

Report of Audit

on the

Financial Statements
and Supplementary Schedules

of the

Borough of Ocean Gate

in the

County of Ocean
New Jersey

for the

Year Ended
December 31, 2024

BOROUGH OF OCEAN GATE

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BOROUGH OF OCEAN GATE

PART I

INDEPENDENT AUDITOR'S REPORT ON
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SUPPLEMENTARY SCHEDULES - ALL FUNDS

YEAR ENDED DECEMBER 31, 2024



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 Ocean Gate
County of Ocean
Ocean Gate, New Jersey 08740

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 groups of the Borough of Ocean Gate (the "Borough"), as of and for the year ended December 31, 2024, the related statements of operations and changes in fund balance - regulatory basis for the years then ended, and the related statement of revenues - regulatory basis and statement of expenditures - regulatory basis of the various individual funds for the year ended December 31, 2024, 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 groups of the Borough as of December 31, 2024, or the results of its operations and changes in fund balance for the years then ended or the revenues or expenditures for the year ended December 31, 2024.

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 balance sheets of the various individual funds and account groups as of December 31, 2024, the regulatory basis statements of operations and changes in fund balance for the years then ended and the regulatory basis statements of revenues and expenditures for the year ended December 31, 2024 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.

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 (the "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

Prior Period Financial Statements

The financial statements of the Borough as of December 31, 2023, were audited by other auditors whose report dated December 9, 2024, expressed an adverse opinion on the financial statements as to the conformity of the financial statements with accounting principles generally accepted in the United States of America and an unmodified opinion on those financial statements in accordance with the basis of financial reporting prescribed by the Division.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated August 29, 2025 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 29, 2025

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CURRENT FUND

BOROUGH OF OCEAN GATE - COUNTY OF OCEAN

BALANCE SHEET - CURRENT FUND

Exhibit A

REGULATORY BASIS

Sheet 1 of 2

DECEMBER 31, 2024 AND 2023

<u>Assets</u>	<u>Ref.</u>	<u>2024</u>	<u>2023</u>
Cash	A-4	\$ 562,300.08	\$ 1,127,277.49
		<u>562,300.08</u>	<u>1,127,277.49</u>
Due from County - CARES Act		20,253.58	20,253.58
		<u>20,253.58</u>	<u>20,253.58</u>
Receivables and Other Assets with Full Reserves:			
Delinquent Property Taxes Receivable	A-5	131,999.21	106,161.58
Tax Title Liens Receivable	A-6	3,114.14	2,352.97
Revenue Accounts Receivable	A-7	1,030.94	1,031.92
Interfund - Grant Fund	A-17	97,650.99	24,365.18
		<u>233,795.28</u>	<u>133,911.65</u>
Deferred Charges:			
Special Emergency Authorizations (40A:4-55)	A-8	120,000.00	150,000.00
		<u>120,000.00</u>	<u>150,000.00</u>
		<u>936,348.94</u>	<u>1,431,442.72</u>
<u>Grant Fund</u>			
Grants Receivable	A-18	1,833,689.43	801,996.41
		<u>1,833,689.43</u>	<u>801,996.41</u>
		<u>\$ 2,770,038.37</u>	<u>\$ 2,233,439.13</u>

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

BOROUGH OF OCEAN GATE - COUNTY OF OCEAN

BALANCE SHEET - CURRENT FUND

Exhibit A

REGULATORY BASIS

Sheet 2 of 2

DECEMBER 31, 2024 AND 2023

	<u>Ref.</u>	<u>2024</u>	<u>2023</u>
<u>Liabilities, Reserves and Fund Balance</u>			
Appropriation Reserves	A-3:A-9	\$ 15,246.25	\$ 88,345.02
Reserve for Encumbrances	A-3:A-9	11,753.11	71,238.88
Tax Overpayments	A-4	2,149.55	11,033.27
Prepaid Taxes	A-4:A-5	108,750.48	85,911.11
Special Emergency Notes Payable	A-8a	120,000.00	150,000.00
Accounts Payable	A-9:A-1	818.50	4,120.08
County Taxes Payable	A-10	4,564.59	10,172.40
Local District School Tax Payable	A-11	197,722.93	98,968.97
Regional District School Tax Payable	A-12	53,536.99	56,325.79
Due State of New Jersey Ch. 20, P.L. 1971	A-14	1,572.60	1,670.55
Due State of New Jersey - Other	A-15	1,218.00	1,013.00
Miscellaneous Reserves	A-16	45,614.77	88,261.08
		<u>562,947.77</u>	<u>667,060.15</u>
Reserve for Receivables and Other Assets		233,795.28	133,911.65
Fund Balance	A-1	139,605.89	630,470.92
		<u>936,348.94</u>	<u>1,431,442.72</u>
<u>Grant Fund</u>			
Interfund - Current Fund	A-17	97,650.99	24,365.18
Appropriated Reserves	A-19	1,720,462.20	689,458.29
Reserve for Encumbrances	A-19	273.20	29,569.82
Unappropriated Reserves	A-20	15,303.04	58,603.12
		<u>1,833,689.43</u>	<u>801,996.41</u>
		<u>\$ 2,770,038.37</u>	<u>\$ 2,233,439.13</u>

There were deferred school taxes on December 31, 2024 & 2023 of \$730,533.23 (Schedule A-11:A12).

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

BOROUGH OF OCEAN GATE - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-1

STATEMENT OF OPERATIONS AND CHANGE IN FUND BALANCE Sheet 1 of 2

REGULATORY BASIS

	<u>Ref.</u>	<u>Year 2024</u>	<u>Year 2023</u>
<u>Revenue and Other Income Realized</u>			
Fund Balance Utilized	A-2	\$ 573,253.58	\$ 400,000.00
Miscellaneous Revenue Anticipated	A-2	1,963,463.83	891,801.02
Receipts from Delinquent Taxes	A-2	106,658.09	129,948.26
Receipts from Current Taxes	A-2	7,366,360.84	6,866,154.33
Non-Budget Revenues	A-2	89,535.94	24,096.10
Other Credits to Income:			
Animal Control Statutory Excess	A-13	581.20	
Unexpended Balance of Appropriation Reserves	A-9	45,673.55	61,980.06
Accounts Payable Canceled	A-9:A	3,952.08	
Regional School Tax Returned			9,370.21
Interfunds Returned			29,581.03
Total Income		<u>10,149,479.11</u>	<u>8,412,931.01</u>
<u>Expenditures</u>			
Budget Appropriations within Caps:			
Operations:			
Salaries and Wages		1,747,090.22	1,638,327.37
Other Expenses		1,054,133.31	980,705.70
Deferred Charges and Statutory Expenditures		547,157.90	391,046.15
Budget Appropriations excluded from Caps:			
Operations:			
Salaries and Wages		33,440.00	
Other Expenses		1,329,687.59	237,827.26
Capital Improvements			20,000.00
Municipal Debt Service		298,409.39	343,809.38
Judgements			27,204.93
Deferred Charges		30,000.00	150,000.00
	A-3	<u>5,039,918.41</u>	<u>3,788,920.79</u>
Prior Year Deductions Disallowed	A-5	500.00	500.00
County Taxes	A-10	1,444,060.34	1,233,478.72
Local District School Tax	A-11	2,294,249.00	1,896,741.00
Regional District School Taxes	A-12	1,215,077.00	1,222,049.00
Interfund Advances		73,285.81	
Total Expenditures		<u>10,067,090.56</u>	<u>8,141,689.51</u>

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

BOROUGH OF OCEAN GATE - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-1

STATEMENT OF OPERATIONS AND CHANGE IN FUND BALANCE **Sheet 2 of 2**

REGULATORY BASIS

	<u>Ref.</u>	<u>Year 2024</u>	<u>Year 2023</u>
Excess/(Deficit) in Revenues		\$ 82,388.55	\$ 271,241.50
Adjustments to Income Before Fund Balance:			
Expenditures Included Above Which are by			
Statute Deferred Charges to Budget of			
Succeeding Year			150,000.00
Regulatory Excess to Fund Balance		<u>82,388.55</u>	<u>421,241.50</u>
Fund Balance January 1	A	<u>630,470.92</u>	<u>609,229.42</u>
		<u>712,859.47</u>	<u>1,030,470.92</u>
Decreased by:			
Utilization as Anticipated Revenue	A-1	<u>573,253.58</u>	<u>400,000.00</u>
Fund Balance December 31	A	<u>\$ 139,605.89</u>	<u>\$ 630,470.92</u>

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

BOROUGH OF OCEAN GATE - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-2

STATEMENT OF REVENUES - REGULATORY BASIS

Sheet 1 of 4

	<u>Ref.</u>	<u>Anticipated</u>		<u>Realized</u>	<u>Excess or (Deficit)</u>
		<u>Budget</u>	<u>Special N.J.S.A. 40A:4-87</u>		
Fund Balance Anticipated		\$ 553,000.00	\$	\$ 553,000.00	\$
Fund Balance Anticipated with Consent of DLGS		20,253.58		20,253.58	
Total Fund Balance Anticipated	A-1	573,253.58		573,253.58	
<u>Miscellaneous Revenues</u>					
Licenses					
Alcoholic Beverages	A-7	5,188.00		5,188.00	
Fees and Permits	A-7	49,000.00		45,907.00	(3,093.00)
Fines and Costs					
Municipal Court	A-7	24,400.00		21,199.64	(3,200.36)
Interest and Costs on Taxes	A-7	28,700.00		28,583.54	(116.46)
Interest on Investments and Deposits	A-7	10,000.00		16,138.24	6,138.24
Beach Revenues	A-7	108,700.00		125,675.00	16,975.00
Parking Lot Fees	A-7	21,300.00		20,639.00	(661.00)
State Aid:	A-7				
Energy Receipts Tax	A-7	145,374.00		145,374.04	0.04
Municipal Relief Fund	A-7	14,984.82		14,984.82	
Uniform Construction Code Fees	A-7	31,600.00		34,771.00	3,171.00
Beach and Boardwalk Operations	A-7	18,000.00		18,000.00	

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

BOROUGH OF OCEAN GATE - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-2

STATEMENT OF REVENUES - REGULATORY BASIS

Sheet 2 of 4

	<u>Ref.</u>	<u>Anticipated</u>		<u>Realized</u>	<u>Excess or (Deficit)</u>
		<u>Budget</u>	<u>Special N.J.S.A. 40A:4-87</u>		
Special Items of Revenue:					
Federal and State Revenues					
Off-Set with Appropriations:					
Cops in Shops	A-17	\$ 1,440.00	\$	\$ 1,440.00	\$
Distracted Driving	A-17	7,000.00		7,000.00	
Drive Sober or Get Pulled Over	A-17	7,000.00		7,000.00	
ARP Firefighter Grant	A-17	50,000.00		50,000.00	
Body Armor	A-17	1,459.82		1,459.82	
NJ DEP Stormwater Assistance	A-17	15,000.00		15,000.00	
Clean Communities	A-17	4,715.62		4,715.62	
Recycling Tonnage	A-17	3,258.81		3,258.81	
Recycling Tonnage (Unappropriated Reserve)	A-17	3,403.86		3,403.86	
Municipal Alliance	A-17	3,569.74		3,569.74	
Alcohol Education and Rehabilitation Fund	A-17	169.79		169.79	
Comcast Technology Grant	A-17	8,000.00		8,000.00	
PCB Settlement	A-17	17,414.03		17,414.03	
NJ DOT 2024 Municipal Aid	A-17		258,540.00	258,540.00	
NJ DOT 2024 Municipal Aid Elevation and Drainage	A-17		750,000.00	750,000.00	
NJ DCA Local Recreation Improvement	A-17		70,000.00	70,000.00	
CDBG Handicapped Access Imp.-Wildwood Ave	A-17		41,700.00	41,700.00	

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

BOROUGH OF OCEAN GATE - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-2

STATEMENT OF REVENUES - REGULATORY BASIS

Sheet 3 of 4

	Ref.	Anticipated		Realized	Excess or (Deficit)
		Budget	Special N.J.S.A. 40A:4-87		
Other Special Items:					
Utility Operating Surplus of Prior Year					
Water Operating Fund	A-7	\$ 129,000.00	\$	\$ 129,000.00	\$
Sewer Operating Fund	A-7	54,000.00		54,000.00	
Cable TV Franchise Fees	A-7	8,827.84		8,827.84	
Cell Tower Lease	A-7	34,800.00		37,236.00	2,436.00
ProChamps Foreclosed Homes	A-7	1,000.00			(1,000.00)
School Resource Officer Reimbursement	A-7	15,000.00		15,000.00	
Senior & Vet Admin Fee	A-7	300.00		268.04	(31.96)
Cell Tower Lease - Dish	A-7	35,000.00			(35,000.00)
Total Miscellaneous Revenues	A-1	857,606.33	1,120,240.00	1,963,463.83	(14,382.50)
Receipts from Delinquent Taxes	A-1:A-5	108,950.00		106,658.09	(2,291.91)
Subtotal General Revenues		1,539,809.91	1,120,240.00	2,643,375.50	(16,674.41)
Amount to be Raised by Taxes for Support of Municipal Budget	A-2	2,528,020.35		2,561,126.35	33,106.00
Total General Revenues		4,067,830.26	1,120,240.00	5,204,501.85	16,431.59
Non-Budget Revenues	A-2			89,535.94	89,535.94
		\$ 4,067,830.26	\$ 1,120,240.00	\$ 5,294,037.79	\$ 105,967.53

Ref. A-3 A-3

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

BOROUGH OF OCEAN GATE - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-2

STATEMENT OF REVENUES - REGULATORY BASIS

Sheet 4 of 4

	<u>Ref.</u>	
<u>Analysis of Realized Revenues</u>		
Allocation of Current Tax Collections:		
Revenue from Collections	A-1:A-5	\$ 7,366,360.84
Allocated to:		
School and County Taxes	A-5	<u>4,953,386.34</u>
Balance for Support of Municipal Budget		
Appropriations		2,412,974.50
Add: Appropriation "Reserve for Uncollected Taxes"	A-3	<u>148,151.85</u>
Amount for Support of Municipal Budget		
Appropriations	A-2	<u><u>\$ 2,561,126.35</u></u>
<u>Analysis of Non-Budget Revenue</u>		
Trust Reserve Third Party Tax Lien Canceled		\$ 23,291.29
Proceeds from Auction of Property		20,810.54
Insurance Reimbursements		20,460.41
Police Off-duty Admin Fees		4,357.50
Buy A Board		3,750.00
Finance Miscellaneous		3,936.73
Refund of Prior Year Expenses		3,223.07
FEMA - Sandy		2,900.15
Adrian Hall Rental		2,755.00
Towing Licenses		1,360.00
Recycling		1,409.95
Vacant Property Registration		500.00
Police Reports		460.30
Court Restitution		<u>321.00</u>
	A-1:A-2:A-4	<u><u>\$ 89,535.94</u></u>

