BOROUGH OF NEPTUNE CITY
COUNTY OF MONMOUTH, NEW JERSEY

AUDIT REPORT FOR THE YEAR
ENDED DECEMBER 31, 2023

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COUNTY OF MONMOUTH, NEW JERSEY
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COUNTY OF MONMOUTH, NEW JERSEY
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BOROUGH OF NEPTUNE CITY
COUNTY OF MONMOUTH

PART I

INDEPENDENT AUDITOR'S REPORTS
AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

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HFA
Certified Public Accountants + Advisors

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INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members
of the Council
Borough of Neptune City
Neptune City, New Jersey

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the various funds and account group of the Borough of Neptune City, which comprise the statements of assets, liabilities, reserves and fund balance – regulatory basis as of December 31, 2023 and 2022, and the related statements of operations and changes in fund balance – regulatory basis for the years then ended and the statements of revenues – regulatory basis and statement of expenditures – regulatory basis for the year ended December 31, 2023, and the related notes to the financial statements.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets, liabilities, reserves and fund balance – regulatory basis of the Borough of Neptune City, as of December 31, 2023 and 2022, and the results of its operations and changes in fund balance – regulatory basis for the years then ended and the statements of revenues – regulatory basis, statements of expenditures – regulatory basis for the year ended December 31, 2023, in accordance with the financial reporting provisions of the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note 1.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles section of our report, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Borough of Neptune City, as of December 31, 2023 and 2022, or the results of its operations and changes in fund balance for the years then ended.

Basis for Opinions

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

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

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

Responsibilities of Management for the Financial Statements

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control(s) 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 of Neptune City'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 of Neptune City'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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated April 25, 2024, on our consideration of the Borough of Neptune City'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 of Neptune City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Borough of Neptune City's internal control over financial reporting and compliance.

Respectfully submitted,

HOLMAN FRENIA ALLISON, P.C.



Robert W. Allison
Certified Public Accountant
Registered Municipal Accountant
RMA No. 483

Lakewood, New Jersey
April 25, 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*

Honorable Mayor and Members
of the Council
Borough of Neptune City
Neptune City, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the financial statements - regulatory basis of the Borough of Neptune City, as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Borough of Neptune City's basic financial statements, and have issued our report thereon dated April 25, 2024. Our report indicated that the Borough of Neptune City's financial statements were not prepared in accordance with accounting principles generally accepted in the United States of America but rather prepared in accordance with the regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Borough of Neptune City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. 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 and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

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 of Neptune City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey in considering the Borough of Neptune City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.



Robert W. Allison
Certified Public Accountant
Registered Municipal Accountant
RMA No. 483

Lakewood, New Jersey
April 25, 2024

BASIC FINANCIAL STATEMENTS

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BOROUGH OF NEPTUNE CITY
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2023 AND 2022

Assets	Reference	2023	2022
Cash and Investments - Treasurer	A-4	$ 3,755,697.77	$ 4,320,466.01
Change Fund and Petty Cash Fund	A	945.00	945.00
		3,756,642.77	4,321,411.01
Notes Receivable: General Capital	C-6	1,332,814.06	1,015,297.33
Notes Receivable: Sewer Capital	D	85,500.00	-
		1,418,314.06	1,015,297.33
Receivables and Other Assets With Full Reserves:			
Delinquent Property Taxes Receivable	A-5	306,014.30	433,691.33
Tax Title Liens	A-6	11,773.22	6,600.40
Property Acquired for Taxes Assessed Valuation	A-7	29,300.00	29,300.00
Revenue Accounts Receivable	A-8	4,681.26	4,511.52
Due from Employees	A	2,325.28	2,325.28
		354,094.06	476,428.53
Total Operating Fund		5,529,050.89	5,813,136.87
State and Federal Grant Fund:			
Grants Receivable	A-18	199,748.49	197,018.49
Due from Current Fund	A	77,603.53	571,448.14
Total Grant Fund		277,352.02	768,466.63
Total Assets		$ 5,806,402.91	$ 6,581,603.50

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

EXHIBIT A

BOROUGH OF NEPTUNE CITY
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2023 AND 2022

Liabilities, Reserves and Fund Balance	Reference	2023	2022
Appropriation Reserves	A-3	$ 397,979.41	$ 322,978.66
Accounts Payable	A-9	8,216.00	164,876.80
Encumbrances Payable	A-10	48,413.10	61,436.72
Interfund:			
Federal and State Grant	A	77,603.53	571,448.14
Public Assistance	E	31,489.58	31,489.58
Prepaid Taxes	A-13	110,077.95	167,402.99
Tax Overpayments	A-14	28,807.29	29,786.83
County Taxes Payable	A-16	3,615.01	5,436.65
Local School Taxes Payable	A-17	2,294,117.84	2,117,136.86
Due To State of New Jersey:			
Marriage License Fees	A-12	75.00	250.00
Chap. 20 P.L. 1971	A-11	2,119.24	2,369.24
Training Fees	A-12	1,722.00	1,222.00
Reserve for:			
Prepaid Revenue	A-15	1,910.00	5,870.00
Canabis Licenses	A-15	10,000.00	40,000.00
Municipal Relief	A-15	49,844.43	24,927.36
Active Shooter Program	A-15	-	8,673.62
		3,065,990.38	3,555,305.45
Reserve for Receivables	A	354,094.06	476,428.53
Fund Balance	A-1	2,108,966.45	1,781,402.89
Total Operating Fund		5,529,050.89	5,813,136.87
State and Federal Grant Fund:			
Encumbrances Payable	A-19	3,000.00	29,713.00
Due to Grantor	A	1,344.01	1,344.01
Reserve for Grants:			
Appropriated	A-19	271,356.22	235,334.59
Unappropriated	A-20	1,651.79	502,075.03
Total Grant Fund		277,352.02	768,466.63
Total Liabilities, Reserves and Fund Balance		$ 5,806,402.91	$ 6,581,603.50

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

BOROUGH OF NEPTUNE CITY
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
STATEMENTS OF OPERATIONS AND CHANGES IN FUND BALANCE - REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

	2023	2022
Revenue and Other Income Realized:		
Fund Balance Utilized	$ 880,000.00	$ 1,490,000.00
Miscellaneous Revenues Anticipated	1,630,946.41	1,117,660.60
Receipts From Delinquent Taxes	430,641.99	347,123.30
Receipts From Current Taxes	15,708,996.68	14,713,343.93
Non-Budget Revenue	321,019.28	171,869.83
Other Credit To Income:		
Unexpended Balance of Appropriation Reserves	177,019.06	237,834.33
Cancel Reserved Balances	-	15,634.75
Total Revenue	19,148,623.42	18,093,466.74
Expenditures:		
Budget Appropriations Within "CAPS":		
Operations:		
Salaries and Wages	3,482,535.00	3,450,450.00
Other Expenses	2,700,700.00	2,471,768.00
Deferred Charges and Statutory Expenditures	1,007,789.00	914,155.00
Appropriations Excluded From "CAPS":		
Operations:		
Salaries and Wages	120,000.00	120,000.00
Other Expenses	492,387.38	417,821.99
Municipal Debt Service	175,264.98	310,750.39
Local District School Tax	7,938,246.00	7,584,284.00
County Taxes Payable	2,020,062.50	1,940,772.01
Refund of Prior Year Revenue	-	1,093.00
Voided Warrant Reissued	3,825.00	-
Reserve for Due to from Employees	-	2,325.28
Prior Year Deductions Disallowed	250.00	500.00
Total Expenditures	17,941,059.86	17,213,919.67
Excess/(Deficit) in Revenue	1,207,563.56	879,547.07
Fund Balance, January 1	1,781,402.89	2,391,855.82
	2,988,966.45	3,271,402.89
Decreased By:		
Utilized as Anticipated Revenue	880,000.00	1,490,000.00
Fund Balance, December 31	$ 2,108,966.45	$ 1,781,402.89

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

BOROUGH OF NEPTUNE CITY
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2023

	Budget	Budget Amendments	Realized	Excess/ (Deficit)
Fund Balance Anticipated	$ 880,000.00	$ -	$ 880,000.00	$ -
Miscellaneous Revenues:				
Licenses:				
Alcoholic Beverages	9,000.00	-	9,300.00	300.00
Other	13,000.00	-	14,465.00	1,465.00
Fines and Costs:				
Municipal Court	78,900.00	-	90,713.46	11,813.46
Interest and Costs on Taxes	74,500.00	-	108,933.99	34,433.99
Trailer Park Licenses	14,400.00	-	14,400.00	-
Payment in Lieu of Taxes	60,000.00	-	60,000.00	-
Certificates of Occupancy	12,000.00	-	9,658.00	(2,342.00)
Fire Prevention Bureau - Permits	10,000.00	-	31,658.00	21,658.00
Community Center Fees	10,000.00	-	21,675.00	11,675.00
Energy Receipts Tax (P.L. 1997, Chaps. 162 & 167)	481,169.00	-	481,169.18	0.18
Uniform Construction Code Fees	50,000.00	-	105,676.00	55,676.00
Public and Private Revenues Offset with Appropriations:				
Alcohol Education and Rehabilitation Fund	-	129.79	129.79	-
Clean Communities Grant	10,631.19	11,924.21	22,555.40	0.00
Drunk Driving Enforcement	2,806.25	-	2,806.25	-
Stormwater Assistance Grant	-	15,000.00	15,000.00	-
Safe and Secure Communities Program	32,400.00	-	32,400.00	-
Recycling Tonnage Grant	-	10,102.03	10,102.03	-
Body Armor Grant	1,466.91	-	1,466.91	-
Body Worn Cameras	6,114.00	-	6,114.00	-
Private Donation for Speed Monitor				-
ARP Funds - Revenue Loss	481,056.68	-	481,056.68	-
Municipal Relief Fund Act	24,927.36	-	24,927.36	-
Other Special Items:				
Uniform Fire Safety Act	8,000.00	-	14,759.23	6,759.23
Cable TV Fees	71,980.13	-	71,980.13	-
Total Miscellaneous Revenues	1,452,351.52	37,156.03	1,630,946.41	141,438.86
Receipts From Delinquent Taxes	390,000.00	-	430,641.99	40,641.99
Amount to be Raised by Taxes for Support of Municipal Budget:				
Local Tax for Municipal Purposes Including Reserve for Uncollected Taxes	6,028,497.19	-	6,559,981.54	531,484.35
Budget Totals	8,750,848.71	37,156.03	9,501,569.94	713,565.20
Non-Budget Revenue	-	-	321,019.28	321,019.28
	$ 8,750,848.71	$ 37,156.03	$ 9,822,589.22	$ 1,034,584.48

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

BOROUGH OF NEPTUNE CITY
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2023

Analysis of Realized Revenue		
Allocation of Current Tax Collections:		
Revenue From Collections	$	15,708,996.68
Allocated To School and County Taxes		9,958,308.50
Balance for Support of Municipal Budget		
Appropriations		5,750,688.18
Add:		
Reserve for Uncollected Taxes		809,293.36
Amount for Support of Municipal Budget		
Appropriations	$	6,559,981.54
Receipts From Delinquent Taxes:		
Delinquent Tax Collections	$	430,641.99
	$	430,641.99
Analysis of Non-Budget Revenue		
Miscellaneous Revenue Not Anticipated:		
Abandoned Property Registration	$	2,000.00
Board Of Health		678.00
Duplicate Bill Fees		288.40
Interest on Deposit		228,199.48
Land Use Board Fees		9,510.00
Library Fines		404.15
Other		1,907.64
Police Special Duty Fee		8,570.00
Property Owner List		160.00
Recycling Fees		1,245.00
Reimbursed Trash Collection		4,443.58
Rental Fees		4,100.00
Street Opening Permits		8,500.00
Truck Rentals		150.00
Vending Machine		4,050.00
Community Centre Registration Fees		12,320.00
Senior Citizen Administration Fee		730.00
Kayak Rentals		4,700.00
PCB Action Settlement		17,414.03
Sale of Municipal Assets		11,649.00
	$	321,019.28

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

BOROUGH OF NEPTUNE CITY
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
STATEMENT OF APPROPRIATIONS - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2023

	Appropriations					
	Original Budget	Chapter 159	Budget After Modifications	Paid or Charged	Encumbered	Reserved
General Appropriations						
Operations - Within "CAPS"						
GENERAL GOVERNMENT						
Administrator's Office						
Salaries and Wages	$ 16,900.00	$ -	$ 17,200.00	$ 17,199.13	$ -	$ 0.87
Other Expenses	16,400.00	-	16,400.00	9,450.02	426.49	6,523.49
Mayor and Council						
Salaries and Wages	43,410.00	-	43,410.00	43,402.56	-	7.44
Other Expenses	2,750.00	-	2,750.00	1,023.42	-	1,726.58
Municipal Clerk's Office						
Salaries and Wages	1.00	-	1.00	-	-	1.00
Other Expenses	20,350.00	-	20,350.00	8,920.16	133.08	11,296.76
Financial Administration						
Salaries and Wages	28,039.00	-	28,039.00	28,038.96	-	0.04
Other Expenses	1,000.00	-	1,000.00	450.00	-	550.00
Audit Services						
Other Expenses	8,500.00	-	8,500.00	8,500.00	-	-
Central Postage						
Other Expenses	10,000.00	-	10,000.00	9,101.55	-	898.45
Collection of Taxes						
Salaries and Wages	72,100.00	-	90,150.00	90,118.63	-	31.37
Other Expenses	4,200.00	-	4,200.00	1,711.44	-	2,488.56
Assessment of Taxes						
Salaries and Wages	26,825.00	-	26,825.00	26,811.60	-	13.40
Other Expenses	14,500.00	-	14,500.00	11,938.51	-	2,561.49
Legal Services						
Other Expenses	40,000.00	-	55,800.00	55,584.30	150.00	65.70
Engineering Services and Costs						
Other Expenses	25,000.00	-	28,700.00	28,667.50	-	32.50
Information Technology						
Other Expenses	60,500.00	-	62,270.00	62,267.49	-	2.51
LAND USE ADMINISTRATION						
Land Use Board						
Salaries and Wages	12,600.00	-	13,760.00	13,753.47	-	6.53
Other Expenses	7,500.00	-	7,500.00	4,798.05	-	2,701.95

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

BOROUGH OF NEPTUNE CITY
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
STATEMENT OF APPROPRIATIONS - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2023

	Appropriations					
	Original Budget	Chapter 159	Budget After Modifications	Paid or Charged	Encumbered	Reserved
CODE ENFORCEMENT						
Code Enforcement Office						
Salaries and Wages	18,000.00	-	18,200.00	18,198.85	-	1.15
Other Expenses	250.00	-	250.00	-	-	250.00
INSURANCE						
General Liability	97,500.00	-	98,150.00	98,142.76	-	7.24
Worker's Compensation	108,000.00	-	108,000.00	107,569.98	-	430.02
Employees Group Insurance	1,080,000.00	-	1,039,730.00	1,023,238.46	-	16,491.54
Health Benefit Waiver	11,000.00	-	11,000.00	8,600.00	-	2,400.00
PUBLIC SAFETY FUNCTIONS						
Police						
Crossing Guards						
Salaries and Wages	33,000.00	-	29,890.00	29,580.00	-	310.00
Clerical						
Salaries and Wages	80,000.00	-	78,840.00	77,328.57	-	1,511.43
Officers						
Salaries and Wages	2,050,000.00	-	2,058,000.00	2,039,535.91	-	18,464.09
Other Expenses	120,100.00	-	112,100.00	76,578.43	14,654.35	20,867.22
First Aid Organization						
Aid to Volunteer Ambulance Company	8,800.00	-	8,800.00	-	-	8,800.00
Fire Department						
Other Expenses	36,750.00	-	36,750.00	12,047.47	24,493.87	208.66
Fire Prevention Bureau						
Salaries and Wages	13,710.00	-	14,710.00	14,702.08	-	7.92
Other Expenses	2,000.00	-	2,000.00	1,195.51	-	804.49
Fire Hydrants						
Other Expenses	45,000.00	-	45,000.00	44,943.50	-	56.50
Emergency Management						
Other Expenses	7,500.00	-	6,500.00	3,033.65	-	3,466.35
Municipal Prosecutor						
Salaries and Wages	27,500.00	-	27,500.00	27,499.92	-	0.08
PUBLIC WORKS FUNCTIONS						
Road Repair and Maintenance						
Salaries and Wages	579,000.00	-	579,000.00	524,858.53	-	54,141.47
Other Expenses	36,100.00	-	36,100.00	29,770.93	3,181.98	3,147.09
Other Public Works Functions						
Traffic Lights	8,000.00	-	8,000.00	3,202.75	-	4,797.25
Solid Waste Collection						
Salaries and Wages	20,000.00	-	20,000.00	17,493.00	-	2,507.00
Other Expenses	518,000.00	-	518,000.00	496,586.18	-	21,413.82
Recycling						
Other Expenses	15,300.00	-	15,300.00	14,385.06	146.00	768.94

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

BOROUGH OF NEPTUNE CITY
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
STATEMENT OF APPROPRIATIONS - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2023

