

Report of Audit

on the

Financial Statements

of the

Borough of Sayreville

in the

County of Middlesex
New Jersey

for the

Year Ended
December 31, 2023

BOROUGH OF SAYREVILLE

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BOROUGH OF SAYREVILLE

PART I

INDEPENDENT AUDITOR'S REPORT ON
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FINANCIAL STATEMENTS - REGULATORY BASIS - ALL FUNDS

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SUPPLEMENTARY SCHEDULES - ALL FUNDS

YEARS ENDED DECEMBER 31, 2023 AND 2022



SUPLEE, CLOONEY & COMPANY LLC

CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and Members
of the Borough Council
Borough of Sayreville
County of Middlesex
Sayreville, New Jersey 08872

Report on the Audit of the Financial Statements

Adverse and Unmodified Opinions

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

Adverse Opinion on U.S. Generally Accepted Accounting Principles

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

Unmodified Opinion on Regulatory Basis of Accounting

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

SUPLEE, CLOONEY & COMPANY LLC

Basis for Adverse and Unmodified Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the audit requirements prescribed by the Division, the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Our responsibilities under those standards and provisions are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Borough and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our adverse and unmodified audit opinions.

Matter Giving Rise to Adverse Opinion

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

Responsibilities of Management for the Financial Statements

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

SUPLEE, CLOONEY & COMPANY LLC

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

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

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Borough's regulatory financial statements. The supplementary information, schedule of expenditures of federal awards and data listed in the table of contents as required by the Division and the Uniform Guidance are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

SUPLEE, CLOONEY & COMPANY LLC

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated August 13, 2024 on our consideration of the Borough's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Borough's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Borough's internal control over financial reporting and compliance.



CERTIFIED PUBLIC ACCOUNTANTS



REGISTERED MUNICIPAL ACCOUNTANT NO. 439

August 13, 2024

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CURRENT FUND

BOROUGH OF SAYREVILLE
MIDDLESEX COUNTY, NEW JERSEY

CURRENT AND GRANT FUND
COMPARATIVE BALANCE SHEETS - REGULATORY BASIS
DECEMBER 31, 2023 AND 2022

<u>ASSETS</u>	<u>REF.</u>	<u>BALANCE</u> <u>DEC. 31, 2023</u>	<u>BALANCE</u> <u>DEC. 31, 2022</u>
Current Fund:			
Cash and cash equivalents - Treasurer	A-4	\$ 56,046,335.43	\$ 47,876,129.49
Cash - Change Fund	A-6	360.00	360.00
		<u>56,046,695.43</u>	<u>47,876,489.49</u>
Receivables and Other Assets With Offsetting Reserves:			
Taxes Receivable	A-7	1,501,512.35	1,156,021.63
Tax Title Liens Receivable	A-8	839,562.19	736,931.99
Property Acquired for Taxes (At Assessed Valuation)	A-9	698,460.00	698,460.00
Revenue Accounts Receivable	A-11	10,959.58	10,945.01
Interfunds Receivable	A-10	74,243.19	74,243.19
		<u>3,124,737.31</u>	<u>2,676,601.82</u>
Total Current Fund		<u>59,171,432.74</u>	<u>50,553,091.31</u>
State and Federal Grant Fund:			
Cash and cash equivalents	A-4	1,957,732.96	5,559,370.61
Grants Receivable	A-12	1,491,502.66	1,605,881.44
Total State and Federal Grant Fund		<u>3,449,235.62</u>	<u>7,165,252.05</u>
		<u>\$ 62,620,668.36</u>	<u>\$ 57,718,343.36</u>

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

BOROUGH OF SAYREVILLE
MIDDLESEX COUNTY, NEW JERSEY

CURRENT AND GRANT FUND
COMPARATIVE BALANCE SHEETS - REGULATORY BASIS
DECEMBER 31, 2023 AND 2022

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>REF.</u>	<u>BALANCE DEC. 31, 2023</u>	<u>BALANCE DEC. 31, 2022</u>
Current Fund:			
Liabilities:			
Appropriation Reserves	A-3, A-13	\$ 6,122,966.96	\$ 5,433,979.46
Reserve for Encumbrances	A-3, A-13	1,347,261.79	856,409.19
Due to the State of N.J. per Ch. 20,P.L. 1976	A-14	24,675.44	27,787.78
Due to the State of New Jersey	A-15	127,626.00	235,754.00
Tax Overpayments	A-16	67,860.55	49,913.28
Prepaid Revenue	A-17	24,080.00	25,800.00
Accounts Payable	A-18	825,902.96	631,853.18
Various Reserves	A-19	1,313,752.52	726,465.01
County Taxes Payable	A-20	45,137.16	21,812.38
Local District School Taxes Payable	A-21	28,670,751.00	24,641,700.00
Prepaid Taxes	A-22	<u>902,067.20</u>	<u>951,985.69</u>
		39,472,081.58	33,603,459.97
Reserve for Receivables	Reserve	3,124,737.31	2,676,601.82
Fund Balance	A-1	<u>16,574,613.85</u>	<u>14,273,029.52</u>
Total Current Fund		<u>59,171,432.74</u>	<u>50,553,091.31</u>
State and Federal Grant Fund:			
Reserve for State and Federal Grants:			
Appropriated	A-23	2,967,748.57	7,067,346.80
Unappropriated	A-24	9,985.46	59,432.93
Reserve for Encumbrances	A-23	<u>471,501.59</u>	<u>38,472.32</u>
Total State and Federal Grant Fund		<u>3,449,235.62</u>	<u>7,165,252.05</u>
		<u>\$ 62,620,668.36</u>	<u>\$ 57,718,343.36</u>

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

BOROUGH OF SAYREVILLE
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND
COMPARATIVE STATEMENTS OF OPERATIONS AND
CHANGES IN FUND BALANCES - REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

<u>REVENUE AND OTHER INCOME</u>	<u>REF.</u>	<u>YEAR 2023</u>	<u>YEAR 2022</u>
Fund Balance Utilized	A-2	\$ 4,810,000.00	\$ 4,750,000.00
Miscellaneous Revenues Anticipated	A-2	27,553,614.37	32,891,771.90
Receipts from Delinquent Taxes	A-2	1,151,785.19	898,801.13
Receipts from Current Taxes	A-2	138,001,529.57	128,213,003.79
Non-Budget Revenue	A-2	621,348.16	861,031.34
Other Credits to Income:			
Unexpend. Balances of Approp. Reserves	A-13	4,137,903.04	4,033,433.43
Accounts Payable Canceled	A-18	70,353.12	
Various Reserves Canceled	A-19	22.40	
County Taxes Payable Canceled			2,131.11
		<u>176,346,555.85</u>	<u>171,650,172.70</u>
Total Revenue and Other Income			
 <u>EXPENDITURES</u>			
Budget Appropriations	A-3	67,832,853.69	70,162,478.03
County Taxes	A-7,A-20	22,286,025.95	21,631,559.84
Local District School Taxes	A-7, A-21	78,625,503.00	70,567,401.00
Municipal Open Space Taxes	A-7	469,286.00	462,889.69
Prior Yr. Sr. Cit. Ded. Disallowed			
Refund of Prior Year Revenues	A-4	21,302.88	17,323.04
Interfunds Established			18,890.35
		<u>169,234,971.52</u>	<u>162,860,541.95</u>
Total Expenditures			
Excess in Revenues		7,111,584.33	8,789,630.75
 <u>FUND BALANCE</u>			
Balance - January 1	A	<u>14,273,029.52</u>	<u>10,233,398.77</u>
		21,384,613.85	19,023,029.52
Decreased by:			
Utilization as Anticipated Revenue	A-2	<u>4,810,000.00</u>	<u>4,750,000.00</u>
Balance - December 31	A	<u>\$ 16,574,613.85</u>	<u>\$ 14,273,029.52</u>

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

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

REF.	ANTICIPATED		REALIZED	EXCESS OR (DEFICIT)	
	2023 BUDGET	N. J. S. A. 40A:4-87			
Surplus Anticipated	A-1	\$ 4,810,000.00	\$ -	\$ 4,810,000.00	\$ -
Miscellaneous Revenues:					
Licenses:					
Alcoholic beverages	A-11	87,160.00		86,960.00	(200.00)
Other	A-11	55,100.00		51,573.00	(3,527.00)
Fees and Permits	A-2	912,500.00		999,140.66	86,640.66
Fines and Costs:					
Municipal Court	A-11	219,000.00		198,222.02	(20,777.98)
Interest and Costs on Taxes	A-11	230,000.00		301,642.94	71,642.94
Interest on Investments and Deposits	A-11	317,600.00		952,838.31	635,238.31
Sewer User Fees	A-11	5,780,000.00		6,287,560.97	507,560.97
Parking Permits	A-11	30,000.00		46,913.44	16,913.44
Hotel/Motel Occupancy Tax	A-11	90,000.00		98,852.16	8,852.16
Rental Agreements	A-11	125,000.00		121,780.46	(3,219.54)
Energy Receipts Taxes (P.L. 1997)	A-11	9,328,832.00		9,328,831.51	(0.49)
Garden State Trust Payment in Lieu	A-11	6,046.00		7,445.00	1,399.00
Municipal Relief Fund	A-19	483,287.00		483,287.00	
Uniform Construction Code Fees	A-11	1,215,000.00		632,548.00	(582,452.00)
Public and Private Revenues Offset with Approp:					
Body Armor Grant	A-10,A-12	5,710.57		5,710.57	
Clean Communities Program	A-10,A-12		91,535.25	91,535.25	
DMHAS Grant	A-10,A-12	5,000.00		10,000.00	
Drive Sober or Get Pulled Over	A-10,A-12		8,750.00	8,750.00	
Lead Grant Assistance Program	A-10,A-12		21,400.00	21,400.00	
Local Recreation Improvement Grant	A-10,A-12		76,000.00	76,000.00	
Municipal Alliance on Alcoholism and Drug Abuse	A-10,A-12	16,183.00		16,183.00	
Opioid Settlement	A-10,A-12	51,975.96	24,508.24	76,484.20	
Recycling Tonnage Grant	A-10,A-12	58,303.03		58,303.03	
Safe and Secure Communities Program	A-10,A-12	31,470.00	45,930.00	77,400.00	
Safe Housing Grant	A-10,A-12		6,500.00	6,500.00	
Stormwater Assistance Grant	A-10,A-12		15,000.00	15,000.00	
Uniform Fire Safety Act	A-11	268,000.00		329,202.91	61,202.91
CATV Franchise Fees	A-11	176,152.00		176,152.55	0.55
General Capital Surplus	A-11	80,000.00		80,000.00	
Host Community Benefit:					
MCUA - Solid Waste Facilities	A-11	644,000.00		644,378.36	378.36
MCUA - Wastewater Facilities	A-11	1,723,680.00		1,723,680.00	
Payment in Lieu of Taxes:					
Gillette Manor at Sayreville	A-11	20,000.00		31,682.97	11,682.97
AES Red Oak	A-11	655,303.00		686,553.28	31,250.28
Neptune	A-11	367,105.00		367,105.12	0.12
Morgan's Bluff	A-11	247,250.98		247,251.00	0.02
The Palace @ Sayreville	A-11	83,664.00		83,664.28	0.28
MCUA Refund	A-11	341,000.00		341,082.38	82.38
Hackensack Meridian EMS Services	A-11	85,500.00		114,000.00	28,500.00
Reserve for Debt Service	A-11	268,000.00		268,000.00	
ARPA Funds	A-11	1,750,000.00		1,750,000.00	
Police Off-Duty Administration Charges	A-11	350,000.00		350,000.00	
Police Officers in Sayreville Public Schools	A-11	300,000.00		300,000.00	
Total Miscellaneous Revenues	A-1	26,407,822.54	294,623.49	27,553,614.37	851,168.34
Receipts from Delinquent Taxes	A-1, A-2	895,000.00		1,151,785.19	256,785.19
Subtotal General Revenues		32,112,822.54	294,623.49	33,515,399.56	1,107,953.53
Amount to be Raised by Taxation for Support of Municipal Budget:					
Local Tax for Mun. Purposes	A-2, A-7	35,960,790.99		37,155,892.70	1,195,101.71
Local Tax for Library Purposes	A-2, A-7	1,972,716.89		1,972,716.89	
Total Amount to be Raised by Taxation	A-2, A-7	37,933,507.88		39,128,609.59	1,195,101.71
Total Budget Revenues		70,046,330.42	294,623.49	72,644,009.15	2,303,055.24
Non-Budget Revenues	A-1, A-2			621,348.16	621,348.16
GRAND TOTALS	A-2, A-3	\$ 70,046,330.42	\$ 294,623.49	\$ 73,265,357.31	\$ 2,924,403.40

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

BOROUGH OF SAYREVILLE
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND
STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>REF.</u>	
<u>ANALYSIS OF REALIZED REVENUES</u>		
Receipts from Delinquent Taxes	A-7	\$ 1,151,785.19
Delinquent Tax Collections	A-1, A-2	<u>\$ 1,151,785.19</u>
Allocation of Current Tax Collections:		
Revenue from Collections	A-1, A-7	\$ 138,001,529.57
Allocated to:		
School, County, and Open Space Taxes	A-7	<u>101,380,814.95</u>
Balance for Support of Municipal Budget Appropriations		36,620,714.62
Add: Reserve For Uncollected Taxes	A-3	<u>2,507,894.97</u>
Amount for Support of Municipal Budget Appropriations	A-2	<u>\$ 39,128,609.59</u>
Miscellaneous revenue not anticipated:		
Abandoned Property Settlement		\$ 58,659.26
Accident Reports		5,259.30
Admin. Costs - Sr. Citizen & Vets		4,138.19
Alarm Fees		260.00
Building Violation Penalties		5,400.00
Concessions		4,800.00
Copies of Public Records		269.60
DMV Inspection Fees		1,750.00
Dumping Permits		80.00
Duplicate Tax Bills		30.00
FEMA Reimbursement		154,497.24
FEMA Reimbursement - Super Storm Sandy		15,058.30
Gun Permits		44,507.28
Insurance Proceeds		66,114.91
Late Fees		2,475.00
List of Property for Variances		723.25
Miscellaneous		98,077.49
NYNJPA Range Payment		123,500.00
Returned Check Fees		275.00
Sale of Containers		974.00
Sale of Garbage Cans		8,936.00
Sale of Maps		18.00
Sale of Scrap		<u>25,545.34</u>
Total	A-1,A-2	<u>\$ 621,348.16</u>

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

BOROUGH OF SAYREVILLE
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND
STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>REF.</u>	
<u>Analysis of Miscellaneous Revenue Anticipated</u>		
Revenue Accounts Receivable	A-11	\$ 26,581,261.32
State and Federal Grants Receivable	A-12	463,266.05
Prepaid Fees and Licenses Applied	A-17	25,800.00
Reserve for Municipal Relief Aid	A-19	<u>483,287.00</u>
	A-2	<u>\$ 27,553,614.37</u>
 <u>Analysis of Fees and Permits</u>		
Prepaid Fees and Licenses Applied	A-17	\$ 25,800.00
Cash Receipts	A-11	<u>973,340.66</u>
	A-2	<u>\$ 999,140.66</u>

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

BOROUGH OF SAYREVILLE
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2023

	CURRENT FUND		BUDGET AFTER MODIFICATION		EXPENDED			UNEXPENDED BALANCE CANCELLED
	2023 BUDGET				PAID OR CHARGED	ENCUMBERED	RESERVED	
OPERATIONS WITHIN "CAPS"								
General Administration	\$ 359,370.00	\$ 370,370.00	\$ 366,258.53	\$ 4,111.47				
Salaries and Wages	49,000.00	53,000.00	26,938.68	4,547.90				
Other Expenses						21,513.42		
Human Resources (Personnel)								
Other Expenses	104,000.00	104,000.00	69,048.26	24,075.80				
Mayor and Council								
Salaries and Wages	38,600.00	38,600.00	38,042.22	557.78				
Other Expenses	7,200.00	7,200.00	6,234.85	204.15				
Municipal Clerk								
Salaries and Wages	285,025.00	285,025.00	268,156.96	16,868.04				
Other Expenses	49,000.00	59,000.00	51,858.82	4,533.89				
Central Mailing & Postage								
Other Expenses	65,000.00	65,000.00	47,576.80	12,423.20				
Election								
Salaries and Wages	9,000.00	9,000.00	9,000.00					
Other Expenses	28,000.00	28,000.00	141.44	27,858.56				
Financial Administration								
Salaries and Wages	494,555.00	494,555.00	443,653.04	50,901.96				
Other Expenses	106,000.00	106,000.00	60,120.74	45,860.55		218.71		
Annual Audit								
Other Expenses	75,000.00	48,000.00	47,500.00	500.00				
Computer Data Processing								
Salaries and Wages	214,685.00	214,685.00	210,463.92	4,221.08				
Other Expenses	293,300.00	293,300.00	242,140.51	21,317.65				
Americans with Disabilities Committee								
Other Expenses	1,000.00	1,000.00		1,000.00				
Rent Leveling Board								
Salaries and Wages	2,500.00	1,000.00		1,000.00				
Other Expenses	6,300.00	6,300.00	2,017.74	4,112.26				
Collection of Taxes								
Salaries and Wages	228,725.00	228,725.00	210,741.16	17,983.84				
Other Expenses	19,000.00	19,500.00	18,130.37	828.82				
Assessment of Taxes								
Salaries and Wages	265,080.00	290,080.00	282,475.13	7,604.87				
Other Expenses	22,875.00	22,875.00	18,559.75	2,159.96				
Other Expenses - Tax Map Maintenance	30,000.00	15,000.00		15,000.00				
Cost of Appraisals								
Other Expenses	75,000.00	40,000.00	9,850.00	30,150.00				
Legal Services								
Other Expenses	485,000.00	420,000.00	261,140.37	120,567.63				
Engineering Services & Costs								
Salaries and Wages	11,287.00	11,287.00	11,286.96	0.04				
Other Expenses	110,000.00	110,000.00	35,457.75	72,784.75				
Public Building and Grounds								
Salaries and Wages	834,230.00	829,230.00	812,624.59	16,605.41				
Other Expenses	436,950.00	441,950.00	414,279.40	2,116.37				

BOROUGH OF SAYREVILLE
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2023

	2023 BUDGET		BUDGET AFTER MODIFICATION		PAID OR CHARGED		EXPENDED		UNEXPENDED BALANCE CANCELLED
							ENCUMBERED	RESERVED	
Municipal Court	\$	385,465.00	\$	385,465.00	\$	367,505.97		\$	17,959.03
Salaries and Wages		114,900.00		114,900.00		44,815.15			66,166.97
Other Expenses									
Land Use Administration:									
Salaries and Wages		33,085.00		44,085.00		41,987.23			2,087.77
Other Expenses		45,000.00		88,000.00		8,036.73		72,812.94	7,150.33
Master Planning Program - Completion & Continuance									
Other Expenses		7,000.00		7,000.00		7,000.00			
Board of Adjustment									
Salaries and Wages		9,200.00		9,200.00		2,150.00			7,050.00
Other Expenses		20,500.00		16,500.00		7,164.70		2,811.20	6,524.10
Commuter Parking									
Other Expenses		5,000.00		5,000.00		30.00			4,970.00
Code Enforcement & Zoning									
Salaries and Wages		199,305.00		199,305.00		180,929.90			18,375.10
Other Expenses		4,500.00		4,500.00		2,358.96		946.40	1,194.64
Environmental Commission (N.J.S.A. 40:56A-1, et seq.)									
Other Expenses		3,000.00		3,000.00		487.04		219.60	2,293.36
Recycling Commission									
Other Expenses		600.00		600.00					600.00
Shade Tree Commission									
Other Expenses		6,000.00		6,000.00		4,328.77			1,671.23
Cable Access Channel									
Salaries and Wages		5,000.00		5,000.00		911.35		0.23	4,088.42
Other Expenses		5,000.00		5,000.00					
Human Relations Commission									
Other Expenses		4,400.00		4,400.00		228.45			4,171.55
Insurance									
Group Insurance Plan for Employees		8,835,440.00		8,686,940.00		7,016,062.19		6,014.27	1,664,863.54
Health Insurance Waivers		250,000.00		250,000.00		248.86		226,747.21	23,003.93
Other Insurance Premiums		1,535,000.00		1,560,000.00		1,532,737.90		3,005.67	24,256.43
Fire									
Miscellaneous Other Expenses		417,900.00		417,900.00		377,295.45		36,667.04	3,937.51
Aid to Volunteer Fire Companies (N.J.S.A. 40A:14-34)		9,000.00		9,000.00		9,000.00			
Uniform Fire Safety Code									
Salaries and Wages		245,820.00		270,820.00		256,907.54			13,912.46
Other Expenses		13,950.00		15,950.00		11,708.80		2,752.47	1,488.73
Prosecutor									
Salaries and Wages		174,690.00		144,690.00		135,106.16			9,583.84
Police									
Salaries and Wages		12,227,760.00		12,607,760.00		12,236,773.98			370,986.02
Salaries and Wages - ARPA		1,600,000.00		1,600,000.00		1,600,000.00			
Other Expenses		578,520.00		640,520.00		493,016.25		146,639.64	864.11
Purchase of Police Vehicles		1,000.00		1,000.00					1,000.00

BOROUGH OF SAYREVILLE
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2023

	2023 BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	EXPENDED		UNEXPENDED BALANCE CANCELLED
				ENCUMBERED	RESERVED	
Police Dispatch / 911						
Salaries and Wages	\$ 1,040,360.00	\$ 1,040,360.00	\$ 966,069.94		\$ 74,290.06	
Other Expenses	16,000.00	16,000.00	13,383.34		2,616.66	
School Traffic Guards						
Salaries and Wages	233,765.00	168,765.00	146,377.29		22,387.71	
Other Expenses	5,000.00	5,000.00			5,000.00	
Traffic Control Costs						
Other Expenses	30,000.00	20,000.00	7,166.20	\$ 87.95	12,745.85	
First Aid Organization - Contributions (N.J.S.A. 40:5-2)	100,000.00	100,000.00	77,997.07		22,002.93	
Emergency Management Service						
Salaries and Wages	14,840.00	14,840.00	14,436.96		403.04	
Other Expenses	16,300.00	16,300.00	4,513.78	11,443.37	342.85	
Road Repair & Maintenance						
Salaries and Wages	877,365.00	877,365.00	741,380.15		135,984.85	
Other Expenses	164,550.00	154,550.00	56,948.38	6,177.87	91,423.75	
Snow Removal						
Salaries and Wages	125,000.00	125,000.00	22,780.21		102,219.79	
Other Expenses	208,167.00	208,167.00	114,916.44		93,250.56	
Sanitation						
Salaries and Wages	1,279,315.00	1,279,315.00	1,261,008.63		18,306.37	
Other Expenses	219,645.00	199,645.00	42,670.16	7,100.30	149,874.54	
Disposal Area Contract						
Recycling Program	1,300,000.00	1,270,000.00	1,088,083.68	3,510.00	178,406.32	
Salaries and Wages	40,390.00	42,890.00	40,550.36		2,339.64	
Other Expenses	828,600.00	813,600.00	642,066.32	69,160.35	102,373.33	
Sewage Treatment & Disposal						
Salaries and Wages	698,650.00	756,650.00	730,333.21		26,316.79	
Other Expenses	590,700.00	502,700.00	155,538.41	89,789.86	257,071.73	
Vehicle & Equipment Maintenance						
Salaries and Wages	614,686.00	604,686.00	554,575.86		50,110.14	
Other Expenses	519,750.00	504,750.00	380,167.19	51,562.82	73,019.99	
Health and Welfare:						
Board of Health						
Salaries and Wages	18,980.00	18,980.00	14,372.06		4,007.94	
Other Expenses	199,925.00	199,925.00	194,599.48	344.00	4,981.52	
Aid to Sayreville Association for Brain Injured Children (N.J.S. 44:5-2)						
Other Expenses	19,000.00	19,000.00	19,000.00			

BOROUGH OF SAYREVILLE
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2023

	2023 BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	EXPENDED		RESERVED	UNEXPENDED BALANCE CANCELLED
				ENCUMBERED			
Recreation and Education							
Parks and Playgrounds - Recreation							
Salaries and Wages	\$ 337,335.00	\$ 337,335.00	\$ 325,056.74		\$ 11,278.26		
Other Expenses	146,025.00	151,025.00	141,215.07	\$ 5,129.46	4,680.47		
Parks and Playground - Development & Maintenance							
Salaries and Wages	644,975.00	644,975.00	618,473.51		26,501.49		
Other Expenses	345,110.00	365,110.00	328,427.83	24,691.78	11,990.39		
Special Commission							
Other Expenses	8,000.00	8,000.00	6,400.00		1,600.00		
Celebration of Public Events							
Memorial Day Parade	14,000.00	14,000.00	13,062.88		937.12		
Independence Day	20,000.00	20,000.00	19,620.00		380.00		
Office on Aging							
Salaries and Wages	315,760.00	310,760.00	275,560.66		35,199.34		
Other Expenses	184,750.00	184,750.00	39,187.95	4,012.44	141,549.61		
Commission on Aging							
Other Expenses	3,900.00	3,900.00	3,580.58		319.42		
Senior Citizen's Activities							
Other Expenses-Tuesday Club	5,000.00	5,000.00	3,185.50				
Other Expenses-Thursaday Club	12,500.00	12,500.00	12,500.00		1,814.50		
Youth Guidance Council							
Other Expenses	1,000.00	1,000.00			1,000.00		
Cultural Arts Council							
Other Expenses	6,020.00	6,020.00			6,020.00		
Sayreville Conservation Core							
Salaries and Wages	5,000.00						
Other Expenses	5,000.00						
Utility Expenses and Bulk Purchases							
Electricity/Street Lighting	447,000.00	447,000.00	426,670.55	20,156.61	172.84		
Telephone	222,000.00	222,000.00	197,583.83	11,357.44	13,058.73		
Natural Gas	150,000.00	150,000.00	121,670.99	14,585.76	13,743.25		
Street Lighting	442,000.00	442,000.00	336,924.28	14.66	105,061.06		
Gasoline	719,000.00	694,000.00	387,700.20	100,445.25	205,854.55		
State Uniform Construction Code Officials							
Construction Code Official							
Salaries and Wages	959,980.00	949,980.00	885,142.15		64,837.85		
Other Expenses	102,550.00	102,550.00	69,459.90	6,669.94	26,420.16		
Condominium Reimbursement							
Other Expenses	700,000.00	700,000.00	308,184.72	46,019.67	345,795.61		
Apartment Services							
Other Expenses	565,000.00	565,000.00	459,708.70	7,241.64	98,049.66		
Animal Control Services							
Other Expenses	91,009.00	91,009.00	67,500.00	22,500.00	1,009.00		
Sick and Vacation							
Other Expenses	103,333.00	103,333.00	46,344.14		56,988.86		
Contingent	37,000.00	37,000.00	13,183.92	850.00	22,966.08		
Total Operations Within *CAPS*	47,216,952.00	47,236,952.00	40,697,678.59	1,146,488.25	5,392,785.16		
DETAIL:							
Salaries and Wages	24,839,783.00	25,205,783.00	24,071,791.02	1,146,488.25	1,133,991.98		
Other Expenses	22,377,169.00	22,031,169.00	16,625,887.57		4,258,793.18		