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

BOROUGH OF OCEAN GATE

CURRENT FUND

Exhibit A-3

STATEMENT OF EXPENDITURES - REGULATORY BASIS

Sheet 1 of 7

	Appropriated		Expended	
	Budget	Budget After Modification	Paid or Charged	Reserved
<u>OPERATIONS WITHIN CAPS</u>				
<u>General Government Functions</u>				
Administrative & Executive				
Other Expenses	\$ 20,200.00	\$ 16,796.34	\$ 16,767.70	\$ 28.64
Mayor and Council				
Salaries and Wages	5,000.00	5,000.00	5,000.00	
Other Expenses	2,150.00	1,040.00	1,040.00	
Council				
Salaries and Wages	6,000.00	6,000.00	5,999.76	.24
Municipal Clerk's Office				
Salaries and Wages	70,519.05	72,015.60	72,015.60	
Other Expenses	5,800.00	5,535.69	5,535.69	
Financial Administration				
Salaries and Wages	26,166.67	25,086.08	25,086.08	
Other Expenses	7,500.00	10,047.11	10,047.11	
Audit Services	11,000.00			
Collection of Taxes				
Salaries and Wages	24,429.86	18,450.81	18,450.81	
Other Expenses	2,910.00	4,908.10	4,908.10	
Assessment of Taxes				
Salaries and Wages	15,700.00	15,700.00	15,480.40	219.60
Other Expenses	825.00	329.79	329.79	
Legal Services and Costs				
Other Expenses	50,000.00	56,800.77	56,800.77	
Engineering Services				
Other Expenses	42,000.00	39,883.06	39,883.06	

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

BOROUGH OF OCEAN GATE

CURRENT FUND

Exhibit A-3

STATEMENT OF EXPENDITURES - REGULATORY BASIS

Sheet 2 of 7

	Appropriated		Expended	
	Budget	Budget After Modification	Paid or Charged	Reserved
<u>OPERATIONS WITHIN CAPS (CONTINUED)</u>				
<u>Land Use Administration</u>				
Planning Board				
Salaries and Wages	\$ 3,690.00	\$ 3,690.00	\$ 3,665.69	\$ 24.31
Other Expenses	1,775.00	1,188.20	1,188.20	
<u>Insurance</u>				
Liability Insurance	28,074.00	76,786.60	76,786.60	
Workers Compensation Insurance	2,000.00			
Employee Group Health Insurance	375,076.17	375,076.17	368,441.97	6,634.20
Unemployment Insurance	550.00	550.00	472.76	77.24
<u>Public Safety Functions</u>				
Police Department				
Salaries and Wages	1,359,915.89	1,401,566.81	1,401,566.81	
Other Expenses	61,273.68	41,648.33	40,458.49	1,189.84
Office of Emergency Management				
Other Expenses	100.00			
Fire				
Other Expenses	26,000.00	25,164.12	25,164.12	
Municipal Prosecutor				
Other Expenses	6,000.00	5,500.00	5,500.00	
<u>Public Works Functions</u>				
Streets and Roads Maintenance				
Salaries and Wages	7,181.66	5,888.51	5,888.51	
Other Expenses	7,500.00	3,668.57	3,668.57	

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

BOROUGH OF OCEAN GATE

CURRENT FUND

Exhibit A-3

STATEMENT OF EXPENDITURES - REGULATORY BASIS

Sheet 3 of 7

	<u>Appropriated</u>		<u>Expended</u>	
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>
<u>OPERATIONS WITHIN CAPS (CONTINUED)</u>				
<u>Public Works Functions (Continued)</u>				
Beachfront Maintenance				
Salaries and Wages	\$ 7,181.66	\$ 5,526.90	\$ 5,526.90	\$
Other Expenses	12,500.00	11,987.63	11,987.63	
Solid Waste Disposal				
Salaries and Wages	7,181.66			
Buildings and Grounds				
Salaries and Wages	7,181.66	4,612.39	4,612.39	
Other Expenses	90,750.00	65,253.30	64,984.42	268.88
<u>Park and Recreation Functions</u>				
Recreation				
Other Expenses	6,900.00	1,131.49	1,131.49	
Beach Patrol				
Salaries and Wages	54,000.00	29,761.63	29,761.63	
Other Expenses	5,514.00	7,382.63	7,382.63	
Municipal Court				
Salaries and Wages	46,000.00	46,947.24	46,947.24	
Other Expenses	3,000.00	1,191.99	1,191.99	
Public Defender				
Other Expenses	6,000.00	3,650.00	3,650.00	
<u>Uniform Construction Code - Appropriations Offset by</u>				
<u>Dedicated Revenues (N.J.A.C. 5:23-4.17)</u>				
Uniform Construction Code Enforcement				
Salaries and Wages	113,000.00	106,844.25	106,844.25	
Other Expenses	8,350.00	7,980.11	7,980.11	

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

BOROUGH OF OCEAN GATE

CURRENT FUND

Exhibit A-3

STATEMENT OF EXPENDITURES - REGULATORY BASIS

Sheet 4 of 7

	<u>Appropriated</u>		<u>Expended</u>	
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>
<u>OPERATIONS WITHIN CAPS (CONTINUED)</u>				
<u>Uniform Construction Code - Appropriations Offset by</u>				
<u>Dedicated Revenues (N.J.A.C. 5:23-4.17)</u>				
Uniform Fire Subcode Official	\$ 771.00	\$ 771.00	\$ 771.00	\$
Other Expenses				
<u>Unclassified</u>	1,000.00	350.00	350.00	
Contribution - Providence House				
Utilities:				
Electricity	20,000.00	21,139.45	21,139.45	
Street Lighting	4,000.00	2,243.31	2,243.31	
Telephone	10,500.00	12,361.40	12,361.40	
Gas (Natural and Propane)	11,500.00	13,375.77	13,375.77	
Gasoline	7,000.00			
Sanitary Landfill				
Landfill/Solid Waste Disposal Cost	220,000.00	240,392.38	240,392.38	
Total Operations within Caps	<u>2,811,666.96</u>	<u>2,801,223.53</u>	<u>2,792,780.58</u>	<u>8,442.95</u>
Detail:				
Salaries and Wages	1,753,148.11	1,747,090.22	1,746,846.07	244.15
Other Expenses	<u>1,058,518.85</u>	<u>1,054,133.31</u>	<u>1,045,934.51</u>	<u>8,198.80</u>
Total Operations within Caps including Contingent	<u>2,811,666.96</u>	<u>2,801,223.53</u>	<u>2,792,780.58</u>	<u>8,442.95</u>

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

BOROUGH OF OCEAN GATE

CURRENT FUND

Exhibit A-3

STATEMENT OF EXPENDITURES - REGULATORY BASIS

Sheet 5 of 7

	<u>Appropriated</u>		<u>Expended</u>	
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>
<u>OPERATIONS WITHIN CAPS (CONTINUED)</u>				
<u>Statutory Expenditures</u>				
Contribution to:				
Public Employee Retirement System	\$ 30,540.00	\$ 30,540.00	\$ 30,540.00	\$
Police and Firemen's Retirement System of NJ	374,528.00	374,528.00	374,528.00	
Social Security System	138,500.00	142,089.90	142,089.90	
Total Statutory Expenditures within Caps	543,568.00	547,157.90	547,157.90	
Total Appropriations within Caps	3,355,234.96	3,348,381.43	3,339,938.48	8,442.95
<u>OPERATIONS EXCLUDED FROM CAPS</u>				
Liability Insurance	72,608.00	72,608.00	72,608.00	
Beach Patrol				
Salaries and Wages	18,000.00	18,000.00	18,000.00	
Shared Services:				
Animal Control - Township of Berkeley	4,347.92	4,347.92	4,347.92	
Public Works Services - Township of Berkeley	500.00	500.00		500.00
Gas and Diesel Fuel - Township of Berkeley	25,000.00	25,000.00	18,696.70	6,303.30
<u>Public and Private Programs Offset by Revenues</u>				
Municipal Alliance on Alcoholism and Drug Abuse				
State Share	2,677.31	2,677.31	2,677.31	
Local Share	892.43	892.43	892.43	
Clean Communities	4,715.62	4,715.62	4,715.62	
Recycling Tonnage	3,258.81	3,258.81	3,258.81	
Alcohol Education and Rehabilitation Fund	169.79	169.79	169.79	
ARP Firefighter Grant	50,000.00	50,000.00	50,000.00	

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

BOROUGH OF OCEAN GATE

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS

Sheet 6 of 7

	Appropriated		Expended	
	Budget	Budget After Modification	Paid or Charged	Reserved
<u>OPERATIONS EXCLUDED FROM CAPS (CONTINUED)</u>	\$	\$	\$	\$
Cops in Shops	1,440.00	1,440.00	1,440.00	
Recycling Tonnage (Unappropriated Reserve)	3,403.86	3,403.86	3,403.86	
Drive Sober or Get Pulled Over	7,000.00	7,000.00	7,000.00	
Body Armor	1,459.82	1,459.82	1,459.82	
Distracted Driving	7,000.00	7,000.00	7,000.00	
Comcast Technology Grant	8,000.00	8,000.00	8,000.00	
NJ DEP Stormwater Assistance	15,000.00	15,000.00	15,000.00	
PCB Settlement	17,414.03	17,414.03	17,414.03	
NJ DOT 2024 Municipal Aid		258,540.00	258,540.00	
NJ DOT 2024 Municipal Aid Elevation and Drainage		750,000.00	750,000.00	
NJ DCA Local Recreation Improvement		70,000.00	70,000.00	
CDBG Handicapped Access Imp. - Wildwood Ave		41,700.00	41,700.00	
Total Operations excluded from Caps	242,887.59	1,363,127.59	1,356,324.29	6,803.30
Detail:				
Salaries and Wages	33,440.00	33,440.00	33,440.00	
Other Expenses	209,447.59	1,329,687.59	1,322,884.29	6,803.30
<u>MUNICIPAL DEBT SERVICE EXCLUDED</u>				
<u>FROM CAPS</u>				
Payment of Bond Principal	190,000.00	190,000.00	190,000.00	
Interest on Bonds	64,500.00	64,500.00	64,500.00	
Interest on Notes	37,055.86	43,909.39	43,909.39	
Total Municipal Debt Service excluded from Caps	291,555.86	298,409.39	298,409.39	

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

BOROUGH OF OCEAN GATE

CURRENT FUND

Exhibit A-3

STATEMENT OF EXPENDITURES - REGULATORY BASIS

Sheet 7 of 7

DEFERRED CHARGES EXCLUDED FROM CAPS

Special Emergency Authorizations - 5 Years (N.J.S. 40A:4-55)					
Total General Appropriations excluded from Caps		\$ 30,000.00	\$ 30,000.00	\$ 30,000.00	\$ 6,803.30
		564,443.45	1,691,536.98	1,684,733.68	
Subtotal General Appropriations		3,919,678.41	5,039,918.41	5,024,672.16	15,246.25
Reserve for Uncollected Taxes		148,151.85	148,151.85	148,151.85	
Total General Appropriations		\$ 4,067,830.26	\$ 5,188,070.26	\$ 5,172,824.01	\$ 15,246.25
	<u>Ref.</u>	A-2		A-1	A:A-1
Budget	A-2				
Appropriation by 40A:4-87	A-2		\$ 4,067,830.26		
			1,120,240.00		
	A-3		\$ 5,188,070.26		
Reserve for:					
Encumbrances	A			\$ 11,753.11	
Uncollected Taxes	A-2			148,151.85	
Disbursements	A-4			3,740,247.38	
Deferred Charges Raised:					
Special Emergency Appropriations	A-8			30,000.00	
Interfund - Grant Fund	A-17			1,242,671.67	
				\$ 5,172,824.01	

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

TRUST FUND

BOROUGH OF OCEAN GATE - COUNTY OF OCEAN

BALANCE SHEET - TRUST FUND

Exhibit B

REGULATORY BASIS

DECEMBER 31, 2024 AND 2023

<u>Assets</u>	<u>Ref.</u>	<u>2024</u>	<u>2023</u>
Animal Control Trust Fund:			
Cash	B-1	\$ <u>1,748.80</u>	\$ <u>1,835.20</u>
Other Trust Fund:			
Cash	B-1	380,272.93	314,919.11
Off-Duty Police Employment Receivable		<u>7.58</u>	<u>7.58</u>
		<u>380,280.51</u>	<u>314,926.69</u>
		\$ <u><u>382,029.31</u></u>	\$ <u><u>316,761.89</u></u>
<u>Liabilities, Reserves and Fund Balance</u>			
Animal Control Fund:			
Reserve for Animal Control Fund Expenditures	B-2	\$ 1,735.60	\$ 1,829.80
Fees Due to State of New Jersey	B-3	<u>13.20</u>	<u>5.40</u>
		<u>1,748.80</u>	<u>1,835.20</u>
Other Trust Fund:			
Various Reserves	B-4	<u>380,280.51</u>	<u>314,926.69</u>
		<u>380,280.51</u>	<u>314,926.69</u>
		\$ <u><u>382,029.31</u></u>	\$ <u><u>316,761.89</u></u>

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

GENERAL CAPITAL FUND

BOROUGH OF OCEAN GATE - COUNTY OF OCEAN

BALANCE SHEET - GENERAL CAPITAL FUND

Exhibit C

REGULATORY BASIS

DECEMBER 31, 2024 AND 2023

	<u>Ref.</u>	<u>2024</u>	<u>2023</u>
<u>Assets</u>			
Cash	C-2	\$ 136,241.96	\$ 318,179.16
Grants Receivable	C-3	199,194.12	427,740.15
Deferred Charges to Future Taxation:			
Funded	C-4	3,205,100.00	2,465,000.00
Unfunded	C-5	<u>1,153,222.09</u>	<u>1,939,507.50</u>
		<u>\$ 4,693,758.17</u>	<u>\$ 5,150,426.81</u>
<u>Liabilities, Reserves and Fund Balance</u>			
Reserve for Encumbrances	C-3	\$ 61,986.19	\$ 939,636.99
Capital Improvement Fund	C-3	14,851.31	23,601.31
Improvement Authorizations:			
Funded	C-6	64,389.97	443,161.69
Unfunded	C-6	717,270.40	648,866.52
Serial Bonds	C-7	2,275,000.00	2,465,000.00
Bond Anticipation Notes	C-8	606,242.00	606,242.00
USDA Loan Payable	C-9	930,100.00	
Various Reserves	C-3	12,644.00	12,644.00
Fund Balance	C-1	<u>11,274.30</u>	<u>11,274.30</u>
		<u>\$ 4,693,758.17</u>	<u>\$ 5,150,426.81</u>

There were bonds and notes authorized but not issued on December 31, 2024 and 2023 of \$546,980.09 and \$1,333,265.50 respectively (Schedule C-10).