	Appropriations					
	Original Budget	Chapter 159	Budget After Modifications	Paid or Charged	Encumbered	Reserved
Public Buildings and Grounds						
Salaries and Wages	25,100.00	-	25,100.00	23,007.02	-	2,092.98
Other Expenses	50,000.00	-	50,000.00	37,317.64	1,387.18	11,295.18
Maintenance of Borough Vehicles						
Other Expenses	65,000.00	-	65,000.00	54,824.55	3,255.33	6,920.12
HEALTH AND HUMAN SERVICES						
Animal Control						
Other Expenses	14,000.00	-	14,000.00	11,915.00	-	2,085.00
PARK AND RECREATION FUNCTIONS						
Parks and Playgrounds						
Other Expenses	7,500.00	-	7,900.00	7,891.01	-	8.99
Community Center						
Salaries and Wages	107,600.00	-	107,600.00	106,360.22	-	1,239.78
Other Expenses	18,550.00	-	18,150.00	7,716.69	-	10,433.31
EDUCATION						
Expenses in Participation in County Library						
Salaries and Wages	46,100.00	-	46,100.00	38,364.52	-	7,735.48
Other Expenses	3,750.00	-	3,750.00	125.87	-	3,624.13
MUNICIPAL COURT						
Municipal Court						
Salaries and Wages	176,000.00	-	176,000.00	175,294.96	-	705.04
Other Expenses	5,100.00	-	5,100.00	1,716.60	31.82	3,351.58
Public Defender						
Salaries and Wages	9,450.00	-	9,450.00	9,400.08	-	49.92
UNIFORM CONSTRUCTION CODE						
State Uniform Construction Code						
Construction Official						
Salaries and Wages	32,000.00	-	35,110.00	35,101.59	-	8.41
Other Expenses	1,300.00	-	1,300.00	356.00	-	944.00
Sub-Code Officials						
Building Inspectors						
Salaries and Wages	38,000.00	-	37,650.00	35,316.97	-	2,333.03
Other Expenses	100.00	-	250.00	245.60	-	4.40

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

BOROUGH OF NEPTUNE CITY
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
STATEMENT OF APPROPRIATIONS - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2023

	Appropriations					
	Original Budget	Chapter 159	Budget After Modifications	Paid or Charged	Encumbered	Reserved
UNCLASSIFIED						
Utilities:						
Electricity	21,000.00	-	21,000.00	18,601.12	-	2,398.88
Street Lighting	33,000.00	-	33,000.00	27,883.14	-	5,116.86
Telephone	33,000.00	-	33,000.00	22,531.95	-	10,468.05
Water	6,600.00	-	6,600.00	5,132.17	-	1,467.83
Natural Gas	24,000.00	-	24,900.00	24,857.63	-	42.37
Gasoline and Fuel Oil	54,000.00	-	54,000.00	54,000.00	-	-
Condo Services	80,000.00	-	80,000.00	16,236.90	-	63,763.10
Celebration of Public Events	6,000.00	-	5,100.00	2,123.39	553.00	2,423.61
Total Operations - Within "CAPS"	6,183,235.00	-	6,183,235.00	5,806,548.95	48,413.10	328,272.95
Detail:						
Salaries and Wages	3,455,335.00	-	3,482,535.00	3,391,366.57	-	91,168.43
Other Expenses	2,727,900.00	-	2,700,700.00	2,415,182.38	48,413.10	237,104.52
Deferred Charges and Statutory Expenditures - Municipal Within "CAPS"						
Statutory Expenditures:						
Contribution To:						
Public Employees' Retirement System	182,121.00	-	182,121.00	182,121.00	-	-
Social Security System (O.A.S.I.)	163,881.00	-	163,881.00	159,823.37	-	4,057.63
Police and Firemen's Retirement System of N.J.	659,787.00	-	659,787.00	659,787.00	-	-
Defined Contribution Retirement Program (DCRP)	2,000.00	-	2,000.00	488.58	-	1,511.42
Total Deferred Charges and Statutory Expenditures - Municipal - Within "CAPS"	1,007,789.00	-	1,007,789.00	1,002,219.95	-	5,569.05
Total General Appropriations for Municipal Purposes - Within "CAPS"	7,191,024.00	-	7,191,024.00	6,808,768.90	48,413.10	333,842.00
General Appropriations for Municipal Purposes - Excluded from "CAPS"						

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

BOROUGH OF NEPTUNE CITY
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
STATEMENT OF APPROPRIATIONS - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2023

	Appropriations					
	Original Budget	Chapter 159	Budget After Modifications	Paid or Charged	Encumbered	Reserved
Length of Service Award Program ("LOSAP")	30,000.00	-	30,000.00	-	-	30,000.00
	30,000.00	-	30,000.00	-	-	30,000.00
RECIPIENTS:						
Borough of Bay Head						
Other Expenses	37,185.00	-	37,185.00	36,405.00	-	780.00
County of Monmouth						
Police Dispatch - 911 System	150,173.00	-	150,173.00	150,173.00	-	-
Township of Neptune						
Reverse 911	2,800.00	-	2,800.00	2,800.00	-	-
Recycling	45,000.00	-	45,000.00	23,070.00	-	21,930.00
Shared Service - Neptune Twp. EMS	84,500.00	-	84,500.00	82,419.04	-	2,080.96
Bradley Beach						
Other Expenses	14,555.00	-	14,555.00	14,555.00	-	-
Farmingdale						
Other Expenses	65,000.00	-	65,000.00	60,653.55	-	4,346.45
Total Interlocal Municipal Service Agreements	399,213.00	-	399,213.00	370,075.59	-	29,137.41
Public and Private Programs Offset by Revenues:						
Matching Funds for Grants	5,000.00	-	5,000.00	-	-	5,000.00
Alcohol Education and Rehabilitation	-	129.79	129.79	129.79	-	-
Recycling Tonnage Grant		10,102.03	10,102.03	10,102.03	-	-
Safe and Secure Communities Program	120,000.00	-	120,000.00	120,000.00	-	-
Body Armor	1,466.91	-	1,466.91	1,466.91	-	-
Body Worn Camera Grants	6,114.00	-	6,114.00	6,114.00	-	-
Clean Communities	10,631.19	11,924.21	22,555.40	22,555.40	-	-
Drunk Driving Enforcement	2,806.25	-	2,806.25	2,806.25	-	-
Stormwater Assistance Gant	-	15,000.00	15,000.00	15,000.00	-	-
Total Public and Private Programs Offset by Revenues	146,018.35	37,156.03	183,174.38	178,174.38	-	5,000.00
Total Operations - Excluded from "CAPS"	575,231.35	37,156.03	612,387.38	548,249.97	-	64,137.41
Detail:						
Salaries and Wages	120,000.00	-	120,000.00	120,000.00	-	-
Other Expenses	455,231.35	-	492,387.38	428,249.97	-	64,137.41
Note Principal	100,000.00	-	100,000.00	100,000.00	-	-
Lease Payments - Principal & Interests	75,300.00	-	75,300.00	75,264.98	-	0.00
Total Municipal Debt Service - Excluded From "CAPS"	175,300.00	-	175,300.00	175,264.98	-	0.00

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

BOROUGH OF NEPTUNE CITY
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
STATEMENT OF APPROPRIATIONS - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2023

	Appropriations					
	Original Budget	Chapter 159	Budget After Modifications	Paid or Charged	Encumbered	Reserved
Total General Appropriations for Municipal Purposes - Excluded From "CAPS"	750,531.35	37,156.03	787,687.38	723,514.95	-	64,137.41
Subtotal General Appropriations	7,941,555.35	37,156.03	7,978,711.38	7,532,283.85	48,413.10	397,979.41
Reserve for Uncollected Taxes	809,293.36	-	809,293.36	809,293.36	-	-
Total General Appropriations	$ 8,750,848.71	$ 37,156.03	$ 8,788,004.74	$ 8,341,577.21	$ 48,413.10	$ 397,979.41

Adopted Budget	$ 8,750,848.71
Chapter 159	37,156.03
	$ 8,788,004.74

Reserve for Uncollected Taxes	$ 809,293.36
Cash Disbursements	7,354,109.47
Reserve for Grants-Appropriated	178,174.38
	$ 8,341,577.21

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

EXHIBIT B

BOROUGH OF NEPTUNE CITY
COUNTY OF MONMOUTH, NEW JERSEY
TRUST FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2023 AND 2022

Assets	Reference	2023	2022
Animal Control Fund:			
Cash	B-1	$ 264.40	$ 10.20
Other Trust Funds:			
Cash	B-1	983,589.74	1,505,353.35
		983,589.74	1,505,353.35
Length of Service Award Program Fund ("LOSAP"):			
Investments - Trustee	B-5	452,768.45	401,777.92
Total Assets		$ 1,436,622.59	$ 1,907,141.47

Liabilities and Reserves	Reference	2023	2022
Animal Control Trust Fund:			
Due To:			
State of New Jersey	B-3	$ -	$ 10.20
Reserve for Animal Control Expenditures	B-2	264.40	-
		264.40	10.20
Other Trust Funds:			
Reserve for Various Trust Activities	B-4	983,589.74	1,505,353.35
		983,589.74	1,505,353.35
Length of Service Award Program Fund ("LOSAP"):			
Reserve for Funds Held by Trustee	B-5	452,768.45	401,777.92
Total Liabilities and Reserves		$ 1,436,622.59	$ 1,907,141.47

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

EXHIBIT C

BOROUGH OF NEPTUNE CITY
COUNTY OF MONMOUTH, NEW JERSEY
GENERAL CAPITAL FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2023 AND 2022

Assets	Reference	2023	2022
Cash and Investments	C-2/C-3	$ 556,457.38	$ 211,752.98
Grants Receivable	C-4	600,402.00	800,820.00
Leased Assets under Capital Lease	C-10	492,000.00	542,000.00
Deferred Charges To Future Taxation:			
Unfunded	C-5	1,669,734.71	1,260,152.71
Total Assets		$ 3,318,594.09	$ 2,814,725.69

Liabilities and Reserves	Reference	2023	2022
Bond Anticipation Notes	C-6	$ 1,332,814.06	$ 1,015,297.33
Improvement Authorizations:			
Funded	C-7	685,158.72	506,867.33
Unfunded	C-7	364,594.63	283,440.97
Reserve for:			
Capital Improvement Fund	C-8	239,565.94	258,765.94
Encumbrances Payble	C-7	200,607.56	204,500.94
Lease Obligation Payable	C-10	492,000.00	542,000.00
Fund Balance	C-1	3,853.18	3,853.18
Total Liabilities and Reserves		$ 3,318,594.09	$ 2,814,725.69

There were bonds and notes authorized but not issued on December 31, 2023 of $336,920.65 and on December 31, 2022 of $257,596.57.

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

EXHIBIT C-1

BOROUGH OF NEPTUNE CITY
COUNTY OF MONMOUTH, NEW JERSEY
GENERAL CAPITAL FUND
STATEMENT OF CAPITAL FUND BALANCE-
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2023

Balance December 31, 2023 and 2022	$ 3,853.18

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

EXHIBIT D

BOROUGH OF NEPTUNE CITY
COUNTY OF MONMOUTH, NEW JERSEY
SEWER UTILITY FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2023 AND 2022

Assets	Reference	2023	2022
Operating Fund:			
Cash and Investments	D-4	$ 465,396.35	$ 412,257.29
Receivables With Offsetting Reserves:			
Consumer Accounts Receivable	D-6	151,874.16	167,174.17
Total Operating Fund		617,270.51	579,431.46
Capital Fund:			
Cash and Investments	D-4/D-5	613,629.80	618,129.80
Fixed Capital	D-11	1,862,488.06	1,772,488.06
Fixed Capital Authorized and Uncompleted	D-12	300,000.00	300,000.00
Total Capital Fund		2,776,117.86	2,690,617.86
Total Assets		$ 3,393,388.37	$ 3,270,049.32

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

EXHIBIT D

BOROUGH OF NEPTUNE CITY
COUNTY OF MONMOUTH, NEW JERSEY
SEWER UTILITY FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2023 AND 2022

Liabilities, Reserves and Fund Balances	Reference	2023	2022
Operating Fund:			
Appropriation Reserves	D-3	$ 89,914.30	$ 20,292.56
Prepaid Sewer rents	D-8	69,817.32	81,178.70
Encumbrances Payable	D-10	12,047.58	34,047.69
		171,779.20	135,518.95
Reserve for Receivables	D	151,874.16	167,174.17
Fund Balance	D-1	293,617.15	276,738.34
Total Operating Fund		617,270.51	579,431.46
Capital Fund:			
Bond Anticipation Notes	D-17	85,500.00	-
Improvement Authorization:			
Funded	D-13	226,373.76	226,373.76
Reserve for:			
Reserve for Amortization	D-15	1,776,988.06	1,772,488.06
Deferred Reserve for Amortization	D-16	300,000.00	300,000.00
Capital Improvement Fund	D-14	387,256.04	391,756.04
Total Capital Fund		2,776,117.86	2,690,617.86
Total Liabilities, Reserves and Fund Balances		$ 3,393,388.37	$ 3,270,049.32

There were bonds and notes authorized but not issued on December 31, 2023 and on December 31, 2022 of $0.

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

BOROUGH OF NEPTUNE CITY
COUNTY OF MONMOUTH, NEW JERSEY
SEWER UTILITY OPERATING FUND
STATEMENTS OF OPERATIONS AND CHANGES IN FUND BALANCE - REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

	2023	2022
Revenue and Other Income Realized:		
Fund Balance Anticipated	$ 120,000.00	$ 120,000.00
Miscellaneous Revenues Anticipated	1,251,917.73	1,219,108.33
Miscellaneous Revenues Not Anticipated	67,313.75	36,423.11
Other Credits To Income:		
Unexpended Balance of Appropriation Reserves	7,733.03	37,178.54
Total Revenue	1,446,964.51	1,412,709.98
Expenditures:		
Operating	1,187,859.57	1,271,505.00
Capital Improvements	84,957.00	-
Statutory Expenditures	37,269.13	38,495.00
Total Expenditures	1,310,085.70	1,310,000.00
Statutory Excess in Revenue	136,878.81	102,709.98
Fund Balance, January 1	276,738.34	354,028.36
	413,617.15	456,738.34
Decreased By:		
Utilized by Current Fund Budget	-	60,000.00
Utilized as Anticipated Revenue	120,000.00	120,000.00
Fund Balance, December 31	$ 293,617.15	$ 276,738.34

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

BOROUGH OF NEPTUNE CITY
COUNTY OF MONMOUTH, NEW JERSEY
SEWER UTILITY OPERATING FUND -
STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2023

	Budget	Realized	Excess/ (Deficit)
Operating Surplus Anticipated	$ 120,000.00	$ 120,000.00	$ -
Sewer Rents	1,190,000.00	1,251,917.73	61,917.73
Miscellaneous Revenue	-	67,313.75	67,313.75
	$ 1,310,000.00	$ 1,439,231.48	$ 129,231.48
Sewer Rents:			
Collections		$ 1,170,739.03	
Prepayments Applied		81,178.70	
		$ 1,251,917.73	
Miscellaneous:			
Miscellaneous Revenue		$ 85.70	
Penalty & Costs on Tax Sale		1,247.10	
Interest on Tax Sale		1,226.90	
Interest on Delinquent Sewer Rents		15,644.44	
Interest on Investments		49,109.61	
		$ 67,313.75	

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

BOROUGH OF NEPTUNE CITY
COUNTY OF MONMOUTH, NEW JERSEY
SEWER UTILITY OPERATING FUND -
STATEMENT OF APPROPRIATIONS - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2023

	Original Budget	Budget After Modifications	Paid or Charged	Encumbered	Reserved
Operating:					
Salaries and Wages	$ 185,000.00	$ 185,000.00	$ 173,516.96	$ -	$ 11,483.04
Other Expenses	476,147.00	476,147.00	403,905.03	12,047.58	60,194.39
Neptune Township Sewerage Authority	610,358.00	610,358.00	598,390.00	-	11,968.00
Total Operating	1,271,505.00	1,271,505.00	1,175,811.99	12,047.58	83,645.43
Capital Improvements:					
Capital Improvement Fund	-	90,000.00	84,957.00	-	5,043.00
Total Capital Improvements	-	90,000.00	84,957.00	-	5,043.00
Statutory Expenditures:					
Contributions To:					
Public Employees' Retirement System	23,995.00	23,995.00	23,995.00	-	-
Social Security System (O.A.S.I.)	14,500.00	14,500.00	13,274.13	-	1,225.87
Total Statutory Expenditures	38,495.00	38,495.00	37,269.13	-	1,225.87
Total Sewer Utility Appropriations	$ 1,310,000.00	$ 1,400,000.00	$ 1,298,038.12	$ 12,047.58	$ 89,914.30
	Adopted Budget	1,310,000.00			
	Emergency Appropriations	90,000.00			
		1,400,000.00			

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

EXHIBIT E

BOROUGH OF NEPTUNE CITY
COUNTY OF MONMOUTH, NEW JERSEY
PUBLIC ASSISTANCE FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND
FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2023 AND 2022

Assets	Reference	2023	2022
Interfund - Current Fund	E-1	$ 31,489.58	$ 31,489.58
Total Assets		$ 31,489.58	$ 31,489.58
Liabilities, Reserves and Fund Balances			
Reserve for Public Assistance		$ 31,489.58	$ 31,489.58
Total Liabilities, Reserves and Fund Balances		$ 31,489.58	$ 31,489.58

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

EXHIBIT F

BOROUGH OF NEPTUNE CITY
COUNTY OF MONMOUTH, NEW JERSEY
GENERAL FIXED ASSETS ACCOUNT GROUP
STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND
FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2023 AND 2022

Assets	Reference	2023	2022
Land	F-1	$ 2,866,600.00	$ 2,866,600.00
Buildings and Building Improvements	F-1	2,131,300.00	2,131,300.00
Machinery and Equipment	F-1	3,587,251.48	3,799,869.43
Total Assets		$ 8,585,151.48	$ 8,797,769.43

Liabilities	Reference	2023	2022
Investment in Fixed Assets	F-1	$ 8,585,151.48	$ 8,797,769.43
Total Liabilities		$ 8,585,151.48	$ 8,797,769.43

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

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BOROUGH OF NEPTUNE CITY
COUNTY OF MONMOUTH, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

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Note 1. Summary of Significant Accounting Policies

Description of Financial Reporting Entity

The Borough of Neptune City, County of Monmouth, New Jersey ("Borough") is governed by the Borough form of government, with a mayor and a 6-member Borough Council. The financial statements of the Borough include every board, body, officer or commission maintained wholly or in part by funds appropriated by the Borough, as required by the provision of N.J.S. 40A:5-5. The financial statements, however, do not include the operation of School Boards, Volunteer Fire Departments/Fire Districts and First Aid Squads which are subject to separate audit. Included within the financial statements are taxes levied, collected and turned over to School Boards and appropriations for contributions to Volunteer Fire Departments and First Aid Squads. Complete financial statements of the above component units can be obtained by contacting the Treasurer of the respective entity.

