

BOROUGH OF WOODBURY HEIGHTS
COUNTY OF GLOUCESTER
REPORT OF AUDIT
FOR THE YEAR ENDED DECEMBER 31, 2023



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BOROUGH OF WOODBURY HEIGHTS
PART 1
REPORT OF AUDIT OF FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and
Members of the Borough Council
Borough of Woodbury Heights
Woodbury Heights, New Jersey 08097

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying statements of assets, liabilities, reserves and fund balance - regulatory basis of the various funds of the Borough of Woodbury Heights, in the County of Gloucester, State of New Jersey, 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 related statement of revenues - regulatory basis, statement of expenditures - regulatory basis, and statement of general fixed asset group of accounts - regulatory basis for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Borough's basic financial statements as listed in the table of contents.

Unmodified Opinions on Regulatory Basis of Accounting

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the assets, liabilities, reserves and fund balance - regulatory basis of the various funds of the Borough of Woodbury Heights, in the County of Gloucester, State of New Jersey, as of December 31, 2023 and 2022, and the results of its operations and changes in fund balance - regulatory basis of such funds for the years then ended, and the revenues - regulatory basis and expenditures - regulatory basis of the various funds, and general fixed asset group of accounts - regulatory basis, for the year ended December 31, 2023, in conformity with accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, as described in note 1.

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

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

Basis for Opinions on Regulatory Basis of Accounting

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards* 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 auditing standards generally accepted in the United States of America and *Government Auditing Standards*, we:

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

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

Supplementary Information

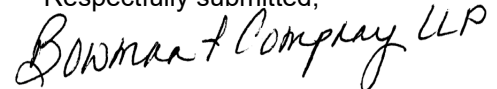
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Borough's basic financial statements. The accompanying supplemental statements and schedules presented for the various funds, as listed in the table of contents, are presented for purposes of additional analysis as required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, and are not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplemental statements and schedules, are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

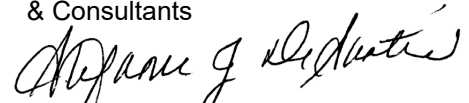
Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 20, 2024 on our consideration of the Borough of Woodbury Heights' 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 Woodbury Heights' 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 Woodbury Heights' internal control over financial reporting and compliance.

Respectfully submitted,



BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



Stefanie J. DeSantis
Certified Public Accountant
Registered Municipal Accountant

Woodbury, New Jersey
June 20, 2024

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

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and
Members of the Borough Council
Borough of Woodbury Heights
Woodbury Heights, New Jersey 08097

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial statement 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 prepared on a regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, of the Borough of Woodbury Heights, in the County of Gloucester, State of New Jersey, as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Borough's basic financial statements, and have issued our report thereon dated June 20, 2024. That report indicated that the Borough of Woodbury Heights' financial statements were not prepared in accordance with accounting principles generally accepted in the United States of America, but were prepared on a 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'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's internal control. Accordingly, we do not express an opinion on the effectiveness of the Borough'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 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 were not identified.

Report on Compliance and Other Matters

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

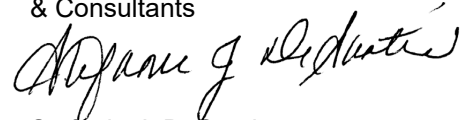
Purpose of this Report

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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully submitted,



BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



Stefanie J. DeSantis
Certified Public Accountant
Registered Municipal Accountant

Woodbury, New Jersey
June 20, 2024

BOROUGH OF WOODBURY HEIGHTS

CURRENT FUND

Statements of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis
As of December 31, 2023 and 2022

	Ref.	2023	2022
Assets:			
Regular Fund:			
Cash:			
Chief Financial Officer	SA-1	\$ 2,644,616.62	\$ 2,810,186.34
Change Fund	A	225.00	225.00
		2,644,841.62	2,810,411.34
Other Receivables			
Due from State of New Jersey	SA-4	4,179.72	2,418.93
Receivables and Other Assets with Full Reserves:			
Delinquent Property Taxes Receivable	SA-2	232,150.14	152,372.50
Tax Title Liens Receivable	SA-3	144,828.52	132,304.69
Property Acquired for Taxes - Assessed Valuation	A	95,075.00	95,075.00
Revenue Accounts Receivable	SA-5	1,068.80	967.58
Due from Animal Control Fund	SB-3	-	793.23
Due from Trust Other Fund	SB-6	916.50	1,320.02
Due from General Capital Fund	SC-6	-	2,128.74
		474,038.96	384,961.76
Deferred Charges:			
Emergency Appropriation	A-3	-	30,000.00
		3,123,060.30	3,227,792.03
Federal and State Grant Fund:			
Due from Current Fund	SA-13	53,405.52	377,116.83
Grants Receivable	SA-14	50,493.21	23,264.21
		103,898.73	400,381.04
		\$ 3,226,959.03	\$ 3,628,173.07

(Continued)

BOROUGH OF WOODBURY HEIGHTS
CURRENT FUND

Statements of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis
As of December 31, 2023 and 2022

	<u>Ref.</u>	<u>2023</u>	<u>2022</u>
Liabilities, Reserves and Fund Balance:			
Regular Fund:			
Appropriation Reserves	A-3;SA-6	\$ 308,824.77	\$ 381,942.48
Encumbrances Payable	A-3;SA-6	43,426.66	12,947.65
Accounts Payable	SA-1;SA-6	4,422.43	4,614.43
Prepaid Taxes	SA-7	72,115.55	100,990.26
Tax Overpayments	SA-8	6,471.65	2,094.89
Due County for Added and Omitted Taxes	SA-10	4,436.53	6,936.97
Due to Federal and State Grant Fund	SA-13	53,405.52	377,116.83
Reserve for Municipal Relief Fund Aid	SA-1;A-2	31,301.36	15,653.86
		<u>524,404.47</u>	<u>902,297.37</u>
Reserves for Receivables	A	474,038.96	384,961.76
Fund Balance	A-1	<u>2,124,616.87</u>	<u>1,940,532.90</u>
		<u>3,123,060.30</u>	<u>3,227,792.03</u>
Federal and State Grant Fund:			
Unappropriated Reserves	SA-15	9,653.36	319,818.46
Encumbrances Payable	SA-16	25,000.00	179.00
Appropriated Reserves	SA-16	69,245.37	80,383.58
		<u>103,898.73</u>	<u>400,381.04</u>
		<u>\$ 3,226,959.03</u>	<u>\$ 3,628,173.07</u>

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

BOROUGH OF WOODBURY HEIGHTS
CURRENT FUND

Statements of Operations and Changes in Fund Balance - Regulatory Basis
For the Years Ended December 31, 2023 and 2022

	2023	2022
<u>Revenue and Other Income Realized:</u>		
Fund Balance Utilized	\$ 515,000.00	\$ 505,000.00
Miscellaneous Revenues Anticipated	1,070,887.55	596,118.43
Receipts from Delinquent Taxes	152,372.50	106,107.26
Receipts from Current Taxes	11,719,842.52	11,620,379.18
Nonbudget Revenues	138,870.85	249,349.10
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	311,393.16	319,816.32
Interfund Returned	3,325.49	952.75
Statutory Excess - Animal Control Fund	-	778.89
Prepaid School Tax Liquidated	-	47,610.65
	<u>13,911,692.07</u>	<u>13,446,112.58</u>
<u>Expenditures:</u>		
Budget and Emergency Appropriations:		
Appropriations Within "CAPS":		
Operations:		
Salaries and Wages	837,600.00	1,073,400.00
Other Expenses	1,949,910.00	1,466,700.00
Deferred Charges and Statutory Expenditures	401,487.00	409,212.00
Appropriations Excluded from "CAPS":		
Operations:		
Salaries and Wages	51,000.00	111,600.00
Other Expenses	671,246.13	489,050.97
Capital Improvements	107,000.00	80,000.00
Municipal Debt Service	519,608.42	491,556.26
Deferred Charges	30,000.00	50,000.00
County Taxes	1,901,368.79	1,924,222.55
Due County for Added and Omitted Taxes	4,436.53	6,936.97
Local School District Tax	3,170,966.00	3,068,005.00
Regional High School District Tax	3,567,296.00	3,519,697.00
Refund Prior Year Revenue	689.23	-
	<u>13,212,608.10</u>	<u>12,690,380.75</u>
Excess in Revenues	699,083.97	755,731.83
Adjustments to Income Before Fund Balance -		
Expenditures Included Above Which Are by Statute Deferred		
Charges to Budget of Succeeding Year	-	30,000.00
Statutory Excess to Fund Balance	699,083.97	785,731.83
Fund Balance January 1	1,940,532.90	1,659,801.07
Total	2,639,616.87	2,445,532.90
Decreased by:		
Utilization as Anticipated Revenue	515,000.00	505,000.00
Fund Balance December 31	<u>\$ 2,124,616.87</u>	<u>\$ 1,940,532.90</u>

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

BOROUGH OF WOODBURY HEIGHTS
CURRENT FUND
Statement of Revenues - Regulatory Basis
For the Year Ended December 31, 2023

	Anticipated Budget	Special N.J.S. 40A:4-87	Realized	Excess or (Deficit)
Fund Balance Anticipated	\$ 515,000.00		\$ 515,000.00	
Miscellaneous Revenues:				
Licenses:				
Alcoholic Beverages	5,000.00		5,750.00	\$ 750.00
Fees and Permits	900.00		961.79	61.79
Fines and Costs:				
Municipal Court	23,000.00		14,563.11	(8,436.89)
Interest and Costs on Taxes	26,000.00		32,819.17	6,819.17
Interest on Investments and Deposits	42,500.00		192,565.78	150,065.78
Energy Receipts Tax P.L. 1997, Chapters 162 & 167)	302,164.00		302,164.34	0.34
Reserve for Municipal Relief Fund Aid	15,653.86		15,653.86	
Interlocal Municipal Service Agreements:				
Gateway Regional High School - School Resource Officer	77,000.00		77,539.77	539.77
South Harrison Township Agreement:				
Revenue Administration	24,598.00		24,598.00	
Financial Administration	26,944.00		26,944.00	
Public and Private Revenues Offset With Appropriations:				
American Rescue Plan Firefighter Grant	26,000.00		26,000.00	
Body Armor Fund	822.30		822.30	
Clean Communities Program	7,357.62		7,357.62	
COVID Recovery Funds	310,237.60		310,237.60	
Municipal Alliance on Alcoholism and Drug Abuse	3,000.00		3,000.00	
NJDEP Stormwater Regulation		\$ 25,000.00	25,000.00	
Recycling Tonnage Grant	4,910.21		4,910.21	
	<u>896,087.59</u>	<u>25,000.00</u>	<u>1,070,887.55</u>	<u>149,799.96</u>
Receipts from Delinquent Taxes	<u>130,000.00</u>		<u>152,372.50</u>	<u>22,372.50</u>
Subtotal General Revenues	1,541,087.59	25,000.00	1,738,260.05	172,172.46
Amount to be Raised by Taxes for Support to Municipal Budget - Local Tax for Municipal Purposes	<u>3,300,317.53</u>		<u>3,374,227.19</u>	<u>73,909.66</u>
Budget Totals	4,841,405.12	25,000.00	5,112,487.24	246,082.12
Nonbudget Revenues			<u>138,870.85</u>	<u>138,870.85</u>
	<u>\$ 4,841,405.12</u>	<u>\$ 25,000.00</u>	<u>\$ 5,251,358.09</u>	<u>\$ 384,952.97</u>

(Continued)

BOROUGH OF WOODBURY HEIGHTS
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	\$ 11,719,842.52
Allocated to:	
School and County Taxes	<u>8,644,067.32</u>
Balance for Support of Municipal Budget Revenues	3,075,775.20
Add:	
Appropriation: "Reserve for Uncollected Taxes"	<u>298,451.99</u>
Amount for Support of Municipal Budget Appropriations	<u>\$ 3,374,227.19</u>

Receipts from Delinquent Taxes:

Delinquent Tax Collections	<u>\$ 152,372.50</u>
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Analysis of Non-Budget Revenue:

Appropriation Refunds	\$ 40,918.67	
Cable Television Franchise Fee	4,875.00	
Community Center Rental Receipts	900.00	
Miscellaneous	81,487.30	
Police Clerk	1,031.00	
Sale of Municipal Assets	2,254.99	
Tax Collector - Miscellaneous	503.89	
Trash and Recycling Cart Rentals	1,400.00	
Vacant Property Registration	<u>5,500.00</u>	
		<u>\$ 138,870.85</u>

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

BOROUGH OF WOODBURY HEIGHTS
CURRENT FUND
 Statement of Expenditures - Regulatory Basis
 For the Year Ended December 31, 2023

	Appropriations		Expended			Unexpended Balance Cancelled
	Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved	
OPERATIONS WITHIN "CAPS":						
GENERAL GOVERNMENT FUNCTIONS:						
Mayor and Council:						
Salaries and Wages	\$ 22,100.00	\$ 22,100.00	\$ 21,936.58		\$ 163.42	
Other Expenses	11,300.00	10,300.00	7,244.80		3,055.20	
Municipal Clerk:						
Salaries and Wages	98,500.00	98,500.00	95,464.85		3,035.15	
Other Expenses	24,500.00	24,500.00	15,791.16	\$ 9.60	8,699.24	
Financial Administration:						
Salaries and Wages	104,000.00	104,000.00	103,003.62		996.38	
Other Expenses	18,000.00	18,000.00	14,369.98	1.56	3,628.46	
Audit Services:						
Other Expenses	52,000.00	52,000.00	17,601.00		34,399.00	
Revenue Administration:						
Salaries and Wages	22,100.00	22,100.00	17,587.60		4,512.40	
Other Expenses	12,000.00	12,000.00	9,565.03		2,434.97	
Legal Services:						
Other Expenses	103,000.00	128,000.00	112,717.69		15,282.31	
Engineering Services:						
Other Expenses	19,000.00	17,000.00	6,630.50	10,110.00	259.50	
LAND USE ADMINISTRATION:						
Planning Board:						
Salaries and Wages	5,200.00	5,200.00	3,909.01		1,290.99	
Other Expenses	10,000.00	10,000.00	8,240.69		1,759.31	
CODE ENFORCEMENT AND ADMINISTRATION:						
Housing and Lot Maintenance Code:						
Salaries and Wages	3,900.00	3,900.00	3,864.00		36.00	
Other Expenses	100.00	100.00			100.00	
INSURANCE:						
General Liability	117,000.00	97,000.00	93,477.00		3,523.00	
Workers Compensation	194,000.00	194,000.00	194,000.00			
Employee Group Health	275,600.00	250,600.00	193,771.43		56,828.57	
PUBLIC SAFETY FUNCTIONS:						
Police Department:						
Salaries and Wages	365,000.00	353,000.00	348,809.50		4,190.50	
Other Expenses	281,212.40	301,212.40	284,698.79		16,513.61	
Other Expenses - ARP Funds	310,237.60	310,237.60	310,237.60			

(Continued)

BOROUGH OF WOODBURY HEIGHTS
CURRENT FUND
Statement of Expenditures - Regulatory Basis
For the Year Ended December 31, 2023

	Appropriations		Expended			Unexpended Balance Cancelled
	Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved	
OPERATIONS WITHIN "CAPS" (CONT'D):						
PUBLIC SAFETY FUNCTIONS (CONT'D):						
Office of Emergency Management:						
Salaries and Wages	\$ 1,800.00	\$ 1,800.00	\$ 1,735.00		\$ 65.00	
Other Expenses	2,500.00	2,500.00	859.53		1,640.47	
Aid to Volunteer Fire Companies:						
Other Expenses	50,000.00	51,000.00	33,151.52	\$ 17,164.17	684.31	
Fire Department:						
Other Expenses	2,500.00	2,500.00	2,487.50		12.50	
PUBLIC WORKS FUNCTIONS:						
Street and Road Maintenance:						
Salaries and Wages	212,000.00	212,000.00	190,492.57		21,507.43	
Other Expenses	43,400.00	43,400.00	22,518.92	484.11	20,396.97	
Other Public Works Functions:						
Other Expenses	500.00	500.00			500.00	
Solid Waste Collection:						
Salaries and Wages	6,000.00	6,000.00	1,744.98		4,255.02	
Other Expenses	27,000.00	22,000.00	4,666.84		17,333.16	
Public Building and Grounds:						
Salaries and Wages	9,000.00	9,000.00	8,789.04		210.96	
Other Expenses	62,900.00	62,900.00	48,722.77	9,965.42	4,211.81	
Vehicle Maintenance:						
Other Expenses	45,000.00	50,000.00	41,780.07	2,178.83	6,041.10	
PARK AND RECREATION FUNCTIONS:						
Recreation Services and Programs:						
Other Expenses	14,000.00	14,000.00	10,526.79	999.17	2,474.04	
OTHER COMMON OPERATING FUNCTIONS:						
Celebration of Public Events:						
Other Expenses	4,000.00	4,000.00	1,260.16	855.98	1,883.86	
Senior Citizens Transportation:						
Other Expenses	5,000.00	5,000.00	5,000.00			
UTILITY EXPENSES AND BULK PURCHASES:						
Electricity	25,500.00	32,460.00	29,024.01		3,435.99	
Street Lighting	56,000.00	55,000.00	53,860.91		1,139.09	
Telephone	10,200.00	10,200.00	8,161.87		2,038.13	
Gas (Natural or Propane)	13,000.00	13,000.00	8,577.39	1,657.82	2,764.79	
Fuel Oil	7,000.00	7,000.00	5,185.82		1,814.18	
Diesel Oil	13,000.00	13,000.00	7,204.82		5,795.18	
Gasoline	14,500.00	14,500.00	12,236.38		2,263.62	

(Continued)

BOROUGH OF WOODBURY HEIGHTS
CURRENT FUND
 Statement of Expenditures - Regulatory Basis
 For the Year Ended December 31, 2023

	Appropriations		Expended		Unexpended Balance Cancelled
	Budget	Budget After Modification	Paid or Charged	Encumbered Reserved	
OPERATIONS WITHIN "CAPS" (CONT'D):					
LANDFILL/SOLID WASTE DISPOSAL COSTS:					
Sanitary Landfill:					
Other Expenses	\$ 118,000.00	\$ 122,000.00	\$ 108,185.69	\$ 13,814.31	
Total Operations Within "CAPS"	2,791,550.00	2,787,510.00	2,469,093.41	\$ 43,426.66	274,989.93
Detail:					
Salaries and Wages	849,600.00	837,600.00	797,336.75		40,263.25
Other Expenses	1,941,950.00	1,949,910.00	1,671,756.66	43,426.66	234,726.68
DEFERRED CHARGES AND STATUTORY EXPENDITURES - MUNICIPAL WITHIN "CAPS":					
STATUTORY EXPENDITURES:					
Contribution to:					
Public Employees' Retirement System	116,903.00	120,943.00	120,942.77		0.23
Social Security System (O.A.S.I.)	80,000.00	80,000.00	72,011.29		7,988.71
Police and Fireman's Retirement System	199,544.00	199,544.00	199,543.00		1.00
Unemployment Compensation Insurance	500.00	500.00	500.00		
Defined Contribution Retirement Plan	500.00	500.00			500.00
TOTAL DEFERRED CHARGES AND STATUTORY EXPENDITURES - MUNICIPAL WITHIN "CAPS"	397,447.00	401,487.00	392,997.06		8,489.94
TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES WITHIN "CAPS"	3,188,997.00	3,188,997.00	2,862,090.47	43,426.66	283,479.87
OPERATIONS EXCLUDED FROM "CAPS"					
Police Department - Other Expenses	150,000.00	150,000.00	150,000.00		
Insurance - Employee Group Health	32,400.00	32,400.00	32,400.00		
Contribution to:					
Public Employees' Retirement System	10,264.00	10,264.00	10,264.00		
Share Services Agreements:					
Township of Logan - Trash Services	161,000.00	161,000.00	155,973.86		5,026.14
Township of West Deptford, UCC Operations	55,000.00	55,000.00	45,020.00		9,980.00
City of Woodbury Agreement - Code Enforcement	10,000.00	10,000.00	10,000.00		
Mantua Township - Municipal Court	113,200.00	113,200.00	113,161.86		38.14
Gateway Regional High School - School Resource Officers					
Officers	71,000.00	71,000.00	60,699.38		10,300.62
South Harrison Agreement - Revenue Administrator	24,598.00	24,598.00	24,598.00		
South Harrison Agreement - Financial Administrator	26,944.00	26,944.00	26,944.00		