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

BOROUGH OF SAYREVILLE
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2023

	2023 BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	EXPENDED		UNEXPENDED BALANCE CANCELLED
				ENCUMBERED	RESERVED	
DEFERRED CHARGES AND STATUTORY EXPENDITURES MUNICIPAL WITHIN "CAPS"						
Deferred Charges:						
Deficit in Dog License - Due to Administration Cost	\$ 32,991.00	\$ 32,991.00	\$ 32,991.00			
Statutory Expenditures:						
Contribution to:						
Public Employee's Retirement System	1,418,454.00	1,418,454.00	1,418,454.00			
Social Security System (O.A.S.I.)	1,150,000.00	1,125,000.00	976,116.72	\$ 9,570.74	\$ 139,312.54	
Police and Firemen's Retirement System of N.J.	3,705,669.00	3,705,669.00	3,705,669.00		30.00	
Unemployment Compensation Insurance	1,000.00	1,000.00			1,000.00	
DCRP Contribution	12,000.00	17,000.00	13,786.53	1,563.27	1,650.20	
Total Deferred Charges and Statutory Expenditures Municipal Within "CAPS"	6,320,144.00	6,300,144.00	6,147,017.25	11,134.01	141,992.74	-
Total General Appropriations for Municipal Purposes Within "CAPS"	53,537,096.00	53,537,096.00	46,844,695.84	1,157,622.26	5,534,777.90	-
Operations Excluded from "CAPS"						
OTHER OPERATIONS EXCLUDED FROM "CAPS"						
Middlesex County Utility Authorities: Sewer Contract	3,810,610.00	3,810,610.00	3,810,602.28		7.72	
Maintenance of Free Public Library (Ch.82, P.L. 1985)	1,972,716.89	1,972,716.89	1,937,529.07	13,107.80	22,080.02	
Tax Appeals Pending	30,000.00	30,000.00	30,000.00			
Insurance						
Group Insurance Plan for Employees	214,560.00	214,560.00	214,560.00			
Length of Service Award Program (LOSAP)	100,000.00	100,000.00	82,658.07		17,341.93	
NJPDES Stormwater Permit (N.J.S.A. 40A-45.3(cc))	49,000.00	49,000.00	43,115.07	2,863.00	3,021.93	
Other Expenses	55,000.00	55,000.00			55,000.00	
Recycling Tax						
Total Other Operations Excluded from "CAPS"	6,231,886.89	6,231,886.89	6,118,464.49	15,970.80	97,451.60	-

BOROUGH OF SAYREVILLE
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2023

	2023 BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	EXPENDED		UNEXPENDED BALANCE CANCELLED
				ENCUMBERED	RESERVED	
OTHER OPERATIONS EXCLUDED FROM "CAPS"						
PUBLIC AND PRIVATE PROGRAMS OFFSET BY REVENUES						
Municipal Alliance						
Other Expenses	\$	\$	\$			
Other Expenses - Local Match	16,183.00	16,183.00	16,183.00			
Body Armor Grant	4,045.75	4,045.75	4,045.75			
Clean Communities Grant (N.J.S.A. 40A:4-87 \$91,535.25)	5,710.57	5,710.57	5,710.57			
DMHAS Grant (N.J.S.A. 40A:4-87 \$5,000.00)	91,535.25	91,535.25	91,535.25			
Drive Sober or Get Pulled Over (N.J.S.A. 40A:4-87 \$8,750.00)	10,000.00	10,000.00	10,000.00			
Lead Grant Assistance Program (N.J.S.A. 40A:4-87 \$21,400.00)	5,000.00	5,000.00	5,000.00			
Local Recreation Improvement Grant (N.J.S.A. 40A:4-87 \$76,000.00)	21,400.00	21,400.00	21,400.00			
Opioioid Settlement (N.J.S.A. 40A:4-87 \$24,508.24)	76,000.00	76,000.00	76,000.00			
Recycling Tonnage Grant	76,484.20	76,484.20	76,484.20			
Safe and Secure Communities Program N.J.S.A. 40A:4-87 \$45,930.00)	58,303.03	58,303.03	58,303.03			
Safe Housing Program (N.J.S.A. 40:4-87 \$6,500.00)	31,470.00	31,470.00	31,470.00			
Stormwater Assistance Grant (N.J.S.A. 40A:4-87 \$15,000.00)	6,500.00	6,500.00	6,500.00			
Matching Fund for State & Federal Grant	15,000.00	15,000.00	15,000.00			
	415,954.25	415,954.25	2,000.00		\$ 413,954.25	
Total Public and Private Revenues Offset by Revenues	588,642.56	883,266.05	469,311.80		413,954.25	
Total Operations Excluded from "CAPS"	6,820,529.45	7,115,152.94	6,587,776.29	\$ 15,970.80	511,405.85	
DETAIL:						
Salaries and Wages						
Other Expenses	6,820,529.45	7,115,152.94	6,587,776.29	15,970.80	511,405.85	
CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"						
Capital Improvement Fund						
Borough Hall Improvements	300,000.00	300,000.00	300,000.00		12,038.00	
Fire & First Aid Building Improvements	20,000.00	20,000.00	7,962.00		9,788.19	
Data Storage Improvements	20,000.00	20,000.00	876.81	9,335.00	24,290.75	
Police Body Cameras	34,000.00	34,000.00	9,709.25		30,666.27	
Total Capital Improvements - Excl. from "CAPS"	195,000.00	195,000.00	318,548.06	173,668.73	76,783.21	
	569,000.00	569,000.00				
MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS"						
Payment of Bond Principal	5,304,000.00	5,304,000.00	5,304,000.00		\$ 100.00	
Payment of Bond Anticipation Notes and Capital Notes	100.00	100.00			5.25	
Interest on Bonds	1,307,610.00	1,307,610.00	1,307,604.75		100.00	
Interest on Notes	100.00	100.00			205.25	
Total Mun. Debt Service - Excl. from "CAPS"	6,611,810.00	6,611,810.00	6,611,604.75			

BOROUGH OF SAYREVILLE
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2023

	2023 BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	EXPENDED		UNEXPENDED BALANCE CANCELLED
				ENCUMBERED	RESERVED	
	\$ 14,001,339.45	\$ 14,295,962.94	\$ 13,517,929.10	\$ 189,639.53	\$ 588,189.06	\$ 205.25
	67,538,435.45	67,833,058.94	60,362,624.94	1,347,261.79	6,122,966.96	205.25
	2,507,894.97	2,507,894.97	2,507,894.97			
	\$ 70,046,330.42	\$ 70,340,953.91	\$ 62,870,519.91	\$ 1,347,261.79	\$ 6,122,966.96	\$ 205.25

REF.	A-2	Below	Below	A	A	A
Adopted Budget						
Approp. By N.J.S.A. 40A:4-87			\$ 70,046,330.42			
			294,623.49			
			\$ 70,340,953.91			
Cash Disbursements			\$ 59,863,313.14			
Reserve for Uncollected Taxes			2,507,894.97			
Reserve for Grants			489,311.80			
Reserve for Tax Appeals			30,000.00			
			\$ 62,870,519.91			

Total General Appropriations for Municipal
Purposes Excluded from "CAPS"
Subtotal General Appropriations
Reserve for Uncollected Taxes
Total General Appropriations

Deferred Charges - Municipal
Excluded from "CAPS"
Total General Appropriations for Municipal
Purposes Excluded from "CAPS"
Subtotal General Appropriations
Reserve for Uncollected Taxes
Total General Appropriations

TRUST FUND

BOROUGH OF SAYREVILLE
MIDDLESEX COUNTY, NEW JERSEY

TRUST FUNDS
COMPARATIVE BALANCE SHEETS - REGULATORY BASIS
DECEMBER 31, 2023 AND 2022

<u>ASSETS AND DEFERRED CHARGES</u>	<u>REF.</u>	<u>BALANCE DEC. 31, 2023</u>	<u>BALANCE DEC. 31, 2022</u>
Animal Control Fund:			
Cash and cash equivalents	B-1	\$ 68,719.31	\$ 21,318.77
Deferred Charge - Operating Deficit	B-4	17,684.80	50,675.80
Total Animal Control Fund		<u>86,404.11</u>	<u>71,994.57</u>
General Trust Fund:			
Cash and cash equivalents	B-1	8,720,366.58	9,351,078.96
Total General Trust Fund		<u>8,720,366.58</u>	<u>9,351,078.96</u>
CDBG Trust Fund:			
Cash and cash equivalents	B-1	135,679.20	48,799.97
Due from Federal Government	B-3	499,968.76	529,934.20
Total CDBG Trust Fund		<u>635,647.96</u>	<u>578,734.17</u>
Open Space Fund:			
Cash and cash equivalents	B-1	8,869,851.96	8,281,780.49
Investments	B-2		3,000,000.00
Total Open Space Fund		<u>8,869,851.96</u>	<u>11,281,780.49</u>
Unemployment Compensation Insurance Fund:			
Cash and cash equivalents	B-1	367,365.32	360,096.03
Total Unemployment Compensation Insurance Fund		<u>367,365.32</u>	<u>360,096.03</u>
		<u>\$ 18,679,635.93</u>	<u>\$ 21,643,684.22</u>

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

BOROUGH OF SAYREVILLE
MIDDLESEX COUNTY, NEW JERSEY

TRUST FUNDS
COMPARATIVE BALANCE SHEETS - REGULATORY BASIS
DECEMBER 31, 2023 AND 2022

<u>LIABILITIES AND FUND BALANCE</u>	<u>REF.</u>	<u>BALANCE DEC. 31, 2023</u>	<u>BALANCE DEC. 31, 2022</u>
Animal Control Fund:			
Interfund Payable	B-5	\$ 71,923.77	\$ 71,923.77
Due to State of New Jersey	B-10	12.00	70.80
Reserve for Animal Control Expenditures	B-7	<u>14,468.34</u>	<u> </u>
Total Animal Control Fund		<u>86,404.11</u>	<u>71,994.57</u>
General Trust Fund:			
Interfund Payable	B-5	2,319.42	2,319.42
Reserve for:			
Landscaping Escrow Deposits	B-8	101,040.00	101,040.00
Developers' Security Deposits	B-8	561,870.64	715,547.99
Road Opening Deposits	B-8	47,313.25	41,547.25
Engineering Inspection Fees	B-8	730,822.86	643,695.94
Special Deposits	B-8	5,626,509.96	6,347,320.25
Planning Escrow Account	B-8	419,633.30	581,783.72
Zoning Escrow Account	B-8	76,744.00	85,867.89
Snow Removal	B-8	896,151.53	728,139.14
Deferred Compensation	B-8	21,095.99	23,791.98
Payroll Deductions	B-11	<u>236,865.63</u>	<u>80,025.38</u>
Total General Trust Fund		<u>8,720,366.58</u>	<u>9,351,078.96</u>
CDBG Trust Fund:			
Reserve for Community Development Block Grant Fund	B-6	<u>635,647.96</u>	<u>578,734.17</u>
Total CDBG Trust Fund		<u>635,647.96</u>	<u>578,734.17</u>
Open Space Fund:			
Reserve for Municipal Open Space Fund	B-8	<u>8,869,851.96</u>	<u>11,281,780.49</u>
Total Open Space Fund		<u>8,869,851.96</u>	<u>11,281,780.49</u>
Unemployment Compensation Insurance Fund:			
Reserve for Unemployment Compensation Insurance Fund	B-9	<u>367,365.32</u>	<u>360,096.03</u>
Total Unemployment Compensation Insurance Fund		<u>367,365.32</u>	<u>360,096.03</u>
		<u>\$ 18,679,635.93</u>	<u>\$ 21,643,684.22</u>

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

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GENERAL CAPITAL FUND

BOROUGH OF SAYREVILLE
MIDDLESEX COUNTY, NEW JERSEY

GENERAL CAPITAL FUND
COMPARATIVE BALANCE SHEETS - REGULATORY BASIS
DECEMBER 31, 2023 AND 2022

	<u>REF.</u>	<u>BALANCE DEC. 31, 2023</u>	<u>BALANCE DEC. 31, 2022</u>
<u>ASSETS</u>			
Cash and cash equivalents	C-2, C-3	\$ 11,355,117.64	\$ 9,376,216.73
Grants receivable - State of New Jersey	C-4	629,548.15	1,097,506.97
Deferred charges to future taxation:			
Funded	C-5	54,121,000.00	48,785,000.00
Unfunded	C-6	14,258,233.74	13,576,233.74
		<u>\$ 80,363,899.53</u>	<u>\$ 72,834,957.44</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
General serial bonds	C-8	\$ 54,121,000.00	\$ 48,785,000.00
Improvement authorizations:			
Reserve for encumbrances	C-7	12,462,172.84	11,622,356.01
Funded	C-7	972,118.87	1,278,540.90
Unfunded	C-7	8,529,069.58	6,866,068.44
Capital improvement fund	C-12	46,053.26	342,053.26
Reserve for payment of debt service	C-9	642,775.71	268,609.56
Reserve for future improvements	C-10	2,865,837.85	2,865,837.85
Reserve for grants receivable	C-11	720,978.09	722,598.09
Fund balance	C-1	3,893.33	83,893.33
		<u>\$ 80,363,899.53</u>	<u>\$ 72,834,957.44</u>

There were Bonds and Notes Authorized but Not Issued at December 31, 2023 and 2022 in the amounts of \$14,258,233.74 and \$13,576,233.74, respectively. See Schedule C-13.

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

BOROUGH OF SAYREVILLE
MIDDLESEX COUNTY, NEW JERSEY

GENERAL CAPITAL FUND
STATEMENT OF FUND BALANCE - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>REF.</u>	
Balance, December 31, 2022	C	\$ 83,893.33
Decreased by:		
Utilized as Revenue in 2023 Budget	C-2	<u>80,000.00</u>
Balance, December 31, 2023	C	<u>\$ 3,893.33</u>

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

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WATER UTILITY FUND

BOROUGH OF SAYREVILLE
MIDDLESEX COUNTY, NEW JERSEY

WATER UTILITY FUNDS
COMPARATIVE BALANCE SHEETS - REGULATORY BASIS
DECEMBER 31, 2023 AND 2022

	<u>REF.</u>	<u>BALANCE DEC. 31, 2023</u>	<u>BALANCE DEC. 31, 2022</u>
<u>ASSETS</u>			
Operating Fund:			
Cash and cash equivalents	D-5	\$ 8,946,475.31	\$ 7,295,288.46
Cash - change fund	D-6	300.00	300.00
		<u>8,946,775.31</u>	<u>7,295,588.46</u>
Receivables and inventory with fully offsetting reserves:			
Consumer accounts receivable	D-8	996,039.70	888,005.75
Inventory - materials and supplies	D-9	336,094.71	230,316.36
		<u>1,332,134.41</u>	<u>1,118,322.11</u>
Total Operating Fund		<u>10,278,909.72</u>	<u>8,413,910.57</u>
Capital Fund:			
Cash and cash equivalents	D-5, D-7	3,362,105.62	2,664,648.76
Fixed capital	D-12	75,206,877.02	75,206,877.02
Fixed capital authorized and uncompleted	D-13	16,376,288.37	10,575,288.37
Total Capital Fund		<u>94,945,271.01</u>	<u>88,446,814.15</u>
Total Assets		<u>\$ 105,224,180.73</u>	<u>\$ 96,860,724.72</u>

There were bonds and notes authorized but not issued at December 31, 2023 and 2022 of \$6,201,000.00 and \$1,850,000.00, respectively. See Schedule D-23.

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

BOROUGH OF SAYREVILLE
MIDDLESEX COUNTY, NEW JERSEY

WATER UTILITY FUNDS
COMPARATIVE BALANCE SHEETS - REGULATORY BASIS
DECEMBER 31, 2023 AND 2022

	REF.	BALANCE DEC. 31, 2023	BALANCE DEC. 31, 2022
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Operating Fund:			
Appropriation reserves:			
Encumbered	D-4, D-14	\$ 594,169.65	\$ 921,728.49
Unencumbered	D-4, D-14	2,025,432.42	1,268,354.13
Accounts payable	D-15	115,546.25	129,545.02
Accrued interest on bonds and notes	D-16	52,514.38	46,616.68
Accrued interest on loans	D-17	68,750.00	77,375.00
Water overpayments	D-18	96,998.57	34,052.07
		<u>2,953,411.27</u>	<u>2,477,671.39</u>
Reserve for receivables and inventories	Reserve	1,332,134.41	1,118,322.11
Fund balance	D-1	5,993,364.04	4,817,917.07
Total Operating Fund		<u>10,278,909.72</u>	<u>8,413,910.57</u>
Capital Fund:			
Serial bonds payable	D-22	10,962,000.00	10,262,000.00
Improvement authorizations:			
Encumbered	D-11	2,342,607.59	1,132,461.96
Funded	D-11	1,715,143.76	1,681,884.98
Unfunded	D-11	4,437,116.95	712,064.50
New Jersey Environmental Infrastructure			
Trust loans payable	D-19	6,550,277.60	7,397,889.00
Capital improvement fund	D-20	1,057,551.12	907,551.12
Reserve for debt service	D-5		70,000.00
Reserve for deferred amortization	D-10	750,000.00	750,000.00
Reserve for amortization	D-21	67,119,887.79	65,522,276.39
Fund balance	D-2	10,686.20	10,686.20
Total Capital Fund		<u>94,945,271.01</u>	<u>88,446,814.15</u>
Total Liabilities, Reserves and Fund Balance		<u>\$ 105,224,180.73</u>	<u>\$ 96,860,724.72</u>

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

BOROUGH OF SAYREVILLE
MIDDLESEX COUNTY, NEW JERSEY

WATER UTILITY OPERATING FUND
COMPARATIVE STATEMENTS OF OPERATIONS AND
CHANGES IN FUND BALANCES - REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

	<u>REF.</u>	<u>YEAR 2023</u>	<u>YEAR 2022</u>
REVENUE AND OTHER INCOME:			
Surplus Anticipated	D-3	\$ 2,502,360.00	\$ 2,409,756.00
Water rents	D-3	9,696,638.98	9,404,608.12
Miscellaneous revenues	D-3	1,041,041.51	934,328.13
Miscellaneous revenue not anticipated	D-5	1,237,479.51	1,384,366.12
Other credits to income:			
Appropriation reserves lapsed	D-14	1,643,013.96	2,268,108.46
Total revenue and other income		<u>16,120,533.96</u>	<u>16,401,166.83</u>
EXPENDITURES:			
Budget appropriations:			
Operations:			
Salaries and wages	D-4	2,701,545.00	2,460,256.00
Other expenses	D-4	6,863,950.00	6,579,100.00
Capital improvements	D-4	265,000.00	265,000.00
Debt service	D-4	2,117,231.99	1,966,317.07
Statutory expenditures	D-4	495,000.00	441,000.00
Adjustment to accrued interest			3,657.44
Total expenditures		<u>12,442,726.99</u>	<u>11,715,330.51</u>
Excess in revenues		3,677,806.97	4,685,836.32
Fund balance - January 1	D	<u>4,817,917.07</u>	<u>2,541,836.75</u>
		8,495,724.04	7,227,673.07
Decreased by:			
Utilized as anticipated revenue - Water utility budget	Above	<u>2,502,360.00</u>	<u>2,409,756.00</u>
Fund balance - December 31	D	<u>\$ 5,993,364.04</u>	<u>\$ 4,817,917.07</u>

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

BOROUGH OF SAYREVILLE
MIDDLESEX COUNTY, NEW JERSEY

WATER UTILITY CAPITAL FUND
STATEMENT OF FUND BALANCE - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>REF.</u>	
Balance December 31, 2022 and 2023	D	<u>\$ 10,686.20</u>

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

BOROUGH OF SAYREVILLE
MIDDLESEX COUNTY, NEW JERSEY

WATER UTILITY OPERATING FUND
STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2023

		<u>Anticipated</u>		
	<u>REF.</u>	<u>2023</u> <u>Budget</u>	<u>Realized</u>	(Deficiency) <u>Excess</u>
Surplus anticipated	D-1	\$ 2,502,360.00	\$ 2,502,360.00	
Water rents	D-1:D-5	9,200,000.00	9,696,638.98	\$ 496,638.98
Miscellaneous revenue	D-1:D-5	<u>749,000.00</u>	<u>1,041,041.51</u>	<u>292,041.51</u>
	D-4	<u>\$ 12,451,360.00</u>	<u>\$ 13,240,040.49</u>	<u>\$ 788,680.49</u>

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

BOROUGH OF SAYREVILLE
MIDDLESEX COUNTY, NEW JERSEY

WATER UTILITY OPERATING FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2023

	2023 Adopted Budget	Budget After Modification	Paid or Charged	Expended		Unexpended Balance Cancelled
				Encumbered	Reserve Unencumbered	
Operations:						
Salaries and Wages	\$ 2,661,545.00	\$ 2,701,545.00	\$ 2,622,299.30	\$	\$ 79,245.70	
Other Expenses	6,909,850.00	6,863,950.00	4,448,287.53	\$ 593,080.57	1,822,581.90	
Capital Improvements:						
Capital Improvement Fund	150,000.00	150,000.00	150,000.00		115,000.00	
Capital Outlay	115,000.00	115,000.00				
Debt Service:						
Payment of Bond Principal	750,000.00	750,000.00	750,000.00			
Interest on Bonds	313,070.00	318,970.00	318,965.89			\$ 4.11
Loan Principal and Interest	1,056,895.00	1,056,895.00	1,048,266.10			8,628.90
Statutory Expenditures:						
Contribution to:						
Public Employees' Retirement System	295,000.00	295,000.00	295,000.00			
Social Security System (OASI)	200,000.00	200,000.00	190,306.10	1,089.08	8,604.82	
	\$ 12,451,360.00	\$ 12,451,360.00	\$ 9,823,124.92	\$ 594,169.65	\$ 2,025,432.42	\$ 8,633.01
REF.	D-3	D-3	Below	D	D	
Cash Disbursements			\$ 9,303,504.33			
Accrued Interest on Bonds and Notes			318,965.89			
Accrued Interest on Loans			200,654.70			
Above			\$ 9,823,124.92			

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

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GENERAL FIXED ASSETS ACCOUNT GROUP

BOROUGH OF SAYREVILLE
MIDDLESEX COUNTY, NEW JERSEY

GENERAL FIXED ASSETS ACCOUNT GROUP
COMPARATIVE BALANCE SHEETS - REGULATORY BASIS
DECEMBER 31, 2023 AND 2022

<u>ASSETS</u>	<u>BALANCE DEC. 31, 2023</u>	<u>BALANCE DEC. 31, 2022</u>
Land	\$ 61,133,347.05	\$ 61,133,347.05
Buildings and Improvements	42,494,322.18	40,284,775.18
Equipment	<u>43,319,988.92</u>	<u>40,608,364.37</u>
	<u>\$ 146,947,658.15</u>	<u>\$ 142,026,486.60</u>
 <u>RESERVE</u>		
Investment in General Fixed Assets	<u>\$ 146,947,658.15</u>	<u>\$ 142,026,486.60</u>

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

NOTES TO FINANCIAL STATEMENTS

BOROUGH OF SAYREVILLE

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Borough of Sayreville, in the County of Middlesex (the "Borough") is organized as a Mayor-Council municipality. The Borough is governed by an elected Council and Mayor, and by such other officers and employees as may be duly appointed. The Council consists of six members elected at large by voters of the municipality and serve for a term of three years beginning on the first day of January next following their election and the Mayor is elected for a four year term. Each member of the Council carries a legislative vote.

The Governmental Accounting Standards Board ("GASB") established criteria to be used to determine which component units should be included in the financial statements of the oversight entity. The Division of Local Government Services (the "Division") requires the financial statements of the Borough of Sayreville to be reported separately.

The financial statements of the Borough of Sayreville include every board, body, officer or commission supported and maintained wholly or in part by funds appropriated by the Borough, as required by the provisions of N.J.S.A. 40A:5-5. Accordingly, the financial statements of the Borough do not include the operations of the local school district, inasmuch as its activities are administered by a separate Board.

B. Description of Funds

The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. GASB Codification establishes three fund types and two account groups to be used by general purpose governmental units when reporting financial position and results of operations in accordance with U.S. Generally Accepted Accounting Principles (GAAP).

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Description of Funds (Continued)

The accounting policies of the Borough of Sayreville conform to the accounting principles applicable to municipalities which have been prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Such principles and practices are designed primarily for determining compliance with legal provisions and budgetary restrictions and as a means of reporting on the stewardship of public officials with respect to public funds. Under this method of accounting, the financial transactions and accounts of the Borough of Sayreville are organized on the basis of funds and an account group which is different from the fund structure required by GAAP. A fund or account group is an accounting entity with a separate set of self-balancing accounts established to record the financial position and results of operation of a specific government activity. As required by the Division of Local Government Services the Borough accounts for its financial transactions through the following individual funds and account groups:

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

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

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

Water Utility Operating and Capital Funds - records resources and expenditures for the operations and acquisition of capital facilities of the municipally owned Water Utility.

General Fixed Assets Account Group - utilized to account for property, land, buildings and equipment that have been acquired by other governmental funds.

