grant	A-22	3,000.00		3,000.00	
Body Armor Replacement Fund	A-22	768.59		768.59	
Drive Sober or Get Pulled Over - Labor Day Crackdown	A-22		7,000.00	7,000.00	
Drive Sober or Get Pulled Over - Year End Crackdown	A-22		7,000.00	7,000.00	
Local Recreation Improvement Grant	A-22		55,000.00	55,000.00	
Storm Water Assistance Grant	A-22		15,000.00	15,000.00	
Total Miscellaneous Revenues	A-1	413,262.11	90,454.05	592,619.30	88,903.14
Receipts From Delinquent Taxes	A-1	50,000.00		56,942.60	6,942.60
Amount to be Raised by Taxation for Support of Municipal Budget:					
Local Tax for Municipal Purposes	A-2	2,298,661.04		2,370,697.02	72,035.98
<u>Budget Totals</u>		3,176,923.15	90,454.05	3,435,258.92	167,881.72
Non-Budget Revenue	A-1:A-2			55,047.60	55,047.60
		\$ 3,176,923.15	\$ 90,454.05	\$ 3,490,306.52	\$ 222,929.32
	<u>REF.</u>	A-3	A-3		

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

BOROUGH OF PINE BEACH

CURRENT FUND

STATEMENT OF REVENUES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2023

	<u>REF.</u>	
Allocation of Current Tax Collections:		
Revenue From Cash Collections	A-1:A-8	\$ 6,694,416.46
Allocated to:		
School and County Taxes	A-8	<u>4,423,719.44</u>
Balance for Support of Municipal Budget Appropriations		2,270,697.02
Add: Appropriation-" Reserve for Uncollected Taxes"	A-3	<u>100,000.00</u>
Amount for Support of Municipal Budget Appropriations	A-2	<u>\$ 2,370,697.02</u>
<u>Analysis of Non-Budget Revenues</u>		
Miscellaneous Revenue Not Anticipated:		
Other Fees and Permits		\$ 13,746.00
Ramp Permits		10,620.00
Parking Permits		3,670.00
Insurance Claims		6,268.66
Police Outside Overtime Administrative fee		3,120.00
Metal Recycling		1,908.70
Trash Can Permits		1,975.00
Tow Yard		5,850.00
Housing Inspection		4,310.00
Miscellaneous		<u>3,579.24</u>
	A-2:A-4	<u>\$ 55,047.60</u>

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

BOROUGH OF PINE BEACH
CURRENT FUND

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

	APPROPRIATIONS		EXPENDED		UNEXPENDED BALANCE CANCELED
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED	
\$	41,500.00	\$ 41,500.00	\$ 38,175.72	\$ 3,324.28	
Salaries and Wages	2,000.00	2,000.00	1,848.90	151.10	
Other Expenses					
Borough Clerk:					
Salaries and Wages	107,075.00	107,575.00	107,361.35	213.65	
Other Expenses	6,000.00	6,000.00	5,302.68	697.32	
Advertising and Printing:					
Other Expenses	3,500.00	3,500.00	1,473.29	2,026.71	
Financial Administration:					
Other Expenses	15,000.00	15,000.00	10,340.48	4,659.52	
Audit Services	22,000.00	22,000.00	19,000.00	3,000.00	
Collection of Taxes:					
Salaries and Wages	15,650.00	15,650.00	15,611.04	38.96	
Other Expenses	6,500.00	6,500.00	4,598.15	1,901.85	
Assessment of Taxes:					
Salaries and Wages	21,500.00	21,500.00	21,465.00	35.00	
Other Expenses	2,000.00	2,000.00	537.50	1,462.50	
Legal Services and Costs:					
Other Expenses	45,000.00	40,000.00	33,597.34	6,402.66	
Engineering:					
Other Expenses	22,000.00	22,000.00	11,532.17	10,467.83	
Planning Board:					
Salaries and Wages	900.00	900.00	675.00	225.00	
Other Expenses	2,000.00	2,000.00	2,000.00		
Insurance					
General Liability	58,000.00	54,000.00	53,309.00	691.00	
Workers Comp.	63,000.00	63,000.00	62,635.00	365.00	
Employee Group Health	285,000.00	285,000.00	255,276.32	29,723.68	

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

BOROUGH OF PINE BEACH
CURRENT FUND

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

	APPROPRIATIONS		EXPENDED		UNEXPENDED BALANCE CANCELED
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED	
GENERAL GOVERNMENT (CONTINUED)					
Municipal Court:					
Salaries and Wages	\$ 28,000.00	\$ 30,000.00	\$ 29,847.00	\$ 153.00	\$
Other Expenses	5,500.00	8,500.00	7,911.53	588.47	
Public Building and Grounds:					
Other Expenses	20,000.00	20,000.00	13,094.13	6,905.87	
PUBLIC SAFETY					
Fire:					
Aid to Volunteer Fire Company	4,300.00	4,300.00	4,300.00		
Other Expenses - Miscellaneous (Insurance Deductibles)	500.00	500.00		500.00	
Police:					
Salaries and Wages	640,000.00	640,000.00	594,083.38	45,916.62	
Other Expenses - Miscellaneous	32,000.00	32,000.00	27,474.85	4,525.15	
Other Expenses - Accreditation	12,000.00	12,000.00	9,729.95	2,270.05	
Safety Officer:					
Salaries and Wages	100.00	100.00		100.00	
Emergency Management Services:					
Salaries and Wages	3,000.00	3,000.00	3,000.00		
Other Expenses	1,000.00	1,000.00	132.00	868.00	
Lifeguards:					
Salaries and Wages	8,500.00	1,000.00	672.00	328.00	
Other Expenses	2,500.00	2,500.00	2,438.50	61.50	
STREETS AND ROADS					
Road Repairs and Maintenance:					
Other Expenses	16,000.00	16,000.00	7,395.48	8,604.52	
Public Works:					
Salaries and Wages	100,250.00	100,250.00	93,506.69	6,743.31	

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

BOROUGH OF PINE BEACH
CURRENT FUND

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

	APPROPRIATIONS		EXPENDED		UNEXPENDED BALANCE CANCELED
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED	
<u>STREETS AND ROADS (CONTINUED)</u>					
Garbage and Trash Removal:					
Salaries and Wages	\$ 64,250.00	\$ 64,250.00	\$ 62,320.05	\$ 1,929.95	\$
Other Expenses	15,250.00	23,250.00	19,691.67	3,558.33	
Sanitation:					
Sanitary Landfill Costs					
Other Expenses	95,000.00	92,500.00	80,000.00	12,500.00	
Recycling Act (Chapter 278 P.L. 1981)					
Recycling:					
Salaries and Wages					
Other Expenses	52,000.00	52,000.00	50,887.89	1,112.11	
	9,500.00	16,500.00	13,138.16	3,361.84	
<u>RECREATION AND EDUCATION</u>					
Beach Front and Dock Maintenance:					
Miscellaneous	2,000.00	2,000.00	1,205.76	794.24	
Parks and Playgrounds:					
Other Expenses	3,000.00	3,000.00	1,627.26	1,372.74	
Celebration of Public Events:					
Other Expenses	6,000.00	6,000.00	6,000.00		
<u>HEALTH AND WELFARE</u>					
Environmental Commission :					
Other Expenses	200.00	200.00		200.00	
Health and Welfare:					
Other Expenses	50.00	50.00		50.00	
New Jersey Employee Occupational Safety and Health Act	600.00	600.00	500.00	100.00	
Stormwater Management :					
Other Expenses	1,100.00	1,100.00	1,050.00	50.00	
<u>UNIFORM CONSTRUCTION CODE- APPROPRIATION OFFSET</u>					
<u>DEDICATED REVENUES (N.J.A.C. 5.23-4.17)</u>					
Construction Official:					
Salaries and Wages	19,500.00	19,500.00	18,150.98	1,349.02	
Other Expenses	2,500.00	2,500.00	737.68	1,762.32	

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

BOROUGH OF PINE BEACH
CURRENT FUND

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

	APPROPRIATIONS		EXPENDED		UNEXPENDED BALANCE CANCELED
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED	
<u>UTILITIES</u>					
Gasoline	\$ 18,000.00	\$ 15,500.00	\$ 10,846.85	\$ 4,653.15	\$
Fuel Oil	14,500.00	14,500.00	12,323.23	2,176.77	
Electricity	15,000.00	15,000.00	11,016.06	3,983.94	
Natural Gas	7,000.00	7,000.00	5,830.91	1,169.09	
Street Lighting	20,000.00	21,000.00	20,189.78	810.22	
Communications	17,500.00	17,500.00	14,003.85	3,496.15	
Computer Technology	8,000.00	8,000.00	8,000.00		
Accumulated Leave Compensation	2,000.00	2,000.00	2,000.00		
<u>TOTAL OPERATIONS WITHIN "CAPS"</u>	<u>1,965,225.00</u>	<u>1,965,225.00</u>	<u>1,777,844.58</u>	<u>187,380.42</u>	
<u>TOTAL OPERATIONS (INCLUDING CONTINGENT) WITHIN "CAPS"</u>	<u>1,965,225.00</u>	<u>1,965,225.00</u>	<u>1,777,844.58</u>	<u>187,380.42</u>	
<u>DEFERRED CHARGES AND STATUTORY EXPENDITURES-MUNICIPAL</u>					
Statutory Expenditures:					
Contribution to:					
Public Employees Retirement System	55,065.00	55,065.00	55,065.00		
Social Security System (OASI)	91,000.00	91,000.00	78,463.95	12,536.05	
Police and Fireman's Retirement System of NJ	143,008.00	143,008.00	143,008.00		
Unemployment Compensation Insurance	7,000.00	7,000.00	4,844.90	2,155.10	
<u>TOTAL DEFERRED CHARGES AND STATUTORY EXPENDITURES - MUNICIPAL WITHIN "CAPS"</u>	<u>296,073.00</u>	<u>296,073.00</u>	<u>281,381.85</u>	<u>14,691.15</u>	
<u>TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES WITHIN "CAPS"</u>	<u>2,261,298.00</u>	<u>2,261,298.00</u>	<u>2,059,226.43</u>	<u>202,071.57</u>	

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

BOROUGH OF PINE BEACH
CURRENT FUND

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

	APPROPRIATIONS		EXPENDED		UNEXPENDED BALANCE CANCELED
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED	
	\$	\$	\$	\$	\$
<u>OPERATIONS EXCLUDED FROM "CAPS":</u>					
Length of Service Award Program	18,000.00	18,000.00	750.00	17,250.00	
Length of Service Award Program - Beachwood Contribution	5,000.00	5,000.00		5,000.00	
<u>INTERLOCAL MUNICIPAL SERVICE AGREEMENTS</u>					
Township of Berkeley - Interlocal Agreement:					
Other Expenses - Dog Regulation	2,800.00	2,800.00	2,746.18	53.82	
Other Expenses - Tree Services	100.00	100.00		100.00	
Borough of Beachwood - Interlocal Agreement:					
Other Expenses - First Aid Services	16,000.00	16,000.00		16,000.00	
Township of Lakewood - Interlocal Agreement:					
Other Expenses - Vehicle Washing	100.00	100.00		100.00	
Township of Lacey - CFO, OPA					
Salaries and Wages	86,785.00	86,785.00	86,784.00	1.00	
<u>PUBLIC AND PRIVATE PROGRAMS OFFSET BY REVENUES</u>					
Distracted Driving Crackdown	7,000.00	7,000.00	7,000.00		
Clean Communities Grant (40A.4-87 + \$6,454.05)		6,454.05	6,454.05		
American Rescue Plan Firefighter Grant					
State Share	27,000.00	27,000.00	27,000.00		
Local Share	7,200.00	7,200.00	7,200.00		
Local Recreation Improvement Grant (40A.4-87 + \$55,000.00)					
State Share		55,000.00	55,000.00		
Local Share		5,000.00	5,000.00		
Body Armor Replacement Fund	768.59	768.59	768.59		
Storm Water Assistance Grant (40A.4-87 + \$15,000.00)		15,000.00	15,000.00		
Water Quality Restoration Grant	3,000.00	3,000.00	3,000.00		
Matching Funds for Grants	7,400.00	2,400.00		2,400.00	
Recycling Tonnage Grant	1,571.56	1,571.56	1,571.56		
Drive Sober or Get Pulled Over (40A.4-87 + \$14,000.00)		14,000.00	14,000.00		
<u>TOTAL PUBLIC AND PRIVATE PROGRAMS OFFSET BY REVENUES</u>	53,940.15	144,394.20	141,994.20	2,400.00	
<u>TOTAL OPERATIONS EXCLUDED FROM CAPS:</u>	182,725.15	273,179.20	232,274.38	40,904.82	

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

BOROUGH OF PINE BEACH
CURRENT FUND

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

	APPROPRIATIONS		BUDGET AFTER MODIFICATION	PAID OR CHARGED	EXPENDED		UNEXPENDED BALANCE CANCELED
	BUDGET				RESERVED		
CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"							
Capital Improvement Fund	\$ 5,000.00		\$ 5,000.00	\$ 5,000.00	\$	\$	
Police Equipment	5,000.00		5,000.00			5,000.00	
Improvement to Beachfront and Recreation Areas	5,000.00		5,000.00			5,000.00	
Upgrade to Fuel Pumps	15,000.00		15,000.00	11,935.42		3,064.58	
TOTAL CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"	30,000.00		30,000.00	16,935.42		13,064.58	
MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS"							
Payment of Bond Principal	62,100.00		62,100.00	62,001.28		98.72	
Payment of Bond Anticipation Notes	300,000.00		300,000.00	300,000.00			
Interest on Bonds	8,000.00		8,000.00	7,997.44		2.56	
Interest on Notes	69,550.00		69,550.00	69,305.70		244.30	
Green Acres Loan Program:							
Principal	111,500.00		111,500.00	111,420.85		79.15	
Interest	13,500.00		13,500.00	13,464.03		35.97	
USDA Loan							
Principal	9,250.00		9,250.00	9,211.02		38.98	
Interest	19,000.00		19,000.00	18,954.98		45.02	
TOTAL MUNICIPAL DEBT SERVICE EXCLUDED FROM "CAPS"	592,900.00		592,900.00	592,355.30		544.70	
DEFERRED CHARGES MUNICIPAL - EXCLUDED FROM "CAPS"							
Emergency Authorization - Special to A-4-53	10,000.00		10,000.00	10,000.00			
TOTAL DEFERRED CHARGES MUNICIPAL - EXCLUDED FROM "CAPS"	10,000.00		10,000.00	10,000.00			
TOTAL GENERAL APPROPRIATIONS - EXCLUDED FROM "CAPS"	815,625.15		906,079.20	851,565.10		53,969.40	544.70
SUB-TOTAL GENERAL APPROPRIATIONS RESERVE FOR UNCOLLECTED TAXES	3,076,923.15		3,167,377.20	2,910,791.53		256,040.97	544.70
	100,000.00		100,000.00	100,000.00			
TOTAL GENERAL APPROPRIATIONS	\$ 3,176,923.15		\$ 3,267,377.20	\$ 3,010,791.53		\$ 256,040.97	\$ 544.70
REF.	A-2		A-2	A-1		A-1	

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

BOROUGH OF PINE BEACH

CURRENT FUND

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

REF.	APPROPRIATIONS		EXPENDED		UNEXPENDED BALANCE CANCELED
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED	
Adopted Budget					
Appropriation by 40A.4-87					
	\$	3,176,923.15			
		90,454.05			
	\$	<u>3,267,377.20</u>			
Deferred Charges			\$	10,000.00	
Reserve for Centennial Event				2,349.25	
Reserve for Grants Appropriated				141,994.20	
Reserve for Uncollected Taxes				100,000.00	
Disbursed				<u>2,774,501.61</u>	
			\$	<u>3,010,791.53</u>	

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

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TRUST FUND

BOROUGH OF PINE BEACH

TRUST FUND

BALANCE SHEETS - REGULATORY BASIS

	<u>REF.</u>	<u>BALANCE DECEMBER 31, 2023</u>	<u>BALANCE DECEMBER 31, 2022</u>
<u>ASSETS</u>			
Animal Control Trust Fund:			
Cash	B-1	\$ <u>2,380.91</u>	\$ <u>2,290.49</u>
		<u>2,380.91</u>	<u>2,290.49</u>
Other Funds:			
Cash	B-1	<u>243,645.36</u>	<u>407,550.44</u>
		<u>243,645.36</u>	<u>407,550.44</u>
		\$ <u><u>246,026.27</u></u>	\$ <u><u>409,840.93</u></u>
<u>LIABILITIES, RESERVES AND FUND BALANCES</u>			
Animal Control Trust Fund:			
Reserve for Animal Control Trust Fund Expenditures	B-2	\$ <u>2,380.91</u>	\$ <u>2,290.49</u>
		<u>2,380.91</u>	<u>2,290.49</u>
Other Funds:			
Miscellaneous Reserves	B-4	<u>243,645.36</u>	<u>407,550.44</u>
		<u>243,645.36</u>	<u>407,550.44</u>
		\$ <u><u>246,026.27</u></u>	\$ <u><u>409,840.93</u></u>

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

GENERAL CAPITAL FUND

BOROUGH OF PINE BEACH

GENERAL CAPITAL FUND

BALANCE SHEETS - REGULATORY BASIS

	<u>REF.</u>	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2023</u>	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2022</u>
<u>ASSETS</u>			
Cash	C-2	\$ 581,887.71	\$ 577,554.12
Grants Receivable	C-4	376,888.77	550,358.77
Deferred Charges to Future Taxation:			
Funded	C-6	1,385,921.64	1,568,554.79
Unfunded	C-7	<u>2,234,712.15</u>	<u>2,295,212.15</u>
		<u>\$ 4,579,410.27</u>	<u>\$ 4,991,679.83</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Capital Improvement Fund	C-9	\$ 70,561.25	\$ 67,061.25
Improvement Authorizations:			
Funded	C-10	219,533.61	219,533.61
Unfunded	C-10	1,118,207.29	1,082,469.65
Bond Anticipation Notes	C-11	1,551,250.00	1,616,250.00
Green Acres Loans Payable	C-12	589,497.47	700,918.32
USDA Loan Payable	C-13	534,642.63	543,853.65
Serial Bonds Payable	C-14	261,781.54	323,782.82
Reserve for Preliminary Costs	C-5	5,388.74	5,388.74
Reserve for Debt Service	C-15	29,623.12	29,623.12
Contract Payable	C-8	93,326.67	297,200.72
Reserve for Grants Receivable		76,980.50	76,980.50
Fund Balance	C-1	<u>28,617.45</u>	<u>28,617.45</u>
		<u>\$ 4,579,410.27</u>	<u>\$ 4,991,679.83</u>

There were bonds and notes authorized but not issued on December 31, 2023 of \$683,481.65 (Schedule C-16).

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

BOROUGH OF PINE BEACH

GENERAL CAPITAL FUND

STATEMENT OF FUND BALANCE - REGULATORY BASIS

	<u>REF.</u>	
Balance, December 31, 2023 and December 31, 2022	C	\$ <u>28,617.45</u>

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

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WATER UTILITY FUND

BOROUGH OF PINE BEACH

WATER UTILITY FUND

BALANCE SHEETS - REGULATORY BASIS

	<u>REF.</u>	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2023</u>	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2022</u>
<u>ASSETS</u>			
Operating Fund:			
Cash - Treasurer	D-5	\$ 401,735.39	\$ 416,223.37
Cash - Change Fund	D-7	25.00	25.00
		<u>401,760.39</u>	<u>416,248.37</u>
Receivables and Inventories with Full Reserves:			
Consumer Accounts Receivable	D:D-9	<u>15,600.00</u>	<u>17,834.71</u>
		<u>417,360.39</u>	<u>434,083.08</u>
<u>Total Operating Fund</u>			
Capital Fund:			
Cash	D-5:D-8	283,119.75	867,928.54
Interfund Receivable	D-26	5,000.00	
Fixed Capital	D-16	1,903,718.34	1,903,718.34
Fixed Capital Authorized and Uncompleted	D-17	<u>1,817,972.00</u>	<u>1,817,972.00</u>
		<u>4,009,810.09</u>	<u>4,589,618.88</u>
<u>Total Capital Fund</u>			
		\$ <u>4,427,170.48</u>	\$ <u>5,023,701.96</u>

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

BOROUGH OF PINE BEACH

WATER UTILITY FUND

BALANCE SHEETS - REGULATORY BASIS

	<u>REF.</u>	BALANCE DECEMBER <u>31, 2023</u>	BALANCE DECEMBER <u>31, 2022</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Operating Fund:			
Liabilities:			
Appropriation Reserves	D-4:D-10	\$ 46,871.12	\$ 52,133.87
Reserve for Encumbrances	D-4:D-10	2,903.21	1,489.47
Overpaid/Prepaid Water Rents	D-11	102,037.97	69,470.89
Accrued Interest on Notes and Loans	D-12	11,732.15	11,732.15
Interfund Payable	D-15	5,000.00	
Reserve for Painting of Water Tower	D-13		100,000.00
		168,544.45	234,826.38
Reserve for Receivables	D	15,600.00	17,834.71
Fund Balance	D-1	233,215.94	181,421.99
<u>Total Operating Fund</u>		417,360.39	434,083.08
Capital Fund:			
Capital Improvement Fund	D-19	64,000.00	61,500.00
Improvement Authorizations:			
Funded	D-20	59,962.13	59,962.13
Unfunded	D-20	371,710.42	730,771.21
Contracts Payable	D-18	7,125.49	6,873.49
Bond Anticipation Notes	D-21	656,000.00	904,500.00
Serial Bonds Payable	D-23	480,000.00	540,000.00
Loan Payable	D-22	555,020.63	588,651.37
Reserve for:			
Amortization	D-24	1,449,947.71	1,351,316.97
Deferred Amortization	D-25	333,472.00	313,472.00
Fund Balance	D-2	32,571.71	32,571.71
<u>Total Capital Fund</u>		4,009,810.09	4,589,618.88
		\$ 4,427,170.48	\$ 5,023,701.96

There were bonds and notes authorized but not issued at December 31, 2023 of \$18,750.00 (Schedule D-27)

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

BOROUGH OF PINE BEACH

WATER UTILITY OPERATING FUND

STATEMENTS OF OPERATIONS
AND CHANGE IN FUND BALANCE - REGULATORY BASIS

		YEAR ENDED DECEMBER 31, 2023	YEAR ENDED DECEMBER 31, 2022
	<u>REF.</u>		
<u>REVENUE AND OTHER INCOME REALIZED</u>			
Fund Balance Utilized	D-1:D-3	\$ 88,000.00	\$ 75,000.00
Rents	D-3	345,336.02	356,548.80
ARP Funds	D-3	128,596.12	100,000.00
Miscellaneous	D-3	33,982.66	8,499.60
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves	D-10	51,575.41	35,105.74
Accounts Payable Cancelled	D-14	1,531.20	
		<u>\$ 649,021.41</u>	<u>\$ 575,154.14</u>
<u>EXPENDITURES</u>			
Operating		\$ 164,909.88	\$ 174,100.00
Capital Improvements		131,096.12	104,000.00
Debt Service		195,771.46	167,491.00
Deferred Charges and Statutory Expenditures		17,450.00	10,250.00
		<u>\$ 509,227.46</u>	<u>\$ 455,841.00</u>
Excess in Revenue		\$ 139,793.95	\$ 119,313.14
<u>Fund Balance</u>			
Balance, January 1	D	181,421.99	137,108.85
		<u>\$ 321,215.94</u>	<u>\$ 256,421.99</u>
Decreased by:			
Utilization by Water Operating Fund Budget	D-1:D-3	88,000.00	75,000.00
Balance, December 31	D	<u>\$ 233,215.94</u>	<u>\$ 181,421.99</u>

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

BOROUGH OF PINE BEACH

WATER UTILITY CAPITAL FUND

STATEMENT OF FUND BALANCE - REGULATORY BASIS

	<u>REF.</u>	
Balance, December 31, 2023 and December 31, 2022	D	\$ <u>32,571.71</u>