(Continued)

BOROUGH OF WOODBURY HEIGHTS
CURRENT FUND
 Statement of Expenditures - Regulatory Basis
 For the Year Ended December 31, 2023

	Appropriations		Expended		Unexpended Balance Cancelled
	Budget	Budget After Modification	Paid or Charged	Encumbered Reserved	
OPERATIONS EXCLUDED FROM "CAPS" (CONT'D)					
Public and Private Programs Offset by Revenues:					
Clean Communities Program Grant	\$ 7,357.62	\$ 7,357.62	\$ 7,357.62		
Municipal Alliance - State	3,000.00	3,000.00	3,000.00		
Municipal Alliance - Local	750.00	750.00	750.00		
Body Armor Grant	822.30	822.30	822.30		
NJDEP Stormwater Grant (N.J.S.A. 40A: 4-87)		25,000.00	25,000.00		
American Rescue Plan - Firefighter Grant	26,000.00	26,000.00	26,000.00		
Recycling Tonnage Grant	4,910.21	4,910.21	4,910.21		
TOTAL OPERATIONS - EXCLUDED FROM "CAPS"	697,246.13	722,246.13	696,901.23	\$ 25,344.90	
Detail:					
Salaries and Wages	122,542.00	51,000.00	51,000.00		
Other Expenses	574,704.13	671,246.13	645,901.23	25,344.90	
CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS":					
Capital Improvement Fund	107,000.00	107,000.00	\$ 107,000.00		
MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS":					
Payment of Bond Principal	430,000.00	430,000.00	430,000.00		
Interest on Bonds	54,760.00	54,760.00	54,756.26		\$ 3.74
Interest on Notes	34,950.00	34,950.00	34,852.16		97.84
TOTAL MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS"	519,710.00	519,710.00	519,608.42		101.58
DEFERRED CHARGES - MUNICIPAL - EXCLUDED FROM "CAPS":					
Emergency Authorizations	30,000.00	30,000.00	30,000.00		
TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES EXCLUDED FROM "CAPS"	1,353,956.13	1,378,956.13	1,353,509.65	25,344.90	101.58
SUBTOTAL GENERAL APPROPRIATIONS	4,542,953.13	4,567,953.13	4,215,600.12	\$ 43,426.66	308,824.77
RESERVE FOR UNCOLLECTED TAXES	298,451.99	298,451.99	298,451.99		
TOTAL GENERAL APPROPRIATIONS	\$ 4,841,405.12	\$ 4,866,405.12	\$ 4,514,052.11	\$ 43,426.66	\$ 308,824.77
					\$ 101.58

(Continued)

BOROUGH OF WOODBURY HEIGHTS
CURRENT FUND
Statement of Expenditures - Regulatory Basis
For the Year Ended December 31, 2023

	Budget After Modification	Paid or Charged
N.J.S.A. 40A: 4-87	\$ 25,000.00	
Budget	4,841,405.12	
	\$ 4,866,405.12	
Federal and State Grants		\$ 67,840.13
Deferred Charges		30,000.00
Reserve for Uncollected Taxes		298,451.99
Disbursed		4,117,759.99
		\$ 4,514,052.11

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

BOROUGH OF WOODBURY HEIGHTS
TRUST FUND
 Statements of Assets, Liabilities and Reserves - Regulatory Basis
 As of December 31, 2023 and 2022

	<u>Ref.</u>	<u>2023</u>	<u>2022</u>
Assets:			
Animal Control Fund:			
Cash - Chief Financial Officer	SB-1	\$ <u>4,767.44</u>	\$ <u>5,473.23</u>
Other Funds:			
Cash - Chief Financial Officer	SB-1	<u>427,683.12</u>	<u>395,901.33</u>
		<u>\$ 432,450.56</u>	<u>\$ 401,374.56</u>
Liabilities and Reserves:			
Animal Control Fund:			
Due to Current Fund	SB-3	\$ -	\$ 793.23
Reserve for Animal Control Expenditures	SB-5	<u>4,767.44</u>	<u>4,680.00</u>
		<u>4,767.44</u>	<u>5,473.23</u>
Other Funds:			
Due to Current Fund	SB-6	916.50	1,320.02
Reserve for:			
Escrow Deposits	SB-7	112,341.55	114,593.53
Unemployment Compensation	SB-7	54,435.43	60,970.85
D.A.R.E.	SB-7	9,632.19	8,182.19
Payroll	SB-7	191.44	175.26
Tax Sale Premiums	SB-7	117,700.00	119,200.00
Recycling Fees	SB-7	627.80	6,549.57
COAH	SB-7	88,496.11	39,363.27
Forfeited Funds	SB-7	-	1,777.46
Storm Recovery	SB-7	17,178.05	17,178.05
Borough Anniversary Celebration Donations	SB-7	9,106.61	9,631.67
West Jersey Avenue Park	SB-7	16,985.46	16,959.46
Flexible Spending Account	SB-7	<u>71.98</u>	<u>-</u>
		<u>427,683.12</u>	<u>395,901.33</u>
		<u>\$ 432,450.56</u>	<u>\$ 401,374.56</u>

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

BOROUGH OF WOODBURY HEIGHTS
GENERAL CAPITAL FUND

Statements of Assets, Liabilities, Reserves and Fund Balance -- Regulatory Basis
As of December 31, 2023 and 2022

	<u>Ref.</u>	<u>2023</u>	<u>2022</u>
Assets:			
Cash - Chief Financial Officer	SC-1	\$ 1,040,928.82	\$ 744,511.85
Federal and State Aid Receivable	SC-5	581,984.60	737,374.60
Deferred Charges to Future Taxation:			
Funded	SC-3	1,920,000.00	2,350,000.00
Unfunded	SC-4	<u>1,123,500.00</u>	<u>792,500.00</u>
		<u>\$ 4,666,413.42</u>	<u>\$ 4,624,386.45</u>
Liabilities, Reserves and Fund Balance:			
Due to Current Fund	SC-6	\$ -	\$ 2,128.74
Capital Improvement Fund	SC-7	181,660.59	184,750.59
Encumbrances Payable	SC-8; SC-9	455,354.51	445,230.34
Improvement Authorizations:			
Funded	SC-8	662,945.54	782,779.27
Unfunded	SC-8	306,027.78	66,997.51
Reserve for Preliminary Expenses	SC-9	16,925.00	-
Bond Anticipation Notes	SC-10	1,123,500.00	792,500.00
General Serial Bonds	SC-11	<u>1,920,000.00</u>	<u>2,350,000.00</u>
		<u>\$ 4,666,413.42</u>	<u>\$ 4,624,386.45</u>

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

BOROUGH OF WOODBURY HEIGHTS
WATER AND SEWER UTILITY FUND
 Statements of Assets, Liabilities, Reserves and Fund Balance -- Regulatory Basis
 As of December 31, 2023 and 2022

	<u>Ref.</u>	<u>2023</u>	<u>2022</u>
Assets:			
Operating Fund:			
Cash - Chief Financial Officer	SD-1	\$ 2,980,302.46	\$ 2,589,219.33
Change Fund	D	50.00	50.00
Due from Utility Capital Fund	SD-9	-	5,120.88
		<u>2,980,352.46</u>	<u>2,594,390.21</u>
Receivables With Full Reserves:			
Consumer Rents Receivable - Water	SD-3	45,052.78	53,634.82
Consumer Rents Receivable - Sewer	SD-3	58,052.81	58,470.21
Consumer Rents Receivable - Payment Plans	SD-3	1,342.22	2,655.29
		<u>104,447.81</u>	<u>114,760.32</u>
Total Operating Fund		<u>3,084,800.27</u>	<u>2,709,150.53</u>
Capital Fund:			
Cash - Chief Financial Officer	SD-1	1,536,866.76	2,054,586.00
Fixed Capital	SD-4	6,738,472.81	6,463,289.54
Fixed Capital Authorized and Uncompleted	SD-5	2,479,577.04	2,689,760.31
Total Capital Fund		<u>10,754,916.61</u>	<u>11,207,635.85</u>
		<u>\$ 13,839,716.88</u>	<u>\$ 13,916,786.38</u>

(Continued)

BOROUGH OF WOODBURY HEIGHTS
WATER AND SEWER UTILITY FUND
 Statements of Assets, Liabilities, Reserves and Fund Balance -- Regulatory Basis
 As of December 31, 2023 and 2022

	Ref.	2023	2022
Liabilities, Reserves and Fund Balance:			
Operating Fund:			
Appropriation Reserves	D-3;SD-6	\$ 369,776.67	\$ 243,158.72
Encumbrances Payable	D-3;SD-6	4,929.44	934.02
Accrued Interest on Bonds and Notes	SD-7	40,564.26	44,161.46
Utility Rent Overpayments	SD-8	14,520.77	9,890.30
		<u>429,791.14</u>	<u>298,144.50</u>
Reserve for Receivables	D	104,447.81	114,760.32
Fund Balance	D-1	<u>2,550,561.32</u>	<u>2,296,245.71</u>
Total Operating Fund		<u>3,084,800.27</u>	<u>2,709,150.53</u>
Capital Fund:			
Due to Utility Operating Fund	SD-9	-	5,120.88
Reserve for Amortization	SD-10	4,679,331.06	4,444,331.06
Reserve for Deferred Amortization	SD-11	128,718.79	63,718.79
Capital Improvement Fund	SD-12	331,038.89	398,538.89
Reserve for Preliminary Expenses	SD-13	25,274.25	8,349.25
Encumbrances Payable	SD-13;SD-14	369,446.36	77,196.38
Improvement Authorizations:			
Funded	SD-14	678,638.20	824,577.04
Unfunded	SD-14	107,978.19	716,312.69
Bond Anticipation Notes	SD-15	1,530,000.00	1,530,000.00
Water and Sewer Serial Bonds	SD-16	2,880,000.00	3,115,000.00
Fund Balance	D	<u>24,490.87</u>	<u>24,490.87</u>
Total Capital Fund		<u>10,754,916.61</u>	<u>11,207,635.85</u>
		<u>\$ 13,839,716.88</u>	<u>\$ 13,916,786.38</u>

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

BOROUGH OF WOODBURY HEIGHTS
WATER AND SEWER UTILITY FUND
 Statements of Operations and Changes in Fund Balance -- Regulatory Basis
 For the Years Ended December 31, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Revenue and Other Income Realized:		
Fund Balance Utilized	\$ 260,000.00	\$ 260,000.00
Water Rents	704,014.85	666,338.99
Sewer Rents	1,006,652.85	984,129.51
Mobile Antenna Rental	39,012.00	75,651.05
Miscellaneous Other	214,976.09	60,378.27
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	162,598.20	252,706.49
Total Income	<u>2,387,253.99</u>	<u>2,299,204.31</u>
Expenditures:		
Operations:		
Salaries and Wages	331,500.00	307,000.00
Other Expenses	1,100,000.00	1,087,200.00
Capital Improvement Fund	30,000.00	30,000.00
Capital Outlay	10,000.00	10,000.00
Debt Service	376,188.38	315,300.00
Deferred Charges and Statutory Expenditures	25,250.00	23,000.00
Total Expenditures	<u>1,872,938.38</u>	<u>1,772,500.00</u>
Excess in Revenue	514,315.61	526,704.31
Fund Balance January 1	<u>2,296,245.71</u>	<u>2,029,541.40</u>
Total	2,810,561.32	2,556,245.71
Decreased by:		
Utilization as Anticipated Revenue	<u>260,000.00</u>	<u>260,000.00</u>
Fund Balance December 31	<u><u>\$ 2,550,561.32</u></u>	<u><u>\$ 2,296,245.71</u></u>

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

BOROUGH OF WOODBURY HEIGHTS
WATER AND SEWER UTILITY FUND
Statement of Revenues -- Regulatory Basis
For the Year Ended December 31, 2023

	Anticipated Budget	Realized	Excess or (Deficit)
Operating Fund Balance Anticipated	\$ 260,000.00	\$ 260,000.00	
Water Rents	600,000.00	704,014.85	\$ 104,014.85
Sewer Rents	947,000.00	1,006,652.85	59,652.85
Mobile Antenna Rental	68,000.00	39,012.00	(28,988.00)
Miscellaneous Other		214,976.09	214,976.09
	<u>\$ 1,875,000.00</u>	<u>\$ 2,224,655.79</u>	<u>\$ 349,655.79</u>

Analysis of Realized Revenue:

Miscellaneous Other:

Interest on Investments - Operating Fund	\$ 114,861.61
Interest on Investments - Capital Fund	79,168.73
Miscellaneous Other	16,515.46
Connection Fees	1,775.00
Payment Plan Collections	2,655.29
	<u>\$ 214,976.09</u>
Cash Receipts	\$ 135,807.36
Interfunds	79,168.73
	<u>\$ 214,976.09</u>

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

BOROUGH OF WOODBURY HEIGHTS
WATER AND SEWER UTILITY FUND
 Statement of Expenditures -- Regulatory Basis
 For the Year Ended December 31, 2023

	Appropriations		Paid or Charged	Expended		Unexpended Balance Cancelled
	Budget	Budget After Modification		Encumbered	Reserved	
Operations:						
Salaries and Wages	\$ 331,500.00	\$ 331,500.00	\$ 274,936.27		\$ 56,563.73	
Other Expenses	1,100,000.00	1,100,000.00	795,193.81	\$ 4,929.44	299,876.75	
Total Operations	1,431,500.00	1,431,500.00	1,070,130.08	4,929.44	356,440.48	-
Capital Improvements:						
Capital Improvement Fund	30,000.00	30,000.00	30,000.00			
Capital Outlay	10,000.00	10,000.00			10,000.00	
	40,000.00	40,000.00	30,000.00	-	10,000.00	-
Debt Service:						
Payment of Bond Principal	235,000.00	235,000.00	235,000.00			
Interest on Bonds	75,350.00	75,350.00	75,350.00			
Interest on Notes	67,900.00	67,900.00	65,838.38			\$ 2,061.62
Total Debt Service	378,250.00	378,250.00	376,188.38	-	-	2,061.62
Deferred Charges and Statutory Expenditures:						
Statutory Expenditures:						
Contribution to Social Security System	25,250.00	25,250.00	21,913.81		3,336.19	
	\$ 1,875,000.00	\$ 1,875,000.00	\$ 1,498,232.27	\$ 4,929.44	\$ 369,776.67	\$ 2,061.62
Accrued Interest on Bonds and Notes Disbursed			\$ 141,188.38			
			1,357,043.89			
			\$ 1,498,232.27			

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

BOROUGH OF WOODBURY HEIGHTS
GENERAL FIXED ASSET GROUP OF ACCOUNTS
Statement of General Fixed Asset Group of Accounts - Regulatory Basis
For the Year Ended December 31, 2023

	Balance Dec. 31, 2022	Additions	Disposals/ Adjustments	Balance Dec. 31, 2023
General Fixed Assets:				
Land	\$ 482,983.00			\$ 482,983.00
Buildings	1,522,947.00	\$ 103,875.00		1,626,822.00
Machinery and Equipment	2,523,172.00	75,080.00	\$ (207,692.00)	2,390,560.00
Total General Fixed Assets	<u>\$ 4,529,102.00</u>	<u>\$ 178,955.00</u>	<u>\$ (207,692.00)</u>	<u>\$ 4,500,365.00</u>
Total Investment in General Fixed Assets	<u>\$ 4,529,102.00</u>	<u>\$ 178,955.00</u>	<u>\$ (207,692.00)</u>	<u>\$ 4,500,365.00</u>

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

BOROUGH OF WOODBURY HEIGHTS
Notes to Financial Statements
For the Year Ended December 31, 2023

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of Financial Reporting Entity - The Borough of Woodbury Heights (hereafter referred to as the "Borough") was incorporated as a borough by an act of the New Jersey legislature on April 6, 1915. The Borough, located in Gloucester County, New Jersey, has a total area of approximately 1.2 square miles, and is located approximately twenty miles from the City of Philadelphia. The Borough borders Deptford Township, West Deptford Township, and the City of Woodbury. According to the 2020 census, the population is 3,098.

The Borough is governed under the Mayor-Council form of government, with a mayor and six-member Council. The Mayor and Council are elected directly by the voters in partisan elections, the Mayor to serve a four year term in office and the Council to serve three-year terms of office on a staggered basis, with two seats coming up for election each year. Executive and administrative responsibility rests with the Mayor, who is assisted by the Borough Administrator and Borough Clerk. Legislative and executive power is vested in the Council.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

General Fixed Assets - Accounting for governmental fixed assets, as required by N.J.A.C. 5:30-5.6, differs in certain respects from accounting principles generally accepted in the United States of America. In accordance with the regulations, all local units, including municipalities, must maintain a general fixed assets reporting system that establishes and maintains a physical inventory of nonexpendable, tangible property as defined and limited by the U.S. Office of Management and *Budget's Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (2 CFR Part 225), except that the useful life of such property is at least five years. The 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.

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

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

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

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

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

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

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

Revenues - Revenues are recorded when received in cash except for certain amounts which are due from other governmental units. Revenue from federal and state grants is realized when anticipated as such in the 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 to the Borough which are susceptible to accrual are also recorded as receivables with offsetting reserves and recorded as revenue when received.

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

School Taxes - The Borough is responsible for levying, collecting, and remitting school taxes for the Borough of Woodbury Heights School District and the Gateway Regional High School District. Operations is charged for the full amount required to be raised from taxation to operate the local school district for the period from January 1 to December 31.

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

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 immediately preceding year, with certain exceptions, is required to provide assurance that cash collected in the current year will provide sufficient cash flow to meet expected obligations.

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

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

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

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

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

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

Impact of Recently Issued Accounting Principles**Recently Issued Accounting Pronouncements**

The Governmental Accounting Standards Board (GASB) has issued the following statements that have effective dates that may affect future financial presentations:

Statement No. 101, Compensated Absences. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The Statement will become effective for the Borough in the year ending December 31, 2024. As a result of the regulatory basis of accounting previously described in note 1, this Statement will have no impact on the financial statements of the Borough, however management is currently evaluating whether or not this Statement will have an impact on the financial statement disclosures of the Borough.