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

BOROUGH OF OCEAN GATE - COUNTY OF OCEAN

GENERAL CAPITAL FUND

Exhibit C-1

STATEMENT OF CAPITAL FUND BALANCE

REGULATORY BASIS

	<u>Ref.</u>	
Balance December 31, 2023 and 2024	C	\$ <u><u>11,274.30</u></u>

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

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WATER UTILITY FUND

BOROUGH OF OCEAN GATE - COUNTY OF OCEAN

BALANCE SHEET - WATER UTILITY FUND

Exhibit D

REGULATORY BASIS

Sheet 1 of 2

DECEMBER 31, 2024 AND 2023

<u>Assets</u>	<u>Ref.</u>	<u>2024</u>	<u>2023</u>
Operating Fund:			
Cash	D-5	\$ 8,730.11	\$ 148,909.23
		<u>8,730.11</u>	<u>148,909.23</u>
Receivables with Full Reserves:			
Consumer Accounts Receivable	D-7	147,193.80	269,620.94
Utility Liens		400.00	400.00
		<u>147,593.80</u>	<u>270,020.94</u>
Deferred Charges:			
Operating Deficit	D-1	11,356.03	
Total Operating Fund		<u>167,679.94</u>	<u>418,930.17</u>
Capital Fund:			
Cash	D-5	78,510.39	33,970.89
N.J. Environmental Infrastructure Loan Receivable	D-6	744,997.00	230,709.00
Fixed Capital	D-9	1,318,587.55	1,318,587.55
Fixed Capital Authorized and Uncompleted	D-10	4,500,000.00	2,800,000.00
Total Capital Fund		<u>6,642,094.94</u>	<u>4,383,267.44</u>
		<u>\$ 6,809,774.88</u>	<u>\$ 4,802,197.61</u>
<u>Liabilities, Reserves and Fund Balance</u>			
Operating Fund:			
Appropriation Reserves	D-4:D-11		9,855.77
Reserve for Encumbrances	D-4:D-11	11,031.73	912.80
Accounts Payable	D-1		510.00
Water Rent Overpayments	D-5:D-7	2,911.95	1,303.20
Accrued Interest Payable	D-12	5,625.62	6,810.62
		<u>19,569.30</u>	<u>19,392.39</u>
Reserve for Receivables		147,593.80	270,020.94
Fund Balance	D-1	516.84	129,516.84
Total Operating Fund		<u>167,679.94</u>	<u>418,930.17</u>

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

BOROUGH OF OCEAN GATE - COUNTY OF OCEAN

BALANCE SHEET - WATER UTILITY FUND

Exhibit D

REGULATORY BASIS

Sheet 2 of 2

DECEMBER 31, 2024 AND 2023

<u>Liabilities, Reserves and Fund Balance (Continued)</u>	<u>Ref.</u>	<u>2024</u>	<u>2023</u>
Capital Fund:			
Capital Improvement Fund	D-13	\$ 347,650.00	\$ 347,650.00
Improvement Authorizations:			
Funded	D-14	579,206.43	18,156.13
Unfunded	D-14	1,359,394.86	556,102.66
Reserve for Amortization	D-15	1,282,135.32	1,268,720.42
Deferred Reserve for Amortization	D-16	1,404,973.93	1,338,834.31
Serial Bonds	D-17	330,000.00	350,000.00
USDA Loan	D-18	35,178.77	48,593.67
N.J. Environmental Infrastructure Loans Payable	D-19-25	1,303,555.63	455,210.25
Total Capital Fund		<u>6,642,094.94</u>	<u>4,383,267.44</u>
		<u>\$ 6,809,774.88</u>	<u>\$ 4,802,197.61</u>

There were bonds and notes authorized but not issued on December 31, 2024 and 2023 of \$1,462,743.90 and \$657,228.90 respectively (Schedule D-26).

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

BOROUGH OF OCEAN GATE - COUNTY OF OCEAN

WATER UTILITY OPERATING FUND

Exhibit D-1

STATEMENT OF OPERATIONS AND CHANGE IN FUND BALANCE

REGULATORY BASIS

	<u>Ref.</u>	<u>2024</u>	<u>2023</u>
<u>Revenue and Other Income Realized</u>			
Water Rents	D-3	\$ 510,086.45	\$ 535,700.33
Miscellaneous Revenue Anticipated	D-3	7,316.59	8,105.00
Other Credits to Income:			
Canceled Accounts Payable	D	510.00	
Unexpended Balance of Appropriation Reserves	D-11	<u>9,773.97</u>	<u>192.58</u>
Total Income		<u>527,687.01</u>	<u>543,997.91</u>
<u>Expenditures</u>			
Operating	D-4	431,341.71	384,500.00
Debt Service	D-4	87,629.18	83,841.43
Deferred Charges and Statutory Expenditures	D-4	<u>20,072.15</u>	<u>33,168.00</u>
Total Expenditures		<u>539,043.04</u>	<u>501,509.43</u>
(Deficit)/Excess in Revenue		(11,356.03)	42,488.48
Operating Deficit to be Raised in Budget of Succeeding Year	D	<u>11,356.03</u>	
Fund Balance January 1	D	<u>129,516.84</u>	<u>417,028.36</u>
		<u>129,516.84</u>	<u>459,516.84</u>
Decreased by:			
Utilization by Current Fund Budget	D-5	<u>129,000.00</u>	<u>330,000.00</u>
Fund Balance December 31	D	<u>\$ 516.84</u>	<u>\$ 129,516.84</u>

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

BOROUGH OF OCEAN GATE - COUNTY OF OCEAN

WATER UTILITY CAPITAL FUND

Exhibit D-2

STATEMENT OF FUND BALANCE - REGULATORY BASIS

	<u>Ref.</u>	
Balance December 31, 2023 and 2024	D	\$ <u>0.00</u>

* No activity occurred during the current and prior audit period

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

BOROUGH OF OCEAN GATE - COUNTY OF OCEAN

WATER UTILITY OPERATING FUND

Exhibit D-3

STATEMENT OF REVENUES - REGULATORY BASIS

	<u>Ref.</u>	<u>Anticipated Budget</u>	<u>Realized</u>	<u>Excess or (Deficit)</u>
Rents	D-1:D-7	\$ 535,000.00	\$ 510,086.45	\$ (24,913.55)
Miscellaneous	D-1:D-3	<u>5,490.00</u>	<u>7,316.59</u>	<u>1,826.59</u>
		<u>\$ 540,490.00</u>	<u>\$ 517,403.04</u>	<u>\$ (23,086.96)</u>
	<u>Ref.</u>	D-4		

Analysis of Miscellaneous Revenue

Interest and Costs on Delinquent Water Rents		\$ 4,207.85
Interest on Deposits		1,652.76
Other		<u>1,455.98</u>
Receipts	D-5	<u>\$ 7,316.59</u>

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

BOROUGH OF OCEAN GATE - COUNTY OF OCEAN

WATER UTILITY OPERATING FUND

Exhibit D-4

STATEMENT OF EXPENDITURES - REGULATORY BASIS

	<u>Appropriated</u>		<u>Budget After</u>		<u>Expended</u>		<u>Unexpended Balance Cancelled</u>
	<u>Budget</u>		<u>Modification</u>		<u>Paid or Charged</u>	<u>Reserved</u>	
Operating	\$	93,000.00	\$	126,917.41	\$	126,917.41	\$
Salaries and Wages							
Other Expenses		330,252.96		304,424.30		304,424.30	
Debt Service							
Payment of Bond Principal		20,000.00		20,000.00			
Interest on Bonds		8,800.00		8,800.00			171.11
USDA Principal & Interest		15,863.86		15,863.86			433.66
NJEIT							
Principal		46,139.62		41,139.62		41,139.62	
Interest		9,546.56		3,272.66		2,430.47	842.19
Deferred Charges and Statutory Expenditures:							
Contribution to:							
Public Employees' Retirement System		9,772.00		9,772.00		9,772.00	
Social Security System		7,115.00		10,300.15		10,300.15	
	\$	540,490.00	\$	540,490.00	\$	539,043.04	\$
							1,446.96
Ref.	D-3				D-1	D:D-1	
Reserve for Encumbrances	D				\$	11,031.73	
Disbursements	D-5					523,219.90	
Accrued Interest Payable	D-12					4,791.41	
					\$	539,043.04	

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

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SEWER UTILITY FUND

BOROUGH OF OCEAN GATE - COUNTY OF OCEAN

BALANCE SHEET - SEWER UTILITY FUND

Exhibit E

REGULATORY BASIS

Sheet 1 of 2

DECEMBER 31, 2024 AND 2023

<u>Assets</u>	<u>Ref.</u>	<u>2024</u>	<u>2023</u>
Operating Fund:			
Cash	E-5	\$ 42,231.30	80,357.91
		<u>42,231.30</u>	<u>80,357.91</u>
Receivables with Full Reserves:			
Consumer Accounts Receivable	E-7	31,528.21	34,540.61
Utility Liens Receivable		700.00	700.00
		<u>32,228.21</u>	<u>35,240.61</u>
Deferred Charges:			
Operating Deficit of Prior Year	E-1		4,259.71
Total Operating Fund		<u>74,459.51</u>	<u>119,858.23</u>
Capital Fund:			
Cash	E-5	77,308.69	77,308.69
Fixed Capital	E-9	3,296,034.29	3,296,034.29
Fixed Capital Authorized and Uncompleted	E-10	500,000.00	500,000.00
Total Capital Fund		<u>3,873,342.98</u>	<u>3,873,342.98</u>
		<u>\$ 3,947,802.49</u>	<u>\$ 3,993,201.21</u>

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

BOROUGH OF OCEAN GATE - COUNTY OF OCEAN

BALANCE SHEET - SEWER UTILITY FUND

Exhibit E

REGULATORY BASIS

Sheet 2 of 2

DECEMBER 31, 2024 AND 2023

<u>Liabilities, Reserves and Fund Balance</u>	<u>Ref.</u>	<u>2024</u>	<u>2023</u>
Operating Fund:			
Appropriation Reserves	E-3:E-11	\$ 4,927.46	\$ 2,121.75
Reserve for Encumbrances	E-11		231.46
Accounts Payable	E-1		300.00
Sewer Rent Overpayments	E-5:E-7	6,749.96	16,506.67
Accrued Interest Payable	E-12	577.92	683.48
		<u>12,255.34</u>	<u>19,843.36</u>
Reserve for Receivables		32,228.21	35,240.61
Fund Balance	E-1	29,975.96	64,774.26
Total Operating Fund		<u>74,459.51</u>	<u>119,858.23</u>
Capital Fund:			
Capital Improvement Fund	E-13	67,500.00	67,500.00
Improvement Authorizations:			
Funded	E-14	46,212.14	46,212.14
Unfunded	E-14	226,677.55	226,677.55
Reserve for Amortization	E-15	3,217,325.29	3,203,456.54
Deferred Reserve for Amortization	E-16	236,919.00	236,919.00
N.J. Environmental Infrastructure Loans Payable:			
Trust Loan	E-17	45,000.00	50,000.00
Fund Loan	E-18	33,709.00	42,577.75
Total Capital Fund		<u>3,873,342.98</u>	<u>3,873,342.98</u>
		<u>\$ 3,947,802.49</u>	<u>\$ 3,993,201.21</u>

There were bonds and notes authorized but not issued on December 31, 2024 and 2023 of \$263,081.00 (Schedule E-19).