C. Basis of Accounting and Measurement Focus

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

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

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

Expenditures - are recorded on the "budgetary" basis of accounting. General expenditures are recorded when an amount is encumbered for goods or services through the issuances of a purchase order in conjunction with the Encumbrance Accounting System. Outstanding encumbrances, at December 31, are reported as a cash liability in the financial statements and constitute part of the Borough's regulatory Appropriation Reserve balance. Appropriation reserves covering unexpended appropriation balances are automatically created at December 31st of each year and recorded as liabilities, except for amounts which may be canceled by the governing body. Appropriation reserves are available, until lapsed at the close of the succeeding year, to meet specific claims, commitments or contracts incurred during the preceding fiscal year. Lapsed appropriation reserves are recorded as income. Appropriations for principal payments on outstanding general capital and utility bonds and notes are provided on the cash basis; interest on general capital indebtedness is on the cash basis, whereas interest on utility indebtedness is on the accrual basis.

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

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

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

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

General Fixed Assets - N.J.A.C. 5:30-5.6 Accounting for Governmental Fixed Assets, which differs in certain respects from generally accepted accounting principles, requires the inclusion of a statement of general fixed assets of the Borough as part of its basic financial statements. General fixed assets are defined as non-expendable personal property having a physical existence, a useful life of more than one year and an acquisition cost of \$500.00 or more per unit. Public domain ("infrastructure") general fixed assets consisting of certain improvements other than buildings, such as roads, bridges, curbs and gutters, streets and sidewalks and drainage system are not capitalized.

Property and equipment acquired by the Current and General Capital Funds are recorded as expenditures at the time of the purchase and are not capitalized in their own respective funds. The Borough has valued its land and buildings at assessed values. GAAP requires capital assets to be recorded at their historical cost or estimated historical cost. Additionally, GAAP requires depreciation to be calculated on capital assets, with the exception of land.

General Fixed Assets that have been acquired and that are utilized in the Current and General Capital Funds are instead accounted for in the General Fixed Asset Account Group. No depreciation has been provided on general fixed assets or reported in the financial statements.

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

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 balance sheets. GAAP requires the cost of inventories to be reported as a current asset and equally offset by a fund balance reserve.

Fixed Capital - Water Utility - Accounting for utility fund "fixed capital" is done in compliance with N.J.A.C. 5:30-5.6. Property and equipment purchased by the Water Utility Fund are recorded in the capital account at cost and are adjusted for disposition and abandonment. The amounts shown do not purport to represent reproduction costs or current value. The fixed capital reported is as taken from the municipal records and does not necessarily reflect the true condition of such fixed capital. Contributions in aid of construction are not capitalized.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

Fixed Capital – Water Utility (continued) - The balance in the Reserve for Amortization and Deferred Reserve for Amortization accounts in the utility capital fund represents changes to operations for the cost of acquisitions of property, equipment, and improvements. The utility does not record depreciation on fixed assets.

Accounting and Financial Reporting for Pensions - Governmental Accounting Standards Board (GASB) Statement No. 68 Accounting and financial reporting for pensions administered by state and local government employers improves accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local government employers about financial support for pensions that is provided by other entities. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for pensions with regard to providing decision useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency.

Under GAAP, municipalities are required to recognize the pension liability in Statements of Revenues, Expenses, Changes in Net Position (balance sheets) and Notes to the Financial Statements in accordance with GASB 68. The liability required to be displayed by GASB 68 is displayed as a separate line item in the Unrestricted Net Position area of the balance sheet.

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

Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions (OPEB) The Governmental Accounting Standards Board (GASB) has issued Statement no. 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions". This statement establishes standards for measuring and recognizing liabilities, deferred outflows and inflows of resources, and expenses for postemployment benefits other than pensions.

It also requires the State of New Jersey to calculate and allocate to each participating member, for note disclosure purposes only, the OPEB net liability of New Jersey Health Benefits Local Government Retiree Plan (the Plan). The statement does not alter the amount of funds that must be budgeted for OPEB payment under existing state law.

Under GAAP, municipalities are required to recognize the OPEB liability in Statements of Revenues, Expenses, Changes in Net Position (balance sheets) and Notes to the Financial Statements in accordance with GASB 75. The liability required to be displayed by GASB 75 is displayed as a separate line item in the Unrestricted Net Position area of the balance sheet.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions (OPEB)

New Jersey's municipalities and counties do not follow GAAP accounting principles and, as such, do not follow GASB requirements with respect to recording the OPEB liability as a liability on their balance sheets. However, N.J.A.C. 5:30 6.1(c) (2) requires municipalities to disclose GASB 75 information in the Notes to the Financial Statements. The disclosure must meet the requirements of GASB 75.

In May of 2021, the New Jersey Division of Local Government Services issued Local Finance Notice 2021-10 which allows local units to disclose the most recently available information as it relates to the New Jersey Division of Pension and Benefits reporting on GASB 75. As of the date of this report the information for the period ended June 30, 2023 was not available, therefore the information dated June 30, 2022 is disclosed.

Leases

Under GAAP, lease receivables are measured at the present value of the lease payments expected to be received during the lease term. Payments are recorded as an inflow of resources in the period the payment is received. The deferred inflow of resources is recorded at the initiation of the lease in an amount equal to the initial recording of the lease receivable. The deferred inflow of resources is amortized in a systematic and rational manner over the lease term.

Lease liabilities represent obligations to make lease payments arising from the lease. Lease liabilities are recognized at the commencement date based on the present value of the expected lease payments over the lease term, less any lease incentives. Interest expense is recognized ratably over the contract term. The lease term may include options to extend or terminate the lease when it is reasonably certain that the option will be exercised. Payments for short-term leases with a term of 12 months or less are expensed as incurred and these leases are not included as lease liabilities or right -to-use assets on the statements of net position.

New Jersey's municipalities do not follow GAAP accounting principles and, as such, do not follow GASB requirements with respect to recording lease receivables, deferred outflows, lease liabilities or deferred inflows on their balance sheets.

D. Basic Financial Statements

The GASB codification also defines the financial statements of a governmental unit to be presented in the general purpose financial statements to be in accordance with GAAP.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Basic Financial Statements (Continued)

Borough presents the financial statements listed in the table of contents of the "Requirements of Audit and Accounting Revision of 1987" as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and which differ from financial statements required by GAAP.

NOTE 2: CASH AND CASH EQUIVALENTS

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

A. Deposits

New Jersey statutes permit the deposit of public funds in institutions which are located in New Jersey and which meet the requirements of the Governmental Unit Deposit Protection Act (GUDPA) or the State of New Jersey Cash Management Fund. GUDPA requires a bank that accepts public funds to be a public depository. A public depository is defined as a state bank, a national bank, or a savings bank, which is located in the State of New Jersey, the deposits of which are insured by the Federal Deposit Insurance Corporation. The statutes also require public depositories to maintain collateral for deposits of public funds that exceed certain insurance limits. All collateral must be deposited with the Federal Reserve Bank or a banking institution that is a member of the Federal Reserve System and has capital funds of not less than \$25,000,000.00.

Under GUDPA, if a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the full amount of the deposits to the governmental unit.

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

<u>Fund</u>	<u>Change Fund</u>	<u>Cash on Deposit</u>	<u>Reconciling Items</u>	<u>Reconciled Total</u>
Current Fund	\$ 360.00	\$ 55,376,517.69	\$ 669,817.74	\$ 56,046,695.43
Grant Fund		1,961,648.58	(3,915.62)	1,957,732.96
Trust - Animal Control Fund		68,709.02	10.29	68,719.31
Trust Fund		8,562,608.97	157,757.61	8,720,366.58
CDBG Trust Fund		283,938.94	(148,259.74)	135,679.20
Open Space Trust Fund		8,869,851.96		8,869,851.96
Unemplment Trust Fund		367,390.48	(25.16)	367,365.32
General Capital Fund		11,379,233.09	(24,115.45)	11,355,117.64
Water Operating Fund	300.00	9,358,803.25	(412,327.94)	8,946,775.31
Water Capital Fund		3,368,823.25	(6,717.63)	3,362,105.62
<u>Total December 31, 2023</u>	<u>\$ 660.00</u>	<u>\$ 99,597,525.23</u>	<u>\$ 232,224.10</u>	<u>\$ 99,830,409.33</u>

NOTE 2: CASH AND CASH EQUIVALENTS (CONTINUED)

A. Deposits (Continued)

Custodial Credit Risk - Deposits - Custodial credit risk is the risk that in the event of a bank failure, the deposits may not be returned. The Borough does not have a specific deposit policy for custodial credit risk other than those policies that adhere to the requirements of statute. As of December 31, 2023, based upon the coverage provided by FDIC and NJGUDPA, no amount of the bank balance in the bank was exposed to custodial credit risk. Of the cash balance in the bank, \$1,250,000.00 was covered by Federal Depository Insurance and \$98,319,700.54 was covered by NJGUDPA. The New Jersey Cash Management Fund is an investment pool and is not insured by either FDIC or GUDPA. The Borough's balance in NJARM was \$27,824.69 and was classified as cash equivalents due to its short-term nature.

B. Investments

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

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

NOTE 2: CASH AND CASH EQUIVALENT (CONTINUED)

B. Investments (Continued)

5. Bonds or other obligations, having a maturity date not more than 397 days from date of purchase, approved by the Division of Local Government Services of the Department of Community Affairs for investment by local units.
6. Local government investment pools that are fully invested in U.S. Government securities that meet the definition of eligible security pursuant to 17 C.F.R. § 270a-7 and repurchase agreements that are collateralized by such U.S. Government securities in which direct investment may be made pursuant to paragraphs (1) and (3) of N.J.S.A. 5-15.1. This type of investment is also required to be rated in the highest category by a nationally recognized statistical rating organization.
7. Deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c. 281 (C. 52:18A-90.4); or
8. Agreements for the repurchase of fully collateralized securities if:
 - a. the underlying securities are permitted investments pursuant to paragraphs (1) and (3) of this subsection;
 - b. the custody of collateral is transferred to a third party;
 - c. the maturity of the agreement is not more than 30 days;
 - d. the underlying securities are purchased through a public depository as defined in section 1 of P.L. 1970, c. 236 (C. 17:19-41); and
 - e. a master repurchase agreement providing for the custody and security of collateral is executed.

NOTE 2: CASH AND CASH EQUIVALENT (CONTINUED)

B. Investments (Continued)

New Jersey Asset and Rebate Management Fund

The Borough also invests funds in the New Jersey Asset and Rebate Management Fund ("NJARM"), which is an investment pool managed by Public Financial Management Company. NJARM allows governments within the state to pool their funds for investment purposes and the Securities and Exchange Commission (SEC) does not restrict the pool. Earnings are allocated to all participants based upon shares held in the pool and distributed on the last day of each month. In addition, the fair value of the Borough's portion of the pool is the same as the value of its shares. Agencies that participate in the NJARM typically earn returns that mirror short-term investment rates. Monies can be freely added or withdrawn from the NJARM on a daily basis without penalty.

At December 31, 2023 and 2022, the Borough's balance in NJARM was \$27,824.69 and \$26,474.52, respectively, and was classified as cash equivalents due to its short-term nature. NJARM is rated AAA by Standard & Poors.

Custodial Credit Risk: All of the Borough's investments are uncollateralized. The Borough does not have a policy for custodial credit risk for its investments.

Concentration of Credit Risk: The Borough places no limit on the amount the Borough may invest in any one issuer.

Credit Risk: The Borough does not have an investment policy regarding the management of credit risk. GASB Statement No. 40 requires disclosures be made to the credit rating of all debt security investments except for obligations for the U.S. Government or investments guaranteed by the U.S. government. The NJ ARM is not rated by a rating agency.

Interest Rate Risk: The Borough does not a policy to limit interest rate risk; however, its practice is typically to invest in investments with short maturities.

Based upon the limitations set forth by New Jersey Statutes 40A:5-15.1 and existing investment practices, the Borough is generally not exposed to credit risks, custodial credit risks, concentration of credit risks and interest rate risk for its investments nor is it exposed to foreign currency risk for its deposits and investments.

NOTE 3: MUNICIPAL DEBT

The Local Bond Law, Chapter 40A:2, governs the issuance of bonds to finance general municipal capital expenditures. All bonds are retired in annual installments within the statutory period of usefulness. All bonds issued by the Borough are general obligation bonds, backed by the full faith and credit of the Borough. Bond Anticipation Notes, which are issued to temporarily finance capital projects, are included in the below Summary of Municipal Debt and Summary of Statutory Debt Condition Annual Debt Statement:

	<u>YEAR 2023</u>	<u>YEAR 2022</u>	<u>YEAR 2021</u>
Issued:			
General:			
Bonds, Notes and Loans	\$ 54,121,000.00	\$ 48,785,000.00	\$ 43,204,000.00
Water Utility:			
Bonds, Notes and Loans	10,962,000.00	10,262,000.00	9,360,000.00
New Jersey Infrastructure Bank Loan	<u>6,550,277.60</u>	<u>7,397,889.00</u>	<u>8,227,500.40</u>
Net Debt Issued	71,633,277.60	66,444,889.00	60,791,500.40
Less:			
Reserve for Payment of Debt Service	<u>642,775.71</u>	<u>268,609.56</u>	<u>430,788.60</u>
	<u>70,990,501.89</u>	<u>66,176,279.44</u>	<u>60,360,711.80</u>
<u>Authorized but not Issued</u>			
General:			
Bonds, Notes and Loans	14,258,233.74	13,576,233.74	13,963,924.00
Water Utility:			
Bonds, Notes and Loans	<u>6,201,000.00</u>	<u>1,850,000.00</u>	<u>1,972,000.00</u>
Total Authorized but not Issued	<u>20,459,233.74</u>	<u>15,426,233.74</u>	<u>15,935,924.00</u>
Net Bonds and Notes Issued and and Authorized but not issued	<u>\$ 91,449,735.63</u>	<u>\$ 81,602,513.18</u>	<u>\$ 76,296,635.80</u>

NOTE 3: MUNICIPAL DEBT (CONTINUED)

SUMMARY OF STATUTORY DEBT CONDITION ANNUAL DEBT STATEMENT

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicates a statutory net debt of 1.131%:

	<u>GROSS DEBT</u>	<u>DEDUCTIONS</u>	<u>NET DEBT</u>
Local School District Debt	\$ 129,799,000.00	\$ 129,799,000.00	-0-
Water Utility Debt	23,713,277.60	23,713,277.60	-0-
General Debt	<u>68,379,233.74</u>	<u>642,775.71</u>	<u>\$ 67,736,458.03</u>
	<u>\$ 221,891,511.34</u>	<u>\$ 154,155,053.31</u>	<u>\$ 67,736,458.03</u>

Net debt \$67,736,458.03 divided by equalized valuation basis per N.J.S. 40A:2-2, \$5,990,419,678.67 equals 1.131%

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

Equalized Valuation Basis - December 31, 2023	\$ <u>5,990,419,678.67</u>
3 1/2% of Equalized Valuation Basis	\$ 209,664,688.75
Net Debt	<u>67,736,458.03</u>
Remaining Borrowing Power	\$ <u>141,928,230.72</u>

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

Loans

On December 2, 2010, the Borough obtained two loans from the New Jersey Environmental Infrastructure Trust ("NJEIT") in the sum of \$15,665,000.00 for a water treatment plant closure/consolidation. The first loan in the amount of \$7,860,000.00 is interest bearing at 5.00% and the second loan in the amount of \$7,805,000.00 is non-interest bearing. The following debt schedules were prepared by the State of New Jersey Department of Environmental Protection and present the balance due as of December 31, 2023 as \$3,035,277.60 for the Fund Loan and \$3,515,000.00 for the Trust Loan in the Water Utility Capital Fund.

NOTE 3: MUNICIPAL DEBT (CONTINUED)

LONG-TERM DEBT

Loans (Continued)

Fund Loan Agreement

<u>YEAR</u>	<u>PRINCIPAL</u>
2024	\$433,611.10
2025	433,611.10
2026	433,611.10
2027	433,611.10
2028	433,611.10
2029	433,611.10
2030	433,611.00
	<u>\$3,035,277.60</u>

Trust Loan Agreement

<u>YEAR</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
2024	\$432,000.00	\$165,000.00	\$597,000.00
2025	455,000.00	143,400.00	598,400.00
2026	478,000.00	120,650.00	598,650.00
2027	501,000.00	96,750.00	597,750.00
2028	525,000.00	74,205.00	599,205.00
2029	550,000.00	50,580.00	600,580.00
2030	574,000.00	25,830.00	599,830.00
	<u>\$3,515,000.00</u>	<u>\$676,415.00</u>	<u>\$4,191,415.00</u>

NOTE 3: MUNICIPAL DEBT (CONTINUED)

LONG-TERM DEBT

	OUTSTANDING BALANCE DECEMBER <u>31, 2023</u>	OUTSTANDING BALANCE DECEMBER <u>31, 2022</u>
<u>General Improvement Bonds:</u>		
\$4,978,000 in General Improvement Bonds dated October 8, 2013 due with a remaining installment of \$543,000 due on October 1, 2023 with an interest rate of 3.000%		\$ 543,000.00
\$6,532,000 in General Improvement Bonds dated October 21, 2014, due in annual remaining installments of \$700,000.00 due through October 1, 2024 with interest rates of 3.000%.	\$ 700,000.00	1,400,000.00
\$7,798,000 in General Improvement Bonds dated October 27, 2015, due in annual remaining installments ranging between \$700,000.00 and \$698,000.00 due on November 1 of each year with interest rates from 2.000% to 3.000%.	2,798,000.00	3,498,000.00
\$6,600,000 in General Improvement Bonds dated October 17, 2016, due in annual remaining installments ranging between \$600,000.00 and \$700,000.00 due on October 15 of each year with interest rates from 2.000% to 2.250%.	2,800,000.00	3,400,000.00
\$7,097,000 in General Improvement Bonds dated September 27, 2017, due in annual remaining installments of \$700,000.00 due on May 15 of each year with interest an rate at 2.000%.	3,500,000.00	4,200,000.00
\$8,365,000.00 in General Improvement Bonds dated November 8, 2018, due in annual remaining installments ranging between \$610,000.00 and \$750,000.00 due on May 15 of each year with interest rates from 3.000% to 4.000%.	5,715,000.00	6,325,000.00
\$19,918,000 in General Improvement Bonds dated November 8, 2021, due in annual remaining installments ranging between \$1,000,000.00 and \$1,700,000.00 due on November 1 of each year with interest rates at 2.000%.	18,068,000.00	19,068,000.00
\$10,351,000 in General Improvement Bonds dated November 3, 2022, due in annual remaining installments ranging between \$450,000.00 and \$900,000.00 due on November 1 of each year with an interest rates at 4.000%.	9,900,000.00	10,351,000.00
\$10,640,000 in General Improvement Bonds dated November 7, 2023, due in annual remaining installments ranging between \$575,000.00 and \$1,150,000.00 due on November 1 of each year with an interest rates at 4.000%.	10,640,000.00	
	<u>10,640,000.00</u>	
	<u>\$54,121,000.00</u>	<u>\$48,785,000.00</u>

NOTE 3: MUNICIPAL DEBT (CONTINUED)

LONG-TERM DEBT

	OUTSTANDING BALANCE DECEMBER <u>31, 2023</u>	OUTSTANDING BALANCE DECEMBER <u>31, 2022</u>
<u>Water Utility Serial Bonds:</u>		
\$1,200,000 in Water Improvement Bonds dated October 21, 2014 due in annual remaining installments of \$140,000.00 due on October 1 of each year with interest rates at 3.000%.	\$ 140,000.00	\$ 280,000.00
\$500,000 in Water Improvement Bonds dated October 27, 2015, due in annual remaining installments of \$50,000 due on November 1 of each year with interest rates at 2.000%.	100,000.00	150,000.00
\$400,000 in Water Improvement Bonds dated October 17, 2016, due in annual remaining installments ranging between \$25,000.00 and \$50,000.00 due on October 15 of each year with interest rates ranging from 2.000% and 2.125%.	125,000.00	175,000.00
\$480,000 in Water Improvement Bonds dated September 27, 2017, due in annual remaining installments of \$50,000 due on September 15 of each year with interest rates of 2.000%.	250,000.00	300,000.00
\$5,625,000 in Water Improvement Bonds dated November 8, 2018, due in annual remaining installments ranging between \$200,000.00 and \$400,000.00 due on November 15 of each year with interest rates ranging between 3.000% and 4.000%	4,625,000.00	4,825,000.00
\$3,140,000 in Water Improvement Bonds dated November 8, 2021, due in annual remaining installments ranging between \$185,000.00 and \$245,000.00 due on November 1 of each year with interest rates at 2.000%.	2,775,000.00	2,960,000.00
\$1,572,000 in Water Improvement Bonds dated November 3, 2022, due in annual remaining installments ranging between \$75,000.00 and \$142,000.00 due on November 1 of each year with interest rates at 4.000%.	1,497,000.00	1,572,000.00
\$1,450,000 in Water Improvement Bonds dated November 7, 2023, due in annual remaining installments ranging between \$50,000.00 and \$100,000.00 due on November 1 of each year with an interest rates ranging between 4.00% and 4.125%.	1,450,000.00	
	<u>\$ 10,962,000.00</u>	<u>\$ 10,262,000.00</u>

NOTE 3: MUNICIPAL DEBT (CONTINUED)

BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

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

General Capital Fund	\$ 14,258,233.74
Water Capital Fund	<u>6,201,000.00</u>
	<u>\$ 20,459,233.74</u>

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

Surplus Anticipated and Total Cash Receipts from Fees, Rents, or Other Charges for the Year	\$ 14,477,520.00
Deductions:	
Operating and Maintenance Cost	\$ 10,060,495.00
Debt Service	<u>2,117,231.99</u>
	\$ <u>12,177,726.99</u>
Excess in Revenue	\$ <u>2,299,793.01</u>

SCHEDULE OF ANNUAL DEBT SERVICE FOR PRINCIPAL AND INTEREST
FOR BONDED DEBT ISSUED AND OUTSTANDING

YEAR	<u>GENERAL CAPITAL</u>		<u>WATER UTILITY CAPITAL</u>		<u>TOTAL</u>
	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	
2024	\$5,975,000.00	\$1,594,781.67	\$805,000.00	\$350,673.77	\$8,725,455.44
2025	5,790,000.00	1,441,875.00	740,000.00	327,642.52	8,299,517.52
2026	5,918,000.00	1,283,275.00	720,000.00	304,842.52	8,226,117.52
2027	6,138,000.00	1,112,040.00	720,000.00	281,411.26	8,251,451.26
2028	5,350,000.00	939,750.00	730,000.00	260,111.26	7,279,861.26
2029-2033	20,550,000.00	2,540,000.00	3,787,000.00	958,587.54	27,835,587.54
2034-2038	<u>4,400,000.00</u>	<u>250,000.00</u>	<u>3,460,000.00</u>	<u>335,637.50</u>	<u>8,445,637.50</u>
	<u>\$54,121,000.00</u>	<u>\$9,161,721.67</u>	<u>\$10,962,000.00</u>	<u>\$2,818,906.37</u>	<u>\$77,063,628.04</u>

NOTE 4: FUND BALANCES APPROPRIATED

Fund balance, at December 31, 2023, which was appropriated and included as anticipated revenue in its own respective fund for the year ending December 31, 2024, was \$7,367,864.00 for the Current Fund and \$3,275,760.00 for the Water Utility Operating Fund.

NOTE 5: PROPERTY TAXES

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

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

	Balance December <u>31, 2023</u>	Balance December <u>31, 2022</u>
Prepaid Taxes	\$ <u>902,067.20</u>	\$ <u>951,985.69</u>

NOTE 6: PENSION PLANS

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

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

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

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

Vesting and Benefit Provisions

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

NOTE 6: PENSION PLANS

Vesting and Benefit Provisions (Continued)

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

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

Funding Policy

The contribution policy for PERS is set by N.J.S.A. 43:15A and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount, which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group life insurance benefits is based on actual claims paid. For fiscal year 2023, the State's pension contribution was less than the actuarial determined amount. The local employers' contribution amounts are based on an actuarially determined rate, which includes the normal cost and unfunded accrued liability. During 2023 PERS provides for employee contributions of 7.50% of employees' base salary.

The contribution policy for PFRS is set by N.J.S.A. 43:16A and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's contribution amount is based on an actuarially determined rate, which includes the normal cost and unfunded accrued liability. The local employers' contribution amounts are based on an actuarially determined rate, which includes the normal cost and unfunded accrued liability. For the fiscal year 2023, the State contributed an amount less than the actuarially determined amount. During 2023, PFRS provides for employee contributions of 10.00% of employees' base salary.

The Borough's share of pension, which is based upon the annual billings received from the State, amounted to \$2,279,305.00 for 2023, \$2,207,702.00 for 2022, and \$2,391,794.00 for 2021.

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

NOTE 6: PENSION PLANS (CONTINUED)

Accounting and Financial Reporting for Pensions – GASB 68

The Governmental Accounting Standards Board (GASB) has issued Statement No. 68 “Accounting and Financial Reporting for Public Employees Pensions” which requires the State of New Jersey to calculate and allocate, for note disclosure purposes only, the unfunded net pension liability of Public Employees Retirement System (PERS) and the Police and Firemen’s Retirement System (PFRS) of the participating municipality as of December 31, 2023. The statement does not alter the amounts of funds that must be budgeted for pension payments under existing state law.

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

Public Employees Retirement System (PERS)

At June 30, 2023, the State reported a net pension liability of \$22,161,692.00 for the Borough’s proportionate share of the total net pension liability. The total pension liability for the June 30, 2023 measurement date was determined by an actuarial valuation as of July 1, 2022, which was rolled forward to June 30, 2023. The Borough’s proportion of the net pension liability was based on a projection of the Borough’s long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2023, the Borough’s proportion was 0.1530041371 percent, which was an increase of 0.0045201803 percent from its proportion measured as of June 30, 2022.

For the year ended June 30, 2023, the State recognized an actuarially determined pension expense of \$33,170.00 for the Borough’s proportionate share of the total pension expense. The pension expense recognized in the Borough’s financial statements based on the April 1, 2023 billing was \$1,872,454.00.