Note 2: CASH AND CASH EQUIVALENTS

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

As of December 31, 2023, the Borough's bank balances of \$9,328,806.61 were exposed to custodial credit risk as follows:

Insured by FDIC and GUDPA	\$ 9,328,806.61
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Note 3: PROPERTY TAXES

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

	<u>Year Ended</u>				
	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Tax Rate	\$ 4.747	\$ 4.701	\$ 4.554	\$ 4.593	\$ 4.517
Apportionment of Tax Rate:					
Municipal	\$ 1.311	\$ 1.291	\$ 1.270	\$ 1.230	\$ 1.210
County	0.669	0.684	0.671	0.709	0.683
County Library	0.046	0.047	0.047	0.049	0.049
County Open Space Preservation Trust Fund	0.042	0.041	0.041	0.043	0.042
Local School	1.261	1.229	1.149	1.138	1.115
Regional High School	1.418	1.409	1.376	1.424	1.418

Assessed Valuation

<u>Year</u>	<u>Amount</u>
2023	\$ 251,566,457.00
2022	249,697,411.00
2021	250,767,491.00
2020	250,017,821.00
2019	250,162,420.00

Comparison of Tax Levies and Collections

<u>Year</u>	<u>Tax Levy</u>	<u>Collections</u>	<u>Percentage of Collections</u>
2023	\$ 11,982,268.69	\$ 11,719,842.52	97.81%
2022	11,785,714.91	11,620,379.18	98.60%
2021	11,430,475.76	11,291,035.59	98.78%
2020	11,524,012.41	11,317,826.29	98.21%
2019	11,308,923.72	11,130,690.53	98.42%

Delinquent Taxes and Tax Title Liens

<u>Year</u>	<u>Tax Title Liens</u>	<u>Delinquent Taxes</u>	<u>Total Delinquent</u>	<u>Percentage of Tax Levy</u>
2023	\$ 144,828.52	\$ 232,150.14	\$ 376,978.66	3.15%
2022	132,304.69	152,372.50	284,677.19	2.42%
2021	126,660.07	100,229.86	226,889.93	1.98%
2020	112,961.64	187,633.45	300,595.09	2.61%
2019	96,096.99	148,533.05	244,630.04	2.16%

Note 3: PROPERTY TAXES (CONT'D)

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

<u>Year</u>	<u>Number</u>
2023	9
2022	11
2021	10
2020	10
2019	9

Note 4: PROPERTY ACQUIRED BY TAX TITLE LIEN LIQUIDATION

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

<u>Year</u>	<u>Amount</u>
2023	\$ 95,075.00
2022	95,075.00
2021	95,075.00
2020	95,075.00
2019	95,075.00

Note 5: SEWER UTILITY SERVICE CHARGES

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

<u>Year</u>	<u>Balance Beginning of Year</u>		<u>Levy</u>	<u>Total</u>	<u>Cash Collections</u>
	<u>Receivable</u>	<u>Liens</u>			
2023	\$ 112,105.03	\$ -	\$ 1,703,010.48	\$ 1,815,115.51	\$ 1,710,667.70
2022	95,086.76	-	1,674,298.13	1,769,384.89	1,650,468.50
2021	117,243.34	-	1,487,027.73	1,604,271.07	1,509,165.21
2020	100,280.22	-	1,491,361.20	1,591,641.42	1,474,201.74
2019	111,022.15	-	1,490,527.29	1,601,549.44	1,501,261.73

Note 6: LEASES RECEIVABLE

The Borough, as lessor, has entered into the following lease which meets the requirements of GASB Statement No. 87, Leases:

Cell Towers Lease

On August 8, 2000, the Borough entered into a five-year lease agreement with Nextel Communications, now T-Mobile, for the lease of a cell tower with an incremental borrowing rate of 3.0%. The agreement included periodic renewals that extended the agreement through 2026. Based on this agreement, the Borough is receiving payments that increase 3% every year. The payments will range between \$3,658.11 to \$3,997.32 through April 2026.

Under the provisions of GASB 87, as of December 31, 2023, the balance of the lease's receivable is \$105,060.11. As a result of the regulatory basis of accounting previously described in note 1, such balance is not recorded on the Statements of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis of the water and sewer utility operating fund.

The following is a summary of the leases as of December 31, 2023:

<u>Lease Description</u>	<u>Lease Receivable</u>	<u>Lease Revenue</u>	<u>Lease Interest Revenue</u>
Cell Towers	\$ 105,060.11	\$ 40,324.50	\$ 4,450.82

Under the provisions of GASB 87, for the year ended December 31, 2023, the Borough would have recognized \$40,324.50 in a reduction of lease receivable and \$4,450.82 in interest revenue related to the leases. In addition, \$40,324.50 would have been recognized as both lease revenue and a reduction in deferred inflows of resources related to leases.

As a result of the regulatory basis of accounting previously described in note 1, the rental payments collected by the Borough are reported as revenue in the water and sewer utility operating fund.

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	43,123.59	2,994.97	46,118.56
2025	46,063.16	1,438.96	47,502.12
2026	15,873.36	115.91	15,989.27
Total	\$ 105,060.11	\$ 4,549.84	\$ 109,609.95

Note 7: FUND BALANCES APPROPRIATED

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

Current Fund

<u>Year</u>	<u>Balance December 31,</u>	<u>Utilized in Budget of Succeeding Year</u>	<u>Percentage of Fund Balance Used</u>
2023	\$ 2,124,616.87	\$ 595,000.00	28.01%
2022	1,940,532.90	515,000.00	26.54%
2021	1,659,801.07	505,000.00	30.43%
2020	1,604,733.93	505,000.00	31.47%
2019	1,544,168.55	430,000.00	27.85%

Water and Sewer Utility Operating Fund

<u>Year</u>	<u>Balance December 31,</u>	<u>Utilized in Budget of Succeeding Year</u>	<u>Percentage of Fund Balance Used</u>
2023	\$ 2,550,561.32	\$ 245,000.00	9.61%
2022	2,296,245.71	260,000.00	11.32%
2021	2,029,541.40	260,000.00	12.81%
2020	2,025,953.88	282,000.00	13.92%
2019	2,030,035.35	260,000.00	12.81%

Note 8: INTERFUND RECEIVABLES AND PAYABLES

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

<u>Fund</u>	<u>Interfunds Receivable</u>	<u>Interfunds Payable</u>
Current	\$ 916.50	\$ 53,405.52
Federal and State Grant	53,405.52	
Trust - Other		916.50
	<u>\$ 54,322.02</u>	<u>\$ 54,322.02</u>

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

Note 9: PENSION PLANS

N.J.A.C. 5:30-6.1 allows local units to disclose the most recently available information as it relates to the New Jersey Division of Pension's reporting on GASB No. 68, *Accounting and Financial Reporting for Pensions*. As of the date of this report, the information for the measurement period ended June 30, 2023 was not available; therefore, the information from the measurement period June 30, 2022 is disclosed below.

Note 9: PENSION PLANS (CONT'D)

A substantial number of the Borough's employees participate in one of the following defined benefit pension plans: the Public Employees' Retirement System ("PERS") and the Police and Firemen's Retirement System ("PFRS"), which are administered by the New Jersey Division of Pensions and Benefits. In addition, certain Borough employees may be eligible to participate in the Defined Contribution Retirement Program ("DCRP"), which is a defined contribution pension plan. This Plan is administered by Empower (formerly Prudential Financial) for the New Jersey Division of Pensions and Benefits. Each Plan has a Board of Trustees that is primarily responsible for its administration. The Division issues a publicly available financial report that includes financial statements, required supplementary information and detailed information about the PERS and PFRS plans' fiduciary net position which can be obtained by writing to or at the following website:

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

<https://www.state.nj.us/treasury/pensions/financial-reports.shtml>

General Information about the Pension Plans**Plan Descriptions**

Public Employees' Retirement System - The Public Employees' Retirement System is a cost-sharing multiple-employer defined benefit pension plan, which was established as of January 1, 1955, under the provisions of N.J.S.A. 43:15A. The PERS' designated purpose is to provide retirement, death, disability and medical benefits to certain qualified members. Membership in the PERS is mandatory for substantially all full-time employees of the Borough, provided the employee is not required to be a member of another state-administered retirement system or other state pensions fund or local jurisdiction's pension fund. The PERS' Board of Trustees is primarily responsible for the administration of the PERS.

Police and Firemen's Retirement System - The Police and Firemen's Retirement System is a cost-sharing multiple-employer defined benefit pension plan, which was established as of July 1, 1944, under the provisions of N.J.S.A. 43:16A. The PFRS' designated purpose is to provide retirement, death, disability and medical benefits to certain qualified members. Membership in the PFRS is mandatory for substantially all full-time police and firemen of the Borough. The PFRS' Board of Trustees is primarily responsible for the administration of the PFRS.

Defined Contribution Retirement Program - The Defined Contribution Retirement Program is a multiple-employer defined contribution pension fund established on July 1, 2007 under the provisions of P.L. 2007, c. 92 and P.L. 2007, c. 103, and expanded under the provisions of P.L. 2008, c. 89 and P.L. 2010, c. 1. The DCRP is a tax-qualified defined contribution money purchase pension plan under Internal Revenue Code (IRC) § 401(a) et seq., and is a "governmental plan" within the meaning of IRC § 414(d). The DCRP provides retirement benefits for eligible employees and their beneficiaries. Individuals covered under DCRP are employees enrolled in PERS on or after July 1, 2007, who earn salary in excess of established "maximum compensation" limits; employees enrolled in New Jersey State Police Retirement System (SPRS) or the Police and Firemen's Retirement System (PFRS) after May 21, 2010, who earn salary in excess of established "maximum compensation" limits; employees otherwise eligible to enroll in PERS on or after November 2, 2008, who do not earn the minimum annual salary for tier 3 enrollment but who earn salary of at least \$5,000.00 annually; and employees otherwise eligible to enroll in PERS after May 21, 2010 who do not work the minimum number of hours per week required for tiers 4 or 5 enrollment, but who earn salary of at least \$5,000.00 annually.

Note 9: PENSION PLANS (CONT'D)**General Information about the Pension Plans (Cont'd)****Vesting and Benefit Provisions**

Public Employees' Retirement System - The vesting and benefit provisions are set by N.J.S.A. 43:15A. The 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 years or more of service credit before age 62, and tier 5 with 30 or more years of service credit before age 65. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the age at which a member can receive full early retirement benefits in accordance with their respective tier. Tier 1 members can receive an unreduced benefit from age 55 to age 60 if they have at least 25 years of service. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

Police and Firemen's Retirement System - The vesting and benefit provisions are set by N.J.S.A. 43:16A. The PFRS provides retirement, death and disability benefits. All benefits vest after 10 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 up to 30 years plus 1% for each year of service in excess of 30 years. Members may seek special retirement after achieving 25 years of creditable service, in which benefits would equal 65% (tiers 1 and 2 members) and 60% (tier 3 members) of final compensation plus 1% for each year of creditable service over 25 years but not to exceed 30 years. Members may elect deferred retirement benefits after achieving ten years of service, in which case benefits would begin at age 55 equal to 2% of final compensation for each year of service.

Note 9: PENSION PLANS (CONT'D)**General Information about the Pension Plans (Cont'd)****Vesting and Benefit Provisions (Cont'd)**

Defined Contribution Retirement Program - Eligible members are provided with a defined contribution retirement plan intended to qualify for favorable Federal income tax treatment under IRC Section 401(a), a noncontributory group life insurance plan and a noncontributory group disability benefit plan. A participant's interest in that portion of his or her defined contribution retirement plan account attributable to employee contributions shall immediately become and shall at all times remain fully vested and non-forfeitable. A participant's interest in that portion of his or her defined contribution retirement plan account attributable to employer contributions shall be vested and non-forfeitable on the date the participant commences the second year of employment or upon his or her attainment of age 65, while employed by an employer, whichever occurs first.

Contributions

Public Employees' Retirement System - The contribution policy is set by N.J.S.A. 43:15A and requires contributions by active members and contributing employers. Pursuant to the provisions of P.L. 2011, C. 78, the member contribution rate is currently 7.50% of base salary, effective July 1, 2018. The rate for members who are eligible for the Prosecutors Part of PERS (P.L. 2001, C. 366) is 10.0%. Employers' contributions are based on an actuarially determined amount, which includes the normal cost and unfunded accrued liability.

Special Funding Situation Component - Under N.J.S.A. 43:15A, 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. One of such legislations, which legally obligate the State, is Chapter 133, P.L. 2001. This legislation increased the accrual rate from 1/60 to 1/55. In addition, it lowered the age required for a veteran benefit equal to 1/55 of highest 12-month compensation for each year of service from 60 to 55. Chapter 133, P.L. 2001 also established the Benefit Enhancement Fund (BEF) to fund the additional annual employer normal contribution due to the State's increased benefits. If the assets in the BEF are insufficient to cover the normal contribution for the increased benefits for a valuation period, the State will pay such amount for both the State and local employers.

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 nonemployer contributing entity. Since the local participating employers do not contribute under this legislation directly to the Plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to disclose in the notes to the financial statements of the local participating employers related to this legislation.

The Borough's contractually required contribution rate for the year ended December 31, 2022, was 17.56% of the Borough's covered payroll. This amount was actuarially determined as the amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, including an additional amount to finance any unfunded accrued liability.

Based on the most recent PERS measurement date of June 30, 2022, the Borough's contractually required contribution to the pension plan for the year ended December 31, 2022 is \$122,373.00, and is payable by April 1, 2023. Due to the basis of accounting described in note 1, no liability has been recorded in the financial statements for this amount. For the prior year measurement date of June 30, 2021, the Borough's contractually required contribution to the pension plan for the year ended December 31, 2021 was \$107,966.00, which was paid on April 1, 2022.

Note 9: PENSION PLANS (CONT'D)**General Information about the Pension Plans (Cont'd)****Contributions (Cont'd)**

Public Employees' Retirement System (Cont'd) – Employee contributions to the Plan for the year ended December 31, 2022 were \$52,257.31.

The amount of contractually required contribution for the State of New Jersey's proportionate share, associated with the Borough, under Chapter 133, P.L. 2001, for the year ended December 31, 2022 was .44% of the Borough's covered payroll.

Based on the most recent PERS measurement date of June 30, 2022, the State's contractually required contribution, under Chapter 133, P.L. 2001, on-behalf of the Borough, to the pension plan for the year ended December 31, 2022 was \$3,081.00, and is payable by April 1, 2023.

Police and Firemen's Retirement System - The contribution policy for PFRS is set by N.J.S.A. 43:16A and requires contributions by active members and contributing employers. Pursuant to the provisions of P.L. 2011, C. 78, the member contribution rate is currently 10.0% of base salary. 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.

Special Funding Situation Component - 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 nonemployer contributing entity. Since the local participating employers do not contribute under this legislation directly to the Plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to disclose in the notes to the financial statements of the local participating employers related to this legislation.

The Borough's contractually required contribution rate for the year ended December 31, 2022 was 44.30% of the Borough's covered payroll. This amount was actuarially determined as the amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

Based on the most recent PFRS measurement date of June 30, 2022, the Borough's contractually required contribution to the pension plan for the year ended December 31, 2022 is \$191,938.00, and is payable by April 1, 2023. Due to the basis of accounting described in note 1, no liability has been recorded in the financial statements for this amount. For the prior year measurement date of June 30, 2021, the Borough's contractually required contribution to the pension plan for the year ended December 31, 2021 was \$179,858.00, which was paid on April 1, 2022.

Employee contributions to the Plan for the year ended December 31, 2022 were \$45,668.60.

The amount of contractually required contribution for the State of New Jersey's proportionate share, associated with the Borough, for the year ended December 31, 2022 was 8.64% of the Borough's covered payroll.

Note 9: PENSION PLANS (CONT'D)**General Information about the Pension Plans (Cont'd)****Contributions (Cont'd)**

Police and Firemen's Retirement System (Cont'd) – Based on the most recent PFRS measurement date of June 30, 2022, the State's contractually required contribution, on-behalf of the Borough, to the pension plan for the year ended December 31, 2022 was \$37,428.00, and is payable by April 1, 2023. For the prior year measurement date of June 30, 2021, the State's contractually required contribution, on-behalf of the Borough, to the pension plan for the year ended December 31, 2021 was \$27,559.00, which was paid on April 1, 2022.

Defined Contribution Retirement Program - The contribution policy is set by N.J.S.A. 43:15C-3 and requires contributions by active members and contributing employers. In accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, Plan members are required to contribute 5.5% of their annual covered salary. In addition to the employee contributions, the Borough contributes 3% of the employees' base salary, for each pay period.

For the year ended December 31, 2023, there were no participating employees or Borough contributions.

Pension Liabilities, Pension (Benefit) Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**Public Employees' Retirement System**

Pension Liability - As of December 31, 2022, there is no net pension liability associated with the special funding situation under Chapter 133, P.L. 2001, as there was no accumulated difference between the annual additional normal cost and the actual State contribution through the valuation date. The Borough's proportionate share of the PERS net pension liability was \$1,464,478.00. The net pension liability was measured as of June 30, 2022 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2021. The total pension liability was calculated through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2022. The Borough's proportion of the net pension liability was based on a projection of the Borough's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. For the June 30, 2022 measurement date, the Borough's proportion was .0097040714%, which was an increase of .0004850035% from its proportion measured as of June 30, 2021.

Pension (Benefit) Expense - For the year ended December 31, 2022, the Borough's proportionate share of the PERS pension (benefit) expense, calculated by the Plan as of the June 30, 2022 measurement date was (\$79,871.00). This (benefit) expense is not recognized by the Borough because of the regulatory basis of accounting as described in note 1; however, as previously mentioned, for the year ended December 31, 2022, the Borough's contribution to PERS was \$107,966.00, and was paid on April 1, 2022.

For the year ended December 31, 2022, the State's proportionate share of the PERS pension (benefit) expense, associated with the Borough, under Chapter 133, P.L. 2001, calculated by the Plan as of the June 30, 2022 measurement date, was \$3,081.00. This on-behalf (benefit) expense is not recognized by the Borough because of the regulatory basis of accounting as described in note 1.

Note 9: PENSION PLANS (CONT'D)**Pension Liabilities, Pension (Benefit) Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)****Police and Firemen's Retirement System**

Pension Liability - As of December 31, 2022, the Borough's and State of New Jersey's proportionate share of the PFRS net pension liability were as follows:

Proportionate Share of Net Pension Liability	\$ 1,689,274.00
State of New Jersey's Proportionate Share of Net Pension Liability Associated with the Employer	<u>300,641.00</u>
	<u>\$ 1,989,915.00</u>

The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2021. The total pension liability was calculated through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2022. The Borough's proportion of the net pension liability was based on a projection of the Borough's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers and the State of New Jersey, actuarially determined. For the June 30, 2022 measurement date, the Borough's proportion was .0147581800%, which was a decrease of .0006741243% from its proportion measured as of June 30, 2021. Likewise, at June 30, 2022, the State of New Jersey's proportion, on-behalf of the Borough, was .0147580300%, which was a decrease of .0006745285% from its proportion, on-behalf of the Borough, measured as of June 30, 2021.

Pension (Benefit) Expense - For the year ended December 31, 2022, the Borough's proportionate share of the PFRS pension (benefit) expense, calculated by the Plan as of the June 30, 2022 measurement date was (\$76,469.00). This (benefit) expense is not recognized by the Borough because of the regulatory basis of accounting as described in note 1; however, as previously mentioned, for the year ended December 31, 2022, the Borough's contribution to PFRS was \$179,858.00, and was paid on April 1, 2022.