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

BOROUGH OF OCEAN GATE - COUNTY OF OCEAN

SEWER UTILITY OPERATING FUND

Exhibit E-1

STATEMENT OF OPERATIONS AND CHANGE IN FUND BALANCE

REGULATORY BASIS

	<u>Ref.</u>	<u>2024</u>	<u>2023</u>
<u>Revenue and Other Income Realized</u>			
Fund Balance Utilized	E-3	\$	\$ 65,875.51
Sewer Rents	E-3	490,325.32	486,477.94
Miscellaneous Revenue Anticipated	E-3	6,453.25	6,767.59
Other Credits to Income:			
Accounts Payable Canceled	E	300.00	
Unexpended Balance of Appropriation Reserves	E-11	<u>2,256.75</u>	<u>3,389.21</u>
Total Income		<u>499,335.32</u>	<u>562,510.25</u>
<u>Expenditures</u>			
Operating	E-4	444,961.96	524,000.00
Debt Service	E-4	15,381.95	15,631.96
Deferred Charges and Statutory Expenditures	E-4	<u>19,789.71</u>	<u>27,138.00</u>
Total Expenditures		<u>480,133.62</u>	<u>566,769.96</u>
Excess/(Deficit) in Revenue		19,201.70	(4,259.71)
Operating Deficit to be Raised in Budget of Succeeding Year	E	<u> </u>	<u>4,259.71</u>
Fund Balance January 1	E	<u>64,774.26</u>	<u>130,649.77</u>
		83,975.96	130,649.77
Decreased by:			
Utilization by Current Fund Budget	E-5	54,000.00	
Utilization by Sewer Operating Budget	E-1:E-3	<u> </u>	<u>65,875.51</u>
Fund Balance December 31	E	<u>\$ 29,975.96</u>	<u>\$ 64,774.26</u>

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

BOROUGH OF OCEAN GATE - COUNTY OF OCEAN

SEWER UTILITY CAPITAL FUND

Exhibit E-2

STATEMENT OF FUND BALANCE - REGULATORY BASIS

	<u>Ref.</u>	
Balance December 31, 2023 and 2024	E	\$ <u>0.00</u>

* No activity occurred during the current and prior audit period

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

BOROUGH OF OCEAN GATE - COUNTY OF OCEAN

SEWER UTILITY OPERATING FUND

Exhibit E-3

STATEMENT OF REVENUES - REGULATORY BASIS

	<u>Ref.</u>	<u>Anticipated Budget</u>	<u>Realized</u>	<u>Excess or (Deficit)</u>
Rents	E-1:E-7	\$ 480,000.00	\$ 490,325.32	\$ 10,325.32
Miscellaneous	E-1:E-3	<u>6,700.00</u>	<u>6,453.25</u>	<u>(246.75)</u>
		<u>\$ 486,700.00</u>	<u>\$ 496,778.57</u>	<u>\$ 10,078.57</u>
	<u>Ref.</u>	E-4		

Analysis of Miscellaneous Revenue

Interest and Costs on Delinquent Sewer Rents		\$ 4,739.07
Interest on Deposits		<u>1,714.18</u>
Receipts	E-5	<u>\$ 6,453.25</u>

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

BOROUGH OF OCEAN GATE - COUNTY OF OCEAN

SEWER UTILITY OPERATING FUND

Exhibit E-4

STATEMENT OF EXPENDITURES - REGULATORY BASIS

	Appropriated		Expended		Unexpended Balance Cancelled
	Budget	Budget After Modification	Paid or Charged	Reserved	
Operating					
Salaries and Wages	\$ 85,000.00	\$ 85,000.00	\$ 80,484.62	\$ 4,515.38	\$
Other Expenses	88,776.62	88,776.62	88,717.47	59.15	
Sewerage Treatment Costs	271,185.34	271,185.34	271,185.34		
Debt Service					
NJEIT					
Principal	13,868.75	13,868.75	13,868.75		
Interest	1,618.76	1,618.76	1,513.20		105.56
Deferred Charges and Statutory Expenditures:					
Contribution to:					
Public Employees' Retirement System	9,020.00	9,020.00	9,020.00		
Social Security System	6,510.00	6,510.00	6,157.07	352.93	
Deficit in Operations in Prior Years	10,720.53	10,720.53	4,259.71		6,460.82
	<u>\$ 486,700.00</u>	<u>\$ 486,700.00</u>	<u>\$ 475,206.16</u>	<u>\$ 4,927.46</u>	<u>\$ 6,566.38</u>
Ref.	E-3		E-1	E:E-1	
Disbursements					
Accrued Interest Payable	E-5		\$ 470,368.53		
Deficit in Operations in Prior Years	E-12		577.92		
	E		4,259.71		
			<u>\$ 475,206.16</u>		

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

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PAYROLL FUND

BOROUGH OF OCEAN GATE - COUNTY OF OCEAN

PAYROLL FUND

Exhibit F

BALANCE SHEET

REGULATORY BASIS

DECEMBER 31, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
<u>Assets</u>		
Cash	\$ 29,749.25	\$ 28,613.92
	<u>\$ 29,749.25</u>	<u>\$ 28,613.92</u>
<u>Liabilities</u>		
Pensions Payable	\$ 7,467.83	\$ 15,056.87
Payroll Liabilities	<u>22,281.42</u>	<u>13,557.05</u>
	<u>\$ 29,749.25</u>	<u>\$ 28,613.92</u>

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

GENERAL FIXED ASSET ACCOUNT GROUP

BOROUGH OF OCEAN GATE - COUNTY OF OCEAN

GENERAL FIXED ASSETS ACCOUNT GROUP

BALANCE SHEET

Exhibit G

REGULATORY BASIS

DECEMBER 31, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
<u>Assets</u>		
Land	\$ 1,817,867.62	\$ 1,817,867.62
Buildings and Improvements	2,573,681.58	2,573,681.58
Equipment and Machinery	<u>2,122,569.94</u>	<u>1,235,222.00</u>
	<u>\$ 6,514,119.14</u>	<u>\$ 5,626,771.20</u>
<u>Reserves</u>		
Investment in Fixed Assets	<u>\$ 6,514,119.14</u>	<u>\$ 5,626,771.20</u>

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

NOTES TO FINANCIAL STATEMENTS

BOROUGH OF OCEAN GATE

NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

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

As defined by GAAP established by the GASB, the financial reporting entity consists of the primary government, as well as component units, which are legally separate organizations for which elected officials of the primary government are financially accountable. The Borough is financially accountable for an organization if the Borough appoints a voting majority of the organization's governing board and (1) the Borough is able to significantly influence the programs or services performed or provided by the organizations; or (2) the Borough is legally entitled to or can otherwise access the organization's resources; the Borough is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the Borough is obligated for the debt of the organization.

Except as noted below, the financial statements of the Borough of Ocean Gate include every board, body, office or commission supported and maintained wholly or in part by funds appropriated by the Borough of Ocean Gate, as required by N.J.S.A. 40A:5-5. Accordingly, the financial statements of the Borough of Ocean Gate do not include the operations of any libraries, first aid organizations, volunteer fire companies, the local school district or the regional school district, in as much as their activities are administered by separate boards.

B. Description of Funds

The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. GASB codification establishes 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 Ocean Gate 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 Ocean Gate are organized on the basis of funds and account groups which is different from the fund structure required by GAAP. A fund or account group is an accounting entity with a separate set of self-balancing accounts established to record the financial position and results of operations of a specific governmental 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 federal and state grant funds.

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

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

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

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

Payroll Fund - Receipt and disbursement of funds for payroll costs and payroll taxes.

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

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 governmental units. The more significant accounting policies and differences in the State of New Jersey are as follows:

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

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

Revenues - are recorded when received in cash except for certain amounts which are due from other governmental units. Federal and state grants are realized as 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. Generally, expenditures are recorded when an amount is encumbered for goods or services through the issuance of a purchase order in conjunction with the Encumbrance Accounting System.

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

Encumbrances - contractual orders at December 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.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

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

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

General Fixed Assets - N.J.A.C. 5:30-5.6, Accounting for Governmental Fixed Assets, as promulgated by the Division of Local Government Services, which differs in certain respects from generally accepted accounting principles, requires the inclusion of a statement of general fixed assets of the Borough as part of its basic financial statements. General fixed assets are defined as nonexpendable personal property having a physical existence, a useful life of more than one year and an acquisition cost of \$5,000.00 or more per unit.

Public domain ("infrastructure") general fixed assets consisting of certain improvements other than buildings, such as roads, bridges, curbs and gutters, streets and sidewalks and drainage systems are not capitalized.

No depreciation has been provided on general fixed assets or reported in the financial statements.

The Borough has developed a fixed assets accounting and reporting system based upon an inspection and historical cost analysis except for land and buildings acquired prior to December 31, 1985 which are stated at current replacement values as permitted by N.J.A.C. 5:30-5.6. Except for land and buildings, fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available. General Fixed Assets that have been acquired and are utilized in a governmental fund operation are accounted for in the General Fixed Assets Account Group rather than in a governmental fund.

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

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

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

Fixed Capital - Water Utility and Sewer Utility Funds

Accounting for utility fund "fixed capital" remains unchanged under the requirements of N.J.A.C. 5:30-5.6.

Property and equipment purchased by the Water Utility and Sewer Utility Funds is 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. The balance in the Reserve for Amortization account in the water utility and sewer utility capital funds represent charges to operations for the cost of acquisitions of property, equipment and improvements. The utility's do not record depreciation on fixed assets.

Accounting and Financial Reporting for Pensions

Under GAAP, municipalities are required to recognize their distributive shares of the net pension liability, deferred outflows of resources and deferred inflows of resources in the Statement of Net Position and the total pension related expense in the Statement of Revenues, Expenses and Changes in Net Position and in the Notes to the Financial Statements in accordance with GASB 68.

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 however, local units are permitted to disclose the most recently available information as it relates to the New Jersey Division of Pensions and Benefits reporting on GASB 68.

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

Under GAAP, municipalities are required to recognize their distributive shares of the net OPEB liability, deferred outflows of resources and deferred inflows of resources in the Statement of Net Position and the total OPEB related expense in the Statement of Revenues, Expenses and Changes in Net Position and in the Notes to the Financial Statements in accordance with GASB 75.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

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

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 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 however, local units are permitted to disclose the most recently available information as it relates to the New Jersey Division of Pensions and Benefits reporting on GASB 75. As of the date of this report the information for the period ended June 30, 2024 was not available, therefore the information dated June 30, 2023 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. The Borough presents the financial statements listed in the table of contents which are required by the Division, and which differ from the financial statements required by GAAP.

NOTE 2: CASH AND CASH EQUIVALENTS

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

A. Deposits

New Jersey statutes permit the deposit of public funds in 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 (FDIC). 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.

The Borough of Ocean Gate had the following cash and cash equivalents at December 31, 2024:

	CASH IN BANK	DEPOSITS IN TRANSIT	OUTSTANDING CHECKS	RECONCILED BALANCE
Current Fund	\$633,586.53	\$416,119.34	\$487,405.79	\$562,300.08
Animal Control Trust Fund	2,330.00		581.20	1,748.80
Trust Other Fund	404,104.45		23,831.52	380,272.93
General Capital Fund	4,037.03	141,104.93	8,900.00	136,241.96
Water Operating Fund	30,547.24	144,373.22	166,190.35	8,730.11
Water Capital Fund	3,812.81	380,197.00	305,499.42	78,510.39
Sewer Operating Fund	30,917.43	62,965.32	51,651.45	42,231.30
Sewer Capital Fund	27,308.69	50,000.00		77,308.69
Payroll Fund	54,760.88	63,973.50	88,985.13	29,749.25
	<u>\$1,191,405.06</u>	<u>\$1,258,733.31</u>	<u>\$1,133,044.86</u>	<u>\$1,317,093.51</u>

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 the statute. As of December 31, 2024, based upon the coverage provided by FDIC and NJ GUDPA, no amount of the bank balance was exposed to custodial credit risk.

Of the cash on deposit in the bank, \$250,000.00 was covered by FDIC insurance and a collateral pool under NJ GUDPA covered \$941,405.06.

NOTE 2: CASH AND CASH EQUIVALENTS (CONTINUED)

B. Investments

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

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

NOTE 2: CASH AND CASH EQUIVALENTS (CONTINUED)

B. Investments (Continued)

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

Other than cash equivalents that would otherwise qualify as investments, except for their maturity or the withdrawal provisions of their deposit, the Borough of Ocean Gate had no investments outstanding as of December 31, 2024.

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, Title 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, shall mature and be paid off within ten years or financed by the issuance of bonds.

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 next debt of 1.198%.

	<u>GROSS DEBT</u>	<u>DEDUCTIONS</u>	<u>NET DEBT</u>
Water Utility Debt	\$ 3,131,478.30	\$ 2,727,618.22	\$ 403,860.08
Sewer Utility Debt	341,790.00	341,790.00	
General Debt	<u>4,358,322.09</u>		<u>4,358,322.09</u>
	<u>\$ 7,831,590.39</u>	<u>\$ 3,069,408.22</u>	<u>\$ 4,762,182.17</u>

Net debt of \$4,762,182.17 divided by equalized valuation basis per N.J.S.40A:2-2 of \$397,486,362.00 equals 1.198%.

SUMMARY OF MUNICIPAL DEBT

Bonds, Notes and Loans Issued:	<u>YEAR 2024</u>	<u>YEAR 2023</u>	<u>YEAR 2022</u>
General	\$ 3,811,342.00	\$ 3,071,242.00	\$ 2,735,000.00
Water Utility	1,668,734.40	853,803.92	927,281.91
Sewer Utility	<u>78,709.00</u>	<u>92,577.75</u>	<u>106,446.50</u>
Total Issued	<u>\$ 5,558,785.40</u>	<u>\$ 4,017,623.67</u>	<u>\$ 3,768,728.41</u>
Less:			
Funds Temporarily Held to Pay			
Bonds, Notes and Loans,			
Accounts Receivable and			
Self Liquidating Purpose	<u>\$ 3,069,408.22</u>	<u>\$ 1,866,691.57</u>	<u>\$ 1,966,682.31</u>
Net Debt Issued	<u>\$ 2,489,377.18</u>	<u>\$ 2,150,932.10</u>	<u>\$ 1,802,046.10</u>
Authorized But Not Issued:			
General	\$ 546,980.09	\$ 1,333,265.50	\$ 1,939,507.50
Water Utility	1,462,743.90	657,228.90	657,228.90
Sewer Utility	<u>263,081.00</u>	<u>263,081.00</u>	<u>263,081.00</u>
Total Authorized But Not Issued	<u>\$ 2,272,804.99</u>	<u>\$ 2,253,575.40</u>	<u>\$ 2,859,817.40</u>
Net Bonds and Notes Issued and			
Authorized But Not Issued	<u>\$ 4,762,182.17</u>	<u>\$ 4,404,507.50</u>	<u>\$ 4,661,863.50</u>

NOTE 3: MUNICIPAL DEBT (CONTINUED)

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

Equalized Valuation Basis* - December 31, 2024	\$ <u>397,486,362.00</u>
3-1/2 of Equalized Valuation Basis (Municipal)	\$ 13,912,022.67
Net Debt	<u>4,762,182.17</u>
Remaining Borrowing Power	\$ <u>9,149,840.50</u>

*Equalized Valuation Basis is the average of the equalized valuation of real estate, including improvements, and the assessed valuation of Class II Rail Road Property of the Borough of Ocean Gate for the last three (3) preceding years.