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

BOROUGH OF PINE BEACH

WATER UTILITY OPERATING FUND

STATEMENT OF REVENUES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2023

	<u>REF.</u>	<u>ANTICIPATED</u>	<u>REALIZED</u>	<u>EXCESS/(DEFICIT)</u>
Fund Balance Anticipated	D-1	\$ 88,000.00	\$ 88,000.00	\$
Rents	D-1:D-3	295,000.88	345,336.02	50,335.14
ARP Funds	D-1:D-3	128,596.12	128,596.12	
Budget Totals		<u>511,597.00</u>	<u>561,932.14</u>	<u>50,335.14</u>
Miscellaneous	D-1:D-3		33,982.66	33,982.66
	D-4	\$ <u>511,597.00</u>	\$ <u>595,914.80</u>	\$ <u>84,317.80</u>

ANALYSIS OF REALIZED REVENUE

Water Rents:		
Consumer Accounts Receivable:		
Collected	D-3:D-9	\$ <u>345,336.02</u>
Miscellaneous:		
Interest on Delinquent Accounts	D-3:D-6	\$ 3,398.98
Connection Fee	D-6	1,000.00
Interest on Investments	D-6	29,583.68
	D-3	\$ <u>33,982.66</u>

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

BOROUGH OF PINE BEACH
WATER UTILITY OPERATING FUND

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

	APPROPRIATIONS		BUDGET AFTER MODIFICATION	PAID OR CHARGED	EXPENDED RESERVED	UNEXPENDED BALANCE CANCELED
	BUDGET					
Operating:	\$	\$				
Salaries and Wages	50,000.00	50,000.00	50,000.00	28,657.41	21,342.59	\$
Other Expenses	96,500.88	94,409.88	94,409.88	74,023.42	20,386.46	
Audit	8,000.00	8,000.00	8,000.00	8,000.00		
Workers Compensation	12,500.00	12,500.00	12,500.00	10,000.00	2,500.00	
<u>Total Operating</u>	<u>167,000.88</u>	<u>164,909.88</u>	<u>164,909.88</u>	<u>120,680.83</u>	<u>44,229.05</u>	
Capital Improvements:						
Capital Improvement Fund	2,500.00	2,500.00	2,500.00	2,500.00		
APR Funds - Painting of Water Tower	128,596.12	128,596.12	128,596.12	128,596.12		
<u>Total Capital Improvements</u>	<u>131,096.12</u>	<u>131,096.12</u>	<u>131,096.12</u>	<u>131,096.12</u>		
Debt Service:						
Bond Principal	93,650.00	93,650.00	93,650.00	93,630.73	19.27	
Payment on Bond Anticipation Notes	20,000.00	20,000.00	20,000.00	20,000.00		
Interest on Bonds	43,500.00	43,500.00	43,500.00	43,355.27	144.73	
Interest on Notes	38,900.00	40,991.00	40,991.00	38,785.46	2,205.54	
<u>Total Debt Service</u>	<u>196,050.00</u>	<u>198,141.00</u>	<u>198,141.00</u>	<u>195,771.46</u>	<u>2,369.54</u>	
Deferred Charges and Statutory Expenditures:						
Deferred Charges:						
Unfunded Ordinance	5,000.00	5,000.00	5,000.00	5,000.00		
<u>Total Deferred Charges</u>	<u>5,000.00</u>	<u>5,000.00</u>	<u>5,000.00</u>	<u>5,000.00</u>		
Statutory Expenditures:						
Contribution to:						
Public Employees Retirement System	7,500.00	7,500.00	7,500.00	7,500.00		
Social Security System (O.A.S.I.)	4,200.00	4,200.00	4,200.00	2,173.65	2,026.35	
Unemployment Compensation Insurance	750.00	750.00	750.00	134.28	615.72	
<u>Total Statutory Expenditures</u>	<u>12,450.00</u>	<u>12,450.00</u>	<u>12,450.00</u>	<u>9,807.93</u>	<u>2,642.07</u>	
\$	511,597.00	511,597.00	511,597.00	462,356.34	46,871.12	\$ 2,369.54
REF.	D-3	D-4	D-1	D:D-1		
Accrued Interest on Notes and Loans			\$	82,140.73		
Reserve for Painting of Water Tower				128,596.12		
Disbursed				243,716.28		
Deferred Charge of Unfunded Ordinance				5,000.00		
Reserve for Encumbrances				2,903.21		
			\$	462,356.34		

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

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SEWER UTILITY FUND

BOROUGH OF PINE BEACH

SEWER UTILITY FUND

BALANCE SHEETS - REGULATORY BASIS

	<u>REF.</u>	<u>BALANCE DECEMBER 31, 2023</u>	<u>BALANCE DECEMBER 31, 2022</u>
<u>ASSETS</u>			
Operating Fund:			
Cash-Treasurer	E-5	\$ 448,244.34	\$ 367,610.70
Change Fund	E-7	25.00	25.00
		<u>448,269.34</u>	<u>367,635.70</u>
Receivables with Full Reserves:			
Consumer Accounts Receivable	E-9	24,653.93	24,147.30
	E	<u>24,653.93</u>	<u>24,147.30</u>
<u>Total Operating Fund</u>		<u>472,923.27</u>	<u>391,783.00</u>
Capital Fund:			
Cash	E-5:E-8	63,952.78	62,952.78
Fixed Capital	E-17	3,225,163.51	3,225,163.51
Fixed Capital Authorized and Uncompleted	E-18	5,000.00	5,000.00
Interfunds Receivable	E-24	<u>5,000.00</u>	<u>5,000.00</u>
<u>Total Capital Fund</u>		<u>3,299,116.29</u>	<u>3,293,116.29</u>
		<u>\$ 3,772,039.56</u>	<u>\$ 3,684,899.29</u>

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

BOROUGH OF PINE BEACH

SEWER UTILITY FUND

BALANCE SHEETS - REGULATORY BASIS

	<u>REF.</u>	<u>BALANCE DECEMBER 31, 2023</u>	<u>BALANCE DECEMBER 31, 2022</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Operating Fund:			
Liabilities:			
Appropriation Reserves	E-4:E-10	\$ 67,544.95	\$ 108,373.11
Overpaid/Prepaid Sewer Rents	E-11	61,306.09	40,220.19
Reserve for Encumbrances	E-12	4,484.12	63.54
Accrued Interest on Loans	E-13	4,139.09	4,139.09
Interfunds Payable	E-15	5,000.00	
		<u>142,474.25</u>	<u>152,795.93</u>
Reserve for Receivables	E	24,653.93	24,147.30
Fund Balance	E-1	<u>305,795.09</u>	<u>214,839.77</u>
		<u>472,923.27</u>	<u>391,783.00</u>
		<u>472,923.27</u>	<u>391,783.00</u>
Capital Fund:			
Capital Improvement Fund	E-19	25,000.00	25,000.00
Improvement Authorizations:			
Funded	E-20	2,445.00	2,445.00
Loan Payable	E-21	54,949.85	107,061.26
Reserve for:			
Amortization	E-22	3,140,213.66	3,083,102.25
Deferred Amortization	E-23	5,000.00	5,000.00
Replacement Fund	E-16	68,050.00	67,050.00
Fund Balance	E-2	<u>3,457.78</u>	<u>3,457.78</u>
		<u>3,299,116.29</u>	<u>3,293,116.29</u>
		<u>3,299,116.29</u>	<u>3,293,116.29</u>
		<u>\$ 3,772,039.56</u>	<u>\$ 3,684,899.29</u>

There were bonds and notes authorized but not issued at Balance, December 31, 2023 of \$30,000.00 (Schedule E-25)

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

BOROUGH OF PINE BEACH
SEWER UTILITY OPERATING FUND
STATEMENTS OF OPERATIONS
AND CHANGE IN FUND BALANCE - REGULATORY BASIS

	<u>REF.</u>	YEAR ENDED DECEMBER 31, 2023	YEAR ENDED DECEMBER 31, 2022
<u>REVENUE AND OTHER INCOME REALIZED</u>			
Fund Balance Utilized	E-1:E-3	\$ 50,000.00	\$ 41,000.00
Rents	E-3	406,361.65	401,501.52
Miscellaneous	E-3	13,490.46	3,672.39
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves	E-10	108,401.21	73,306.85
Accounts Payable Canceled	E-14	<u>6,000.00</u>	<u> </u>
<u>TOTAL INCOME</u>		<u>\$ 584,253.32</u>	<u>\$ 519,480.76</u>
<u>EXPENDITURES</u>			
Operating	E-4	\$ 363,250.00	\$ 366,000.00
Capital Improvements	E-4	6,000.00	6,000.00
Debt Service	E-4	56,798.00	56,798.00
Deferred Charges and Statutory Expenditures	E-4	<u>17,250.00</u>	<u>9,750.00</u>
<u>TOTAL EXPENDITURES</u>		<u>\$ 443,298.00</u>	<u>\$ 438,548.00</u>
Excess in Revenue		\$ 140,955.32	\$ 80,932.76
<u>Fund Balance</u>			
Balance, January 1	E	<u>214,839.77</u>	<u>174,907.01</u>
		\$ 355,795.09	\$ 255,839.77
Decreased by:			
Utilization by Sewer Operating Fund Budget	E-1:E-3	<u>\$ 50,000.00</u>	<u>\$ 41,000.00</u>
Balance, December 31	E	<u>\$ 305,795.09</u>	<u>\$ 214,839.77</u>

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

BOROUGH OF PINE BEACH
SEWER UTILITY CAPITAL FUND
STATEMENT OF FUND BALANCE - REGULATORY BASIS

	<u>REF.</u>	
Balance, December 31, 2023 and December 31, 2022	E	\$ <u>3,457.78</u>

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

BOROUGH OF PINE BEACH

SEWER UTILITY OPERATING FUND

STATEMENT OF REVENUES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2023

	<u>REF.</u>	<u>ANTICIPATED</u>	<u>REALIZED</u>	<u>EXCESS/(DEFICIT)</u>
Fund Balance Anticipated	E-1	\$ 50,000.00	\$ 50,000.00	\$
Rents	E-1:E-3	391,000.00	406,361.65	15,361.65
Miscellaneous	E-1:E-3	3,000.00	13,490.46	10,490.46
	E-4	\$ 444,000.00	\$ 469,852.11	\$ 25,852.11

ANALYSIS OF REALIZED REVENUE

Sewer Rents:
 Consumer Accounts Receivable:
 Collected

\$ 366,141.46
 40,220.19

Overpaid/Prepaid Applied

\$ 406,361.65

Miscellaneous:

Interest on Delinquent Accounts
 Interest on Investments
 Connection Fees
 Other

\$ 3,508.11
 9,352.35
 600.00
 30.00

\$ 13,490.46

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

BOROUGH OF PINE BEACH
SEWER UTILITY OPERATING FUND

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

	APPROPRIATIONS		BUDGET AFTER MODIFICATION	EXPENDED		UNEXPENDED BALANCE CANCELED
	BUDGET	BUDGET		PAID OR CHARGED	RESERVED	
Operating:						
Salaries and Wages	\$ 64,500.00	\$ 64,500.00	\$ 64,500.00	\$ 47,089.79	\$ 17,410.21	\$
Other Expenses	82,000.00	82,000.00	82,000.00	59,472.50	22,527.50	
Sewerage Treatment Costs	188,250.00	188,250.00	188,250.00	166,766.27	21,483.73	
Audit	8,000.00	8,000.00	8,000.00	8,000.00		
Workers Compensation	20,500.00	20,500.00	20,500.00	20,500.00		
<u>Total Operating</u>	<u>363,250.00</u>	<u>363,250.00</u>	<u>363,250.00</u>	<u>301,828.56</u>	<u>61,421.44</u>	
Capital Improvements:						
Improvements to Sewer Plant	5,000.00	5,000.00	5,000.00		5,000.00	
Reserve for Replacement Fund	1,000.00	1,000.00	1,000.00	1,000.00		
<u>Total Capital Improvements</u>	<u>6,000.00</u>	<u>6,000.00</u>	<u>6,000.00</u>	<u>1,000.00</u>	<u>5,000.00</u>	
Debt Service:						
Loan Principal	52,500.00	52,500.00	52,500.00	52,198.24		301.76
Interest on Loans	5,000.00	5,000.00	5,000.00	4,599.76		400.24
<u>Total Debt Service</u>	<u>57,500.00</u>	<u>57,500.00</u>	<u>57,500.00</u>	<u>56,798.00</u>		<u>702.00</u>
Deferred Charges and Statutory Expenditures:						
Deferred Charges:						
Unfunded Ordinance	5,000.00	5,000.00	5,000.00	5,000.00		
<u>Total Deferred Charges</u>	<u>5,000.00</u>	<u>5,000.00</u>	<u>5,000.00</u>	<u>5,000.00</u>		
Statutory Expenditures:						
Contribution to:						
Public Employees Retirement System	7,500.00	7,500.00	7,500.00	7,500.00		
Social Security System (O.A.S.I.)	4,000.00	4,000.00	4,000.00	3,368.90	631.10	
Unemployment Compensation Insurance	750.00	750.00	750.00	257.59	492.41	
<u>Total Statutory Expenditures</u>	<u>12,250.00</u>	<u>12,250.00</u>	<u>12,250.00</u>	<u>11,126.49</u>	<u>1,123.51</u>	
<u>\$ 444,000.00</u>	<u>\$ 444,000.00</u>	<u>\$ 444,000.00</u>	<u>\$ 444,000.00</u>	<u>\$ 375,753.05</u>	<u>\$ 67,544.95</u>	<u>\$ 702.00</u>
REF.	E-3	E-1	E-1	E-1	E-1	E-1
Accrued Interest on Loans			\$ 4,599.76			
Disbursed			361,669.17			
Deferred Charge of Unfunded Ordinance			5,000.00			
Reserve for Encumbrances			4,484.12			
			<u>\$ 375,753.05</u>			

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

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PUBLIC ASSISTANCE TRUST FUND

BOROUGH OF PINE BEACH
PUBLIC ASSISTANCE TRUST FUND
BALANCE SHEETS - REGULATORY BASIS

	<u>REF.</u>	BALANCE DECEMBER <u>31, 2023</u>	BALANCE DECEMBER <u>31, 2022</u>
<u>ASSETS</u>			
Cash	F-1	\$ <u>9,792.21</u>	\$ <u>9,792.21</u>
<u>LIABILITIES AND RESERVES</u>			
Reserve for Public Assistance		\$ <u>9,792.21</u>	\$ <u>9,792.21</u>
<u>TOTAL LIABILITIES AND RESERVES</u>		\$ <u>9,792.21</u>	\$ <u>9,792.21</u>

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

GENERAL FIXED ASSET ACCOUNT GROUP

BOROUGH OF PINE BEACH

GENERAL FIXED ASSETS ACCOUNT GROUP

BALANCE SHEETS - REGULATORY BASIS

	BALANCE DECEMBER <u>31, 2023</u>	BALANCE DECEMBER <u>31, 2022</u>
<u>ASSETS</u>		
<u>General Fixed Assets:</u>		
Land	\$ 9,846,300.00	\$ 9,676,300.00
Buildings	742,548.00	742,548.00
Machinery and Equipment	<u>3,297,269.95</u>	<u>3,004,371.95</u>
	<u>\$ 13,886,117.95</u>	<u>\$ 13,423,219.95</u>
<u>LIABILITIES AND RESERVES</u>		
<u>Reserves:</u>		
Investments in General Fixed Assets	<u>\$ 13,886,117.95</u>	<u>\$ 13,423,219.95</u>

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

NOTES TO FINANCIAL STATEMENTS

BOROUGH OF PINE BEACH

NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2023 AND 2022

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Borough of Pine Beach is an instrumentality of the State of New Jersey, established to function as a municipality. The Borough Council consists of elected officials and is responsible for the fiscal control of the Borough.

As defined by GAAP established by the GASB, the financial reporting entity consists of the primary government, as well as component units, which are legally separate organizations for which elected officials of the primary government are financially accountable. The Borough is financially accountable for an organization if the Borough appoints a voting majority of the organization's governing board and (1) the Borough is able to significantly influence the programs or services performed or provided by the organizations; or (2) the Borough is legally entitled to or can otherwise access the organization's resources; the Borough is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the Borough is obligated for the debt of the organization. Except as noted below, the financial statements of the Borough of Pine Beach include every board, body, office or commission supported and maintained wholly or in part by funds appropriated by the Borough of Pine Beach, as required by N.J.S.A. 40A:5-5. Accordingly, the financial statements of the Borough of Pine Beach do not include the operations of the volunteer fire department and first aid squad or the regional school district, inasmuch as their activities are administered by separate boards.

B. Description of Funds

The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. GASB codification establishes the presentation of basic financial statements into three fund types, the governmental, proprietary and fiduciary funds, as well as government-wide financial reporting that must be used by general purpose governmental units when reporting financial position and results of operations in accordance with U.S. Generally Accepted Accounting Principles (GAAP).

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Description of Funds (Continued)

The accounting policies of the Borough of Pine Beach 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 financial transactions and accounts of the Borough of Pine Beach are organized on the basis of funds and account groups which is different from the fund structure required by GAAP. A fund or account group is an accounting entity with a separate set of self-balancing accounts established to record the financial position and results of operation of a specific government activity. As required by the Division of Local Government Services, the Borough accounts for its financial transactions through the following individual funds and account group:

Current Fund – Revenues and expenditures for governmental operations 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

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

Water Utility Operating and Capital Funds - Account for the operations and acquisition of capital facilities of the municipally owned Water utility

Sewer Utility Operating and Capital Funds - Account for the operations and acquisition of capital facilities of the municipally owned Sewer utility

Public Assistance Trust Fund - Receipt and disbursement of funds that provide assistance to certain residents of the Borough pursuant to Title 44 of New Jersey statutes

General Fixed Asset Account Group - Utilized to account for property, land, buildings and equipment that has been acquired by other governmental funds

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting

The accounting principles and practices prescribed for municipalities by the State of New Jersey differ in certain respects from generally accepted accounting principles applicable to local government units. The more significant accounting policies and differences in the State of New Jersey are as follows:

A modified accrual basis of accounting is followed with minor exceptions.

Revenues - are recorded when received in cash except for certain amounts which are due from other governmental units. Federal and state grants are realized as revenues when anticipated in the Borough's budget. Receivables for property taxes are recorded with offsetting reserves on the balance sheet of the Borough's Current Fund; accordingly, such amounts are not recorded as revenue until collected. Other amounts that are due the Borough, which are susceptible to accrual, are also recorded as receivables with offsetting reserves and recorded as revenues when received. GAAP requires revenues to be recognized in the accounting period when they become susceptible to accrual, reduced by an allowance for doubtful accounts.

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 31st, are reported as a cash liability in the financial statements and constitute part of the Borough's statutory Appropriation Reserve balance.

Appropriation reserves covering unexpended appropriation balances are automatically created at December 31st of each year and recorded as liabilities, except for amounts which may be canceled by the governing body. Appropriation reserves are available, until lapsed at the close of the succeeding year, to meet specific claims, commitments or contracts incurred during the preceding fiscal year. Lapsed appropriation reserves are recorded as income. Appropriations for principal payments on outstanding general capital and utility bonds and notes are provided on the cash basis, interest on general capital indebtedness is on the cash basis, whereas interest on utility indebtedness is on the accrual basis.

Encumbrances - Contractual orders, at December 31st, are reported as expenditures through the establishment of encumbrances payable. Under GAAP, encumbrances outstanding at year end are reported as reservations of fund balance because they do not constitute expenditures or liabilities.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

Foreclosed Property - is recorded in the Current Fund at the assessed valuation when such property was acquired and is fully reserved. GAAP requires such property to be recorded in the General Fixed Assets Account Group at its market value.

Sale of Municipal Assets - The proceeds from the sale of municipal assets can be held in a reserve until anticipated as a revenue in a future budget. GAAP requires such proceeds to be recorded as a revenue in the year of sale.

Interfunds - Interfund receivables in the Current Fund are recorded with offsetting reserves which are created by charges to operations. Income is recognized in the year the receivables are liquidated. Interfund receivables in the other funds are not offset by reserves. GAAP does not require the establishment of an offsetting reserve.

General Fixed Assets - N.J.A.C 5:30.6, Accounting for Governmental Fixed Assets, as promulgated by the Division of Local Government Services, which differs in certain respects from generally accepted accounting principles, requires the inclusion of a statement of general fixed assets of the Borough as part of its basic financial statements. General fixed assets are defined as nonexpendable personal and real property having a physical existence, a useful life of more than one year and an acquisition cost of \$5,000.00 or more per unit. Public domain ("infrastructure") general fixed assets consisting of certain improvements other than buildings, such as roads, bridges, curbs and gutters, streets and sidewalks and drainage systems are not capitalized.

Expenditures for construction in progress are recorded in the Capital Fund until such time as the construction is completed and put into operation.

Fixed assets acquired through grants in aid or contributed capital have not been accounted for separately.

Inventories of Supplies - The cost of inventories of supplies for all funds are recorded as expenditures at the time individual items are purchased. The cost of inventories is not included on the various balance sheets. GAAP requires the cost of inventories to be reported as a current asset and equally offset by a fund balance reserve.

Fixed Capital - Water and Sewer Utility Funds

Accounting for utility fund "fixed capital" remains uncharged under the requirements of N.J.A.C. 5:30-5.6 as promulgated by the Division of Local Government Services.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

Fixed Capital - Water and Sewer Utility Funds (Continued)

Property and equipment purchased by the Water and Sewer Utility Funds are recorded in the capital accounts at cost and are adjusted for disposition and abandonment. The amounts shown do not purport to represent reproduction costs or current value. The fixed capital reported is as taken from the municipal records and does not necessarily reflect the true condition of such fixed capital. Contributions in aid of construction are not capitalized. The balances in the Reserve for Amortization and Deferred Reserve for Amortization accounts in the utility capital funds represent charges to operations for the cost of acquisition of property, equipment and improvements. The utility does not record depreciation on fixed assets.

Accounting and Financial Reporting for Pensions

Under the provisions of Governmental Accounting Standards Board (GASB) Statement No. 68 "Accounting and Financial Reporting for Pensions" and GASB Statement No. 71, "Pension Transition for Contributions Made Subsequent to the Measurement Date" (an amendment of GASB Statement No. 68), local government employers (or non-employer contributing entity in a special funding situation) are required to recognize a net pension liability measured as of a date (the measurement date) no earlier than the end of its prior fiscal year. If a state or local government employer or non-employer contributing entity makes a contribution to a defined benefit pension plan between the measurement date of the reported net pension liability and the end of the government's reporting period, Statement 68 requires that the government recognize its contribution as a deferred outflow of resources.

In addition, Statement 68 requires recognition of deferred outflows of resources and deferred inflows of resources for changes in the net pension liability of a state or local government employer or non-employer contributing entity that arise from other types of events.

Under GAAP, municipalities are required to recognize their proportionate share of net pension liability, deferred outflows of resources, deferred inflows of resources on the Statement of Net Position and the proportionate share of the pension related expense on the Statement of Activities.

New Jersey's municipalities and counties do not follow GAAP accounting principles and, as such, do not follow GASB requirements with respect to recording the net pension liability as a liability on their balance sheets. However, N.J.A.C. 5:30 6.1(c)(2) requires municipalities to disclose GASB 68 information in the Notes to the Financial Statements. The disclosure must meet the requirements of GASB 68.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

Leases

Lease receivables are measured at the present value of the lease payments expected to be received during the lease term. The Borough may receive variable lease payments that are dependent upon the lessee's revenue. The variable payments are recorded as an inflow of resources in the period the payment is received. The deferred inflow of resources is recorded at the initiation of the lease in an amount equal to the initial recording of the lease receivable. The deferred inflow of resources is amortized in a systematic and rational manner over the lease term.

New Jersey's municipalities and counties do not follow GAAP accounting principles and, as such, do not follow GASB requirements with respect to recording the lease receivable as an asset on their balance sheets or the Statement of Revenues. However, N.J.A.C. 5:30 6.1(c) (2) requires municipalities to disclose GASB 87 information in the Notes to the Financial Statements. The disclosure must meet the requirements of GASB 87.