For the year ended December 31, 2022, the State's proportionate share of the PFRS pension (benefit) expense, associated with the Borough, calculated by the Plan as of the June 30, 2022 measurement date, was \$34,686.00. This on-behalf (benefit) expense is not recognized by the Borough because of the regulatory basis of accounting as described in note 1.

Note 9: PENSION PLANS (CONT'D)**Pension Liabilities, Pension (Benefit) Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)**

Deferred Outflows of Resources and Deferred Inflows of Resources - As of December 31, 2022, the Borough had deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>			<u>Deferred Inflows of Resources</u>		
	<u>PERS</u>	<u>PFRS</u>	<u>Total</u>	<u>PERS</u>	<u>PFRS</u>	<u>Total</u>
Differences between Expected and Actual Experience	\$ 10,570.00	\$ 76,461.00	\$ 87,031.00	\$ 9,321.00	\$ 103,491.00	\$ 112,812.00
Changes of Assumptions	4,537.00	4,630.00	9,167.00	219,290.00	212,646.00	431,936.00
Net Difference between Projected and Actual Earnings on Pension Plan Investments	60,613.00	154,688.00	215,301.00	-	-	-
Changes in Proportion and Differences between Contributions and Proportionate Share of Contributions	157,096.00	53,589.00	210,685.00	105,974.00	306,540.00	412,514.00
Contributions Subsequent to the Measurement Date	61,187.00	95,969.00	157,156.00	-	-	-
	<u>\$ 294,003.00</u>	<u>\$ 385,337.00</u>	<u>\$ 679,340.00</u>	<u>\$ 334,585.00</u>	<u>\$ 622,677.00</u>	<u>\$ 957,262.00</u>

Note 9: PENSION PLANS (CONT'D)**Pension Liabilities, Pension (Benefit) Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)**

Deferred Outflows of Resources and Deferred Inflows of Resources (Cont'd) - Deferred outflows of resources in the amounts of \$61,187.00 and \$95,969.00 for PERS and PFRS, respectively, will be included as a reduction of the net pension liability during the year ending December 31, 2023. These amounts were based on an estimated April 1, 2024 contractually required contribution, prorated from the pension plans' measurement date of June 30, 2022 to the Borough's year end of December 31, 2022.

The Borough will amortize the other deferred outflows of resources and deferred inflows of resources related to pensions over the following number of years:

	PERS		PFRS	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between Expected and Actual Experience				
Year of Pension Plan Deferral:				
June 30, 2017	5.48	-	5.59	-
June 30, 2018	-	5.63	5.73	-
June 30, 2019	5.21	-	-	5.92
June 30, 2020	5.16	-	5.90	-
June 30, 2021	-	5.13	-	6.17
June 30, 2022	-	5.04	6.22	
Changes of Assumptions				
Year of Pension Plan Deferral:				
June 30, 2017	-	5.48	-	5.59
June 30, 2018	-	5.63	-	5.73
June 30, 2019	-	5.21	-	5.92
June 30, 2020	-	5.16	-	5.90
June 30, 2021	5.13	-	6.17	-
June 30, 2022	-	5.04		6.22
Difference between Projected and Actual Earnings on Pension Plan Investments				
Year of Pension Plan Deferral:				
June 30, 2018	5.00	-	5.00	-
June 30, 2019	5.00	-	5.00	-
June 30, 2020	5.00	-	5.00	-
June 30, 2021	5.00	-	5.00	-
June 30, 2022	5.00	-	5.00	-
Changes in Proportion				
Year of Pension Plan Deferral:				
June 30, 2017	5.48	5.48	5.59	5.59
June 30, 2018	5.63	5.63	5.73	5.73
June 30, 2019	5.21	5.21	5.92	5.92
June 30, 2020	5.16	5.16	5.90	5.90
June 30, 2021	5.13	5.13	6.17	6.17
June 30, 2022	5.04	5.04	6.22	6.22

Note 9: PENSION PLANS (CONT'D)**Pension Liabilities, Pension (Benefit) Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)**

Deferred Outflows of Resources and Deferred Inflows of Resources (Cont'd) - Other amounts included as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in future periods as follows:

Year Ending Dec 31,	<u>PERS</u>	<u>PFRS</u>	<u>Total</u>
2023	\$ (94,657.00)	\$ (167,000.00)	\$ (261,657.00)
2024	(47,944.00)	(133,575.00)	(181,519.00)
2025	(41,746.00)	(77,644.00)	(119,390.00)
2026	81,996.00	65,183.00	147,179.00
2027	582.00	(18,173.00)	(17,591.00)
Thereafter	-	(2,100.00)	(2,100.00)
	<u>\$ (101,769.00)</u>	<u>\$ (333,309.00)</u>	<u>\$ (435,078.00)</u>

Actuarial Assumptions

The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2021. The total pension liability was calculated through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2022. This actuarial valuation used the following actuarial assumptions, applied to all periods included in the measurement:

	<u>PERS</u>	<u>PFRS</u>
Inflation Rate:		
Price	2.75%	2.75%
Wage	3.25%	3.25%
Salary Increases:	2.75% - 6.55%	3.25% - 16.25%
	Based on Years of Service	Based on Years of Service
Investment Rate of Return	7.00%	7.00%
Period of Actuarial Experience		
Study upon which Actuarial		
Assumptions were Based	July 1, 2018 - June 30, 2021	July 1, 2018 - June 30, 2021

Note 9: PENSION PLANS (CONT'D)**Actuarial Assumptions (Cont'd)****Public Employees' Retirement System**

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.

Police and Firemen's Retirement System

Pre-retirement 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.

For both PERS and PFRS, 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' and PFRS' target asset allocation as of June 30, 2022 are summarized in the table that follows:

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

Note 9: PENSION PLANS (CONT'D)

Actuarial Assumptions (Cont'd)

Discount Rate -

Public Employees' Retirement System - 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 would be based on 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on Plan investments was applied to all projected benefit payments to determine the total pension liability.

Police and Firemen's Retirement System - The discount rate used to measure the total pension liability was 7.00% as of June 30, 2022. The projection of cash flows used to determine the discount rate assumed that contributions from Plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be based on 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on Plan investments was applied to all projected benefit payments to determine the total pension liability.

Sensitivity of Proportionate Share of Net Pension Liability to Changes in the Discount Rate

Public Employees' Retirement System (PERS) - The following presents the Borough's proportionate share of the net pension liability as of the June 30, 2022 measurement date, calculated using a discount rate of 7.00%, 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% lower or 1% higher than the current rates used:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Proportionate Share of the Net Pension Liability	<u>\$ 1,881,425.00</u>	<u>\$ 1,464,478.00</u>	<u>\$ 1,109,639.00</u>

Note 9: PENSION PLANS (CONT'D)**Sensitivity of Proportionate Share of Net Pension Liability to Changes in the Discount Rate (Cont'd)**

Police and Firemen's Retirement System (PFRS) - As previously mentioned, PFRS has a special funding situation, where the State of New Jersey pays a portion of the Borough's annual required contribution. As such, the net pension liability as of the June 30, 2022 measurement date, for the Borough and the State of New Jersey, calculated using a discount rate of 7.00%, as well as using a discount rate that is 1% lower or 1% higher than the current rates used, is as follows:

	1% Decrease <u>(6.00%)</u>	Current Discount Rate <u>(7.00%)</u>	1% Increase <u>(8.00%)</u>
Proportionate Share of the Net Pension Liability	\$ 2,317,866.00	\$ 1,689,274.00	\$ 1,165,968.00
State of New Jersey's Proportionate Share of Net Pension Liability	<u>412,512.00</u>	<u>300,641.00</u>	<u>207,508.00</u>
	<u>\$ 2,730,378.00</u>	<u>\$ 1,989,915.00</u>	<u>\$ 1,373,476.00</u>

Pension Plan Fiduciary Net Position

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension (benefit) expense, information about the respective fiduciary net position of the PERS and PFRS and additions to/deductions from PERS and PFRS' respective fiduciary net position have been determined on the same basis as they are reported by PERS and PFRS. Accordingly, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Note 9: PENSION PLANS (CONT'D)**Supplementary Pension Information**

In accordance with GASBS 68, the following information is also presented for the PERS and PFRS pension plans. These schedules are presented to illustrate the requirements to show information for 10 years.

Schedule of the Proportionate Share of the Net Pension Liability - Public Employees' Retirement System (PERS) (Last Ten Plan Years)

	<u>Measurement Date Ended June 30,</u>				
	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Proportion of the Net Pension Liability	0.0097040714%	0.0092190679%	0.0100154526%	0.0092965451%	0.0092700452%
Proportionate Share of the Net Pension Liability	\$ 1,464,478.00	\$ 1,092,137.00	\$ 1,633,258.00	\$ 1,675,096.00	\$ 1,825,226.00
Covered Payroll (Plan Measurement Period)	\$ 682,336.00	\$ 663,480.00	\$ 697,440.00	\$ 663,516.00	\$ 653,908.00
Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	214.63%	164.61%	234.18%	252.46%	279.13%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	62.91%	70.33%	58.32%	56.27%	53.60%
	<u>Measurement Date Ended June 30,</u>				
	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Proportion of the Net Pension Liability	0.0087153058%	0.0093960313%	0.0100396425%	0.0104215797%	0.0119161823%
Proportionate Share of the Net Pension Liability	\$ 2,028,784.00	\$ 2,782,835.00	\$ 2,253,699.00	\$ 1,951,205.00	\$ 2,277,419.00
Covered Payroll (Plan Measurement Period)	\$ 526,972.00	\$ 627,516.00	\$ 744,772.00	\$ 723,128.00	\$ 824,472.00
Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	384.99%	443.47%	302.60%	269.83%	276.23%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	48.10%	40.14%	47.93%	52.08%	48.72%

Note 9: PENSION PLANS (CONT'D)**Supplementary Pension Information (Cont'd)*****Schedule of Contributions - Public Employees' Retirement System (PERS) (Last Ten Years)***

	<u>Year Ended December 31,</u>				
	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Contractually Required Contribution	\$ 122,373.00	\$ 107,966.00	\$ 109,564.00	\$ 90,428.00	\$ 92,207.00
Contribution in Relation to the Contractually Required Contribution	(122,373.00)	(107,966.00)	(109,564.00)	(90,428.00)	(92,207.00)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Payroll (Calendar Year)	\$ 696,763.00	\$ 686,677.00	\$ 677,786.00	\$ 664,652.00	\$ 652,792.00
Contributions as a Percentage of Covered Payroll	17.56%	15.72%	16.16%	13.61%	14.13%
	<u>Year Ended December 31,</u>				
	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Contractually Required Contribution	\$ 80,738.00	\$ 83,473.00	\$ 86,314.00	\$ 85,914.00	\$ 89,786.00
Contribution in Relation to the Contractually Required Contribution	(80,738.00)	(83,473.00)	(86,314.00)	(85,914.00)	(89,786.00)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Payroll (Calendar Year)	\$ 627,990.00	\$ 576,898.00	\$ 645,860.00	\$ 696,036.00	\$ 705,774.00
Contributions as a Percentage of Covered Payroll	12.86%	14.47%	13.36%	12.34%	12.72%

Note 9: PENSION PLANS (CONT'D)**Supplementary Pension Information (Cont'd)*****Schedule of Proportionate Share of the Net Pension Liability - Police and Firemen's Retirement System (PFRS) (Last Ten Plan Years)***

	<u>Measurement Date Ended June 30,</u>				
	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Proportion of the Net Pension Liability	0.0147581800%	0.0154323043%	0.0165369513%	0.0158756873%	0.0181176784%
Proportionate Share of the Net Pension Liability	\$ 1,689,274.00	\$ 1,127,971.00	\$ 2,136,792.00	\$ 1,942,838.00	\$ 2,451,621.00
State's Proportionate Share of the Net Pension Liability	300,641.00	317,242.00	331,620.00	306,778.00	333,012.00
Total	<u>\$ 1,989,915.00</u>	<u>\$ 1,445,213.00</u>	<u>\$ 2,468,412.00</u>	<u>\$ 2,249,616.00</u>	<u>\$ 2,784,633.00</u>
Covered Payroll (Plan Measurement Period)	\$ 510,656.00	\$ 540,984.00	\$ 570,604.00	\$ 532,016.00	\$ 587,052.00
Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	330.80%	208.50%	374.48%	365.18%	417.62%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	68.33%	77.26%	63.52%	65.00%	62.48%
	<u>Measurement Date Ended June 30,</u>				
	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Proportion of the Net Pension Liability	0.0180247088%	0.0173331245%	0.0172570406%	0.0167892453%	0.0150207432%
Proportionate Share of the Net Pension Liability	\$ 2,782,667.00	\$ 3,311,070.00	\$ 2,874,421.00	\$ 2,111,931.00	\$ 1,996,872.00
State's Proportionate Share of the Net Pension Liability	311,682.00	278,048.00	252,077.00	227,420.00	186,133.00
Total	<u>\$ 3,094,349.00</u>	<u>\$ 3,589,118.00</u>	<u>\$ 3,126,498.00</u>	<u>\$ 2,339,351.00</u>	<u>\$ 2,183,005.00</u>
Covered Payroll (Plan Measurement Period)	\$ 583,452.00	\$ 554,008.00	\$ 546,500.00	\$ 530,288.00	\$ 471,400.00
Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	476.93%	597.66%	525.97%	398.26%	423.60%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	58.60%	52.01%	56.31%	62.41%	58.70%

Note 9: PENSION PLANS (CONT'D)**Supplementary Pension Information (Cont'd)*****Schedule of Contributions - Police and Firemen's Retirement System (PFRS) (Last Ten Years)***

	<u>Year Ended December 31,</u>				
	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Contractually Required Contribution	\$ 191,938.00	\$ 179,858.00	\$ 184,746.00	\$ 160,362.00	\$ 177,127.00
Contribution in Relation to the Contractually Required Contribution	(191,938.00)	(179,858.00)	(184,746.00)	(160,362.00)	(177,127.00)
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll (Calendar Year)	\$ 433,301.00	\$ 517,612.00	\$ 534,381.00	\$ 554,835.00	\$ 522,644.00
Contributions as a Percentage of Covered Payroll	44.30%	34.75%	34.57%	28.90%	33.89%
	<u>Year Ended December 31,</u>				
	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Contractually Required Contribution	\$ 159,522.00	\$ 141,324.00	\$ 140,274.00	\$ 128,953.00	\$ 109,588.00
Contribution in Relation to the Contractually Required Contribution	(159,522.00)	(141,324.00)	(140,274.00)	(128,953.00)	(109,588.00)
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll (Calendar Year)	\$ 528,589.00	\$ 584,970.00	\$ 562,453.00	\$ 549,318.00	\$ 531,661.00
Contributions as a Percentage of Covered Payroll	30.18%	24.16%	24.94%	23.48%	20.61%

Note 9: PENSION PLANS (CONT'D)**Supplementary Pension Information (Cont'd)****Other Notes to Supplementary Pension Information*****Public Employees' Retirement System (PERS)*****Changes in Benefit Terms**

The June 30, 2022 measurement date included three changes to the plan provisions, only one of which had an impact on the Total Pension Liability (TPL). Chapter 226, P.L. 2021 reopened the Prosecutors Part of PERS and made membership in the Prosecutors Part of PERS mandatory for all prosecutors.

Changes in Assumptions

The discount rate and long-term expected rate of return used as of June 30 measurement date are as follows:

Discount Rate				Long-term Expected Rate of Return			
Year	Rate	Year	Rate	Year	Rate	Year	Rate
2022	7.00%	2017	5.00%	2022	7.00%	2017	7.00%
2021	7.00%	2016	3.98%	2021	7.00%	2016	7.65%
2020	7.00%	2015	4.90%	2020	7.00%	2015	7.90%
2019	6.28%	2014	5.39%	2019	7.00%	2014	7.90%
2018	5.66%			2018	7.00%		

The underlying demographic and economic assumptions were updated as a result of the Experience Study covering the period of July 1, 2018 - June 30, 2021.

Police and Firemen's Retirement System (PFRS)**Changes in Benefit Terms**

None.

Changes in Assumptions

The discount rate and long-term expected rate of return used as of June 30 measurement date are as follows:

Discount Rate				Long-term Expected Rate of Return			
Year	Rate	Year	Rate	Year	Rate	Year	Rate
2022	7.00%	2017	6.14%	2022	7.00%	2017	7.00%
2021	7.00%	2016	5.55%	2021	7.00%	2016	7.65%
2020	7.00%	2015	5.79%	2020	7.00%	2015	7.90%
2019	6.85%	2014	6.32%	2019	7.00%	2014	7.90%
2018	6.51%			2018	7.00%		

The underlying demographic and economic assumptions were updated as a result of the Experience Study covering the period of July 1, 2018 - June 30, 2021.

Note 10: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS

BOROUGH OF WOODBURY HEIGHTS POSTEMPLOYMENT BENEFIT PLAN

In January 2023, the Borough switched its health insurance provider from the New Jersey State Health Benefits Program to the Municipal Reinsurance Health Insurance Fund (HIF). In accordance with GASB No. 75, Accounting and Financial Reporting for Postemployment Benefits Other than Pensions, the Borough obtained a valuation of its plans at December 31, 2023.

Plan Description and Benefits Provided - The Borough provides post-employment healthcare plan, which is not administered through a trust that meets the criteria in paragraph 4 of the GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits other than Pensions*, and covers the following retiree population: eligible retirees who retire from active employment with the Borough under various classifications who have; 20 years' of service with the Borough if hired before 2013, and 25 years' of service with the Borough if hired after 2013. The plan is administered by the Borough; therefore, premium payments are made directly to the HIF.

Employees Covered by Benefit Terms - As of December 31, 2023 the most recent actuarial valuation date, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries Currently Receiving Benefit Payments	7
Inactive Employees Entitled to but Not Yet Receiving Benefit Payments	-
Active Employees	11
	18

Total OPEB Liability

The Borough's total OPEB liability of \$3,637,105.00 was measured as of December 31, 2023 and was determined by an actuarial valuation as of December 31, 2023.

Actuarial Assumptions and Other Inputs - The following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.5% Annually
Salary Increases	2.5% Annually
Discount Rate	3.26%
Healthcare Cost Trend Rates	Medical: 5.1% in 2023, reducing by 0.2% per annum, leveling at 4.5% per annum in 2026 Drug: 6.0% in 2023, reducing by 0.5% per annum, leveling at 4.5% per annum in 2026. Medicare Advantage: 4.5% per annum. Dental and Vision: 3.5% per annum
Retirees' Share of Benefit-Related Costs	Pursuant to Chapter 78

Note 10: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)**BOROUGH OF WOODBURY HEIGHTS POSTEMPLOYMENT BENEFIT PLAN (CONT'D)****Actuarial Assumptions and Other Inputs (Cont'd) –**

The discount rate was based on the Bond Buyer 20 Index as of July 1, 2022 and as of December 31, 2023.

Mortality rates were based on the PUB 2010 "General" classification headcount weighted mortality with generational improvement using Scale MP-2021.

Turnover was based on the NJ State Pensions Ultimate Withdraw Rates – prior to benefits eligibility.