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

Revenue from Fees, Rents, and Other Charges for Year and Fund Balance		\$ 517,403.04
Deductions:		
Operating and Maintenance Cost	\$ 449,966.90	
Debt Service per Water Account	<u>87,629.18</u>	
Total Deductions		<u>537,596.08</u>
Excess/(Deficit) in Revenue (Not Self-Liquidating)		\$ <u>(20,193.04)</u>

NOTE 3: MUNICIPAL DEBT (CONTINUED)

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

Revenue from Fees, Rents, and Other Charges for Year and Fund Balance		\$	496,778.57
Deductions:			
Operating and Maintenance Cost	\$	460,491.96	
Debt Service per Water Account		<u>15,381.95</u>	
Total Deductions			<u>475,873.91</u>
Excess/(Deficit) in Revenue		\$	<u>20,904.66</u>

LONG-TERM DEBT OBLIGATIONS:

General Capital Fund:

Serial Bonds:

Various % General Improvement Bonds Series 2021 issued April 15, 2021, installment maturities to April 15, 2036	\$ <u>2,275,000.00</u>
	\$ <u>2,275,000.00</u>

The General Capital Fund bonds mature serially in installments to the year 2036. Aggregate debt service requirements during the next five fiscal years and thereafter are as follows:

<u>YEAR</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>
2025	\$ 190,000.00	\$ 56,900.00
2026	190,000.00	49,300.00
2027	190,000.00	41,700.00
2028	190,000.00	34,100.00
2029	190,000.00	28,400.00
2030-34	950,000.00	85,000.00
2035-36	<u>375,000.00</u>	<u>7,450.00</u>
Total	<u>\$ 2,275,000.00</u>	<u>\$ 302,850.00</u>

NOTE 3: MUNICIPAL DEBT (CONTINUED)

LONG-TERM DEBT OBLIGATIONS (CONTINUED):

General Capital Fund (Continued):

USDA Loan:

The Borough has entered into a loan agreement with the United States Department of Agriculture for the purchase of a fire truck which was finalized on August 22, 2024 for \$930,100.00 bearing interest at 2.125%. The Borough must repay the loan in semi-annual installments over ten years. The balance at December 31, 2024 was \$930,100.00. Loan repayments are due through 2034. Aggregate debt service requirements during the next five fiscal years and thereafter are as follows:

<u>YEAR</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>
2025	\$ 84,425.52	\$ 19,318.48
2026	86,229.09	17,514.91
2027	88,071.19	15,672.81
2028	89,952.65	13,791.35
2029	91,874.30	11,869.70
2030-34	<u>489,547.25</u>	<u>29,055.87</u>
Total	<u>\$ 930,100.00</u>	<u>\$ 107,223.12</u>

Water Utility Capital Fund:

Serial Bonds:

Various % Water Improvement Bonds Series 2021
issued April 15, 2021, installment maturities to
April 15, 2036

\$ 330,000.00

\$ 330,000.00

The Water Capital Fund bonds mature serially in installments to the year 2036. Aggregate debt service requirements during the next five fiscal years and thereafter are as follows:

<u>YEAR</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>
2025	\$ 20,000.00	\$ 8,000.00
2026	20,000.00	7,200.00
2027	25,000.00	6,300.00
2028	25,000.00	5,300.00
2029	30,000.00	4,500.00
2030-34	150,000.00	13,500.00
2035-36	<u>60,000.00</u>	<u>1,500.00</u>
Total	<u>\$ 330,000.00</u>	<u>\$ 46,300.00</u>

NOTE 3: MUNICIPAL DEBT (CONTINUED)

LONG-TERM DEBT OBLIGATIONS (CONTINUED):

Water Utility Capital Fund (Continued):

USDA Loan:

The Borough was awarded a loan with the United States Department of Agriculture during 1987, for \$270,000.00 bearing interest at 5.000%. The Borough must repay the loan in semi-annual installments through 2027. The balance at December 31, 2024 was \$35,178.77. The aggregate debt service requirements are as follows:

<u>YEAR</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>
2025	\$ 14,094.02	\$ 1,583.98
2026	14,807.53	870.47
2027	<u>6,277.22</u>	<u>136.72</u>
Total	<u>\$ 35,178.77</u>	<u>\$ 2,591.17</u>

New Jersey Environmental Infrastructure Loans:

The Borough received various low interest loans (variable rate) under the New Jersey Environmental Infrastructure Trust/Fund Loan Program. The respective loan balances at December 31, 2024 are enumerated below. Loan payments are due in semi-annual installments over twenty years. Loan payments are due through the year 2046.

New Jersey Environmental Infrastructure Trust - 2010 DL	\$ 34,733.07
New Jersey Environmental Infrastructure Fund - 2010 DL	79,738.07
New Jersey Environmental Infrastructure Trust - 2010 DL	35,611.35
New Jersey Environmental Infrastructure Fund - 2010 DL	27,322.97
New Jersey Environmental Infrastructure Trust Nano - 2016 A-2	150,000.00
New Jersey Environmental Infrastructure Fund Nano - 2016 A-2	<u>81,665.17</u>
	<u>\$ 409,070.63</u>

NOTE 3: MUNICIPAL DEBT (CONTINUED)

LONG TERM DEBT OBLIGATIONS (CONTINUED):

Water Utility Capital Fund (Continued):

New Jersey Environmental Infrastructure Loans (Continued):

Debt Service requirements during the next five fiscal years and thereafter are as follows:

<u>YEAR</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>
2025	\$ 46,599.45	\$ 8,836.74
2026	47,089.07	8,097.12
2027	47,607.80	7,328.40
2028	48,162.52	6,573.66
2029	44,615.42	5,784.00
2030-34	56,668.80	23,000.00
2035-39	53,327.57	17,800.00
2040-44	50,000.00	9,000.00
2045-46	15,000.00	800.00
Total	\$ <u>409,070.63</u>	\$ <u>87,219.92</u>

Sewer Utility Capital Fund:

New Jersey Environmental Infrastructure Loans:

The Borough received various low interest loans (variable rate) under the New Jersey Environmental Infrastructure Trust/Fund Loan Program. The respective loan balances at December 31, 2024 are enumerated below. Loan payments are due in semi-annual installments over twenty years. Loan payments are due through the year 2033.

New Jersey Environmental Infrastructure Trust - 2014 A	\$ 45,000.00
New Jersey Environmental Infrastructure Fund - 2014 A	<u>33,709.00</u>
	<u>\$ 78,709.00</u>

NOTE 3: MUNICIPAL DEBT (CONTINUED)

LONG TERM DEBT OBLIGATIONS (CONTINUED):

Sewer Utility Capital Fund (Continued):

New Jersey Environmental Infrastructure Loans (Continued):

Debt Service requirements during the next five fiscal years and thereafter are as follows:

<u>YEAR</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>
2025	\$ 13,868.75	\$ 1,368.76
2026	13,868.75	1,218.76
2027	13,868.75	1,068.76
2028	12,102.75	918.76
2029	5,000.00	768.76
2030-33	<u>20,000.00</u>	<u>1,568.78</u>
Total	<u>\$ 78,709.00</u>	<u>\$ 6,912.58</u>

SHORT TERM DEBT OBLIGATIONS:

Current Fund:

Special Emergency Note:

<u>PURPOSE</u>	<u>DATE OF ISSUE</u>	<u>DATE OF MATURITY</u>	<u>INTEREST RATE</u>	<u>AMOUNT</u>
Revaluation/ Codification of Ordinances	11/19/2024	11/17/2025	3.65%	<u>\$ 120,000.00</u>

General Capital Fund:

Bond Anticipation Notes:

<u>DATE OR ORDINANCE NUMBER</u>	<u>DATE OF ORIGINAL ISSUE</u>	<u>DATE OF ISSUE</u>	<u>DATE OF MATURITY</u>	<u>INTEREST RATE</u>	<u>AMOUNT</u>
649-21	11/21/2023	11/19/2024	11/17/2025	3.65%	<u>\$ 606,242.00</u>
					<u>\$ 606,242.00</u>

NOTE 3: MUNICIPAL DEBT (CONTINUED)

SHORT TERM DEBT OBLIGATIONS (CONTINUED):

Water Utility Capital Fund:

NJEIT Interim Construction Note:

On March 13, 2024, the Borough signed a loan agreement with the New Jersey Environmental Infrastructure Trust (NJEIT), in order to provide funding for Ordinance #24-689. The NJEIT assigned the project, project number S340151-02. Funding in the amount of \$894,485.00 was approved by the NJEIT. Of the respective amounts approved, \$380,197.00 was drawn down through December 31, 2024. As of December 31, 2024, a balance of \$514,288.00 remained available for draw down. The balance of the interim construction note at December 31, 2024 was \$894,485.00.

BONDS AND NOTES AUTHORIZED BUT NOT ISSUED:

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

General Capital Fund	\$ 546,980.09
Water Utility Capital Fund	\$ 1,462,743.90
Sewer Utility Capital Fund	\$ 263,081.00

NOTE 4: COMPENSATED ABSENCES

Under the terms of various contracts, Borough employees are allowed to accumulate unused vacation and sick pay over the life of their working careers which may be taken as time off or paid at a later date. It is estimated that the current cost of such unpaid compensation would approximate \$247,302.71. Under accounting principles and practices prescribed by the Division of Local Government Services, Department of Community affairs, State of New Jersey, the accumulated cost of such unpaid compensation is not required to be reported in the financial statements as presented and any amounts required to be paid are raised in that year's budget and no liability is accrued on December 31, 2024.

NOTE 5: FUND BALANCES APPROPRIATED

Fund balances at December 31, 2024 which were appropriated and included as anticipated revenue in their own respective funds for the year ending December 31, 2025, as adopted were as follows:

Current Fund	\$115,000.00
Water Utility Fund	\$ -0-
Sewer Utility Fund	\$ -0-

NOTE 6: PROPERTY TAXES

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

NOTE 7: TAXES, WATER AND SEWER CHARGES COLLECTED IN ADVANCE

Taxes, water and sewer charges collected in advance and recorded as cash liabilities in the financial statements are as follows:

	BALANCE DECEMBER <u>31, 2024</u>	BALANCE DECEMBER <u>31, 2023</u>
Prepaid Taxes	\$108,750.48	\$85,911.11
Tax Overpayments	2,149.55	11,033.27
Water Overpayments	2,911.95	1,303.20
Sewer Overpayments	6,749.96	16,506.67

NOTE 8: DEFERRED CHARGES TO BE RAISED IN SUCCEEDING BUDGETS

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2024, the following deferred charges are shown on the balance sheets of the various funds:

	Balance December 31, <u>2024</u>	Raised 2025 <u>Budget</u>
<u>Current Fund</u>		
Revaluation	\$104,000.00	\$26,000.00
Codification of Ordinances	<u>16,000.00</u>	<u>4,000.00</u>
	<u>\$120,000.00</u>	<u>\$30,000.00</u>
<u>Water Utility Operating Fund</u>		
Deficit in Operations	\$ 11,356.03	\$11,356.03
	<u>\$ 11,356.03</u>	<u>\$11,356.03</u>

NOTE 9: CONTINGENT LIABILITIES

The Borough participates in several federal and state financial assistance grant programs. Entitlement to the funds is generally conditional upon compliance with terms and conditions of the grant agreements and applicable regulations, including the expenditures of funds for eligible purposes. These programs are subject to compliance and financial audits by the grantors or their representatives. As of December 31, 2024, the Borough does not believe that any material liabilities will result from such audits.

NOTE 10: LITIGATION

The Borough is a member of the Ocean County Municipal Joint Insurance Fund, and any and all claims for damages under the New Jersey Tort Claims Act are covered by the self-insurance pool provided by the Fund. There is no anticipated or pending tort claim litigation which will result in any direct and uninsured liability of the Borough. Rather, all matters of tort claim have adequate insurance protection. It is the opinion of the Borough officials that there is no litigation threatened or pending that would materially affect the financial position of the Borough or adversely affect the Borough's ability to levy, collect and enforce the collection of taxes or other revenue for the payment of its bonds or other obligations.

NOTE 11: 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 is a member of the Ocean County Municipal Joint Insurance Fund, and the Municipal Excess Liability Fund, public entity risk pools currently operating as a common risk management and insurance program for municipalities within the State. Management believes such coverage is sufficient to preclude any significant uninsured losses to the Borough. Settled claims have not exceeded insurance coverage in any of the past three fiscal years.

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

NOTE 12: INTERFUND RECEIVABLES AND PAYABLES

The following interfund balances remained on the balance sheet at December 31, 2024:

<u>FUND</u>	<u>INTERFUND RECEIVABLE</u>	<u>INTERFUND PAYABLE</u>
Current Fund	\$ 97,650.99	\$
Federal and State Grant Fund		97,650.99
	<u>\$ 97,650.99</u>	<u>\$ 97,650.99</u>

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

NOTE 13: PENSION PLANS

Substantially all eligible employees participate in the Public Employees' Retirement System (PERS), the Police and 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, the Police and Firemen's Retirement System and the Consolidated Police and Firemen's Pension Fund. These reports may be obtained by writing to the Division of Pensions and Benefits, P.O. Box 295, Trenton, New Jersey, 08625 or are available online at www.nj.gov/treasury/pensions/annrpts.shtml.

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

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

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

NOTE 13: PENSION PLANS (CONTINUED)

Vesting and Benefit Provisions

The vesting and benefit provisions for PERS are set by N.J.S.A. 43:15A and 43:3B. All benefits vest after ten years of service, except for medical benefits, which vest after 25 years of service. Members may seek early retirement after achieving 25 years of service credit or they may elect deferred retirement after achieving ten years of service credit, in which case, benefits would begin the first day of the month after the member attains normal retirement age.

The vesting and benefit provisions for PFRS are set by N.J.S.A. 43:16A and 43:3B. 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 contributions are required by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. PERS provides for employee contributions of 7.50% of base salary. Employers are required to contribute at an actuarially determined rate. The actuarially determined contribution includes funding for cost-of-living adjustments, non-contributory death benefits and post-retirement medical premiums.

The contribution policy for PFRS is set by N.J.S.A. 43:16A and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. Employers are required to contribute at an actuarially determined rate. The annual employer contribution includes funding for basic retirement allowances, cost-of-living adjustments and non-contributory death benefits. PFRS members contributed at a uniform rate of 10.00% of base salary.

NOTE 13: PENSION PLANS (CONTINUED)

Funding Policy (Continued)

Certain portions of the costs are contributed by the employees. The Borough's share of pension, which is based upon the annual billings received from the state, amounted to \$423,860.00 for 2024, \$362,810.00 for 2023 and \$287,043.00 for 2022. All contributions were equal to the required contributions for each of the three years, respectively.