Recently Adopted Accounting Pronouncements

GASB Statement No. 96 defines a SBITA; establishes that a SBITA results in a right-to-use subscription asset (an intangible asset) and a corresponding liability; provides capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and requires note disclosure regarding SBITAs.

D. Basic Financial Statements

The GASB codification also defines the financial statements of a governmental unit to be presented in the general purpose financial statements to be held in accordance with GAAP. The Borough presents the financial statements listed in the table of contents of the "Requirements of Audit and Accounting Revision of 1987" as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and which differ from the financial statements required by GAAP.

NOTE 2: CASH AND CASH EQUIVALENTS

The Borough considers petty cash, change funds, cash in banks, deposits in the New Jersey Cash Management Fund and certificates of deposit as cash and cash equivalents.

A. Deposits

New Jersey statutes permit the deposit of public funds in public depositories which are located in New Jersey and which meet the requirements of the Governmental Unit Deposit Protection Act (GUDPA). GUDPA requires a bank that accepts public funds to be a public depository. A public depository is defined as a state bank, a national bank, or a savings bank, which is located in the State of New Jersey, the deposits of which are insured by the Federal Deposit Insurance Corporation. The statutes also require public depositories to maintain collateral for deposits of public funds that exceed certain insurance limits. Each depository participating in the GUDPA system must pledge collateral equal to 5% of the average amount of its public deposits and 100% of the average amount of its public funds in excess of 75% of its capital funds. No collateral is required for amounts covered by FDIC insurance. The collateral which may be pledged to support these deposits includes obligations of the State and federal governments, insured securities and other collateral approved by the Department. 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. Under (GUDPA), if a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the full amount of the deposits to the governmental unit.

The Borough of Pine Beach had the following cash and cash equivalents at December 31, 2023:

	Cash in Bank	Reconciling Items	Other	Total
Checking Accounts	\$3,876,918.99	(\$290,660.46)		\$3,586,258.53
Change Funds			\$200.00	200.00
	<u>\$3,876,918.99</u>	<u>(\$290,660.46)</u>	<u>\$200.00</u>	<u>\$3,586,458.53</u>

Credit Risk - Deposits - Custodial credit risk is the risk that in the event of a bank failure, the deposits may not be returned. The Borough does not have a specific deposit policy for custodial credit risk other than those policies that adhere to the requirements of statute. As of December 31, 2023, based upon the coverage provided by FDIC and NJGUDPA, no amount of the bank balance was exposed to custodial credit risk. Of the cash on deposit in the bank of \$3,876,918.99 \$250,000.00 was covered by Federal Depository Insurance, and the remaining \$3,626,918.99 was covered under the provisions of NJGUDPA.

NOTE 2: CASH AND CASH EQUIVALENTS (CONTINUED)

B. Investments

The purchase of investments by the Borough is strictly limited by the express authority of the New Jersey Local Fiscal Affairs Law, N.J.S.A. 40A:5-15.1. Permitted investments include any of the following type of securities:

1. Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;
2. Government money market mutual funds which are purchased from an investment company or investment trust which is registered with the Securities and Exchange Commission under the "Investment Company Act of 1940," 15 U.S.C. 80a-1 et seq., and operated in accordance with 17 C.F.R. § 270.2a-7 and which portfolio is limited to U.S. Government securities that meet the definition of an eligible security pursuant to 17 C.F.R. § 270.2a-7 and repurchase agreements that are collateralized by such U.S. Government securities in which direct investment may be made pursuant to paragraphs (1) and (3) of N.J.S.A. 5-15.1. These funds are also required to be rated by a nationally recognized statistical rating organization;
3. Any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligation bears a fixed rate of interest not dependent on any index or other external factor;
4. Bonds or other obligations of the Local Unit or bonds or other obligations of school districts of which the Local Unit is a part or within which the school district is located;
5. Bonds or other obligations, having a maturity date not more than 397 days from date of purchase, approved by the Division of Investment of the Department of Treasury for investment by Local Units;
6. Local government investment pools that are fully invested in U.S. Government securities that meet the definition of eligible security pursuant to 17 C.F.R. § 270a-7 and repurchase agreements that are collateralized by such U.S. Government securities in which direct investment may be made pursuant to paragraphs (1) and (3) of N.J.S.A. 5-15.1. This type of investment is also required to be rated in the highest category by a nationally recognized statistical rating organization;

NOTE 2: CASH AND CASH EQUIVALENTS (CONTINUED)

B. Investments (Continued)

7. Deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281 (C. 52:18A-90.4); or
8. Agreements for the repurchase of fully collateralized securities if:
 - a. the underlying securities are permitted investments pursuant to paragraphs (1) and (3) of this subsection;
 - b. the custody of collateral is transferred to a third party;
 - c. the maturity of the agreement is not more than 30 days;
 - d. the underlying securities are purchased through a public depository as defined in section 1 of P.L. 1970, c.236 (C. 17:19-41); and
 - e. a master repurchase agreement providing for the custody and security of collateral is executed.

As of December 31, 2023, the Borough had no investments.

NOTE 3: DEBT

The Local Bond Law, Chapter 40A:2, governs the issuance of bonds to finance general municipal capital expenditures. All bonds are retired in annual installments within the statutory period of usefulness. All bonds issued by the Borough are general obligation bonds, based by the full faith and credit of the Borough. Bond Anticipation Notes, which are issued to temporarily finance capital projects, shall mature and be paid off within ten years or financed by the issuance of bonds.

NOTE 3: DEBT (CONTINUED)

SUMMARY OF MUNICIPAL DEBT

	<u>YEAR 2023</u>	<u>YEAR 2022</u>	<u>YEAR 2021</u>
Issued:			
General:			
Bonds, Notes and Loans	\$2,937,171.64	\$3,184,804.79	\$3,695,484.23
Water Utility:			
Bonds, Notes and Loans	1,691,020.63	2,033,151.37	2,144,967.29
Sewer Utility:			
Loans	54,949.85	107,061.26	156,199.45
Net Debt Issued	<u>\$4,683,142.12</u>	<u>\$5,325,017.42</u>	<u>\$5,996,650.97</u>
Less: Cash on Hands to Pay Notes	19.50	19.50	202,519.50
Less: Reserve to Pay Bonds	29,623.12	29,623.12	49,623.12
	<u><u>\$4,653,499.50</u></u>	<u><u>\$5,295,374.80</u></u>	<u><u>\$5,744,508.35</u></u>
<u>Authorized But Not Issued</u>			
General:			
Bonds and Notes	\$683,481.65	\$678,981.65	\$655,349.10
Water Utility:			
Bonds and Notes	23,750.00	23,750.00	23,750.00
Sewer Utility:			
Bonds and Notes	35,000.00	35,000.00	35,000.00
Total Authorized But Not Issued	<u>\$742,231.65</u>	<u>\$737,731.65</u>	<u>\$714,099.10</u>
Net Bonds and Notes Issued and and Authorized But Not Issued	<u><u>\$5,395,731.15</u></u>	<u><u>\$6,033,106.45</u></u>	<u><u>\$6,458,607.45</u></u>

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 0.948%.

	<u>GROSS DEBT</u>	<u>DEDUCTIONS</u>	<u>NET DEBT</u>
Regional School District Debt	\$42,191.39	\$42,191.39	-0-
Water Utility Debt	1,714,770.63	1,714,770.63	-0-
Sewer Utility Debt	89,949.85	89,949.85	-0-
General Debt	3,620,653.29	29,642.62	3,591,010.67
	<u><u>\$5,467,565.16</u></u>	<u><u>\$1,876,554.49</u></u>	<u><u>\$3,591,010.67</u></u>

NET DEBT \$3,591,010.67 DIVIDED BY EQUALIZED VALUATION BASIS PER N.J.S.A. 40A:2-2, \$378,974,992.33 EQUALS 0.948%.

NOTE 3: DEBT (CONTINUED)

BORROWING POWER UNDER N.J.S. 40A:2-6

Equalized Valuation Basis* - December 31, 2023	\$378,974,992.33
3-1/2 of Equalized Valuation Basis	13,264,124.73
Net Debt	<u>3,591,010.67</u>
Remaining Borrowing Power	<u><u>\$9,673,114.06</u></u>

*Equalized Valuation Basis is the average of the equalized valuation of real estate, including improvements and the assessed valuation of class II railroad property of the Borough for the last three, (3) preceding years.

CALCULATION OF "SELF-LIQUIDATING PURPOSE" WATER UTILITY PER
N.J.S. 40A:2-45

Surplus Anticipated and Total Cash Receipts from Fees, Rents, or Other Charges for the Year	\$	499,885.76
Deductions:		
Operating and Maintenance Cost	\$	177,359.88
Debt Service		<u>195,771.46</u>
Total Deductions		<u>373,131.34</u>
Excess in Revenue - Self-Liquidating	\$	<u><u>126,754.42</u></u>

CALCULATION OF "SELF-LIQUIDATING PURPOSE" SEWER UTILITY PER
N.J.S. 40A:2-45

Surplus Anticipated and Total Cash Receipts from Fees, Rents, or Other Charges for the Year	\$	490,938.01
Deductions:		
Operating and Maintenance Cost	\$	375,500.00
Debt Service		<u>56,798.00</u>
Total Deductions		<u>432,298.00</u>
Excess in Revenue - Self-Liquidating	\$	<u><u>58,640.01</u></u>

NOTE 3: DEBT (CONTINUED)

Long-Term Debt

The Borough's long-term debt is summarized as follows:

SCHEDULE OF ANNUAL DEBT SERVICE FOR PRINCIPAL AND INTEREST FOR BONDED DEBT ISSUED AND OUTSTANDING AS OF DECEMBER 31, 2023

CALENDAR YEAR	GENERAL CAPITAL		
	PRINCIPAL	INTEREST	TOTAL
2024	\$62,767.00	\$6,466.00	\$69,233.00
2025	64,542.17	4,915.66	69,457.83
2026	66,089.27	3,321.46	69,410.73
2027	68,383.10	1,689.06	70,072.16
	<u>\$261,781.54</u>	<u>\$16,392.18</u>	<u>\$278,173.72</u>

CALENDAR YEAR	WATER UTILITY CAPITAL		
	PRINCIPAL	INTEREST	TOTAL
2024	\$60,000.00	\$9,450.00	\$69,450.00
2025	60,000.00	8,190.00	68,190.00
2026	60,000.00	6,930.00	66,930.00
2027	60,000.00	5,670.00	65,670.00
2028	60,000.00	4,410.00	64,410.00
2029	60,000.00	3,150.00	63,150.00
2030	60,000.00	1,890.00	61,890.00
2031	60,000.00	630.00	60,630.00
	<u>\$480,000.00</u>	<u>\$40,320.00</u>	<u>\$520,320.00</u>

The General Capital Bonds are comprised of the following issue:

ISSUE	OUTSTANDING BALANCE DECEMBER 31, 2023
\$610,000.00 in General Obligation Bonds dated Novemeber 1, 2017, due in remaining annual installments ranging between \$60,257.11 and \$68.383.10 beginning November 1, 2022 and ending November 1, 2027 with interest at 2.47%	<u>\$261,781.54</u>
	<u>\$261,781.54</u>

NOTE 3: DEBT (CONTINUED)

Long-Term Debt (Continued)

The Water Utility Capital Bonds are comprised of the following issue:

<u>ISSUE</u>	<u>OUTSTANDING BALANCE DECEMBER 31, 2023</u>
\$600,000.00 in General Improvement Bonds dated April 28, 2021, due in remaining annual installments of \$60,000.00 beginning April 28, 2022 and ending April 28, 2031 with interest at 2.10%	\$480,000.00
	\$480,000.00

Green Acres Loan Program

The Borough has four low interest loans (2%) under the New Jersey Department of Environmental Protection's Green Acres Loan Program as follows:

<u>Purpose</u>	<u>Interest Rate</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Balance December 31 2023</u>
Vista Park Development Phases I & II	2.00%	9/26/2007	138,000.00	\$32,830.59
Vista Park Development Phases I & II	2.00%	9/26/2007	148,000.00	35,209.62
Vista Park Development Phases I & II	2.00%	4/11/2016	900,000.00	350,273.52
Vista Park Development Phases I & II	2.00%	4/11/2016	250,000.00	171,183.74
				\$589,497.47

Each Loan includes an interest rate of 2.00%. The Borough must repay the loan in semi-annual installments over twenty years. Loan payments are due through 2036.

The aggregate debt service requirements during the next calendar year and thereafter are as follows:

<u>CALENDAR YEAR</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
2024	\$113,660.41	\$11,224.49	\$124,884.90
2025-2029	381,522.77	24,223.47	405,746.24
2030-2034	71,454.33	6,274.65	77,728.98
2035-2036	22,859.96	458.72	23,318.68
	\$589,497.47	\$42,181.33	\$1,162,309.95

NOTE 3: DEBT (CONTINUED)

Long-Term Debt (Continued)

USDA Loan

General Capital Fund

The Borough has entered into loan agreement with the United State Department of Agriculture for bulkhead replacement which was finalized on May 6, 2015 for \$603,630.00 bearing interest at 3.50%. The Borough must repay the loan in semi-annual installments over forty years. The balance at December 31, 2023 was \$534,642.63. Loan payments are due through 2055. The aggregate debt service requirements are as follows:

CALENDAR			
<u>YEAR</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
2024	\$9,536.22	\$18,629.78	\$28,166.00
2025-2029	52,975.58	87,854.42	140,830.00
2030-2034	63,011.52	77,818.48	140,830.00
2035-2039	74,948.72	65,881.28	140,830.00
2040-2044	89,147.31	51,682.69	140,830.00
2045-2049	106,035.80	34,794.20	140,830.00
2050-2054	126,123.69	14,706.31	140,830.00
2055	12,863.79	225.12	13,088.91
	<u>\$534,642.63</u>	<u>\$351,592.28</u>	<u>\$886,234.91</u>

Water Utility Capital Fund

The Borough has a 5.625% loan for water system improvements which was finalized on March 30, 1995. The Borough must repay the loan in semi-annual installments over forty years. The balance at December 31, 2023 was \$555,020.64. Loan payments are due through 2035. The aggregate debt service requirements are as follows:

CALENDAR			
<u>YEAR</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
2024	\$35,549.07	\$30,726.93	\$66,276.01
2025-2029	210,476.21	120,903.79	331,380.00
2030-2034	276,821.57	54,558.51	331,380.08
2035	32,173.79	964.22	33,138.00
	<u>\$555,020.64</u>	<u>\$207,153.45</u>	<u>\$762,174.06</u>

NOTE 3: DEBT (CONTINUED)

Long-Term Debt (Continued)

USDA Loan (Continued)

Sewer Utility Capital Fund

The Borough has a 5.00% loan for sewer system improvements which was finalized on September 5, 1984. The Borough must repay the loan in semi-annual installments over forty years. The balance at December 31, 2023 was \$54,949.85. Loan payments are due through 2024. The aggregate debt service requirements are as follows:

CALENDAR			
<u>YEAR</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
2024	<u>\$54,949.85</u>	<u>\$2,310.44</u>	<u>\$57,260.29</u>

Short-Term Debt

Outstanding Bond Anticipation Notes are summarized as follows:

General Capital Fund

<u>Ordinance</u>	<u>Date Of Issue Original Note</u>	<u>Date of Issue</u>	<u>Date Of Maturity</u>	<u>Interest Rate</u>	<u>Balance December 31, 2023</u>
13-10	11/06/14	10/25/23	10/25/24	5.100%	\$179,000.00
14-09	11/06/14	10/25/23	10/25/24	5.100%	30,000.00
17-08	11/02/17	10/25/23	10/25/24	5.100%	145,000.00
18-02	11/01/18	10/25/23	10/25/24	5.100%	147,500.00
19-06	10/31/19	10/25/23	10/25/24	5.100%	137,750.00
20-08	10/29/20	10/25/23	10/25/24	5.100%	319,000.00
21-06	10/28/21	10/25/23	10/25/24	5.100%	188,000.00
22-04	10/27/22	10/25/23	10/25/24	5.100%	170,000.00
23-02	10/25/23	10/25/23	10/25/24	5.100%	235,000.00
					<u>\$1,551,250.00</u>

Water Utility Capital Fund

<u>Ordinance</u>	<u>Date Of Issue Original Note</u>	<u>Date Of Issue</u>	<u>Date Of Maturity</u>	<u>Interest Rate</u>	<u>Balance December 31, 2023</u>
19-06	10/31/19	10/25/23	10/25/24	5.100%	\$21,000.00
20-09(b)	10/29/20	10/25/23	10/25/24	5.100%	328,500.00
21-01	10/28/21	10/25/23	10/25/24	5.100%	261,500.00
21-07	10/28/21	10/25/23	10/25/24	5.100%	45,000.00
					<u>\$656,000.00</u>

NOTE 3: DEBT (CONTINUED)

Short-Term Debt (Continued)

BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

At December 31, 2023, the Borough has authorized but not issued bonds and notes as follows:

General Capital Fund	<u>\$683,481.65</u>
Water Utility Capital Fund	<u>\$ 23,750.00</u>
Sewer Utility Capital Fund	<u>\$ 35,000.00</u>

NOTE 4: FUND BALANCES APPROPRIATED

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

Current Fund	\$420,000.00
Water Operating Fund	79,000.00
Sewer Operating Fund	62,000.00

NOTE 5: PROPERTY TAXES

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied based on the final adoption of the current year municipal budget, and are payable in four installments on February 1, May 1, August 1 and November 1. The Borough bills and collects its own property taxes and also taxes for the County and the Regional School District. The collections and remittance of County and School taxes are accounted for in the Current Fund. Borough property tax revenues are recognized when collected in cash and any receivables are recorded with offsetting reserves on the balance sheet of the Borough's Current Fund.

Taxes Collected in Advance - Taxes, water rents and sewer rents collected in advance and recorded as cash liabilities in the financial statements are as follows:

	BALANCE DECEMBER 31, <u>2023</u>	BALANCE DECEMBER 31, <u>2022</u>
Prepaid Taxes	<u>\$76,425.20</u>	<u>\$47,080.77</u>

NOTE 6: PENSION PLANS

Substantially all eligible employees participate in the Public Employees' Retirement System (PERS), or the Police, Firemen's Retirement System (PFRS) or the Defined Contribution Retirement System (DCRP), which have been established by state statute and are administered by the New Jersey Division of Pensions and Benefits. The Division issues a publicly available financial report that includes the financial statements and required supplementary information for the Public Employees Retirement System, Police and Firemen's Retirement System and Consolidated Police and Firemen's Pension Fund. These reports may be obtained by writing to the Division of Pensions and Benefits, P.O. Box 295, Trenton, New Jersey, 08625 or are available online at www.nj.gov/treasury/pensions/annrpts.shtml.

Public Employees' Retirement System (PERS) - The Public Employees' Retirement System (PERS) was established as of January 1, 1955, under the provisions of N.J.S.A. 43:15A, to provide retirement, death, disability and medical benefits to certain qualified members. The PERS is a cost-sharing multiple employer plan. Membership is mandatory for substantially, all full-time employees of the State of New Jersey or any county, municipality, school district or public agency, provided the employee is not required to be a member of another state-administered retirement system or other state pension fund or local jurisdiction's pension fund.

Police and Firemen's Retirement System (PFRS) - The Police and Firemen's Retirement System (PFRS) was established as of July 1, 1944, under the provisions of N.J.S.A. 43:16A, to provide retirement, death, and disability benefits to its members. The PFRS is a cost-sharing multiple-employer plan. Membership is mandatory for substantially, all full-time county and municipal police or firemen or officer employees with police powers appointed after June 30, 1944.

Defined Contribution Retirement Program (DCRP) - The Defined Contribution Retirement Program (DCRP) was established July 1, 2007, under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, and was expanded under the provisions of Chapter 89, P.L. 2009. The DCRP provides eligible employees and their beneficiaries with a tax-sheltered, defined contribution retirement benefit, along with life insurance coverage and disability coverage.

Vesting and Benefit Provisions

The vesting and benefit provisions for PERS are set by N.J.S.A. 43:15A and 43:36. All benefits vest after ten years of service, except for medical benefits, which vest after 25 years of service. Members may seek early retirement after achieving 25 years of service credit or they may elect deferred retirement after achieving ten years of service credit, in which case, benefits would begin the first day of the month after the member attains normal retirement age.

The vesting and benefit provisions for PFRS are set by N.J.S.A. 43:16A and 43:36. All benefits vest after ten years of service, except for disability benefits, which vest after four years of service. Retirement benefits for age and service are available at age 55. Members may seek special retirement after achieving 25 years of creditable service or they may elect deferred retirement after achieving ten years of service.

NOTE 6: PENSION PLANS (CONTINUED)

Vesting and Benefit Provisions (Continued)

Newly elected or appointed officials that have an existing DCRP account, or are a member of another State-administered retirement system are immediately vested in the DCRP. For newly elected or appointed officials that do not qualify for immediate vesting in the DCRP, employee and employer contributions are held during the initial year of membership. Upon commencing the second year of DCRP membership, the member is fully vested. However, if a member is not eligible to continue in the DCRP for a second year of membership, the member may apply for a refund of the employee contributions from the DCRP, while the employer contributions will revert back to the employer. Employees are required to contribute 5.5% of their base salary and employers contribute 3.0%.

Funding Policy

The contribution policy for PERS is set by N.J.S.A. 43:15A and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount, which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group life insurance benefits is based on actual claims paid. For fiscal year 2020, the State's pension contribution was less than the actuarial determined amount. The local employers' contribution amounts are based on an actuarially determined rate, which includes the normal cost and unfunded accrued liability. During 2021, PERS provides for employee contributions of 7.50% of employees' base salary.

The contribution policy for PFRS is set by N.J.S.A. 43:16A and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's contribution amount is based on an actuarially determined rate, which includes the normal cost and unfunded accrued liability. The local employers' contribution amounts are based on an actuarially determined rate, which includes the normal cost and unfunded accrued liability. For the fiscal year 2021, the State contributed an amount less than the actuarially determined amount. During 2021, PFRS provides for employee contributions of 10.00% of employees' base salary.

Certain portions of the costs are contributed by the employees. The Borough's share of regular pension costs, which is based upon the annual billings received from the State, amounted to \$198,073.00 for 2023, \$197,780.00 for 2022, and \$210,750.00 for 2021.

All contributions were equal to the required contributions for each of the three years, respectively.

Certain Borough employees are also covered by Federal Insurance Contribution Act.

NOTE 6: PENSION PLANS (CONTINUED)

Accounting and Financial Reporting for Pensions – GASB 68

The Governmental Accounting Standards Board (GASB) has issued Statement No. 68 “Accounting and Financial Reporting for Public Employees Pensions” which requires the State of New Jersey to calculate and allocate, for note disclosure purposes only, the unfunded net pension liability of Public Employees Retirement System (PERS) and the Police and Firemen’s Retirement System (PFRS) of the participating municipality as of December 31, 2022. The statement does not alter the amounts of funds that must be budgeted for pension payments under existing state law.

Under accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, any unfunded net pension liability of the municipality, allocated by the State of New Jersey, is not required to be reported in the financial statements as presented and any pension contributions required to be paid are raised in that year’s budget and no liability is accrued at December 31, 2023.

Public Employees Retirement System (PERS)

At June 30, 2022, the State reported a net pension liability of \$838,491.00 for the Borough’s proportionate share of the total net pension liability. The total pension liability for the June 30, 2022 measurement date was determined by an actuarial valuation as of July 1, 2021, which was rolled forward to June 30, 2022. The Borough’s proportion of the net pension liability was based on a projection of the Borough’s long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2022, the Borough’s proportion was 0.0055560929 percent, which was an increase of 0.0006788656 percent from its proportion measured as of June 30, 2021.

For the year ended June 30, 2022, the State recognized an actuarially determined pension benefit of \$115,384.00 for the Borough’s proportionate share of the total pension expense. The pension expense recognized in the Borough’s financial statements based on the April 1, 2022 billing was \$57,118.00.