Component Units - GASB Statement 14, as amended by GASB Statements 39, 61, 80, 90, and 97, establishes criteria to be used in determining the component units, which should be included in the financial statements of a primary government. The financial statements of the Borough are not presented in accordance with GAAP (as discussed below). Therefore, the Borough had no component units as defined by GASB Statement No. 14, as amended by GASB Statements 39, 61, 80, 90, and 97.

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

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

Current Fund – This fund accounts for revenues and expenditures for governmental operations of a general nature, including federal and state grant funds.

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

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

Sewer Utility Operating and Capital Funds – These funds account for utility operations that are financed through user fees. The funds are operated on a basis similar to private business enterprises where the intent is that the costs of providing the utility to the general public be financed through user fees. Operations relating to the acquisition of capital facilities for utility purposes are recorded in the Utility Capital Fund.

Note 1. Summary of Significant Accounting Policies (continued):

Public Assistance Fund – These funds account for receipt and disbursements of funds that provide assistance to certain residents of the Borough pursuant to Title 44 of New Jersey statutes.

General Fixed Asset Account Group – The Fixed Asset Account Group of accounts is utilized to account for property, land, buildings, and equipment that have been acquired by other funds of the Borough.

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

An extension of the statutory dates for introduction, approval and adoption of the municipal budget may be granted by the Director of Local Government Services, with the permission of the Local Finance Board. Budgets are adopted on the same basis of accounting utilized for the preparation of the Borough's financial statements. Once a budget is approved it may be amended after November 1, by a resolution adopted by the governing body.

Cash, Cash Equivalents and Investments - Cash and Cash equivalents include petty cash, change funds and cash on deposit with public depositories. All certificates of deposit are recorded as cash regardless of the date of maturity. Under GAAP, investments are reported at fair value but under regulatory basis of accounting, investments are stated at cost with the exception of LOSAP investments which are reported at fair value. Therefore, unrealized gains or losses on investments have not been recorded.

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

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

Note 1. Summary of Significant Accounting Policies (continued):

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

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

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

General Fixed Assets – Accounting for governmental fixed assets, as required by N.J.A.C. 5:30-5.6, differs in certain respects from accounting principles generally accepted in the United States of America. In accordance with the regulations, all local units, including municipalities, must maintain a general fixed assets reporting system that establishes and maintains a physical inventory of nonexpendable, tangible property as defined and limited by the U.S. Office of Management and Budget's Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Part 200, §200.12), except that the useful life of such property is at least five years. The Borough has adopted a capitalization threshold of $5,000.00, the maximum amount allowed by the Circular. Generally, assets are valued at historical cost; however, assets acquired prior to December 31, 1985 are valued at actual historical cost or estimated historical cost. No depreciation of general fixed assets is recorded. Donated general fixed assets are recorded at acquisition value as of the date of the transaction. Interest costs relative to the acquisition of general fixed assets are recorded as expenditures when paid. Public domain ("infrastructure") general fixed assets consisting of certain improvements such as roads, bridges, curbs and gutters, streets and sidewalks and drainage systems are not capitalized. Expenditures for construction in progress are recorded in the capital funds until such time as the construction is completed and put into operation. The Borough is required to maintain a subsidiary ledger detailing fixed assets records to control additions, retirements, and transfers of fixed assets. In addition, a statement of general fixed asset group of accounts, reflecting the activity for the year, must be included in the Borough's basic financial statements.

Utility Fixed Assets – Property and equipment purchases by a utility fund are recorded in the utility capital account at cost and are adjusted for disposition. The amounts shown do not represent replacement cost or current value. The reserve for amortization and deferred reserve for amortization in the utility capital fund represent the cost of the utility fixed assets reduced by the outstanding balances of bonds, loans, notes, or other borrowings that are attributable to the acquisition, construction or improvement of those assets.

Note 1. Summary of Significant Accounting Policies (continued):

Foreclosed property – Foreclosed Property or "Property Acquired for Taxes" is recorded in the Current Fund at the assessed valuation when such property was acquired and is fully reserved. Ordinarily it is the intention of the Borough to resell foreclosed property in order to recover all or a portion of the delinquent taxes or assessments and to return the property to a taxpaying basis. For this reason, the value of

foreclosed property has not been included in the General Fixed Assets Account Group. If such property is converted to a municipal use, it will be recorded in the General Fixed Assets Account Group.

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

Fund Balance – Fund Balance included in the Current and Utility Operating Fund represent the amount available for anticipation as revenue in future year's budgets, with certain restrictions.

Revenues – are recorded when received in cash except for certain amounts, which are due from other governmental units. Revenue from Federal and State grants are realized when anticipated as such in the Borough's budget. Receivables for property taxes are recorded with offsetting reserves on the statement of assets, liabilities, reserves and fund balance 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.

Utility Revenues – Utility charges are levied semi-annually based upon a flat service charge and if applicable, an excess consumption or usage charge. Revenues from these sources are recognized on a cash basis. Receivables that are susceptible to accrual are recorded with offsetting reserves on the balance sheet of the Boroughs utility operating fund.

Property Tax Revenues – are collected in quarterly installments due February 1, May 1, August 1 and November 1. The amount of tax levied includes not only the amount required in support of the Borough's annual budget, but also the amounts required in support of the budgets of the County of Monmouth and the Borough of Neptune City School District. Unpaid property taxes are subject to tax sale in accordance with statutes.

County Taxes – The municipality is responsible for levying, collecting and remitting County taxes for the County of Monmouth. Operations is charged for the amount due the County for the year, based upon the ratables required to be certified to the County Board of Taxation by January 10th of the current year. In addition, operations is charged for the County share of Added and Omitted Taxes certified to the County Board of Taxation by October 10th of the current year and due to be paid to the County by February 15th of the following year.

School Taxes – The municipality is responsible for levying, collecting and remitting school taxes for the Borough of Neptune City School District. Operations are charged for the full amount required to be raised from taxation to operate the local and regional school district July 1 to June 30.

Note 1. Summary of Significant Accounting Policies (continued):

Deferred School Taxes – School taxes raised in advance in the Current Fund for a school fiscal year (July I to June 30) which remain unpaid at December 31 of the calendar year levied may be deferred to fund balance to the extent of not more than 50% of the annual levy providing no requisition has been made by the school district for such amount.

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

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

Appropriation Reserves – Appropriation reserves covering unexpended appropriation balances are automatically created at year-end and recorded as liabilities, except for amounts, which may be cancelled by the governing body. Appropriation reserves and reserve for encumbrances at current year end are available until December 31st of the succeeding year to meet specific claims, commitments or contracts incurred during the preceding year. Any unspent balances at this time are lapsed appropriation reserves and recorded as income.

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

Compensated Absences – Expenditures relating to obligations for unused vested accumulated vacation and sick leave are not recorded until paid; however, municipalities may establish and budget reserve funds subject to NJSA 40A:4-39 for the future payment of compensated absences.

Subsequent Events – The Borough has evaluated subsequent events through April 25, 2024, the date the financial statements were made available to be issued.

Note 1. Summary of Significant Accounting Policies (continued):

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

Accounting Pronouncements Adopted in Current Year

The following GASB Statements became effective for the fiscal year ended December 31, 2023:

- Statement No. 96, *Subscription-Based Information Technology Arrangements.* The requirements of this Statement are effective for fiscal years beginning after June 15, 2022.
- Statement No. 99, *Omnibus 2022.* The requirements of this Statement are effective for fiscal years beginning after June 15, 2022.

Management has determined that the implementation of this Statement did not have a significant impact on the Borough's financial statements.

Accounting Pronouncements Effective in Future Reporting Periods

The following accounting pronouncements will become effective in future reporting periods:

- Statement No. 100, *Accounting Changes and Error Corrections – an amendment of GASB Statement No. 62.* The requirements of this Statement are effective for fiscal years beginning after June 15, 2023.
- Statement No. 101, *Compensated Absences.* The requirements of this Statement are effective for fiscal years beginning after December 15, 2023.
- Statement No. 102, *Certain Risk Disclosures.* The requirements of this Statement are effective for fiscal years beginning after June 15, 2024.

Management has not yet determined the potential impact these Statements will have on the Borough's financial statements.

Note 2. Deposits and Investments

The Borough is governed by the deposit and investment limitations of New Jersey state law.

Note 2. Deposits and Investments (continued):

Deposits

Custodial Credit Risk Related to Deposits - Custodial credit risk is the risk that, in the event of a bank failure, the Borough's deposits may not be returned. Although the Borough does not have a formal policy regarding custodial credit risk, NJSA 17:9-41 et seq. requires that the governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). GUDPA is a supplemental insurance program set forth by the New Jersey Legislature to protect the deposits of local governmental agencies. The program is administered by the Commissioner of the New Jersey Department of Banking and Insurance. Under the Act, the first $250,000 of governmental deposits in each insured depository is protected by FDIC. Public funds owned by the Borough in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings, bail funds or funds that may pass to the Borough relative to the happening of a future condition. Such funds are shown as Uninsured and Uncollateralized in the schedule below. Although these protections do not constitute a 100% guarantee of the safety of all funds, no governmental unit under NJGUDPA has ever lost protected deposits.

As of December 31, 2023, the Borough's bank balance of $7,122,431.08 was insured or collateralized as follows:

Insured under FDIC and GUDPA	$ 6,049,983.70
Uninsured and Uncollateralized	1,072,447.38
	$ 7,122,431.08

Investments

Under the regulatory basis of accounting, investments are measured at cost in the Borough's financial statements. However, had the financial statements been prepared in accordance with generally accepted accounting principles (GAAP), investments would be reported at fair value (except for fully benefit-responsive investment contracts, which would be reported at contract value). Contract value is the relevant measure for the portion of the Length of Service Awards Program (LOSAP) Plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants normally would receive if they were to initiate permitted transactions under the terms of the LOSAP Plan.

Investments at Fair Value – The fair value measurements of investments are required to be reported based on the hierarchy established by GAAP. Under GAAP, investments are required to be categorized based on the fair value of inputs of Levels 1, 2 and 3. Under Level 1 inputs, investments are required to be categorized based on quoted market prices in active markets for identical investments. Level 2 inputs are based primarily on using observable measurement criteria, including quoted market prices of similar investments in active and inactive markets and other observable corroborated factors. Level 3 inputs are assets measured at fair value on a recurring basis using significant unobservable measurement criteria based on the best information available. As of December 31, 2023, the Borough had no investments held at Level 2 or 3.

Note 2. Deposits and Investments (continued):

Following is a description of the valuation methodologies used for investments measured at fair value.

Bond Anticipation Notes: Valued at the market value of the Notes held by the Borough at year-end.

Mutual Funds: Valued at quoted market prices which represent the net asset value ("NAV") shares held by the Borough at year-end.

The Borough's fair value, hierarchy level and maturities of its investments at December 31, 2023 was as followed:

				Investment Maturities (in Years)
	Carrying	Fair Value as of December 31, 2023		Less Than
	Value	Level 1	Total	1 Year
Investment Type				
Bond Anticipation Notes	$ 1,418,314.06	$ 1,418,314.06	$ 1,418,314.06	$ 1,418,314.06
Mutual Funds	418,532.50	418,532.50	418,532.50	418,532.50
	$ 1,836,846.56	$ 1,836,846.56	$ 1,836,846.56	$ 1,836,846.56
Fund				
Capital Fund	$ 1,418,314.06	$ 1,418,314.06	$ 1,418,314.06	$ 1,418,314.06
Trust Fund - LOSAP (Fair Value)	418,532.50	418,532.50	418,532.50	418,532.50
	$ 1,836,846.56	$ 1,836,846.56	$ 1,836,846.56	$ 1,836,846.56

Investments at Contract Value - The Borough held a fully benefit-responsive investment contract with the Lincoln Financial Group (Lincoln) totaling $34,235.95 as of December 31, 2023. Lincoln maintains the contributions in the group fixed annuity contract (fixed account). The account is credited with earnings on the underlying investments and charged for participant withdrawals and administrative expenses. The traditional investment contract held by the Borough is a guaranteed investment contract. The contract issuer is contractually obligated to repay the principal and interest at a specified interest rate that is guaranteed to the LOSAP Plan. The Borough's ability to receive amounts due in accordance with the fully benefit-responsive investment contract is dependent on the contract issuer's ability to meet its financial obligations. The fixed account continues in-force until they are terminated by Lincoln or the LOSAP Plan and do not define a maturity date.

No events are probable of occurring that might limit the ability of the LOSAP Plan to transact at contract value with the contract issuer and also limit the ability of the LOSAP Plan to transact at contract value with participants. This contract meets the fully benefit-responsive investment contract criteria and therefore is reported at contract value.

Note 2. Deposits and Investments (continued):

The total Trust Fund LOSAP value held by the Borough at December 31, 2023 was as follows:

	12/31/2023
Fixed Account Investment Contract	$ 34,235.95
Trust Fund - LOSAP (Fair Value)	$ 418,532.50
Trust Fund - LOSAP (Contract Value)	34,235.95
Total Trust Fund - LOSAP	$ 452,768.45

Custodial credit risk related to Investments - This is the risk that in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, the Borough will not be able to recover the value of its investment or collateral securities that are in the possession of another party. Other than the rules and regulations promulgated by N.J.S.A. 40A:5-15.1, the Borough has no investment policy to limit exposure to custodial credit risk.

Interest rate risk - This is the risk that changes in interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. Other than the rules and regulations promulgated by N.J.S.A. 40A:5-15.1, the Borough does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit risk - Credit risk is the risk that an issuer to an investment will not fulfill its obligation to the holder of the investment. This is measured by assignment of a rating by a nationally recognized rating organization. U.S. Government securities or obligations explicitly guaranteed by the U.S. government are not considered to have credit risk exposure.

Concentration of Credit Risk – Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. Other than the rules and regulations promulgated by N.J.S.A. 40A; 5-15.1, the Borough's investment policies place no limit in the amount the Borough may invest in any one issuer. More than 5% of the Borough's investments are in bond anticipation notes and mutual funds and these investments represent 100% of the Borough's total investments.

Note 3. Property Taxes

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

Note 3. Property Taxes (continued):

Comparison Schedule of Tax Rates

	2023	2022	2021
Tax Rate	$ 1.928	$ 2.039	$ 2.188
Apportionment of Tax Rate:			
Municipal	0.774	0.774	0.804
County General	0.197	0.241	0.286
Local School	0.957	1.024	1.098

Assessed Valuation

Year	Amount
2023	$ 829,275,900.00
2022	740,648,300.00
2021	677,923,700.00

Comparison of Tax Levies and Collections

Year	Tax Levy	Cash Collections	Percentage Of Collection
2023	$ 16,016,985.97	$ 15,708,996.68	98.07%
2022	15,144,130.00	14,713,343.93	97.15%
2021	14,855,813.55	14,499,624.38	97.60%

Delinquent Taxes and Tax Title Liens

Year	Tax Title Liens	Delinquent Taxes	Total Delinquent	Percentage Of Tax Levy
2023	$ 11,773.22	$ 306,014.30	$ 317,787.52	1.98%
2022	6,600.40	433,691.33	440,291.73	2.91%
2021	308.19	361,263.02	361,571.21	2.43%

Note 4. Property Acquired By Tax Title Lien Liquidation

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

Year	Amount
2023	$ 29,300.00
2022	29,300.00
2021	29,300.00

Note 5. Sewer Utility Service Charges

The following is a three-year comparison of Sewer utility charges (rents) and collections for the current and previous two years.

Year	Beginning Balance	Levy	Total	Cash Collections	Percentage Of Collection
2023	$ 167,174.17	$ 1,236,617.72	$ 1,403,791.89	$ 1,251,917.73	89.18%
2022	148,882.50	1,237,400.00	1,386,282.50	1,219,108.33	87.94%
2021	147,761.95	1,236,454.66	1,384,216.61	1,235,334.11	89.24%

Note 6. Fund Balances Appropriated

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

Year	Balance December 31,	Utilized in Budget of Succeeding Year	Percentage of Fund Balance Used
Current Fund:			
2023	$ 2,108,966.45	$ 1,385,000.00	65.67%
2022	1,781,402.89	880,000.00	49.40%
2021	2,391,855.82	1,490,000.00	62.29%
Sewer Operating Fund:			
2023	$ 293,617.15	$ 130,000.00	44.28%
2022	276,738.34	120,000.00	43.36%
2021	354,028.36	120,000.00	33.90%

Note 7. Disaggregated Receivable and Payable Balances

There are no significant components of receivable and payable balances reported in the financial statements.

Note 8. Interfund Receivables, Payables and Transfers

The following interfund balances were recorded in the various statements of assets, liabilities, reserves and fund balances at December 31, 2023:

Fund	Interfund Receivable	Interfund Payable
Current Fund	$ -	$ 109,093.11
State and Federal Grant Fund	77,603.53	-
Public Assistance Fund	31,489.58	-
	$ 109,093.11	$ 109,093.11

The interfund receivables and payables above predominantly resulted from payment made by certain funds on behalf of other funds. All interfund balances are expected to be repaid within one year.

Note 9. Fixed Assets

The following is a summary of changes in the General Fixed Assets Account Group for the year ended December 31, 2023.