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

Accounting and Financial Reporting for Pensions - GASB 68

The Governmental Accounting Standards Board (GASB) Statement No. 68 "Accounting and Financial Reporting for Public Employees Pensions" 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, 2024. 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, 2024.

Public Employees Retirement System (PERS)

At June 30, 2024, the State reported a net pension liability of \$604,358.00 for the Borough's proportionate share of the total net pension liability. The total pension liability for the June 30, 2024 measurement date was determined by an actuarial valuation as of July 1, 2023, which was rolled forward to June 30, 2024. 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, 2024, the Borough's proportion was 0.0044477173 percent, which was an increase of 0.0007566590 percent from its proportion measured as of June 30, 2023.

For the year ended June 30, 2024, the State recognized an actuarially determined pension expense of \$62,556.00 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, 2024 billing was \$49,332.00.

NOTE 13: PENSION PLANS (CONTINUED)

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

Public Employees Retirement System (PERS) (Continued)

At June 30, 2024, the State reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	Deferred Outflow of <u>Resources</u>	Deferred Inflow of <u>Resources</u>
Differences between expected and actual experience	\$ 12,106.00	\$ 1,609.00
Changes of assumptions	751.00	6,876.00
Net difference between projected and actual earnings on pension plan investments		28,022.00
Changes in proportion and differences between Borough contributions and proportionate share of contributions	<u>185,090.00</u>	<u>136,360.00</u>
	<u>\$ 197,947.00</u>	<u>\$ 172,867.00</u>

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

<u>Year Ended June 30,</u>	<u>Amount</u>
2025	(\$15,914.00)
2026	29,601.00
2027	(1,677.00)
2028	3,152.00
2029	<u>9,918.00</u>
	<u>\$25,080.00</u>

NOTE 13: 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, 2024 measurement date was determined by an actuarial valuation as of July 1, 2023, which rolled forward to June 30, 2024. These actuarial valuations used the following assumptions:

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

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, 2023 valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2021.

NOTE 13: 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, 2024) 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, 2024 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%	8.63%
Non-U.S. Developed Market Equity	12.75%	8.85%
International Small Cap Equity	1.25%	8.85%
Emerging Market Equity	5.50%	10.66%
Private Equity	13.00%	12.40%
Real Estate	8.00%	10.95%
Real Assets	3.00%	8.20%
High Yield	4.50%	6.74%
Private Credit	8.00%	8.90%
Investment Grade Credit	7.00%	5.37%
Cash Equivalents	2.00%	3.57%
U.S. Treasury's	4.00%	3.57%
Risk Mitigation Strategies	3.00%	7.10%

Discount Rate

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2024. 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 13: PENSION PLANS (CONTINUED)

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

Public Employees Retirement System (PERS) (Continued)

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

The following presents the Borough's proportionate share of the net pension liability of the participating employers as of June 30, 2024 respectively, calculated using the discount rate as disclosed above as well as what the Borough's proportionate share of the collective 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, 2024		
	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 pension liability	\$803,043.00	\$604,358.00	\$435,278.00

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, 2024, 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.

NOTE 13: PENSION PLANS (CONTINUED)

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

Public Employees Retirement System (PERS) (Continued)

Special Funding Situation (Continued)

The non-employer contributing entities' total proportionate share of the non-employer contribution that is associated with the Borough as of June 30, 2024 was 0.0044682661% which was an increase of 0.0007631940 percent from its proportion measured as of June 30, 2023. The non-employer contributing entities' contribution and employer pension expense and related revenue for the years ended June 30, 2024 and June 30, 2023 was \$1,948.00 and 1,667.00, respectively.

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, 2024, the State reported a net pension liability of \$3,100,236.00 for the Borough's proportionate share of the total PFRS net pension liability. The total pension liability for the June 30, 2024 measurement date was determined by an actuarial valuation as of July 1, 2023, which was rolled forward to June 30, 2024. 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, 2024, the Borough's proportion was 0.03002185000 percent, which was an increase of 0.0018872600 percent from its proportion measured as of June 30, 2023.

NOTE 13: PENSION PLANS (CONTINUED)

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

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

For the year ended June 30, 2024, the State recognized an actuarially determined pension expense of \$562,419.00. The pension expense recognized in the Borough's financial statements based on the April 1, 2024, billing was \$374,528.00.

At June 30, 2024, the State reported deferred outflows of resources and deferred inflows of resources related to PFRS from the following sources:

		Deferred Outflow of Resources		Deferred Inflow of Resources
Differences between expected and actual experience	\$	195,312.00	\$	106,135.00
Changes of assumptions		4,901.00		91,049.00
Net difference between projected and actual earnings on pension plan investments				24,265.00
Changes in proportion and differences between Borough contributions and proportionate share of contributions		1,025,668.00		23,397.00
	\$	<u>1,225,881.00</u>	\$	<u>244,846.00</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 June 30	Amount
2025	\$ 50,286.20
2026	373,483.20
2027	157,026.20
2028	180,287.20
2029	218,394.20
Thereafter	<u>1,558.00</u>
	<u>\$ 981,035.00</u>

NOTE 13: PENSION PLANS (CONTINUED)

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

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

Actuarial Assumptions

The total pension liability for the June 30, 2024 measurement date was determined by an actuarial valuation as of July 1, 2023, which rolled forward to June 30, 2024. This actuarial valuation used the following assumptions:

Inflation	
Price	2.75%
Wage	3.25%
Salary Increases	All future years 3.25-16.25% Based on years of Service
Investment Rate of Return	7.00%

Employee mortality rates were based on the Pubs-2010 Safety Employee amount-weighted mortality table (sex-specific), projected generationally from 2010 with Scale MP-2021 mortality projection. For healthy annuitants, mortality rates were based on the Pubs-2010 Safety Retiree Below Median amount-weighted mortality table (sex-specific), projected generationally from 2010 with Scale MP-2021 mortality projection. Disability rates were 144% of the Pub-2010 Safety Disabled Retiree amount weighted mortality table for males and 100% for females, projected generationally from 2010 with Scale MP-2021 mortality projection.

The actuarial assumptions used in the July 1, 2023 valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2021.

NOTE 13: 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, 2024) 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, 2024 are summarized in the following table:

<u>Assets Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Large-Cap Equity	24.00%	6.90%
U.S. Small/Mid Cap Equity	4.00%	7.40%
Non-U.S. Developed Large-Cap Equity	9.50%	6.70%
Non-U.S. Developed Small Cap Equity	2.00%	7.50%
Emerging Markets Large-Cap Equity	6.00%	9.60%
Emerging Markets Small-Cap Equity	1.50%	9.60%
U.S. Treasury Bond	7.00%	4.10%
U.S. Corporate Bond	5.00%	5.90%
U.S. Mortgage-Backed Securities	5.00%	4.40%
Global Multisector Fixed Income	6.00%	6.50%
Cash	2.00%	3.40%
Real Estate Core	3.00%	5.10%
Real Estate Non-Core	4.00%	6.50%
Infrastructure	3.00%	7.00%
Private Debt/Credit	8.00%	9.10%
Private Equity	10.00%	10.10%

NOTE 13: 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 both June 30, 2024. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be based on 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments to determine the total pension liability.

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

The following presents the Borough's proportionate share of the net pension liability of the participating employers as of June 30, 2024, 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, 2024		
	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	\$4,429,548.00	\$3,100,236.00	\$1,993,211.00

NOTE 13: 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, 2024 and 2023 is 0.03002178000% and 0.0281344700% respectively, the non-employer contributing entities' contribution for the year ended June 30, 2024 and 2023 was \$70,314.00 and \$65,504.00, respectively and the employer pension expense and related revenue for the year ended June 30, 2024 and 2023 was \$70,314.00 and \$65,504.00, respectively.

At June 30, 2024 and 2023, the State's proportionate share of the net pension liability attributable to the Borough for the PFRS special funding situation is \$611,2305.00 and \$572,783.00, respectively.

At June 30, 2024, 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	\$3,100,236.00
State of New Jersey Proportionate Share of Net Pension Liability Associated with the Borough	<u>611,205.00</u>
	<u>\$3,711,441.00</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 14: ACCOUNTING AND FINANCIAL REPORTING FOR POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS – GASB 75

As of the date of this report, the New Jersey Division of Pensions and Benefits has not provided updated actuarial valuations for other post-employment obligations for the year ended June 30, 2024. The New Jersey Division of Pensions and Benefits will post these reports on their web site as they are made available. The footnote below includes the most current information made publicly available, which had a reporting date of June 30, 2023.

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.

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

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

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

NOTE 14: ACCOUNTING AND FINANCIAL REPORTING FOR POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS – GASB 75 (CONTINUED)

Plan Description and Benefits Provided (Continued)

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

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

Total Net OPEB Liability

At June 30, 2023, the Plan reported a Liability of \$3,454,655.00 for the Borough's proportionate share of the collective Net OPEB liability. The total Net OPEB Liability measured as of June 30, 2023 was determined by an actuarial valuation as of June 30, 2022, which was rolled forward to June 30, 2023.

The Borough's proportion of the Net OPEB Liability was based on the ratio of the plan members of an individual employer to the total members of the Plan's nonspecial funding situation during the measurement period July 1, 2022 through June 30, 2023.

At June 30, 2023, the Borough's proportion was 0.023021 percent, which was an increase of 0.003257 percent from its proportion measured as of June 30, 2022. For the year ended June 30, 2023, the State reported OPEB expense of \$182,464.00. This OPEB expense was based on the OPEB plans June 30, 2023 measurement date.

At June 30, 2023, the State 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	\$159,311.00	\$938,172.00
Changes of assumptions	447,507.00	976,520.00
Net difference between projected and actual earnings on OPEB plan investments		570.00
Changes in proportion	<u>2,167,851.00</u>	<u>400,926.00</u>
	<u>\$2,774,669.00</u>	<u>\$2,316,188.00</u>

NOTE 14: ACCOUNTING AND FINANCIAL REPORTING FOR POSTEMPLOYMENT
BENEFITS OTHER THAN PENSIONS – GASB 75 (CONTINUED)

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 OPEB will be recognized in the State's actuarially calculated OPEB (benefit)/expense as follows:

Year Ended	
<u>June 30,</u>	<u>Amount</u>
2024	(\$38,544.00)
2025	32,371.00
2026	179,722.00
2027	271,978.00
2028	189,061.00
Thereafter	<u>(176,107.00)</u>
	<u><u>\$458,481.00</u></u>

Actuarial Assumptions and Other Inputs

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

Salary Increases:

Public Employees Retirement System (PERS):

Initial fiscal year applied

Rate for all future years 2.75% to 6.55%

Police and Firemen's Retirement System (PFRS):

Rate for all future years 3.25% to 16.25%

NOTE 14: ACCOUNTING AND FINANCIAL REPORTING FOR POSTEMPLOYMENT
BENEFITS OTHER THAN PENSIONS – GASB 75 (CONTINUED)

Actuarial Assumptions and Other Inputs (Continued)

Mortality

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

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

Actuarial assumptions used in the July 1, 2022 valuation were based on the results of the PFRS and PERS experience studies prepared for July 1, 2018 to June 30, 2021.

100% of active members are considered to participate in the Plan upon retirement.

Discount Rate

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

Health Care Trend Assumption

For Pre-Medicare medical benefits, the trend rate is initially 6.50% and decreases to a 4.50% long-term trend rate after nine years. For post-65 medical benefits PPO, the trend rate is increasing to 14.8% in fiscal year 2026 and decreases to 4.50% in fiscal year 2033. For HMO, the trend rate is increasing to 17.4% in fiscal year 2026 and decreases to 4.50% in fiscal year 2033. For prescription drug benefits, the initial trend rate is 9.5% and decreases to a 4.50% long-term trend rate after seven years. For the Medicare Part B reimbursement, the trend rate is 5.00%.

NOTE 14: ACCOUNTING AND FINANCIAL REPORTING FOR POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS – GASB 75 (CONTINUED)

Sensitivity of the Borough's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate

The following presents the Net OPEB Liability associated with the Borough as of June 30, 2023, calculated using the discount rate as disclosed above as well as what the Net OPEB Liability would be if it was calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	June 30, 2023		
	1.00% <u>Decrease (2.65%)</u>	At Discount Rate (3.65%)	1.00% <u>Increase (4.65%)</u>
Borough's proportionate share of the Net OPEB Liability	\$4,001,590.00	\$3,454,655.00	\$3,014,730.00

Sensitivity of the Borough's Proportionate Share of the Net OPEB Liability to Changes in Healthcare Trends

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

	June 30, 2023		
	1.00% <u>Decrease</u>	Healthcare Cost Trend Rate	1.00% <u>Increase</u>
Borough's proportionate share of the Net OPEB Liability	\$2,936,050.00	\$3,454,655.00	\$4,118,630.00

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

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 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.

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 0.010158% and 0.012165% respectively, and the employer pension benefit and related revenue for the year ended June 30, 2023 and 2022 was \$64,264.00 and \$67,318.00, respectively.

At June 30, 2023 and 2022, the State's proportionate share of the net OPEB liability attributable to the Borough for the special funding situation is \$354,422.00 and \$410,424.00 respectively.