NOTE 6: PENSION PLANS (CONTINUED)

Accounting and Financial Reporting for Pensions - GASB 68 (Continued)

Public Employees Retirement System (PERS) (Continued)

At June 30, 2022, the State reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Differences between expected and actual experience	\$ 6,052.00	\$ 5,337.00
Changes of assumptions	2,598.00	125,555.00
Net difference between projected and actual earnings on pension plan investments	34,704.00	
Changes in proportion and differences between Borough contributions and proportionate share of contributions	<u>108,984.00</u>	<u>192,934.00</u>
	<u>\$ 152,338.00</u>	<u>\$ 323,826.00</u>

Other local amounts reported by the State as the Borough's proportionate share of deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in the State's actuarially calculated pension expense as follows:

<u>Year Ended June 30,</u>	<u>Amount</u>
2023	(\$88,715.00)
2024	(53,433.00)
2025	(34,660.00)
2026	22,196.00
2027	<u>(16,876.00)</u>
	<u>(\$171,488.00)</u>

NOTE 6: PENSION PLANS (CONTINUED)

Accounting and Financial Reporting for Pensions - GASB 68 (Continued)

Public Employees Retirement System (PERS) (Continued)

Actuarial Assumptions

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

Inflation	
Price	2.75%
Wage	3.25%
Salary Increases	
Through 2026	2.75-6.55%
	Based on
	Years of Service
Investment Rate of Return	7.00%

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

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

Long-Term Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at both June 30, 2021 and June 30, 2020) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2021 are summarized in the following table:

NOTE 6: PENSION PLANS (CONTINUED)

Accounting and Financial Reporting for Pensions - GASB 68 (Continued)

Public Employees Retirement System (PERS) (Continued)

Long-Term Rate of Return (Continued)

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

Discount Rate

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2022. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be based 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 Borough's proportionate share of net pension liability to changes in the discount rate

The following presents the Borough's proportionate share of the net pension liability of the participating employers as of June 30, 2022 respectively, calculated using the discount rate as disclosed above as well as what the Borough's proportionate share of the net pension 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:

NOTE 6: PENSION PLANS (CONTINUED)

Accounting and Financial Reporting for Pensions - GASB 68 (Continued)

Public Employees Retirement System (PERS) (Continued)

Sensitivity of the Borough's proportionate share of net pension liability to changes in the discount rate (Continued)

	June 30, 2022		
	1%	At Current	1%
	Decrease	Discount Rate	Increase
	<u>6.00%</u>	<u>7.00%</u>	<u>8.00%</u>
Borough's proportionate share of the pension liability	\$1,077,215.00	\$838,491.00	\$635,327.00

Pension plan fiduciary net position

Detailed information about the pension plan's fiduciary net position is available in the separately issued Financial Report for the State of New Jersey Public Employees Retirement System (PERS). The report may be obtained at State of New Jersey Division of Pensions and Benefits P.O. Box 295 Trenton, New Jersey 08625-0295 <http://www.state.nj.us/treasury/pensions>

Police and Firemen's Retirement System (PFRS)

At June 30, 2022, the State reported a net pension liability of \$1,258,625.00 for the Borough's proportionate share of the total PFRS net pension liability. The total pension liability for the June 30, 2022 measurement date was determined by an actuarial valuation as of July 1, 2021, which was rolled forward to June 30, 2022. The Borough's proportion of the net pension liability was based on a projection of the Borough's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined.

At June 30, 2022, the Borough's proportion was 0.0109958600 percent, which was a decrease of 0.0019313500 percent from its proportion measured as of June 30, 2021.

For the year ended June 30, 2022, the State recognized an actuarially determined pension expense of \$116,105.00. The pension expense recognized in the Borough's financial statements based on the April 1, 2022 billing was \$150,662.00.

At June 30, 2022, the State reported deferred outflows of resources and deferred inflows of resources related to PFRS from the following sources:

NOTE 6: PENSION PLANS (CONTINUED)

Accounting and Financial Reporting for Pensions - GASB 68 (Continued)

Police and Firemen's Retirement System (PFRS) (Continued)

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Differences between expected and actual experience	\$ 56,969.00	\$ 77,108.00
Changes of assumptions	3,449.00	158,436.00
Net difference between projected and actual earnings on pension plan investments	115,253.00	
Changes in proportion and differences between Borough contributions and proportionate share of contributions	<u>216,105.00</u>	<u>247,544.00</u>
	<u>\$ 391,776.00</u>	<u>\$ 483,088.00</u>

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

Year Ended		<u>Amount</u>
<u>June 30</u>		
2023	\$	(69,238.80)
2024		(46,517.80)
2025		(44,610.80)
2026		73,764.20
2027		(5,516.80)
Thereafter		<u>809.00</u>
	\$	<u>(91,311.00)</u>

Actuarial Assumptions

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

NOTE 6: PENSION PLANS (CONTINUED)

Accounting and Financial Reporting for Pensions - GASB 68 (Continued)

Police and Firemen's Retirement System (PFRS) (Continued)

Actuarial Assumptions (Continued)

Inflation:

Price	2.75%
Wage	3.25%

Salary Increases

3.25-16.25%
Based on Years of
Service

Investment Rate of Return 7.00%

Employee mortality rates were based on the Pubs-2010 amount-weighted mortality table with a 105.6% adjustment for males and 102.5% adjustment for females. For healthy annuitants, mortality rates were based on the Pubs-2010 amount-weighted mortality table with a 96.7% adjustment for males and 96.0% adjustment for females. Disability rates were based on the PubS-2010 amount-weighted mortality table with a 152.0% adjustment for males and 109.3% adjustment for females. Mortality improvement is based on scale MP-2021.

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

Long-Term Rate of Return

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

NOTE 6: PENSION PLANS (CONTINUED)

Accounting and Financial Reporting for Pensions - GASB 68 (Continued)

Police and Firemen's Retirement System (PFRS) (Continued)

Long-Term Rate of Return (Continued)

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

Discount Rate

The discount rate used to measure the total pension liability was 7.00% as of both June 30, 2022 and June 30, 2021, respectively. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be based on 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for 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 Borough's proportionate share of the net pension liability to changes in the discount rate

The following presents the Borough's proportionate share of the net pension liability of the participating employers as of June 30, 2021 respectively, calculated using the discount rate as disclosed above as well as what the Borough's proportionate share of the net pension 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:

NOTE 6: PENSION PLANS (CONTINUED)

Accounting and Financial Reporting for Pensions - GASB 68 (Continued)

Police and Firemen's Retirement System (PFRS) (Continued)

Sensitivity of the Borough's proportionate share of the net pension liability to changes in the discount rate (Continued)

	June 30, 2022		
	1%	At Current	1%
	Decrease <u>6.00%</u>	Discount Rate <u>7.00%</u>	Increase <u>8.00%</u>
Borough's proportionate share of the PFRS pension liability	\$1,726,970.00	\$1,258,625.00	\$868,726.00

Special Funding Situation

In accordance with N.J.S.A. 43:16A-15, local participating employers are responsible for their own contributions based on actuarially determined amounts, except where legislation was passed which legally obligated the State if certain circumstances occurred. The legislation which legally obligates the State is as follows: Chapter 8, P.L. 2000, Chapter 318, P.c. 2001, Chapter 86, P.L. 2001, Chapter 511, P.L. 1991, Chapter 109, P.c. 1979, Chapter 247, P.L. 1993 and Chapter 201, P.L. 2001. The amounts contributed by the State on behalf of the Borough under this legislation is considered to be a special funding situation as defined by GASB Statement No. 68, and the State is treated as a nonemployer contributing entity. Since the Borough does 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 disclose in the notes to the financial statements of the Borough related to this legislation.

At June 30, 2022 and 2021, the State's proportionate share of the net pension liability attributable to the Borough for the PFRS special funding situation is \$223,998.00 and \$265,744.00, respectively.

At June 30, 2022, the Borough's and State of New Jersey's proportionate share of the PFRS net pension liability were as follows:

Borough's Proportionate Share of Net Pension Liability	\$1,258,625.00
State of New Jersey Proportionate Share of Net Pension Liability Associated with the Borough	<u>223,998.00</u>
	<u><u>\$1,482,623.00</u></u>

NOTE 6: PENSION PLANS (CONTINUED)

Accounting and Financial Reporting for Pensions - GASB 68 (Continued)

Police and Firemen's Retirement System (PFRS) (Continued)

Pension plan fiduciary net position

Detailed information about the pension plan's fiduciary net position is available in the separately issued Financial Report for the State of New Jersey Police and Firemen's Retirement System (PFRS). The report may be obtained at State of New Jersey Division of Pensions and Benefits P.O. Box 295 Trenton, New Jersey 08625-0295 <http://www.state.nj.us/treasury/pensions>.

NOTE 8: COMPENSATED ABSENCES

Under the terms of various contracts Borough employees are allowed to accumulate unused vacation and sick pay over the life of their working careers which may be taken as time off or paid at a later date. It is estimated that the current cost of such unpaid compensation would approximate \$73,164.76. Under accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the accumulated cost of such unpaid compensation is not required to be reported in the financial statements as presented and any amounts required to be paid are raised in that year's budget and no liability is accrued on December 31, 2023. The Borough has accumulated \$6,076.04 for this purpose in the Trust Other Fund.

NOTE 9: SCHOOL TAXES

Local District School Taxes have been raised and liabilities deferred by statute, resulting in the school taxes prepaid set forth in the Current Fund liabilities as follows:

	<u>Local District School Tax</u>	
	Balance December 31, <u>2023</u>	Balance December 31, <u>2022</u>
Balance of Tax	\$1,455,632.84	\$1,453,434.72
Deferred	<u>1,346,416.00</u>	<u>1,346,416.00</u>
Tax Payable	<u><u>\$109,216.84</u></u>	<u><u>\$107,018.72</u></u>

NOTE 10: LITIGATION

The Borough Attorney's letter did not indicate any litigation or claims that are either not covered by the Borough's insurance carrier or would have a material financial impact on the Borough.

NOTE 11: CONTINGENT LIABILITIES

The Borough participates in several federal and state financial assistance grant programs. Entitlement to the funds is generally conditional upon compliance with terms and conditions of the grant agreements and applicable regulations, including the expenditure of funds for eligible purposes. These programs are subject to compliance and financial audits by the grantors or their representatives. As of December 31, 2023, the Borough does not believe that any material liabilities will result from such audits.

NOTE 12: RISK MANAGEMENT

The Borough is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Borough participates in a self-insurance program through the Ocean County Joint Insurance Fund covering each of those risks of loss. The Fund is operated in accordance with regulations of the New Jersey Department of Insurance and the Division of Local Government Services of the Department of Community Affairs. The Fund is also a member of the Municipal Excess Liability Joint Insurance Fund which provides excess insurance coverage for each of the various risks noted above. The Borough's contribution to the Fund for claim payments is based on actuarial assumption determined by the Fund's actuary. Management believes such coverage is sufficient to preclude any significant uninsured losses to the Borough.

New Jersey Unemployment Compensation Insurance - The Borough has elected to fund its New Jersey Unemployment Compensation Insurance under the "Contributory Method". Under this plan, the Borough is required to remit an employer's match to the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State.

NOTE 13: LENGTH OF SERVICE AWARDS PROGRAM

The Borough of Pine Beach adopted an ordinance establishing a Length of Service Awards Program for the members of the Borough's Volunteer First Aid Squad pursuant to N.J.S.A. 40A:14-183 *et seq.*

Under this program, each volunteer that performs the minimum amount of service will have an annual amount of \$1,150 deposited into a tax deferred income account that will earn interest for the volunteer. The cost will be provided for annually in the budget of the Borough and is anticipated to be \$15,000 per year.

The accompanying financial statements do not include the Borough's Length of Service Awards Program's activities. The Borough's Length of Service Awards Program's financial statements are required to be contained in a separate review report.

NOTE 14: INTERFUND RECEIVABLES AND PAYABLES

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

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
Current Fund		\$32,803.43
Water Utility Operating Fund		5,000.00
Water Utility Capital Fund	\$5,000.00	
Sewer Utility Operating Fund		5,000.00
Sewer Utility Capital Fund	5,000.00	
Grant Fund	32,803.43	
	<u>32,803.43</u>	<u> </u>
	<u>\$42,803.43</u>	<u>\$42,803.43</u>

All balances resulted from the time lag between the dates that short-term loans were disbursed and payments between funds were received.

NOTE 15: ACCOUNTING AND FINANCIAL REPORTING FOR POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS – GASB 75

The Governmental Accounting Standards Board (GASB) has issued Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions". This statement establishes standards for measuring and recognizing liabilities, deferred outflows and inflows of resources, and expenses for postemployment benefits other than pensions. OPEB obligations are non-pension benefits that the municipality has contractually or otherwise agreed to provide employees once they have retired and, in most instances, will be for retirement health, prescription and dental insurance coverage.

Under current New Jersey budget and financial reporting requirements, the municipality is not required to fund any amounts in excess of their current costs on a pay-as-you-go basis or to accrue funds, create a trust or issue debt to finance their other post-employment benefit liability. Additionally, the municipality is not required to recognize any long-term obligations resulting from OPEB on their financial statements.

Plan Description and Benefits Provided

The State Health Benefit Local Government Retired Employees Plan (the Plan) is a cost-sharing multiple-employer defined benefit other postemployment benefit (OPEB) plan with a special funding situation. It covers employees of local government employers that have adopted a resolution to participate in the Plan. The Plan meets the definition of an equivalent arrangement as defined in paragraph 4 of GASB Statement No. 75, *Accounting and Financial Reporting for the Postemployment Benefits Other Than Pensions*; therefore, assets are accumulated to pay associated benefits.

NOTE 15: ACCOUNTING AND FINANCIAL REPORTING FOR POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS – GASB 75 (CONTINUED)

Plan Description and Benefits Provided (Continued)

The Plan 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 postretirement medical coverage to their employees must file a resolution with the Division. Under Chapter 88, local employers elect to provide benefit coverage based on the eligibility rules and regulations promulgated by the State Health Benefits Commission. Chapter 48 allows local employers to establish their own age and service eligibility for employer paid health benefits coverage for retired employees.

Under Chapter 48, the employer may assume the cost of postretirement medical coverage for employees and their dependents who: 1) retired on a disability pension; or 2) retired with 25 or more years of service credit in a State or locally administered retirement system and a period of service of up to 25 years with the employer at the time of retirement as established by the employer; or 3) retired and reached the age of 65 with 25 or more years of service credit in a State or locally administered retirement system and a period of service of up to 25 years with the employer at the time of retirement as established by the employer; or 4) retired and reached age 62 with at least 15 years of service with the employer. Further, the law provides that the employer paid obligations for retiree coverage may be determined by means of a collective negotiations' agreement.

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

The State also provides funding for retiree health benefits to survivors of local police officers and firefighters who die in the line of duty under Chapter 271, P.L.1989.

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

NOTE 15: ACCOUNTING AND FINANCIAL REPORTING FOR POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS – GASB 75 (CONTINUED)

Special Funding Situation

The Borough, by resolution of the governing body, has elected to provide postretirement medical coverage to certain employees under the provisions of Chapter 330, P.L. 1997.

Under Chapter 330, P.L. 1997, the State shall pay the premium or periodic charges for the qualified local police and firefighter retirees and dependents equal to 80 percent of the premium or periodic charge for the category of coverage elected by the qualified retiree under the State managed care plan or a health maintenance organization participating in the program providing the lowest premium or periodic charge.

The State also provides funding for retiree health benefits to survivors of local police officers and firefighters who die in the line of duty under Chapter 271, P.L.1989.

Therefore, these employers are considered to be in a special funding situation as defined by GASB Statement No 75 and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute under this legislation directly to the plan, there is no net 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.

At June 30, 2022 and 2021, the State's proportionate share of the net OPEB liability attributable to the Borough for the special funding situation is \$2,052,187.00 and \$1,899,788.00 respectively.

At June 30, 2022, the Borough's and State of New Jersey's proportionate share of the Net OPEB Liability were as follows:

Borough's Proportionate Share of the Net OPEB Liability	\$0.00
State of New Jersey's Proportionate Share of Net OPEB Liability Associated with the Borough	<u>2,052,187.00</u>
	<u><u>\$2,052,187.00</u></u>

NOTE 15: ACCOUNTING AND FINANCIAL REPORTING FOR POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS – GASB 75 (CONTINUED)

Actuarial Assumptions and Other Inputs

The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

Salary Increases:

Public Employees Retirement System (PERS):

Initial Fiscal Year Applied
Rate for All Future Years 2.75% to 6.55%

Police and Firemen’s Retirement System (PFRS):

Rate for All Future Years 3.25% to 16.25%

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 the defined benefit plan that the member is enrolled in and his or her age.

Actuarial assumptions used in the July 1, 2021 valuation were based on the results of the PFRS and PERS experience studies prepared for July 1, 2018 to June 30, 2021. 100% of active members are considered to participate in the Plan upon retirement.

Discount Rate

The discount rate for June 30, 2022 was 3.54%. 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.

OPEB Plan Fiduciary Net Position

Detailed information about the OPEB plan’s fiduciary net position is available in the separately issued Financial Report for the State of New Jersey State Health Benefits Local Government Retired Employees Plan. The report may be obtained at State of New Jersey Division of Pensions and Benefits P.O. Box 295 Trenton, New Jersey 08625-0295 <http://www.state.nj.us/treasury/pensions>.

NOTE 16: FIXED ASSETS

Below is a summary of the General Fixed Assets Account Group for the year ended December 31, 2023:

	Balance December 31, <u>2022</u>	<u>Additions</u>	Balance December 31, <u>2023</u>
Land	\$9,676,300.00	\$170,000.00	\$9,846,300.00
Buildings	742,548.00		742,548.00
Machinery and Equipment	3,004,371.95	292,898.00	3,297,269.95
	<u>\$13,423,219.95</u>	<u>\$462,898.00</u>	<u>\$13,886,117.95</u>

NOTE 17: TAX APPEALS

There are tax appeals filed with the County and State Tax Court of New Jersey requesting a reduction of assessments for the year 2023. Any reduction in assessed valuation will result in a refund of prior years' taxes in the year of settlement, which may be funded from tax revenues through the establishment of a reserve or by the issuance of refunding bonds per N.J.S.A. 40A:2-51.

NOTE 18: DEFERRED CHARGES TO BE RAISED IN SUCCEEDING YEARS' BUDGETS

The following deferred charges are shown on the December 31, 2023 Balance Sheets and will be raised in succeeding years' budget:

	BALANCE DECEMBER 31, 2023	2024 BUDGET APPROPRIATION	BALANCE TO SUCCEEDING YEARS
Current Fund:			
Emergency Authorization	<u>\$40,000.00</u>	<u>\$10,000.00</u>	<u>\$30,000.00</u>
	<u>\$40,000.00</u>	<u>\$10,000.00</u>	<u>\$30,000.00</u>

NOTE 19: LEASES RECEIVABLE

The Borough, as lessor, has entered into the following leases:

- Cell Tower – Verizon Wireless. The current lease term expires 09/30/2024 with four remaining five-year extensions available. The lessee must provide notice of intention to terminate to the lessor not less than six (6) months prior to the expiration of any subsequent renewal term. The lease receivable is measured as the present value of the future value of the minimum lease payments expected to be received during the lease term at the discount rate. The discount rate is 1.653% and is equal to the incremental borrowing rate of the Lessor.

NOTE 19: LEASES RECEIVABLE (CONTINUED)

- Cell Tower – T-Mobile. The current lease term expires 04/30/2028 with two remaining five-year extensions available. The lessee must provide notice of intention to terminate to the lessor not less than thirty (30) days prior to the expiration of any subsequent renewal term. The lease receivable is measured as the present value of the future value of the minimum lease payments expected to be received during the lease term at the discount rate. The discount rate is 1.408% and is equal to the incremental borrowing rate of the Lessor.

Under the provisions of GASB 87, in 2023 the Borough would recognize lease revenue of \$46,644.51 and \$20,973.88 of interest revenue under the lease.

Total future minimum lease payments to be received under the lease agreement under GASB 87 are as follows:

<u>Year Ending</u>	<u>Lease Receivable</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$49,392.00	\$20,254.00	\$69,646.00
2025	52,244.00	19,492.00	71,736.00
2026	55,202.00	18,688.00	73,890.00
2027	58,270.00	17,836.00	76,106.00
2028	61,451.00	16,938.00	78,389.00
2029 - 2033	359,230.00	69,428.00	428,658.00
2034 - 2038	418,457.00	38,954.00	457,411.00
2039 - 2043	241,115.00	13,931.00	255,046.00
2044 - 2044	41,173.00	284.00	41,457.00
	<u>\$1,336,534.00</u>	<u>\$215,805.00</u>	<u>\$1,552,339.00</u>

As discussed in Note 1, New Jersey’s municipalities and counties do not follow GAAP accounting principles and, as such, do not follow GASB requirements with respect to recording the lease receivable as an asset on their balance sheets or revenue of the Statement of Revenues.

NOTE 20: SUBSEQUENT EVENTS

The Borough has evaluated subsequent events occurring after the financial statement date through May 30, 2024 which is the date the financial statements were available to be issued. Based upon this evaluation, the Borough has determined that no events needed to be disclosed.