	Balance December 31, 2022	Additions	Deletions	Balance December 31, 2023
Land	$ 2,866,600.00	$ -	$ -	$ 2,866,600.00
Buildings and Buildings Improvement	2,131,300.00	-	-	2,131,300.00
Machinery & Equipment	3,799,869.43	203,384.08	416,002.03	3,587,251.48
	$ 8,797,769.43	$ 203,384.08	$ 416,002.03	$ 8,585,151.48

Note 10. Pension Obligations

A. Public Employees' Retirement System (PERS)

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

Note 10. Pension Obligations (continued)

A. Public Employees' Retirement System (PERS) (continued)

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

The following represents the membership tiers for PERS:

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

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

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

Contributions - The contribution policy for PERS is set by *N.J.S.A. 43:15A* and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount, which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For the fiscal year 2021, the State's pension contribution was less than the actuarial determined amount. The local employers' contribution amounts are based on an actuarially determined rate, which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PERS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law.

Note 10. Pension Obligations (continued)

A. Public Employees' Retirement System (PERS) (continued)

This unfunded liability will be paid by the employer in level annual payments over a period of 15 years beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets. For the year ended December 31, 2022, the Borough's contractually required contribution to PERS plan was $217,997.

Components of Net Pension Liability - At December 31, 2022, the Borough's proportionate share of the PERS net pension liability was $2,608,842. The net pension liability was measured as of June 30, 2022. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of July 1, 2021, which was rolled forward to June 30, 2022. The Borough's proportion of the net pension liability was based on the Borough's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2022. The Borough's proportion measured as of June 30, 2022, was 0.0172869705% which was an increase of 0.0002129179% from its proportion measured as of June 30, 2021.

Balances at December 31, 2022 and December 31, 2021

	12/31/2022	12/30/2021
Actuarial valuation date (including roll forward)	June 30, 2022	June 30, 2021
Deferred Outflows of Resources	$ 383,888	$ 381,164
Deferred Inflows of Resources	428,703	1,336,604
Net Pension Liability	2,608,842	2,022,677
Borough's portion of the Plan's total Net Pension Liability	0.01729%	0.01707%

Pension Expense(Credit) and Deferred Outflows/Inflows of Resources - At December 31, 2022, the Borough's proportionate share of the PERS expense, calculated by the plan as of the June 30, 2022 measurement date is $(106,464). This expense/(credit) is not recognized by the Borough because of the regulatory basis of accounting as described in Note 1, but as previously mentioned the Borough contributed $217,997 to the plan in 2022.

Note 10. Pension Obligations (continued)

A. Public Employees' Retirement System (PERS) (continued)

At December 31, 2022, the Borough reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected and Actual Experience	$ 18,829	$ 16,605
Changes of Assumptions	8,083	390,647
Net Difference between Projected and Actual Earnings on Pension Plan Investments	107,978	-
Changes in Proportion and Differences between Borough Contributions and Proportionate Share of Contributions	248,998	21,451
	$ 383,888	$ 428,703

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

Year Ending December 31,	Amount
2023	$ (178,275)
2024	(68,501)
2025	(10,092)
2026	166,809
2027	45,244
	$ (44,815)

Note 10. Pension Obligations (continued)

A. Public Employees' Retirement System (PERS) (continued)

Special Funding Situation – Under N.J.S.A. 43:15A-15, local participating employers are responsible for their own contributions based on actuarially determined amounts, except where legislation was passed which legally obligated the State if certain circumstances occurred. The legislation which legally obligates the State, are Chapter 366, P.L. 2001 and Chapter 133, P.L. 2001.

The amounts contributed on behalf of the local participating employers under this legislation is considered to be a special funding situation as defined by GASB Statement No. 68 and the State is treated as a non-employer contributing entity. Since the local participating employers do not contribute under this legislation directly to the plan (except for employer specific financed amounts), there is no net pension liability to report in the financial statements of the local participating employers related to this legislation.

Additionally, the State has no proportionate share of the PERS net pension liability attributable to the Borough as of December 31, 2022. At December 31, 2022, the State's proportionate share of the PERS expense, associated with the Borough, calculated by the plan as of the June 30, 2021 measurement date was $5,489.

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

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

Note 10. Pension Obligations (continued)

A. Public Employees' Retirement System (PERS) (continued)

Mortality Rate Table	
PERS	Pub-2010 General Below-Median Income Employee mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021
Period of Actuarial Experience Study upon which Actuarial Assumptions were Based	July 1, 2018 - June 30, 2021

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

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

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

Note 10. Pension Obligations (continued)

A. Public Employees' Retirement System (PERS) (continued)

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. Equity	27.00%	8.12%
Non-U.S. Developed Markets Equity	13.50%	8.38%
Emerging Markets Equity	5.50%	10.33%
Private Equity	13.00%	11.80%
Real Estate	8.00%	11.19%
Real Assets	3.00%	7.60%
High Yield	4.00%	4.95%
Private Credit	8.00%	8.10%
Investment Grade Credit	7.00%	3.38%
Cash Equivalents	4.00%	1.75%
U.S. Treasuries	4.00%	1.75%
Risk Mitigation Strategies	3.00%	4.91%
	100.00%	

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 78% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make 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 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 were calculated using a discount rate that is 1-percentage-point lower (6.00%) or 1-percentage-point higher (8.00%) than the current rate:

Note 10. Pension Obligations (continued)

A. Public Employees' Retirement System (PERS) (continued)

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Borough's Proportionate Share of the Net Pension Liability	$ 3,379,982	$ 2,608,842	$ 1,993,468

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

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

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

The following represents the membership tiers for PFRS:

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

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

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

Note 10. Pension Obligations (continued)

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

Contributions - The contribution policy for PFRS is set by *N.J.S.A. 43:16A* and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's contribution amount is based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. For fiscal year 2021, the State contributed an amount less than the actuarially determined amount. The Local employers' contribution amounts are based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PFRS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law.

This unfunded liability will be paid by the employer in level annual payments over a period of 15 years beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets. For the year ended December 31, 2022, the Borough's contractually required contributions to PFRS plan was $659,786.

Net Pension Liability and Pension Expense - At December 31, 2022 the Borough's proportionate share of the PFRS net pension liability was $5,806,871. The net pension liability was measured as of June 30, 2022. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of July 1, 2021, to the measurement date of June 30, 2022. The Borough's proportion of the net pension liability was based on the Borough's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2022. The Borough's proportion measured as of June 30, 2022, was 0.0507311800%, which was a decrease of 0.0012883105% from its proportion measured as of June 30, 2021.

Balances at December 31, 2022 and December 31, 2021

	12/31/2022	12/30/2021
Actuarial valuation date (including roll forward)	June 30, 2022	June 30, 2021
Deferred Outflows of Resources	$ 1,108,210	$ 293,440
Deferred Inflows of Resources	1,327,948	3,430,568
Net Pension Liability	5,806,871	3,613,855
Borough's portion of the Plan's total net pension Liability	0.05073%	0.04944%

Pension Expense/(Credit) and Deferred Outflows/Inflows of Resources – At December 31, 2022, the Borough's proportionate share of the PFRS expense/(credit), calculated by the plan as of the June 30, 2022 measurement date was $(64,465). This expense/(credit) is not recognized by the Borough because of the regulatory basis of accounting as described in Note 1, but as previously mentioned the Borough contributed $659,786 to the plan in 2022.

Note 10. Pension Obligations (continued)

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

At December 31, 2022, the Borough had deferred outflows of resources and deferred inflows of resources related to PFRS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected and Actual Experience	$ 262,835	$ 355,750
Changes of Assumptions	15,914	730,970
Net Difference between Projected and Actual Earnings on Pension Plan Investments	531,739	-
Changes in Proportion and Differences between Borough Contributions and Proportionate Share of Contributions	297,722	241,228
	$ 1,108,210	$ 1,327,948

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

Year Ending	Amount
2023	$ (279,137)
2024	(174,308)
2025	(165,512)
2026	380,630
2027	14,858
Thereafter	3,731
	$ (219,738)

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

Note 10. Pension Obligations (continued)

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

Additionally, the State's proportionate share of the PFRS net pension liability attributable to the Borough is $1,033,453 as of December 31, 2022. The net pension liability was measured as of June 30, 2022. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of July 1, 2021, to the measurement date of June 30, 2022. The State's proportion of the net pension liability associated with the Borough 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 members, actuarially determined. The State's proportion measured as of June 30, 2022 was 0.05073124%, which was an increase of 0.0012883705% from its proportion measured as of June 30, 2021, which is the same proportion as the Borough's. At December 31, 2022, the Borough's and the State of New Jersey's proportionate share of the PFRS net pension liability were as follows:

Borough's Proportionate Share of Net Pension Liability	$ 5,806,871
State of New Jersey's Proportionate Share of Net Pension Liability Associated with the Borough	1,033,453
	$ 6,840,324

At December 31, 2023, the State's proportionate share of the PFRS expense, associated with the Borough, calculated by the plan as of the June 30, 2022 measurement date was $119,233.

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

Inflation	
Price	2.75%
Wage	3.25%
Salary Increases:	
Through	All future years
	3.25 - 16.25%
	Based on Years of Service
Investment Rate of Return	7.00%
Mortality Rate Table	
PFRS	PubS-2010 amount-weighted mortality table using Scale MP-2021
Period of Actuarial Experience Study upon which Actuarial Assumptions were Based	July 1, 2018 - June 30, 2021

Note 10. Pension Obligations (continued)

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

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

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

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. Equity	27.00%	8.12%
Non-U.S. Developed Markets Equity	13.50%	8.38%
Emerging Markets Equity	5.50%	10.33%
Private Equity	13.00%	11.80%
Real Estate	8.00%	11.19%
Real Assets	3.00%	7.60%
High Yield	4.00%	4.95%
Private Credit	8.00%	8.10%
Investment Grade Credit	7.00%	3.38%
Cash Equivalents	4.00%	1.75%
U.S. Treasuries	4.00%	1.75%
Risk Mitigation Strategies	3.00%	4.91%
	100.00%	

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 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

Note 10. Pension Obligations (continued)

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

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 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 were calculated using a discount rate that is 1-percentage-point lower (6.00%) or 1-percentage-point higher (8.00%) than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Borough's Proportionate Share of the Net Pension Liability	$ 7,967,654	$ 5,806,871	$ 17,552,093
State of New Jersey's Proportionate Share of Net Pension Liability associated with the Borough	1,418,009	1,033,453	3,123,759
	$ 9,385,663	$ 6,840,324	$ 20,675,852

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

Note 11. Postemployment Benefits Other Than Pensions

As of the date of this report, the New Jersey Division of Pension and Benefits has not provided updated actuarial valuations for other postemployment benefit obligations for the year ended June 30, 2022. The New Jersey Division of Pension and Benefits will post these reports on their website as they are made available. The footnote below includes the most current information made publicly available, which had a reporting date of June 30, 2021.

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

The Plan provides medical and prescription drug to retirees and their covered dependents of the participating employers. Under the provisions of Chapter 88, P.L 1974 and Chapter 48, P.L. 1999, local government employers electing to provide postretirement medical coverage to their employees must file a resolution with the Division. Under Chapter 88, local employers elect to provide benefit coverage based on the eligibility rules and regulations promulgated by the State Health Benefits Commission. Chapter 48 allows local employers to establish their own age and service eligibility for employer paid health benefits coverage for retired employees.

Note 11. Postemployment Benefits Other Than Pensions (continued):

General Information about the OPEB Plan

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.

Basis of Presentation

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

Allocation Methodology

GASB Statement No. 75 requires participating employers in the Plan to recognize their proportionate share of the collective net OPEB liability, collective deferred outflows of resources, collective deferred inflows of resources, and collective OPEB (benefit) expense. The special funding situation's and nonspecial funding situation's net OPEB liability, deferred outflows of resources, deferred inflows of resources, and OPEB (benefit) expense are based on separately calculated total OPEB liabilities. For the special funding situation and the nonspecial funding situation, the total OPEB liabilities for the year ended June 30, 2022 were $3,373,809,587 and $3,861,357,890, respectively.

Note 11. Postemployment Benefits Other Than Pensions (continued):

The nonspecial funding situation's net OPEB liability, deferred outflows of resources, deferred inflows of resources, and OPEB (benefit) expense are further allocated to employers based on the ratio of the plan members of an individual employer to the total members of the Plan's nonspecial funding situation during the measurement period July 1, 2021 through June 30, 2022. Employer and nonemployer allocation percentages have been rounded for presentation purposes; therefore, amounts presented in the schedule of OPEB amounts by employer and nonemployer may result in immaterial differences.

Special Funding Situation

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

Therefore, these employers are considered to be in a special funding situation as defined by GASB Statement No. 75 and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute under this legislation directly to the plan, there is no net OPEB liability, deferred outflows of resources or deferred inflows of resources to report in the financial statements of the local participating employers related to this legislation. However, the notes to the financial statements of the local participating employers must disclose the portion of the nonemployer contributing entities' total proportionate share of the collective net OPEB liability that is associated with the local participating employer.

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

Additionally, the State's proportionate share of the OPEB liability attributable to the Borough is $410,424 as of December 31, 2022. The OPEB liability was measured as of June 30, 2022. The total OPEB liability used to calculate the OPEB liability was determined using update procedures to roll forward the total OPEB liability from an actuarial valuation as of July 1, 2021, to the measurement date of June 30, 2022. The State's proportion of the OPEB liability associated with the Borough was based on a projection of the Borough's long-term share of contributions to the OPEB plan relative to the projected contributions of all participating members, actuarially determined. The State's proportion measured as of June 30, 2022 was 0.012165002 which was an decrease of 0.00630% from its proportion measured as of June 30, 2021, which is the same proportion as the Borough's. At December 31, 2022, the Borough's and the State of New Jersey's proportionate share of the OPEB liability were as follows:

State of New Jersey's Proportionate Share of OPEB Liability Associated with the Borough	$ 410,424.00

Note 11. Postemployment Benefits Other Than Pensions (continued):

At December 31, 2022, the State's proportionate share of the OPEB (credit)/expense, associated with the Borough, calculated by the plan as of the June 30, 2022 measurement date was ($67,318).

Net OPEB Liability

The total OPEB liability as of June 30, 2022 was determined by an actuarial valuation as of June 30, 2021, which was rolled forward to June 30, 2022. 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% based on years of service

Police and Firemen's Retirement System (PFRS)
Rate for all future years 3.25% to 16.25% based on years of service

Mortality:

PERS	Pub-2010 General classification headcount weighted mortality with fully generational mortality improvement projections from the central year using Scale MP-2021
PFRS	Pub-2010 Safety classification headcount weighted mortality with fully generational mortality improvement projections 1rom the central year using Scale MP-2020

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

OPEB Obligation and OPEB (benefit) Expense - The State's proportionate share of the total Other Post-Employment Benefits Obligations, attributable to the Borough's as of June 30, 2022 was $8,207,386. The Borough's proportionate share was $0.

The OPEB Obligation was measured as of June 30, 2022, and the total OPEB Obligation used to calculate the OPEB Obligation was determined by an actuarial valuation as of July 1, 2021, which was rolled forward to June 30, 2022. The State's proportionate share of the OPEB Obligation associated with the Borough was based on projection of the State's long-term contributions to the OPEB plan associated with the Borough relative to the projected contributions by the State associated with all participating Municipalities, actuarially determined. At June 30, 2022, the State proportionate share of the OPEB Obligation attributable to the Borough was 0.050821001%, which was an increase of 0.00061% from its proportion measured as of June 30, 2021.

Note 11. Postemployment Benefits Other Than Pensions (continued):

For the fiscal year ended June 30, 2022, the State of New Jersey recognized an OPEB (benefit) expense in the amount of $849,202 for the State's proportionate share of the OPEB (benefit) expense attributable to the Borough. This OPEB (benefit) expense was based on the OPEB plans June 30, 2022 measurement date.

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.

Health Care Trend Assumptions

For pre-Medicare medical benefits, the trend rate is initially 5.6% and decreases to a 4.5% long-term trend rate after seven years. For post-65 medical benefits, the actual fully-insured Medicare Advantage trend rates for fiscal year 2021 through 2022 are reflected. The rates used for 2023 and 2024 are 21.83% and 18.53%, respectively, trending to 4.5% for all future years. For prescription drug benefits, the initial trend rate is 7.00% decreasing to a 4.5% long-term trend rate after seven years.

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.