At June 30, 2023, 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	\$3,454,655.00
State of New Jersey's proportionate share of Net OPEB Liability associated with the Borough	<u>354,422.00</u>
	<u><u>\$3,809,077.00</u></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 15: SCHOOL TAXES

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

	BALANCE DECEMBER 31, 2024	BALANCE DECEMBER 31, 2023	BALANCE DECEMBER 31, 2024	BALANCE DECEMBER 31, 2023
Balance of Tax	\$ 498,581.45	\$ 399,827.49	\$ 483,211.70	\$ 486,000.50
Deferred	<u>300,858.52</u>	<u>300,858.52</u>	<u>429,674.71</u>	<u>429,674.71</u>
Tax Payable	\$ <u><u>197,722.93</u></u>	\$ <u><u>98,968.97</u></u>	\$ <u><u>53,536.99</u></u>	\$ <u><u>56,325.79</u></u>

NOTE 16: FIXED ASSETS

Below is a summary of the General Fixed Assets Account Group for the year ended December 31, 2024:

	Balance December 31, 2023	Additions	Deletions	Balance December 31, 2024
Land	\$ 1,817,867.62	\$	\$	\$ 1,817,867.62
Buildings and Improvements	2,573,681.58			2,573,681.58
Equipment and Machinery	<u>1,235,222.00</u>	<u>1,043,804.94</u>	<u>156,457.00</u>	<u>2,122,569.94</u>
	\$ <u><u>5,626,771.20</u></u>	\$ <u><u>1,043,804.94</u></u>	\$ <u><u>156,457.00</u></u>	\$ <u><u>6,514,119.14</u></u>

NOTE 17: LEASES

The Borough has entered into two (2) cell tower leases; one with Omnipoint Communications (now T-Mobile) and one with MetroPCS (now T-Mobile), which commenced in the years 2006 and 2009, respectively. The agreements have five (5) year lease terms with the option to renew for three (3) additional five (5) year lease terms. Payments received by the Borough during 2024 totaled \$37,236.00.

NOTE 17: LEASES (CONTINUED)

The Borough entered into a lease agreement in 2018 with Wells Fargo for a TASKalfa 5002i copier/printer. The Borough was unable to provide a copy of the lease agreement for the period under audit. However, lease payments of \$491.81 per month were consistently made and documented throughout the audit period. In the absence of a formal lease agreement, we relied on payment records and bank statements to verify the existence and regularity of the lease arrangement. Additional documentation or confirmation from the lessor is recommended to substantiate the terms and conditions of the lease. At this time, the Borough has not exercised its option to purchase the equipment. Other options include renewing the lease or returning the equipment.

The Borough entered into a lease agreement in 2018 with Wells Fargo for a FP PostBase Pro postage machine. The Borough was unable to provide a copy of the lease agreement for the period under audit. However, lease payments of \$113.50 per month were consistently made and documented throughout the audit period. In the absence of a formal lease agreement, we relied on payment records and bank statements to verify the existence and regularity of the lease arrangement. Additional documentation or confirmation from the lessor is recommended to substantiate the terms and conditions of the lease. At this time, the Borough has not exercised its option to purchase the equipment. Other options include renewing the lease or returning the equipment.

NOTE 18: SUBSEQUENT EVENTS

The Borough has evaluated subsequent events occurring after the financial statement date through August 29, 2025 which is the date the financial statements were available to be issued. Based upon this evaluation, the Borough has determined that there are no subsequent events that need to be disclosed.

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BOROUGH OF OCEAN GATE
SUPPLEMENTARY SCHEDULES – ALL FUNDS
YEAR ENDED DECEMBER 31, 2024

BOROUGH OF OCEAN GATE - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-4

SCHEDULE OF CASH - TREASURER

	<u>Ref.</u>		
Balance December 31, 2023	A		\$ 1,127,277.49
Increased by Receipts:			
Tax Overpayments	A	\$ 13,270.30	
Prepaid Taxes	A	108,750.48	
Miscellaneous Revenue not Anticipated	A-2	89,535.94	
Taxes Receivable	A-5	7,373,107.82	
Revenue Accounts Receivable	A-7	720,792.16	
Interfunds - Other	A-13	595,127.20	
State of New Jersey (Ch. 20, P.L. 1971)	A-14	13,402.05	
Due State of New Jersey - Other	A-15	3,080.00	
Interfund - Grant Fund	A-17	167,678.57	
			<u>9,084,744.52</u>
			10,212,022.01
Decreased by Disbursements:			
Tax Overpayments	A	\$ 22,154.02	
Budget Appropriations	A-3	3,740,247.38	
Special Emergency Notes Payable	A-8a	30,000.00	
Appropriation Reserves	A-9	113,259.85	
County Taxes Payable	A-10	1,449,668.15	
Local District School Tax	A-11	2,195,495.04	
Regional School District Tax	A-12	1,217,865.80	
Interfunds - Other	A-13	594,546.00	
Due State of New Jersey - Other	A-15	2,875.00	
Miscellaneous Reserves	A-16	42,646.31	
Interfund - Grant Fund	A-17	240,964.38	
			<u>9,649,721.93</u>
Balance December 31, 2024	A		\$ <u>562,300.08</u>

BOROUGH OF OCEAN GATE - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-5

SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY

<u>Year</u>	<u>Balance Dec. 31, 2023</u>	<u>2024 Levy</u>	<u>Collections</u>		<u>Due from State</u>	<u>Transfer to Liens</u>	<u>Canceled</u>	<u>Balance Dec. 31, 2024</u>
2022 and Prior	\$ 22.05	\$	\$	\$ 22.05	\$	\$	\$	\$
2023	106,139.53			106,636.04	(500.00)			3.49
	106,161.58			106,658.09	(500.00)			3.49
2024		7,504,760.30	85,911.11	7,266,449.73	14,000.00	761.17	5,642.57	131,995.72
	\$ 106,161.58	\$ 7,504,760.30	\$ 85,911.11	\$ 7,373,107.82	\$ 13,500.00	\$ 761.17	\$ 5,642.57	\$ 131,999.21
<u>Ref.</u>	A	A-5	A	A-4	A-14	A-6		A

Analysis of 2024 Property Yield and Tax Levy

Tax Yield:		
General Purpose Tax		\$ 7,480,656.90
Added and Omitted Taxes		24,103.40
		<u>\$ 7,504,760.30</u>
	A-5	
Tax Levy:		
Regional District School Tax (Abstract)	A-1:A-12	\$ 1,215,077.00
Local District School Tax (Abstract)	A-1:A-11	2,294,249.00
County Taxes:		
County Tax (Abstract)	A-10	\$ 1,196,971.61
County Library Tax (Abstract)	A-10	121,225.78
County Health Tax (Abstract)	A-10	70,375.92
County Open Space Tax (Abstract)	A-10	50,922.44
Due County for Added and Omitted Taxes	A-10	4,564.59
Total County Taxes	A-1	1,444,060.34
Local Tax for Municipal Purposes	A-2	2,528,020.35
Add: Additional Tax Levied		<u>23,353.61</u>
		<u>\$ 7,504,760.30</u>
	A-5	

BOROUGH OF OCEAN GATE - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-6

SCHEDULE OF TAX TITLE LIENS

	<u>Ref.</u>	
Balance December 31, 2023	A	\$ 2,352.97
Increased by:		
Transfers from Taxes Receivable	A-5	<u>761.17</u>
Balance December 31, 2024	A	\$ <u><u>3,114.14</u></u>

BOROUGH OF OCEAN GATE - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-7

SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE

	<u>Balance</u> <u>Dec. 31, 2023</u>	<u>Accrued</u> <u>in 2024</u>	<u>Collected</u>	<u>Balance</u> <u>Dec. 31, 2024</u>
Licenses:				
Alcoholic Beverages	\$	\$ 5,188.00	\$ 5,188.00	\$
Fees and Permits		45,907.00	45,907.00	
Fines and Costs				
Municipal Court	1,031.92	21,198.66	21,199.64	1,030.94
Interest and Costs on Taxes		28,583.54	28,583.54	
Interest on Investments and Deposits		16,138.24	16,138.24	
Beach Revenues		125,675.00	125,675.00	
Parking Lot Fees		20,639.00	20,639.00	
State Aid:				
Energy Receipts Tax		145,374.04	145,374.04	
Municipal Relief Fund		14,984.82	14,984.82	
Uniform Construction Code Fees		34,771.00	34,771.00	
Beach and Boardwalk Operations		18,000.00	18,000.00	
Utility Operating Surplus				
Water Operating Fund		129,000.00	129,000.00	
Sewer Operating Fund		54,000.00	54,000.00	
Cable TV Franchise Fees		8,827.84	8,827.84	
Cell Tower Lease		37,236.00	37,236.00	
School Officer Reimbursement		15,000.00	15,000.00	
Senior & Vet Admin Fee		268.04	268.04	
	<u>\$ 1,031.92</u>	<u>\$ 720,791.18</u>	<u>\$ 720,792.16</u>	<u>\$ 1,030.94</u>

Ref.

A

A-4

A

BOROUGH OF OCEAN GATE - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-8

SCHEDULE OF DEFERRED CHARGES N.J.S. 40A:4-55

Date Authorized	Purpose	1/5 of		Balance Dec. 31, 2023	2024 Budget Appropriation	Balance Dec. 31, 2024
		Net Amount Authorized	Net Amount Authorized			
9/28/23	Revaluation	\$ 130,000.00	\$ 26,000.00	\$ 130,000.00	\$ 26,000.00	\$ 104,000.00
9/28/23	Codification of Ordinances	20,000.00	4,000.00	20,000.00	4,000.00	16,000.00
				<u>\$ 150,000.00</u>	<u>\$ 30,000.00</u>	<u>\$ 120,000.00</u>
				Ref. A	A-3	A

SCHEDULE OF SPECIAL EMERGENCY NOTE PAYABLE

Exhibit A-8a

Date Authorized	Purpose	Amount Authorized	Balance Dec. 31, 2023	Disbursements	Balance Dec. 31, 2024
9/28/23	Revaluation and Codification of Ordinances	\$ 150,000.00	\$ 150,000.00	\$ 30,000.00	\$ 120,000.00
			<u>\$ 150,000.00</u>	<u>\$ 30,000.00</u>	<u>\$ 120,000.00</u>
			Ref. A	A-4	A

BOROUGH OF OCEAN GATE - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-9

SCHEDULE OF APPROPRIATION RESERVES

Sheet 1 of 3

OPERATIONS WITHIN CAPS

	Balance Dec. 31, 2023	Reserve for Encumbrances	Balance After Transfers	Paid or Charged	Balance Lapsed
General Administration					
Other Expenses	\$ 30.36	\$ 48.22	\$ 78.58	\$ 48.22	\$ 30.36
Mayor and Committee					
Other Expenses	25.53		25.53		25.53
Borough Council					
Other Expenses	27.30		27.30		27.30
Municipal Clerk's Office					
Salaries and Wages	169.43		169.43		169.43
Other Expenses		54.18	54.18	54.18	
Financial Administration					
Salaries and Wages	143.41		143.41		143.41
Other Expenses	1,945.82		1,945.82		1,945.82
Audit Services	9,000.00		27,000.00	27,000.00	
Collection of Taxes					
Salaries and Wages	87.13		87.13		87.13
Other Expenses	2.19		2.19		2.19
Assessment of Taxes					
Salaries and Wages	120.39		120.39		120.39
Other Expenses	60.71		60.71		60.71
Legal Services and Costs					
Other Expenses		3,615.00	3,615.00	3,615.00	
Engineering Services					
Other Expenses	697.49		697.49		697.49
Planning Board					
Salaries and Wages	63.03		63.03		63.03
Other Expenses	11.67	421.11	432.78	421.11	11.67
Insurance					
Unemployment Insurance	50.00		50.00		50.00
Employee Group Health Insurance	25,762.32		25,762.32	3,894.94	21,867.38
Police Department					
Salaries and Wages	23,184.38		5,184.38		5,184.38
Other Expenses	832.26	38,749.48	39,581.74	38,349.32	1,232.42

BOROUGH OF OCEAN GATE - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-9

SCHEDULE OF APPROPRIATION RESERVES

Sheet 2 of 3

	Balance Dec. 31, 2023	Reserve for Encumbrances	After Transfers	Paid or Charged	Balance Lapsed
Office of Emergency Management					
Other Expenses	\$ 100.00	\$	\$ 100.00	\$	\$ 100.00
Fire					
Other Expenses	540.22	8,725.50	9,265.72	8,623.50	642.22
Municipal Prosecutor					
Salaries and Wages	500.00	500.00	1,000.00	1,000.00	
Streets and Roads Maintenance					
Salaries and Wages	519.29		519.29		519.29
Other Expenses	352.84		352.84	71.24	281.60
Beachfront Maintenance					
Salaries and Wages	519.29		519.29		519.29
Other Expenses	349.62	810.59	1,160.21	810.59	349.62
Solid Waste Collection					
Salaries and Wages	519.30		519.30		519.30
Buildings and Grounds					
Salaries and Wages	9.56		9.56		9.56
Other Expenses	13,995.90	16,714.93	30,710.83	26,491.05	4,219.78
Recreation					
Other Expenses	537.00		537.00	76.50	460.50
Beach Patrol					
Other Expenses	441.72	47.00	488.72	47.00	441.72
Municipal Court					
Salaries and Wages	800.29		800.29		800.29
Other Expenses	1,496.93		1,496.93		1,496.93
Uniform Construction Code Enforcement					
Other Expenses	55.45		55.45		55.45
Contribution-Providence House					
Other Expenses	300.00		300.00	280.00	20.00

BOROUGH OF OCEAN GATE - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-9

SCHEDULE OF APPROPRIATION RESERVES

Sheet 3 of 3

	Balance Dec. 31, 2023	Reserve for Encumbrances	Balance After Transfers	Paid or Charged	Balance Lapsed
Utilities:					
Electricity	\$ 721.29	\$	\$ 721.29	\$	\$ 721.29
Street Lighting	672.42		672.42		672.42
Telephone	292.29		292.29		292.29
Gas (Natural and Propane)	384.62		384.62		384.62
Gasoline	2,526.33	1,552.87	4,079.20	3,127.70	951.50
Total Operations within Caps	<u>87,847.78</u>	<u>71,238.88</u>	<u>159,086.66</u>	<u>113,910.35</u>	<u>45,176.31</u>

STATUTORY EXPENDITURES WITHIN CAPS

Contribution to:					
Social Security System	496.25		496.25		496.25
Total Statutory Expenditures within Caps	<u>496.25</u>		<u>496.25</u>		<u>496.25</u>
Total Appropriations within Caps	<u>88,344.03</u>	<u>71,238.88</u>	<u>159,582.91</u>	<u>113,910.35</u>	<u>45,672.56</u>

OPERATIONS EXCLUDED FROM CAPS

Interlocal Municipal Service Agreements					
Financial Services - Township of Berkeley	.67		.67		.67
Animal Control Services	.32		.32		.32
Total Operations excluded from Caps	<u>.99</u>		<u>.99</u>		<u>.99</u>