BOROUGH OF PINE BEACH

SUPPLEMENTARY SCHEDULES – ALL FUNDS

YEAR ENDED DECEMBER 31, 2023

BOROUGH OF PINE BEACH

CURRENT FUND

SCHEDULE OF CASH - TREASURER

	<u>REF.</u>	<u>GRANT FUND</u>	<u>CURRENT FUND</u>
Balance, December 31, 2022	A	\$ -0-	\$ 1,627,846.33
Increased by Receipts:			
Miscellaneous Revenue Not Anticipated	A-2		55,047.60
Refunds	A-3		45,568.85
Collector	A-5		6,780,440.27
Petty Cash	A-7		300.00
Due State of New Jersey	A-9		18,750.00
Revenue Accounts Receivable	A-11		436,525.39
Miscellaneous Reserves	A-12		38,964.26
Accounts Payable Refunds	A-20		8,248.57
Grants Receivable	A-22	128,940.61	
Reserve for Grants Unappropriated	A-24	7,127.98	
Interfunds	A-25:A-21	278,920.84	42,737.20
		<u>414,989.43</u>	<u>7,426,582.14</u>
		414,989.43	9,054,428.47
Decreased by Disbursements:			
2023 Appropriations	A-3		2,774,501.61
2022 Appropriation Reserves	A-14		135,754.77
Petty Cash	A-7		300.00
Interfunds	A-25:A-21	136,068.59	185,589.45
Tax Overpayments	A-17		3,181.33
County Taxes	A-18		1,383,006.47
Regional School Tax	A-19		3,038,115.88
Miscellaneous Reserves	A-12		2,009.92
Reserve for Grants Appropriated	A-23	150,324.72	
Reserve for Grants Unappropriated	A-24	128,596.12	
		<u>414,989.43</u>	<u>7,522,459.43</u>
Balance, December 31, 2023	A	\$ -0-	\$ 1,531,969.04

BOROUGH OF PINE BEACH

CURRENT FUND

SCHEDULE OF CASH - COLLECTOR

	<u>REF.</u>			
Received:				
Taxes Receivable	A-8	\$	6,685,340.99	
Revenue Accounts Receivable	A-11		15,492.75	
2024 Taxes Prepaid	A-16		76,425.20	
Tax Overpayments	A-17		<u>3,181.33</u>	
				\$ <u>6,780,440.27</u>
Decreased by Disbursements:				
Payments to Treasurer	A-4			\$ <u><u>6,780,440.27</u></u>

"A-6"

BOROUGH OF PINE BEACH
CURRENT FUND
SCHEDULE OF CHANGE FUNDS

	<u>REF.</u>	
Balance, December 31, 2023 and December 31, 2022	A	\$ <u>150.00</u>

"A-7"

SCHEDULE OF PETTY CASH

Increased by:		
Cash Disbursements	A-4	\$ <u>300.00</u>
Decreased by:		
Cash Receipts	A-4	\$ <u>300.00</u>

BOROUGH OF PINE BEACH

CURRENT FUND

SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY

YEAR	BALANCE DECEMBER 31, 2022	2023 LEVY	ADDED TAXES	COLLECTIONS BY CASH	OVERPAYMENTS APPLIED	CANCELLED	BALANCE DECEMBER 31, 2023
2021	\$ 1,309.18		\$	\$ 1,309.18	\$	\$	\$ 4,080.71
2022	56,942.60		2,771.53	55,633.42			4,080.71
	58,251.78		2,771.53	56,942.60			47,611.36
2023		6,748,170.23		46,921.77	159.00	6,142.41	
	\$ 58,251.78	\$ 6,748,170.23	\$ 2,771.53	\$ 46,921.77	\$ 159.00	\$ 6,142.41	\$ 51,692.07
REF.	A			A-2, A-16	A-2, A-17		A

Collector				\$ 6,685,340.99			
State of New Jersey				18,937.30			
				\$ 6,704,278.29			

ANALYSIS OF 2023 PROPERTY TAX LEVY

TAX YIELD	2023 LEVY
General Purpose Tax	\$ 6,717,972.57
Added and Omitted Taxes (54:4-63.1 & 54:4-63.12 et seq.)	30,197.66
	\$ 6,748,170.23

TAX LEVY	2023 LEVY
Regional School Tax (Abstract)	\$ 3,040,314.00
County Taxes:	
County Tax (Abstract)	\$ 1,377,243.86
Due County for Added Taxes (54:4-63.1 et seq.)	6,161.58
Total County Taxes	1,383,405.44
Local Tax for Municipal Purposes (Abstract)	\$ 2,298,661.04
Add: Additional Tax Levied	25,789.75
	\$ 6,748,170.23

BOROUGH OF PINE BEACH

CURRENT FUND

SCHEDULE OF DUE FROM STATE OF NEW JERSEY
CHAPTER 20, P.L. 1971

	<u>REF.</u>		
Balance, December 31, 2022 - (Due From)	A	\$	762.71
Increased by:			
Senior Citizens and Veterans Deductions Per Tax Billings		\$	18,250.00
Senior Citizens and Veterans Deductions Allowed by Tax Collector			<u>1,000.00</u>
			<u>19,250.00</u>
			20,012.71
Decreased by:			
Senior Citizens and Veterans Deductions Disallowed by Tax Collector		\$	312.70
Cash Receipts	A-4		<u>18,750.00</u>
			<u>19,062.70</u>
Balance, December 31, 2023 - (Due From)	A	\$	<u><u>950.01</u></u>

CALCULATION OF STATE'S SHARE OF
2023 SENIOR CITIZENS DEDUCTIONS
ALLOWED BY COLLECTOR (CHAPTER 20, P.L. 1971)

Senior Citizens Deductions Per Tax Billings		\$	3,000.00
Veterans Deductions Per Tax Billings			15,250.00
Senior Citizens and Veterans Deductions Allowed by Tax Collector - 2023 Taxes			<u>1,000.00</u>
	A-8	\$	<u><u>18,937.30</u></u>

BOROUGH OF PINE BEACH

CURRENT FUND

SCHEDULE OF PROPERTY ACQUIRED FOR TAXES
(AT ASSESSED VALUATION)

Balance, December 31, 2023 abd
December 31, 2022

A

\$ 13,587.00

BOROUGH OF PINE BEACH

CURRENT FUND

SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE

<u>REF.</u>	<u>BALANCE DECEMBER 31, 2022</u>	<u>ACCRUED IN 2023</u>	<u>COLLECTED</u>	<u>BALANCE DECEMBER 31, 2023</u>
A-2	\$	\$ 5,150.00	\$ 5,150.00	\$
A-2		449.00	449.00	
A-2	3,737.94	74,589.15	70,866.91	7,460.18
A-2		15,492.75	15,492.75	
A-2		51,035.84	51,035.84	
A-2		4,050.00	4,050.00	
A-2		7,130.00	7,130.00	
A-2		18,010.49	18,010.49	
A-2		208,605.05	208,605.05	
A-2		3,632.40	3,632.40	
A-2		67,595.70	67,595.70	
	<u>\$ 3,737.94</u>	<u>\$ 455,740.38</u>	<u>\$ 452,018.14</u>	<u>\$ 7,460.18</u>

A

A

Treasurer	\$	436,525.39
Collector		<u>15,492.75</u>
	\$	<u>452,018.14</u>

BOROUGH OF PINE BEACH

CURRENT FUND

SCHEDULE OF MISCELLANEOUS RESERVES

	BALANCE DECEMBER 31, 2022	INCREASED	DECREASED	BALANCE DECEMBER 31, 2023
Marriage Licenses Due State	\$	\$ 225.00	\$ 225.00	\$
Outside Liens	1,784.92	17,129.84	1,784.92	17,129.84
Centennial Event	3,700.00	2,349.25		6,049.25
Municipal Relief Fund	10,806.96	21,609.42	10,806.96	21,609.42
	<u>\$ 16,291.88</u>	<u>\$ 41,313.51</u>	<u>\$ 12,816.88</u>	<u>\$ 44,788.51</u>
<u>REF.</u>	A	A-4		A
Cash Receipts	A-4	\$ 38,964.26		
Transferred from Appropriations	A-3	<u>2,349.25</u>		
		<u>\$ 41,313.51</u>		
Cash Disbursements	A-4		\$ 2,009.92	
Anticipated Revenue	A-2		<u>10,806.96</u>	
			<u>\$ 12,816.88</u>	

BOROUGH OF PINE BEACH

CURRENT FUND

SCHEDULE OF DEFERRED CHARGES

	BALANCE DECEMBER 31, 2022	RAISED IN 2023 BUDGET	BALANCE DECEMBER 31, 2023
Special Emergency Authorization 40A:4-53: Revaluation	\$ <u>50,000.00</u>	\$ <u>10,000.00</u>	\$ <u>40,000.00</u>
	\$ <u>50,000.00</u>	\$ <u>10,000.00</u>	\$ <u>40,000.00</u>
<u>REF.</u>	A	A-3	A

BOROUGH OF PINE BEACH

CURRENT FUND

SCHEDULE OF 2022 APPROPRIATION RESERVES

	BALANCE DECEMBER 31, 2022	BALANCE AFTER TRANSFERS	PAID OR CHARGED	BALANCE LAPSED
<u>SALARIES AND WAGES:</u>				
Administrative and Executive	\$ 2,692.00	\$ 2,692.00	\$	\$ 2,692.00
Borough Clerk	2,445.04	2,445.04		2,445.04
Collection of Taxes	238.96	238.96		238.96
Assessment of Taxes	110.02	110.02		110.02
Planning Board	200.00	200.00		200.00
Municipal Court	160.00	160.00		160.00
Police	106,347.78	106,347.78		106,347.78
Safety Officer	100.00	100.00		100.00
Emergency Management Services	400.00	400.00		400.00
Life Guards	552.50	552.50		552.50
Public Works	10,879.66	10,879.66		10,879.66
Garbage and Trash Removal	911.78	911.78		911.78
Recycling	2,134.05	2,134.05		2,134.05
Construction Code	1,770.00	1,770.00		1,770.00
Sub-Total Salaries and Wages	<u>128,941.79</u>	<u>128,941.79</u>		<u>128,941.79</u>
<u>OTHER EXPENSES:</u>				
Administrative and Executive	429.36	429.36		429.36
Borough Clerk	507.14	1,537.14	1,025.00	512.14
Financial Administration	7,541.62	9,664.08	2,002.46	7,661.62
Audit Services	350.00	350.00		350.00
Assessment of Taxes	1,238.49	1,238.49	845.00	393.49
Special Emergency - Reassessment	22,596.78	22,596.78	18,700.00	3,896.78
Collection of Taxes	939.78	2,058.32	1,078.44	979.88
Legal Services & Costs	20,255.36	25,620.36	8,424.56	17,195.80
Municipal Court	491.24	690.14	398.90	291.24
Planning Board	1,068.30	1,068.30		1,068.30
Public Buildings and Grounds	3,001.75	8,094.24	3,571.91	4,522.33
Fire Insurance Deductible	500.00	500.00		500.00
Advertising	1,132.85	1,132.85	312.40	820.45
Engineering	18,721.09	18,721.09	2,459.50	16,261.59
Insurance:				
General Liability	5,621.56	5,621.56		5,621.56
Workers Comp.	37.00	37.00		37.00
Group Insurance Plan for Employees	19,671.23	19,671.23		19,671.23
Police Department:				
Miscellaneous	4,194.34	8,152.63	5,022.28	3,130.35
Accreditation	9,702.80	10,988.00	9,504.20	1,483.80
Emergency Management	860.01	860.01	79.96	780.05
Life Guards	500.00	500.00		500.00
Road Repairs and Maintenance	11,601.78	13,085.63	1,847.36	11,238.27
Garbage and Trash Removal	5,215.12	8,076.67	4,026.17	4,050.50
Sanitary Landfill Costs	15,000.00	15,000.00	2,077.13	12,922.87
Recycling	3,286.55	4,958.88		4,958.88
Beach Front and Dock Maintenance	2.77	2.77		2.77
Parks and Playgrounds	794.30	1,849.22	842.25	1,006.97
Celebration of Public Events	322.09	2,876.09	54.00	2,822.09
Environmental Commission	200.00	200.00		200.00
Health and Welfare	50.00	50.00		50.00
Occupational Safety and Health Act	25.00	25.00		25.00
Stormwater Management	50.00	50.00		50.00
State Uniform Construction Code:				
Construction Official	39.89	890.64	751.00	139.64

BOROUGH OF PINE BEACH

CURRENT FUND

SCHEDULE OF 2022 APPROPRIATION RESERVES

	BALANCE DECEMBER 31, 2022	BALANCE AFTER TRANSFERS	PAID OR CHARGED	BALANCE LAPSED
<u>OTHER EXPENSES (CONTINUED):</u>				
Gasoline	\$ 573.70	\$ 573.70	\$	\$ 573.70
Fuel Oil	2,850.47	2,850.47	603.77	2,246.70
Electricity	5,809.73	5,809.73		5,809.73
Natural Gas	2,494.83	2,494.83		2,494.83
Street Lighting	769.69	769.69		769.69
Communications	4,151.47	4,151.47	469.45	3,682.02
Computer Technology	2,850.12	2,850.12	451.72	2,398.40
Contingent	50.00	50.00		50.00
Statutory Expenditures:				
Contribution to:				
Social Security System (O.A.S.I.)	12,239.02	12,239.02		12,239.02
Unemployment Compensation Insurance	5,167.05	5,167.05	181.69	4,985.36
Length of Service Awards Program (LOSAP)	15,000.00	15,000.00	15,000.00	
LOSAP - Beachwood	15,000.00	15,000.00		15,000.00
Shared Service Agreements:				
Berkeley Dog Regulation	12.66	12.66		12.66
Beachwood First Aid Services	6,751.73	6,751.73		6,751.73
Lakewood Vehicle Washing Services	100.00	100.00		100.00
Berkeley Tree Services	100.00	100.00		100.00
Township of Lacey CFO & QPA Services	0.72	0.72		0.72
Matching Funds for Grants	1,000.00	1,000.00		1,000.00
Capital Improvement:				
Improvement to Municipal building	5,000.00	5,000.00	5,000.00	
Purchase of Police Equipment	41.38	51,067.00	51,025.62	41.38
Sub-Total Other Expenses	<u>235,910.77</u>	<u>317,584.67</u>	<u>135,754.77</u>	<u>181,829.90</u>
Grand Total	<u>\$ 364,852.56</u>	<u>\$ 446,526.46</u>	<u>\$ 135,754.77</u>	<u>\$ 310,771.69</u>
	<u>REF.</u>	A	A-4	A-1

Appropriation Reserves	A-14	\$ 364,852.56
Transferred from Encumbrances Payable	A-15	<u>81,673.90</u>
		<u>\$ 446,526.46</u>

BOROUGH OF PINE BEACH

CURRENT AND GRANT FUNDS

SCHEDULE OF ENCUMBRANCES PAYABLE

	<u>REF.</u>	<u>TOTAL (MEMO ONLY)</u>	<u>CURRENT FUND</u>	<u>GRANT FUND</u>
Balance, December 31, 2022	A	\$ 84,459.92	\$ 81,673.90	\$ 2,786.02
Increased by:				
Transfer from 2023 Budget	A-3	27,515.32	27,515.32	
Transfer from Grants Appropriated	A-23	7,371.31		7,371.31
		\$ <u>119,346.55</u>	\$ <u>109,189.22</u>	\$ <u>10,157.33</u>
Decreased by:				
Transfer to 2022 Appropriation Reserves	A-14	81,673.90	81,673.90	
Transfer to Reserve for Grants Appropriated	A-23	2,786.02		2,786.02
		\$ <u>84,459.92</u>	\$ <u>81,673.90</u>	\$ <u>2,786.02</u>
Balance, December 31, 2023	A	\$ <u><u>34,886.63</u></u>	\$ <u><u>27,515.32</u></u>	\$ <u><u>7,371.31</u></u>

"A-16"

BOROUGH OF PINE BEACH

CURRENT FUND

SCHEDULE OF PREPAID TAXES

	<u>REF.</u>		
Balance, December 31, 2022	A	\$	47,080.77
Increased by:			
Collection - Taxes	A-5		<u>76,425.20</u>
		\$	<u>123,505.97</u>
Decreased by:			
Applied to 2023 Taxes Receivable	A-8	\$	46,921.77
Applied to Overpayments	A-17		<u>159.00</u>
			<u>47,080.77</u>
Balance, December 31, 2023	A	\$	<u><u>76,425.20</u></u>

"A-17"

SCHEDULE OF TAX OVERPAYMENTS

Increased by:			
Overpayments Applied - Prepaid	A-16	\$	159.00
Cash Receipts	A-5		<u>3,181.33</u>
		\$	<u>3,340.33</u>
Decreased by:			
Overpayments Applied	A-8	\$	159.00
Cash Disbursements	A-4		<u>3,181.33</u>
		\$	<u><u>3,340.33</u></u>

BOROUGH OF PINE BEACH

CURRENT FUND

SCHEDULE OF COUNTY TAXES PAYABLE

	<u>REF.</u>		
Balance, December 31, 2022	A		\$ 5,862.61
2023 Tax Levy:			
County Taxes	A-1:A-8	\$ 1,158,019.73	
County Library	A-1:A-8	109,623.68	
County Health	A-1:A-8	63,589.25	
County Open Space	A-1:A-8	46,011.20	
Due County for Added and Omitted Taxes	A-1:A-8	<u>6,161.58</u>	
			1,383,405.44
			<u>\$ 1,389,268.05</u>
Decreased by:			
Cash Disbursements	A-4		<u>1,383,006.47</u>
Balance, December 31, 2023	A		<u>\$ 6,261.58</u>

SCHEDULE OF REGIONAL SCHOOL TAX PAYABLE

Balance, December 31, 2022			
School Tax Payable	A	\$ 107,018.72	
School Taxes Deferred		<u>1,346,416.00</u>	
			\$ 1,453,434.72
Increased by:			
Levy - School Year July 1, 2023 to June 30, 2024	A-8		<u>3,040,314.00</u>
			4,493,748.72
Decreased by:			
Cash Disbursements	A-4		<u>3,038,115.88</u>
Balance, December 31, 2023			
School Tax Payable	A	\$ 109,216.84	
School Taxes Deferred		<u>1,346,416.00</u>	
			<u>\$ 1,455,632.84</u>
2023 Liability for Regional School Tax:			
Taxes Paid	A-19		\$ 3,038,115.88
Taxes Payable December 31, 2022	A-19		<u>(107,018.72)</u>
			2,931,097.16
Add: Taxes Payable December 31, 2023	A-19		<u>109,216.84</u>
Amount Charged to 2023 Operations	A-1		<u>\$ 3,040,314.00</u>

BOROUGH OF PINE BEACH

CURRENT FUND

SCHEDULE OF ACCOUNTS PAYABLE

	<u>REF.</u>	
Increased by:		
Refunds	A-4	\$ <u>8,248.57</u>
Decreased by:		
Canceled	A-1	\$ <u><u>8,248.57</u></u>

BOROUGH OF PINE BEACH

CURRENT FUND

SCHEDULE OF INTERFUNDS

	<u>REF.</u>	<u>TOTAL</u>	<u>GENERAL CAPITAL FUND</u>	<u>SEWER UTILITY OPERATING FUND</u>	<u>WATER UTILITY OPERATING FUND</u>	<u>GRANT FUND</u>
Balance, December 31, 2022	A	\$ 168,455.68	\$	\$	\$	168,455.68
Due To						
Receipts - Treasurer	A-4	42,737.20	34,100.00	6,000.00	1,531.20	
Disbursements - Treasurer	A-4	185,589.45	34,100.00	6,000.00	1,531.20	142,852.25
Balance, December 31, 2023	A	\$ 37,803.43	\$	\$	\$	37,803.43
Due To						

BOROUGH OF PINE BEACH

GRANT FUND

SCHEDULE OF GRANTS RECEIVABLE

	BALANCE DECEMBER 31, 2022	\$	2023 BUDGET REVENUE REALIZED	\$	CASH RECEIPTS	UNAPPROPRIATED RESERVE APPLIED	BALANCE DECEMBER 31, 2023
State Grants:							
American Rescue Plan Firefighter Grant		\$	27,000.00	\$	27,000.00	\$	55,000.00
Local Recreation Improvement Grant			55,000.00				
Storm Water Assistance Grant			15,000.00		15,000.00		
Water Quality Restoration Grant			3,000.00		1,825.00		1,175.00
Clean Communities Program			6,454.05		6,454.05		
Distracted Driving Crackdown			7,000.00		7,000.00		
Drive Sober Get Pulled Over - Labor Day Crackdown			7,000.00		7,000.00		
Drive Sober Get Pulled Over - Year End Crackdown			7,000.00			768.59	7,000.00
Body Armor Fund			768.59				
Recycling Tonnage Grant			1,571.56		1,571.56		
Federal Grants:							
Community Development Block Grant	69,000.00				63,090.00		5,910.00
	\$	\$	129,794.20	\$	128,940.61	\$	69,085.00

REF.

A

A-2

A-4

A-24

A

BOROUGH OF PINE BEACH

GRANT FUND

SCHEDULE OF GRANTS - APPROPRIATED

	BALANCE DECEMBER 31, 2022	MODIFIED	TRANSFERRED FROM 2023 BUDGET APPROPRIATIONS	PAID OR CHARGED	BALANCE DECEMBER 31, 2023
State Grants:					
American Rescue Plan Firefighter Grant	\$	\$	\$ 27,000.00	\$ 27,000.00	\$ 435.55
American Rescue Plan Firefighter Grant - Local Match			7,200.00	6,764.45	20,900.00
Local Recreation Improvement Grant			55,000.00	34,100.00	5,000.00
Local Recreation Improvement Grant - Local Match			5,000.00		15,000.00
Storm Water Assistance Grant			15,000.00		1,175.00
Water Quality Restoration Grant			3,000.00	1,825.00	32,216.23
Recycling Tonnage Grant	30,796.67	30,796.67	1,571.56	152.00	
Drive Sober Get Pulled Over - Labor Day Crackdown			7,000.00	7,000.00	
Drive Sober Get Pulled Over - Year End Crackdown			7,000.00	3,080.00	3,920.00
Distracted Driving Crackdown			7,000.00	7,000.00	
Clean Communities Program	4,863.03	7,649.05	6,454.05	7,000.00	6,418.52
Body Armor Replacement Fund	645.25	645.25	768.59	7,684.58	1,413.84
Federal Grants:					
Community Development Block Grant	69,000.00	69,000.00		63,090.00	5,910.00
	<u>\$ 105,304.95</u>	<u>\$ 108,090.97</u>	<u>\$ 141,994.20</u>	<u>\$ 157,696.03</u>	<u>\$ 92,389.14</u>
	A		A-3		A
Balance	\$ 105,304.95	105,304.95			
Transferred from Encumbrances Payable		2,786.02			
	<u>\$ 108,090.97</u>	<u>108,090.97</u>			
Cash Disbursements				150,324.72	
Transferred to Encumbrances Payable				7,371.31	
				<u>157,696.03</u>	

BOROUGH OF PINE BEACH
GRANT FUND
SCHEDULE OF GRANTS - UNAPPROPRIATED

	BALANCE DECEMBER 31, 2022	CASH RECEIPTS	CASH DISBURSEMENTS	APPLIED TO RECEIVABLE	BALANCE DECEMBER 31, 2023
APR Funds	\$ 128,596.12	\$	\$ 128,596.12	\$	\$
Body Armor Replacement Fund	768.59	627.98		768.59	627.98
Comcast Grant		6,500.00			6,500.00
	<u>\$ 129,364.71</u>	<u>\$ 7,127.98</u>	<u>\$ 128,596.12</u>	<u>\$ 768.59</u>	<u>\$ 7,127.98</u>
<u>REF.</u>	A	A-4	A-4	A-22	A

BOROUGH OF PINE BEACH

GRANT FUND

SCHEDULE OF INTERFUNDS

	<u>REF.</u>	<u>TOTAL</u>	<u>CURRENT FUND</u>	<u>GENERAL CAPITAL FUND</u>
Balance, December 31, 2022				
Due From	A	\$ <u>168,455.68</u>	\$ <u>168,455.68</u>	\$ _____
Increased By:				
Receipts	A-4	170,168.59	136,068.59	34,100.00
2023 Budget Appropriations - Match	A-23	<u>12,200.00</u>	<u>12,200.00</u>	_____
		\$ <u>182,368.59</u>	\$ <u>148,268.59</u>	\$ <u>34,100.00</u>
Decreased By:				
Disbursements	A-4	<u>278,920.84</u>	<u>278,920.84</u>	_____
Balance, December 31, 2023				
Due From	A	\$ <u><u>71,903.43</u></u>	\$ <u><u>37,803.43</u></u>	\$ <u><u>34,100.00</u></u>

BOROUGH OF PINE BEACH

TRUST FUND

SCHEDULE OF CASH - TREASURER

<u>REF.</u>	<u>ANIMAL CONTROL</u>	<u>OTHER</u>
Balance, December 31, 2022	\$ 2,290.49	\$ 407,550.44
Increased by Receipts:		
Animal Control License Fees	\$ 4,103.60	\$
Due State of New Jersey	461.40	
Interfunds	6.00	6.00
Miscellaneous Reserves		76,903.88
	<u>4,571.00</u>	<u>76,909.88</u>
	<u>6,861.49</u>	<u>484,460.32</u>
Decreased by Disbursements:		
Expenditures Under R.S. 4:19-15.11	\$	\$
Due State of New Jersey	4,013.18	
Interfunds	461.40	
Miscellaneous Reserves	6.00	6.00
	<u>4,480.58</u>	<u>240,808.96</u>
Balance, December 31, 2023	\$ <u>2,380.91</u>	\$ <u>243,645.36</u>

"B-2"

BOROUGH OF PINE BEACH

TRUST FUND

SCHEDULE OF RESERVE FOR ANIMAL CONTROL TRUST FUND EXPENDITURES

	<u>REF.</u>	
Balance, December 31, 2022	B	\$ 2,290.49
Increased by:		
Animal Control License Fees Collected	B-1	4,103.60
		\$ <u>6,394.09</u>
Decreased by:		
Expenditures under R.S. 4:19-15.11:		
Cash Disbursements	B-1	4,013.18
Balance, December 31, 2023	B	\$ <u><u>2,380.91</u></u>

<u>LICENSE FEES COLLECTED</u>	
<u>YEAR</u>	<u>AMOUNT</u>
2022	\$ 4,465.60
2021	<u>8,220.17</u>
	\$ <u><u>12,685.77</u></u>

"B-3"

SCHEDULE OF DUE STATE OF NEW JERSEY

Increased by:		
Animal Registration Fees Collected	B-1	\$ <u>461.40</u>
Decreased by:		
Payments to State Department of Health	B-1	\$ <u><u>461.40</u></u>

"B-4"

BOROUGH OF PINE BEACH

TRUST FUND

SCHEDULE OF MISCELLANEOUS RESERVES

	BALANCE DECEMBER 31, 2022	INCREASED	DECREASED	BALANCE DECEMBER 31, 2023
Affordable Housing	\$ 172,238.67	\$ 17,582.67	\$ 172,602.50	\$ 17,218.84
Compensated Absences	6,076.04			6,076.04
Disposal of Forfeited Property	496.00			496.00
Escrow Deposits	48,324.80	20,426.21	20,783.46	47,967.55
Municipal Alliance	495.18			495.18
Parking Offenses Adjudication Act	91.24	120.00		211.24
Police Off Duty	27,179.50	11,880.00	13,810.00	25,249.50
Police Donations	1,000.00	50.00		1,050.00
Park/Field Deposit	800.00	600.00		1,400.00
Inspection Fees	937.81		243.00	694.81
Performance Bonds	9,305.70			9,305.70
Public Defender Fees	1,009.00	745.00	1,200.00	554.00
Premium on Tax Sale	138,000.00	25,500.00	31,300.00	132,200.00
Street Vacations	1,596.50		870.00	726.50
	<u>\$ 407,550.44</u>	<u>\$ 76,903.88</u>	<u>\$ 240,808.96</u>	<u>\$ 243,645.36</u>

REF.