NOTE 6: PENSION PLANS (CONTINUED)

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

Public Employees Retirement System (PERS) (Continued)

At June 30, 2023, the State reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Differences between expected and actual experience	\$ 211,894.00	\$ 90,590.00
Changes of assumptions	48,685.00	1,343,094.00
Net difference between projected and actual earnings on pension plan investments	102,057.00	
Changes in proportion and differences between Borough contributions and proportionate share of contributions	<u>818,292.00</u>	<u>78,039.00</u>
	<u>\$ 1,180,928.00</u>	<u>\$ 1,511,723.00</u>

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

Year Ended <u>June 30,</u>	<u>Amount</u>
2024	(\$1,022,003.40)
2025	(505,028.40)
2026	1,060,685.60
2027	(15,275.40)
2028	<u>150,826.60</u>
	<u>(\$330,795.00)</u>

NOTE 6: PENSION PLANS (CONTINUED)

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

Public Employees Retirement System (PERS) (Continued)

Actuarial Assumptions

The collective total pension liability for the June 30, 2023 measurement date was determined by an actuarial valuation as of July 1, 2022, which rolled forward to June 30, 2023. These actuarial valuations used the following assumptions:

Inflation rate:

Price	2.75%
Wage	3.25%

Salary Increases:

2.75-6.55%
Based on years of service

Investment Rate of Return

7.00%

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

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

NOTE 6: PENSION PLANS (CONTINUED)

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

Public Employees Retirement System (PERS) (Continued)

Long-Term Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2023) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return for each major assets class included in PERS's target assets allocation as of June 30, 2023 asset are summarized in the following table:

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

Discount Rate

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2023. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that 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 in determining the total pension liability.

NOTE 6: PENSION PLANS (CONTINUED)

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

Public Employees Retirement System (PERS) (Continued)

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

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

	June 30, 2023		
	1%	At Current	1%
	Decrease	Discount Rate	Increase
	<u>6.00%</u>	<u>7.00%</u>	<u>8.00%</u>
Borough's proportionate share of the pension liability	\$28,849,807.00	\$22,161,692.00	\$16,469,221.00

Special Funding Situation

In accordance with N.J.S.A. 43:16A-15, local participating employers are responsible for their own contributions based on actuarially determined amounts, except where legislation was passed which legally obligated the State if certain circumstances occurred. For PERS, the legislation which legally obligates the State is found in Chapter 133, P.L. 2001. This special funding situation is due to the State paying the additional normal cost related to benefit improvements from Chapter 133. Previously, this additional normal cost was paid from the Benefit Enhancement Fund (BEF). As of June 30, 2023, there is no net pension liability associated with this special funding situation as there was no accumulated difference between the annual additional normal cost under the special funding situation and the actual State contribution through the valuation date.

The amounts contributed by the State on behalf of the Borough under this legislation is considered to be a special funding situation as defined by GASB Statement No. 68, and the State is treated as a nonemployer contributing entity. Since the Borough does not contribute under this legislation directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to disclose in the notes to the financial statements of the Borough related to this legislation.

The non-employer contributing entities' total proportionate share of the non-employer contribution that is associated with the Borough as of June 30, 2023, was 0.1535850483% which was an increase of 0.0045078747 percent from its proportion measured as of June 30, 2022. The non-employer contributing entities' contribution and employer pension expense and related revenue for the years ended June 30, 2023 and June 30, 2022 was \$69,114.00 and \$47,148.00, respectively.

NOTE 6: PENSION PLANS (CONTINUED)

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

Pension plan fiduciary net position

Pension plan fiduciary net position

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

Police and Firemen's Retirement System (PFRS)

At June 30, 2023, the State reported a net pension liability of \$34,127,124.00 for the Borough's proportionate share of the total PFRS net pension liability. The total pension liability for the June 30, 2023 measurement date was determined by an actuarial valuation as of July 1, 2022, which was rolled forward to June 30, 2023. The Borough's proportion of the net pension liability was based on a projection of the Borough's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined.

At June 30, 2023, the Borough's proportion was 0.3088767800 percent, which was an increase of 0.0239466000 percent from its proportion measured as of June 30, 2022.

For the year ended June 30, 2023, the State recognized an actuarially determined pension expense of \$1,691,928.00. The pension expense recognized in the Borough's financial statements based on the April 1, 2023 billing was \$3,705,669.00.

NOTE 6: PENSION PLANS (CONTINUED)

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

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

At June 30, 2023, the State reported deferred outflows of resources and deferred inflows of resources related to PFRS from the following sources:

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Differences between expected and actual experience	\$ 1,461,255.00	\$ 1,627,561.00
Changes of assumptions	73,658.00	2,304,399.00
Net difference between projected and actual earnings on pension plan investments	1,738,030.00	
Changes in proportion and differences between Borough contributions and proportionate share of contributions	<u>3,638,916.00</u>	<u>1,037,413.00</u>
	<u>\$ 6,911,859.00</u>	<u>\$ 4,969,373.00</u>

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

Year Ended		<u>Amount</u>
<u>June 30</u>		
2024	\$	(807,807.40)
2025		(754,254.40)
2026		2,570,930.60
2027		343,930.60
2028		583,249.60
Thereafter		<u>6,437.00</u>
	\$	<u>1,942,486.00</u>

NOTE 6: PENSION PLANS (CONTINUED)

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

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

Actuarial Assumptions

The collective total pension liability for the June 30, 2023 measurement date was determined by an actuarial valuation as of July 1, 2022, which rolled forward to June 30, 2023. This actuarial valuation used the following assumptions:

Inflation rate:

Price	2.75%
Wage	3.25%

Salary Increases

Through	All Future Years
	3.25-16.25%
	Based on Years of Service

Investment Rate of Return	7.00%
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Employee mortality rates were based on the PubS-2010 amount-weighted mortality table with a 105.6% adjustment for males and 102.5% adjustment for females. For healthy annuitants, mortality rates were based on the PubS-2010 amount-weighted mortality table with a 96.7% adjustment for males and 96.0% adjustment for females. Disability rates were based on the PubS-2010 amount-weighted mortality table with a 152.0% adjustment for males and 109.3% adjustment for females. Mortality improvement is based on scale MP-2021.

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

NOTE 6: PENSION PLANS (CONTINUED)

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

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

Long-Term Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7.00 percent at June 30, 2023) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return for each major asset class included in PFRS's target asset allocation as of June 30, 2023 are summarized in the following table:

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

NOTE 6: PENSION PLANS (CONTINUED)

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

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

Discount Rate

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

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

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

	June 30, 2023		
	1% Decrease <u>6.00%</u>	At Current Discount Rate <u>7.00%</u>	1% Increase <u>8.00%</u>
Borough's proportionate share of the PFRS pension liability	\$47,550,172.00	\$34,127,124.00	\$22,948,933.00

NOTE 6: PENSION PLANS (CONTINUED)

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

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

Special Funding Situation

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

The non-employer contributing entities' total proportionate share of the collective net pension liability that is associated with the Borough as of December 31, 2023 and 2022 is 0.30887698% and 0.28493007% respectively, the non-employer contributing entities' contribution for the year ended June 30, 2023 and 2022 was \$719,142.00 and \$722,614.00, respectively and the employer pension expense and related revenue for the year ended June 30, 2023 and 2022 was \$715,283.00 and \$669,669.00, respectively.

At June 30, 2023 and 2022, the State's proportionate share of the net pension liability attributable to the Borough for the PFRS special funding situation is \$6,288,320.00 and \$5,804,358.00, respectively.

At June 30, 2023, the Borough's and State of New Jersey's proportionate share of the PFRS net pension liability were as follows:

Borough's Proportionate Share of Net Pension Liability	\$34,127,124.00
State of New Jersey Proportionate Share of Net Pension Liability Associated with the Borough	<u>6,288,320.00</u>
	<u>\$40,415,444.00</u>

Pension plan fiduciary net position

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

NOTE 7: COMPENSATED ABSENCES

The Borough has an Accrued Sick and Vacation Policy whereby eligible employees, upon retirement, will receive compensation based upon the employees' length of service.

The estimated amount of \$6,378,899.05 and \$7,096,622.00 for December 31, 2023 and 2022, respectively, computed using applicable salary rates would be payable to the officials and employees of the Borough for accumulated sick days and unused vacations. This total is not intended to represent amounts that will ultimately be paid to employees upon termination or retirement, as no adjustment has been made to reflect the limitations on lump sum payments. Expenditures for payment of accrued sick and vacation benefits are recorded in the period in which the payments are made.

NOTE 8: DEFERRED COMPENSATION PLAN

The Borough offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all Borough employees, permits them to defer a portion of their salaries until future years. The Borough does not make any contribution to the plan. The deferred compensation is not available to employees until retirement, death, disability, termination or financial hardships.

In accordance with the requirements of the Small Business Job Protection Act of 1996 and the funding requirements of Internal Revenue Code Section 457(g), the Borough's Plan was amended to require that all amounts of compensation deferred under the Plan are held for the exclusive benefits of plan participants and beneficiaries. All assets and income under the Plan are held in trust, in annuity contracts or custodial accounts.

The accompanying financial statements do not include the Borough's Deferred Compensation Plan activities. The Borough's Deferred Compensation Plan is fully contributory and the Borough has no liabilities in conjunction with the plan.

NOTE 9: LITIGATION

The Borough's Attorney's letters did not indicate any litigation, claims or contingent liabilities which would materially affect the financial statements of the Borough.

NOTE 10: TAX APPEALS

There are tax appeals filed with the State Tax Court of New Jersey requesting a reduction of assessments for 2023. Any reduction in assessed valuation will result in a refund of prior year's taxes in the year of settlement, which may be funded from current tax revenues, through the establishment of a reserve, or by the issuance of refunding bonds per N.J.S.A. 40A:2-51. The Borough has a reserve of \$206,075.99 at December 31, 2023.

NOTE 11: CONTINGENT LIABILITIES

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

NOTE 12: RISK MANAGEMENT

The Borough is exposed to various risks of loss related to torts; theft of; damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Borough joined the Professional Municipal Management Joint Insurance Fund as permitted by N.J.S.A. 40A:10-36 to provide coverage for Worker's Compensation and employer's liability, liability and property damage other than motor vehicle, and motor vehicle coverage in excess of the Borough's self-insured risk retention. The Borough participates in the Central Jersey Joint Insurance Fund ("JIF"), which provides coverage for the above type of claims with no self-retention coverage. There have been no provisions included in the financial statements for claims incurred but not reported (IBNR) for the above coverage as of December 31, 2023. The Borough is not aware of any claims pending that have a demand in excess of coverages provided under the JIF. In addition, there were no significant reductions in insurance coverage from prior year coverage and there were no amounts settled which exceeded insurance coverage for each of the past three years.

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. Below is a summary of Borough's contributions, employee contributions, reimbursements to the State for benefits paid, and the ending balance of the Borough's expendable trust fund for the current and previous two years:

<u>Year</u>	<u>Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2023	\$ 33,702.88	\$ 26,433.59	\$ 367,365.32
2022	32,830.32	23,414.98	360,096.03
2021	30,673.95	15,895.89	350,680.69

NOTE 13: GASB 75: POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

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

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

Single Employer Plan Defined Benefit Plan

Plan Description

The Borough's defined benefit OPEB plan, Borough of Sayreville Retiree Medical Plan (the Plan), provides OPEB for all eligible employees of the Borough in accordance with the terms of their various labor agreements. The Plan is a single-employer defined benefit OPEB plan administered by the Borough. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75. The footnote below includes information as of December 31, 2023 which was the most current information available.

Summary of Benefits

The Plan provides retirees and their eligible dependents medical benefits provided that they have meet the eligibility requirements contained in the Borough's various labor agreements.

Employees Covered by Benefits Terms (at 12/31/2022)

Inactive employees or beneficiaries currently receiving benefits payments	148
Inactive employees entitled to but not currently receiving benefits payments	-0-
Active employees	243
	391

NOTE 13: GASB 75: POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS
(CONTINUED)

Single Employer Plan Defined Benefit Plan (Continued)

Contributions

The contribution requirements of the Borough and Plan members are established and may be amended by the Borough's governing body.

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

Net OPEB Liability

The Borough's total OPEB liability of \$166,122,445 was measured as of December 31, 2023, and was determined by an actuarial valuation as of that date.

Actuarial Assumptions

The total OPEB liability in the December 31, 2023, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.25%
Salary Increases	3.00%

Healthcare cost trend rates 5.0 percent.

Mortality rates were based on the PUB-2010 mortality table MP-2021 projection.

The actuarial assumptions used in the December 31, 2023 valuation were based on the results of an actuarial experience study for the period January 1, 2023–December 31, 2023.

NOTE 13: GASB 75: POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS
(CONTINUED)

Single Employer Plan Defined Benefit Plan (Continued)

Actuarial Assumptions (Continued)

Discount Rate

The discount rate under GASB 75 should be the single rate that reflects (a) the long-term expected rate of return on plan investments that are expected to be used to finance the benefit payments, to the extent that the plan's fiduciary net position is projected to be sufficient to make projected benefit payments and the assets are expected to be invested using a strategy to achieve that return and (b) a yield or index rate for 20-year, tax exempt general obligations municipal bonds with an average rating of AA/AAa or higher (or an equivalent quality on another scale) to the extent that the conditions in (a) are not met. The discount rates used for determining the Total OPEB liabilities at January 1, 2023 and December 31, 2023, based on the "The S&P Municipal Bond 20-year High Grade Index", are 2.05% and 3.26%, respectively.

Changes in the Total OPEB Liability

	<u>Net OPEB Liability</u>
Balance at 12/31/22	\$205,867,290
Changes for the year:	
Service cost	8,306,895
Interest	4,345,675
Actuarial demograhic loss	(9,068,485)
Changes in assumptions or other inputs	(38,948,897)
Benefit payments	(4,380,033)
Net change in OPEB Liability	<u>(39,744,845)</u>
Balance at 12/31/23	<u>\$166,122,445</u>

NOTE 13: GASB 75: POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS
(CONTINUED)

Single Employer Plan Defined Benefit Plan (Continued)

Sensitivity of the Total OPEB liability to changes in the discount rate and healthcare cost trend rates

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 a discount rate that is 1-percentage point lower or 1-percentage point higher than the current discount rate:

	December 31, 2023		
	<u>1.00% Decrease (2.26%)</u>	<u>At Discount Rate (3.26)</u>	<u>1.00% Increase (4.26%)</u>
Borough's proportionate share of the Net OPEB Liability	\$198,252,533	\$166,122,445	\$140,868,559

Sensitivity of the Total OPEB liability to changes in the healthcare cost trend rates

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		
	<u>1.00% Decrease</u>	<u>Healthcare Cost Trend Rate</u>	<u>1.00% Increase</u>
Borough's proportionate share of the Net OPEB Liability	\$136,753,948	\$166,122,445	\$205,102,213

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended December 31, 2023 the actuarially determined OPEB benefit reflected in the Plan report was \$4,380,033. The OPEB expense recognized in the Borough's financial statements based on actual billing was \$5,159,643.

NOTE 13: GASB 75: POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS
(CONTINUED)

Single Employer Plan Defined Benefit Plan (Continued)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

At December 31, 2023, the Plan reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Differences between expected and actual experience	\$287,335	\$14,257,306
Changes of assumptions	<u>10,196,909</u>	<u>34,080,285</u>
	<u>\$10,484,244</u>	<u>\$48,337,591</u>

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

<u>Year Ended December 31,</u>	<u>Amount</u>
2024	(\$3,008,778)
2025	(6,183,130)
2026	(5,327,462)
2027	(5,327,460)
2028	(6,002,173)
Total Thereafter	<u>(12,004,344)</u>
	<u>(\$37,853,347)</u>

NOTE 13: GASB 75: POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS
(CONTINUED)

Cost-sharing multiple-employer defined benefit other postemployment benefit (OPEB) plan with a special funding situation

Plan Description and Benefits Provided

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

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

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

Special Funding Situation

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

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

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

NOTE 13: GASB 75: POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS
(CONTINUED)

Cost-sharing multiple-employer defined benefit other postemployment benefit (OPEB) plan with a special funding situation (Continued)

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

At June 30, 2022 and 2021, the State's proportionate share of the Net OPEB Liability attributable to the Borough for the special funding situation is \$18,674,981.00 and \$20,912,033.00, respectively.

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

Borough's Proportionate Share of the Net OPEB Liability	\$-0-
State of New Jersey's Proportionate Share of Net OPEB Liability Associated with the Borough	<u>18,674,981</u>
	<u>\$18,674,981</u>

OPEB Plan Fiduciary Net Position

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

NOTE 14: DEFERRED SCHOOL TAXES

School taxes raised in the calendar year for the school fiscal year (July 1 to June 30) which remain unpaid at December 31 may be deferred to current fund balance in an amount not exceeding fifty percent (50%) of the levy providing the school district has not requisitioned the funds. The balance of unpaid local school taxes levied, amount deferred and the amount reported as a liability (payable) at December 31, 2023, are as follows:

Total Balance of Local Tax	\$39,312,751.00
Deferred Taxes	<u>10,642,000.00</u>
Local Tax Payable	<u>\$28,670,751.00</u>

NOTE 15: INTERFUND RECEIVABLES AND PAYABLES

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

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

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
Current Fund	\$74,243.19	
Animal Control Fund		71,923.77
Trust Other Fund		<u>2,319.42</u>
	<u>\$74,243.19</u>	<u>\$74,243.19</u>

NOTE 16: LENGTH OF SERVICE AWARDS PROGRAM

The Borough of Sayreville adopted an ordinance establishing a Length of Service Awards Program for the members of the Sayreville Fire Department pursuant to N.J.S.A. 40A:14-183 *et seq.*

All assets of the plan are held by an independent administrator, the Lincoln Financial Advisers.

Under this program, each volunteer that performs the minimum amount of service will have an annual amount of \$1,020.47 deposited into a tax deferred income account that will earn interest for the volunteer. The cost amounted to \$80,617.13 in 2023.

The accompanying financial statements do not include the Borough's Length of Service Awards Program's activities. The Borough's Length of Service Awards Program's financial statements are contained in a separate review report, as required by state regulations.

NOTE 17: FIXED ASSETS

The Borough's governmental fixed assets are reported as follows:

	Balance December 31, <u>2022</u>	<u>Additions</u>	<u>Deletions</u>	Balance December 31, <u>2023</u>
Land	\$ 61,133,347.05	\$	\$	\$ 61,133,347.05
Building and Improvements	40,284,775.18	2,209,547.00		42,494,322.18
Machinery and Equipment	<u>40,608,364.37</u>	<u>3,459,535.55</u>	<u>747,911.00</u>	<u>43,319,988.92</u>
	<u>\$ 142,026,486.60</u>	<u>\$ 5,669,082.55</u>	<u>\$ 747,911.00</u>	<u>\$ 146,947,658.15</u>

NOTE 18: LONG TERM TAX EXEMPTIONS

The Borough provides for long-term tax exemptions, as authorized and permitted by New Jersey State Statutes, N.J.S.A. 40A:20-1 et seq. sets forth the criteria and mechanism by which property taxes can and are abated. The exemption provided by the Borough are predominately for affordable housing projects. Taxes are abated include municipal, local, school and county taxes. The Borough is required to remit five percent (5.00%) to the County for any payments received in lieu of taxes (PILOT payments). The Borough PILOT billings in 2023 were \$1,515,387.24 and taxes in 2023 that otherwise would have been due on these long-term tax exemptions amount to \$4,864,332.37, based upon the assessed valuations of the long-term tax exemption properties.

NOTE 19. DEFERRED CHARGES TO BE RAISED IN SUCCEEDING YEARS BUDGET

As noted in Note 1, certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2022, the Animal Control Trust Fund reflected a deferred charge resulting from a deficit in operations during 2022 in the amount of \$50,675.80. Of this amount, \$32,991.00 was raised in the 2023 budget. The remaining balance of \$17,684.80 at December 31, 2023 will be raised in the 2025 budget.

NOTE 20: SUBSEQUENT EVENTS

The Borough has evaluated subsequent events occurring after the financial statement date through August 13, 2024 which is the date the financial statements were available to be issued. Based upon this evaluation, the Borough has determined that the following subsequent event needed to be disclosed: The Borough has adopted the following ordinances which include bonds and notes authorized but not issued.

<u>Date</u>	<u>Ordinance</u>	<u>Description</u>	<u>Amount</u>	<u>Bonds and Notes</u>
03/11/24	05-24	Duhernal Well Rehabilitation	\$ 850,000.00	\$ -

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BOROUGH OF SAYREVILLE
SUPPLEMENTARY SCHEDULES - ALL FUNDS
YEAR ENDED DECEMBER 31, 2023

BOROUGH OF SAYREVILLE
MIDDLESEX COUNTY, NEW JERSEY

CURRENT AND GRANT FUND
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS-COLLECTOR AND TREASURER
FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>REF.</u>	<u>Regular Fund</u>	<u>Federal and State Grant Fund</u>
Balance, December 31, 2022	A	\$ 47,876,129.49	\$ 5,559,370.61
Increased by Receipts:			
Miscellaneous Revenue Not Anticipated	A-2	621,348.16	
Due to County-PILOT	A-5	13,013.20	
Change Fund	A-6	360.00	
Taxes Receivable	A-7	137,941,393.88	
Revenue Accounts Receivable	A-11	26,581,261.32	
Grants Receivable	A-12		518,211.90
State of New Jersey (Ch. 128, P.L. 1976)	A-14	206,909.57	
Due to State of New Jersey	A-15	81,512.00	
Tax Overpayments	A-16	67,860.55	
Prepaid Revenue	A-17	24,080.00	
Accounts Payable - Library State Aid	A-18	5,657.54	
Reserve for Various Deposits	A-19	991,331.11	
Prepaid Taxes	A-22	902,067.20	
Local Match	A-23		6,045.75
Federal and State Grants - Unappropriated	A-24		9,985.46
		<u>215,312,924.02</u>	<u>6,093,613.72</u>
Decreased by Disbursements:			
Refund of Prior Year Revenue	A-1	21,302.88	
2023 Appropriations	A-3	59,863,313.14	
Due to County-PILOT	A-5	13,013.20	
Change Fund	A-6	360.00	
Interfund Settlements	A-10	475,331.75	
2022 Appropriation Reserves	A-13	1,818,680.70	
Due to State of New Jersey	A-15	189,640.00	
Accounts Payable	A-18	15,059.55	
Reserve for Various Deposits	A-19	10,734.20	
County Taxes	A-20	22,262,701.17	
Local District School Taxes	A-21	74,596,452.00	
Reserve for Grants	A-23		4,135,880.76
		<u>159,266,588.59</u>	<u>4,135,880.76</u>
Balance, December 31, 2023	A	<u>\$ 56,046,335.43</u>	<u>\$ 1,957,732.96</u>

BOROUGH OF SAYREVILLE
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND
SCHEDULE OF COUNTY PILOT PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>REF.</u>	
Balance - December 31, 2022	A	\$ -
Increased by:		
Pilot Assessments Received - 5% County Portion	A-4	<u>13,013.20</u>
Decreased by:		
Cash Disbursements	A-4	<u>13,013.20</u>
Balance - December 31, 2023	A	<u>\$ -</u>

CURRENT FUND
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS-CHANGE FUND
FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>REF.</u>	
Balance, December 31, 2022	A	\$ 360.00
Increased by:		
Cash Receipts	A-4	<u>360.00</u>
		\$ 720.00
Decreased by:		
Cash Disbursements	A-4	<u>360.00</u>
Balance, December 31, 2023	A	<u><u>\$ 360.00</u></u>

BOROUGH OF SAYREVILLE
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND
SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY
FOR THE YEAR ENDED DECEMBER 31, 2023

Year	Balance, December 31, 2022	2023 Levy	Added Taxes	2022 Collections by Collector	St. Share Sr. Citizen Deductions	Transfer from Tax Overpayments	Remitted, Abated or Cancelled	Transferred to Tax Title Liens	Balance, December 31, 2023
2022	\$ 1,156,021.63			\$ 1,151,785.19			\$ 43.15	\$	4,193.29
2023	\$ 1,156,021.63	\$ 139,566,445.18	36,555.60	\$ 951,985.69	\$ 210,021.91	\$ 49,913.28	\$ 11,977.94	\$ 92,174.21	\$ 1,497,319.06
	A	Below	Reserve	A-22, Below	A-14, Below	A-16, Below	Reserve	A-6	A
REF.									
Collected in 2023				\$ 136,789,608.69					
Collected in 2022				951,985.69					
Senior citizens and veterans deductions (net)				210,021.91					
Overpayments applied				49,913.28					
				\$ 138,001,529.57					
Analysis of 2023 property tax levy:									
Tax yield:									
General purpose tax			\$ 139,264,121.29						
Added Taxes (54-4-63.1 et seq.)			282,323.89						
				\$ 139,566,445.18					
Tax levy:									
Local District School Tax			\$ 78,625,503.00	78,625,503.00					
County Tax:									
County Tax (Abstract)			\$ 22,240,888.79						
Due City For Added & Omitted Taxes			45,137.16						
Total County Tax				22,286,025.95					
Local Tax for Municipal Purposes			\$ 35,860,790.99						
Local Tax for Library Purposes			1,972,716.89						
Municipal Open Space			469,286.00						
Additional Taxes Levied			252,122.35						
Total Local Tax for Mun. Purposes				38,554,916.23					
				\$ 139,566,445.18					

"A-8"

BOROUGH OF SAYREVILLE
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND
SCHEDULE OF TAX TITLE LIENS
FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>REF.</u>		
Balance - December 31, 2022	A		\$ 736,931.99
Increased by:			
Transfers from Taxes Receivable	A-7	\$ 92,174.21	
Adjustments - Interest and Costs at Tax Sale	Reserved	<u>10,455.99</u>	
			<u>102,630.20</u>
Balance - December 31, 2023	A		<u>\$ 839,562.19</u>

"A-9"

CURRENT FUND
SCHEDULE OF PROPERTY ACQUIRED FOR TAXES
AT ASSESSED VALUATION
FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>REF.</u>		
Balance - December 31, 2022 and 2023	A		<u>\$ 698,460.00</u>

**BOROUGH OF SAYREVILLE
MIDDLESEX COUNTY, NEW JERSEY**

**CURRENT FUND
SCHEDULE OF INTERFUNDS RECEIVABLE / (PAYABLE)
FOR THE YEAR ENDED DECEMBER 31, 2023**

	<u>Balance</u> <u>Dec. 31, 2022</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>Dec. 31, 2023</u>
Federal and State Grant Fund		\$ 469,311.80	\$ 469,311.80	
Animal Control Trust Fund	\$ 71,923.77			\$ 71,923.77
General Trust Fund	2,319.42			2,319.42
Open Space Trust Fund		469,286.00	469,286.00	
	<u>\$ 74,243.19</u>	<u>\$ 938,597.80</u>	<u>\$ 938,597.80</u>	<u>\$ 74,243.19</u>
<u>REF.</u>	A	Below	Below	A
	<u>REF.</u>			
Federal and State Grants	A-2		\$ 463,266.05	
Budget Appropriations-reserve for grants	A-3	\$ 469,311.80		
Cash Disbursements	A-4		475,331.75	
Open Space Taxes	A-7	469,286.00		
	Above	<u>\$ 938,597.80</u>	<u>\$ 938,597.80</u>	