Sensitivity of Net OPEB Liability to Changes in the Discount Rate

The following presents the collective net OPEB liability of the participating employers as of June 30, 2022, calculated using the discount rate as disclosed above as well as what the collective net OPEB liability would be if it was calculated using a discount rate that is 1-percentage point lower or 1-percentage-point higher than the current rate:

	At 1% Decrease (2.54%)	At Discount Rate (3.54%)	At 1% Increase (4.54%)
State of New Jersey's Proportionate Share of Total OPEB Obligation Associated with The Borough	$ 9,514,012.60	$ 8,207,386.00	$ 7,156,082.65
State of New Jersey's Total Nonemployer OPEB Liability	18,720,632,230.00	16,149,595,478.00	14,080,955,857.00

Note 11. Postemployment Benefits Other Than Pensions (continued):

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

The following presents the net OPEB liability as of June 30, 2022, calculated using the healthcare trend rate as disclosed above as well as what the net OPEB liability would be if it was calculated using a healthcare trend rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	1% Decrease	Healthcare Cost Trend Rate	1% Increase
State of New Jersey's Proportionate Share of Total OPEB Obligations Associated with The Borough	$ 6,962,572.64	$ 8,207,386.00	$ 9,801,641.39
State of New Jersey's Total Nonemployer OPEB Liability	13,700,188,049.00	16,149,595,478.00	19,286,596,671.00

Additional Information – The following is a summary of the collective balances of the local group at June 30, 2022:

Collective Balances at December 31, 2022 and December 31, 2021

	12/31/2022	12/31/2021
Actuarial valuation date (including roll forward)	June 30, 2022	June 30, 2021
Collective Deferred Outflows of Resources	$ 2,993,464,316.00	$ 3,001,822,350.00
Collective Deferred Inflows of Resources	8,504,994,107.00	6,947,492,748.00
Collective Net OPEB Liability	16,149,595,478.00	17,999,781,235.00
Borough's Portion	0.050821%	0.050214%

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

Year Ending June 30:	
2023	$ (1,463,380,540.00)
2024	(1,464,672,406.00)
2025	(1,156,630,075.00)
2026	(516,557,746.00)
2027	(115,810,526.00)
Thereafter	(794,478,497.00)
	$ (5,511,529,790.00)

Note 11. Postemployment Benefits Other Than Pensions (continued):

Changes in Proportion

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

Plan Membership

At June 30, 2021, the Program membership consisted of the following:

	June 30, 2021
Active Plan Members	65,360
Retirees Currently Receiving Benefit	33,684
Total Plan Members	99,044

Changes in the Total OPEB Liability

The change in the State's Total OPEB liability for the fiscal year ended June 30, 2022 (measurement date June 30, 2021) is as follows:

Service Cost	$ 796,654,029.00
Interest on the Total OPEB Liability	401,372,615.00
Change of Benefit Terms	402,474,416.00
Differences Between Expected and Actual Experience	572,046,963.00
Changes of Assumptions	(3,599,550,175.00)
Contributions From the Employer	(389,490,003.00)
Contributions From Non-Employer Contributing Entity	(45,792,081.00)
Net Investment Income	(235,962.00)
Administrative Expense	12,334,441.00
Net Change in Total OPEB Liability	(1,850,185,757.00)
Total OPEB Liability (Beginning)	17,999,781,235.00
Total OPEB Liability (Ending)	$ 16,149,595,478.00

Note 12. Municipal Debt

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

	2023	2022	2021
Issued:			
General:			
Bonds, Notes and Loans	$ 1,332,814.06	$ 1,015,297.33	$ 923,502.95
Utility:			
Bonds, Notes and Loans	85,500.00	-	-
Total Debt Issued	1,418,314.06	1,015,297.33	923,502.95
Authorized but not issued:			
General:			
Bonds, Notes and Loans	336,920.65	257,596.57	533,143.61
Total Authorized But Not Issued	336,920.65	257,596.57	533,143.61
Total Gross Debt	$ 1,755,234.71	$ 1,272,893.90	$ 1,456,646.56
Deductions:			
General	-	12,741.19	-
Total Net Debt	$ 1,755,234.71	$ 1,260,152.71	$ 1,456,646.56

Summary of Statutory Debt Condition - Annual Debt Statement

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

	Gross Debt	Deductions	Net Debt
Local School District Debt	$ 1,880,000.00	$ 1,880,000.00	$ -
General Debt	1,755,234.71	-	1,755,234.71
	$ 3,635,234.71	$ 1,880,000.00	$ 1,755,234.71

Net Debt $1,755,234.71 divided by the average Equalized Valuation Basis per N.J.S.A 40A:2-2 as amended, $818,409,857.67, equals 0.215%. New Jersey statute 40A:2-6, as amended, limits the debt of a Municipality to 3.5% of the last three preceding year's average equalized valuations of real estate, including improvements and the assessed valuation of Class II Railroad Property. The remaining borrowing power in dollars at December 31, 2023 is calculated as follows:

Borrowing Power Under N.J.S. 40A:2-6 as Amended	
3 1/2% of Equalized Valuation Basis (Municipal)	$ 28,644,345.02
Net Debt	1,755,234.71
Remaining Borrowing Power	$ 26,889,110.31

Note 12. Municipal Debt (continued):

Self-Liquidating Utility Calculation per N.J.S.A. 40A:2-45

Cash Receipts From Fees, Rents or Other Charges for the Year		$ 1,439,231.48
Deductions:		
Operating and Maintenance Costs	$ 1,310,000.00	
Total Deductions		1,310,000.00
Excess/(Deficit) in Revenue		$ 129,231.48

General Debt

A. Serial Bonds Payable

As of December 31, 2023, the Borough had no serial bonds outstanding.

B. Bond Anticipation Notes Payable – Short Term Debt

The following is a summary of bond anticipation notes payable accounted for in the General Capital Fund at December 31, 2023:

Description	Date of Issue	Date of Maturity	Rate	Balance December 31, 2023
Bond Anticipation Notes-Various	12/26/2023	12/24/2024	0%	$ 1,332,814.06
				1,332,814.06

The following is a summary of bond anticipation notes payable accounted for in the Utility Capital Fund at December 31, 2023:

Description	Date of Issue	Date of Maturity	Rate	Balance December 31, 2023
Overbrook Pump Station	12/26/2023	12/24/2024	0.00%	$ 85,500.00
				$ 85,500.00

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

Note 12. Municipal Debt (continued):

C. Bonds and Notes Authorized But Not Issued

The Borough had bonds and notes authorized but not issued in the General Capital Fund at December 31, 2023 in the amount of $336,920.65.

D. Capital Leases

The following is a summary of capital leases payable accounted for in the General Capital Fund at December 31, 2023:

Year Ending December 31,	
2024	$ 74,800.00
2025	75,200.00
2026	75,450.00
2027	75,130.00
2028	74,730.00
2029-2031	225,850.00
Total Minimum Lease Payments	601,160.00
Less: Amount Representing Interest	(109,160.00)
Present Value of Minimum Lease Payments	$ 492,000.00

Summary of Principal Debt

A summary of the changes in long-term and short-term debt of the Borough is as follows:

	Balance December 31, 2022	Accrued/ Increases	Retired/ Decreases	Balance December 31, 2023	Balance Due Within One Year
General Capital:					
Bond Anticipation Notes	$ 1,015,297.33	$ 1,332,814.06	$ 1,015,297.33	$ 1,332,814.06	$ 1,332,814.06
Capital Leases	542,000.00	-	50,000.00	492,000.00	74,800.00
Authorized but Not Issued	257,596.57	509,582.00	430,257.92	336,920.65	-
	$ 1,272,893.90	$ 1,842,396.06	$ 1,445,555.25	$ 1,669,734.71	$ 1,332,814.06
Utility Capital:					
Bond Anticipation Notes	-	85,500.00	-	85,500.00	85,500.00
	$ -	$ 85,500.00	$ -	$ 85,500.00	$ 85,500.00

Note 13. Deferred School Taxes

School taxes have been raised and the liability deferred by statutes. The balance of unpaid local and regional school taxes levied, amount deferred and the amount reported as a liability (payable) at December 31, are as follows:

	Balance, December 31,	
Local Taxes	2023	2022
Total Balance of Local Tax	$ 3,969,117.84	$ 3,792,136.86
Deferred Taxes	1,675,000.00	1,675,000.00
Local Tax Payable	$ 2,294,117.84	$ 2,117,136.86

Note 14. Deferred Compensation Salary Account

The Borough offers its employees a Deferred Compensation Plan in accordance with Internal Revenue Code Section 457 which has been approved by the Director of the Division of Local Government Services. The Plan, available to all full time employees at their option, permits employees to defer a portion of their salary to future years. The deferred compensation is not available to participants until termination, retirement, death or unforeseeable emergency. Amounts deferred under Section 457 plans must be held in trust for the exclusive benefits of participating employees and not be accessible by the Borough or its creditors. Since the Borough does not have a fiduciary relationship with the Plan, the balances and activities of the Plan are not reported in the Borough's financial statements.

Note 15. Accrued Sick, Vacation and Compensation Time

As discussed in Note 1 and in accordance with accounting principles prescribed by the State of New Jersey, the cash basis of accounting is followed for recording the Borough's liability related to unused vacation, sick pay and compensation time. The Borough permits certain employees within limits to accumulate unused vacation, sick pay and compensation time, which may be taken as time off or paid at a later date at an agreed upon rate. In accordance with New Jersey accounting principles, this unused accumulated absences amount is not reported as a liability in the accompanying financial statements. It is estimated that accrued benefits for compensated absences are valued at $622,571.43 at December 31, 2023. The Borough has established a Trust Fund in accordance with NJSA 40A:4-39 to set aside funds for future payments of compensated absences. As of December 31, 2023, the Borough has reserved in the Other Trust Fund $132,642.26 to fund compensated absences in accordance with NJSA 40A:4-39.

Note 16. Contingencies

Grantor Agencies

The Borough receives financial assistance from the State of New Jersey and the U.S. government in the form of grants. Entitlement to the funds is generally conditional upon compliance with terms and conditions of the grant agreements and applicable regulations, including the expenditure of the funds for eligible purposes. Substantially all grants, entitlements and cost reimbursements are subject to financial and compliance audits by grantors. As a result of these audits, costs previously reimbursed could be disallowed and require repayment to the grantor agency. As of December 31, 2023 the Borough estimates that no material liabilities will result from such audits.

Note 16. Contingencies (continued)

Litigation

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

Tax Appeals

Losses arising from tax appeals are recognized at the time a decision is rendered by an administrative or judicial body; however, municipalities may establish reserves transferred from tax collections or by budget appropriation for future payments of tax appeal losses. There are no significant pending tax appeals as of December 31, 2023.

Note 17. Length of Service Awards Program

The Borough's length of service awards program ("LOSAP") is reported in the Borough's trust fund Statement of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis. The LOSAP provides tax deferred income benefits to active volunteer firefighters and emergency medical personnel.

The tax deferred income benefits for the active volunteer firefighters and emergency medical personnel serving the residents the of the Borough come from contributions made solely by the governing body of the Borough, on behalf of those volunteers who meet the criteria of a plan created by that governing body. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

Contributions - If an active member meets the year of active service requirement, a length of service awards program must provide a benefit between the minimum contribution of $100 and a maximum contribution of $1,150.00 per year. While the maximum amount is established by statute, it is subject to periodic increases that are related to the consumer price index (N.J.S.A. 40A:14-185(f)). The Division of Local Government Services of the State of New Jersey will issue the permitted maximum annually. The Borough elected to contribute $1,150.00 for the year ended December 31, 2023 per eligible volunteer, into the Plan, depending on how many years the volunteer has served. During the year ended December 31, 2023, the Borough did not make a contribution to the plan. Participants direct the investment of the contributions into various investment options offered by the Plan. The Borough has no authorization to direct investment contributions on behalf of eligible volunteers nor has the ability to purchase or sell investment options offered by the Plan. The types of investment options, and the administering of such investments, rests solely with the plan administrator.

Participant Accounts - Each participant's account is credited with the Borough's contribution and Plan earnings, and charged with administrative expenses. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account. The Borough has placed the amounts deferred, including earnings, in a trust maintained by a third-party administrator for the exclusive benefit of the plan participants and their beneficiaries. Such funds, although subject to the claims of the Borough's creditors until distributed as benefit payments, are not available for funding the operations of the Borough. The funds may also be used to pay the administrative fees charged by the Plan Administrator. VALIC, Inc. ("Plan Administrator"), an approved Length of Service Awards Program provider, is the administrator of the Plan. The Borough's practical involvement in administering the Plan is essentially limited to verifying the eligibility of each participant and remitting the funds to the Plan Administrator.

Note 17. Length of Service Awards Program (continued)

Vesting - Benefits, plus actual earnings thereon, are one hundred percent (100%) vested after five (5) years of service.

Payment of Benefits - Upon retirement or disability, participants may select various payout options, which include lump sum, periodic, or annuity payments. In the case of death, with certain exceptions, any amount invested under the participant's account is paid to the beneficiary or the participant's estate. In the event of an unforeseeable emergency, as outlined in the Plan document, a participant or a beneficiary entitled to vested accumulated deferrals may request the local plan administrator to payout a portion of vested accumulated deferrals. During the year ended December 31, 2023 payouts of $26,082.16 were made to vested participants.

Forfeited Accounts – During the year ended December 31, 2023, no accounts were forfeited.

Plan Information - Additional information about the Borough's length of service awards program can be obtained by contacting the Plan Administrator.

Note 18. Subsequent Events

Management has reviewed and evaluated all events and transactions that occurred between December 31, 2023 and April 25, 2024, the date the financial statements were available to be issued, for possible disclosure and recognition in the financial statements. Based upon this evaluation, Management has determined that there were no events which would require disclosure in the financial statements.

SUPPLEMENTARY STATEMENTS

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CURRENT FUND

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BOROUGH OF NEPTUNE CITY
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
SCHEDULE OF CASH AND INVESTMENTS - TREASURER
FOR THE YEAR ENDED DECEMBER 31, 2023

	Current Fund	
Balance, December 31, 2022		$ 4,320,466.01
Increased By Receipts:		
Non-Budget Revenues	$ 321,019.28	
State of New Jersey - Senior Citizens' and Veterans' Deductions	36,500.00	
Property Taxes Receivable	15,935,985.68	
Revenue Accounts Receivable	1,032,554.90	
Due To/From:		
State of N.J.	6,958.00	
Notes Receivable: General Capital Fund	1,015,297.33	
Prepaid Taxes	107,903.35	
Various Reserves	51,754.43	
Grants:		
Grants Receivable	66,826.03	
Unappropriated Reserves	1,651.79	
		18,576,450.79
		22,896,916.80
Decreased By Disbursements:		
2023 Budget Appropriations	7,354,109.47	
2022 Appropriation Reserves	199,180.32	
Notes Receivable: Sewer Capital Fund	1,332,814.06	
Notes Receivable: General Capital Fund	85,500.00	
Local School Taxes	7,761,265.02	
County Taxes	2,021,884.14	
Tax Overpayments	3,591.85	
Accounts Payable	164,876.80	
Due to State of N.J.	6,633.00	
Voided Warrants Reissued	3,825.00	
Various Reserves	38,673.62	
Grants - Appropriated	168,865.75	
		19,141,219.03
Balance, December 31, 2023		$ 3,755,697.77

BOROUGH OF NEPTUNE CITY
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY
FOR THE YEAR ENDED DECEMBER 31, 2023

Year	Balance December 31, 2022	2023 Levy	Added	Collections 2022	Collections 2023	Due From State of New Jersey	Transfers to Tax Title Lien	Remitted Abated Cancelled	Balance December 31, 2023
Arrears	$ 7,312.76	$ -	$ -	$ -	$ 6,613.62	$ -	$ -	$ -	$ 699.14
2019	971.59	-	-	-	971.59	-	-	-	-
2022	425,406.98	-	-	-	423,056.78	500.00	-	(648.49)	2,498.69
	433,691.33	-	-	-	430,641.99	500.00	-	(648.49)	3,197.83
2023	-	15,988,439.37	28,546.60	167,402.99	15,505,343.69	36,250.00	5,172.82	-	302,816.47
	$ 433,691.33	$ 15,988,439.37	$ 28,546.60	$ 167,402.99	$ 15,935,985.68	$ 36,750.00	$ 5,172.82	$ (648.49)	$ 306,014.30

Analysis of Property Tax Levy

Tax Yield

General Purpose Tax		$ 15,988,439.37	
Added/ Omitted Taxes (R.S. 54-4-63, 1 et seq.)		28,546.60	
			$ 16,016,985.97

Tax Levy

Local District School Tax		$ 7,938,246.00	
County Taxes:			
General Tax	$ 1,634,159.19		
Library Tax	118,219.72		
Open Space Fund Tax	231,519.89		
Health Tax	32,548.69		
Added & Omitted Tax	3,615.01		
		2,020,062.50	
			9,958,308.50
Local Tax for Municipal Purposes		6,028,497.19	
Add: Additional Tax Levied		30,180.28	
			6,058,677.47
			$ 16,016,985.97

BOROUGH OF NEPTUNE CITY
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
SCHEDULE OF TAX TITLE LIENS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2023

Balance, December 31, 2022		$ 6,600.40
Increased By:		
Transfer from Taxes Receivable	$ 5,172.82	
		5,172.82
Balance, December 31, 2023		$ 11,773.22

EXHIBIT A-7

BOROUGH OF NEPTUNE CITY
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
SCHEDULE OF PROPERTY ACQUIRED FOR TAXES
FOR THE YEAR ENDED DECEMBER 31, 2023

Balance December 31, 2023 & 2022	$ 29,300.00

BOROUGH OF NEPTUNE CITY
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2023

	Balance December 31, 2022	Accrued in 2023	Collections	Balance December 31, 2023
Miscellaneous Revenues:				
Licenses:				
Alcoholic Beverages	$ -	$ 9,300.00	$ 9,300.00	$ -
Other	-	14,465.00	14,465.00	-
Fines and Costs:				
Municipal Court	4,511.52	90,883.20	90,713.46	4,681.26
Interest and Costs on Taxes	-	108,933.99	108,933.99	-
Trailer Park Licenses	-	14,400.00	14,400.00	-
Payment in Lieu of Taxes	-	60,000.00	60,000.00	-
Certificates of Occupancy	-	9,658.00	9,658.00	-
Fire Prevention Bureau - Permits	-	31,658.00	31,658.00	-
Community Center Fees	-	21,675.00	21,675.00	-
Energy Receipts Tax (P.L. 1997, Chaps. 162 & 167)	-	481,169.18	481,169.18	-
Uniform Construction Code Fees	-	105,676.00	105,676.00	-
Other Special Items:				
Uniform Fire Safety Act	-	14,759.23	14,759.23	-
Cable TV Fees	-	71,980.13	71,980.13	-
	$ 4,511.52	$ 1,034,557.73	$ 1,034,387.99	$ 4,681.26
		Cash Receipts	$ 1,032,554.90	
		Interfund	1,833.09	
			$ 1,034,387.99	

BOROUGH OF NEPTUNE CITY
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
SCHEDULE OF APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2023