B

B-1

B-1

B

BOROUGH OF PINE BEACH

TRUST FUND

SCHEDULE OF INTERFUNDS - ANIMAL CONTROL TRUST FUND

	<u>REF.</u>	<u>CURRENT</u> <u>FUND</u>
Increased/Decreased by:		
Cash Receipts	B-1	\$ <u> 6.00</u>
Decreased/Increased by:		
Cash Disbursements	B-1	\$ <u> 6.00</u>

BOROUGH OF PINE BEACH
GENERAL CAPITAL FUND
SCHEDULE OF CASH - TREASURER

	<u>REF.</u>		
Balance, December 31, 2022	C		\$ 577,554.12
Increased by Receipts:			
Grants Receivable	C-4	\$ 424,590.00	
Interfunds	C-16	34,100.00	
Capital Improvement Fund	C-9	5,000.00	
Bond Anticipation Notes	C-11	<u>1,551,250.00</u>	
			<u>2,014,940.00</u>
			\$ 2,592,494.12
Decreased by Disbursements:			
Bond Anticipation Notes	C-11	\$ 1,316,250.00	
Contracts Payable	C-8	<u>694,356.41</u>	
			<u>2,010,606.41</u>
Balance, December 31, 2023	C:C-3		<u>\$ 581,887.71</u>

BOROUGH OF PINE BEACH

GENERAL CAPITAL FUND

ANALYSIS OF CASH

	BALANCE DECEMBER <u>31, 2023</u>
Fund Balance	\$ 28,617.45
Reserve for Debt Service	29,623.12
Reserve for Preliminary Costs	5,388.74
Capital Improvement Fund	70,561.25
Contract Payable	93,326.67
Cash on Hand To Pay Notes as Set Forth on "C-7"	19.50
Grants Receivable	(299,908.27)
Improvement Authorizations:	
Funded as Set Forth on "C-10"	219,533.61
Expended as Set Forth on "C-7"	(252,975.57)
Unexpended Proceeds of Bond Anticipation Notes Issued as Set Forth on "C-7"	<u>687,701.21</u>
	<u>\$ 581,887.71</u>

REF.

C-2

BOROUGH OF PINE BEACH
GENERAL CAPITAL FUND
SCHEDULE OF GRANTS RECEIVABLE

	<u>REF.</u>		
Balance, December 31, 2022	C	\$	550,358.77
Increased by:			
Grant Awards	C-10		251,120.00
		\$	<u>801,478.77</u>
Decreased by:			
Cash Receipts	C-2		<u>424,590.00</u>
Balance, December 31, 2023	C	\$	<u><u>376,888.77</u></u>

Analysis:

Ordinance 18-02 Department of Transportation - Riverside Drive	\$	20,871.90
Ordinance 19-06 NJ DOT Grant		66,246.72
Ordinance 21-06 NJ DOT Grant		148,240.15
Ordinance 22-04 NJ DOT Grant		78,750.00
Ordinance 23-02 NJ DOT Grant		<u>62,780.00</u>
	\$	<u><u>376,888.77</u></u>

BOROUGH OF PINE BEACH

GENERAL CAPITAL FUND

SCHEDULE OF RESERVE FOR PRELIMINARY COSTS

	<u>REF.</u>	
Balance, December 31, 2023 and December 31, 2022	C	\$ <u>5,388.74</u>

BOROUGH OF PINE BEACH

GENERAL CAPITAL FUND

SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - FUNDED

	<u>REF.</u>		
Balance, December 31, 2022	C		\$ 1,568,554.79
Decreased by:			
2023 Budget Appropriation:			
Green Acres Loan	C-12	\$ 111,420.85	
USDA Loan	C-13	9,211.02	
Serial Bonds	C-14	<u>62,001.28</u>	
			<u>182,633.15</u>
Balance, December 31, 2023	C		\$ <u><u>1,385,921.64</u></u>

BOROUGH OF PINE BEACH
GENERAL CAPITAL FUND

SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	BALANCE DECEMBER 31, 2022	NEW ORDINANCES	NOTES PAID BY 2023 BUDGET	BALANCE DECEMBER 31, 2023	ANALYSIS OF BALANCE DECEMBER 31, 2023		
						FINANCED BY BOND ANTICIPATION NOTES	EXPENDITURES	UNEXPENDED IMPROVEMENT AUTHORIZATIONS
95-14, 00-11	Redevelopment of Admiral Farragut Core Campus	\$ 45,056.62	\$	\$	\$ 45,056.62	\$	\$	\$
01-05	Acquisition of Land or Rights in Land Necessary to Implement the Storm Water/Water Quality and Management Plan	32,900.00			32,900.00			32,900.00
02-05	Improvements and Rehabilitation of Riverside Drive	28,455.50			28,455.50		28,455.50	
04-03	Construction of Riverwalk	15,000.00			15,000.00		15,000.00	
05-07	Development of Vista Park Along the Waterfront	7,000.00			7,000.00			7,000.00
06-09	Various Capital Improvements	66,500.00			66,500.00			66,500.00
07-02	Various Capital Improvements	136,149.53			136,149.53			136,149.53
08-07	Various Capital Improvements	20,050.00			20,050.00			20,050.00
10-08	Various Capital Improvements	14,000.00			14,000.00			14,000.00
11-05	Various Capital Improvements	21,500.00			21,500.00			21,500.00
13-06	Waterfront Public Land	218,370.00			218,370.00		140,963.45	77,406.55
13-10	Various Capital Improvements	388,000.00		185,000.00	203,000.00	179,000.00		24,000.00
14-09	Various Capital Improvements	87,500.00		34,000.00	53,500.00	30,000.00		
17-08	Acquisition of Trucks & Refuse Containers	180,000.00		35,000.00	145,000.00	145,000.00		
18-02	Improvements to Riverside Drive from Hillside Ave to Midland Ave	156,980.50		9,500.00	147,480.50	147,480.50		
19-06	Various Capital Improvements	147,750.00		10,000.00	137,750.00	137,750.00		
20-08	Purchase of Equipment and the New Jersey Ave Improvement	345,500.00		26,500.00	319,000.00	319,000.00		
21-06	Reconstruction of Cedar/Monmouth Ave & Acquisition of Equip	188,000.00			188,000.00	188,000.00		
22-04	Various Capital Improvements	196,500.00			196,500.00	170,000.00		26,500.00
23-02	Improvement of Roadways and Acquisition of Equipment		239,500.00		239,500.00	235,000.00		4,500.00
		\$ 2,295,212.15	\$ 239,500.00	\$ 300,000.00	\$ 2,294,712.15	\$ 1,551,230.50	\$ 252,975.57	\$ 430,506.08
		C	C-10	C-11	C		C-3	
	Bond Anticipation Notes					1,551,250.00		1,118,207.29
	Less : Cash On Hand to Pay Notes					19.50		687,701.21
						\$ 1,551,230.50		\$ 430,506.08
	Improvement Authorizations Unfunded							
	Less: Unexpended Proceeds of Bond Anticipation Notes Issued							

BOROUGH OF PINE BEACH
GENERAL CAPITAL FUND
SCHEDULE OF CONTRACTS PAYABLE

	<u>REF.</u>	
Balance, December 31, 2022	C	\$ 297,200.72
Increased by:		
Contract Payable	C-10	<u>456,382.36</u>
		\$ <u>753,583.08</u>
Decreased by:		
Cash Disbursement	C-2	<u>660,256.41</u>
Balance, December 31, 2023	C	<u>\$ 93,326.67</u>

BOROUGH OF PINE BEACH

GENERAL CAPITAL FUND

SCHEDULE OF CAPITAL IMPROVEMENT FUND

	<u>REF.</u>	
Balance, December 31, 2022	C	\$ 67,061.25
Increased by:		
2023 Budget Appropriation	C-2	5,000.00
		\$ <u>72,061.25</u>
Decreased by:		
Appropriation to Finance Improvement Authorizations	C-10	<u>1,500.00</u>
Balance, December 31, 2023	C	\$ <u><u>70,561.25</u></u>

BOROUGH OF PINE BEACH
GENERAL CAPITAL FUND

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	DATE	ORDINANCE AMOUNT	BALANCE DECEMBER 31, 2022		2023 AUTHORIZATIONS	TRANSFER TO CONTRACTS PAYABLE	BALANCE DECEMBER 31, 2023	
				FUNDED	UNFUNDED			FUNDED	UNFUNDED
01-05	Acquisition of Land or Rights in Land Necessary to Implement the Storm Water/Water Quality and Management Plan	05/09/01	\$ 100,000.00	\$ 5,000.00	\$ 32,900.00	\$	\$	\$ 5,000.00	\$ 32,900.00
02-09	Improvement of Real Property (Supplemental)	08/14/02	250,000.00	38,048.13				38,048.13	
05-07	Development of Vista Park Along the Waterfront	04/13/05	1,000,000.00		7,000.00				7,000.00
06-09	Various Capital Improvements	05/10/06	260,000.00	13,679.48	66,500.00			13,679.48	66,500.00
07-02	Various Capital Improvements	03/14/07	460,000.00		136,149.53				136,149.53
08-07	Various Capital Improvements	06/11/08	589,000.00		20,050.00				20,050.00
09-02	Various Capital Improvements	06/02/09	306,000.00	23,788.59				23,788.59	
09-07	Acquisition of Land and Municipal Facility Improvements	10/06/09	915,000.00	7,096.10				7,096.10	
10-08	Various Capital Improvements	09/08/10	240,000.00	33,103.08	14,000.00			33,103.08	14,000.00
11-05	Various Capital Improvements	08/10/11	311,000.00	3,045.12	21,500.00			3,045.12	21,500.00
13-06	Waterfront Public Land	09/11/13	822,000.00		77,406.55				77,406.55
13-10	Various Capital Improvements	12/11/13	1,105,000.00	51,015.20	219,517.25			51,015.20	219,517.25
15-07	Various Capital Improvements	07/08/15	263,000.00	2,867.00				2,867.00	
17-05	Station Avenue Sidewalk Improvements	07/12/17	62,000.00		8,950.75				8,950.75
17-08	Acquisition of Trucks & Refuse Containers	09/13/17	325,000.00		132,615.62				132,615.62
18-02	Improvements to Riverside Drive from Hillside Ave to Midland Ave	05/09/18	355,000.00						
18-04	Purchase of Four Wheel Drive Police Vehicle and Equipment	08/08/18	39,599.78	321.25	58,196.98			321.25	58,196.98
19-06	Various Capital Improvements	07/10/19	501,200.00	41,569.66				41,569.66	
20-07	Improvements to Avon Pier/Cedar Pavilion and Recreation Areas	07/08/20	88,852.66		55,773.87				55,773.87
20-08	Purchase of Equipment and the New Jersey Ave Improvement	07/08/20	705,000.00		91,151.32		626.00		90,525.32
21-06	Reconstruction of Cedar/Monmouth Ave & Acquisition of Equip	07/14/21	570,200.00		140,757.78		73,963.94		66,793.84
22-04	Various Capital Improvements	06/08/22	515,000.00				381,792.42		110,327.58
23-02	Improvement of Roadways and Acquisition of Equipment	06/14/23	492,120.00			492,120.00			
			\$	\$ 219,533.61	\$ 1,082,469.65	\$	\$ 456,382.36	\$ 219,533.61	\$ 1,118,207.29
			REF.	C	C		C-8	C-C-3	C-C-7

Deferred Charges to Future Taxes - Unfunded
Capital Improvement Fund
Grants Receivable

\$ 239,500.00
1,500.00
251,120.00
\$ 492,120.00

BOROUGH OF PINE BEACH

GENERAL CAPITAL FUND

SCHEDULE OF BOND ANTICIPATION NOTES

<u>ORDINANCE</u>	<u>IMPROVEMENT DESCRIPTION</u>	<u>DATE OF ORIGINAL NOTE</u>	<u>DATE OF ISSUE</u>	<u>DATE OF MATURITY</u>	<u>INTEREST RATE</u>	<u>BALANCE DECEMBER 31, 2022</u>	<u>INCREASED</u>	<u>DECREASED</u>	<u>BALANCE DECEMBER 31, 2023</u>
13-10	Various Capital Improvements	11/06/14	10/27/22	10/26/23	4.300%	\$ 364,000.00	\$ 179,000.00	\$ 364,000.00	179,000.00
13-10	Various Capital Improvements	11/06/14	10/25/23	10/25/24	5.100%				
14-09	Various Capital Improvements	11/06/14	10/27/22	10/26/23	4.300%	64,000.00	30,000.00	64,000.00	30,000.00
14-09	Various Capital Improvements	11/06/14	10/25/23	10/25/24	5.100%				
17-08	Acquisition of Trucks and Refuse Containers	11/02/17	10/27/22	10/26/23	4.300%	180,000.00	145,000.00	180,000.00	145,000.00
17-08	Acquisition of Trucks and Refuse Containers	11/02/17	10/25/23	10/25/24	5.100%				
18-02	Improvements to Riverside Drive from Hillside Ave to Midland Ave	11/01/18	10/27/22	10/26/23	4.300%	157,000.00	147,500.00	157,000.00	147,500.00
18-02	Improvements to Riverside Drive from Hillside Ave to Midland Ave	11/01/18	10/25/23	10/25/24	5.100%				
19-06	Various Capital Improvements	10/31/19	10/27/22	10/26/23	4.300%	147,750.00	137,750.00	147,750.00	137,750.00
19-06	Various Capital Improvements	10/31/19	10/25/23	10/25/24	5.100%				
20-08	Purchase of Equipment and the New Jersey Ave Improvement	10/29/20	10/27/22	10/26/23	4.300%	345,500.00	319,000.00	345,500.00	319,000.00
20-08	Purchase of Equipment and the New Jersey Ave Improvement	10/29/20	10/25/23	10/25/24	5.100%				
21-06	Reconstruction of Cedar/Monmouth Ave & Acquisition of Equip	10/28/21	10/27/22	10/26/23	4.300%	188,000.00	188,000.00	188,000.00	188,000.00
21-06	Reconstruction of Cedar/Monmouth Ave & Acquisition of Equip	10/28/21	10/25/23	10/25/24	5.100%				
22-04	Various Capital Improvements	10/27/22	10/27/22	10/26/23	4.300%	170,000.00	170,000.00	170,000.00	170,000.00
22-04	Various Capital Improvements	10/27/22	10/25/23	10/25/24	5.100%				
23-02	Improvement of Roadways and Acquisition of Equipment	10/25/23	10/25/23	10/25/24	5.100%		235,000.00		235,000.00
						<u>\$ 1,616,250.00</u>	<u>\$ 1,551,250.00</u>	<u>\$ 1,616,250.00</u>	<u>\$ 1,551,250.00</u>

C

C

REF.

Paid by Cash

Paid by Budget Appropriation

C-2

C-7

C-2-C-7

\$ 1,316,250.00

\$ 300,000.00

\$ 1,616,250.00

BOROUGH OF PINE BEACH

GENERAL CAPITAL FUND

SCHEDULE OF GREEN ACRES LOANS PAYABLE

PURPOSE	DATE OF ISSUE	AMOUNT OF ORIGINAL ISSUE	MATURITIES OF LOANS OUTSTANDING		INTEREST RATE	BALANCE DECEMBER 31, 2022	DECREASED	BALANCE DECEMBER 31, 2023
			DATE	AMOUNT				
Vista Park Development Phases I & II	9/26/2007	\$ 138,000.00	1/1/2024	\$ 3,962.34	2.00%	\$ 40,637.95	7,807.36	32,830.59
			7/1/2024	4,001.96				
			1/1/2025	4,041.97				
			7/1/2025	4,082.40				
			1/1/2026	4,123.22				
			7/1/2026	4,164.45				
			1/1/2027	4,206.10				
7/1/2027	4,248.15							
Vista Park Development Phases I & II	9/26/2007	148,000.00	1/1/2024	4,249.46	2.00%	43,582.74	8,373.12	35,209.62
			7/1/2024	4,291.95				
			1/1/2025	4,334.87				
			7/1/2025	4,378.23				
			1/1/2026	4,422.00				
			7/1/2026	4,466.21				
			1/1/2027	4,510.89				
7/1/2027	4,556.01							
Vista Park Development Phases I & II	4/11/2007	900,000.00	1/14/2024	42,274.61	2.00%	433,571.20	83,297.68	350,273.52
			7/14/2024	42,697.36				
			1/14/2025	43,124.33				
			7/14/2025	43,555.57				
			1/14/2026	43,991.13				
			7/14/2026	44,431.04				
			1/14/2027	44,875.35				
7/14/2027	45,324.13							

BOROUGH OF PINE BEACH

GENERAL CAPITAL FUND

SCHEDULE OF GREEN ACRES LOANS PAYABLE

PURPOSE	DATE OF ISSUE	AMOUNT OF ORIGINAL ISSUE	MATURITIES OF LOANS OUTSTANDING		INTEREST RATE	BALANCE DECEMBER 31, 2022	DECREASED	BALANCE DECEMBER 31, 2023
			DATE	AMOUNT				
Vista Park Development Phases I & II	4/11/2016	\$ 250,000.00	1/14/2024	\$ 6,061.06		\$		\$
			7/14/2024	6,121.67				
			1/14/2025	6,182.89				
			7/14/2025	6,244.72				
			1/14/2026	6,307.16				
			7/14/2026	6,370.24				
			1/14/2027	6,433.94				
			7/14/2027	6,498.28				
			1/14/2028	6,563.26				
			7/14/2028	6,628.89				
			1/14/2029	6,695.18				
			7/14/2029	6,762.13				
			1/14/2030	6,829.76				
			7/14/2030	6,898.05				
			1/14/2031	6,967.03				
			7/14/2031	7,036.70				
		1/14/2032	7,107.07					
		7/14/2032	7,178.14					
		1/14/2033	7,249.92					
		7/14/2033	7,322.42					
		1/14/2034	7,395.65					
		7/14/2034	7,469.60					
		1/14/2035	7,544.30					
		7/14/2035	7,619.74					
		1/14/2036	7,695.94					
					2.00%	183,126.43	11,942.69	171,183.74
						\$ 700,918.32	\$ 111,420.85	\$ 589,497.47
					<u>REF.</u>	C	C-6	C

BOROUGH OF PINE BEACH

GENERAL CAPITAL FUND

SCHEDULE OF USDA LOAN PAYABLE

<u>PURPOSE</u>	<u>DATE OF ISSUE</u>	<u>AMOUNT OF ORIGINAL ISSUE</u>	<u>MATURITIES OF LOANS OUTSTANDING</u>		<u>INTEREST RATE</u>	<u>BALANCE DECEMBER 31, 2022</u>	<u>BALANCE DECEMBER 31, 2023</u>
			<u>DATE</u>	<u>AMOUNT</u>			
Waterfront Public Land	10/1/2015	\$ 603,630.00	4/1/2024	\$ 4,726.75		\$	\$
			10/1/2024	4,809.47			
			4/1/2025	4,893.64			
			10/1/2025	4,979.28			
			4/1/2026	5,066.41			
			10/1/2026	5,155.08			
			4/1/2027	5,245.29			
			10/1/2027	5,337.08			
			4/1/2028	5,430.48			
			10/1/2028	5,525.51			
			4/1/2029	5,622.21			
			10/1/2029	5,720.60			
			4/1/2030	5,820.71			
			10/1/2030	5,922.57			
			4/1/2031	6,026.22			
			10/1/2031	6,131.68			
			4/1/2032	6,238.98			
			10/1/2032	6,348.16			
			4/1/2033	6,459.26			
		10/1/2033	6,572.29				
		4/1/2034	6,687.31				
		10/1/2034	6,804.34				
		4/1/2035	6,923.41				
		10/1/2035	7,044.57				
		4/1/2036	7,167.85				
		10/1/3036	7,293.29				
		4/1/2037	7,420.92				
		10/1/2037	7,550.79				
		4/1/2038	7,682.93				
		10/1/2038	7,817.38				
		4/1/2039	7,954.18				
		10/1/2039	8,093.38				

BOROUGH OF PINE BEACH

GENERAL CAPITAL FUND

SCHEDULE OF USDA LOAN PAYABLE

PURPOSE	DATE OF ISSUE	AMOUNT OF ORIGINAL ISSUE	MATURITIES OF LOANS		INTEREST RATE	BALANCE DECEMBER 31, 2022	DECREASED	BALANCE DECEMBER 31, 2023
			OUTSTANDING DECEMBER 31, 2023	DATE				
Waterfront Public Land (Continued)	10/1/2015	\$ 603,630.00	\$	8,235.01		\$	\$	
				10/1/2040				
				4/1/2040				
				10/1/2041				
				4/1/2041				
				10/1/2042				
				4/1/2042				
				10/1/2043				
				4/1/2043				
				10/1/2044				
				4/1/2044				
				10/1/2045				
				4/1/2045				
				10/1/2046				
				4/1/2046				
				10/1/2047				
				4/1/2047				
				10/1/2048				
				4/1/2048				
				10/1/2049				
			4/1/2049					
			10/1/2050					
			4/1/2050					
			10/1/2051					
			4/1/2051					
			10/1/2052					
			4/1/2052					
			10/1/2053					
			4/1/2053					
			10/1/2054					
			4/1/2054					
			10/1/2055					
			4/1/2055					
					3.50%	543,853.65	9,211.02	534,642.63
						\$	\$	\$
						543,853.65	9,211.02	534,642.63
					REF.	C	C-6	C

BOROUGH OF PINE BEACH

GENERAL CAPITAL FUND

SCHEDULE OF SERIAL BONDS PAYABLE

PURPOSE	DATE OF ISSUE	AMOUNT OF ORIGINAL ISSUE	MATURITIES OF BONDS OUTSTANDING		INTEREST RATE	BALANCE DECEMBER 31, 2022	DECREASED	BALANCE DECEMBER 31, 2023
			DATE	AMOUNT				
General Improvements	11/1/2017	\$ 610,000.00	11/1/2024	\$ 62,767.00	2.47%	\$	\$	\$
			11/1/2025	64,542.17	2.47%			
			11/1/2026	66,089.27	2.47%			
			11/1/2027	68,383.10	2.47%			
						<u>323,782.82</u>	<u>62,001.28</u>	<u>261,781.54</u>
						<u>\$ 323,782.82</u>	<u>\$ 62,001.28</u>	<u>\$ 261,781.54</u>
					<u>REF.</u>	C	C-6	C

BOROUGH OF PINE BEACH

GENERAL CAPITAL FUND

SCHEDULE OF RESERVE FOR DEBT SERVICE

	<u>REF.</u>	
Balance, December 31, 2023 and December 31, 2022	C	\$ <u>29,623.12</u>

BOROUGH OF PINE BEACH

GENERAL CAPITAL FUND

SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

<u>ORDINANCE NUMBER</u>	<u>IMPROVEMENT DESCRIPTION</u>	<u>BALANCE DECEMBER 31, 2023</u>
95-14, 00-11	Redevelopment of Admiral Farragut Core Campus	\$ 45,056.62
01-05	Acquisition of Land or Rights in Land Necessary to Implement the Storm Water/Water Quality and Management Plan	32,900.00
02-05	Improvements and Rehabilitation of Riverside Drive	28,455.50
04-03	Construction of Riverwalk	15,000.00
05-07	Development of Vista Park Along the Waterfront	7,000.00
06-09	Various Capital Improvements	66,500.00
07-02	Various Capital Improvements	136,149.53
08-07	Various Capital Improvements	20,050.00
10-08	Various Capital Improvements	14,000.00
11-05	Various Capital Improvements	21,500.00
13-06	Replacement of the Bulkhead on the Borough's Waterfront Public Land	218,370.00
13-10	Various Capital Improvements	24,000.00
14-09	Various Capital Improvements	23,500.00
22-04	Various Capital Improvements	26,500.00
23-02	Improvement of Roadways and Acquisition of Equipment	4,500.00
		<u>\$ 683,481.65</u>

REF.