BOROUGH OF SAYREVILLE
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND
SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2023

	REF.	Balance Dec 31, 2022	Accrued 2023	Collected	Balance Dec 31, 2023
Licenses:					
Alcoholic beverages	A-2		\$ 86,960.00	\$ 86,960.00	
Other	A-2		51,573.00	51,573.00	
Fees and Permits	A-2		973,340.66	973,340.66	
Fines and Costs:	A-2				
Municipal Court	A-2	\$ 10,945.01	198,236.59	198,222.02	\$ 10,959.58
Interest and Costs on Taxes	A-2		301,642.94	301,642.94	
Interest on Investments and Deposits	A-2		952,838.31	952,838.31	
Sewer User Fees	A-2		6,287,560.97	6,287,560.97	
Parking Permits	A-2		46,913.44	46,913.44	
Uniform Fire Safety Act	A-2		329,202.91	329,202.91	
Hotel/Motel Occupancy Tax	A-2		98,852.16	98,852.16	
CATV Franchise Fees	A-2		176,152.55	176,152.55	
Rental Agreements	A-2		121,780.46	121,780.46	
Energy Receipts Taxes (P.L. 1997)	A-2		9,328,831.51	9,328,831.51	
Garden State Trust Payment in Lieu	A-2		7,445.00	7,445.00	
Uniform Construction Code Fees	A-2		632,548.00	632,548.00	
Host Community Benefit:					
MCUA - Solid Waste Facilities	A-2		644,378.36	644,378.36	
MCUA - Solid Waste Facilities	A-2		1,723,680.00	1,723,680.00	
Payment in Lieu of Taxes:					
Gillette Manor at Sayreville	A-2		31,682.97	31,682.97	
AES Red Oak	A-2		686,553.28	686,553.28	
Neptune	A-2		367,105.12	367,105.12	
Morgan's Bluff	A-2		247,251.00	247,251.00	
The Palace @ Sayreville	A-2		83,664.28	83,664.28	
General Capital Surplus	A-2		80,000.00	80,000.00	
Hackensack Meridian EMS Services	A-2		114,000.00	114,000.00	
Reserve for Debt Service	A-2		268,000.00	268,000.00	
ARPA Funds	A-2		1,750,000.00	1,750,000.00	
Police Off Duty - Administration Charges	A-2		350,000.00	350,000.00	
Police Off Duty - Sayreville Public Schools	A-2		300,000.00	300,000.00	
MCUA Refund	A-2		341,082.38	341,082.38	
		<u>\$ 10,945.01</u>	<u>\$ 26,581,275.89</u>	<u>\$ 26,581,261.32</u>	<u>\$ 10,959.58</u>
	<u>REF.</u>	<u>A</u>	<u>Reserve</u>	<u>A-2, A-4</u>	<u>A</u>

BOROUGH OF SAYREVILLE
MIDDLESEX COUNTY, NEW JERSEY

GRANT FUND
SCHEDULE OF STATE AND FEDERAL GRANTS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2023

Program	Balance Dec 31, 2022	2023 Budget Revenue	2023 Received	Transferred from Unappropriated Grants	Balance Dec 31, 2023
Municipal Alliance on Alcoholism and Drug Abuse	\$ 24,641.76	\$ 16,183.00	\$ 15,607.96		\$ 25,216.80
American Rescue Plan - Library	9,740.34				9,740.34
ANJEC Open Space Stewardship 2021	1,500.00				1,500.00
Body Armor Grant		5,710.57		5,710.57	
Body Worn Cameras	85,596.00				85,596.00
Clean Communities Program		91,535.25	91,535.25		
Click It or Ticket	1,785.00				1,785.00
Community Policing Dev Program 2022	175,000.00		70,246.88		104,753.12
Cops Hiring Program/Grant	857,051.19		156,218.50		700,832.69
DMHAS Grant	5,000.00	10,000.00	4,998.44		10,001.56
Distracted Driving Crackdown	770.00				770.00
Drive Sober or Get Pulled Over	7,200.00	8,750.00			15,950.00
Emergency Management Assistance Grant	7,000.00				7,000.00
Jerry Ust Recreational Complex DCA Grant	250,000.00				250,000.00
Justice Assistance Grant	5.00				5.00
Lead Grant Assistance Program		21,400.00	21,400.00		
Local Recreation Improvement Grant		76,000.00			76,000.00
Middlesex County 2020 Census Grant	3,015.47				3,015.47
Middlesex County Library Arts & History Grant	437.00				437.00
NJDOT Safe Corridors	84,094.94				84,094.94
NJDOT Safe Drivers	33,327.34				33,327.34
Occupant Restraint Program	400.00				400.00
Opioid Settlement		76,484.20	46,131.84	30,352.36	
Pedestrian Safety Grant - 2021	11,176.00				11,176.00
Quality of Life Grant	2,600.00				2,600.00
Recycling Tonnage		58,303.03	58,303.03		
Safe and Secure Community Program		77,400.00	32,400.00	23,370.00	21,630.00
Safe Housing Grant	4,500.00	6,500.00	6,370.00		4,630.00
Stormwater Assistance Grant		15,000.00	15,000.00		
Sustainable New Jersey	5,000.00				5,000.00
U.S. Bullet Proof Vest Grant	36,041.40				36,041.40
	<u>\$ 1,605,881.44</u>	<u>\$ 463,266.05</u>	<u>\$ 518,211.90</u>	<u>\$ 59,432.93</u>	<u>\$ 1,491,502.66</u>
REF.	A	A-2	A-4	A-24	A

BOROUGH OF SAYREVILLE
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND
SCHEDULE OF 2022 APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2023

	Balance Dec 31, 2022	Reserved for		Balance After Modification	Paid or Charged	Balance Lapsed
		Encumbrances Dec 31, 2022	Encumbrances Dec 31, 2022			
OPERATIONS WITHIN "CAPS"						
Administrative and Executive						
Salaries and Wages	100.44		\$ 100.44	\$	100.44	
Other Expenses	3,812.11	\$ 7,641.46	11,453.57	\$	3,548.57	7,905.00
Human Resources (Personnel)						
Other Expenses	18,199.93	16,807.14	35,007.07		19,257.09	15,749.98
Mayor and Council						
Salaries and Wages	99.45		99.45			99.45
Other Expenses	727.34	490.00	1,217.34		535.24	682.10
Municipal Clerk						
Salaries and Wages	9,361.73		9,361.73			9,361.73
Other Expenses	6,386.37	1,606.96	7,993.33		4,399.51	3,593.82
Central Mailing and Postage						
Other Expenses	13,587.14		13,587.14			13,587.14
Election						
Salaries and Wages	9,521.58		9,521.58			9,521.58
Other Expenses	176.28		176.28			176.28
Financial Administration						
Salaries and Wages	1,028.08		1,028.08			1,028.08
Other Expenses	38,038.45	480.79	38,519.24		13,090.92	25,428.32
Annual Audit						
Other Expenses	27,765.00		27,765.00			27,765.00
Computer Data Processing						
Salaries and Wages	23,750.02		23,750.02			23,750.02
Other Expenses	34,923.05	26,197.81	61,120.86		31,339.00	29,781.86
Americans with Disabilities Committee						
Other Expenses	1,000.00		1,000.00			1,000.00
Rent Leveling Board						
Salaries and Wages	2,500.00		2,500.00			2,500.00
Other Expenses	4,148.50	170.00	4,318.50		214.46	4,104.04
Collection of Taxes						
Salaries and Wages	16,504.17		16,504.17			16,504.17
Other Expenses	996.34	1,778.05	2,774.39		1,778.05	996.34
Assessment of Taxes						
Salaries and Wages	3,464.98		3,464.98			3,464.98
Other Expenses	5,081.09	617.96	5,699.05		555.94	5,143.11
Other Expenses - Tax Map Maintenance	30,000.00					

BOROUGH OF SAYREVILLE
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND
SCHEDULE OF 2022 APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2023

	Balance Dec 31, 2022	Reserved for		Balance After Modification	Paid or Charged	Balance Lapsed
		Encumbrances Dec 31, 2022				
OPERATIONS WITHIN "CAPS"						
Cost of Appraisals	\$ 58,300.00		\$ 33,300.00	\$ 33,300.00		\$ 33,300.00
Other Expenses						
Legal Services						
Other Expenses	3,677.67	\$ 51,274.47	74,952.14	\$ 62,695.95		12,256.19
Engineering Services and Cost						
Salaries and Wages	0.04		0.04	0.04		0.04
Other Expenses	35,307.75	1,051.00	36,358.75	4,764.50		31,594.25
Public Building and Grounds						
Salaries and Wages	45,431.86		35,431.86	35,431.86		35,431.86
Other Expenses	36,000.96	66,306.49	102,307.45	57,393.53		44,913.92
Municipal Court						
Salaries and Wages	49,474.21		49,474.21	49,474.21		49,474.21
Other Expenses	50,170.82	7,921.19	58,092.01	6,894.67		51,197.34
Land Use Administration						
Salaries and Wages	2,780.08		2,780.08	2,780.08		2,780.08
Other Expenses	33,534.01	1,055.88	34,589.89	1,770.20		32,819.69
Master Planning Program - Completion & Continuance						
Other Expenses		68,000.00	68,000.00	68,000.00		
Board of Adjustment						
Salaries and Wages	6,405.00		6,405.00	6,405.00		6,405.00
Other Expenses	4,569.19	617.74	5,186.93	3,339.24		1,847.69
Commuter Parking						
Other Expenses	3,511.00		3,511.00	3,511.00		3,511.00
Code Enforcement and Zoning						
Salaries and Wages	16,654.66		16,654.66	16,654.66		16,654.66
Other Expenses	869.79	107.71	977.50	91.31		886.19
Environmental Commission (N.J.S.A. 40:56A-1 et. Seq.):						
Other Expenses	190.28	1,310.64	1,500.92	1,287.88		213.04
Recycling Commission						
Other Expenses	600.00		600.00	600.00		600.00
Shade Tree Commission						
Other Expenses	368.30	3,060.70	3,429.00	2,964.18		464.82
Cable Access Channel						
Other Expenses	2,483.53	201.85	2,685.38	403.69		2,281.69
Human Relations Commission						
Other Expenses	3,979.09		3,979.09	3,979.09		3,979.09

BOROUGH OF SAYREVILLE
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND
SCHEDULE OF 2022 APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2023

	Balance Dec 31, 2022	Reserved for Encumbrances Dec 31, 2022	Balance After Modification	Paid or Charged	Balance Lapsed
OPERATIONS WITHIN "CAPS"					
Insurance (N.J.S.A. 40A:4-45.3(00))	\$ 1,537,224.61	\$ 2,097.20	\$ 1,504,321.81	\$ 8,501.15	\$ 1,495,820.66
Group Insurance Plan for Employees	27,067.48		27,067.48	5,625.47	21,442.01
Health Insurance Waivers	170.53	1,143.71	76,314.24	72,484.20	3,830.04
Other Insurance Premiums					
Fire:					
Miscellaneous Other Expenses	6,787.64	26,435.99	33,223.63	24,403.87	8,819.76
Uniform Fire Safety Code					
Salaries and Wages	14,728.17		14,728.17		14,728.17
Other Expenses	2,061.88		2,061.88		2,061.88
Prosecutor					
Salaries and Wages	1,999.96		1,999.96		1,999.96
Police					
Salaries and Wages	237,326.98		207,326.98	166,507.61	40,819.37
Other Expenses	1,269.67	70,335.47	71,605.14	63,296.61	8,308.53
Purchase of Police Vehicles	2,637.00	16,171.44	18,808.44	16,171.44	2,637.00
Police Dispatch					
Salaries and Wages	60,903.92		35,903.92		35,903.92
Other Expenses	2,800.00		2,800.00		2,800.00
School Traffic Guards					
Salaries and Wages	59,632.12		39,632.12		39,632.12
Other Expenses	5,000.00		5,000.00		5,000.00
Traffic Control Costs					
Other Expenses	13,290.73	14,000.00	27,290.73	15,441.34	11,849.39
First Aid Organization - Contributions (N.J.S.A. 40:5-2)	186.38		20,186.38	16,118.05	4,068.33
Emergency Management Services					
Salaries and Wages	668.04		668.04		668.04
Other Expenses	7,450.04	3,576.36	11,026.40	3,554.64	7,471.76
Road Repair and Maintenance					
Salaries and Wages	78,870.92		63,870.92		63,870.92
Other Expenses	31,853.52	14,585.29	46,438.81	12,130.52	34,308.29
Snow Removal:					
Salaries and Wages	90,607.60		90,607.60		90,607.60
Other Expenses	182,913.36	3,211.86	186,125.22	178,502.54	7,622.68
Vehicle and Equipment Maintenance:					
Salaries and Wages	78,036.78		63,036.78		63,036.78
Other Expenses	75,594.78	47,484.87	123,079.65	50,464.23	72,615.42

BOROUGH OF SAYREVILLE
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND
SCHEDULE OF 2022 APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2023

	Balance Dec 31, 2022	Reserved for Encumbrances Dec 31, 2022	Balance After Modification	Paid or Charged	Balance Lapsed
OPERATIONS WITHIN "CAPS"					
Sanitation					
Salaries and Wages	\$ 77,379.63	\$	\$ 62,379.63		\$ 62,379.63
Other Expenses	76,402.32	11,668.37	88,070.69	7,608.55	80,462.14
Disposal Area Contract	191,440.65		191,440.65	77,094.80	114,345.85
Recycling Program					
Salaries and Wages	2,898.17		2,898.17		2,898.17
Other Expenses	81,254.74	70,567.62	151,822.36	136,112.55	15,709.81
Sewerage Treatment and Disposal					
Salaries and Wages	9,792.01		9,792.01		9,792.01
Other Expenses	169,690.12	71,189.19	240,879.31	124,754.26	116,125.05
Health and Welfare					
Board of Health					
Salaries and Wages	20,018.94		20,018.94		20,018.94
Other Expenses	1,154.56	443.90	1,598.46	443.90	1,154.56
Parks and Playgrounds - Recreation					
Salaries and Wages	31,116.09		31,116.09		31,116.09
Other Expenses	4,696.47	2,443.00	7,139.47	4,418.57	2,720.90
Parks and Playgrounds - Development & Maintenance					
Salaries and Wages	79,752.06		64,752.06		64,752.06
Other Expenses	77,804.40	31,136.62	108,941.02	33,425.15	75,515.87
Special Commission					
Other Expenses	4,011.00		4,011.00		4,011.00
Celebration of Public Events					
Memorial Day Parade	2,015.00		2,015.00		2,015.00
Independence Day	3,000.00		3,000.00		3,000.00
Office on Aging					
Salaries and Wages	33,011.72		33,011.72		33,011.72
Other Expenses	178,748.51	2,891.75	181,640.26	10,534.94	171,105.32
Commission on Aging					
Other Expenses	1,384.05	200.00	1,584.05		1,584.05
Senior Citizen's Activities:					
Other Expenses	0.80	1,303.90	1,304.70	1,303.90	0.80
Youth Guidance Council					
Other Expenses	1,000.00		1,000.00		1,000.00

BOROUGH OF SAYREVILLE
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND
SCHEDULE OF 2022 APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2023

	Balance Dec 31, 2022	Reserved for Encumbrances Dec 31, 2022	Balance After Modification	Paid or Charged	Balance Lapsed
	\$ 6,020.00	\$ 6,020.00	\$ 6,020.00		\$ 6,020.00
OPERATIONS WITHIN "CAPS"					
Cultural Arts Council	51,245.13	570.90	51,816.03	49,772.43	2,043.60
Other Expenses and Bulk Purchases	9,414.24	12,599.22	32,013.46	31,384.59	628.87
Electricity	14,421.35	6,737.56	21,158.91	19,411.46	1,747.45
Telephone	11,960.11	55,164.22	117,124.33	117,124.33	
Natural Gas	180,199.64	59,732.93	239,932.57	58,458.85	181,473.72
Street Lighting					
Gasoline					
State Uniform Construction Code Official					
Construction Official:					
Salaries and Wages	11,564.16		11,564.16		11,564.16
Other Expenses	2,355.20	4,780.88	7,136.08	4,780.88	2,355.20
Condominium Reimbursement					
Other Expenses	323,902.75		323,902.75	294,148.44	29,754.31
Apartment Services					
Other Expenses	58,713.39	39,825.24	98,538.63	39,825.24	58,713.39
Contingent	35,488.60		35,488.60		35,488.60
Total Operations Within "CAPS"	4,876,418.21	826,995.33	5,643,413.54	1,928,128.44	3,715,285.10
DEFERRED CHARGES AND STATUTORY EXPENDITURES					
MUNICIPAL WITHIN "CAPS"					
Statutory Expenditures:					
Contribution to					
Social Security System (OASI)	113,376.11		113,376.11		113,376.11
Unemployment Compensation Insurance	1,000.00		1,000.00		1,000.00
DCRP Contribution	1,538.22	1,203.73	2,741.95	1,203.73	1,538.22
Total Deferred Charges and Statutory Expenditures					
Municipal Within "CAPS"	115,914.33	1,203.73	117,118.06	1,203.73	115,914.33
Total General Appropriations for Municipal Purposes Within "CAPS"	4,992,332.54	828,199.06	5,760,531.60	1,929,332.17	3,831,199.43

BOROUGH OF SAYREVILLE
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND
SCHEDULE OF 2022 APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2023

	Balance Dec 31, 2022	Reserved for Encumbrances Dec 31, 2022	Balance After Modification	Paid or Charged	Balance Lapsed
OTHER OPERATIONS EXCLUDED FROM "CAPS"					
Middlesex County Utilities Authority:					
Sewer Contract	\$ 127,560.50	\$	\$ 127,560.50	\$	\$ 127,560.50
Maintenance of Free Public Library	134,943.31	28,210.13	163,153.44	163,153.44	
Tax Appeals Pending			60,000.00	60,000.00	
Matching Fund for Federal and State Grants	25,954.25		25,954.25		25,954.25
NJPDES Storm Water Permit (N.J.S.A. 40A-40A-45.3(cc))					
Other Expenses	39,350.00		39,350.00		39,350.00
Recycling Tax	55,000.00		55,000.00		55,000.00
Total Operations Excluded from "CAPS"	382,808.06	28,210.13	471,018.19	223,153.44	247,864.75
CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"					
Borough Hall Improvements	58,838.86		58,838.86		58,838.86
Total Capital Improv. - Excl. from "CAPS"	58,838.86		58,838.86		58,838.86
	\$ 5,433,979.46	\$ 856,409.19	\$ 6,290,388.65	\$ 2,152,485.61	\$ 4,137,903.04
REF.	A	A		Below	A-1
			REF.		
		Transferred to Accounts Payable	A-18	\$ 139,680.32	
		Transferred to Reserve for Library	A-18	134,124.59	
		Transferred to Reserve for Tax Appeals	A-19	60,000.00	
		Cash Disbursements	A-4	1,818,680.70	
		Above		\$ 2,152,485.61	

BOROUGH OF SAYREVILLE
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND
SCHEDULE OF DUE TO THE STATE OF NEW JERSEY -
SENIOR CITIZENS AND VETERANS DEDUCTIONS
PER CHAPTER 20, P.L.1976
FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>REF.</u>	
Balance, December 31, 2022	A	\$ 27,787.78
Increased by:		
2023 Deductions Disallowed by Collector	Below	\$ 2,978.09
Cash Receipts	A-4	<u>206,909.57</u>
		<u>209,887.66</u>
		\$ 237,675.44
Decreased by:		
Deductions Allowed Per Tax Billings	Below	208,000.00
2023 Deductions Allowed by Collector	Below	<u>5,000.00</u>
		<u>213,000.00</u>
Balance - December 31, 2023	A	<u>\$ 24,675.44</u>
Analysis of Senior Citizens, Veterans and Disability Deductions Realized <u>as Revenues in FY 2023</u>		
Deductions Allowed Per Tax Billings	Above	\$ 208,000.00
Plus:		
2023 Deductions Allowed by Collector	Above	5,000.00
Less:		
2023 Deductions Disallowed by Collector	Above	<u>2,978.09</u>
Amount Realized as Revenue - 2023	A-7	<u>\$ 210,021.91</u>

BOROUGH OF SAYREVILLE
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND
SCHEDULE OF DUE TO THE STATE OF NEW JERSEY
FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>REF.</u>	<u>Total</u>	<u>DCA Surcharge</u>	<u>Death Certificate Fees</u>	<u>Marriage License Fees</u>
Balance - December 31, 2022	A	\$235,754.00	\$ 234,488.00	\$ 90.00	\$ 1,176.00
Increased by:					
Cash Receipts	A-4	<u>81,512.00</u>	<u>78,612.00</u>	<u>90.00</u>	<u>2,900.00</u>
		317,266.00	313,100.00	90.00	4,076.00
Decreased by:					
Cash Disbursements	A-4	<u>189,640.00</u>	<u>188,015.00</u>		<u>1,625.00</u>
Balance - December 31, 2023	A	<u>\$127,626.00</u>	<u>\$ 125,085.00</u>	<u>\$ 90.00</u>	<u>\$ 2,451.00</u>

CURRENT FUND
SCHEDULE OF TAX OVERPAYMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>REF.</u>	
Balance - December 31, 2022	A	\$ 49,913.28
Increased by:		
Cash Receipts	A-4	<u>67,860.55</u>
		117,773.83
Decreased by:		
Tax Overpayments Applied to Taxes	A-7	<u>49,913.28</u>
Balance - December 31, 2023	A	<u>\$ 67,860.55</u>

**BOROUGH OF SAYREVILLE
MIDDLESEX COUNTY, NEW JERSEY**

**CURRENT FUND
SCHEDULE OF PREPAID REVENUE - FEES AND LICENSES
FOR THE YEAR ENDED DECEMBER 31, 2023**

	<u>REF.</u>	
Balance - December 31, 2022	A	\$ 25,800.00
Increased by:		
Cash Receipts	A-4	<u>24,080.00</u>
		\$ 49,880.00
Decreased by:		
Utilized as Current Year Revenue	A-2	<u>25,800.00</u>
Balance - December 31, 2023	A	<u>\$ 24,080.00</u>

**CURRENT FUND
SCHEDULE OF ACCOUNTS PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2023**

	<u>REF.</u>	
Balance - December 31, 2022	A	\$ 631,853.18
Increased by:		
Cash Receipts - Prior Year Void Checks	A-4	\$ 5,657.54
Transfer from 2022 Appropriation Reserves	A-13	<u>273,804.91</u>
		<u>279,462.45</u>
		\$ 911,315.63
Decreased by:		
Cancelled Accounts Payable	A-1	70,353.12
Cash Disbursements	A-4	<u>15,059.55</u>
		<u>85,412.67</u>
Balance - December 31, 2023	A	<u>\$ 825,902.96</u>

BOROUGH OF SAYREVILLE
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND
SCHEDULE OF VARIOUS RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2023

	Balance Dec. 31, 2022	Increases	Decreases	Balance Dec. 31, 2023
Tax Appeals Pending	\$ 116,075.99	\$ 90,000.00		\$ 206,075.99
Maintenance of Free Public Library	127,079.20	24,961.00	\$ 10,734.20	141,306.00
Sewer Connection Fees	22.40		22.40	
Municipal Relief Fund Aid	483,287.42	966,370.11	483,287.00	966,370.53
	<u>\$ 726,465.01</u>	<u>\$ 1,081,331.11</u>	<u>\$ 494,043.60</u>	<u>\$ 1,313,752.52</u>
	<u>REF.</u>	A		A
Transfer from Budget Appropriations	A-3	\$ 30,000.00		
Cash Receipts	A-4	991,331.11		
Transfer from Appropriation Reserves	A-13	60,000.00		
		<u>\$ 1,081,331.11</u>		
Fund Balance	A-1		\$ 22.40	
2023 Budget Revenue	A-2		483,287.00	
Cash Disbursements	A-4		10,734.20	
			<u>\$ 494,043.60</u>	

BOROUGH OF SAYREVILLE
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND
SCHEDULE OF COUNTY TAXES PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>REF.</u>	
Balance - December 31, 2022	A	\$ 21,812.38
Increased by:		
2023 Levy:		
County Taxes		\$ 20,436,061.23
County Open Space Taxes		1,804,827.56
Added and Omitted Taxes		<u>45,137.16</u>
	A-1, A-7	<u>22,286,025.95</u>
		<u>22,307,838.33</u>
Decreased by:		
Cash Disbursements	A-4	<u>22,262,701.17</u>
Balance - December 31, 2023	A	<u><u>\$ 45,137.16</u></u>

CURRENT FUND
SCHEDULE OF LOCAL DISTRICT SCHOOL TAXES PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>REF.</u>	
Balance - December 31, 2022		\$ 35,283,700.00
School Taxes Payable	A	\$ 24,641,700.00
Deferred School Tax	A-21	<u>10,642,000.00</u>
Increased by:		
Levy - School Year July 1, 2023 - June 30, 2024	A-1,A-7	<u>78,625,503.00</u>
		<u>113,909,203.00</u>
Decreased by:		
Cash Disbursements	A-4	<u>74,596,452.00</u>
Balance - December 31, 2023		
School Taxes Payable	A	\$ 28,670,751.00
Deferred School Tax	A-21	<u>10,642,000.00</u>
		<u><u>\$ 39,312,751.00</u></u>

BOROUGH OF SAYREVILLE
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND
SCHEDULE OF PREPAID TAXES
FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>REF.</u>	
Balance - December 31, 2022	A	\$ 951,985.69
Increased by:		
Collection of 2024 Taxes	A-4	<u>902,067.20</u>
		\$ 1,854,052.89
Decreased by:		
Applied to 2023 Taxes Receivable	A-7	<u>951,985.69</u>
Balance - December 31, 2023	A	<u><u>\$ 902,067.20</u></u>

BOROUGH OF SAYREVILLE
MIDDLESEX COUNTY, NEW JERSEY

GRANT FUND
SCHEDULE OF RESERVE FOR STATE AND FEDERAL GRANTS-APPROPRIATED
FOR THE YEAR ENDED DECEMBER 31, 2023

Program	Balance Dec. 31, 2022		Transferred from 2023 Budget	Appropriation by 40A-4-87	Cash Disbursed	Balance Dec. 31, 2023	
	Encumbered	Reserved				Encumbered	Reserved
Alcohol Education and Rehabilitation		1,158.86					1,158.86
American Rescue Plan 2021		9,049.44					9,049.44
ANJEC Open Space 2021	\$ 139.96	242.08					382.04
Body Armor Grant		10,555.73	\$ 5,710.57		\$ (2,261.60)	\$ 54,464.89	18,527.90
Body Worn Cameras	25,313.00	29,151.89					4,400.00
Click it or Ticket		4,400.00					1,070.98
CERT Equipment Grant		1,070.98					130,026.76
Clean Communities Grant	2,565.00	139,625.96		\$ 91,535.25	72,791.96	30,907.49	4,400.00
Community Policing Dev Program 2022		175,000.00			136,077.04	38,922.96	130,026.76
Cops Hiring Program/Grant		641,240.50			85,011.24		556,229.26
Coronavirus State & Fiscal Recovery Grant		4,377,913.00			3,577,659.37	300,102.25	500,151.38
Distacted Driving		770.00					770.00
DMHAS Grant		5,000.00			4,998.44		156
DMHAS Grant - 2023			5,000.00				5,000.00
DMHAS Grant - 2024				5,000.00			5,000.00
Drive Sober or Get Pulled Over		9,095.00			10,561.25		5,000.00
Drunk Driving Enforcement Fund		23,607.55					7,283.75
Emergency Management Assistance Grant		14,000.00					23,607.55
Enhanced 911 Grant - Equipment and General Assistance		1,191.43					14,000.00
Jerry Ust Recreational Complex DCA Grant		1,388,501.00			65,382.00		1,191.43
Lead Grant Assistance Program				21,400.00			1,323,119.00
Local Recreation Improvement Grant				76,000.00	28,896.00	47,104.00	21,400.00
Middlesex County 2020 Census Grant		6,194.21					6,194.21
Middlesex County Library Arts & History Grant		2,012.50					2,012.50
Middlesex County Recycling Grant		4,183.00					4,183.00
Municipal Alliance Grant		9,556.14					9,556.14
Municipal Alliance Grant		11,113.75			11,113.75		9,556.14
Municipal Alliance Grant		7,800.00	20,228.75		3,063.84		17,164.91
N.J. Comm Forestry Management Grant		400.00					7,800.00
Occupant Protection Grant				24,508.24			400.00
Opioid Settlement Grant		93.75					93.75
Pedestrian Safety Grant - 2021		2,600.00					2,600.00
Quality of Life Grant		1,331.70					2,600.00
Recreational Trails Program	8,630.00	86,760.92			55,118.11		2,600.00
Recycling Tonnage Grant					1,624.36		10,161.70
Robin Hood Grant	1,624.36				77,400.00		89,945.84
Safe and Secure Community Program				45,930.00			
Safe Drivers Grant - DOT Safe Corridors		102,343.41					102,343.41
Safe Housing Program		85.00					140.00
Stormwater Assistance Grant		250.00			8,445.00		15,000.00
Various Library Grants		1,049.00					250.00
Water Treatment Grant							1,049.00
	\$ 38,472.32	\$ 7,067,346.80	\$ 172,688.31	\$ 296,623.49	\$ 4,135,880.76	\$ 471,501.59	\$ 2,967,748.57
	A	A	Below	Below	A-4	A	A

REF.