Assumed Retirement Age was based on attainment of 25 years of service or age 62 with 15 years of service if earlier.

Full Attribution Period was based on service to assumed retirement age.

Medical Cost Aging Factor was based on NJ SHBP Medical Morbidity Rates.

An experience study was not performed on the actuarial assumptions used in the December 31, 2023 valuation since the Plan had insufficient data to produce a study with credible results. Mortality rates, termination rates and retirement rates were based on standard tables issued by Society of Actuaries. The actuary has used their professional judgement in applying these assumptions to this Plan.

Changes in Total OPEB Liability

Balance at December 31, 2022		\$ 3,331,626.00 *
Changes for the Year:		
Service Cost	\$ 41,691.00	
Interest Cost	118,863.00	
Benefit Payments	(31,212.00)	
Changes in Assumptions	176,137.00	
Difference between Expected and Actual Experience	<u>-</u>	
Net Changes		<u>305,479.00</u>
Balance at December 31, 2023		<u>\$ 3,637,105.00</u>

Changes of benefit terms reflect no increase in the retirees' share of health insurance premiums.

*June 30, 2022 SHBP Measurement Recognized as of December 31, 2022 by the Borough.

Note 10: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)**BOROUGH OF WOODBURY HEIGHTS POSTEMPLOYMENT BENEFIT PLAN (CONT'D)**

Sensitivity of Total OPEB Liability to Changes in Discount Rate - The following presents the total OPEB liability of the Borough, as well as what the Borough's total OPEB liability would be if it were calculated for using a discount rate that is 1-percentage -point lower or 1-percentage-point higher than the current discount rate:

	December 31, 2023		
	1.00% Decrease (2.26%)	Current Discount Rate (3.26%)	1.00% Increase (4.26%)
Total OPEB Liability	\$ 4,018,049.00	\$ 3,637,105.00	\$ 3,336,559.00

The following presents the total OPEB liability of the Borough, as well as what the Borough's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	December 31, 2023		
	1.00% Decrease	Healthcare Cost Trend Rates	1.00% Increase
Total OPEB Liability	\$ 3,294,115.00	\$ 3,637,105.00	\$ 4,029,166.00

OPEB (Benefit) Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB - For the year ended December 31, 2023, the Borough recognized OPEB (benefit) expense of \$179,361.00. As of December 31, 2023, the Borough reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of Assumptions	\$ 154,900.00	\$ -
Difference Between Expected and Actual Experience	-	500,025.00
	<u>\$ 154,900.00</u>	<u>\$ 500,025.00</u>

Note 10: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)

BOROUGH OF WOODBURY HEIGHTS POSTEMPLOYMENT BENEFIT PLAN (CONT'D)

OPEB (Benefit) Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Cont'd) -

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB (benefit) expense as follows:

Year Ending Dec 31,	
2024	\$ (112,501.00)
2025	(62,501.00)
2026	(137,348.00)
2027	146,901.00
2028	(228,393.00)
Thereafter	<u>48,717.00</u>
	<u><u>\$ (345,125.00)</u></u>

Supplementary OPEB Information

In accordance with GASB No. 75, the following information is also presented for the Borough's OPEB Plan. These schedules are presented to illustrate the requirements to show information for 10 years; however, until a full 10-year trend is compiled, this presentation will only include information for those years for which information is available.

Schedule of Changes in the Borough's Total OPEB Liability and Related Ratios:

	Plan Measurement Date December 31, 2023
Total OPEB Liability	
Service Cost	\$ 41,691.00
Interest Cost	118,863.00
Benefit Payments	(31,212.00)
Changes in Assumptions	<u>176,137.00</u>
Net Change in Total OPEB Liability	305,479.00
Total OPEB Liability - Beginning of Year	<u>3,331,626.00</u>
Total OPEB Liability - End of Year	<u><u>\$ 3,637,105.00</u></u>
Covered-Employee Payroll	\$ 697,349.00
Total OPEB Liability as a Percentage of Covered Payroll	521.56%

Note 10: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)**BOROUGH OF WOODBURY HEIGHTS POSTEMPLOYMENT BENEFIT PLAN (CONT'D)****Other Notes to Supplementary OPEB Information**

Changes of Benefit Terms:
None

Other -
Discontinuance of Recognition of State Health Benefits Plan Fiduciary Net Position

Note 11: COMPENSATED ABSENCES

Employees covered under the AFL/CIO Agreement, office employees and public works employees, are granted sick and vacation time based on years of service. The employees can accumulate up to thirty sick days and the current policy provides one compensated day for every two days accumulated. Employees can carry up to half of the current periods accumulation provided that the employee used half of vacation granted. All compensation is computed using the rate in effect at termination or retirement.

The Borough does not record accrued expenses related to compensated absences. However, it is estimated that, at December 31, 2023, accrued benefits for compensated absences are valued at \$63,394.00.

Note 12: 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 benefit 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 13: CAPITAL DEBT**General Improvement Bonds**

General Obligation Bonds, Series 2009 – On December 14, 2009, the Borough issued \$2,485,000.00 of general obligation bonds, consisting of \$1,955,000.00 general improvement bonds and \$530,000.00 water and sewer utility bonds, with a net interest cost of 3.692%. The bonds were issued for the purpose of funding various capital acquisitions and improvements within the Borough. The final maturity of the general improvement bonds is December 1, 2024 and December 1, 2029 for the water and sewer utility bonds.

Note 13: CAPITAL DEBT (CONT'D)**General Improvement Bonds (Cont'd)**

General Obligation Bonds, Series 2019 – On July 31, 2019, the Borough issued \$6,233,000.00 of general obligation bonds, consisting of \$2,776,000.00 general improvement bonds and \$3,457,000.00 water and sewer utility bonds, with a net interest cost of 2.304%. The bonds were issued for the purpose of funding various capital acquisitions and improvements within the Borough. The final maturity of the general improvement bonds is July 15, 2029 and July 15, 2034 for the water and sewer utility bonds.

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

<u>Year</u>	<u>General</u>		<u>Utility</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	
2024	\$ 440,000.00	\$ 42,856.26	\$ 240,000.00	\$ 72,200.00	\$ 795,056.26
2025	280,000.00	30,756.26	250,000.00	66,800.00	627,556.26
2026	290,000.00	25,156.26	255,000.00	61,012.50	631,168.76
2027	295,000.00	19,356.26	265,000.00	55,037.50	634,393.76
2028	305,000.00	13,456.26	270,000.00	48,862.50	637,318.76
2029-2033	310,000.00	6,975.00	1,320,000.00	145,150.04	1,782,125.04
2034			280,000.00	8,400.00	288,400.00
	<u>\$ 1,920,000.00</u>	<u>\$ 138,556.30</u>	<u>\$ 2,880,000.00</u>	<u>\$ 457,462.54</u>	<u>\$ 5,396,018.84</u>

The following schedule represents the Borough's summary of debt for the current and two previous years:

	<u>2023</u>	<u>2022</u>	<u>2021</u>
<u>Issued</u>			
General:			
Bonds and Notes	\$ 3,043,500.00	\$ 2,350,000.00	\$ 2,775,000.00
Water and Sewer Utility:			
Bonds and Notes	4,410,000.00	3,115,000.00	3,340,000.00
Total Issued	<u>7,453,500.00</u>	<u>5,465,000.00</u>	<u>6,115,000.00</u>
<u>Authorized but not Issued</u>			
General:			
Bonds, Loans and Notes		792,500.00	792,500.00
Water and Sewer Utility:			
Bonds and Notes		1,530,000.00	1,030,000.00
Total Authorized but not Issued	<u>-</u>	<u>2,322,500.00</u>	<u>1,822,500.00</u>
Total Issued and Authorized but not Issued	<u>7,453,500.00</u>	<u>7,787,500.00</u>	<u>7,937,500.00</u>
<u>Deductions</u>			
Water and Sewer Utility:			
Self-Liquidating	4,410,000.00	4,645,000.00	4,370,000.00
Net Debt	<u>\$ 3,043,500.00</u>	<u>\$ 3,142,500.00</u>	<u>\$ 3,567,500.00</u>

Note 13: CAPITAL DEBT (CONT'D)

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the annual debt statement and indicated a statutory net debt of .969%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Local School District	\$ 1,687,516.00	\$ 1,687,516.00	
Regional High School District	757,954.78	757,954.78	
Water and Sewer Utility	4,410,000.00	4,410,000.00	
General	3,043,500.00		\$ 3,043,500.00
	<u>\$ 9,898,970.78</u>	<u>\$ 6,855,470.78</u>	<u>\$ 3,043,500.00</u>

Net debt \$3,043,500.00 divided by the equalized valuation basis per N.J.S.A.40A:2-2, as amended, \$314,075,330.00, equals .969%

Summary of Statutory Debt Condition - Annual Debt Statement**Borrowing Power Under N.J.S.A. 40A:2-6 as Amended**

3 1/2% of Equalized Valuation Basis (Municipal)	\$ 10,992,636.55
Less: Net Debt	<u>3,043,500.00</u>
Remaining Borrowing Power	<u>\$ 7,949,136.55</u>

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

Cash Receipts from Fees, Rents, Fund Balance Anticipated, Interest and Other Investment Income, and Other Charges for the Year	<u>\$ 2,224,655.79</u>
Deductions:	
Operating and Maintenance Costs	\$ 1,456,750.00
Debt Service	<u>376,188.38</u>
Total Deductions	<u>1,832,938.38</u>
Excess in Revenue	<u>\$ 391,717.41</u>

Note 14: RISK MANAGEMENT

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

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

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

<u>Year</u>	<u>Borough Contributions</u>	<u>Employee Contributions</u>	<u>Interest Earnings</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2023	\$ 500.00	\$ 4,738.85	\$ 2,344.18	\$ 14,118.45	\$ 54,435.43
2022	1,000.00	5,683.99	715.13	5,801.15	60,970.85
2021	10,000.00	3,117.44	146.85	446.52	59,372.88

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

- Workers' Compensation including Employer's Liability
- General Liability including Police Professional and Employee Benefit Liability
- Automobile Liability
- Blanket Crime including Public Employee Dishonesty
- Property Including Boiler and Machinery
- Public Officials and Employment Practices Liability
- Volunteer Directors and Officers Liability
- Cyber Liability

The following coverages are provided to the Fund's member local units by their membership in the Municipal Excess Liability Joint Insurance Fund (MEL):

- Excess Workers' Compensation
- Excess General Liability
- Non-Owned Aircraft Liability
- Excess Auto Liability
- Fidelity and Performance (Blanket)
- Excess Property including Boiler and Machinery
- Crime including Excess Public Employee and Public Official Coverage

Environmental Impairment Liability coverage is provided to the Fund's member local units by the Fund's membership in the New Jersey Municipal Environmental Risk Management Fund.

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

The Borough's agreement with the Pool provides that the Pool will be self-sustaining through member premiums and will reinsure through the Municipal Excess Liability Joint Insurance Fund, which is an insurance pool formed by all the other joint insurance funds.

Note 14: RISK MANAGEMENT (CONT'D)

Joint Insurance Pool (Cont'd) - For more information regarding claims, coverages and deductibles, the Fund publishes its own financial report which can be obtained from:

Gloucester, Salem, and Cumberland County Municipal Joint Insurance Fund
P.O. Box 489
Marlton, New Jersey 08053

Note 15: CONTINGENCIES

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

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.

Note 16: CONCENTRATIONS

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

Note 17: SUBSEQUENT EVENTS

Authorization of Debt - Subsequent to December 31, the Borough authorized additional bonds and notes as follows:

<u>Purpose</u>	<u>Adoption</u>	<u>Authorization</u>
Reconstruction and/or Repaving of Beech Avenue	4/17/2024	\$ 136,600.00
Beech Avenue Water Main Replacement Project	4/17/2024	290,000.00
Construction and Completion of a Public Works Pole Barn	5/15/2024	969,000.00
Construction and Completion of a Public Works Pole Barn - Utility	5/15/2024	1,020,000.00

SUPPLEMENTAL EXHIBITS

SUPPLEMENTAL EXHIBITS

CURRENT FUND

BOROUGH OF WOODBURY HEIGHTS
CURRENT FUND
Statement of Current Cash - Chief Financial Officer
For the Year Ended December 31, 2023

		Current Fund
Balance December 31, 2022		\$ 2,810,186.34
Increased by Receipts:		
Taxes Receivable	\$ 11,742,224.76	
Prepaid Taxes	72,115.55	
Tax Overpayments	12,130.67	
Due State of New Jersey - Senior Citizens and Veterans Deductions	27,239.21	
Revenue Accounts Receivable	677,848.13	
Miscellaneous Revenue Not Anticipated	138,870.85	
Federal & State Grants Receivable	39,933.63	
Due Animal Control Fund	793.23	
Due General Capital Fund	2,128.74	
Due Trust Other Fund	461.35	
Reserve for Municipal Relief Fund Aid	31,301.36	
		12,745,047.48
		15,555,233.82
Decreased by Disbursements:		
2022 Appropriation Reserves	82,928.97	
2023 Appropriations	4,117,759.99	
County Taxes	1,901,368.79	
Due County for Added and Omitted Taxes	6,936.97	
Local District School Tax	3,170,966.00	
Regional High School Tax	3,567,296.00	
Refund Tax Overpayments	8,443.14	
Accounts Payable	760.00	
Federal & State Grant Expenditures	54,157.34	
		12,910,617.20
Balance December 31, 2023		\$ 2,644,616.62

BOROUGH OF WOODBURY HEIGHTS
CURRENT FUND
 Statement of Taxes Receivable and Analysis of Property Tax Levy
 For the Year Ended December 31, 2023

Year	Balance	2023 Levy	Collections		Over- Payments Applied	Canceled	Transferred To Tax Title Liens	Balance
	Dec. 31, 2022		2022	2023				Dec. 31, 2023
2022	\$ 152,372.50			\$ 152,372.50				
2023		\$ 11,982,268.69	\$ 100,990.26	11,618,852.26		\$ 18,152.18	\$ 12,123.85	\$ 232,150.14
	<u>\$ 152,372.50</u>	<u>\$ 11,982,268.69</u>	<u>\$ 100,990.26</u>	<u>\$ 11,771,224.76</u>	<u>\$</u>	<u>\$ 18,152.18</u>	<u>\$ 12,123.85</u>	<u>\$ 232,150.14</u>
Taxes Receivable				\$ 11,742,224.76				
Senior Citizens and Veterans				<u>29,000.00</u>				
				<u>\$ 11,771,224.76</u>				
<u>Analysis of 2023 Property Tax Levy</u>								
<u>Tax Yield:</u>								
General Property Tax				\$ 11,950,788.64				
Added Taxes (54:4-63.1 et. seq.)				<u>31,480.05</u>				
					\$	<u>11,982,268.69</u>		
<u>Tax Levy:</u>								
Local School District Tax (Abstract)				\$ 3,170,966.00				
Regional High School Tax (Abstract)				<u>3,567,296.00</u>				
County Taxes:								
County Tax (Abstract)			\$ 1,901,368.79					
Due County for Added Taxes			<u>4,436.53</u>					
Total County Taxes				1,905,805.32				
Local Tax for Municipal Purposes			3,300,317.53					
Add: Additional Tax Levied			<u>37,883.84</u>					
				<u>3,338,201.37</u>	\$	<u>11,982,268.69</u>		

BOROUGH OF WOODBURY HEIGHTS
CURRENT FUND
Statement of Tax Title Liens
For the Year Ended December 31, 2023

Balance December 31, 2022		\$ 132,304.69
Increased by:		
Transfers from Taxes Receivable	\$ 12,123.85	
Interest and Costs on Sale	<u>399.98</u>	
		<u>12,523.83</u>
Balance December 31, 2023		<u>\$ 144,828.52</u>

BOROUGH OF WOODBURY HEIGHTS**CURRENT FUND**Statement of Due State of New Jersey - Senior Citizen's and Veteran's Deductions
For the Year Ended December 31, 2023

<hr/>	
Balance December 31, 2022	\$ 2,418.93
Increased by:	
Deductions per Tax Billing:	
Senior Citizens	\$ 4,250.00
Veterans	24,500.00
Deductions Allowed by Collector - 2023 Taxes	<u>250.00</u>
	<u>29,000.00</u>
	31,418.93
Decreased by:	
Received from State of New Jersey	<u>27,239.21</u>
Balance December 31, 2023	<u><u>\$ 4,179.72</u></u>
 <u>Analysis of Amount Realized:</u>	
Senior Citizens' and Veterans' Deductions Per Tax Billings	\$ 28,750.00
Senior Citizens' and Veterans' Deductions Allowed - 2023	<u>250.00</u>
	<u><u>\$ 29,000.00</u></u>

BOROUGH OF WOODBURY HEIGHTS
CURRENT FUND
 Statement of Revenue Accounts Receivable
 For the Year Ended December 31, 2023

	Balance Dec. 31, 2022	Accrued In 2023	Collected	Balance Dec. 31, 2023
Miscellaneous Revenue Anticipated:				
Licenses:				
Alcoholic Beverages	\$	5,750.00	\$ 5,750.00	
Fees and Permits		961.79	961.79	
Fines and Costs:				
Municipal Court	\$ 967.58	14,664.33	14,563.11	\$ 1,068.80
Interest on Taxes		32,819.17	32,819.17	
Interest on Investments		192,565.78	192,565.78	
Energy Receipts Tax P.L. 1997, Chapters 162 & 167		302,164.34	302,164.34	
Reserve for Municipal Relief Fund Aid		15,653.86	15,653.86	
Gateway Regional High School - School Resource Officer		77,539.77	77,539.77	
South Harrison Township Shared Service:				
Revenue Administration		24,598.00	24,598.00	
Finance Administration		26,944.00	26,944.00	
	<u>\$ 967.58</u>	<u>\$ 693,661.04</u>	<u>\$ 693,559.82</u>	<u>\$ 1,068.80</u>
Cash Received			\$ 677,848.13	
Reserve for Municipal Relief Fund Aid			15,653.86	
Interfunds			57.83	
			<u>\$ 693,559.82</u>	

BOROUGH OF WOODBURY HEIGHTS
CURRENT FUND
Statement of Appropriation Reserves
For the Year Ended December 31, 2023