	Balance, December 31, 2022	Transfer from Encumbrances	Balance after Modifications	Paid or Charged	Lapsed
GENERAL GOVERNMENT					
Administrator's Office					
Salaries and Wages	$ 513.96	$ -	$ 513.96	$ -	$ 513.96
Other Expenses	427.24	832.19	1,259.43	1,161.21	98.22
Mayor and Council					
Salaries and Wages	66.68	-	66.68	-	66.68
Other Expenses	965.83	-	965.83	-	965.83
Municipal Clerk's Office					
Salaries and Wages	3.37	-	3.37	-	3.37
Other Expenses	905.83	-	905.83	-	905.83
Municipal Clerk - Shared Service					
Other Expenses	90.81	-	90.81	-	90.81
Financial Administration					
Salaries and Wages	8.18	-	8.18	-	8.18
Other Expenses	11.09	29.95	41.04	-	41.04
Central Postage					
Other Expenses	2,057.28	411.65	2,468.93	569.39	1,899.54
Collection of Taxes					
Salaries and Wages	619.67	-	619.67	-	619.67
Other Expenses	2,089.62	-	2,089.62	1,230.00	859.62
Assessment of Taxes					
Salaries and Wages	19.74	-	19.74	-	19.74
Other Expenses	11,680.50	-	11,680.50	849.64	10,830.86
Legal Services					
Other Expenses	1,239.86	-	1,239.86	950.00	289.86
Engineering Services and Costs					
Other Expenses	4,765.50	-	4,765.50	413.75	4,351.75
Information Technology					
Other Expenses	5,516.77	-	5,516.77	-	5,516.77
LAND USE ADMINISTRATION					
Land Use Board					
Salaries and Wages	157.46	-	157.46	-	157.46
Other Expenses	969.40	-	969.40	700.00	269.40
CODE ENFORCEMENT					
Code Enforcement Office					
Salaries and Wages	79.53	-	79.53	-	79.53
Other Expenses	455.00	-	455.00	-	455.00
INSURANCE					
General Liability	590.48	-	590.48	-	590.48
Worker's Compensation	91.36	-	91.36	-	91.36
Employees Group Insurance	129.71	-	1,329.71	1,250.00	79.71
Health Benefit Waiver	800.00	-	800.00	-	800.00
PUBLIC SAFETY FUNCTIONS					
Police					
Crossing Guards					
Salaries and Wages	173.50	-	173.50	-	173.50
Clerical					
Salaries and Wages	94.48	-	94.48	-	94.48
Officers					
Salaries and Wages	462.32	15,331.18	8,093.50	-	8,093.50
Other Expenses	15,041.99	-	15,041.99	12,560.65	2,481.34
Fire Department					
Other Expenses	73.22	15,662.27	17,735.49	17,456.22	279.27
Fire Prevention Bureau					
Salaries and Wages	4.95	-	4.95	-	4.95
Other Expenses	2,213.62	308.75	2,522.37	308.75	2,213.62
Emergency Management					
Other Expenses	555.59	-	555.59	-	555.59
Municipal Prosecutor					
Salaries and Wages	375.36	-	375.36	-	375.36

BOROUGH OF NEPTUNE CITY
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
SCHEDULE OF APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2023

	Balance, December 31, 2022	Transfer from Encumbrances	Balance after Modifications	Paid or Charged	Lapsed
PUBLIC WORKS FUNCTIONS					
Road Repair and Maintenance					
Salaries and Wages	134.04	-	134.04	-	134.04
Other Expenses	84.07	12,421.25	12,505.32	10,070.21	2,435.11
Other Public Works Functions					
Traffic Lights	5,040.16	230.05	5,270.21	230.05	5,040.16
Solid Waste Collection					
Salaries and Wages	210.69	-	210.69	-	210.69
Other Expenses	87,726.82	1,566.68	89,293.50	35,160.96	54,132.54
Public Buildings and Grounds					
Salaries and Wages	0.35	-	0.35	-	0.35
Other Expenses	12.00	3,660.64	3,672.64	2,120.64	1,552.00
Maintenance of Borough Vehicles					
Other Expenses	11,678.56	3,751.39	5,429.95	2,251.39	3,178.56
HEALTH AND HUMAN SERVICES					
Animal Control					
Other Expenses	3,084.60	-	3,084.60	-	3,084.60
PARK AND RECREATION FUNCTIONS					
Parks and Playgrounds					
Other Expenses	1,075.53	278.72	1,354.25	278.72	1,075.53
Community Center					
Salaries and Wages	10.48	-	10.48	-	10.48
Other Expenses	2,206.85	1,000.00	3,206.85	1,114.02	2,092.83
EDUCATION					
Expenses in Participation in County Library					
Salaries and Wages	9.06	-	9.06	-	9.06
Other Expenses	2,065.12	36.92	2,102.04	36.92	2,065.12
MUNICIPAL COURT					
Municipal Court					
Salaries and Wages	41.30	-	41.30	-	41.30
Other Expenses	3,244.79	437.70	3,682.49	437.70	3,244.79
Public Defender					
Salaries and Wages	49.92	-	49.92	-	49.92
UNIFORM CONSTRUCTION CODE					
State Uniform Constrution Code					
Construction Official					
Salaries and Wages	89.17	-	89.17	-	89.17
Other Expenses	765.43	-	765.43	-	765.43
Sub-Code Officials					
Building Inspectors					
Salaries and Wages	224.83	-	224.83	-	224.83
Other Expenses	500.00	-	500.00	-	500.00
UNCLASSIFIED					
Utilities:					
Electricity	430.02	445.90	875.92	445.90	430.02
Street Lighting	2,090.74	2,748.14	4,838.88	2,748.14	2,090.74
Telephone	458.96	2,031.34	2,490.30	2,031.34	458.96
Water	784.69	-	784.69	-	784.69
Natural Gas	6.08	-	6.08	-	6.08
Gasoline and Fuel Oil	2,031.33	-	2,031.33	-	2,031.33
Condo Services	60,000.00	-	60,000.00	60,000.00	-
Fire Hydrants	1,596.03	-	1,596.03	-	1,596.03
Celebration of Public Events	2,364.63	252.00	2,616.63	1,410.90	1,205.73
Contingent	100.00	-	100.00	-	100.00
Total Operations - Within "CAPS"	241,366.15	61,436.72	302,802.87	155,786.50	147,016.37

BOROUGH OF NEPTUNE CITY
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
SCHEDULE OF APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2023

	Balance, December 31, 2022	Transfer from Encumbrances	Balance after Modifications	Paid or Charged	Lapsed
Detail:					
Salaries and Wages	2,721.05	15,331.18	18,052.23	-	18,052.23
Other Expenses	238,645.10	46,105.54	284,750.64	155,786.50	128,964.14
Statutory Expenditures:					
Contribution To:					
Social Security System (O.A.S.I.)	8,648.93	-	8,648.93	-	8,648.93
Defined Contribution Retirement Program (DCRP)	1,596.33	-	1,596.33	-	1,596.33
Total Deferred Charges and Statutory Expenditures - Municipal - Within "CAPS"	10,245.26	-	10,245.26	-	10,245.26
Total General Appropriations for Municipal Purposes - Within "CAPS"	251,611.41	61,436.72	313,048.13	155,786.50	157,261.63
Length of Service Award Program ("LOSAP")	20,300.00	-	20,300.00	-	20,300.00
Total Other Operations - Excluded from "CAPS"	20,300.00	-	20,300.00	-	20,300.00
Shared Service Agreements					
RECIPIENTS					
Borough of Bay Head					
Financial Administration	765.00	-	765.00	-	765.00
Township of Neptune					
Emergency Service	302.25	-	14,802.25	14,633.57	168.68
Recycling	45,000.00	-	45,000.00	36,976.25	8,023.75
Total Interlocal Municpal Service Agreements	46,067.25	-	60,567.25	51,609.82	8,957.43
Public and Private Programs Offset by Revenues:					
Matching Funds for Grants	5,000.00	-	5,000.00	-	5,000.00
Total Public and Private Programs Offset by Revenues	5,000.00	-	5,000.00	-	5,000.00
Total Operations - Excluded from "CAPS"	71,367.25	-	71,367.25	51,609.82	19,757.43
Detail:					
Other Expenses	71,367.25	-	71,367.25	51,609.82	19,757.43
Total General Appropriations for Municipal Purposes - Excluded From "CAPS"	71,367.25	-	71,367.25	51,609.82	19,757.43
Subtotal General Appropriations	322,978.66	61,436.72	384,415.38	207,396.32	177,019.06
Total General Appropriations	$ 322,978.66	$ 61,436.72	$ 384,415.38	$ 207,396.32	$ 177,019.06

Disbursements	$ 199,180.32
Accounts Payable	8,216.00
	$ 207,396.32

BOROUGH OF NEPTUNE CITY
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
SCHEDULE OF RESERVE FOR ENCUMBRANCES
FOR THE YEAR ENDED DECEMBER 31, 2023

Balance, December 31, 2022	$	61,436.72
Increased By:		
Transferred From Appropriation		48,413.10
		109,849.82
Decreased By:		
Transferred To Appropriation Reserves		61,436.72
Balance, December 31, 2023	$	48,413.10

BOROUGH OF NEPTUNE CITY
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
SCHEDULE OF DUE FROM STATE OF NEW JERSEY -
SENIOR CITIZENS' AND VETERANS' DEDUCTIONS
FOR THE YEAR ENDED DECEMBER 31, 2023

Balance, December 31, 2022		$ (2,369.24)
Increased By:		
Senior Citizens' Deductions per Tax Billings	$ 5,500.00	
Veterans' Deductions per Tax Billings	30,250.00	
Deductions Allowed by Tax Collector	500.00	
Prior Year Deductions Allowed by Tax Collector - Prior Year Taxes	750.00	
		37,000.00
Decreased By:		34,630.76
Cash Received From State of New Jersey	36,500.00	
Prior Year Deductions Disallowed by Tax Collector	250.00	
		36,750.00
Balance, December 31, 2023		$ (2,119.24)

BOROUGH OF NEPTUNE CITY
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
SCHEDULE OF DUE TO STATE
FOR THE YEAR ENDED DECEMBER 31, 2023

	Balance December 31, 2022	Cash Receipts	Decreased	Balance December 31, 2023
Marriage Licenses	$ 250.00	$ 450.00	$ 625.00	$ 75.00
Construction Fees	1,222.00	6,508.00	6,008.00	1,722.00
	$ 1,472.00	$ 6,958.00	$ 6,633.00	$ 1,797.00

EXHIBIT A-13

BOROUGH OF NEPTUNE CITY
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
SCHEDULE OF PREPAID TAXES
FOR THE YEAR ENDED DECEMBER 31, 2023

Balance, December 31, 2022		$ 167,402.99
Increased By:		
Collection of 2022 Taxes	107,903.35	
Applied from Taxes Receivable	2,174.60	
		110,077.95
		277,480.94
Decreased By:		
Applied To Taxes Receivable		167,402.99
Balance, December 31, 2023		$ 110,077.95

BOROUGH OF NEPTUNE CITY
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
SCHEDULE OF PROPERTY TAX OVERPAYMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

Balance, December 31, 2022		$ 29,786.83
Increased By:		
Transferred from Taxes		4,741.47
		34,528.30
Decreased By:		
Cash Disbursements	3,591.85	
Adjustment	2,129.16	
		5,721.01
Balance, December 31, 2023		$ 28,807.29

BOROUGH OF NEPTUNE CITY
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
SCHEDULE OF VARIOUS RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2023

	Balance December 31, 2022	Increased	Decrease	Balance December 31, 2023
Reserve for:				
Reserve for Cannabis Licemse	$ 40,000.00	$ -	$ 30,000.00	$ 10,000.00
Municipal Relief	24,927.36	49,844.43	24,927.36	49,844.43
Active Shooter	8,673.62	-	8,673.62	-
Prepaid Revenue	5,870.00	1,910.00	5,870.00	1,910.00
	$ 79,470.98	$ 51,754.43	$ 69,470.98	$ 61,754.43
			Cash Receipts	$ 38,673.62
			Revenue Anticipated	30,797.36
				$ 69,470.98

BOROUGH OF NEPTUNE CITY
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
SCHEDULE OF COUNTY TAXES PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2023

Balance, December 31, 2022		$ 5,436.65
Increased By:		
2023 Tax Levy:		
County Tax	$ 1,634,159.19	
County Library Tax	118,219.72	
County Open Space Fund Tax	231,519.89	
County Health Tax	32,548.69	
Due County for Added and Omitted Taxes	3,615.01	
		2,020,062.50
		2,025,499.15
Decreased By:		
Cash Disbursements		2,021,884.14
Balance, December 31, 2023		$ 3,615.01

BOROUGH OF NEPTUNE CITY
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
SCHEDULE OF LOCAL SCHOOL DISTRICT TAX PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2023

Balance December 31, 2022		
School Tax Payable	$ 2,117,136.86	
School Tax Deferred	1,675,000.00	
		$ 3,792,136.86
Increased by:		
Levy - School Year July 1, 2022 to June 30, 2023		7,938,246.00
		11,730,382.86
Decreased by:		
Payments		7,761,265.02
Balance December 31, 2023		
School Tax Payable	2,294,117.84	
School Tax Deferred	1,675,000.00	
		$ 3,969,117.84
2022 Liability for Local District School Tax:		
Tax Paid		$ 7,761,265.02
Tax Payable December 31, 2023		2,294,117.84
		10,055,382.86
Less: Tax Payable December 31, 2022		2,117,136.86
Amount Charged to 2022 Operations		$ 7,938,246.00

BOROUGH OF NEPTUNE CITY
COUNTY OF MONMOUTH, NEW JERSEY
GRANT FUND
SCHEDULE OF GRANTS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2023

	Balance December 31, 2022	Budget Revenue Realized	Received	Transferred From Unappropriated	Balance December 31, 2023
State Programs					
Safe and Secure Grant	$ -	$ 32,400.00	$ 29,670.00	$ -	$ 2,730.00
Alcohol Education and Rehabilitation	-	129.79	129.79	-	-
Body Armor Grant	-	1,466.91	-	1,466.91	-
Body Worn Camera	-	6,114.00	-	6,114.00	-
Clean Communities Program	-	22,555.40	11,924.21	10,631.19	-
Drunk Driving Enforcement	-	2,806.25	-	2,806.25	-
Hazardous Discharge Remediation	173,584.00	-	-	-	173,584.00
Recycling Tonnage Grant	-	10,102.03	10,102.03	-	-
Bullet Proof Vest	1,434.49	-	-	-	1,434.49
Recycling Stimulus	10,000.00	-	-	-	10,000.00
Stormwater Assistance Grant	-	15,000.00	15,000.00	-	-
Federal Programs					
FEMA - Emergency Management Performance	12,000.00	-	-	-	12,000.00
	$ 197,018.49	$ 90,574.38	$ 66,826.03	$ 21,018.35	$ 199,748.49
Interfunds			$ 66,826.03		
Transferred from Unappropriated			21,018.35		
			$ 87,844.38		

BOROUGH OF NEPTUNE CITY
COUNTY OF MONMOUTH, NEW JERSEY
GRANT FUND
SCHEDULE OF RESERVE FOR GRANTS - APPROPRIATED
FOR THE YEAR ENDED DECEMBER 31, 2023

	Balance December 31, 2022	Transferred from 2023 Budgets	Transferred from Encumbrances Payable	Expended	Transferred to Encumbrances Payable	Balance December 31, 2023
Federal Grants:						
FEMA - Emergency Management Performance	$ 2,546.63	$ -	$ -	$ -	$ -	$ 2,546.63
Cooperative Forestry Assistance	2,260.00	-	-	-	-	2,260.00
State Grants:						
Safe & Secure	-	120,000.00	-	120,000.00	-	-
Bullet Proof Vest	1,006.79	-	-	-	-	1,006.79
Alcohol Education and Rehabilitation	2,427.14	129.79	-	-	-	2,556.93
Body Armor	1,054.05	1,466.91	-	855.40	-	1,665.56
Hazardous Discharge Site Remediation	162,487.74	-	-	-	-	162,487.74
Clean Communities	25,231.89	22,555.40	600.00	3,001.05	3,000.00	42,386.24
Body Worn Cameras	-	6,114.00	24,456.00	24,456.00	-	6,114.00
Recycling Tonnage Grant	28,109.60	10,102.03	4,657.00	8,382.55	-	34,486.08
Drunk Driving Enforcement Fund	10,210.75	2,806.25	-	12,170.75	-	846.25
Stormwater Assistance Grant	-	15,000.00	-	-	-	15,000.00
	$ 235,334.59	$ 178,174.38	$ 29,713.00	$ 168,865.75	$ 3,000.00	$ 271,356.22
2023 Budget Appropriations - Federal & State		$ 141,018.35				
Chapter 159s		37,156.03				
		$ 178,174.38				

BOROUGH OF NEPTUNE CITY
COUNTY OF MONMOUTH, NEW JERSEY
GRANT FUND
SCHEDULE OF RESERVE FOR GRANTS - UNAPPROPRIATED
FOR THE YEAR ENDED DECEMBER 31, 2023

	Balance December 31, 2022	Transferred To Budget Appropriations	Cash Received	Transferred To Grants Receivable	Balance December 31, 2023
Drunk Driving Enforcement Fund	$ 2,806.25	$ -	$ -	$ 2,806.25	$ -
American Rescue Plan Act	481,056.68	481,056.68	-	-	-
Body Worn Cameras	6,114.00	-	-	6,114.00	-
Clean Communities	10,631.19	-	-	10,631.19	-
Body Armor	1,466.91	-	1,651.79	1,466.91	1,651.79
	$ 502,075.03	$ 481,056.68	$ 1,651.79	$ 21,018.35	$ 1,651.79

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TRUST FUND

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BOROUGH OF NEPTUNE CITY
COUNTY OF MONMOUTH, NEW JERSEY
TRUST FUND
SCHEDULE OF CASH
FOR THE YEAR ENDED DECEMBER 31, 2023