Grants appropriated A-10
Local Match A-4

Above, A-3

\$ 463,266.05
6,045.75
\$ 469,311.80

BOROUGH OF SAYREVILLE
MIDDLESEX COUNTY, NEW JERSEY

GRANT FUND
SCHEDULE OF RESERVE FOR STATE AND FEDERAL GRANTS-UNAPPROPRIATED
FOR THE YEAR ENDED DECEMBER 31, 2023

Program	Balance	Cash	Transferred	Balance
	Dec. 31, 2022	Received	To 2023 Budget Appropriations	Dec. 31, 2023
Safe and Secure Grant	\$ 23,370.00		\$ 23,370.00	
Opioid Settlement	30,352.36	\$ 3,662.54	30,352.36	\$ 3,662.54
Body Armor Grant	5,710.57	6,322.92	5,710.57	6,322.92
	\$ 59,432.93	\$ 9,985.46	\$ 59,432.93	\$ 9,985.46
<u>REF.</u>	<u>A</u>	<u>A-4</u>	<u>A-12</u>	<u>A</u>

BOROUGH OF SAYREVILLE
MIDDLESEX COUNTY, NEW JERSEY

TRUST FUNDS
SCHEDULE OF TRUST CASH RECEIPTS AND DISBURSEMENTS-TREASURER
FOR THE YEAR ENDED DECEMBER 31, 2023

	ANIMAL CONTROL FUND	GENERAL TRUST FUND	CDBG TRUST FUND	OPEN SPACE TRUST FUND	UNEMPLOYMENT COMPENSATION INSURANCE FUND
REF.					
Balance - December 31, 2022	\$ 21,318.77	\$ 9,351,078.96	\$ 48,799.97	\$ 8,281,780.49	\$ 360,096.03
Increased by Receipts:					
Community Development Block Grant			263,245.44		
Budget Appropriations	32,991.00				
Dog License Fees	26,134.00				
Cat License Fees	2,001.00				
Other Reserves		3,230,958.16		588,071.47	33,702.88
Employee Contributions					
State of New Jersey Animal Control Fees	2,581.20				
Payroll Deductions	63,707.20	12,195,720.61	263,245.44	588,071.47	33,702.88
		15,426,678.77			
Decreased by Disbursements:					
Community Development Block Grant Expenditures	13,666.66		176,366.21		
Other Reserves		4,018,510.79			26,433.59
Unemployment Compensation Trust					
Due to State of New Jersey	2,640.00	12,038,880.36			
Payroll Deductions	16,306.66	16,057,391.15	176,366.21	-	26,433.59
Balance - December 31, 2023	\$ 68,719.31	\$ 8,720,366.58	\$ 135,679.20	\$ 8,869,851.96	\$ 367,365.32

"B-2"

BOROUGH OF SAYREVILLE
MIDDLESEX COUNTY, NEW JERSEY

TRUST FUNDS
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS - INVESTMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>REF.</u>	<u>Open Space Trust Fund</u>
Balance - December 31, 2022	B	\$ 3,000,000.00
Decreased by Investments matured	B-8	<u>\$ 3,000,000.00</u>

"B-3"

TRUST FUND - GENERAL TRUST FUND
SCHEDULE OF DUE FROM FEDERAL GOVERNMENT -
COMMUNITY DEVELOPMENT BLOCK GRANT
FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>REF.</u>	
Balance - December 31, 2022	B	\$ 529,934.20
Increased by:		
2023 Grant Award	B-6	<u>233,280.00</u>
		\$ 763,214.20
Decreased by:		
Cash Receipts	B-1	<u>263,245.44</u>
Balance - December 31, 2023	B	<u>\$ 499,968.76</u>

"B-4"

BOROUGH OF SAYREVILLE
MIDDLESEX COUNTY, NEW JERSEY

TRUST FUND-ANIMAL CONTROL
SCHEDULE OF DEFERRED CHARGES -
DEFICIT IN ANIMAL CONTROL FUND RESERVE
FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>REF.</u>	
Balance - December 31, 2022	B	\$ 50,675.80
Decreased by:		
Raised by Budget Appropriation - Current Fund	B-1	<u>32,991.00</u>
Balance - December 31, 2023	B	<u>\$ 17,684.80</u>

"B-5"

TRUST FUNDS
SCHEDULE OF INTERFUNDS PAYABLE (RECEIVABLE)
FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>REF.</u>	<u>Total</u>	<u>Animal Control Trust</u>	<u>General Trust</u>
Balance - December 31, 2022	B	\$ 74,243.19	\$ 71,923.77	\$ 2,319.42
Balance - December 31, 2023	B	<u>\$ 74,243.19</u>	<u>\$ 71,923.77</u>	<u>\$ 2,319.42</u>

"B-6"

BOROUGH OF SAYREVILLE
MIDDLESEX COUNTY, NEW JERSEY

TRUST FUND - GENERAL TRUST FUND
SCHEDULE OF RESERVE FOR COMMUNITY DEVELOPMENT BLOCK GRANT EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>REF.</u>	
Balance - December 31, 2022	B	\$ 578,734.17
Increased by:		
2023 Grant Award	B-3	233,280.00
		<u>\$ 812,014.17</u>
Decreased by:		
Program Expenditures:		
Disbursements	B-1	176,366.21
		<u>176,366.21</u>
Balance - December 31, 2023	B	<u>\$ 635,647.96</u>

"B-7"

TRUST FUND-ANIMAL CONTROL
SCHEDULE OF RESERVE FOR ANIMAL CONTROL EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>REF.</u>	
Increased by:		
Dog License Fees	B-1	\$ 26,134.00
Cat License Fees	B-1	2,001.00
		<u>28,135.00</u>
		<u>\$ 28,135.00</u>
Decreased by:		
Expenditures Under R.S. 4:19-15.11		
Cash Disbursed	B-1	13,666.66
		<u>13,666.66</u>
Balance - December 31, 2023	B	<u>\$ 14,468.34</u>

License Fees Collected:

<u>Year</u>	<u>Amount</u>
2021	\$ 31,546.00
2022	33,093.80
	<u>64,639.80</u>
	<u>\$ 64,639.80</u>

**BOROUGH OF SAYREVILLE
MIDDLESEX COUNTY, NEW JERSEY**

**TRUST FUNDS
SCHEDULE OF OTHER RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2023**

PURPOSE	BALANCE DEC. 31, 2022	INCREASES	DECREASES	BALANCE DEC. 31, 2023
Landscaping Escrow Deposits	\$ 101,040.00			\$ 101,040.00
Developers' Security Deposits	715,547.99	\$ 13,295.99	\$ 166,973.34	561,870.64
Road Opening Deposits	41,547.25	5,766.00		47,313.25
Engineering Inspection Fees	643,695.94	360,592.83	273,465.91	730,822.86
Planning Escrow Account	581,783.72	273,040.47	435,190.89	419,633.30
Zoning Escrow Account	85,867.89	106,675.96	115,799.85	76,744.00
Municipal Open Space	11,281,780.49	588,071.47	3,000,000.00	8,869,851.96
Snow/Storm Removal	728,139.14	175,000.00	6,987.61	896,151.53
Deferred Compensation	23,791.98	22,612.72	25,308.71	21,095.99
Special Deposits:				
Affordable Housing Trust	45,670.79	17,143.96	5,197.60	57,617.15
Uniform Fire Safety Act - Penalty - Fire Department	36,273.38	23,133.00	43,803.06	15,603.32
Uniform Fire Safety Act - Penalty - Fire Prevention	41,827.55			41,827.55
Off - Duty Municipal Police	877,369.81	1,093,851.25	1,163,131.90	808,089.16
Dumpster Bonds	4,959.50	6,600.00	6,000.00	5,559.50
Miscellaneous	2,523.26			2,523.26
Antennae Lease Security Deposits	16,907.63			16,907.63
Contributions-Fire Department & Prevention	2,767.16		2,767.16	
Environmental Penalties	1,027.40	2.53		1,029.93
Fair Share Agreements	715.23			715.23
Narcotics Property Seized	129,386.07	2,515.05	120,479.97	11,421.15
Parking Offense Adjudication Act	6,738.39	92.00		6,830.39
Police Evidence Trust	3,641.45		2,850.00	791.45
Project D.A.R.E.	7,296.51	10,900.00	7,031.21	11,165.30
Prosecutor's Federal Trust Fund	484.86			484.86
Public Defender Fees	30,836.00	15,553.00		46,389.00
Recreation Trust	75,107.44	122,090.00	60,144.68	137,052.76
Recycling Program Trust	63,924.16	25,150.00	7,374.45	81,699.71
Senior Citizen Contributions	27,812.68	1,391.11		29,203.79
Sheffield Town Settlement	27,000.00			27,000.00
Special Escrow/PILOT Escrow	25,130.11	348.95		25,479.06
Steiner Court Maintenance Bond	13,567.95			13,567.95
Tax Sale Premium	1,830,745.13	227,900.00	897,700.00	1,160,945.13
Third Party Liens	81,577.49	583,553.34	577,941.81	87,189.02
Tree Bank Ordinance	2,993,030.30	143,750.00	100,362.64	3,036,417.66
Tree Escrow	1,000.00			1,000.00
Subtotal Special Deposits	<u>6,347,320.25</u>	<u>2,273,974.19</u>	<u>2,994,784.48</u>	<u>5,626,509.96</u>
	<u>\$ 20,550,514.65</u>	<u>\$ 3,819,029.63</u>	<u>\$ 7,018,510.79</u>	<u>\$ 17,351,033.49</u>
<u>REF.</u>	<u>B</u>	<u>Below</u>	<u>Below</u>	<u>B, Below</u>
Analysis of Municipal Open Space Balance				
Reserve for Municipal Open Space	\$ 8,281,780.49			\$ 8,869,851.96
Payable for Dieker Farm Installment Payment due November 1, 2023	3,000,000.00			
<u>REF.</u>	<u>\$ 11,281,780.49</u>		<u>Below, B</u>	<u>\$ 8,869,851.96</u>
General Trust	B \$ 9,268,734.16	\$ 3,230,958.16	\$ 4,018,510.79	\$ 8,481,181.53
Open Space Trust	B 11,281,780.49	588,071.47	3,000,000.00	8,869,851.96
	Above <u>\$ 20,550,514.65</u>	<u>\$ 3,819,029.63</u>	<u>\$ 7,018,510.79</u>	<u>\$ 17,351,033.49</u>
Open Space Trust				
Cash Receipt / Disbursement	B-1,B-2	\$ 588,071.47	\$ 3,000,000.00	
	Above	<u>\$ 588,071.47</u>	<u>\$ 3,000,000.00</u>	
General Trust				
Cash Receipt / Disbursement	B-1	\$ 3,230,958.16	\$ 4,018,510.79	
	Above	<u>\$ 3,230,958.16</u>	<u>\$ 4,018,510.79</u>	

BOROUGH OF SAYREVILLE
MIDDLESEX COUNTY, NEW JERSEY

TRUST FUND - GENERAL TRUST FUND
SCHEDULE OF RESERVE FOR UNEMPLOYMENT COMPENSATION INSURANCE
FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>REF.</u>	
Balance - December 31, 2022	B	\$ 360,096.03
Increased by:		
Employee Contributions	B-1	<u>33,702.88</u>
		\$ 393,798.91
Decreased by:		
Unemployment Compensation Claims/Charges Paid	B-1	<u>26,433.59</u>
Balance - December 31, 2023	B	<u>\$ 367,365.32</u>

TRUST FUND - ANIMAL CONTROL FUND
SCHEDULE OF DUE TO STATE OF NEW JERSEY
FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>REF.</u>	
Balance - December 31, 2022	B	\$ 70.80
Increased by:		
State Fees Collected	B-1	<u>2,581.20</u>
		\$ 2,652.00
Decreased by:		
Cash Disbursements	B-1	<u>2,640.00</u>
Balance - December 31, 2023	B	<u>\$ 12.00</u>

BOROUGH OF SAYREVILLE
MIDDLESEX COUNTY, NEW JERSEY

TRUST FUND - GENERAL TRUST FUND
SCHEDULE OF RESERVE FOR PAYROLL DEDUCTIONS
FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>REF.</u>		
Balance - December 31, 2022	B	\$	80,025.38
Increased by:			
Cash receipts	B-1		<u>12,195,720.61</u>
		\$	12,275,745.99
Decreased by:			
Cash disbursements	B-1		<u>12,038,880.36</u>
Balance - December 31, 2023	B	\$	<u>236,865.63</u>

BOROUGH OF SAYREVILLE
MIDDLESEX COUNTY, NEW JERSEY

GENERAL CAPITAL FUND
SCHEDULE OF GENERAL CAPITAL CASH RECEIPTS AND DISBURSEMENTS-TREASURER
FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>REF.</u>		
Balance, December 31, 2022	C		\$ 9,376,216.73
Increased by Receipts:			
Grant Proceeds - NJ DOT	C-4	\$ 839,628.82	
Serial Bonds Issued	C-6	10,642,000.00	
Premium on Bond Sale	C-9	268,876.15	
Budget Appropriation - Capital Improvement Fund	C-12	<u>300,000.00</u>	
			<u>12,050,504.97</u>
			21,426,721.70
Decreased by Disbursements:			
Budget Current Fund Revenue - Fund Balance	C-1	80,000.00	
Improvement authorizations	C-7	9,723,604.06	
Reserve for Debt Service	C-9	<u>268,000.00</u>	
			<u>10,071,604.06</u>
Balance, December 31, 2023	C		<u>\$ 11,355,117.64</u>

**BOROUGH OF SAYREVILLE
MIDDLESEX COUNTY, NEW JERSEY**

**GENERAL CAPITAL FUND
SCHEDULE OF ANALYSIS OF GENERAL CAPITAL CASH AND CASH EQUIVALENTS
DECEMBER 31, 2023 AND 2022**

		<u>BALANCE</u> DEC. 31, 2023	<u>BALANCE</u> DEC. 31, 2022
	Fund Balance	\$ 3,893.33	\$ 83,893.33
	Capital Improvement Fund	46,053.26	342,053.26
	Various Reserves	2,865,837.85	2,865,837.85
	Encumbrances	12,462,172.84	11,622,356.01
	Grants receivable, net of reserve	91,429.94	(374,908.88)
	Reserve for Debt Service	642,775.71	268,609.56
<u>ORD</u>	<u>IMPROVEMENT AUTHORIZATIONS</u>		
<u>NO.</u>			
488	Landfill III	(49,999.79)	(49,999.79)
168	Various Improvements	5,304.08	5,304.08
210	Crossman Pump Station	(145,866.36)	(145,866.36)
233	Various Road Improvements	414.48	414.48
370	Various Improvements	(459.74)	(627,459.74)
372	Various Road Improvements	(142,500.00)	(142,500.00)
376	Pulaski Avenue Improvements	300,180.92	297,160.92
383	Turf Field construction	11,887.20	
398,460,503	Various Road Improvements	(1,312,863.64)	(1,313,000.00)
419	Various Park Improvements	(304.12)	198,034.39
420	Various Improvements	(36,883.97)	(48,849.14)
427	Various Road and Sidewalk Improvements	13.00	
453-19	Various Roadway paving and Reconstruction Projects	27,663.05	(197.93)
461-19	Various Capital Improvements	21,319.31	6,902.91
462-19	Various Park Improvements	7,383.91	73,277.55
508-20	Various Road Improvements	277.86	126,778.24
510-20	Acquisition of Vehicles and Equipment	31,018.38	882.02
525-21	Preparation of Tax Map	27,650.65	27,514.29
532-21	Dev, & Construction Affordable Housing Redevelopment	1,096.28	1,096.28
538-21	Various Improvements	20,091.24	100,640.36
539-21	Various Road Improvements	(425.00)	253,547.15
540-21	Acquisition of Vehicles and Equipment	(200.00)	2,536.59
545-21	Redem Soil Vehicles and Equipment	63,396.84	134,343.44
547-21	Acquisition of Tahoe Truck	308.20	308.20
18-2022	Various Road Improvements	220,138.48	(135,800.00)
19-2022	Acquisition of Vehicles and Equipment	8,976.20	(2,448,375.30)
22-2022	Acquisition of Fire Truck	27,087.75	(1,788,702.64)
27-2022	Melrose Sanitary Pump Station	20,142.00	28,150.00
28-2022	Various Park Improvements	87,193.56	21,650.00
31-2022	Various Improvements	41,492.20	(9,414.40)
19-2023	Various road improvements	(1,337,291.33)	
23-2023	Various improvements	49,083.28	
24-2023	Acquisition of Vehicles and Equipment	(2,541,379.67)	
25-2023	Various park improvements	(160,990.54)	
		<u>\$ 11,355,117.64</u>	<u>\$ 9,376,216.73</u>
		<u>REF. C</u>	<u>C</u>

() Denotes Cash Deficit

BOROUGH OF SAYREVILLE
MIDDLESEX COUNTY, NEW JERSEY

GENERAL CAPITAL FUND
SCHEDULE OF STATE GRANTS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>REF.</u>	
Balance, December 31, 2022	C	\$ 1,097,506.97
Increased by:		
Grants awarded	C-11	<u>371,670.00</u>
		1,469,176.97
Decreased by:		
Cash Receipts	C-2	<u>839,628.82</u>
Balance, December 31, 2023	C	<u><u>\$ 629,548.15</u></u>

Analysis of Balance at December 31, 2023

Cheesquake Rd - Ord 19-2023	\$ 371,670.00
Ernston Rd - Ord 508-2020	14,554.40
Minnisink Ave - Ord 539-2021	118,893.75
Elizabeth Ave - Ord 18-2022	<u>124,430.00</u>
	<u><u>\$ 629,548.15</u></u>

**BOROUGH OF SAYREVILLE
MIDDLESEX COUNTY, NEW JERSEY**

**GENERAL CAPITAL FUND
SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - FUNDED
FOR THE YEAR ENDED DECEMBER 31, 2023**

	<u>REF.</u>	
Balance, December 31, 2022	C	\$ 48,785,000.00
Increased by:		
Serial bond proceeds	C-8	10,640,000.00
		<u>59,425,000.00</u>
Decreased by:		
Serial bonds paid	C-8	5,304,000.00
		<u>5,304,000.00</u>
Balance, December 31, 2023	C	<u>\$ 54,121,000.00</u>

BOROUGH OF SAYREVILLE
MIDDLESEX COUNTY, NEW JERSEY

GENERAL CAPITAL FUND
SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION-UNFUNDED
FOR THE YEAR ENDED DECEMBER 31, 2023

Ord No.	Improvement Description	Balance December 31, 2022	2023 Authorizations	Transferred to Funded Serial Bonds Issued	Balance December 31, 2023	Analysis of Balance - December 31, 2023	
						Expenditures	Unexpended Balance of Improv. Auth.
488-97	Landfill III Remediation	\$ 310,599.00			\$ 310,599.00	\$ 49,999.79	\$ 260,599.21
210-13	Crossman Pump Station	830,000.00			830,000.00	145,866.36	684,133.64
292-15	Lee Avenue Drainage Improvements	110,000.00			110,000.00		110,000.00
370-17	Various Improvements	627,459.74		\$ 627,000.00	459.74		
372-17	Various Road Improvements	142,500.00			142,500.00		136.36
398-18, 460-19, 503-20	Various Road Improvements	1,313,000.00			1,313,000.00	1,312,863.64	136.36
419-18	Various Park Improvements	162,150.00			162,150.00	304.12	161,845.88
420-18	Various Improvements	62,900.00			62,900.00	36,883.97	26,016.03
453-19	Various Roadway Paving and Reconstruction Projects	650.00			650.00		650.00
538-21	Various Improvements	500.00			500.00		500.00
539-21	Various Road Improvements	425.00			425.00		
540-21	Acquisition of Vehicles and Equipment	200.00			200.00	200.00	
18-2022	Various road improvements	3,420,000.00		3,420,000.00			500.00
19-2022	Acquisition of Vehicles and Equipment	2,916,500.00		2,916,000.00			
22-2022	Acquisition of Fire Truck	1,805,000.00		1,805,000.00			
28-2022	Various park improvements	513,000.00		513,000.00			
31-2022	Various improvements	1,361,350.00		1,361,000.00			350.00
19-2023	Various road improvements		\$ 6,403,000.00		6,403,000.00	1,337,291.33	5,065,708.67
23-2023	Various improvements		1,586,000.00		1,586,000.00		1,586,000.00
24-2023	Acquisition of Vehicles and Equipment		3,040,000.00		3,040,000.00	2,541,379.67	498,620.33
25-2023	Various park improvements		285,000.00		285,000.00	160,990.54	124,009.46
		<u>\$ 13,576,233.74</u>	<u>\$ 11,324,000.00</u>	<u>\$ 10,642,000.00</u>	<u>\$ 14,258,233.74</u>	<u>\$ 5,729,164.16</u>	<u>\$ 8,529,069.58</u>

REF

C

C-7

C-2

C

C-7

**BOROUGH OF SAYREVILLE
MIDDLESEX COUNTY, NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF GENERAL SERIAL BONDS
FOR THE YEAR ENDED DECEMBER 31, 2023**

Purpose	Date of Issue	Original Issue	Maturities of Bonds		Interest Rate	Balance Dec 31, 2022	Increased	Decreased	Balance Dec 31, 2023
			Outstanding - Dec 31, 2023	Amount					
General Improvement Bonds	10/08/13	\$ 4,978,000.00		\$ 700,000.00	3.000%	\$ 543,000.00	\$ 543,000.00		\$ 700,000.00
General Improvement Bonds	10/21/14	6,532,000.00	10/01/24		3.000%	1,400,000.00	700,000.00		700,000.00
General Improvement Bonds	10/27/15	7,798,000.00	11/01/24 - 11/01/25		2.000%				
			11/01/26		3.000%				
			11/01/27		3.000%	3,498,000.00	700,000.00		2,798,000.00
General Improvement Bonds	10/17/16	6,600,000.00	10/15/24 - 10/15/25		2.000%				
			10/15/26		2.125%				
			10/15/27		2.250%	3,400,000.00	600,000.00		2,800,000.00
General Improvement Bonds	09/27/17	7,097,000.00	9/15/2024-9/15/2028		2.000%	4,200,000.00	700,000.00		3,500,000.00
General Improvement Bonds	11/08/18	8,365,000.00	05/15/24		4.000%				
			05/15/25		4.000%	650,000.00			
			05/15/26		4.000%	690,000.00			
			05/15/27		3.000%	775,000.00			
			05/15/28		3.125%	900,000.00			
			05/15/29		3.250%	900,000.00			
			05/15/30		3.375%	900,000.00	610,000.00		5,715,000.00
General Improvement Bonds	11/08/21	19,918,000.00	11/01/24		2.000%	1,500,000.00			
			11/01/25		2.000%	1,550,000.00			
			11/01/26		2.000%	1,568,000.00			
			11/01/27		2.000%	1,550,000.00			
			11/01/28		2.000%	1,700,000.00			
			11/01/29		2.000%	1,700,000.00			
			11/01/30		2.000%	1,700,000.00			
			11/01/31		2.000%	1,700,000.00			
			11/01/32		2.000%	1,700,000.00			
			11/01/33		2.000%	1,700,000.00			
			11/01/34		2.000%	1,700,000.00	1,000,000.00		18,068,000.00

BOROUGH OF SAYREVILLE
MIDDLESEX COUNTY, NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF GENERAL SERIAL BONDS
FOR THE YEAR ENDED DECEMBER 31, 2023

Purpose	Date of Issue	Original Issue	Maturities of Bonds		Interest Rate	Balance Dec 31, 2022	Increased	Decreased	Balance Dec 31, 2023
			Outstanding - Dec 31, 2023	Amount					
General Improvement Bonds	11/03/22	\$ 10,351,000.00			4.000%				
			\$ 450,000.00		4.000%				
				450,000.00	4.000%				
				450,000.00	4.000%				
				900,000.00	4.000%				
				900,000.00	4.000%				
				900,000.00	4.000%				
				900,000.00	4.000%				
				900,000.00	4.000%				
				900,000.00	4.000%				
				900,000.00	4.000%	\$ 10,351,000.00		\$ 451,000.00	\$ 9,900,000.00
General Obligation Bonds, Series 2023	11/07/23	10,640,000.00			4.000%				
			575,000.00		4.000%				
			1,000,000.00		4.000%				
			1,025,000.00		4.000%				
			1,140,000.00		4.000%				
			1,150,000.00		4.000%				
			1,150,000.00		4.000%				
			1,150,000.00		4.000%				
			1,150,000.00		4.000%				
			1,150,000.00		4.000%				
						\$ 10,640,000.00		10,640,000.00	
						\$ 48,785,000.00	\$ 5,304,000.00	\$ 54,121,000.00	

REF.