C

BOROUGH OF PINE BEACH

WATER UTILITY FUND

SCHEDULE OF CASH - TREASURER

	<u>REF.</u>	<u>OPERATING</u>	<u>CAPITAL</u>
Balance, December 31, 2022	D	\$ 416,223.37	\$ 867,928.54
Increased by Receipts:			
ARP Funds	D-3	\$ 128,596.12	\$
Collector	D-6	411,885.76	
Accounts Payable Refunds	D-14	1,531.20	2,500.00
Capital Improvement Fund	D-19		656,000.00
Bond Anticipation Notes	D-21	542,013.08	658,500.00
		<u>958,236.45</u>	<u>1,526,428.54</u>
Decreased by Disbursements:			
Disbursed	D-4	\$ 243,716.28	\$
Appropriation Reserves	D-10	2,047.93	
Accrued Interest on Notes and Loans	D-12	82,140.73	
Reserve for Painting of Water Tower	D-13	228,596.12	358,808.79
Contracts Payable	D-18		884,500.00
Bond Anticipation Notes	D-21	556,501.06	1,243,308.79
Balance, December 31, 2023	D	\$ <u>401,735.39</u>	\$ <u>283,119.75</u>

"D-6"

BOROUGH OF PINE BEACH

WATER UTILITY OPERATING FUND

SCHEDULE OF CASH - COLLECTOR

	<u>REF.</u>		<u>OPERATING</u>
Increased by Receipts:			
Interest on Delinquent Accounts	D-3	\$	3,398.98
Connection Fees	D-3		1,000.00
Interest on Investments	D-3		29,583.68
Consumer Accounts Receivable	D-9		275,865.13
Overpaid/Prepaid Water Rents	D-11		<u>102,037.97</u>
			\$ <u>411,885.76</u>
Decreased by Disbursements:			
Payment to Treasurer	D-5		\$ <u><u>411,885.76</u></u>

"D-7"

SCHEDULE OF CHANGE FUNDS

Balance, December 31, 2023 and December 31, 2022	D	\$	<u><u>25.00</u></u>
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BOROUGH OF PINE BEACH

WATER UTILITY CAPITAL FUND

SCHEDULE OF ANALYSIS OF CASH

	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2023</u>
Fund Balance	\$ 32,571.71
Capital Improvement Fund	64,000.00
Contracts Payable	7,125.49
Interfunds Receivables	(5,000.00)
Improvement Authorizations:	
Ordinance 86-26 Renovation of Well	(18,750.00)
Ordinance 08-06 Improvement of Water Utility Wells	2,972.00
Ordinance 11-06 Rehabilitation and/or Reconstruction of Water Well No. 1 and the Acquisition and Installation of Replacement Metering System	56,990.13
Ordinance 21-01 Refurbishing of the Water Tower	142,110.42
Ordinance 21-07 Acquisition and Installation of Water Filter	1,100.00
	<u>\$ 283,119.75</u>
<u>REF.</u>	D

BOROUGH OF PINE BEACH
WATER UTILITY OPERATING FUND
SCHEDULE OF CONSUMER ACCOUNTS RECEIVABLE

	<u>REF.</u>		
Balance, December 31, 2022	D	\$	17,834.71
Increased by:			
Water Rents Levied - Net			343,101.31
		\$	<u>360,936.02</u>
Decreased by:			
Collection	D-3:D-6	\$	275,865.13
Overpaid/Prepaid Applied	D-3:D-11		<u>69,470.89</u>
			<u>345,336.02</u>
Balance, December 31, 2023	D	\$	<u><u>15,600.00</u></u>

BOROUGH OF PINE BEACH
WATER UTILITY OPERATING FUND
SCHEDULE OF 2022 APPROPRIATION RESERVES

	<u>BALANCE</u> <u>DECEMBER</u> <u>31., 2022</u>	<u>BALANCE</u> <u>AFTER</u> <u>TRANSFERS</u>	<u>EXPENDED</u>	<u>BALANCE</u> <u>LAPSED</u>
Operating:				
Salaries and Wages	\$ 25,755.93	\$ 25,755.93	\$	\$ 25,755.93
Other Expenses	22,148.74	23,638.21	2,047.93	21,590.28
Capital Improvements:				
Purchase of Hydrants	1,500.00	1,500.00		1,500.00
Statutory Expenditures:				
Contribution to:				
Social Security System (O.A.S.I.)	2,140.54	2,140.54		2,140.54
Unemployment Compensation Insurance	588.66	588.66		588.66
	\$ 52,133.87	\$ 53,623.34	\$ 2,047.93	\$ 51,575.41
	\$	\$	\$	\$
<u>REF.</u>			D-5	D-1
Appropriation Reserves	\$	52,133.87		
Transferred from Encumbrances		1,489.47		
	\$	53,623.34		

BOROUGH OF PINE BEACH

WATER UTILITY OPERATING FUND

SCHEDULE OF OVERPAID/PREPAID WATER RENTS

	<u>REF.</u>	<u>TOTAL</u>	<u>OVERPAID</u>	<u>PREPAID</u>
Balance, December 31, 2022	D	\$ 69,470.89	\$ 966.78	\$ 68,504.11
Increased by:				
Cash Receipts	D-6	<u>102,037.97</u>	<u>1,158.90</u>	<u>100,879.07</u>
		171,508.86	2,125.68	169,383.18
Decreased by:				
Application to Consumer Accounts Receivable	D-9	<u>69,470.89</u>	<u>966.78</u>	<u>68,504.11</u>
Balance, December 31, 2023	D	<u>\$ 102,037.97</u>	<u>\$ 1,158.90</u>	<u>\$ 100,879.07</u>

BOROUGH OF PINE BEACH

WATER UTILITY OPERATING FUND

SCHEDULE OF ACCRUED INTEREST ON NOTES AND LOANS

	<u>REF.</u>	
Balance, December 31, 2022	D	\$ 11,732.15
Increased by:		
Budget Appropriations	D-4	82,140.73
		\$ <u>93,872.88</u>
Decreased by:		
Cash Disbursements	D-5	<u>82,140.73</u>
Balance, December 31, 2023	D	\$ <u><u>11,732.15</u></u>

BOROUGH OF PINE BEACH
WATER UTILITY OPERATING FUND
RESERVE FOR PAINTING OF WATER TOWER

	<u>REF.</u>	
Balance, December 31, 2022	D	\$ 100,000.00
Increased by:		
Budget Appropriations	D-4	128,596.12
		\$ <u>228,596.12</u>
Decreased by:		
Cash Disbursements	D-5	\$ <u><u>228,596.12</u></u>

"D-14"

BOROUGH OF PINE BEACH

WATER UTILITY OPERATING FUND

SCHEDULE OF ACCOUNTS PAYABLE

	<u>REF.</u>	
Increased by:		
Refunds	D-5	\$ <u>1,531.20</u>
Decreased by:		
Canceled	D-1	\$ <u><u>1,531.20</u></u>

"D-15"

BOROUGH OF PINE BEACH
WATER UTILITY OPERATING FUND
SCHEDULE OF INTERFUNDS

	<u>REF.</u>	<u>WATER UTILITY CAPITAL FUND</u>
Decreased by:		
Budget Appropriation - Unfunded Ordinance	D-4	\$ <u>5,000.00</u>
Balance, December 31, 2023		
Due To	D	\$ <u><u>5,000.00</u></u>

BOROUGH OF PINE BEACH
WATER UTILITY CAPITAL FUND
SCHEDULE OF FIXED CAPITAL

<u>ACCOUNT</u>	<u>BALANCE</u> <u>DECEMBER 31,</u> <u>2022 AND 2023</u>
Pumping Station Structures	\$ 17,996.20
Well and Pumping Equipment	68,999.00
Water Storage Tank and Tower	177,480.78
Mains and Accessories	210,854.38
Fire Hydrants	15,212.20
House Connections	31,960.00
Engineering	31,785.84
Legal and Administrative Costs	6,681.14
Water Meters	1,756.97
Improvement of Water Utility Wells	72,028.00
Improvements to Water Tower	116,374.96
Improvements to Water System	1,102,588.87
Water Tower Upgrades	<u>50,000.00</u>
	<u>\$ 1,903,718.34</u>

REF.

D

BOROUGH OF PINE BEACH

WATER UTILITY CAPITAL FUND

SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED

<u>ORDINANCE NUMBER</u>	<u>IMPROVEMENT DESCRIPTION</u>	<u>DATE OF ORDINANCE</u>	<u>BALANCE DECEMBER 31, 2022 AND 2023</u>
08-06	Improvement of Water Utility Wells	06/11/08	\$ 2,972.00
11-06,13-09	Rehabilitation and/or Reconstruction of Water Well No. 1 and the Acquisition and Installation of Replacement Metering System	11/21/11 12/11/13	750,000.00 120,000.00
19-06	Refurbishing of Water Tower	07/10/19	50,000.00
20-09(a)	Acquisition & Installation of Filter & GIS System	07/08/20	50,000.00
20-09(b)	Refurbishing of Water Tower	07/08/20	310,000.00
21-01	Refurbishing of Water Tower	03/10/21	490,000.00
21-07	Acquisition and Installation of Water Filter	08/11/21	<u>45,000.00</u>
			\$ <u>1,817,972.00</u>
		<u>REF.</u>	D

BOROUGH OF PINE BEACH
WATER UTILITY CAPITAL FUND
SCHEDULE OF CONTRACTS PAYABLE

	<u>REF.</u>		
Balance, December 31, 2022	D	\$	6,873.49
Increased by:			
Improvement Authorizations	D-20		359,060.79
		\$	<u>365,934.28</u>
Decreased by:			
Cash Disbursements	D-5		<u>358,808.79</u>
Balance, December 31, 2023	D	\$	<u><u>7,125.49</u></u>

BOROUGH OF PINE BEACH
WATER UTILITY CAPITAL FUND
SCHEDULE OF CAPITAL IMPROVEMENT FUND

	<u>REF.</u>		
Balance, December 31, 2022	D	\$	61,500.00
Increased by:			
Budget Appropriation	D-5		<u>2,500.00</u>
Balance, December 31, 2023	D	\$	<u><u>64,000.00</u></u>

BOROUGH OF PINE BEACH
WATER UTILITY CAPITAL FUND

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	ORDINANCE DATE	ORDINANCE AMOUNT	BALANCE DECEMBER 31, 2022		PAID OR CHARGED	BALANCE DECEMBER 31, 2023	
				FUNDED	UNFUNDED		FUNDED	UNFUNDED
08-06 11-06;13-09	Improvement of Water Utility Wells Rehabilitation and/or Reconstruction of Water Well No. 1 and the Acquisition and Installation of Replacement Metering System	06/11/08	\$ 50,000.00	\$ 2,972.00	\$	\$	\$ 2,972.00	\$
20-09	Refurbishing of Water Tower	11/21/11	870,000.00	56,990.13		251,398.46	56,990.13	
21-01	Refurbishing of Water Tower	12/11/13	310,000.00			107,662.33		
21-07	Acquisition and Installation of Water Filter	07/08/20	490,000.00					370,610.42
		03/10/21	45,000.00					1,100.00
		08/11/21						
				\$ 59,962.13	\$ 730,771.21	\$ 359,060.79	\$ 59,962.13	\$ 371,710.42
				D	D	D-18	D	D

REF.

BOROUGH OF PINE BEACH
WATER UTILITY CAPITAL FUND

SCHEDULE OF BOND ANTICIPATION NOTES

<u>ORDINANCE</u>	<u>IMPROVEMENT DESCRIPTION</u>	<u>DATE OF ORIGINAL ISSUE OF NOTE</u>	<u>DATE OF ISSUE</u>	<u>DATE OF MATURITY</u>	<u>INTEREST RATE</u>	<u>BALANCE DECEMBER 31, 2022</u>	<u>INCREASED</u>	<u>DECREASED</u>	<u>BALANCE DECEMBER 31, 2023</u>
19-06/20-02	Refurbishing of Water Tower	10/29/20	10/27/22	10/28/23	4.300%	\$ 27,000.00	\$	\$ 27,000.00	\$
19-06/20-02	Refurbishing of Water Tower	10/29/20	10/25/23	10/25/24	5.100%		21,000.00		21,000.00
20-09	Improvement of Water Utility System	10/29/20	10/27/22	10/26/23	4.300%	342,500.00		342,500.00	
20-09	Improvement of Water Utility System	10/29/20	10/25/23	10/25/24	5.100%		328,500.00		328,500.00
21-01	Refurbishing of Water Tower	04/28/21	10/27/22	10/26/23	4.300%	490,000.00		490,000.00	
21-01	Refurbishing of Water Tower	04/28/21	10/25/23	10/25/24	5.100%		261,500.00		261,500.00
21-07	Acquisition and Installation of Water Filter	10/28/21	10/27/22	10/26/23	4.300%	45,000.00		45,000.00	
21-07	Acquisition and Installation of Water Filter	10/28/21	10/25/23	10/25/24	5.100%		45,000.00		45,000.00
						<u>\$ 904,500.00</u>	<u>\$ 656,000.00</u>	<u>\$ 904,500.00</u>	<u>\$ 656,000.00</u>
					<u>REF.</u>	<u>D</u>	<u>D-5</u>		<u>D</u>
	Paid by Cash							\$ 884,500.00	
	Paid by Budget Appropriation							<u>20,000.00</u>	
								<u>\$ 904,500.00</u>	

BOROUGH OF PINE BEACH

WATER UTILITY CAPITAL FUND

SCHEDULE OF LOAN PAYABLE

<u>PURPOSE</u>	<u>DATE OF ISSUE</u>	<u>ORIGINAL ISSUE</u>	<u>MATURITIES OF LOANS OUTSTANDING</u>		<u>INTEREST RATE</u>	<u>BALANCE DECEMBER 31, 2022</u>	<u>DECREASED</u>	<u>BALANCE DECEMBER 31, 2023</u>
			<u>DATE</u>	<u>AMOUNT</u>				
Water System	03/30/95	\$ 1,050,000.00	04/01/24	\$ 17,528.05		\$		\$
			10/01/24	18,021.02				
			04/01/25	18,527.86				
			10/01/25	19,048.96				
			04/01/26	19,584.71				
			10/01/26	20,135.53				
			04/01/27	20,701.84				
			10/01/27	21,284.08				
			04/01/28	21,882.70				
			10/01/28	22,498.15				
			04/01/29	23,130.91				
			10/01/29	23,681.47				
			04/01/30	24,347.51				
			10/01/30	25,032.28				
			04/01/31	25,736.32				
		10/01/31	26,460.16					
		04/01/32	27,204.35					
		10/01/32	27,969.47					
		04/01/33	28,756.11					
		10/01/33	29,564.88					
		04/01/34	30,496.39					
		10/01/34	31,254.10					
		04/01/35	32,173.78	5.625%				
							33,630.74	
						588,651.37		555,020.63
						\$ 588,651.37	\$ 33,630.74	\$ 555,020.63

REF.

D-24

D

BOROUGH OF PINE BEACH

WATER UTILITY CAPITAL FUND

SCHEDULE OF SERIAL BONDS PAYABLE

PURPOSE	DATE OF ISSUE	AMOUNT OF ORIGINAL ISSUE	MATURITIES OF BONDS OUTSTANDING		INTEREST RATE	BALANCE DECEMBER 31, 2022	BALANCE DECEMBER 31, 2023
			DATE	AMOUNT			
General Improvements	4/28/2021	\$ 600,000.00	4/28/2024	60,000.00	2.10%	\$	\$
			4/28/2025	60,000.00	2.10%		
			4/28/2026	60,000.00	2.10%		
			4/28/2027	60,000.00	2.10%		
			4/28/2028	60,000.00	2.10%		
			4/28/2029	60,000.00	2.10%		
			4/28/2030	60,000.00	2.10%		
			4/28/2031	60,000.00	2.10%		
						540,000.00	480,000.00
						\$ 540,000.00	\$ 480,000.00

REF.

D-24

D

D

BOROUGH OF PINE BEACH
WATER UTILITY CAPITAL FUND
SCHEDULE OF RESERVE FOR AMORTIZATION

	<u>REF.</u>		
Balance, December 31, 2022	D	\$	1,351,316.97
Increased By:			
Loan Paid by Operating Budget	D-22	\$	33,630.74
Bond Paid by Operating Budget	D-23		60,000.00
Unfunded Ordinance Paid by Operating Budget	D-26		<u>5,000.00</u>
			<u>98,630.74</u>
Balance, December 31, 2023	D	\$	<u><u>1,449,947.71</u></u>

BOROUGH OF PINE BEACH

WATER UTILITY CAPITAL FUND

SCHEDULE OF DEFERRED RESERVE FOR AMORTIZATION

<u>ORDINANCE NUMBER</u>	<u>IMPROVEMENT DESCRIPTION</u>	<u>DATE OF ORDINANCE</u>	<u>BALANCE DECEMBER 31, 2022</u>	<u>NOTES PAID BY OPERATING BUDGET</u>	<u>BALANCE DECEMBER 31, 2023</u>
08-06	Improvement of Water Utility Wells	06/11/08	\$ 2,972.00	\$	\$ 2,972.00
11-06/13-09	Rehabilitation and/or Reconstruction of Water Well No. 1 and the Acquisition and Installation of Replacement Metering System	11/21/11 12/11/13	270,000.00		270,000.00
19-06/20-02	Various Capital Improvements	07/10/19	23,000.00	6,000.00	29,000.00
20-09	Improvement of Water Utility System	07/08/20	17,500.00	14,000.00	31,500.00
			<u>\$ 313,472.00</u>	<u>\$ 20,000.00</u>	<u>\$ 333,472.00</u>

REF.

D

D-21

D

BOROUGH OF PINE BEACH
WATER UTILITY CAPITAL FUND
SCHEDULE OF INTERFUNDS

	<u>REF.</u>	<u>WATER UTILITY OPERATING FUND</u>
Increased By:		
Budget Appropriation - Unfunded Ordinance	D-24	\$ <u>5,000.00</u>
Balance, December 31, 2023		
Due From	D	\$ <u><u>5,000.00</u></u>

"D-27"

BOROUGH OF PINE BEACH

WATER UTILITY CAPITAL FUND

SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

<u>ORDINANCE NUMBER</u>	<u>IMPROVEMENT DESCRIPTION</u>	<u>BALANCE DECEMBER 31, 2023</u>
86-26	Renovation of Well	\$ <u>18,750.00</u>
		\$ <u><u>18,750.00</u></u>
		<u>REF.</u> D

BOROUGH OF PINE BEACH

SEWER UTILITY FUND

SCHEDULE OF CASH - TREASURER

	<u>REF.</u>	<u>OPERATING</u>	<u>CAPITAL</u>
Balance, December 31, 2022	E	\$ 367,610.70	\$ 62,952.78
Increased by Receipts:			
Collector	E-6	\$ 431,555.66	\$
Interest on Investments	E-3	9,352.35	
Reserve for Replacement Fund	E-16		1,000.00
Miscellaneous Revenues	E-3	30.00	
Accounts Payable Refunds	E-14	6,000.00	
		<u>446,938.01</u>	<u>1,000.00</u>
		\$ 814,548.71	\$ 63,952.78
Decreased by Disbursements:			
2023 Appropriations	E-4	\$ 361,669.17	\$
2022 Appropriation Reserves	E-10	35.44	
Accrued Interest on Loans	E-13	4,599.76	
		<u>366,304.37</u>	
Balance, December 31, 2023	E	\$ <u>448,244.34</u>	\$ <u>63,952.78</u>

"E-6"

BOROUGH OF PINE BEACH
SEWER UTILITY OPERATING FUND
SCHEDULE OF CASH - COLLECTOR

	<u>REF.</u>	<u>OPERATING</u>
Increased by Receipts:		
Interest on Delinquent Accounts	E-3	\$ 3,508.11
Connection Fees	E-3	600.00
Consumer Accounts Receivable	E-9	366,141.46
Overpaid/Prepaid Sewer Rents	E-11	<u>61,306.09</u>
		\$ <u>431,555.66</u>
Decreased by Disbursements:		
Payment to Treasurer	E-5	\$ <u><u>431,555.66</u></u>

"E-7"

SCHEDULE OF CHANGE FUNDS

Balance, December 31, 2023 and December 31, 2022	E	\$ <u><u>25.00</u></u>
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BOROUGH OF PINE BEACH
SEWER UTILITY CAPITAL FUND
SCHEDULE OF ANALYSIS OF CASH

	BALANCE DECEMBER <u>31, 2023</u>
Fund Balance	\$ 3,457.78
Reserve for Replacement Fund	68,050.00
Capital Improvement Fund	25,000.00
Interfunds Receivable	(5,000.00)
Improvement Authorizations:	
Ordinance 92-12 Construction of Sanitary Sewer	(30,000.00)
Ordinance 00-10 Renovation and Upgrade of the Sewer Utility Plant	<u>2,445.00</u>
	<u>\$ 63,952.78</u>

REF.

E

BOROUGH OF PINE BEACH

SEWER UTILITY OPERATING FUND

SCHEDULE OF CONSUMER ACCOUNTS RECEIVABLE

	<u>REF.</u>		
Balance, December 31, 2022	E		\$ 24,147.30
Increased by:			
Sewer Rents Levied - Net			406,868.28
			<u>\$ 431,015.58</u>
Decreased by:			
Collection	E-3:E-6	\$ 366,141.46	
Overpaid/Prepaid Applied	E-3:E-11	<u>40,220.19</u>	
			<u>406,361.65</u>
Balance, December 31, 2023	E		<u><u>\$ 24,653.93</u></u>

BOROUGH OF PINE BEACH

SEWER UTILITY OPERATING FUND

SCHEDULE OF 2022 APPROPRIATION RESERVES

	BALANCE DECEMBER 31, 2022	BALANCE AFTER TRANSFERS	PAID OR CHARGED	BALANCE LAPSED
Operating:				
Salaries and Wages	\$ 28,311.56	\$ 28,311.56	\$	28,311.56
Other Expenses	44,154.83	44,218.37	35.44	44,182.93
Sewerage Treatment Costs	28,954.34	28,954.34		28,954.34
Capital Improvements:				
Improvements to Sewer Plant	5,000.00	5,000.00		5,000.00
Statutory Expenditures:				
Contribution to:				
Public Employee's Retirement System	1,390.42	1,390.42		1,390.42
Social Security System (O.A.S.I.)	561.96	561.96		561.96
Unemployment Compensation Insurance				
	\$ 108,373.11	\$ 108,436.65	\$ 35.44	\$ 108,401.21

REF.