	Balance December 31, 2022		Balance After Modification	Paid or Charged	Balance Lapsed
	Encumbered	Reserved			
Operations Within "CAPS":					
Mayor and Council:					
Salaries and Wages		\$ 108.00	\$ 108.00		\$ 108.00
Other Expenses		11,177.57	11,177.57		11,177.57
Municipal Clerk:					
Salaries and Wages		6,874.19	6,874.19		6,874.19
Other Expenses		8,823.56	8,823.56	\$ 8,553.01	270.55
Financial Administration:					
Salaries and Wages		2,028.35	2,028.35		2,028.35
Other Expenses	\$ 1,050.00	5,540.16	6,590.16	1,518.58	5071.58
Audit Services:					
Other Expenses		25,826.00	25,826.00	25,826.00	
Revenue Administration:					
Salaries and Wages		2,137.78	2,137.78		2,137.78
Other Expenses		3,169.12	3,169.12	24.76	3,144.36
Legal Services:					
Other Expenses		8,047.29	8,047.29	7,219.33	827.96
Engineering Services:					
Other Expenses		12,353.64	12,353.64	779.00	11,574.64
Planning Board:					
Salaries and Wages		0.57	0.57		0.57
Other Expenses		4,421.57	4,421.57	69.05	4,352.52
Housing and Lot Maintenance Code:					
Salaries and Wages		212.00	212.00		212.00
Other Expenses		100.00	100.00		100.00
Insurance:					
General Liability	400.00	3,879.48	4,279.48	400.00	3,879.48
Workers Compensation		1,385.52	1,385.52		1,385.52
Employee Group Insurance		17,532.47	17,532.47		17,532.47
Police Department:					
Salaries and Wages		32,146.07	32,146.07	2,293.92	29,852.15
Other Expenses	322.00	57,651.27	57,973.27	6,370.28	51,602.99
Office of Emergency Management:					
Salaries and Wages		100.00	100.00		100.00
Other Expenses	568.00	2,252.00	2,820.00	568.00	2,252.00
Aid to Volunteer Fire Companies:					
Other Expenses	5,735.63	1,904.25	7,639.88	7,031.88	608.00
Fire Department:					
Other Expenses		600.00	600.00		600.00
Street and Road Maintenance:					
Salaries and Wages		40,078.09	40,078.09		40,078.09
Other Expenses	589.34	11,656.15	12,245.49	1,162.91	11,082.58
Other Public Works Functions:					
Other Expenses		500.00	500.00		500.00
Solid Waste Collection					
Salaries and Wages		4,958.12	4,958.12		4,958.12
Other Expenses		18,116.15	18,116.15		18,116.15
Public Building and Grounds:					
Salaries and Wages		383.60	383.60		383.60
Other Expenses	412.26	14,804.42	15,216.68	1,632.71	13,583.97
Vehicle Maintenance:					
Other Expenses		21,299.36	21,299.36	1,290.24	20,009.12
Recreation Services and Programs:					
Other Expenses		3,769.57	3,769.57	3,268.37	501.20
Celebration of Public Events:					
Other Expenses		1,029.57	1,029.57		1,029.57

(Continued)

BOROUGH OF WOODBURY HEIGHTS
CURRENT FUND
Statement of Appropriation Reserves
For the Year Ended December 31, 2023

	Balance December 31, 2022		Balance After Modification	Paid or Charged	Balance Lapsed
	Encumbered	Reserved			
Operations Within "CAPS" (CONT'D):					
Utilities:					
Electricity		\$ 3,560.56	\$ 3,560.56		\$ 3,560.56
Street Lighting		2,749.64	2,749.64		2,749.64
Telephone		2,065.80	2,065.80		2,065.80
Gas (Natural or Propane)	\$ 3,397.89	1,231.55	4,629.44	\$ 3,397.89	1,231.55
Fuel Oil	472.53	1,953.16	2,425.69	1,045.61	1,380.08
Gasoline		4,689.70	4,689.70	1,784.39	2,905.31
Sanitary Landfill:					
Other Expenses		19,420.71	19,420.71	7,806.17	11,614.54
Statutory Expenditures:					
Contribution to:					
Public Employees' Retirement System					
Social Security System (O.A.S.I.)		5,522.91	5,522.91	185.80	5,337.11
Police & Fireman's Retirement System		66.37	66.37		66.37
Defined Contribution Retirement Plan		500.00	500.00		500.00
Total General Appropriations for Municipal Purposes Within "CAPS"					
	<u>12,947.65</u>	<u>366,626.29</u>	<u>379,573.94</u>	<u>82,227.90</u>	<u>297,346.04</u>
OPERATIONS EXCLUDED FROM "CAPS":					
Interlocal Service Agreements:					
Township of Logan - Trash Services		2,003.44	2,003.44	1,269.07	734.37
Township of West Deptford, UCC Operations		8,789.50	8,789.50		8,789.50
Mantua Township Municipal Court		57.00	57.00		57.00
Gateway Regional School Agreement - SRO		4,466.25	4,466.25		4,466.25
Total General Appropriations for Municipal Purposes Excluded from "CAP"					
		<u>15,316.19</u>	<u>15,316.19</u>	<u>1,269.07</u>	<u>14,047.12</u>
	<u>\$ 12,947.65</u>	<u>\$ 381,942.48</u>	<u>\$ 394,890.13</u>	<u>\$ 83,496.97</u>	<u>\$ 311,393.16</u>
				\$ 82,928.97	
				568.00	
				<u>\$ 83,496.97</u>	

BOROUGH OF WOODBURY HEIGHTS
CURRENT FUND
Statement of Prepaid Taxes
For the Year Ended December 31, 2023

Balance December 31, 2022 (2023 Taxes)		\$ 100,990.26
Increased by:		
Collection (2024 Taxes)		<u>72,115.55</u>
		173,105.81
Decreased by:		
Application to 2023 Taxes		<u>100,990.26</u>
Balance December 31, 2023 (2024 Taxes)		<u><u>\$ 72,115.55</u></u>

Exhibit SA-8

BOROUGH OF WOODBURY HEIGHTS
CURRENT FUND
Statement of Tax Overpayments
For the Year Ended December 31, 2023

Balance December 31, 2022		\$ 2,094.89
Increased by:		
Overpayments Received	\$ 12,130.67	
Overpayments Created from Prior Year Tax Appeals Granted	<u>689.23</u>	
		<u>12,819.90</u>
		14,914.79
Decreased by:		
Refunded		<u>8,443.14</u>
Balance December 31, 2023		<u><u>\$ 6,471.65</u></u>

BOROUGH OF WOODBURY HEIGHTS
CURRENT FUND
Statement of County Taxes Payable
For the Year Ended December 31, 2023

2023 Levy:		
County General	\$ 1,682,062.17	
County Library	115,134.74	
County Open Space	<u>104,171.88</u>	
		\$ 1,901,368.79
Decreased by:		
Disbursements		<u>\$ 1,901,368.79</u>

Exhibit SA-10

BOROUGH OF WOODBURY HEIGHTS
CURRENT FUND
Statement of Amount Due to County for Added and Omitted Taxes
For the Year Ended December 31, 2023

Balance December 31, 2022	\$ 6,936.97
Increased by:	
County Share of 2023 Levy	<u>4,436.53</u>
	11,373.50
Decreased by:	
Disbursements	<u>6,936.97</u>
Balance December 31, 2023	<u>\$ 4,436.53</u>

BOROUGH OF WOODBURY HEIGHTS
CURRENT FUND
Statement of Local School District Tax
For the Year Ended December 31, 2023

Increased by:		
2023 Levy-Calendar Year		\$ 3,170,966.00
Decreased by:		
Disbursements		\$ <u>3,170,966.00</u>

Exhibit SA-12

BOROUGH OF WOODBURY HEIGHTS
CURRENT FUND
Statement of Regional High School District Tax
For the Year Ended December 31, 2023

Increased by:		
2023 Levy-Calendar Year		\$ 3,567,296.00
Decreased by:		
Disbursements		\$ <u>3,567,296.00</u>

BOROUGH OF WOODBURY HEIGHTS
FEDERAL AND STATE GRANT FUND
 Statement of Due Current Fund
 For the Year Ended December 31, 2023

Balance December 31, 2022		\$ 377,116.83
Increased by:		
Grant Revenues Deposited to Current Fund	\$ 39,933.63	
Local Match due from Current Fund	750.00	
		40,683.63
		417,800.46
Decreased by:		
Grant Expenditures Paid by Current Fund	54,157.34	
Realized as General Revenue in 2023 Budget	310,237.60	
		364,394.94
Balance December 31, 2023		\$ 53,405.52

BOROUGH OF WOODBURY HEIGHTS
FEDERAL AND STATE GRANT FUND
Statement of Federal and State Grants Receivable
For the Year Ended December 31, 2023

<u>Program</u>	<u>Balance Dec. 31, 2022</u>	<u>Accrued</u>	<u>Received</u>	<u>Balance Dec. 31, 2023</u>
Federal Grants:				
American Rescue Plan Firefighter Grant		\$ 26,000.00		\$ 26,000.00
Bulletproof Vests	\$ 2,319.21			2,319.21
Total Federal Grants	<u>2,319.21</u>	<u>26,000.00</u>	<u>-</u>	<u>28,319.21</u>
State Grants:				
Clean Communities Program		8,252.42	\$ 8,252.42	
Municipal Alliance Grant:	6,597.00	3,000.00	3,000.00	6,597.00
NJDEP Stormwater Grant		25,000.00	15,000.00	10,000.00
Recycling Tonnage Grant		4,910.21	4,910.21	
Safe and Secure Communities Program	14,348.00		8,771.00	5,577.00
Total State Grants	<u>20,945.00</u>	<u>41,162.63</u>	<u>39,933.63</u>	<u>22,174.00</u>
	<u>\$ 23,264.21</u>	<u>\$ 67,162.63</u>	<u>\$ 39,933.63</u>	<u>\$ 50,493.21</u>

BOROUGH OF WOODBURY HEIGHTS
FEDERAL AND STATE GRANT FUND
Statement of Reserve for Federal and State Grants - Unappropriated
For the Year Ended December 31, 2023

<u>Program</u>	<u>Balance Dec. 31, 2022</u>	<u>Federal and State Grants Receivable</u>	<u>Realized as Revenue in 2023 Budget</u>	<u>Realized as General Revenue in 2023 Budget</u>	<u>Balance Dec. 31, 2023</u>
Federal Grants:					
Buckle Up South Jersey COVID Recovery Funds	\$ 310,237.60	\$ 26,000.00	\$ 26,000.00	\$ 310,237.60	
Total Federal Grants	<u>310,237.60</u>	<u>26,000.00</u>	<u>26,000.00</u>	<u>310,237.60</u>	<u>-</u>
State Grants:					
Alcohol, Education, Rehabilitation and Enforcement Grant	200.94				\$ 200.94
Body Armor Grant	822.30		822.30		
Clean Communities Program	7,357.62	8,252.42	7,357.62		8,252.42
Municipal Alliance Grant		3,000.00	3,000.00		
NJDEP Stormwater Grant		25,000.00	25,000.00		
Recycling Tonnage Grant		4,910.21	4,910.21		
Safe and Secure Communities Program	<u>1,200.00</u>				<u>1,200.00</u>
Total State Grants	<u>9,580.86</u>	<u>41,162.63</u>	<u>41,090.13</u>		<u>9,653.36</u>
	<u>\$ 319,818.46</u>	<u>\$ 67,162.63</u>	<u>\$ 67,090.13</u>	<u>310,237.60</u>	<u>\$ 9,653.36</u>

BOROUGH OF WOODBURY HEIGHTS
FEDERAL AND STATE GRANT FUND
Statement of Reserve for Federal and State Grants - Appropriated
For the Year Ended December 31, 2023

Program	Balance Dec. 31, 2022		Transferred from 2023 Budget Appropriation	Disbursed	Encumbered	Balance Dec. 31, 2023
	Appropriated	Encumbered				
Federal Grants:						
American Rescue Plan Firefighter Grant Bulletproof Vests	\$ 2,334.18		\$ 26,000.00	\$ 26,000.00 1,222.64		\$ 1,111.54
Total Federal Grants	2,334.18		26,000.00	27,222.64		1,111.54
State Grants:						
Body Armor Grant	3,331.16		822.30	\$ 3,761.88		391.58
Clean Communities Program	26,690.34		7,357.62	7,770.20		26,277.76
Drunk Driving Enforcement Fund	2,677.12	\$ 179.00		1,051.67		1,804.45
Municipal Alliance Grant	7,775.43		3,750.00	2,740.96		8,784.47
NJDEP Stormwater Grant			25,000.00		\$ 25,000.00	
Recycling Tonnage Grant	6,699.78		4,910.21	11,609.99		
Safe and Secure Communities Program	30,875.57					30,875.57
Total State Grants	78,049.40	179.00	41,840.13	26,934.70	25,000.00	68,133.83
	\$ 80,383.58	\$ 179.00	\$ 67,840.13	\$ 54,157.34	\$ 25,000.00	\$ 69,245.37
Realized as Revenue in Budget			\$ 67,090.13			
Local Match - Due from Current Fund			750.00			
			\$ 67,840.13			

SUPPLEMENTAL EXHIBITS

TRUST FUNDS

BOROUGH OF WOODBURY HEIGHTS
TRUST FUND
 Statement of Trust Cash - Chief Financial Officer
 For the Year Ended December 31, 2023

	<u>Animal Control</u>	<u>Trust Other</u>
Balance December 31, 2022	\$ 5,473.23	\$ 395,901.33
Increased by Receipts:		
Animal Control Collector	\$ 2,225.00	
Due Current Fund	209.80	\$ 11,725.56
Miscellaneous Trust Reserves		1,594,900.25
	<u>2,434.80</u>	<u>1,606,625.81</u>
	7,908.03	2,002,527.14
Decreased by Disbursements:		
Animal Control Expenses	2,137.56	
Due Current Fund	1,003.03	12,129.08
Miscellaneous Trust Reserves		1,562,714.94
	<u>3,140.59</u>	<u>1,574,844.02</u>
Balance December 31, 2023	<u>\$ 4,767.44</u>	<u>\$ 427,683.12</u>

BOROUGH OF WOODBURY HEIGHTS
TRUST -- ANIMAL CONTROL FUND
Statement of Trust Cash - Animal Control Collector
For the Year Ended December 31, 2023

Increased by Receipts:			
Animal Control Fees	\$	2,225.00	
State Dog License Fees		<u>382.20</u>	
			\$ 2,607.20
Decreased by Disbursements:			
Due to State of New Jersey		382.20	
Payment to Treasurer		<u>2,225.00</u>	
			\$ <u><u>2,607.20</u></u>

Exhibit SB-3

BOROUGH OF WOODBURY HEIGHTS
TRUST -- ANIMAL CONTROL FUND
Statement of Due Current Fund
For the Year Ended December 31, 2023

Balance December 31, 2022	\$	793.23
Increased by:		
Interest Earned		<u>209.80</u>
		1,003.03
Decreased by:		
Disbursements	\$	<u><u>1,003.03</u></u>

BOROUGH OF WOODBURY HEIGHTS
TRUST -- ANIMAL CONTROL FUND
 Statement of Amount Due to State of New Jersey - Department of Health
 For the Year Ended December 31, 2023

Increased by:			
State License Fees		\$	382.20
Decreased by:			
Disbursements to the State		\$	<u>382.20</u>

BOROUGH OF WOODBURY HEIGHTS
TRUST -- ANIMAL CONTROL FUND
 Statement of Reserve for Animal Control Fund Expenditures
 For the Year Ended December 31, 2023

Balance December 31, 2022		\$	4,680.00
Increased by:			
Dog License Fees	\$	1,757.00	
Cat License Fees		273.00	
Late Fees Collected		<u>195.00</u>	
			<u>2,225.00</u>
			6,905.00
Decreased by:			
Animal Control Expenses			<u>2,137.56</u>
Balance December 31, 2023		\$	<u><u>4,767.44</u></u>

Animal License Fees Collected	
Year	Amount
2021	\$ 2,556.00
2022	<u>2,895.00</u>
	<u><u>\$ 5,451.00</u></u>

BOROUGH OF WOODBURY HEIGHTS
TRUST -- OTHER FUND
Statement of Due Current Fund
For the Year Ended December 31, 2023

Balance December 31, 2022	\$ 1,320.02
Increased by:	
Interest Earned	<u>11,725.56</u>
	13,045.58
Decreased by:	
Disbursements	<u>12,129.08</u>
Balance December 31, 2023	<u><u>\$ 916.50</u></u>

BOROUGH OF WOODBURY HEIGHTS
TRUST -- OTHER FUND
Statement of Miscellaneous Trust Reserves
For the Year Ended December 31, 2023

	Balance Dec. 31, 2022	Receipts	Disbursements	Balance Dec. 31, 2023
Escrow Deposits	\$ 114,593.53	\$ 65,531.27	\$ 67,783.25	\$ 112,341.55
Unemployment Compensation	60,970.85	7,583.03	14,118.45	54,435.43
Off Duty Police Employment		66,085.69	66,085.69	
D.A.R.E.	8,182.19	3,300.00	1,850.00	9,632.19
Payroll	175.26	1,318,799.44	1,318,783.26	191.44
Tax Sale Premiums	119,200.00	4200.00	5,700.00	117,700.00
Redemption of Tax Sale Certificates		68,363.44	68,363.44	
Recycling Fees	6,549.57	3,515.86	9,437.63	627.80
COAH	39,363.27	49,132.84		88,496.11
Forfeited Funds	1,777.46	433.38	2210.84	
Storm Recovery	17,178.05			17,178.05
Borough Anniversary Celebration Donations	9,631.67	5,000.00	5,525.06	9,106.61
West Jersey Avenue Park	16,959.46	86.00	60.00	16,985.46
Flexible Spending Account		2,869.30	2,797.32	71.98
	<u>\$ 394,581.31</u>	<u>\$ 1,594,900.25</u>	<u>\$ 1,562,714.94</u>	<u>\$ 426,766.62</u>

SUPPLEMENTAL EXHIBITS

GENERAL CAPITAL FUND

BOROUGH OF WOODBURY HEIGHTS
GENERAL CAPITAL FUND
Statement of General Capital Cash - Chief Financial Officer
For the Year Ended December 31, 2023

Balance December 31, 2022		\$ 744,511.85
Increased by Receipts:		
General Serial Bonds Issued		
Bond Anticipation Notes	\$ 331,000.00	
Federal and State Aid Receivable	415,800.00	
Capital Improvement Fund	107,000.00	
Due Current Fund	<u>40,783.92</u>	
		<u>894,583.92</u>
		1,639,095.77
Decreased by Disbursements:		
Improvement Authorizations	555,254.29	
Due Current Fund	<u>42,912.66</u>	
		<u>598,166.95</u>
Balance December 31, 2023		<u><u>\$ 1,040,928.82</u></u>

BOROUGH OF WOODBURY HEIGHTS
GENERAL CAPITAL FUND
 Analysis of General Capital Cash
 For the Year Ended December 31, 2023