C

C-5

C-5

C

BOROUGH OF SAYREVILLE
MIDDLESEX COUNTY, NEW JERSEY

GENERAL CAPITAL FUND
SCHEDULE OF RESERVE FOR DEBT SERVICE
FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>REF.</u>		
Balance, December 31, 2022	C		\$ 268,609.56
Increased by:			
Premium on 2023 Bond Sale	C-2	\$ 268,876.15	
Grants Receivable	C-11	<u>373,290.00</u>	
			<u>642,166.15</u>
			\$ 910,775.71
Decreased by:			
Amount raised in 2023 Current Fund Budget	C-2		<u>268,000.00</u>
Balance, December 31, 2023	C		<u>\$ 642,775.71</u>

BOROUGH OF SAYREVILLE
MIDDLESEX COUNTY, NEW JERSEY

GENERAL CAPITAL FUND
SCHEDULE OF RESERVE FOR FUTURE IMPROVEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>REF.</u>	
Balance - December 31, 2022	C	\$ 2,865,837.85
Balance - December 31, 2023	C, Below	<u>\$ 2,865,837.85</u>
<u>Analysis of Balance</u>		
Main Street Bypass	Above	<u>\$ 2,865,837.85</u>

BOROUGH OF SAYREVILLE
MIDDLESEX COUNTY, NEW JERSEY

GENERAL CAPITAL FUND
SCHEDULE OF RESERVE FOR GRANTS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2023

	Balance <u>December 31, 2022</u>	<u>Increases</u>	<u>Decreases</u>	Balance <u>December 31, 2023</u>
Pulaski Avenue	\$ 224,878.09			\$ 224,878.09
Elizabeth Avenue	497,720.00		\$ 373,290.00	124,430.00
Cheesequake Rd		\$ 371,670.00		371,670.00
	<u>\$ 722,598.09</u>	<u>\$ 371,670.00</u>	<u>\$ 373,290.00</u>	<u>\$ 720,978.09</u>
<u>REF.</u>	C	C-4	C-9	C

BOROUGH OF SAYREVILLE
MIDDLESEX COUNTY, NEW JERSEY

GENERAL CAPITAL FUND
SCHEDULE OF CAPITAL IMPROVEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>REF.</u>	
Balance - December 31, 2022	C	\$ 342,053.26
Increased by:		
Cash received from 2023 Budget Appropriation	C-2	300,000.00
		<u>\$ 642,053.26</u>
Decreased by:		
Appropriated to finance improvement authorizations	C-7	596,000.00
Balance - December 31, 2023	C, Below	<u>\$ 46,053.26</u>
 <u>Analysis of Balance</u>		
General Projects		\$ 45,556.28
Sewer Projects		496.98
	Above	<u>\$ 46,053.26</u>

BOROUGH OF SAYREVILLE
MIDDLESEX COUNTY, NEW JERSEY

GENERAL CAPITAL FUND
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED
FOR THE YEAR ENDED DECEMBER 31, 2023

Ordinance Number	Improvement Description	Balance		2023 Bonds Issued	2023 Authorized	Balance Dec. 31, 2023
		Dec. 31, 2022				
488-97	Landfill III Remediation	\$ 310,599.00				\$ 310,599.00
210-13	Crossman Pump Station	830,000.00				830,000.00
292-15	Lee Avenue Drainage Improvements	110,000.00				110,000.00
370-17	Various Improvements	627,459.74		\$ 627,000.00		459.74
372-17	Various Road Improvements	142,500.00				142,500.00
398-18, 460-19, 503-20	Various Road Improvements	1,313,000.00				1,313,000.00
419-18	Various Park Improvements	162,150.00				162,150.00
420-18	Various Improvements	62,900.00				62,900.00
453-19	Various Roadway paving and Reconstruction Projects	650.00				650.00
538-21	Various Improvements	500.00				500.00
539-21	Various Road Improvements	425.00				425.00
540-21	Various Road Improvements	200.00				200.00
545-21	Acquisition of Vehicles and Equipment					
18-2022	Redem Soil Rescue Squad			3,420,000.00		
19-2022	Various road improvements	3,420,000.00		2,916,000.00		500.00
22-2022	Acquisition of Vehicles and Equipment	2,916,500.00		1,805,000.00		
28-2022	Acquisition of Fire Truck	1,805,000.00		513,000.00		
31-2022	Various park improvements	513,000.00		1,361,000.00		350.00
19-2023	Various improvements	1,361,350.00			\$ 6,403,000.00	6,403,000.00
23-2023	Various road improvements				1,596,000.00	1,596,000.00
24-2023	Various improvements				3,040,000.00	3,040,000.00
25-2023	Acquisition of Vehicles and Equipment				285,000.00	285,000.00
	Various park improvements					
					\$ 11,324,000.00	\$ 14,256,233.74
						C
						C

REF.

BOROUGH OF SAYREVILLE
MIDDLESEX COUNTY, NEW JERSEY

WATER UTILITY FUNDS
SCHEDULE OF WATER UTILITY CASH RECEIPTS AND DISBURSEMENTS-TREASURER
FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>REF.</u>	<u>Operating Fund</u>	<u>Capital Fund</u>
Balance - December 31, 2022	D	\$ 7,295,288.46	\$ 2,664,648.76
Increased by receipts:			
Consumer accounts receivable	D-3, D-8	9,696,638.98	
Miscellaneous revenue	D-3	1,041,041.51	
Miscellaneous revenue not anticipated	D-1	1,237,479.51	
Water overpayments	D-18	96,998.57	
Budget appropriation - capital improvement fund	D-20		150,000.00
Water serial bond proceeds	D-22		1,450,000.00
		<u>19,367,447.03</u>	<u>4,264,648.76</u>
Decreased by disbursements:			
Reserve for debt service	D		70,000.00
Budget appropriations	D-4	9,303,504.33	
Improvement authorizations	D-11		832,543.14
Appropriation reserves	D-14	543,364.03	
Accounts payable	D-15	17,703.40	
Accrued interest on bonds	D-16	313,068.19	
Accrued interest on loans	D-17	209,279.70	
Water Overpayments	D-18	34,052.07	
		<u>10,420,971.72</u>	<u>902,543.14</u>
Balance - December 31, 2023	D	<u>\$ 8,946,475.31</u>	<u>\$ 3,362,105.62</u>

BOROUGH OF SAYREVILLE
MIDDLESEX COUNTY, NEW JERSEY

WATER UTILITY OPERATING FUND
SCHEDULE OF WATER UTILITY CHANGE FUND
FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>REF.</u>	
Balance - December 31, 2022 and 2023	D	\$ <u>300.00</u>

BOROUGH OF SAYREVILLE
MIDDLESEX COUNTY, NEW JERSEY

WATER UTILITY CAPITAL FUND
SCHEDULE OF ANALYSIS OF WATER UTILITY CAPITAL CASH AND CASH EQUIVALENTS
DECEMBER 31, 2023 AND 2022

		BALANCE DEC. 31, 2023	BALANCE DEC. 31, 2022
	Fund Balance	\$ 10,686.20	\$ 10,686.20
	Capital Improvement Fund	1,057,551.12	907,551.12
	Encumbrances	2,342,607.59	1,132,461.96
	Reserve for Debt Service		70,000.00
Ord.			
<u>No.</u>	<u>Improvement Authorizations</u>		
141-10	Water Plant Expansion	693,236.14	693,236.14
298-15	Camden, Henry & Dolan Mains	34,234.41	34,234.41
329-16	Quaid Street Water Main	23,994.64	23,994.64
340-16	Renovations to Old Water Treatment Plant	2,554.25	2,554.25
357-17	Duhernal Well Rehabilitation	80,559.31	129,259.94
395-18	Pulaski Ave Water Tank Rehab	3,704.35	5,945.35
407-18	Vehicles and Equipment	9,261.12	9,261.12
421-18	Scott Avenue Water Line Improvements	41,266.74	41,266.74
423-18 / 447-19	Hercules Village Water Line Improvements	21,406.26	21,406.26
466-19	Rehab of Duhernal Well	227,492.25	185,950.88
474-19	Acquisition of Vehicles and Equipment	3,470.26	26,393.32
504-20	Well Rehabilitation	213,728.00	213,728.00
514-20	Acquisition of Vehicles and Equipment	7,863.80	73,229.93
541-21	Water Utility Vehicles and Equipment	118,255.60	221,424.00
05-22	Well Maintenance and Redevelopment	30,504.69	(610,909.00)
26-22	Various Water Capital Projects	203,611.94	(527,026.50)
10-23	Water Main Improvements	(1,172,012.05)	
26-23	Water Improvements	(591,871.00)	
		<u>\$ 3,362,105.62</u>	<u>\$ 2,664,648.76</u>
	<u>REF.</u>	D	D

"D-8"

BOROUGH OF SAYREVILLE
MIDDLESEX COUNTY, NEW JERSEY

WATER UTILITY OPERATING FUND
SCHEDULE OF CONSUMER ACCOUNTS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2023

Balance - December 31, 2022	<u>REF.</u> D	\$ 888,005.75
Increased by:		
2023 Water Rent Charges	Reserve	<u>9,804,672.93</u>
		\$ <u>10,692,678.68</u>
Decreased by:		
Cash Receipts	D-3, D-5	<u>9,696,638.98</u>
Balance - December 31, 2023	D	<u><u>\$ 996,039.70</u></u>

"D-9"

WATER UTILITY OPERATING FUND
SCHEDULE OF MATERIALS AND SUPPLIES
FOR THE YEAR ENDED DECEMBER 31, 2023

Balance - December 31, 2022	<u>REF.</u> D	\$ 230,316.36
Increased by:		
Inventory adjustment	Reserve	<u>105,778.35</u>
Balance - December 31, 2023	D	<u><u>\$ 336,094.71</u></u>

BOROUGH OF SAYREVILLE
MIDDLESEX COUNTY, NEW JERSEY

WATER UTILITY OPERATING FUND
SCHEDULE OF DEFERRED RESERVE FOR AMORTIZATION
FOR THE YEAR ENDED DECEMBER 31, 2023

<u>Ordinance</u>	<u>Improvement Description</u>	<u>BALANCE</u> <u>DEC. 31, 2022</u>	<u>BALANCE</u> <u>DEC. 31, 2023</u>
16-16	Emergency Sewer Break	\$ 750,000.00	\$ 750,000.00
		<u>\$ 750,000.00</u>	<u>\$ 750,000.00</u>
		<u>Ref.</u>	<u>D</u>
		D	D

BOROUGH OF SAYREVILLE
MIDDLESEX COUNTY, NEW JERSEY

WATER UTILITY CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS
FOR THE YEAR ENDED DECEMBER 31, 2023

ORDINANCE NO.	IMPROVEMENT DESCRIPTION	DATE	ORDINANCE AMOUNT	BALANCE DEC. 31, 2022		PAID/CHARGED	ENCUMBERED	2023 AUTHORIZATIONS		BALANCE DEC. 31, 2023	
				ENCUMBERED	UNFUNDED			UNFUNDED	FUNDED	UNFUNDED	FUNDED
141-10	Water treatment plant expansion	08/28/10	\$ 16,500,000.00		\$ 693,236.14						
298-15	Carmen, Henry, and Dolan Mains	08/10/15	500,000.00		34,234.41						
329-16	Quisk Street water main	05/23/16	400,000.00		23,984.64						
340-16	Renovations to Old Water Treatment Plant	08/08/16	480,000.00		2,564.25						
357-17	Duermal Well Rehabilitation	03/27/17	2,000,000.00	\$ 14,770.83		\$ 28,714.13	\$ 34,757.33				
395-18	Pulsaski Ave Water Tank Rehab	02/26/18	2,000,000.00	7,282.53		6,063.50	3,460.03				\$ 400,000.00
421-18	Vehicles and Equipment	05/14/18	285,500.00		9,261.12						
421-18	Scott Avenue Water Line Improvements	07/23/18	550,000.00		41,266.74						
423-18 / 447-19	Hercules Village Water Line Improvements	07/23/18	785,000.00		21,406.26	(136.37)	9,226.00				
466-19	Rehab of Duermal Well	09/09/19	1,300,000.00		185,950.88						
474-19	Acquisition of Vehicles and Equipment	10/28/19	240,000.00		26,393.32		50,000.00				
504-20	Well Rehabilitation	07/20/20	750,000.00		213,728.00						
514-20	Acquisition of Vehicles and Equipment	12/14/20	300,000.00		73,229.93						
541-21	Water Utility Vehicles & Equipment	12/16/21	750,000.00		221,424.00						
06-22	Well Maintenance and Redevelopment	02/28/22	800,000.00		405,286.10						
10-23	Various Water Capital Projects	09/27/22	2,750,000.00	526,576.50							
26-23	Water Improvements	08/21/23	3,051,000.00								
			REF.	\$ 1,332,461.96	\$ 1,661,884.98	\$ 832,543.14	\$ 2,342,607.59	\$ 2,750,000.00	\$ 5,807,000.00	\$ 1,715,143.76	\$ 4,437,116.95
				D	D	D-5	D	D-13	D	D	D

Bonds and notes authorized but not issued
Capital Improvement Fund

REF. \$ 1,850,000.00
24-D \$ 1,650,000.00
21-D Above

BOROUGH OF SAYREVILLE
MIDDLESEX COUNTY, NEW JERSEY

WATER UTILITY CAPITAL FUND
SCHEDULE OF FIXED CAPITAL
FOR THE YEAR ENDED DECEMBER 31, 2023

ACCOUNT	BALANCE DEC. 31, 2022	BALANCE DEC. 31, 2023
New water source	\$ 4,613,735.00	\$ 4,613,735.00
Water treatment plant	39,316,920.93	39,316,920.93
Water division rights	61.00	61.00
Water system improvements	3,956,129.31	3,956,129.31
Source of supply - land	189,661.00	189,661.00
Pumping system - land	640,159.00	640,159.00
Wells and springs	3,033,504.35	3,033,504.35
Pumping station structure	166,242.00	166,242.00
Electric power pumping equipment	25,001.00	25,001.00
Miscellaneous pumping equipment	16,669.00	16,669.00
Storage reservoirs, tanks, and standpipes	4,911,395.15	4,911,395.15
Distribution mains and accessories	6,112,721.68	6,112,721.68
Service pipes and stops	4,008.00	4,008.00
Meters, meter boxes and vaults	527,729.00	527,729.00
Fire hydrants and valve insertions	276,488.00	276,488.00
Equipment and vehicles	704,819.50	704,819.50
Engineering and other special services	500,794.00	500,794.00
Legal expenditures capitalized	168,649.00	168,649.00
Interest during construction	38,277.00	38,277.00
Testing and inspection costs	32,810.00	32,810.00
Office equipment and machines	125,730.00	125,730.00
Miscellaneous construction expenses	48,743.92	48,743.92
Lime silo/water plant Bordentown	828,463.38	828,463.38
Latham Circle area water system improvements	55,000.00	55,000.00
Water master plan	19,529.00	19,529.00
Various improvements	132,484.00	132,484.00
GIS Mapping	49,963.50	49,963.50
Well redevelopment	8,862.00	8,862.00
Water plant expansion	992,626.22	992,626.22
Enrston Road after tank rehab	614,578.00	614,578.00
Renovations to old water treatment plant	1,599,494.77	1,599,494.77
Water vehicles and equipment	135,000.00	135,000.00
Camden, Henry and Dolan mains	451,733.64	451,733.64
Water system acquisition	2,800,000.00	2,800,000.00
Quaid Street water main	376,005.36	376,005.36
Renovations to Old Water Treatment Plant	474,368.98	474,368.98
Well redevelopment	13,595.00	13,595.00
Other improvements funded by capital outlay	312,136.73	312,136.73
Duhernal Well Rehabilitation	686,772.73	686,772.73
Truck purchases	145,887.68	145,887.68
Capital outlay improvements	100,128.19	100,128.19
	<u>\$ 75,206,877.02</u>	<u>\$ 75,206,877.02</u>
REF.	D	D

BOROUGH OF SAYREVILLE
MIDDLESEX COUNTY, NEW JERSEY

WATER UTILITY CAPITAL FUND
SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED
FOR THE YEAR ENDED DECEMBER 31, 2023

ORDINANCE NO.	IMPROVEMENT DESCRIPTION	DATE	ORDINANCE AMOUNT	2023	
				BALANCE DEC. 31, 2022	AUTH-ORIZATIONS
141-10	Water Plant Expansion	08/23/10	\$ 16,500,000.00	\$ 761,513.85	\$ 761,513.85
262-14	Renovations to Old Water Treatment Plant	06/23/14	1,400,000.00	155.23	155.23
298-15	Camden, Henry, and Dolan Mains	08/10/15	500,000.00	48,266.36	48,266.36
329-16	Quaid Street water main	05/23/16	400,000.00	23,994.64	23,994.64
340-16	Renovations to Old Water Treatment Plant	07/25/16	480,000.00	5,631.02	5,631.02
357-17	Duermal Well Rehabilitation	03/27/17	2,000,000.00	1,313,227.27	1,313,227.27
395-18	Pulaski Avenue Water Tank	02/26/18	2,000,000.00	2,000,000.00	2,000,000.00
407-18	Vehicles and Equipment	05/14/18	285,500.00	285,500.00	285,500.00
421-18	Scott Avenue Water Line Improvements	07/23/18	550,000.00	550,000.00	550,000.00
423-18 / 447-19	Hercules Village Water Line Improvements	07/23/18	785,000.00	785,000.00	785,000.00
466-19	Rehab of Duermal Well	09/09/19	1,300,000.00	1,300,000.00	1,300,000.00
474-19	Acquisition of Vehicles and Equipment	10/28/19	240,000.00	240,000.00	240,000.00
504-20	Well Replacement	07/20/20	750,000.00	750,000.00	750,000.00
514-20	Acquisition of Vehicles	12/14/20	300,000.00	300,000.00	300,000.00
541-20	Water Utility Vehicles & Equipment	10/07/21	762,000.00	762,000.00	762,000.00
05-22	Well Maintenance and Redevelopment	02/28/22	650,000.00	650,000.00	650,000.00
26-22	Various Water Capital Projects	09/27/22	800,000.00	800,000.00	800,000.00
10-23	Water Main Improvements	04/23/23	2,750,000.00		2,750,000.00
26-23	Water Improvements	08/21/23	3,051,000.00		3,051,000.00
				\$ 2,750,000.00	\$ 2,750,000.00
				3,051,000.00	3,051,000.00
				\$ 10,575,288.37	\$ 16,376,288.37
				D	D

REF.

D-11

BOROUGH OF SAYREVILLE
MIDDLESEX COUNTY, NEW JERSEY

WATER UTILITY OPERATING FUND
SCHEDULE OF 2022 APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2023

	BALANCE DECEMBER 31, 2022		BALANCE AFTER TRANSFERS	PAID OR CHARGED	BALANCE LAPSED
	APPROPRIATION RESERVES	RESERVE FOR ENCUMBRANCES			
Operations:					
Salaries and Wages	\$ 59,824.38		\$ 59,824.38		\$ 59,824.38
Other Expenses	1,085,969.84	\$ 921,728.49	2,007,698.33	\$ 547,068.66	1,460,629.67
Capital Improvements:					
Capital outlay	115,000.00		115,000.00		115,000.00
Statutory Expenditures:					
Contribution to:					
Social Security System (OASI)	7,559.91		7,559.91		7,559.91
	<u>\$ 1,268,354.13</u>	<u>\$ 921,728.49</u>	<u>\$ 2,190,082.62</u>	<u>\$ 547,068.66</u>	<u>\$ 1,643,013.96</u>
	D	D		Below	D-1

REF.

Cash Disbursed	\$ 543,364.03	D-5
Transferred to Accounts Payable	<u>3,704.63</u>	D-15
	<u>\$ 547,068.66</u>	Above

BOROUGH OF SAYREVILLE
MIDDLESEX COUNTY, NEW JERSEY

WATER UTILITY OPERATING FUND
SCHEDULE OF ACCOUNTS PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>REF.</u>	
Balance - December 31, 2022	D	\$ 129,545.02
Increased by:		
Transferred from Appropriation Reserves	D-14	3,704.63
		<u>\$ 133,249.65</u>
Decreased by:		
Cash disbursements	D-5	<u>17,703.40</u>
Balance - December 31, 2023	D	<u><u>\$ 115,546.25</u></u>

BOROUGH OF SAYREVILLE
MIDDLESEX COUNTY, NEW JERSEY

WATER UTILITY OPERATING FUND
SCHEDULE OF ACCRUED INTEREST ON BONDS AND NOTES
FOR THE YEAR ENDED DECEMBER 31, 2023

Balance - December 31, 2022	<u>REF.</u> D	\$ 46,616.68
Increased by:		
Budget Appropriations:		
Interest on Bonds and Notes	D-4	<u>318,965.89</u>
		<u>\$ 365,582.57</u>
Decreased by:		
Cash Disbursements	D-5	<u>313,068.19</u>
Balance - December 31, 2023	D, Below	<u><u>\$ 52,514.38</u></u>

Analysis of Balance - December 31, 2023:

	Amount Outstanding December 31, 2023	Interest Rate	Accrual Period	Accrual
<u>General Serial Bonds</u>	\$ 140,000.00	3.00%	3 months	\$ 1,050.00
	100,000.00	2.00%	2 months	333.33
	125,000.00	2.00%	2.5 months	527.35
	250,000.00	2.00%	3.5 months	1,458.33
	4,625,000.00	4.00%	1.5 months	20,550.78
	2,775,000.00	2.00%	2 months	9,250.00
	1,497,000.00	4.00%	2 months	9,980.00
	1,450,000.00	4.00%	2 months	9,364.58
	<u>\$ 10,962,000.00</u>			<u>\$ 52,514.38</u>

REF. Above

BOROUGH OF SAYREVILLE
MIDDLESEX COUNTY, NEW JERSEY

WATER UTILITY OPERATING FUND
SCHEDULE OF ACCRUED INTEREST ON LOANS
FOR THE YEAR ENDED DECEMBER 31, 2023

Balance - December 31, 2022	<u>REF.</u> D	\$ 77,375.00
Increased by:		
Budget Appropriations:		
Interest on Loans	D-4	<u>200,654.70</u>
		\$ 278,029.70
Decreased by:		
Cash Disbursements	D-5	<u>209,279.70</u>
Balance - December 31, 2023	D, Below	<u>\$ 68,750.00</u>

Analysis of Balance - December 31, 2023:

	<u>Amount Outstanding December 31, 2023</u>	<u>Interest Rate</u>	<u>Accrual Period</u>	<u>Accrual</u>
<u>Loan</u>				
New Jersey Environmental Infrastructure Trust Loan - 2010	\$ 3,515,000.00	4.00%	5 months	<u>\$ 68,750.00</u>
			<u>REF.</u>	<u>\$ 68,750.00</u>
				Above

BOROUGH OF SAYREVILLE
MIDDLESEX COUNTY, NEW JERSEY

WATER UTILITY OPERATING FUND
SCHEDULE OF WATER OVERPAYMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>REF.</u>	
Balance - December 31, 2022	D	\$ 34,052.07
Increased by:		
Cash Receipts	D-5	<u>96,998.57</u>
		\$ 131,050.64
Decreased by:		
Cash Disbursed	D-5	<u>34,052.07</u>
Balance - December 31, 2023	D	<u><u>\$ 96,998.57</u></u>

BOROUGH OF SAYREVILLE
MIDDLESEX COUNTY, NEW JERSEY

WATER UTILITY CAPITAL FUND
SCHEDULE OF NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST LOANS PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2023

PURPOSE	DATE OF ISSUE	ORIGINAL ISSUE	OUTSTANDING - DEC. 31, 2023	INTEREST RATE	BALANCE	
					DEC. 31, 2022	DEC. 31, 2023
Water treatment plant closure/consolidation	12/02/10	\$ 7,860,000.00	\$ 432,000.00	5.000%		
			\$ 455,000.00	5.000%		
			478,000.00	5.000%		
			501,000.00	5.000%		
			525,000.00	5.000%		
			550,000.00	5.000%		
			574,000.00	5.000%	\$ 3,929,000.00	\$ 3,515,000.00
Water treatment plant closure/consolidation	12/02/10	7,805,000.00	433,611.10	0.000%	3,468,899.00	3,035,277.60
			433,611.00	0.000%		
					\$ 7,397,899.00	\$ 6,550,277.60
					D	D
					\$ 847,611.40	\$
					D-21	
				REF.		