E

E-5

E-1

Appropriation Reserves
Reserve for Encumbrances

\$ 108,373.11
63.54
\$ 108,436.65

BOROUGH OF PINE BEACH
SEWER UTILITY OPERATING FUND
SCHEDULE OF OVERPAID/PREPAID SEWER RENTS

	<u>REF.</u>	<u>TOTAL</u>	<u>OVERPAID</u>	<u>PREPAID</u>
Balance, December 31, 2022	E	\$ 40,220.19	\$ 300.50	\$ 39,919.69
Increased by:				
Collector Receipts in 2023	E-6	<u>61,306.09</u>	<u>300.00</u>	<u>61,006.09</u>
		\$ 101,526.28	\$ 600.50	\$ 100,925.78
Decreased by:				
Application to Consumer Accounts Receivable	E-9	<u>40,220.19</u>	<u>300.50</u>	<u>39,919.69</u>
Balance, December 31, 2023	E	<u>\$ 61,306.09</u>	<u>\$ 300.00</u>	<u>\$ 61,006.09</u>

"E-12"

BOROUGH OF PINE BEACH
SEWER UTILITY OPERATING FUND
SCHEDULE OF RESERVE FOR ENCUMBRANCES

	<u>REF.</u>		
Balance, December 31, 2022	E	\$	63.54
Increased by:			
2023 Appropriations	E-4		4,484.12
		\$	<u>4,547.66</u>
Decreased by:			
2022 Appropriation Reserves	E-10		<u>63.54</u>
Balance, December 31, 2023	E	\$	<u><u>4,484.12</u></u>

"E-13"

SCHEDULE OF ACCRUED INTEREST ON LOANS

Balance, December 31, 2022	E	\$	4,139.09
Increased by:			
Budget Appropriation	E-4		4,599.76
		\$	<u>8,738.85</u>
Decreased by:			
Interest Paid	E-5		<u>4,599.76</u>
Balance, December 31, 2023	E	\$	<u><u>4,139.09</u></u>

BOROUGH OF PINE BEACH
SEWER UTILITY OPERATING FUND
SCHEDULE OF ACCOUNTS PAYABLE

	<u>REF.</u>	
Increased by:		
Refunds	E-5	\$ <u>6,000.00</u>
Decreased by:		
Canceled	E-1	\$ <u><u>6,000.00</u></u>

BOROUGH OF PINE BEACH
SEWER UTILITY OPERATING FUND
SCHEDULE OF INTERFUNDS

	<u>REF.</u>	<u>SEWER UTILITY CAPITAL FUND</u>
Decreased by:		
Budget Appropriation - Unfunded Ordinance	E-4	\$ <u>5,000.00</u>
Balance, December 31, 2023		
Due To	E	\$ <u><u>5,000.00</u></u>

BOROUGH OF PINE BEACH

SEWER UTILITY CAPITAL FUND

SCHEDULE OF RESERVE FOR REPLACEMENT FUND

	<u>REF.</u>		
Balance, December 31, 2022	E	\$	67,050.00
Increased by:			
2023 Budget Appropriation	E-5		<u>1,000.00</u>
Balance, December 31, 2023	E	\$	<u><u>68,050.00</u></u>

BOROUGH OF PINE BEACH
SEWER UTILITY CAPITAL FUND
SCHEDULE OF FIXED CAPITAL

	<u>REF.</u>	
December 31, 2023 and December 31, 2022	E	\$ <u>3,225,163.51</u>

BOROUGH OF PINE BEACH

SEWER UTILITY CAPITAL FUND

SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED

<u>ORDINANCE NUMBER</u>	<u>IMPROVEMENT DESCRIPTION</u>	<u>DATE OF ORDINANCE</u>	<u>BALANCE DECEMBER 31, 2022 AND 2023 FUNDED</u>
00-10	Renovation and Upgrade of the Sewer Utility Plant	06/14/00	\$ <u>5,000.00</u>
			\$ <u><u>5,000.00</u></u>
		<u>REF.</u>	E

BOROUGH OF PINE BEACH
SEWER UTILITY CAPITAL FUND
SCHEDULE OF CAPITAL IMPROVEMENT FUND

	<u>REF.</u>	
December 31, 2023 and December 31, 2022	E	\$ <u>25,000.00</u>

BOROUGH OF PINE BEACH

SEWER UTILITY CAPITAL FUND

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

<u>ORDINANCE NUMBER</u>	<u>IMPROVEMENT DESCRIPTION</u>	<u>DATE</u>	<u>ORDINANCE AMOUNT</u>	<u>BALANCE DECEMBER 31, 2023 AND 2022 FUNDED</u>
00-10	Renovation and Upgrade of the Sewer Utility Plant	06/14/00	\$ 5,000.00	\$ 2,445.00
				\$ <u>2,445.00</u>
			<u>REF.</u>	E

BOROUGH OF PINE BEACH

SEWER UTILITY CAPITAL FUND

SCHEDULE OF LOAN PAYABLE

PURPOSE	DATE OF ISSUE	ORIGINAL ISSUE	MATURITIES OF LOANS OUTSTANDING		INTEREST RATE	BALANCE DECEMBER 31, 2022	BALANCE DECEMBER 31, 2023
			DATE	AMOUNT			
Sewer Construction	09/05/84	\$ 658,000.00	2024	\$ 54,949.85	5.00%	\$ 107,061.26	\$ 54,949.85
					<u>REF.</u>	E	E
						\$ 52,111.41	\$ 52,111.41
						<u>E-22</u>	<u>E-22</u>

BOROUGH OF PINE BEACH

SEWER UTILITY CAPITAL FUND

SCHEDULE OF RESERVE FOR AMORTIZATION

	<u>REF.</u>		
Balance, December 31, 2022	E		\$ 3,083,102.25
Increased by:			
Loans Paid by Operating Budget	E-21	\$ 52,111.41	
Unfunded Ordinance Paid by Operating Budget	E-24	<u>5,000.00</u>	
			<u>57,111.41</u>
Balance, December 31, 2023	E		\$ <u><u>3,140,213.66</u></u>

BOROUGH OF PINE BEACH

SEWER UTILITY CAPITAL FUND

SCHEDULE OF DEFERRED RESERVE FOR AMORTIZATION

<u>ORDINANCE NUMBER</u>	<u>IMPROVEMENT DESCRIPTION</u>	<u>DATE OF ORDINANCE</u>	<u>BALANCE DECEMBER 31, 2023 AND 2022 FUNDED</u>
00-10	Renovation and Upgrade of the Sewer Utility Plant	06/14/00	\$ <u>5,000.00</u>
			\$ <u><u>5,000.00</u></u>
		<u>REF.</u>	E

"E-24"

BOROUGH OF PINE BEACH
SEWER UTILITY CAPITAL FUND
SCHEDULE OF INTERFUNDS

	<u>REF.</u>	<u>SEWER UTILITY OPERATING FUND</u>
Increased by:		
Budget Appropriation - Unfunded Ordinance	E-22	\$ <u>5,000.00</u>
Balance, December 31, 2023		
Due From	E	\$ <u><u>5,000.00</u></u>

"E-25"

BOROUGH OF PINE BEACH

SEWER UTILITY CAPITAL FUND

SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

<u>ORDINANCE NUMBER</u>	<u>IMPROVEMENT DESCRIPTION</u>	<u>BALANCE DECEMBER 31, 2023</u>
92-12	Construction of Sanitary Sewer	\$ <u>30,000.00</u>
		<u>REF.</u> E

BOROUGH OF PINE BEACH

PUBLIC ASSISTANCE TRUST FUND

SCHEDULE OF CASH - TREASURER

	<u>REF.</u>	<u>P.A.T.F. I</u>	<u>FUND TOTAL</u>
Balance, December 31, 2023 and 2022	F	\$ <u>9,792.21</u>	\$ <u>9,792.21</u>

BOROUGH OF PINE BEACH

PUBLIC ASSISTANCE TRUST FUND

SCHEDULE OF CASH AND RECONCILIATION
PER N.J.S.A. 40A:5-5

Balance, December 31, 2023 and April 30, 2024		\$ <u>9,792.21</u>
	<u>P.A.T.F. I</u>	
RECONCILIATION - March 31, 2024	<u>ACCOUNT</u>	<u>TOTAL</u>
Balance on Deposit Per Statement of: TD Bank Account #36691453	\$ <u>9,792.21</u>	\$ <u>9,792.21</u>
Balance, April 30, 2024	\$ <u>9,792.21</u>	\$ <u>9,792.21</u>

BOROUGH OF PINE BEACH

PUBLIC ASSISTANCE TRUST FUND

SCHEDULE OF CASH AND RECONCILIATION
FOR THE YEAR ENDED DECEMBER 31, 2023

Balance, December 31, 2023 and 2022 \$ 9,792.21

RECONCILIATION - DECEMBER 31, 2023	<u>P.A.T.F. I</u> <u>ACCOUNT</u>	<u>TOTAL</u>
Balance on Deposit Per Statement of: TD Bank Account #36691453	\$ <u>9,792.21</u>	\$ <u>9,792.21</u>
Balance, December 31, 2023	\$ <u>9,792.21</u>	\$ <u>9,792.21</u>

BOROUGH OF PINE BEACH

PART II

STATISTICAL DATA

LIST OF OFFICIALS

COMMENTS AND RECOMMENDATIONS

YEAR ENDED DECEMBER 31, 2023

COMPARATIVE STATEMENT OF OPERATIONS AND
CHANGE IN FUND BALANCE - CURRENT FUND

	<u>YEAR 2023</u>		<u>YEAR 2022</u>	
	<u>AMOUNT</u>	<u>%</u>	<u>AMOUNT</u>	<u>%</u>
<u>REVENUE AND OTHER INCOME REALIZED</u>				
Fund Balance Utilized	\$ 415,000.00	5.10%	\$ 350,000.00	4.48%
Miscellaneous-From Other Than Local				
Property Tax Levies	966,687.16	11.89%	862,465.72	11.03%
Collection of Delinquent Taxes and				
Tax Title Liens	56,942.60	0.70%	56,224.82	0.72%
Collection of Current Tax Levy	<u>6,694,416.46</u>	<u>82.31%</u>	<u>6,548,715.78</u>	<u>83.77%</u>
<u>TOTAL INCOME</u>	<u>\$ 8,133,046.22</u>	<u>100.00%</u>	<u>\$ 7,817,406.32</u>	<u>100.00%</u>
 <u>EXPENDITURES</u>				
Budget Expenditures:				
Municipal Purposes	\$ 3,166,832.50	41.72%	\$ 3,036,418.76	41.38%
County Taxes	1,383,405.44	18.23%	1,266,490.75	17.26%
Regional District School Taxes	<u>3,040,314.00</u>	<u>40.05%</u>	<u>3,034,312.00</u>	<u>41.36%</u>
<u>TOTAL EXPENDITURES</u>	<u>\$ 7,590,551.94</u>	<u>100.00%</u>	<u>\$ 7,337,221.51</u>	<u>100.00%</u>
 Excess in Revenue	 \$ 542,494.28		 \$ 480,184.81	
 Fund Balance, January 1	 <u>887,522.92</u>		 <u>707,338.11</u>	
	\$ 1,430,017.20		\$ 1,237,522.92	
Less: Utilization as Anticipated Revenue	<u>415,000.00</u>		<u>350,000.00</u>	
Fund Balance, December 31	<u>\$ 1,015,017.20</u>		<u>\$ 887,522.92</u>	

COMPARATIVE STATEMENT OF OPERATIONS AND
CHANGE IN FUND BALANCE-WATER UTILITY OPERATING FUND

	<u>YEAR 2023</u>		<u>YEAR 2022</u>	
	<u>AMOUNT</u>	<u>%</u>	<u>AMOUNT</u>	<u>%</u>
<u>REVENUE AND OTHER INCOME REALIZED</u>				
Fund Balance Utilized	\$ 88,000.00	13.56%	\$ 75,000.00	22.25%
Rents	345,336.02	53.21%	356,548.80	61.99%
Miscellaneous-From Other Than Water Rents	<u>215,685.39</u>	<u>33.23%</u>	<u>143,605.34</u>	<u>24.97%</u>
<u>TOTAL INCOME</u>	<u>\$ 649,021.41</u>	<u>100.00%</u>	<u>\$ 575,154.14</u>	<u>100.00%</u>
<u>EXPENDITURES</u>				
Budget Expenditures:				
Operating	\$ 164,909.88	32.38%	\$ 174,100.00	38.19%
Capital Improvements	131,096.12	25.74%	104,000.00	22.81%
Debt Service	195,771.46	38.44%	167,491.00	36.74%
Deferred Charges and Statutory Expenditures	<u>17,450.00</u>	<u>3.43%</u>	<u>10,250.00</u>	<u>2.25%</u>
<u>TOTAL EXPENDITURES</u>	<u>\$ 509,227.46</u>	<u>100.00%</u>	<u>\$ 455,841.00</u>	<u>100.00%</u>
Excess in Revenue	\$ 139,793.95		\$ 119,313.14	
Fund Balance, January 1	<u>181,421.99</u>		<u>137,108.85</u>	
	\$ 321,215.94		\$ 256,421.99	
Less: Utilization by Water Operating Budget	<u>88,000.00</u>		<u>75,000.00</u>	
Fund Balance, December 31	<u>\$ 233,215.94</u>		<u>\$ 181,421.99</u>	

COMPARATIVE STATEMENT OF OPERATIONS AND
CHANGE IN FUND BALANCE-SEWER UTILITY OPERATING FUND

	<u>YEAR 2023</u>		<u>YEAR 2022</u>	
	<u>AMOUNT</u>	<u>%</u>	<u>AMOUNT</u>	<u>%</u>
<u>REVENUE AND OTHER INCOME REALIZED</u>				
Fund Balance Utilized	\$ 50,000.00	8.56%	\$ 41,000.00	7.89%
Rents	406,361.65	69.55%	401,501.52	77.29%
Miscellaneous - From Other Than Sewer Rents	<u>127,891.67</u>	<u>21.89%</u>	<u>76,979.24</u>	<u>14.82%</u>
<u>TOTAL INCOME</u>	<u>\$ 584,253.32</u>	<u>100.00%</u>	<u>\$ 519,480.76</u>	<u>100.00%</u>
<u>EXPENDITURES</u>				
Budget Expenditures:				
Operating	\$ 363,250.00	81.94%	\$ 366,000.00	83.46%
Capital Improvements	6,000.00	1.35%	6,000.00	1.37%
Debt Service	56,798.00	12.81%	56,798.00	12.95%
Deferred Charges and Statutory Expenditures	<u>17,250.00</u>	<u>3.89%</u>	<u>9,750.00</u>	<u>2.22%</u>
<u>TOTAL EXPENDITURES</u>	<u>\$ 443,298.00</u>	<u>100.00%</u>	<u>\$ 438,548.00</u>	<u>100.00%</u>
Excess in Revenue	\$ 140,955.32		\$ 80,932.76	
Fund Balance, January 1	<u>214,839.77</u>		<u>174,907.01</u>	
	\$ 355,795.09		\$ 255,839.77	
Less: Utilization by Sewer Operating Fund Budget	<u>50,000.00</u>		<u>41,000.00</u>	
Fund Balance, December 31	<u>\$ 305,795.09</u>		<u>\$ 214,839.77</u>	

COMPARATIVE SCHEDULE OF TAX RATE INFORMATION

	<u>2023</u>	<u>2022</u>	<u>2021</u>
Tax Rate	<u>1.754</u>	<u>2.613</u>	<u>2.562</u>
Apportionment of Tax Rate:			
Municipal	0.600	0.906	0.887
County	0.360	0.502	0.484
Regional School	0.794	1.205	1.191

ASSESSED VALUATIONS:

2023	<u>\$383,008,700.00</u>		
2022		<u>\$251,755,700.00</u>	
2021			<u>\$250,537,901.00</u>

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.

<u>YEAR</u>	<u>TAX LEVY</u>	<u>CURRENTLY</u>	
		<u>CASH COLLECTION</u>	<u>PERCENTAGE OF COLLECTIONS</u>
2023	\$6,748,170.23	\$6,694,416.46	99.20%
2022	6,608,394.00	6,548,715.78	99.09%
2021	6,433,798.64	6,378,473.68	99.14%

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.

<u>YEAR</u>	<u>AMOUNT OF TAX TITLE LIENS</u>	<u>AMOUNT OF DELINQUENT TAXES</u>	<u>TOTAL DELINQUENT</u>	<u>PERCENTAGE OF TAX LEVY</u>
2023	\$-0-	\$51,692.07	\$51,692.07	0.77%
2022	-0-	58,251.78	58,251.78	0.88%
2021	-0-	56,224.82	56,224.82	0.87%

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 value of such properties in the year of acquisition, is summarized as follows:

<u>YEAR</u>	<u>AMOUNT</u>
2023	\$13,587
2022	13,587
2021	13,587

COMPARISON OF WATER UTILITY RENTS LEVIED

	<u>YEAR</u>	<u>LEVY</u>	<u>CASH COLLECTIONS</u>
Water	2023	\$343,101.31	\$327,501.31
Utility Fund	2022	350,829.56	332,994.85
	2021	286,602.81	263,048.86

COMPARISON OF SEWER UTILITY RENTS LEVIED

	<u>YEAR</u>	<u>LEVY</u>	<u>CASH COLLECTIONS</u>
Sewer	2023	\$406,868.28	\$382,214.35
Utility Fund	2022	396,109.08	371,961.78
	2021	409,897.48	380,357.74

EQUALIZED VALUATIONS – REAL PROPERTY

<u>YEAR</u>	<u>AMOUNT</u>
2023	\$378,974,992.33
2022	339,182,826.00
2021	311,452,259.33

COMPARATIVE SCHEDULE OF FUND BALANCES

	<u>YEAR</u>	<u>BALANCE DECEMBER 31</u>	<u>UTILIZED IN BUDGET OF SUCCEEDING YEAR</u>
Current Fund	2023	\$1,015,017.20	\$420,000.00
	2022	887,522.92	415,000.00
	2021	707,338.11	350,000.00
	2020	604,646.83	320,000.00
	2019	523,987.83	310,000.00

	<u>YEAR</u>	<u>BALANCE DECEMBER 31</u>	<u>UTILIZED IN BUDGET OF SUCCEEDING YEAR</u>
Water Utility Operating Fund	2023	\$233,215.94	\$79,000.00
	2022	181,421.99	88,000.00
	2021	137,108.85	75,000.00
	2020	146,687.04	82,000.00
	2019	61,985.72	53,850.00

	<u>YEAR</u>	<u>BALANCE DECEMBER 31</u>	<u>UTILIZED IN BUDGET OF SUCCEEDING YEAR</u>
Sewer Utility Operating Fund	2023	\$305,795.09	\$62,000.00
	2022	214,839.77	50,000.00
	2021	174,907.01	41,000.00
	2020	126,738.42	39,000.00
	2019	79,192.91	38,000.00

OFFICIALS IN OFFICE AND SURETY BONDS

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

<u>Name</u>	<u>Title</u>	<u>Amount</u>
Lawrence W. Cuneo	Mayor	*
Barry Wieck	Council President	*
Susan Coletti	Councilwoman	*
James Keesling	Councilman	*
Raymond Newman	Councilman	*
Richard Polhemus	Councilman	*
James Saxton	Councilman	*
Charlene Carney	Municipal Clerk, until 8/31/23	*
Hannah Jacobus	Municipal Clerk, from 9/13/23	*
Linda Covello	Chief Financial Officer	*
Christine Dehnz	Tax Collector	*
Juliane Esposito	Water/Sewer Utility Clerk	*
Stacey Kerr	Municipal Court Judge	*
Lesley Kirchgessner	Court Administrator, until 6/5/23	*
Lisa Tatham	Court Administrator, from 6/14/23	*
Raymond Hall	Tax Assessor	*
Michael McKenna	Attorney	*
Mark Rohmeyer	Engineer	*

*The Borough maintains Employee Dishonesty coverage for all municipal employees though the Ocean County Joint Insurance Fund and the Municipal Excess Liability Joint Insurance Fund in the amount of \$1,000,000.00.

All of the Bonds were examined and appear to be properly executed.

COMMENTS AND RECOMMENDATIONS

GENERAL COMMENTS

CONTRACTS AND AGREEMENTS REQUIRED TO BE ADVERTISED FOR (N.J.S.A. 40A:11-4)

Every contract or agreement for the performance of any work or the furnishing or hiring of any materials or supplies, the cost or the contract price whereof is to be paid with or out of public funds, not included within the terms of Section 3 of this act, shall be made or awarded only by the governing body of the contracting unit after public advertising for bids and bidding therefore, except as is provided otherwise in this act or specifically by any other law. No work, materials or supplies shall be undertaken, acquired or furnished for a sum exceeding in the aggregate the amount set forth in or the amount calculated by the Governor pursuant to Section 3 of P.L. 1971 c.198 (40A:11-3), except by contract or agreement.

Effective July 1, 2020, the bid threshold in accordance with N.J.S.A. 40A:11-3 is \$17,500.00 or up to \$44,000.00 if the entity has a Qualified Purchasing Agent. The Borough has a Qualified Purchasing Agent and has elected to increase its bid threshold to \$44,000.00.

The governing body of the Municipality has the responsibility of determining whether the expenditures in any category will exceed \$44,000.00 within the fiscal year. Where question arises as to whether any contract or agreement might result in violation of the statute, the Borough Attorney's opinion should be sought before a commitment is made.

The minutes indicate that bids were requested by public advertising for the following items:

Road Improvements
CDBG Improvements

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

Our examination of expenditures did not reveal any individual payments, contracts or agreements in excess of \$44,000.00 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 provisions of N.J.S.A. 40A:11-4.

The minutes indicate that resolutions were adopted authorizing the awarding of contracts or agreements for "Professional Services" as required by N.J.S.A. 40:11-5:

Auditor
Bond Counsel
Engineering Services
Legal Services (Affordable Housing, Labor and Municipal)
Municipal Prosecutors
Public Defender
Municipal Attorney

COLLECTION OF INTEREST ON DELINQUENT TAXES AND ASSESSMENTS

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

The governing body on January 5, 2023 adopted the following resolutions authorizing interest to be charged on delinquent taxes and assessments:

BE IT RESOLVED by the Mayor and Council of Pine Beach that the rate of interest to be charged on delinquent taxes and assessments is to be 8% on the first \$1,500.00 and 18% on any amount thereafter. Any amount sold on tax sale is to be charged the entire 18% for the full amount.

BE IT FURTHER RESOLVED that the rate of interest on delinquent water and sewer bills is to be 18% per state statute.

BE IT FURTHER RESOLVED that the grace period allowed for payment of interest shall not exceed 10 calendar days of the due date and thereafter. The interest shall be charged from the date due to the date paid.

BE IT RESOLVED by the Mayor and Council of the Borough of Pine Beach, County of Ocean and State of New Jersey, that in accordance with the amendment to N.J.S.A. 54:4-67, the Tax Collector is hereby authorized to charge an additional penalty of 6% for any delinquency that remains in arrears past December 31 that is in excess of \$10,000.00.

It appears from an examination of the Collector's and Water and Sewer Utility Clerk's records that interest was collected in accordance with the foregoing resolution.

TAX TITLE LIENS

The last tax sale was held on August 8, 2023 and was complete.

There were no tax title liens receivable on December 31, 2023.

It is essential to good management that all means provided by statute be utilized to liquidate tax title liens in order to get such properties back on a tax paying basis.

VERIFICATION OF DELINQUENT TAXES AND OTHER CHARGES

A test verification of delinquent charges and current payments was made in accordance with the regulations of the Division of Local Government Services, including the mailing of verification notices as follows:

TYPE

Payments of 2023 Taxes	15
Delinquent Taxes	10
Payment of Water and Sewer Utility Rents	15
Delinquent Water and Sewer Utility Rents	10

OTHER COMMENTS

Interfunds

Transactions invariably occur in one fund which requires a corresponding entry to be made in another fund, thus creating interfund balances. References to the various balance sheets show the interfund balances remaining at year end. As a general rule, all interfund balances should be closed out as of the end of the year. It is the Borough's policy to review and liquidate all interfund balances on a periodic basis.

RECOMMENDATIONS

NONE