	Balance (Deficit) Dec. 31, 2022	Receipts		Disbursements		Transfers		Balance (Deficit) Dec. 31, 2023
		Bond Anticipation Notes	Miscellaneous	Improvement Authorizations	Miscellaneous	From	To	
Capital Improvement Fund	\$ 184,750.59		\$ 107,000.00			\$ 110,090.00		\$ 181,660.59
Encumbrances Payable	445,230.34					445,230.34	\$ 455,354.51	455,354.51
Due Current Fund	2,128.74		40,783.92		\$ 42,912.66			
Reserve for Preliminary Costs						15,575.00	32,500.00	16,925.00
Improvement Authorizations:								
<u>Ordinance</u>								
<u>Number</u>								
12-2009b Recreation Building	16,768.91							16,768.91
07-2010a Improvements to Fire House Facilities	36,939.15							36,939.15
07-2010c Reconstruction of West Jersey Ave.	11,973.14							11,973.14
15-2012b Reconstruction of Helen Ave	20,450.58							20,450.58
07-2013 Site Remediation Phase I	4,689.00							4,689.00
08-2013 Lake Avenue Phase II	21,782.53							21,782.53
06-2016a West Jersey Avenue Phase I	112,864.20							112,864.20
06-2016b Various Borough Streets	38,447.75			\$ 32,070.49				6,377.26
03-2017a Reconstruction of Various Borough Streets	72,752.75							72,752.75
03-2017b Reconstruction of Curbing at Clement and Glassboro Roads	4,622.87							4,622.87
06-2017 Repaving of West Jersey Avenue Phase II	20,015.00							20,015.00
03-2018 Reconstruction / Repaving of Academy Avenue	(36,312.68)							(36,312.68)
08-2018 Acquisition of Fire Truck	10,670.57					0.43	0.43	10,670.57
11-2018 Purchase of Technology Equipment	573.61			37.50		2,500.00	2,500.00	536.11
12-2018 Purchase of Technology Equipment - Police	1,951.28							1,951.28
06-2019 Reconstruction / Repaving of Central Avenue	(22,601.32)							(22,601.32)
08-2019 Purchase Police Department SUV	60.60							60.60
09-2019 Er Complex	5,299.21							5,299.21
01-2020 Reconstruction / Repaving of Fordham Road	(32,325.98)							(32,325.98)
07-2020 Various Drainage and Storm-Water Improvements	35,847.00				5,311.97			30,535.03
01-2021 Purchase of Police Department SUV	187.79							187.79
07-2021 Acquisition of Various Public Safety Equipment	12,998.77				11,760.04	1,238.73		
08-2021 Improvements to Walnut Avenue - Phase I	(215,673.14)		191,250.00	1,940.75				(26,363.89)
09-2021 Barrier-Free Sidewalks and Ramps - Third Street and Central Avenue Intersection	19,672.70			2196.50				17,476.20
12-2021 Acquisition of a Heavy Duty Truck	121.09					349,878.91	349,878.91	121.09
14-2021 Acquisition of Various Public Safety Equipment	(16,213.40)			25872.00			35,940.00	(6,145.40)
15-2021 Purchase of Technology Equipment	19,860.00					11,851.55		8,008.45
16-2021 Acquisition of 95 Gallon Trash and Recycling Carts	3,355.40						2,797.50	6,152.90
18-2021 Acquisition of Various Public Safety Equipment	7,497.31				5,168.21	2,329.10		
4-2022 Walnut Avenue Improvements - Phase II			163,500.00	218,000.00				(54,500.00)
12-2022 Barrier Free Sidewalks and Ramp Improvements	(51,677.51)		61,050.00	1,221.00		697.50	1,918.50	9,372.49
18-2022 Purchase Fire Department Vehicle	7,805.00			59,401.66			52,195.00	598.34
4-2023 Acquisition of Public Works Equipment				13,239.20			30,000.00	16,760.80
7-2023a Improvements to Walnut Avenue - Phase II		\$ 285,000.00		59,950.47		44,504.79	15,000.00	195,544.74
7-2023b Reconstruction / Repaving of Alliance Street		46,000.00		15,209.50		26,778.50	2,590.00	6,602.00
10-2023 Improvements to Borough Buildings				103,875.00			30,000.00	(73,875.00)
	<u>\$ 744,511.85</u>	<u>\$ 331,000.00</u>	<u>\$ 563,583.92</u>	<u>\$ 555,254.29</u>	<u>\$ 42,912.66</u>	<u>\$ 1,010,674.85</u>	<u>\$ 1,010,674.85</u>	<u>\$ 1,040,928.82</u>

BOROUGH OF WOODBURY HEIGHTS
GENERAL CAPITAL FUND
Statement of Deferred Charges to Future Taxation -- Funded
For the Year Ended December 31, 2023

Balance December 31, 2022	\$ 2,350,000.00
Decreased by:	
2023 Budget Appropriation to Pay:	
General Serial Bonds	<u>430,000.00</u>
Balance December 31, 2023	<u>\$ 1,920,000.00</u>

BOROUGH OF WOODBURY HEIGHTS
GENERAL CAPITAL FUND
 Schedule of Deferred Charges to Future Taxation -- Unfunded
 For the Year Ended December 31, 2023

Ordinance Number	Improvement Description	Balance Dec. 31, 2022	2023 Authorizations	Balance Dec. 31, 2023	Analysis of Balance December 31, 2023
					Financed by Bond Anticipation Notes
01-2020	Reconstruction / Repaving of Fordham Road	\$ 100,000.00		\$ 100,000.00	\$ 100,000.00
07-2020	Various Drainage and Storm-Water Improvements	218,000.00		218,000.00	218,000.00
12-2021	Acquisition of a Heavy Duty Truck	332,000.00		332,000.00	332,000.00
16-2021	Acquisition of 95 Gallon Trash and Recycling Carts	142,500.00		142,500.00	142,500.00
7-2023a	Walnut Avenue Improvements - Phase II		\$ 285,000.00	285,000.00	285,000.00
7-2023b	Reconstruction / Repaving of Alliance Street		46,000.00	46,000.00	46,000.00
		<u>\$ 792,500.00</u>	<u>\$ 331,000.00</u>	<u>\$ 1,123,500.00</u>	<u>\$ 1,123,500.00</u>

BOROUGH OF WOODBURY HEIGHTS
GENERAL CAPITAL FUND
Statement of Federal and State Aid Receivable
For the Year Ended December 31, 2023

Balance December 31, 2022		\$ 737,374.60
Increased by:		
NJ Department of Transportation Trust Fund	\$ 186,410.00	
Local Recreation Grant	74,000.00	
		260,410.00
		997,784.60
Decreased by:		
Cash Receipts		415,800.00
Balance December 31, 2023		\$ 581,984.60
Analysis:		
NJ Department of Transportation Grants:		
West Jersey Avenue Phase I		\$ 23,619.05
West Jersey Avenue Phase II		2,640.90
Academy Avenue		36,312.68
Central Avenue		62,817.57
Fordham Road		60,000.00
Walnut Avenue		63,750.00
Walnut Avenue Phase II		54,500.00
Alliance Street		186,410.00
Local Recreation Grant		74,000.00
Body Worn Camera Grant		17,934.40
		\$ 581,984.60

Exhibit SC-6

BOROUGH OF WOODBURY HEIGHTS
GENERAL CAPITAL FUND
Statement of Due Current Fund
For the Year Ended December 31, 2023

Balance December 31, 2022		\$ 2,128.74
Increased by:		
Interest Earned		40,783.92
		42,912.66
Decreased by:		
Interest Earned Transferred		\$ 42,912.66

BOROUGH OF WOODBURY HEIGHTS
GENERAL CAPITAL FUND
 Statement of Capital Improvement Fund
 For the Year Ended December 31, 2023

Balance December 31, 2022		\$ 184,750.59
Increased by:		
Budget Appropriation		107,000.00
		291,750.59
Decreased by:		
Appropriated to Finance Improvement Authorizations	77,590.00	
Appropriated to Finance Preliminary Costs	32,500.00	
		110,090.00
Balance December 31, 2023		\$ 181,660.59

BOROUGH OF WOODBURY HEIGHTS
GENERAL CAPITAL FUND
 Statement of Improvement Authorizations
 For the Year Ended December 31, 2023

Ordinance Number	Improvement Description	Ordinance		Balance December 31, 2022		Prior Year Encumbrances	2023 Authorizations	Paid or Charged	Year End Encumbrances	Balance December 31, 2023	
		Date	Amount	Funded	Unfunded					Funded	Unfunded
12-2009b	Construction of Recreation Building	10/21/09	\$ 699,000.00	\$ 16,768.91						\$ 16,768.91	
07-2010a	Improvements to Fire House Facilities	4/1/10	200,000.00	36,939.15						36,939.15	
07-2010c	Reconstruction of West Jersey Ave.	4/1/10	200,000.00	11,973.14						11,973.14	
15-2012b	Reconstruction of Helen Ave	5/16/12	101,000.00	20,450.58						20,450.58	
07-2013	Site Remediation Phase I	4/17/13	30,000.00	4,689.00						4,689.00	
08-2013	Lake Avenue Phase II	6/19/13	240,450.00	21,782.53						21,782.53	
06-2016a	Reconst / Repaving West Jersey Ave - Phase I	5/18/16	346,000.00	136,483.25						136,483.25	
06-2016b	Reconst / Repaving of Various Borough Streets	5/18/16	1,000,000.00	38,447.75				\$ 32,070.49		6,377.26	
03-2017a	Reconstruction of Various Borough Streets	3/15/17	1,000,000.00	72,752.75						72,752.75	
03-2017b	Reconstruction of Curbing at Clement and Glassboro Roads	3/15/17	20,408.00	4,622.87						4,622.87	
06-2017	Repaving of West Jersey Avenue Phase II	7/19/17	185,000.00	22,655.90						22,655.90	
08-2018	Acquisition of Fire Truck	5/16/18	509,000.00	10,670.57		\$ 0.43			\$ 0.43	10,670.57	
11-2018	Purchase of Technology Equipment	7/18/18	25,000.00	573.61		2,500.00		37.50	2,500.00	536.11	
12-2018	Purchase of Technology Equipment - Police	11/20/18	32,000.00	1,951.28						1,951.28	
06-2019	Reconstruction / Repaving of Central Avenue	5/15/19	294,350.00	40,216.25						40,216.25	
08-2019	Purchase Police Department SUV	7/17/19	53,100.00	60.60						60.60	
09-2019	Emergency Stormwater Repairs - Muni Complex	8/21/19	47,000.00	5,299.21						5,299.21	
01-2020	Reconstruction / Repaving of Fordham Road	5/20/20	415,000.00		\$ 27,674.02						\$ 27,674.02
07-2020	Various Drainage and Stormwater Improvements	8/19/20	230,000.00		35,847.00			5,311.97			30,535.03
1-2021	Purchase of Police Department SUV	2/17/21	47,000.00	187.79						187.79	
7-2021	Acquisition of Various Public Safety Equipment	5/19/21	25,000.00	12,998.77				11,760.04	1,238.73		
8-2021	Improvements to Walnut Avenue - Phase I	6/16/21	255,000.00	39,326.86				1,940.75		37,386.11	
9-2021	Barrier-Free Sidewalks and Ramps - Third Street and Central Avenue Intersection	6/16/21	83,000.00	19,672.70				2,196.50		17,476.20	
12-2021	Acquisition of a Heavy Duty Truck	7/21/21	350,000.00		121.09	349,878.91			349,878.91		121.09
14-2021	Acquisition of Various Public Safety Equipment	8/18/21	40,000.00	1,721.00		35,940.00		25,872.00		11,789.00	
15-2021	Purchase of Technology Equipment	9/15/21	60,000.00	19,860.00					11,851.55	8,008.45	
16-2021	Acquisition of 95 Gallon Trash and Recycling Carts	9/15/21	150,000.00		3,355.40	2,797.50					6,152.90
18-2021	Acquisition of Various Public Safety Equipment	10/1/21	20,000.00	7,497.31				5,168.21	2,329.10		
4-2022	Walnut Avenue Improvements - Phase II	2/16/22	218,000.00	218,000.00				218,000.00			
12-2022	Barrier Free Sidewalks and Ramp Improvements	5/18/22	86,000.00	9,372.49		1,918.50		1,221.00	697.50	9,372.49	
18-2022	Purchase Fire Department Vehicle	10/19/22	60,000.00	7,805.00		52,195.00		59,401.66		598.34	
4-2023	Acquisition of Public Works Equipment	2/15/23	30,000.00				\$ 30,000.00	13,239.20		16,760.80	
7-2023a	Walnut Avenue Improvements - Phase II	4/19/23	300,000.00				300,000.00	59,950.47	44,504.79		195,544.74
7-2023b	Reconstruction / Repaving of Alliance Street	4/19/23	235,000.00				235,000.00	15,209.50	26,778.50	147,012.00	46,000.00
10-2023	Improvements to Borough Buildings	7/19/23	104,000.00				104,000.00	103,875.00		125.00	
			\$ 782,779.27	\$ 66,997.51	\$ 445,230.34	\$ 669,000.00	\$ 555,254.29	\$ 439,779.51	\$ 662,945.54	\$ 306,027.78	
	Capital Improvement						\$ 77,590.00				
	Deferred Charges to Future Taxation						331,000.00				
	Federal and State Aid Receivable						260,410.00				
	Cash Disbursements							\$ 555,254.29			
							\$ 669,000.00	\$ 555,254.29			

BOROUGH OF WOODBURY HEIGHTS
GENERAL CAPITAL FUND
Statement of Reserve for Preliminary Costs
For the Year Ended December 31, 2023

Improvement Description	Authorized	Paid or Charged	Balance Dec. 31, 2023
Improvements to the Public Works Garage	\$ <u>32,500.00</u>	\$ <u>15,575.00</u>	\$ <u>16,925.00</u>
Encumbrances Payable		\$ <u>15,575.00</u>	

BOROUGH OF WOODBURY HEIGHTS
 GENERAL CAPITAL FUND
 Statement of Bond Anticipation Notes
 For the Year Ended December 31, 2023

Ordinance Number	Improvement Description	Date of Original Issue	Date of Issue	Date of Maturity	Interest Rate	Balance Dec. 31, 2022	Increased	Decreased	Balance Dec. 31, 2023
01-2020	Reconstruction and/or Repaving of Fordham Road	11/9/22	11/9/22 11/2/23	11/8/23 7/26/24	4.410% 4.440%	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00
07-2020	Various Drainage and Stormwater Improvements	11/9/22	11/9/22 11/2/23	11/8/23 7/26/24	4.410% 4.440%	218,000.00	218,000.00	218,000.00	218,000.00
12-2021	Acquisition of a Heavy Duty Truck	11/9/22	11/9/22 11/2/23	11/8/23 7/26/24	4.410% 4.440%	332,000.00	332,000.00	332,000.00	332,000.00
16-2021	Acquisition of 95 Gallon Trash and Recycling Carts	11/9/22	11/9/22 11/2/23	11/8/23 7/26/24	4.410% 4.440%	142,500.00	142,500.00	142,500.00	142,500.00
7-2023a	Improvements to Walnut Avenue - Phase II	11/2/23	11/2/23	7/26/24	4.440%		285,000.00		285,000.00
7-023b	Reconstruction and/or Repaving of Alliance Street	11/2/23	11/2/23	7/26/24	4.440%		46,000.00		46,000.00
						<u>\$ 792,500.00</u>	<u>\$ 1,123,500.00</u>	<u>\$ 792,500.00</u>	<u>\$ 1,123,500.00</u>
							\$ 331,000.00		
							<u>792,500.00</u>	<u>\$ 792,500.00</u>	
							<u>\$ 1,123,500.00</u>	<u>\$ 792,500.00</u>	

BOROUGH OF WOODBURY HEIGHTS
GENERAL CAPITAL FUND
 Statement of General Serial Bonds
 For the Year Ended December 31, 2023

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding December 31, 2023		Interest Rate	Balance Dec. 31, 2022	Decreased	Balance Dec. 31, 2023
			Date	Amount				
General Improvement Bonds	12/14/09	\$ 1,955,000.00	12/1/24	\$ 165,000.00	4.000%	\$ 330,000.00	\$ 165,000.00	\$ 165,000.00
General Improvement Bonds	7/31/19	2,776,000.00	7/15/24	275,000.00	2.000%	2,020,000.00	265,000.00	1,755,000.00
			7/15/25	280,000.00	2.000%			
			7/15/26	290,000.00	2.000%			
			7/15/27	295,000.00	2.000%			
			7/15/28	305,000.00	2.125%			
			7/15/29	310,000.00	2.250%			
						<u>\$ 2,350,000.00</u>	<u>\$ 430,000.00</u>	<u>\$ 1,920,000.00</u>

BOROUGH OF WOODBURY HEIGHTS
GENERAL CAPITAL FUND
Statement of Bonds and Notes Authorized But Not Issued
For the Year Ended December 31, 2023

Ordinance Number	Improvement Description	2023 Authorizations	Issued
7-2023a	Improvements to Walnut Avenue - Phase II	\$ 285,000.00	\$ 285,000.00
7-2023b	Reconstruction and/or Repaving of Alliance Street	<u>46,000.00</u>	<u>46,000.00</u>
		<u>\$ 331,000.00</u>	<u>\$ 331,000.00</u>

SUPPLEMENTAL EXHIBITS
WATER AND SEWER UTILITY FUND

BOROUGH OF WOODBURY HEIGHTS
WATER AND SEWER UTILITY FUND
Statement of Water and Sewer Utility Cash - Chief Financial Officer
For the Year Ended December 31, 2023

	<u>Operating</u>	<u>Capital</u>
Balance December 31, 2022	\$ 2,589,219.33	\$ 2,054,586.00
Increased by Receipts:		
Water Rents Collected	\$ 700,770.32	
Sewer Rents Collected	1,000,007.08	
Interest Earned		\$ 79,168.73
Mobile Antenna Rental	39,012.00	
Miscellaneous Revenues	135,807.36	
Utility Rent Overpayments	14,520.77	
Capital Improvement Fund		30,000.00
Due Utility Capital Fund	<u>84,289.61</u>	
	<u>1,974,407.14</u>	<u>109,168.73</u>
	4,563,626.47	2,163,754.73
Decreased by Disbursements:		
2023 Appropriations	1,357,043.89	
2022 Appropriation Reserves	81,494.54	
Accrued Interest on Bonds and Notes	144,785.58	
Due Utility Operating Fund		84,289.61
Improvement Authorizations	<u> </u>	<u>542,598.36</u>
	<u>1,583,324.01</u>	<u>626,887.97</u>
Balance December 31, 2023	<u><u>\$ 2,980,302.46</u></u>	<u><u>\$ 1,536,866.76</u></u>

BOROUGH OF WOODBURY HEIGHTS
WATER AND SEWER UTILITY CAPITAL FUND
 Analysis of Water and Sewer Utility Capital Cash
 For the Year Ended December 31, 2023

	Balance	Receipts		Disbursements		Transfers		Balance
	(Deficit)			Improvement	Miscellaneous	From	To	(Deficit)
	Dec. 31, 2022	Miscellaneous	Authorizations	Miscellaneous	From	To	Dec. 31, 2023	
Fund Balance	\$ 24,490.87							\$ 24,490.87
Capital Improvement Fund	398,538.89	\$ 30,000.00			\$ 97,500.00			331,038.89
Reserve for Preliminary Expenses	8,349.25				15,575.00	\$ 32,500.00		25,274.25
Encumbrances Payable	77,196.38				77,196.38	369,446.36		369,446.36
Due Utility Operating Fund	5,120.88	79,168.73		\$ 84,289.61				
<u>Improvement Authorizations:</u>								
<u>Ordinance Number</u>								
7-2016b Construction of Well No. 2	114,049.19				114,049.19			
7-2016c Reconstruction of Well No. 1	278,000.00							278,000.00
11-2016 Acquisition of Various Equipment	3,718.79							3,718.79
7-2017 Supplemental Funding for the Construction of Well No. 2	188,000.00				188,000.00			
5-2018 Water Main Extension and Reconstruction	44,530.55							44,530.55
7-2019 Various Water & Sewer Utility System Improvements - Central Avenue	152,816.73				152,816.73			
10-2019 Acquisition of Various Heavy Equipment	43,461.78				43,461.78			
2-2020 Various Water & Sewer Utility System Improvements - Fordham Road	8,071.24		\$ 3,334.50					4,736.74
11-2021a Replacement of Candidus Avenue Sanitary Sewer Pump Station	609,340.00		329,193.02		308,506.98	32,700.00		4,340.00
11-2021b Water Valve Replacement Project	44,822.50				13,621.38	13,621.38		44,822.50
15-2022 Repair and Replacement of Sewer Mains	54,078.95		30,875.00			30,875.00		54,078.95
2-2023 Various Water & Sewer Utility System Improvements - Walnut Ave. & Alliance St.			58,195.84		31,743.00	302,049.19		212,110.35
3-2023 Acquisition of Glenwood Avenue Pump Station Generator						65,000.00		65,000.00
5-2023 Replacement of the Candidus Avenue Sanitary Sewer Pump Station - Supplemental Funding			121,000.00			196,278.51		75,278.51
	\$ 2,054,586.00	\$ 109,168.73	\$ 542,598.36	\$ 84,289.61	\$ 1,042,470.44	\$ 1,042,470.44	\$ 1,536,866.76	