BOROUGH OF SAYREVILLE
MIDDLESEX COUNTY, NEW JERSEY

WATER UTILITY CAPITAL FUND
SCHEDULE OF CAPITAL IMPROVEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>REF.</u>	
Balance - December 31, 2022	D	\$ 907,551.12
Increased by:		
2023 Budget appropriation	D-5	<u>150,000.00</u>
Balance - December 31, 2023	D	<u>\$ 1,057,551.12</u>

WATER UTILITY CAPITAL FUND
SCHEDULE OF RESERVE FOR AMORTIZATION
FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>REF.</u>		
Balance - December 31, 2022	D		\$ 65,522,276.39
Increased by:			
New Jersey Infrastructure Trust loan principal paid	D-19	\$ 847,611.40	
Bonds paid	D-22	<u>750,000.00</u>	
			<u>1,597,611.40</u>
Balance - December 31, 2023	D		<u>\$ 67,119,887.79</u>

BOROUGH OF SAYREVILLE
MIDDLESEX COUNTY, NEW JERSEY

WATER UTILITY CAPITAL FUND
SCHEDULE OF WATER SERIAL BONDS
FOR THE YEAR ENDED DECEMBER 31, 2023

PURPOSE	DATE OF ISSUE	ORIGINAL ISSUE	OUTSTANDING - DEC. 31, 2023	INTEREST RATE	MATURITIES OF BONDS		BALANCE DEC. 31, 2022	INCREASED	DECREASED	BALANCE DEC. 31, 2023
					DATE	AMOUNT				
Water Improvements	10/21/14	\$ 1,200,000.00	\$ 140,000.00	3.000%			\$ 280,000.00	\$ 140,000.00	\$ 140,000.00	
Water Improvements	10/27/15	500,000.00	50,000.00	2.000%			150,000.00	50,000.00	100,000.00	
Water Improvements	10/17/16	400,000.00	50,000.00	2.000%	10/15/24-10/15/25	25,000.00	175,000.00	50,000.00	125,000.00	
Water Improvements	09/27/17	480,000.00	50,000.00	2.000%	9/15/24-9/15/28	50,000.00	300,000.00	50,000.00	250,000.00	
Water Improvements	11/08/18	5,625,000.00	200,000.00	4.000%	11/15/24	225,000.00				
			225,000.00	4.000%	11/15/25	250,000.00				
			250,000.00	3.000%	11/15/27	300,000.00				
			300,000.00	3.125%	11/15/28	300,000.00				
			300,000.00	3.250%	11/15/29	300,000.00				
			300,000.00	3.375%	11/15/30-11/15/31	325,000.00				
			325,000.00	3.375%	11/15/32	325,000.00				
			350,000.00	3.500%	11/15/33	350,000.00				
			350,000.00	3.625%	11/15/36	400,000.00				
			400,000.00	3.750%	11/15/37	400,000.00				
			400,000.00	4.000%	11/15/38	400,000.00	4,625,000.00	200,000.00	4,625,000.00	
Water Improvements	11/08/21	3,140,000.00	190,000.00	2.000%	11/01/24-11/01/25	195,000.00				
			195,000.00	2.000%	11/01/26	200,000.00				
			200,000.00	2.000%	11/01/27	205,000.00				
			205,000.00	2.000%	11/01/28-11/01/29	210,000.00				
			210,000.00	2.000%	11/01/30	215,000.00				
			215,000.00	2.000%	11/01/31	220,000.00				
			220,000.00	2.000%	11/01/32	225,000.00				
			225,000.00	2.000%	11/01/33	235,000.00				
			235,000.00	2.000%	11/01/34	240,000.00				
			240,000.00	2.000%	11/01/35	245,000.00	2,960,000.00	185,000.00	2,775,000.00	
			245,000.00	2.000%	11/01/36	245,000.00				
Water Improvements	11/03/22	1,572,000.00	75,000.00	4.000%	11/01/24-11/01/25	100,000.00				
			100,000.00	4.000%	11/01/26	120,000.00				
			120,000.00	4.000%	11/01/27	75,000.00				
			75,000.00	4.000%	11/01/28	130,000.00				
			130,000.00	4.000%	11/01/29-11/01/32	142,000.00				
			142,000.00	4.000%	11/01/33	130,000.00	1,572,000.00	75,000.00	1,497,000.00	
			130,000.00	4.000%	11/01/34-11/01/36	130,000.00				
Water Improvements	11/07/23	1,450,000.00	50,000.00	4.000%	11/01/24	100,000.00				
			100,000.00	4.000%	11/01/25-11/01/37	100,000.00				
			100,000.00	4.125%	11/01/38	100,000.00	\$ 1,450,000.00		1,450,000.00	
			REF.				\$ 10,282,000.00	\$ 750,000.00	\$ 10,962,000.00	
							D	D-21	D	
							\$ 1,450,000.00		\$ 1,450,000.00	
							D-5		D	

BOROUGH OF SAYREVILLE
MIDDLESEX COUNTY, NEW JERSEY

WATER UTILITY CAPITAL FUND
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED
FOR THE YEAR ENDED DECEMBER 31, 2023

Ordinance Number	Improvement Description	Balance Dec 31, 2022	2023 Authorized	Decreased by Bonds Issued	Balance Dec 31, 2023
395-18	Pulaski Ave Water Tank Rehab	\$ 400,000.00			\$ 400,000.00
05-22	Well Maintenance and Redevelopment	650,000.00		\$ 650,000.00	
26-22	Various Water Capital Projects	800,000.00		800,000.00	
10-23	Water Main Improvements		\$ 2,750,000.00		2,750,000.00
26-23	Water Improvements		3,051,000.00		3,051,000.00
		<u>\$ 1,850,000.00</u>	<u>\$ 5,801,000.00</u>	<u>\$ 1,450,000.00</u>	<u>\$ 6,201,000.00</u>
		D			D
		REF.			

BOROUGH OF SAYREVILLE

PART II

SINGLE AUDIT SECTION

REPORTS 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

REPORTS ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR FEDERAL FINANCIAL
ASSISTANCE PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE
IN ACCORDANCE WITH THE UNIFORM GUIDANCE

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

NOTES TO THE SCHEDULE OF EXPENDITURES
OF FEDERAL AWARDS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS



SUPLEE, CLOONEY & COMPANY LLC
CERTIFIED PUBLIC ACCOUNTANTS

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

The Honorable Mayor and Members
of the Borough Council
Borough of Sayreville
County of Middlesex
Sayreville, New Jersey 08872

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the regulatory financial statements of the various individual funds and the account group of the Borough of Sayreville, as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Borough's regulatory financial statements, and have issued our report thereon dated August 13, 2024. Our report disclosed that, as described in Note 1 to the financial statements, the Borough of Sayreville prepares its financial statements on a basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, that demonstrates compliance with a modified accrual basis and the budget laws of the State of New Jersey, which is a comprehensive basis of accounting other than U.S. generally accepted accounting principles.

Internal Control Over Financial Reporting

In planning and performing our audit of the regulatory financial statements, we considered the Borough's control over financial reporting (internal control) 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 Borough's internal control.

SUPLEE, CLOONEY & COMPANY LLC

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Borough of Sayreville'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 may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Borough's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on 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*. However, we noted immaterial matters of noncompliance which are discussed in Part II, General Comments and Recommendations Section of the report.

Purpose of This Report

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



CERTIFIED PUBLIC ACCOUNTANTS



REGISTERED MUNICIPAL ACCOUNTANT NO. 439

August 13, 2024



SUPLEE, CLOONEY & COMPANY LLC

CERTIFIED PUBLIC ACCOUNTANTS

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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
WITH REQUIREMENTS APPLICABLE TO EACH MAJOR FEDERAL
FINANCIAL ASSISTANCE PROGRAM AND ON
INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE
WITH THE UNIFORM GUIDANCE**

The Honorable Mayor and Members
of the Borough Council
Borough of Sayreville
County of Middlesex
Sayreville, New Jersey 08872

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Borough of Sayreville, County of Middlesex, State of New Jersey (the "Borough") compliance with the types of compliance requirements identified as subject to audit in the Federal *OMB Compliance Supplement* that could have a direct and material effect on each of the Borough's major federal programs for the year ended December 31, 2023. The Borough's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

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

Basis for Opinion on Each Major Federal Program

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

SUPLEE, CLOONEY & COMPANY LLC

We are required to be independent of the Borough and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Borough's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

In performing an audit in accordance with generally accepted auditing standards, Government Auditing Standards and the Uniform Guidance we:

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

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

SUPLEE, CLOONEY & COMPANY LLC

Report on Internal Control over Compliance

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

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

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

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



CERTIFIED PUBLIC ACCOUNTANTS



REGISTERED MUNICIPAL ACCOUNTANT NO. 439

August 13, 2024

BOROUGH OF SAYREVILLE

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

FEDERAL AL NUMBER	GRANTOR'S NUMBER	GRANT AMOUNT	GRANT PERIOD		RECEIPTS	2023 EXPENDITURES		SUBRECIPIENT	CUMULATIVE EXPENDITURES DECEMBER 31, 2023
			FROM	TO					
21.027	21-100-022-8030-087	\$ 2,973,956.50	03/03/21	12/31/24	\$	\$ 1,403,956.50	\$	\$ 2,973,956.50	
21.027	21-100-022-8030-087	2,973,956.50	03/03/21	12/31/24		2,173,702.87		2,173,702.87	
21.027	21-100-022-8030-087	46,611.00	03/03/21	12/31/24	36,870.66			37,561.56	
					<u>36,870.66</u>	<u>3,577,659.37</u>		<u>5,185,220.93</u>	
16.710	N/A	1,000,000.00	01/01/20	01/01/21	156,218.50			443,770.74	
16.710	N/A	175,000.00	01/01/22	12/31/22	70,246.88			136,077.04	
					<u>226,465.38</u>	<u>221,088.28</u>		<u>579,847.78</u>	
<u>Pass Through State of New Jersey</u>									
20.616	066-1160-100-158	12,250.00	01/01/22	12/31/22				11,480.00	
								<u>11,480.00</u>	
<u>Department of Law and Public Safety Distracted Driving</u>									
<u>Pass Through County of Middlesex</u>									
14.218	N/A	707,949.00	07/01/20	06/30/21			112,493.17	707,949.00	
14.218	N/A	227,217.00	07/01/21	06/30/22	176,366.21		63,873.04	63,873.04	
14.218	N/A	239,024.00	07/01/22	06/30/23					
14.218	N/A	233,280.00	07/01/23	06/30/24	176,366.21		176,366.21	771,822.04	
TOTAL					\$	\$ 439,702.25	\$	\$ 3,975,113.86	\$ 6,548,370.75

The accompanying notes to schedules of financial assistance are an integral part of this schedule.

BOROUGH OF SAYREVILLE

NOTES TO THE SCHEDULE OF EXPENDITURES OF
FEDERAL AWARDS

YEAR ENDED DECEMBER 31, 2023

NOTE 1. GENERAL

The accompanying schedule of expenditures of federal awards present the activity of all federal financial programs of the Borough of Sayreville, County of Middlesex, New Jersey. All federal financial assistance received directly from federal, as well as federal assistance passed through other governmental agencies is included on the Schedule of Expenditures of Federal Awards.

NOTE 2. BASIS OF ACCOUNTING

The accompanying schedules of expenditures of federal awards is presented on the prescribed basis of accounting, modified accrual basis with certain exceptions, prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, that demonstrates compliance with the budget laws of New Jersey, which is a comprehensive basis of accounting, other than U.S. generally accepted accounting principles. The basis of accounting, with exception, is described in Note 1 to the Borough's financial statements - regulatory basis. The Borough has elected not to use the 10 percent de minimus indirect cost rate as allowed under the Uniform Guidance.

NOTE 3. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

Amounts reported in the accompanying schedule of agree with the amounts reported in the related federal financial report.

NOTE 4. RELATIONSHIP TO FINANCIAL STATEMENTS - REGULATORY BASIS

Amounts reported in the accompanying schedule agree with amounts reported in the Borough's regulatory basis financial statements. All these amounts are reported in either the Current Fund, the Grant Fund or the CDBG Trust Fund.

Receipts:

	<u>Federal</u>
Grant Fund	\$ 263,336.04
CDBG Trust	<u>176,366.21</u>
	<u>\$ 439,702.25</u>

Expenditures:

	<u>Federal</u>
Current Fund	\$ 1,600,000.00
Grant Fund	2,198,747.65
CDBG Trust	<u>176,366.21</u>
	<u>\$ 3,975,113.86</u>

NOTE 5. OTHER

Matching contributions expended by the Borough in accordance with terms of the various grants are not reported in the accompanying schedules.

BOROUGH OF SAYREVILLE
MIDDLESEX COUNTY, NEW JERSEY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2023

Section I - Summary of Auditor's Results

Financial Statements

- | | |
|--|---------------|
| (1) Type of Auditor Report Issued: | Unmodified |
| (2) Internal Control Over Financial Reporting: | |
| (a) Material weaknesses identified? | No |
| (b) Significant deficiencies that are not considered to be material weaknesses? | None reported |
| (3) Noncompliance material to the financial statements to be noted during the audit? | No |

Federal Programs(s)

- | | |
|---|---------------|
| (1) Internal Control Over Major Federal Programs: | |
| (a) Material weaknesses identified during the audit? | No |
| (b) Significant deficiencies identified that are not considered to be material weaknesses? | None reported |
| (2) Type of Auditor's Report issued on compliance for major federal program(s)? | Unmodified |
| (3) Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance and listed in Section III of this schedule? | No |

- (4) Identification of Major Federal Program(s):

<u>Program</u>	<u>Assistance Listing</u>
ARP - State and Local Fiscal Recovery Funds	21.027

- | | |
|---|----|
| (5) Program Threshold Determination:
Type A Federal Program Threshold > \$750,000.00
Type B Federal Program Threshold <= \$750,000.00 | |
| (6) Auditee qualified as a low-risk auditee under the Uniform Guidance? | No |

BOROUGH OF SAYREVILLE
MIDDLESEX COUNTY, NEW JERSEY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2023

Section I - Summary of Auditor's Results (Continued)

State Programs(s) – Not Applicable

Section II - Financial Statement Audit - Reported Findings Under Government Auditing Standards

Internal Control Findings

None Reported.

Compliance Findings

None Reported

Section III - Findings and Questioned Costs Relative to Major Federal Programs

Federal Programs - None Reported

State Programs – Not Applicable

Status of Prior Year Audit Findings - Not Applicable

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PART III
BOROUGH OF SAYREVILLE
STATISTICAL DATA
LIST OF OFFICIALS
COMMENTS AND RECOMMENDATIONS
YEAR ENDED DECEMBER 31, 2023

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

	YEAR 2023		YEAR 2022	
	AMOUNT	%	AMOUNT	%
<u>REVENUE AND OTHER INCOME</u>				
Fund Balance Utilized	\$ 4,810,000.00	2.73%	\$ 4,750,000.00	2.77%
Miscellaneous - From Other Than Local Property Tax Levies	32,383,241.09	18.36%	37,788,367.78	22.02%
Collection of Delinquent Taxes and Tax Title Liens	1,151,785.19	0.65%	898,801.13	0.52%
Collection of Current Tax Levy	138,001,529.57	78.26%	128,213,003.79	74.69%
Total Revenue and Other Income	176,346,555.85	100.00%	171,650,172.70	100.00%
<u>EXPENDITURES</u>				
Budget Appropriations	67,832,853.69	40.08%	70,162,478.03	43.08%
County Taxes	22,286,025.95	13.17%	21,631,559.84	13.28%
Local District School Taxes	78,625,503.00	46.46%	70,567,401.00	43.33%
Municipal Open Space Taxes	469,286.00	0.28%	462,889.69	0.29%
Other Expenditures	21,302.88	0.01%	36,213.39	0.02%
Total Expenditures	169,234,971.52	100.00%	162,860,541.95	100.00%
Excess in Revenues	7,111,584.33		8,789,630.75	
<u>FUND BALANCE</u>				
Balance - January 1	14,273,029.52		10,233,398.77	
	21,384,613.85		19,023,029.52	
Decreased by:				
Utilization as Anticipated Revenue	4,810,000.00		4,750,000.00	
Balance - December 31	\$ 16,574,613.85		\$ 14,273,029.52	

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

	YEAR 2023		YEAR 2022	
	<u>AMOUNT</u>	<u>%</u>	<u>AMOUNT</u>	<u>%</u>
REVENUE AND OTHER INCOME:				
Surplus Anticipated	\$ 2,502,360.00	15.52%	\$ 2,409,756.00	14.69%
Water rents	9,696,638.98	60.15%	9,404,608.12	57.34%
Miscellaneous - From Other than Water Rents	3,921,534.98	24.33%	4,586,802.71	27.97%
Total revenue and other income	<u>16,120,533.96</u>	<u>100.00%</u>	<u>16,401,166.83</u>	<u>100.00%</u>
EXPENDITURES:				
Budget appropriations:				
Operating	9,565,495.00	76.88%	9,039,356.00	77.16%
Capital improvements	265,000.00	2.13%	265,000.00	2.26%
Debt service	2,117,231.99	17.01%	1,966,317.07	16.78%
Statutory expenditures	495,000.00	3.98%	441,000.00	3.77%
Miscellaneous expenditures			3,657.44	0.03%
Total expenditures	<u>12,442,726.99</u>	<u>100.00%</u>	<u>11,715,330.51</u>	<u>100.00%</u>
Excess in revenues	3,677,806.97		4,685,836.32	
Fund balance - January 1	<u>4,817,917.07</u>		<u>2,541,836.75</u>	
	8,495,724.04		7,227,673.07	
Decreased by:				
Utilized as anticipated revenue - Water utility budget	<u>2,502,360.00</u>		<u>2,409,756.00</u>	
Fund balance - December 31	<u>\$ 5,993,364.04</u>		<u>\$ 4,817,917.07</u>	

COMPARATIVE SCHEDULE OF TAX RATE INFORMATION

	<u>2023</u>	<u>2022</u>	<u>2021</u>
Tax Rate	\$5.936	\$5.545	\$5.484
Appointment of Tax Rate:			
Municipal	1.533	1.494	1.484
Municipal Library	0.084	0.079	0.075
Municipal Open Space	0.020	0.020	0.020
County General	0.871	0.854	0.843
County Open Space	0.077	0.072	0.070
Local School	3.351	3.026	2.992
Year 2023	\$2,346,430,600.00		
Year 2022		\$2,332,345,542.00	
Year 2021			\$2,314,448,444.00

COMPARISON OF TAX LEVIES AND COLLECTION CURRENTLY

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

<u>YEAR</u>	<u>TAX LEVY</u>	<u>CASH COLLECTIONS</u>	<u>PERCENTAGE OF COLLECTION</u>
2023	\$139,566,445.18	\$138,001,529.57	98.88%
2022	129,459,231.61	128,213,003.79	99.04%
2021	127,164,369.98	126,157,964.62	99.21%

COMPARISON OF WATER LEVIES AND COLLECTIONS

<u>YEAR</u>	<u>BILLINGS</u>	<u>COLLECTIONS</u>
2023	\$9,804,672.93	\$9,696,638.98
2022	9,455,665.25	9,404,608.12
2021	9,060,980.12	9,003,344.61

DELINQUENT TAXES AND TAX TITLE LIENS

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

<u>DECEMBER 31, YEAR</u>	<u>AMOUNT OF TAX TITLE LIENS</u>	<u>AMOUNT OF DELINQUENT TAXES</u>	<u>TOTAL DELINQUENT</u>	<u>PERCENTAGE OF TAX LEVY</u>
2023	\$839,562.19	\$1,501,512.35	\$2,341,074.54	1.68%
2022	736,931.99	1,156,021.63	1,892,953.62	1.46%
2021	704,213.04	875,116.16	1,579,329.20	1.24%

PROPERTY ACQUIRED BY TAX TITLE LIEN LIQUIDATION

No properties have been acquired in 2023 by foreclosure or deed, as a result of liquidation of tax title liens.

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

<u>YEAR</u>	<u>AMOUNT</u>
2023	\$698,460.00
2022	698,460.00
2021	698,460.00

COMPARATIVE SCHEDULE OF FUND BALANCES

	<u>YEAR</u>	<u>BALANCE DECEMBER 31</u>	<u>UTILIZED IN BUDGET OF SUCCEEDING YEAR</u>
Current Fund	2023	\$16,574,613.85	\$7,367,864.00
	2022	14,273,029.52	4,810,000.00
	2021	10,233,398.77	4,750,000.00
Water Utility Operating Fund	2023	5,993,364.04	3,275,760.00
	2022	4,817,917.07	2,502,360.00
	2021	2,541,836.75	2,409,756.00

OFFICIALS IN OFFICE AND SURETY BONDS

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

<u>NAME</u>	<u>TITLE</u>	<u>AMOUNT OF BOND</u>
Victoria Kilpatrick	Mayor	
Christian Onuoha	Council President	
Daniel Balka	Councilmember	
Vincent Conti	Councilmember	
Eunice Dwumfour	Councilmember	
Mary J. Novak	Councilmember	
Donna Roberts	Councilmember	
Glenn Skarzynski	Business Administrator	
Denise Biancamano	Chief Financial Office/Treasurer	\$ 1,000,000
Sean P. Nolan	Tax Collector	1,000,000
Kathryn Elichko	Tax Collector (from 09/01/23)	*
Jessica Morelos	Borough Clerk/Assessment Search Officer	*
Nicole Waranowicz	Deputy Borough Clerk/Principal Account Clerk	*
Sean Kean, Esq	Borough Attorney	*
Francis Womack	Borough Prosecutor	*
Jay Cornell	Borough Engineer	*
Joseph Kupsch	Tax Assessor	*
Joan Kemble	Secretary - Board of Adjustments	*
Amy Williams	Registrar of Vital Statistics	*
Amy Huff	Deputy Registrar of Vital Statistics	*
Kirk Miick	Construction Code Official	*
Beth Magnani	Secretary - Planning Board	*
Sheryl Massaro	Court Administrator	*
James J. Weber	Presiding Judge	*
Michael Sica	Municipal Court Judge	*
Daniel Plumacker	Chief of Police	*
Jodie Klosek	Water and Sewer Utility Collector	*

A Faithful Performance Blanket Position Bond in the sum of \$100,000 was issued for coverage of all employees and officials not requiring separate bonds.

All bonds were issued by the Central Jersey Joint Insurance Fund.

GENERAL COMMENTS AND RECOMMENDATIONS

GENERAL COMMENTS

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

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

Effective July 1, 2020, the bid threshold in accordance with N.J.S.A. 40A:11-4 is \$17,500.00 or up to \$44,000.00 if the entity has a Qualified Purchasing Agent. The Borough has a Qualified Purchasing Agent and has elected to increase its bid threshold to \$44,000.00. The governing body of the Municipality has the responsibility of determining whether the expenditures in any category will exceed \$44,000.00 within the fiscal year. Where question arises as to whether any contract or agreement might result in violation of the statute, the Borough Counsel's opinion should be sought before a commitment is made.

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

Improvements to South Minnisink Avenue
2022 Road Construction Project – Phase I
Improvement to Elizabeth Avenue
2022 Roadway Paving and Reconstruction Project – Phase II
Roadway and Drainage Improvements (French Street & Albert Street)

The minutes indicate that resolutions were adopted and advertised authorizing the awarding of contracts or agreements for "Professional Services" per N.J.S.A. 40A:11-5 for the following services:

Municipal Attorney	Municipal Prosecutor
Municipal Auditor	Bond Counsel
Municipal Engineer	Labor Attorney

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

Our examination of expenditures did not reveal any individual payments, contracts or agreements in excess of \$44,000.00 for the performance of any work or the furnishing or hiring of any materials or supplies, other than those where bids had been previously sought by public advertisement or where a resolution had been previously adopted under the provisions of N.J.S.A. 40A:11-6.

COLLECTION OF INTEREST ON DELINQUENT TAXES AND ASSESSMENTS

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

The governing body on January 3, 2023 adopted the following resolutions authorizing interest to be charged on delinquent taxes:

BE IT RESOLVED by the Mayor and Council of the Borough of Middlesex, as follows:

In the event the quarterly payment of taxes or assessments are not paid on the date on which they become delinquent, but are paid within ten days on the date on which they become delinquent, the Tax Collector be and is hereby authorized to collect interest on all such delinquent payments; and

In the event that quarterly payment of taxes and assessments are nit paid within ten days of the date on which they become delinquent, and the total amount of said delinquency is less than \$1,500.00, the Tax Collector be and is hereby authorized to collect 8% interest per annum from the date said payments first become delinquent up to \$1,500.00 of the delinquency and 18% interest on all such delinquent payments over \$1,500.00.

Pursuant to N.J.S.A. 54:4-67, which is the New Jersey statute defining a tax delinquency, the Governing Body of the Borough of Middlesex does hereby fix a penalty to be charged to a taxpayer with a delinquency in excess of \$10,000.00 who fails to pay the delinquency prior to the end of the calendar year 2023 and the penalty so fixed shall be six (6%) of the amount of the yearly delinquency.

DELINQUENT TAXES AND TAX TITLE LIENS

The last tax sale was held on October 25, 2023 and was complete.

Inspection of tax sale certificates on file revealed that all tax sale certificates were available for audit.

<u>YEAR</u>	<u>AMOUNT</u>
2023	8
2022	8
2021	10

VERIFICATION OF DELINQUENT TAXES AND OTHER CHARGES

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

Information Tax and Utility Positive Confirmation	50
Delinquent Tax and Utility Positive Confirmation	10

RECREATION

During our testing of the Recreation Department, we noted that the Recreation Department maintains their own bank account, however not all funds were turned over to the Finance Department by January of the following year. This is a repeat comment from the prior year. We did note an improvement, but it was still an issue during the current year.

GENERAL CAPITAL FUND

During our testing of the General Capital Fund, we noted cash deficits for four ordinances that are over five years old.

PAYROLL

During the audit of the payroll system, we noted that time sheets were unsigned and unapproved for the Water Department. An excel spreadsheet showing approval was maintained. As a result, we could not determine if any extra time/overtime was approved by the Supervisor. A possibility of the falsification of records may take place. We also noted that passwords are assigned to employees upon hire but are not required to change or update their passwords throughout their employment.

ANIMAL CONTROL FUND

We noted that there was a deficit in the Animal Control Fund at December 31, 2023 and that only a partial amount of the deficit was raised in the 2024 budget.

RECOMMENDATIONS

*That the Recreation Department turn over all monies by January of the subsequent year.

That cash deficit for ordinances older than five years be funded.

That timesheets for all departments be signed by the employee and approved by the Supervisor.

That the Borough adopt a procedure that requires that all passwords be changed on a periodic basis.

That the deficit in the Animal Control Fund be fully raised in the 2025 budget.

* Prior Year Recommendation