	Animal Control Fund	Other Trust Funds
Balance, December 31, 2022	$ 10.20	$ 1,505,353.35
Increased By Receipts:		
Due To State of New Jersey	381.60	-
Dog License Fees	2,914.40	-
Various Reserves	-	169,702.02
	3,296.00	169,702.02
	3,306.20	1,675,055.37
Decreased By Disbursements:		
N.J. State Department of Health	391.80	-
Dog License Expenditures	2,650.00	-
Various Reserves	-	691,465.63
	3,041.80	691,465.63
Balance, December 31, 2023	$ 264.40	$ 983,589.74

BOROUGH OF NEPTUNE CITY
COUNTY OF MONMOUTH, NEW JERSEY
ANIMAL CONTROL TRUST FUND
SCHEDULE OF RESERVE FOR ANIMAL CONTROL FUND EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2023

Balance, December 31, 2022	$ -
Increased By:	
License Fees Collected	2,914.40
	2,914.40
Decreased By:	
Expenditures Per R.S. 4:19-15.11	2,650.00
Balance, December 31, 2023	$ 264.40

License Fees Collected

2022	$ 3,740.20
2021	3,401.60
	$ 7,141.80

EXHIBIT B-3

BOROUGH OF NEPTUNE CITY
COUNTY OF MONMOUTH, NEW JERSEY
ANIMAL CONTROL TRUST FUND
SCHEDULE OF DUE TO STATE OF NEW JERSEY
FOR THE YEAR ENDED DECEMBER 31, 2023

Balance, December 31, 2022	$ 10.20
Increased By:	
State Registration Fees	381.60
	391.80
Decreased By:	
Disbursed To State	391.80
Balance, December 31, 2023	$ -

BOROUGH OF NEPTUNE CITY
COUNTY OF MONMOUTH, NEW JERSEY
TRUST - OTHER FUND
SCHEDULE OF RESERVE FOR VARIOUS TRUST FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2023

	Balance December 31, 2022	Receipts	Disbursements	Balance December 31, 2023
Deferred Sick Leave (NJSA 11:24A-3) (Accumulated Sick Leave)	$ 314,728.72	$ -	$ 182,086.46	$ 132,642.26
Developers Escrow Fund (NJSA 40:55D-53.1):				
Developer's Escrow	48,997.75	53,425.00	36,338.42	66,084.33
Emergency Management Costs of Hazardous Materials (P.L. 1991, C.85)	3,258.72	2.00	445.00	2,815.72
Recyling Program (P.L. 1981 C. 278) (Environmental Trust)	25,807.05	486.00	310.00	25,983.05
Parking Offenses Adjudication Act (P.L. 1989, C.137)	307.72	12.00	-	319.72
Recreation Trust Fund P.L. 1999 C.292 & NJS 40:48-2.56:				
Recreation Commission	18,378.68	6,250.37	6,492.29	18,136.76
Community Center Rentals	3,300.00	3,250.00	4,050.00	2,500.00
Park Rentals	600.00	3,725.00	3,650.00	675.00
Storm Recovery Trust Fund (P.L. 2013, C.271)	119,336.70	-	-	119,336.70
Uniform Fire Safety Act Penalty Monies (NJSA 52:27D-192)	2,191.09	-	-	2,191.09
Third Party Lien Redemption	-	92,753.51	92,753.51	-
Housing Rehabilitation Trust	160,261.47	-	-	160,261.47
Truck Rental	784.41	600.00	600.00	784.41
Law Enforcement	10,919.13	465.42	-	11,384.55
Law Enforcement - Undesignated	910.00	-	-	910.00
Premiums on Tax Sale	692,818.00	100.00	326,500.00	366,418.00
Public Defender	17,417.42	838.50	-	18,255.92
Unemployment Trust	85,336.49	7,794.22	38,239.95	54,890.76
	$ 1,505,353.35	$ 169,702.02	$ 691,465.63	$ 983,589.74

Cash Receipts	$ 169,702.02
	$ 169,702.02

BOROUGH OF NEPTUNE CITY
COUNTY OF MONMOUTH, NEW JERSEY
LENGTH OF SERVICE AWARDS PROGRAM FUND ("LOSAP")
SCHEDULE OF MISCELLANEOUS RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2023

Balance, December 31, 2022		$ 401,777.92
Increased By:		
Gain on Investments		78,322.69
		480,100.61
Decreased By:		
Accounting Charges	$ 1,250.00	
Withdrawals	26,082.16	
		27,332.16
Balance, December 31, 2023		$ 452,768.45

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GENERAL CAPITAL FUND

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EXHIBIT C-2

BOROUGH OF NEPTUNE CITY
COUNTY OF MONMOUTH, NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF CASH AND INVESTMENTS - TREASURER
FOR THE YEAR ENDED DECEMBER 31, 2023

Balance, December 31, 2022		$ 211,752.98
Increased By:		
Grants Receivable	$ 620,636.00	
Bond Anticipation Notes	1,332,814.06	
		1,953,450.06
		2,165,203.04
Decreased By:		
Bond Anticipation Notes	915,297.33	
Improvement Authorizations	693,448.33	1,608,745.66
Balance, December 31, 2023		$ 556,457.38

BOROUGH OF NEPTUNE CITY
COUNTY OF MONMOUTH, NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF ANALYSIS OF GENERAL CAPITAL FUND CASH
FOR THE YEAR ENDED DECEMBER 31, 2023

		Balance December 31, 2023
Capital Improvement Fund		$ 239,565.94
Grant Receivable		(600,402.00)
Reserve for Encumbrances		200,607.56
Fund Balance		3,853.18
Ordinance Number	Improvement Description	
2018-02	Park Improvements	649.51
2020-02c	Memorial Park Improvements	173.39
2020-06a	Municipal Building Improvements	76,570.18
2020-06c	Fire Equipment	4,920.17
2021-03a	Adams Field - Grant	250,000.00
2021-08a	2021 Road Program - Grant	9,393.52
2022-13	Police Storage Trailer	4,724.30
2023-04	Recycling Truck	(40,891.32)
2023-05	ADA Impts. Phase 4	176,385.00
2023-06	Roadway Improvements	243,833.00
2023-14	Fire Department Equipment	(12,925.05)
		$ 556,457.38

BOROUGH OF NEPTUNE CITY
COUNTY OF MONMOUTH, NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF STATE, FEDERAL, AND LOCAL GRANTS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2023

Grant	Ordinance Number	Balance December 31, 2022	Increase	Decreased	Balance December 31, 2023
Community Development Block Grant:					
	2023-05	$ -	$ 176,385.00	$ -	$ 176,385.00
Monmouth County Open Space Grant:					
	2018-02	175,000.00	-	175,000.00	-
	2020-02c	250,000.00	-	200,000.00	50,000.00
NJDOT Grant:					
	2020-02	104,434.00	-	62,761.25	41,672.75
	2021-07	211,103.00	-	182,874.75	28,228.25
	2021-08	60,283.00	-	-	60,283.00
	2023-06	-	243,833.00	-	243,833.00
		$ 800,820.00	$ 420,218.00	$ 620,636.00	$ 600,402.00
		Cash Received		$ 620,636.00	
				$ 620,636.00	

BOROUGH OF NEPTUNE CITY
COUNTY OF MONMOUTH, NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF DEFFERRED CHARGES TO FUTURE TAXATION - UNFUNDED
FOR THE YEAR ENDED DECEMBER 31, 2023

Ordinance Number	Improvement Description	Balance December 31, 2022	Current Year Authorizations	Grant Cancellation	Payments of BAN's	Balance December 31, 2023	Bond Anticipation Notes	Expenditures	Unexpended Improvement Authorizations
2010-07	Improvements to Memorial Park	$ 10,758.25	$ -	$ -	$ 1,793.04	$ 8,965.21	$ 8,965.21	$ -	$ -
2017-02	Sidewalk Improvement	52,636.00	-	-	2,157.55	50,478.45	18,799.95	-	31,678.50
2017-03	Improvements to Union Ave	27,560.00	-	-	3,937.14	23,622.86	23,622.86	-	-
2017-10	Improvements to 3rd Avenue	25,540.00	-	-	3,648.57	21,891.43	21,891.43	-	-
2018-01/2019-05	Repairs to Windsor Ave	12,680.00	-	-	1,811.43	10,868.57	10,868.57	-	-
2018-02	Park Improvements	26,250.00	-	-	3,281.25	22,968.75	22,968.75	-	-
2018-10	Purchase of Pick Up Truck	19,900.00	-	-	2,842.86	17,057.14	17,057.14	-	-
2019-03	Improvements to Steiner Avenue Pedestrian and ADA	8,738.81	-	-	3,068.57	5,670.24	5,670.24	-	-
2020-02a	Hawthorne & Woodland Avenues	93,233.45	-	-	7,277.37	85,956.08	56,364.00	-	29,592.08
2020-02b	First Responder Park	85,500.00	-	-	10,687.50	74,812.50	74,812.50	-	-
2020-02c	Memorial park Improvements	79,200.00	-	-	9,900.00	69,300.00	69,300.00	-	-
2020-06a	Municipal Building Improvments	81,225.00	-	-	10,153.13	71,071.87	71,071.87	-	-
2020-06b	Recycling Truck	74,100.00	-	-	9,262.50	64,837.50	64,837.50	-	-
2020-06c	Fire Equiptment	22,230.00	-	-	2,778.75	19,451.25	19,451.25	-	-
2021-02	Steiner Avenue Phase 3	237,151.80	-	-	3,663.64	233,488.16	219,249.12	-	14,239.04
2021-03	Adams Field	138,654.80	-	-	7,853.13	130,801.67	86,987.47	-	43,814.20
2021-07	2020 Road Program	31,117.60	-	-	3,457.51	27,660.09	27,660.09	-	-
2021-08	2021 Road Program	43,632.20	-	-	4,219.55	39,412.65	39,354.65	-	58.00
2021-10	Police Body Camera	85,500.00	-	-	5,593.03	79,906.97	76,804.22	-	3,102.75
2021-11	Fire Department Equipment	23,794.80	-	-	2,613.48	21,181.32	21,181.32	-	-
2022-16	Fire Department Equipment	80,750.00	-	-	-	80,750.00	80,750.00	-	-
2023-02a	Police Radios	-	71,250.00	-	-	71,250.00	63,165.00	-	8,085.00
2023-02b	Dump Truck Body	-	17,100.00	-	-	17,100.00	16,321.00	-	779.00
2023-04	Recycling Truck	-	47,500.00	-	-	47,500.00	-	40,891.32	6,608.68
2023-05	ADA Impts. Phase 4	-	83,615.00	-	-	83,615.00	-	-	83,615.00
2023-06	Roadway Improvements	-	61,167.00	-	-	61,167.00	32,367.50	-	28,799.50
2023-08	Police Vehicles	-	199,500.00	-	-	199,500.00	170,551.23	-	28,948.77
2023-14	Fire Department Equipment	-	29,450.00	-	-	29,450.00	12,741.19	12,925.05	3,783.76
		$ 1,260,152.71	$ 509,582.00	$ -	$ 100,000.00	$ 1,669,734.71	$ 1,332,814.06	$ 53,816.37	$ 283,104.28

Improvement Authorizations - Unfunded	$ 364,594.63
Less: Unexpended Proceeds of Bond Anticipation Notes - Issued:	
2020-06a	76,570.18
2020-06c	4,920.17
	$ 283,104.28

BOROUGH OF NEPTUNE CITY
COUNTY OF MONMOUTH, NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF BOND ANTICIPATION NOTES
FOR THE YEAR ENDED DECEMBER 31, 2023

Ordinance Number	Improvement Description	Date of Issue of Original Note	Date of Issue	Date of Maturity	Interest Rate	Balance December 31, 2022	Increase	Decrease	Balance December 31, 2023
2010-07	Improvements to Memorial Park	12/27/2018	12/26/2023	12/24/2024	0.00%	$ 10,758.25	$ 8,965.21	$ 10,758.25	$ 8,965.21
2017-02	Sidewalk Improvements	12/29/2020	12/26/2023	12/24/2024	0.00%	20,957.50	18,799.95	20,957.50	18,799.95
2017-03	Improvements to Union Ave	6/15/2019	12/26/2023	12/24/2024	0.00%	27,560.00	23,622.86	27,560.00	23,622.86
2017-10	Improvements to 3rd Avenue	6/15/2019	12/26/2023	12/24/2024	0.00%	25,540.00	21,891.43	25,540.00	21,891.43
2018-01/2019-05	Amending 2018-01 Repairs to Windsor Ave	6/15/2019	12/26/2023	12/24/2024	0.00%	12,680.00	10,868.57	12,680.00	10,868.57
2018-10	Purchase of Pick Up Truck	6/15/2019	12/26/2023	12/24/2024	0.00%	19,900.00	17,057.14	19,900.00	17,057.14
2019-01	Improvements to Steiner Avenue Pedestrian and ADA	6/15/2019	12/26/2023	12/24/2024	0.00%	21,480.00	5,670.24	21,480.00	5,670.24
2018-02	Park Improvements	12/29/2020	12/26/2023	12/24/2024	0.00%	26,250.00	22,968.75	26,250.00	22,968.75
2020-02a	Hawthorne & Woodland Ave	12/28/2021	12/26/2023	12/24/2024	0.00%	63,176.37	56,364.00	63,176.37	56,364.00
2020-02b	First Responder Park	12/29/2020	12/26/2023	12/24/2024	0.00%	85,500.00	74,812.50	85,500.00	74,812.50
2020-02c	Memorial Park Improvements	12/29/2020	12/26/2023	12/24/2024	0.00%	79,200.00	69,300.00	79,200.00	69,300.00
2020-06a	Municipal Building Improvments	12/29/2020	12/26/2023	12/24/2024	0.00%	81,225.00	71,071.87	81,225.00	71,071.87
2020-06b	Recycling Truck	12/29/2020	12/26/2023	12/24/2024	0.00%	74,100.00	64,837.50	74,100.00	64,837.50
2020-06c	Fire Equipment	12/29/2020	12/26/2023	12/24/2024	0.00%	22,230.00	19,451.25	22,230.00	19,451.25
2021-02b	Steiner Avenue Phase 3 - Local	12/28/2021	12/26/2023	12/24/2024	0.00%	200,235.26	219,249.12	200,235.26	219,249.12
2021-02b	Adams Field - Local	12/28/2021	12/26/2023	12/24/2024	0.00%	73,488.60	86,987.47	73,488.60	86,987.47
2021-02b	2020 Road Program - Local	12/28/2021	12/26/2023	12/24/2024	0.00%	31,117.60	27,660.09	31,117.60	27,660.09
2021-02b	2021 Road Program - Local	12/28/2021	12/26/2023	12/24/2024	0.00%	33,706.70	39,354.65	33,706.70	39,354.65
2021-02b	Police Body Camera	12/27/2022	12/26/2023	12/24/2024	0.00%	82,397.25	76,804.22	82,397.25	76,804.22
2021-02b	Fire Department Equipment	12/28/2021	12/26/2023	12/24/2024	0.00%	23,794.80	21,181.32	23,794.80	21,181.32
2022-16	Fire Department Equipment	12/26/2023	12/26/2023	12/24/2024	0.00%	-	80,750.00	-	80,750.00
2023-02a	Police Radios 4/24/2023	12/26/2023	12/26/2023	12/24/2024	0.00%	-	63,165.00	-	63,165.00
2023-02b	Dump Truck Body 4/24/2023	12/26/2023	12/26/2023	12/24/2024	0.00%	-	16,321.00	-	16,321.00
2023-06	2022 - Road Program - Local Share 7/24/2023	12/26/2023	12/26/2023	12/24/2024	0.00%	-	32,367.50	-	32,367.50
2023-08	Police Vehicles 8/28/2023	12/26/2023	12/26/2023	12/24/2024	0.00%	-	170,551.23	-	170,551.23
2023-14	Fire Department Equipment 11/13/2023	12/26/2023	12/26/2023	12/24/2024	0.00%	-	12,741.19	-	12,741.19
						$ 1,015,297.33	$ 1,332,814.06	$ 1,015,297.33	$ 1,332,814.06

Paid By Budget Appropriation	$ -	$ 100,000.00
Excess Financing	12,741.19	12,741.19
Renewals	902,556.14	902,556.14
Cash Receipts	417,516.73	-
	$ 1,332,814.06	$ 1,015,297.33

BOROUGH OF NEPTUNE CITY
COUNTY OF MONMOUTH, NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS
FOR THE YEAR ENDED DECEMBER 31, 2023