BOROUGH OF WOODBURY HEIGHTS
WATER AND SEWER UTILITY OPERATING FUND
Statement of Consumer Accounts Receivable
For the Year Ended December 31, 2023

Water Rents:

Balance December 31, 2022		\$	53,634.82
Increased by:			
Water Rents Levied			696,095.63
			749,730.45
Decreased by:			
Collections	\$ 700,770.32		
Overpayments Applied	3,244.53		
		\$ 704,014.85	
Transferred to Payment Plan		662.82	
			704,677.67
Balance December 31, 2023		\$	45,052.78

Sewer Rents:

Balance December 31, 2022		\$	58,470.21
Increased by:			
Sewer Rents Levied			1,006,914.85
			1,065,385.06
Decreased by:			
Collections	\$ 1,000,007.08		
Overpayments Applied	6,645.77		
		\$ 1,006,652.85	
Transferred to Payment Plan		679.40	
			1,007,332.25
Balance December 31, 2023		\$	58,052.81

Payment Plans:

Balance December 31, 2022		\$	2,655.29
Increased by:			
Sewer Rents Transferred	\$ 662.82		
Sewer Rents Transferred	679.40		
		\$ 1,342.22	
			3,997.51
Decreased by:			
Collections			2,655.29
Balance December 31, 2023		\$	1,342.22

BOROUGH OF WOODBURY HEIGHTS
WATER AND SEWER UTILITY CAPITAL FUND
Statement of Fixed Capital
For the Year Ended December 31, 2023

	Balance Dec. 31, 2022	Transfer from Authorized and Uncompleted	Balance Dec. 31, 2023
Water System:			
Water Tower and Accessories	\$ 1,754,791.11		\$ 1,754,791.11
Pumping Station Structures	14,798.51		14,798.51
Distribution Mains and Accessories	968,584.16	\$ 102,412.40	1,070,996.56
Water Meters and Hydrants	31,645.90		31,645.90
General:			
Equipment	420,530.97		420,530.97
Building	2,315.69		2,315.69
Legal and Engineering	8,770.00	70,358.47	79,128.47
Interest During Construction	8,018.63		8,018.63
Office and Computer Equipment	34,500.00		34,500.00
Total Water System	3,243,954.97	172,770.87	3,416,725.84
Sewer System:			
Sewer Disposal System	1,049,891.43		1,049,891.43
Mains and Extensions	1,766,621.53	102,412.40	1,869,033.93
General:			
Equipment	353,567.04		353,567.04
Building	2,315.68		2,315.68
Office and Computer Equipment	14,500.00		14,500.00
Prior Years - Unallocated	32,438.89		32,438.89
Total Sewer System	3,219,334.57	102,412.40	3,321,746.97
Total Fixed Capital	\$ 6,463,289.54	\$ 275,183.27	\$ 6,738,472.81

BOROUGH OF WOODBURY HEIGHTS
WATER AND SEWER UTILITY CAPITAL FUND
Statement of Fixed Capital Authorized and Uncompleted
For the Year Ended December 31, 2023

Ord. No.	Improvement Description	Date	Amount	Balance Dec. 31, 2022	Additions by Ordinance	Transfer to Fixed Capital	Balance Dec. 31, 2023
7-2016b	Construction of Well No. 2	5/18/16	\$ 1,395,000.00	\$ 114,049.19	\$ (114,049.19)		
7-2016c	Reconstruction of Well No. 1	5/18/16	278,000.00	278,000.00			\$ 278,000.00
11-2016	Purchase of Public Works Vehicles	8/17/16	53,107.94	3,718.79			3,718.79
7-2017	Supplemental Funding for the Construction of Well No. 2	8/16/17	188,000.00	188,000.00	(188,000.00)		
5-2018	Water Main Extension and Reconstruction	4/25/18	360,000.00	44,530.55			44,530.55
7-2019	Various Water & Sewer Utility System Improvements Central Avenue Main Replacement	5/15/19	428,000.00	428,000.00	(152,816.73)	\$ 275,183.27	
10-2019	Acquisition of Various Heavy Equipment	11/13/19	373,951.41	43,461.78	(43,461.78)		
2-2020	Various Water & Sewer Utility System Improvements - Fordham Road	5/20/20	310,000.00	310,000.00			310,000.00
11-2021a	Replacement of Candidus Avenue Sanitary Sewer Pump Station	7/16/21	700,000.00	700,000.00			700,000.00
11-2021b	Water Valve Replacement Project	7/16/21	80,000.00	80,000.00			80,000.00
15-2022	Repair and Replacement of Sewer Mains	8/17/22	500,000.00	500,000.00			500,000.00
2-2023	Various Water & Sewer Utility System Improvements - Walnut Avenue and Alliance Street	2/15/23	302,049.19		302,049.19		302,049.19
3-2023	Acquisition of Glenwood Avenue Pump Station Generator	2/15/23	65,000.00		65,000.00		65,000.00
5-2023	Replacement of the Candidus Avenue Sanitary Sewer Pump Station - Supplemental Funding	3/15/23	196,278.51		196,278.51		196,278.51
				<u>\$ 2,689,760.31</u>	<u>\$ 65,000.00</u>	<u>\$ 275,183.27</u>	<u>\$ 2,479,577.04</u>

BOROUGH OF WOODBURY HEIGHTS
WATER AND SEWER UTILITY OPERATING FUND
 Statement of Appropriation Reserves
 For the Year Ended December 31, 2023

	Balance December 31, 2022		Balance After Transfers	Disbursed	Balance Lapsed
	Encumbered	Reserved			
Operating:					
Salaries and Wages		\$ 9,223.93	\$ 9,223.93		\$ 9,223.93
Other Expenses	\$ 934.02	223,934.79	224,868.81	\$ 81,494.54	143,374.27
Capital Improvements					
Capital Outlay		10,000.00	10,000.00		10,000.00
	\$ 934.02	\$ 243,158.72	\$ 244,092.74	\$ 81,494.54	\$ 162,598.20

BOROUGH OF WOODBURY HEIGHTS
WATER AND SEWER UTILITY OPERATING FUND
Statement of Accrued Interest on Bonds, Notes and Analysis of Balance
For the Year Ended December 31, 2023

Balance December 31, 2022		\$	44,161.46
Increased by:			
Budget Appropriation:			
Interest on Bonds		\$	75,350.00
Interest on Notes			65,838.38
			141,188.38
			185,349.84
Decreased by:			
Interest Paid on Bonds			77,500.00
Interest Paid on Notes			67,285.58
			144,785.58
Balance December 31, 2023		\$	40,564.26

Analysis of Accrued Interest December 31, 2023:

Principal Outstanding Dec. 31, 2023	Interest Rate	From	To	Period	Amount
<u>Serial Bonds:</u>					
\$ 210,000.00	Variable	12/1/23	12/31/23	1 month	\$ 767.71
2,670,000.00	Variable	7/15/23	12/31/23	6 months	31,493.75
<u>Notes:</u>					
\$ 1,530,000.00	4.440%	11/2/23	7/26/24	2 months	8,302.80
					\$ 40,564.26

BOROUGH OF WOODBURY HEIGHTS
WATER AND SEWER UTILITY OPERATING FUND
Statement of Utility Rent Overpayments
For the Year Ended December 31, 2023

<hr/>		
Balance December 31, 2022	\$	9,890.30
Increased by:		
Overpayments Created		<u>14,520.77</u>
		24,411.07
Decreased by:		
Overpayments Applied - Water Rents	\$	3,244.53
Overpayments Applied - Sewer Rents		<u>6,645.77</u>
		<u>9,890.30</u>
Balance December 31, 2023	\$	<u><u>14,520.77</u></u>

BOROUGH OF WOODBURY HEIGHTS
WATER AND SEWER UTILITY CAPITAL FUND
Statement of Due Utility Operating Fund
For the Year Ended December 31, 2023

Balance December 31, 2022	\$	5,120.88
Increased by:		
Interest Earned		79,168.73
		<u>84,289.61</u>
Decreased by:		
Disbursements		84,289.61
		<u>84,289.61</u>
Balance December 31, 2023	\$	<u><u>-</u></u>

Exhibit SD-10

BOROUGH OF WOODBURY HEIGHTS
WATER AND SEWER UTILITY CAPITAL FUND
Statement of Reserve for Amortization
For the Year Ended December 31, 2023

Balance December 31, 2022	\$	4,444,331.06
Increased by:		
2023 Budget Appropriation to Pay:		
Water and Sewer Serial Bonds		235,000.00
		<u>235,000.00</u>
Balance December 31, 2023	\$	<u><u>4,679,331.06</u></u>

BOROUGH OF WOODBURY HEIGHTS
WATER AND SEWER UTILITY CAPITAL FUND
 Schedule of Deferred Reserve for Amortization
 As of December 31, 2023

Ordinance Number	Improvement Description	Ordinance Date	Balance Dec. 31, 2022	Fixed Capital Authorized	Balance Dec. 31, 2023
11-2016	Acquisition of Various Equipment	8/17/16	\$ 3,718.79		\$ 3,718.79
02-2020	Various Water & Sewer Utility System Improvements - Fordham Road	5/20/20	60,000.00		60,000.00
3-2023	Acquisition of Glenwood Avenue Pump Station Generator	2/15/23		\$ 65,000.00	65,000.00
			<u>\$ 63,718.79</u>	<u>\$ 65,000.00</u>	<u>\$ 128,718.79</u>

BOROUGH OF WOODBURY HEIGHTS
WATER AND SEWER UTILITY CAPITAL FUND
 Statement of Capital Improvement Fund
 For the Year Ended December 31, 2023

Balance December 31, 2022		\$	398,538.89
Increased by:			
Budget Appropriation			30,000.00
			428,538.89
Decreased by:			
Appropriated to Finance Improvement Authorizations	\$	65,000.00	
Appropriated to Finance Preliminary Expenses		32,500.00	
			97,500.00
Balance December 31, 2023		\$	331,038.89

Exhibit SD-13

WATER AND SEWER UTILITY FUND
WATER AND SEWER UTILITY CAPITAL FUND
 Statement of Reserve for Preliminary Expenses
 For the Year Ended December 31, 2023

Balance December 31, 2022		\$	8,349.25
Increased by:			
Transfer from Capital Improvement Fund:			
Improvements to Public Works Garage			32,500.00
			40,849.25
Decreased by:			
Encumbrances Payable			15,575.00
Balance December 31, 2023		\$	25,274.25
Analysis:			
Improvements to Public Works Garage	\$	16,925.00	
Unallocated - Prior Years		8,349.25	
			25,274.25

BOROUGH OF WOODBURY HEIGHTS
WATER AND SEWER UTILITY CAPITAL FUND
 Statement of Improvement Authorizations
 For the Year Ended December 31, 2023

Ord. No.	Improvement Description	Date	Amount	Balance December 31, 2022		Prior Year Encumbrances	2023 Authorizations	Paid or Charged	Year End Encumbrances	December 31, 2023	
				Funded	Unfunded					Funded	Unfunded
7-2016b	Construction of Well No. 2	5/18/16	\$ 1,395,000.00	\$ 114,049.19			\$ (114,049.19)				
7-2016c	Reconstruction of Well No. 1	5/18/16	278,000.00	278,000.00						\$ 278,000.00	
11-2016	Acquisition of Various Equipment	8/17/16	53,107.94	3,718.79							3,718.79
7-2017	Supplemental Funding for the Construction of Well No. 2	8/16/17	188,000.00	188,000.00			(188,000.00)				
5-2018	Water Main Extension and Reconstruction	4/25/18	360,000.00	44,530.55						44,530.55	
7-2019	Various Water & Sewer Utility System Improvements - Central Avenue	5/15/19	428,000.00	152,816.73			(152,816.73)				
10-2019	Acquisition of Various Heavy Equipment	11/13/19	373,951.41	43,461.78			(43,461.78)				
2-2020	Various Water & Sewer Utility System Improvements - Fordham Road	5/20/20	310,000.00		\$ 8,071.24			\$ 3,334.50			\$ 4,736.74
11-2021a	Replacement of Candidus Avenue Sanitary Sewer Pump Station	7/16/21	700,000.00		609,340.00	\$ 32,700.00		329,193.02	\$ 308,506.98		4,340.00
11-2021b	Water Valve Replacement Project	7/16/21	80,000.00		44,822.50	13,621.38			13,621.38		44,822.50
15-2022	Repair and Replacement of Sewer Mains	8/17/22	500,000.00		54,078.95	30,875.00		30,875.00			54,078.95
2-2023	Various Water & Sewer Utility System Improvements - Walnut Ave. & Alliance St.	2/15/23	302,049.19				302,049.19	58,195.84	31,743.00	212,110.35	
3-2023	Acquisition of Glenwood Avenue Pump Station Generator	2/15/23	65,000.00				65,000.00			65,000.00	
5-2023	Replacement of Candidus Avenue Sanitary Sewer Pump Station - Supplemental Funding	3/15/23	196,278.51				196,278.51	121,000.00		75,278.51	
			<u>\$ 824,577.04</u>	<u>\$ 716,312.69</u>	<u>\$ 77,196.38</u>	<u>\$ 65,000.00</u>	<u>\$ 542,598.36</u>	<u>\$ 353,871.36</u>	<u>\$ 678,638.20</u>	<u>\$ 107,978.19</u>	
	Capital Improvement Fund						\$ 65,000.00				
	Cash Disbursements							\$ 542,598.36			
							<u>\$ 65,000.00</u>	<u>\$ 542,598.36</u>			

BOROUGH OF WOODBURY HEIGHTS
WATER AND SEWER UTILITY CAPITAL FUND
 Statement of Bond Anticipation Notes
 For the Year Ended December 31, 2023

Ordinance Number	Improvement Description	Date of Original Issue	Date of Issue	Date of Maturity	Interest Rate	Balance Dec. 31, 2022	Increased	Decreased	Balance Dec. 31, 2023
02-2020	Various Water & Sewer Utility System Improvements - Fordham Road	11/9/22	11/9/22 11/2/23	11/8/23 7/26/24	4.41% 4.44%	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00
11-2021a	Replacement of Candidus Avenue Sanitary Sewer Pump Station	11/9/22	11/9/22 11/2/23	11/8/23 7/26/24	4.41% 4.44%	700,000.00	700,000.00	700,000.00	700,000.00
11-2021b	Water Valve Replacement Project	11/9/22	11/9/22 11/2/23	11/8/23 7/26/24	4.41% 4.44%	80,000.00	80,000.00	80,000.00	80,000.00
15-2022	Repair and Replacement of Sewer Mains	11/9/22	11/9/22 11/2/23	11/8/23 7/26/24	4.41% 4.44%	500,000.00	500,000.00	500,000.00	500,000.00
						<u>\$ 1,530,000.00</u>	<u>\$ 1,530,000.00</u>	<u>\$ 1,530,000.00</u>	<u>\$ 1,530,000.00</u>
					Rollover		<u>\$ 1,530,000.00</u>	<u>\$ 1,530,000.00</u>	

BOROUGH OF WOODBURY HEIGHTS
WATER AND SEWER UTILITY CAPITAL FUND
Statement of Water and Sewer Serial Bonds
For the Year Ended December 31, 2023

Improvement Description	Date of Issue	Original Issue	Maturities of Bonds Outstanding		Interest Rate	Balance Dec. 31, 2022	Decreased	Balance Dec. 31, 2023						
			Date	Amount										
Water and Sewer Utility Bonds	12/14/09	\$ 530,000.00	12/1/24	30,000.00	4.000%	\$ 240,000.00	\$ 30,000.00	\$ 210,000.00						
			12/1/25	35,000.00	4.250%									
			12/1/26	35,000.00	4.500%									
			12/1/27	35,000.00	4.500%									
			12/1/28	35,000.00	4.500%									
			12/1/29	40,000.00	4.500%									
Water and Sewer Utility Bonds	7/31/19	3,457,000.00	7/15/24	210,000.00	2.000%	<u>2,875,000.00</u>	<u>205,000.00</u>	<u>2,670,000.00</u>						
			7/15/25	215,000.00	2.000%									
			7/15/26	220,000.00	2.000%									
			7/15/27	230,000.00	2.000%									
			7/15/28	235,000.00	2.125%									
			7/15/29	240,000.00	2.250%									
			7/15/30	250,000.00	2.375%									
			7/15/31	255,000.00	2.500%									
			7/15/32	265,000.00	2.625%									
			7/15/33	270,000.00	2.750%									
			7/15/34	280,000.00	3.000%									
									<u>\$ 3,115,000.00</u>	<u>\$ 235,000.00</u>	<u>\$ 2,880,000.00</u>			

PART 2
SCHEDULE OF FINDINGS AND RECOMMENDATIONS
FOR THE YEAR ENDED DECEMBER 31, 2023

BOROUGH OF WOODBURY HEIGHTS
Schedule of Findings and Recommendations
For the Year Ended December 31, 2023

Schedule of Financial Statement Findings

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

No Current Year Findings

BOROUGH OF WOODBURY HEIGHTS
Summary Schedule of Prior Year Audit Findings
and Recommendations as Prepared by Management

This section identifies the status of prior year findings related to the financial statements that are required to be reported in accordance with *Government Auditing Standards*.

No Prior Year Findings

BOROUGH OF WOODBURY HEIGHTS
 Officials in Office and Surety Bonds

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

<u>Name</u>	<u>Title</u>	<u>Amount of Surety Bond</u>
William C. Packer	Mayor	
Cara Witasick	Council President	
Collin Argood	Councilperson	
Richard J. Gambale Jr.	Councilperson – appointed September 28, 2023	
Joseph Getsinger	Councilperson	
Robert Morison	Councilperson	
Jeffery Pitzo	Councilperson – resigned September 20, 2023	
Harold A. Pye, Jr.	Councilperson	
Victoria Holmstrom	Chief Financial Officer, Tax Collector Administrator	(1)
Shannon Elton	Borough Clerk, Deputy Treasurer	(1)
Brian D. Lozuke, Esq.	Solicitor	
Mark R. Brunermer, P.E., C.M.E.	Engineer	

(1) \$1,000,000.00 per loss is covered by the Gloucester, Salem, Cumberland Counties Municipal Joint Insurance Fund Excess Crime Policy, Public Employee Bond Declarations, and Excess Public Officials Bonds for all public officials.

17500

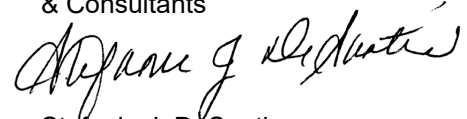
APPRECIATION

I express my appreciation for the assistance and courtesies rendered by the Borough officials during the course of the audit.

Respectfully submitted,



BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



Stefanie J. DeSantis
Certified Public Accountant
Registered Municipal Accountant