Ordinance Number	Improvement Description	Ordinance Amount	Balance December 31, 2022 Funded	Balance December 31, 2022 Unfunded	2023 Authorizations	Transferred From Encumbrances Payable	Expended	Transferred To Encumbrances Payable	Balance December 31, 2023 Funded	Balance December 31, 2023 Unfunded
2017-02	Sidewalk Improvements	$ 210,000.00	$ -	$ 31,678.50	$ -	$ -	$ -	$ -	$ -	$ 31,678.50
2018-02	Park Improvements	218,750.00	1,051.51	-	-	-	402.00	-	649.51	-
2018-06a	Municipal Building Improvements	20,500.00	-	-	-	-	-	-	-	-
2018-06d	Police Equipment	3,800.00	2,631.00	-	-	-	2,631.00	-	-	-
2020-02a	Hawthorne & Woodland Avenues	360,000.00	-	30,057.08	-	-	465.00	-	-	29,592.08
2020-02c	Memorial Park Improvements	332,000.00	173.39	-	-	-	-	-	173.39	-
2020-05c	Police Equipment	14,700.00	6,484.42	-	-	-	6,484.42	-	-	-
2020-06a	Municipal Building Improvements	142,500.00	-	76,570.18	-	-	-	-	-	76,570.18
2020-06b	Recycling Truck	130,000.00	-	10,680.00	-	119,320.00	-	130,000.00	-	-
2020-06c	Fire Equipment	39,000.00	-	4,920.17	-	-	-	-	-	4,920.17
2021-02b	Steiner Avenue Phase 3 - Local	245,395.00	-	36,916.54	-	-	22,677.50	-	-	14,239.04
2021-03a	Adams Field - Grant	250,000.00	250,000.00	-	-	-	-	-	250,000.00	-
2021-03b	Adams Field - Local	150,000.00	-	65,166.20	-	-	21,352.00	-	-	43,814.20
2021-08a	2021 Road Program - Grant	241,132.00	241,132.00	-	-	-	231,738.48	-	9,393.52	-
2021-08b	2021 Road Program - Local	43,868.00	-	9,925.50	-	-	9,867.50	-	-	58.00
2021-10	Police Body Camera	90,000.00	-	3,102.75	-	-	-	-	-	3,102.75
2022-13	Police Storage Trailer	20,000.00	5,395.01	-	-	14,604.99	15,275.70	-	4,724.30	-
2022-16	Fire Department Equipment	85,000.00	-	14,424.05	-	70,575.95	85,000.00	-	-	-
2023-02a	Police Radios	75,000.00	-	-	75,000.00	-	66,915.00	-	-	8,085.00
2023-02b	Dump Truck Body	18,000.00	-	-	18,000.00	-	17,221.00	-	-	779.00
2023-04	Recycling Truck	50,000.00	-	-	50,000.00	-	-	43,391.32	-	6,608.68
2023-05a	ADA Impts. Phase 4 - Grant	176,385.00	-	-	176,385.00	-	-	-	176,385.00	-
2023-05b	ADA Impts. Phase 4 - Local Share	83,615.00	-	-	83,615.00	-	-	-	-	83,615.00
2023-06a	Roadway Improvements - Grant	243,833.00	-	-	243,833.00	-	-	-	243,833.00	-
2023-06b	Roadway Improvements - Local Share	61,167.00	-	-	61,167.00	-	32,367.50	-	-	28,799.50
2023-08	Police Vehicles	210,000.00	-	-	210,000.00	-	181,051.23	-	-	28,948.77
2023-14	Fire Department Equipment	31,000.00	-	-	31,000.00	-	-	27,216.24	-	3,783.76
			$ 506,867.33	$ 283,440.97	$ 949,000.00	$ 204,500.94	$ 693,448.33	$ 200,607.56	$ 685,158.72	$ 364,594.63

Capital Improvement Fund	$ 19,200.00
Bond & Notes Authorized But Not Issued	509,582.00
DOT Grant	243,833.00
CDBG Grant	176,385.00
	$ 949,000.00

EXHIBIT C-8

BOROUGH OF NEPTUNE CITY
COUNTY OF MONMOUTH, NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF CAPITAL IMPROVEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2023

Balance, December 31, 2022	$	258,765.94
Decreased By:		
Appropriation to Finance Improvement Authorizations		19,200.00
Balance, December 31, 2023	$	239,565.94

BOROUGH OF NEPTUNE CITY
COUNTY OF MONMOUTH, NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED
FOR THE YEAR ENDED DECEMBER 31, 2023

Ordinance Number	Improvement Description	Balance December 31, 2022	Improvement Authorizations	BAN's Issued	Balance December 31, 2023
2017-02	Sidewalk Improvement	$ 31,678.50	$ -	$ -	$ 31,678.50
2020-02a	Hawthorne & Woodland Avenues	30,057.08	-	465.00	29,592.08
2021-02	Steiner Avenue Phase 3	36,916.54	-	22,677.50	14,239.04
2021-03	Adams Field	65,166.20	-	21,352.00	43,814.20
2021-08	2021 Road Program	9,925.50	-	9,867.50	58.00
2021-10	Police Body Camera	3,102.75	-	-	3,102.75
2022-16	Fire Department Equipment	80,750.00	-	80,750.00	-
2023-02a	Police Radios	-	71,250.00	63,165.00	8,085.00
2023-02b	Dump Truck Body	-	17,100.00	16,321.00	779.00
2023-04	Recycling Truck	-	47,500.00	-	47,500.00
2023-05	ADA Impts. Phase 4	-	83,615.00	-	83,615.00
2023-06	Roadway Improvements	-	61,167.00	32,367.50	28,799.50
2023-08	Police Vehicles	-	199,500.00	170,551.23	28,948.77
2023-14	Fire Department Equipment	-	29,450.00	12,741.19	16,708.81
		$ 257,596.57	$ 509,582.00	$ 430,257.92	$ 336,920.65

BOROUGH OF NEPTUNE CITY
COUNTY OF MONMOUTH, NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF CAPITAL LEASE OBLIGATION PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2023

Balance, December 31, 2022	$	542,000.00
Decreased By:		
Budget Appropriation - Lease Principal		50,000.00
Balance, December 31, 2023	$	492,000.00

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SEWER UTILITY FUND

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BOROUGH OF NEPTUNE CITY
COUNTY OF MONMOUTH, NEW JERSEY
SEWER UTILITY FUND
SCHEDULE OF CASH AND INVESTMENTS - TREASURER
FOR THE YEAR ENDED DECEMBER 31, 2023

	Operating		Capital	
Balance, December 31, 2022		$ 412,257.29		$ 618,129.80
Increased By Receipts:				
Consumer Accounts Receivable	$ 1,170,739.03		$ -	
Prepaid Rents	69,817.32		-	
Miscellaneous Revenue	67,228.05		-	
Interfund	90,000.00		-	
Bond Anticipation Notes	-		85,500.00	
		1,397,784.40		85,500.00
		1,810,041.69		703,629.80
Decreased By Disbursements:				
2023 Budget Appropriations	1,298,038.12		-	
2022 Appropriation Reserves	46,607.22		-	
Improvement Authorizations	-		90,000.00	
		1,344,645.34		90,000.00
Balance, December 31, 2023		$ 465,396.35		$ 613,629.80

BOROUGH OF NEPTUNE CITY
COUNTY OF MONMOUTH, NEW JERSEY
SEWER UTILITY CAPITAL FUND
SCHEDULE OF ANALYSIS OF SEWER UTILITY CAPITAL CASH
FOR THE YEAR ENDED DECEMBER 31, 2023

		Balance December 31, 2023
Capital Improvement Fund		$ 387,256.04
Ordinance Number	Improvement Authorizations	
2016-04	Various Sewer Utility Improvements	226,373.76
		$ 613,629.80

BOROUGH OF NEPTUNE CITY
COUNTY OF MONMOUTH, NEW JERSEY
SEWER UTILITY OPERATING FUND
SCHEDULE OF CONSUMER ACCOUNTS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2023

Balance, December 31, 2022		$ 167,174.17
Increased By:		
Rents Levied		1,236,617.72
		1,403,791.89
Decreased By:		
Collections	$ 1,170,739.03	
Prepaid Applied	81,178.70	
		1,251,917.73
Balance, December 31, 2023		$ 151,874.16

BOROUGH OF NEPTUNE CITY
COUNTY OF MONMOUTH, NEW JERSEY
SEWER UTILITY OPERATING FUND
SCHEDULE OF 2022 APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2023

	Balance December 31, 2022	Encumbrances	Balance After Modifications	Paid or Charged	Lapsed
Operating:					
Salaries and Wages	$ 53.41	$ -	$ 53.41	$ -	$ 53.41
Other Expenses	20,178.26	34,047.69	54,225.95	46,607.22	7,618.73
Total Operating	20,231.67	34,047.69	54,279.36	46,607.22	7,672.14
Statutory Expenditures:					
Social Security System (O.A.S.I.)	60.89	-	60.89	-	60.89
Total Statutory Expenditures	60.89	-	60.89	-	60.89
Total Sewer Utility Fund Appropriations	$ 20,292.56	$ 34,047.69	$ 54,340.25	$ 46,607.22	$ 7,733.03

EXHIBIT D-8

BOROUGH OF NEPTUNE CITY
COUNTY OF MONMOUTH, NEW JERSEY
SEWER UTILITY OPERATING FUND
SCHEDULE OF PREPAID RENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

Balance, December 31, 2022	$	81,178.70
Increased By:		
Cash Receipts		69,817.32
		150,996.02
Decreased By:		
Applied to Current Year Rents		81,178.70
Balance, December 31, 2023	$	69,817.32

BOROUGH OF NEPTUNE CITY
COUNTY OF MONMOUTH, NEW JERSEY
SEWER UTILITY OPERATING FUND
SCHEDULE OF DUE FROM SEWER UTILITY CAPITAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2023

Balance, December 31, 2022	$ -
Increased By:	
Improvement Authorizations Paid	90,000.00
	90,000.00
Decreased By:	
Interfund Liquidated	90,000.00
Balance, December 31, 2023	$ -

BOROUGH OF NEPTUNE CITY
COUNTY OF MONMOUTH, NEW JERSEY
SEWER UTILITY OPERATING FUND
SCHEDULE OF RESERVE FOR ENCUMBRANCES
FOR THE YEAR ENDED DECEMBER 31, 2023

Balance, December 31, 2022	$	34,047.69
Increased By:		
Transferred from Budget Appropriations		12,047.58
		46,095.27
Decreased By:		
Transferred to Appropriation Reserves		34,047.69
Balance, December 31, 2023	$	12,047.58

EXHIBIT D-11

BOROUGH OF NEPTUNE CITY
COUNTY OF MONMOUTH, NEW JERSEY
SEWER UTILITY OPERATING FUND
SCHEDULE OF FIXED CAPITAL
FOR THE YEAR ENDED DECEMBER 31, 2023

Balance, December 31, 2022	$ 1,772,488.06
Increased By:	
Transferred from Fixed Capital Authorized & Uncompleted	90,000.00
Balance December 31, 2023	$ 1,862,488.06

EXHIBIT D-12

BOROUGH OF NEPTUNE CITY
COUNTY OF MONMOUTH, NEW JERSEY
SEWER UTILITY CAPITAL FUND
SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED
FOR THE YEAR ENDED DECEMBER 31, 2023

Improvement Description	Ordinance Number	Ordinance Amount	Balance December 31, 2022	2023 Authorizations	Transferred To Fixed Capital	Balance December 31, 2023
Sewer Line Rehabilitation	2016-04	$ 300,000.00	$ 300,000.00	$ -	$ -	$ 300,000.00
Overbrook Pump Station	2023-12	$ 90,000.00	-	90,000.00	90,000.00	-
			$ 300,000.00	$ 90,000.00	$ 90,000.00	$ 300,000.00

BOROUGH OF NEPTUNE CITY
COUNTY OF MONMOUTH, NEW JERSEY
SEWER UTILITY CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS
FOR THE YEAR ENDED DECEMBER 31, 2023

Ordinance Number	Improvement Description	Ordinance Amount	Balance, December 31, 2022 Funded	Balance, December 31, 2022 Unfunded	2023 Authorizations	Expended	Balance, December 31, 2023 Funded
2016-04	Sewer Line Rehabilitation	$ 300,000.00	$ 226,373.76	$ -	$ -	$ -	$ 226,373.76
2023-12	Overbrook Pump Station	$ 90,000.00	-	-	90,000.00	90,000.00	-
			$ 226,373.76	$ -	$ 90,000.00	$ 90,000.00	$ 226,373.76
					Interfund	$ 90,000.00	

EXHIBIT D-14

BOROUGH OF NEPTUNE CITY
COUNTY OF MONMOUTH, NEW JERSEY
SEWER UTILITY CAPITAL FUND
SCHEDULE OF RESERVE FOR CAPITAL IMPROVEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2023

Balance, December 31, 2022	$ 391,756.04
Decreased By:	
Improvement Authorization	4,500.00
Balance December 31, 2023	$ 387,256.04

BOROUGH OF NEPTUNE CITY
COUNTY OF MONMOUTH, NEW JERSEY
SEWER UTILITY CAPITAL FUND
SCHEDULE OF RESERVE FOR AMORTIZATION
FOR THE YEAR ENDED DECEMBER 31, 2023

Balance, December 31, 2022	$	1,772,488.06
Increased By:		
Transfer from Deferred Reserve for Amortization		4,500.00
Balance December 31, 2023	$	1,776,988.06

BOROUGH OF NEPTUNE CITY
COUNTY OF MONMOUTH, NEW JERSEY
SEWER UTILITY CAPITAL FUND
SCHEDULE OF DEFERRED RESERVE FOR AMORTIZATION
FOR THE YEAR ENDED DECEMBER 31, 2023

Number	Improvement Description	Ordinance Date	Ordinance Amount	Balance December 31, 2022	Transferred from Capital Improvement Fund	Transferred to Reserve for Amortization	Balance December 31, 2023
2016-04	Sewer Line Rehabilitation	7/25/2016	$ 300,000.00	$ 300,000.00	$ -	$ -	$ 300,000.00
2023-12	Overbrook Pump Station	11/13/2023	$ 90,000.00	-	4,500.00	4,500.00	-
				$ 300,000.00	$ 4,500.00	$ 4,500.00	$ 300,000.00

BOROUGH OF NEPTUNE CITY
COUNTY OF MONMOUTH, NEW JERSEY
SEWER CAPITAL FUND
SCHEDULE OF BOND ANTICIPATION NOTES
FOR THE YEAR ENDED DECEMBER 31, 2023

Ordinance Number	Improvement Description	Date of Issue of Original Note	Date of Issue	Date of Maturity	Interest Rate	Balance December 31, 2022	Increase	Decrease	Balance December 31, 2023
2023-12	Overbrook Pump Station	12/26/2023	12/26/2023	12/24/2024	0.00%	$ -	$ 85,500.00	$ -	$ 85,500.00
						$ -	$ 85,500.00	$ -	$ 85,500.00
					Cash Receipts		85,500.00	-	
							$ 85,500.00	$ -	

PUBLIC ASSISTANCE FUND

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EXHIBIT E-1

BOROUGH OF NEPTUNE CITY
COUNTY OF MONMOUTH, NEW JERSEY
PUBLIC ASSISTANCE FUND
SCHEDULE OF INTERFUND - CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2023

Balance, December 31, 2023 and 2022	$ 31,489.58

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GENERAL FIXED ASSETS ACCOUNT GROUP

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BOROUGH OF NEPTUNE CITY
COUNTY OF MONMOUTH, NEW JERSEY
GENERAL FIXED ASSETS ACCOUNT GROUP
SCHEDULE OF GENERAL FIXED ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2023

	Balance December 31, 2022	Additions	Deletions	Balance December 31, 2023
Land	$ 2,866,600.00	$ -	$ -	$ 2,866,600.00
Buildings & Improvements	2,131,300.00	-	-	2,131,300.00
Machinery and Equipment	3,799,869.43	203,384.08	416,002.03	3,587,251.48
	$ 8,797,769.43	$ 203,384.08	$ 416,002.03	$ 8,585,151.48

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BOROUGH OF NEPTUNE CITY

PART II

SCHEDULE OF FINANCIAL STATEMENT FINDINGS - GOVERNMENT AUDITING STANDARDS

FOR THE YEAR ENDED DECEMBER 31, 2023

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BOROUGH OF NEPTUNE CITY
SCHEDULE OF FINANCIAL STATEMENT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2023

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

None.

BOROUGH OF NEPTUNE CITY
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT
FOR THE YEAR ENDED DECEMBER 31, 2023

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

Financial Statement Findings

No Prior Year Findings.

Federal Awards

N/A – No Federal Single Audit in prior year

State Financial Assistance

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

BOROUGH OF NEPTUNE CITY

PART III

LETTER OF COMMENTS AND RECOMMENDATIONS – REGULATORY BASIS

FOR THE YEAR ENDED DECEMBER 31, 2023

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HFA
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Honorable Mayor and Members
of the Borough Council
Borough of Neptune City
Neptune City, New Jersey

In accordance with requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the following are the *General Comments* and *Recommendations* for the year ended December 31, 2023.

GENERAL COMMENTS:

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

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

The bid threshold in accordance with N.J.S.A. 40A:11-4 was $17,500 for the year ended December 31, 2023.

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

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

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

Collection of Interest on Delinquent Taxes and Assessments

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

The governing body on January 1, 2023 adopted the following resolution authorizing interest to be charged on delinquent taxes:

> *NOW THEREFORE, BE IT RESOLVED, that if said taxes are deemed to be delinquent for non-payment of taxes, the Tax Collector shall charge eight (8%) percent per annum on the first $1,500.00 of the delinquency, and eighteen (18%) percent per annum on any amount in excess of $1,500.00; and*
>
> *BE IT FURTHER RESOLVED, by the Council of the Borough of Neptune City, that the Tax Collector shall allow that no interest will be charged on payments received and made by the tenth calendar day following the date upon which the same became payable; and*
>
> *BE IT FURTHER RESOLVED, by the Council of the Borough of Neptune City, that the Tax Collector shall charge, in addition to the interest for delinquent taxes, as noted above, a penalty of six (6%) percent of the amount of the delinquency in taxes in excess of $10,000.00 to a taxpayer who fails to pay the delinquency prior to the end of the calendar year.*

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

OTHER COMMENTS (FINDINGS):

None.

RECOMMENDATIONS:

None.

OFFICIALS IN OFFICE AND SURETY BONDS

The following officials were in office at December 31, 2023:

Name	Title
Andrew Wardell	Mayor
Brian Thomas	Council President
Scott Dellet	Councilmember
Glen Kocsis	Councilmember
Pamela Renee	Councilmember
Danielle Pappas	Councilmember
Dana Farley	Councilmember
Albert Jardine	Borough Administrator
William E. Antonides Jr.	Chief Financial Officer
Corinne DiCorcia Williams	Borough Clerk
Jodi S. Howlett, Esq.	Borough Attorney
Kelly Hellwig	Court Administrator

Appreciation

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

Respectfully submitted,

HOLMAN FRENIA ALLISON, P. C.



Robert W. Allison
Certified Public Accountant
Registered Municipal Accountant
RMA No. 483

Lakewood, New Jersey
April 25, 2024