Total General Appropriations	\$ <u>88,345.02</u>	\$ <u>71,238.88</u>	\$ <u>159,583.90</u>	\$ <u>113,910.35</u>	\$ <u>45,673.55</u>
------------------------------	---------------------	---------------------	----------------------	----------------------	---------------------

Ref. A A A-1

Disbursed	A-4	\$ 113,259.85	
Accounts Payable	A	<u>650.50</u>	
		<u>\$ 113,910.35</u>	

BOROUGH OF OCEAN GATE - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-10

SCHEDULE OF COUNTY TAXES PAYABLE

	<u>Ref.</u>		
Balance December 31, 2023	A		\$ 10,172.40
Increased by:			
County Tax		\$ 1,196,971.61	
County Library Tax		121,225.78	
County Health Tax		70,375.92	
County Open Space Tax		50,922.44	
Added and Omitted Taxes		<u>4,564.59</u>	
	A-5		<u>1,444,060.34</u>
			<u>1,454,232.74</u>
Decreased by:			
Payments	A-4		<u>1,449,668.15</u>
Balance December 31, 2024	A		<u><u>\$ 4,564.59</u></u>

SCHEDULE OF LOCAL DISTRICT SCHOOL TAX PAYABLE

Exhibit A-11

	<u>Ref.</u>		
Balance December 31, 2023:			
School Tax Payable	A	\$ 98,968.97	
School Tax Deferred		<u>300,858.52</u>	
			\$ 399,827.49
Increased by:			
Levy - School Year July 1, 2024 to June 30, 2025	A-5		<u>2,294,249.00</u>
			<u>2,694,076.49</u>
Decreased by:			
Payments	A-4		<u>2,195,495.04</u>
Balance December 31, 2024:			
School Tax Payable	A	197,722.93	
School Tax Deferred		<u>300,858.52</u>	
			<u><u>\$ 498,581.45</u></u>

BOROUGH OF OCEAN GATE - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-12

SCHEDULE OF REGIONAL DISTRICT SCHOOL TAX PAYABLE

	<u>Ref.</u>		
Balance December 31, 2023:			
School Tax Payable	A	\$ 56,325.79	
School Tax Deferred		<u>429,674.71</u>	
			\$ 486,000.50
Increased by:			
Levy - School Year July 1, 2024 to June 30, 2025	A-5		<u>1,215,077.00</u>
			<u>1,701,077.50</u>
Decreased by:			
Payments	A-4		<u>1,217,865.80</u>
Balance December 31, 2024:			
School Tax Payable	A	\$ 53,536.99	
School Tax Deferred		<u>429,674.71</u>	
			\$ <u>483,211.70</u>

BOROUGH OF OCEAN GATE - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-13

SCHEDULE OF INTERFUNDS

<u>Ref.</u>	<u>Total (Memo Only)</u>	<u>Animal Control Trust Fund</u>	<u>General Capital Fund</u>	<u>Water Utility Operating Fund</u>	<u>Water Utility Capital Fund</u>	<u>Sewer Utility Operating Fund</u>	<u>Sewer Utility Capital Fund</u>
Increased by:							
Disbursements	\$ 594,546.00	\$	\$ 115,546.00	\$ 129,000.00	\$ 150,000.00	\$ 150,000.00	\$ 50,000.00
Statutory Excess	581.20	581.20					
Total Increases	<u>595,127.20</u>	<u>581.20</u>	<u>115,546.00</u>	<u>129,000.00</u>	<u>150,000.00</u>	<u>150,000.00</u>	<u>50,000.00</u>
Decreased by:							
Receipts	595,127.20	581.20	115,546.00	129,000.00	150,000.00	150,000.00	50,000.00
Total Decreases	<u>\$ 595,127.20</u>	<u>\$ 581.20</u>	<u>\$ 115,546.00</u>	<u>\$ 129,000.00</u>	<u>\$ 150,000.00</u>	<u>\$ 150,000.00</u>	<u>\$ 50,000.00</u>

BOROUGH OF OCEAN GATE - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-14

SCHEDULE OF DUE FROM/TO STATE OF NEW JERSEY

(CHAPTER 20, P.L. 1971)

	<u>Ref.</u>		
Balance December 31, 2023 - Due To	A		\$ 1,670.55
Increased/Decreased by:			
2024 Tax Duplicate:			
Senior Citizens Deductions		\$ 2,250.00	
Veterans Deductions		11,500.00	
Allowed/(Disallowed) by Tax Collector (Net)		250.00	
	A-5		<u>14,000.00</u>
			(12,329.45)
Decreased by:			
Senior Citizens Deductions Disallowed - 2023 Taxes	A-5	\$ 500.00	
Receipts	A-4	<u>13,402.05</u>	
			<u>13,902.05</u>
Balance December 31, 2024 - Due To	A		\$ <u>1,572.60</u>

BOROUGH OF OCEAN GATE - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-15

SCHEDULE OF DUE STATE OF NEW JERSEY - OTHER

	<u>Ref.</u>	<u>Total</u>	<u>Uniform Construction Code</u>	<u>Marriage Licenses</u>	<u>Lead Fees</u>
Balance, December 31, 2023 - (Due From)/Due To	A	\$ 1,013.00 *	\$ 888.00	\$ 125.00	\$
Increased/Decreased by:					
Receipts	A-4	3,080.00 *	2,670.00	350.00	60.00
		4,093.00	3,558.00	475.00	60.00
Decreased/Increased by:					
Disbursements	A-4	2,875.00	2,800.00	75.00	
Balance, December 31, 2024 - (Due From)/Due To	A	\$ 1,218.00 *	\$ 758.00	\$ 400.00	\$ 60.00

BOROUGH OF OCEAN GATE - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-16

SCHEDULE OF MISCELLANEOUS RESERVES

	<u>Balance December 31, 2023</u>	<u>Increase/ (Decrease)</u>	<u>Balance December 31, 2024</u>
Codification	\$ 20,000.00	\$ (15,546.00)	\$ 4,454.00
Municipal Relief Fund Aid	14,984.82	(14,984.82)	
Revaluation	<u>53,276.26</u>	<u>(12,115.49)</u>	<u>41,160.77</u>
	<u>\$ 88,261.08</u>	<u>\$ (42,646.31)</u>	<u>\$ 45,614.77</u>

Ref.

A

A-4

A

BOROUGH OF OCEAN GATE - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-17

FEDERAL AND STATE GRANT FUND

SCHEDULE OF INTERFUNDS

	<u>Ref.</u>		
Balance December 31, 2023 - Due From/(Due to)	A		\$ 24,365.18
Increased by:			
2024 Budget Revenues Realized	A-2:A-18	\$ 1,242,671.67	
Disbursements by Current Fund - Grants Appropriated	A-4:A-19	<u>240,964.38</u>	
			<u>1,483,636.05</u>
			<u>1,508,001.23</u>
Decreased by:			
Receipts in Current Fund:			
Grants Receivable	A-18	\$ 152,375.53	
Grants Unappropriated	A-20	<u>15,303.04</u>	
	A-4	<u>167,678.57</u>	
2024 Budget Appropriations	A-3:A-19	<u>1,242,671.67</u>	
			<u>1,410,350.24</u>
Balance December 31, 2024 - Due To/(Due From)	A		\$ <u><u>97,650.99</u></u>

BOROUGH OF OCEAN GATE - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-18

FEDERAL AND STATE GRANT FUND

Sheet 1 of 3

SCHEDULE OF GRANTS RECEIVABLE

<u>Grant</u>	<u>Balance Dec. 31, 2023</u>	<u>2024 Budget Revenue Realized</u>	<u>Receipts</u>	<u>Balance Dec. 31, 2024</u>
Federal:				
US Department of Treasury:				
Passed Through - NJ Department of Community Affairs:				
American Rescue Plan - State and Local Fiscal Recovery Fund:				
ARP Firefighter Grant2024	\$	\$ 50,000.00	\$	\$ 50,000.00
ARP Firefighter Grant2023	16,000.00		14,295.60	1,704.40
US Department of Justice:	2,380.32			2,380.32
Bulletproof Vest Partnership Grant				
US Department of Housing and Urban Development:				
CDBG Handicapped Access Imp. - Wildwood Ave		41,700.00		41,700.00
CDBG Handicapped Access Imp. - Narragansette Ave	31,759.88			31,759.88
US Department of Transportation:				
National Highway Traffic Safety Administration:				
NJ Department of Law and Public Safety:				
Alcoholic Beverage Control:				
Cops in Shops 2024		1,440.00	1,440.00	
Division of Highway Traffic Safety:				
Distracted Driving 2024		7,000.00	7,000.00	
Drive Sober or Get Pulled Over 2024		7,000.00	7,000.00	
Drive Sober or Get Pulled Over 2020 or Prior	5,500.00			5,500.00
US Department of Homeland Security:				
Federal Emergency Management Agency (FEMA):				
Passed Through - NJ Department of Law and Public Safety:				
FY Federal Emergency Management Assistance	9,500.00			9,500.00
Total Federal Grants	\$ 65,140.20	\$ 107,140.00	\$ 29,735.60	\$ 142,544.60

BOROUGH OF OCEAN GATE - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-18

FEDERAL AND STATE GRANT FUND

Sheet 2 of 3

SCHEDULE OF GRANTS RECEIVABLE

<u>Grant</u>	<u>Balance Dec. 31, 2023</u>	<u>2024 Budget Revenue Realized</u>	<u>Receipts</u>	<u>Balance Dec. 31, 2024</u>
State:				
NJ Department of Law and Public Safety:				
Division of Criminal Justice:				
Body Armor 2024	\$	\$ 1,459.82	\$ 1,459.82	\$
NJ Department of Environmental Protection:				
Clean Communities 2024		4,715.62	4,715.62	
Recycling Tonnage 2023		3,258.81	3,258.81	
Recycling Tonnage 2024		3,403.86	3,403.86	
NJ DEP Stormwater Assistance		15,000.00	15,000.00	
NJ Department of Health and Senior Services:				
Alcohol Education and Rehabilitation Fund 2023		169.79	169.79	
NJ Department of Transportation:				
2024 Municipal Aid		258,540.00		258,540.00
2024 Municipal Aid - Elevation and Drainage		750,000.00		750,000.00
Monmouth Ave				375,707.66
Asbury Ave				45,982.94
Ocean Gate Sidewalk & Curb Project				92,250.43
Arvene Ave & Stone Harbor				134,404.17
NJ Division of Local Government Services:				
Local Recreation Improvement		70,000.00	127,821.12	6,583.05
Governor's Council on Alcoholism and Drug Abuse:				70,000.00
Municipal Alliance 2024		3,569.74		3,569.74
Youth Leader Grant				4,854.67
Municipal Alliance 2023				3,569.74
Municipal Alliance 2022				3,569.74
Municipal Alliance Prior				10,851.02
Municipal Alliance Prior				29,089.00
Municipal Alliance Prior				34,179.74
Total State Grants	\$ 734,459.11	\$ 1,110,117.64	\$ 155,829.02	\$ 1,688,747.73

BOROUGH OF OCEAN GATE - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-18

FEDERAL AND STATE GRANT FUND

Sheet 3 of 3

SCHEDULE OF GRANTS RECEIVABLE

Local:

966 Reimbursement Program
Comcast Technology Grant
PCB Settlement

Total Local Grants

	Balance Dec. 31, 2023	2024 Budget Revenue Realized	Receipts	Balance Dec. 31, 2024
	\$ 2,397.10	\$ 8,000.00	\$ 8,000.00	\$ 2,397.10
		17,414.03	17,414.03	
	2,397.10	25,414.03	25,414.03	2,397.10
	\$ 801,996.41	\$ 1,242,671.67	\$ 210,978.65	\$ 1,833,689.43

Ref.

A

A-17

A

Receipts

A-17

\$ 152,375.53

Unappropriated Reserves Applied

A-20

58,603.12

\$ 210,978.65

BOROUGH OF OCEAN GATE - COUNTY OF OCEAN

Exhibit A-19

Sheet 1 of 3

CURRENT FUND

FEDERAL AND STATE GRANT FUND

SCHEDULE OF GRANTS - APPROPRIATED

<u>Grant</u>	<u>Balance Dec. 31, 2023</u>	<u>2024 Budget Appropriations</u>	<u>Reserve for Encumbrances</u>	<u>Paid or Charged</u>	<u>Balance Dec. 31, 2024</u>
Federal:					
US Department of Housing and Urban Development:					
CDBG Handicapped Access Imp. - Wildwood Ave					
CDBG Handicapped Access Imp. - Narragansette Ave	\$ 27,695.86	\$ 41,700.00	\$	\$ 1,648.50	\$ 40,051.50
US Department of Transportation:				27,633.13	62.73
National Highway Traffic Safety Administration:					
NJ Department of Law and Public Safety:					
Alcohol and Beverage Control:					
Cops in Shops 2024		1,440.00		1,440.00	
Cops in Shops 2023	1,440.00				1,440.00
Cops in Shops 2022	2,640.00				2,640.00
Cops in Shops 2021	3,520.00				3,520.00
Cops in Shops 2020	2,020.00				2,020.00
Division of Highway Traffic Safety:					
Click It or Ticket	6,000.00				6,000.00
Distracted Driving 2024		7,000.00		7,000.00	
Distracted Driving 2023	6,580.00				6,580.00
Drive Sober or Get Pulled Over 2024		7,000.00			7,000.00
Drive Sober or Get Pulled Over 2023	6,000.00			1,120.00	4,880.00
Drive Sober or Get Pulled Over 2022	2,309.52				2,309.52
Drive Sober or Get Pulled Over 2021	3,740.00				3,740.00
US Department of Homeland Security:					
Federal Emergency Management Agency (FEMA):					
Passed Through - NJ Department of Law and Public Safety:					
FY Federal Emergency Management Assistance	4,068.05				4,068.05
US Department of Treasury:					
Passed Through - NJ Department of Community Affairs:					
American Rescue Plan - State and Local Fiscal Recovery Fund:					
ARP Firefighter Grant 2023	1,704.40		14,295.60	14,295.60	1,704.40
ARP Firefighter Grant 2024		50,000.00		50,000.00	
Total Federal Grants	\$ 67,717.83	\$ 107,140.00	\$ 14,295.60	\$ 103,137.23	\$ 86,016.20

BOROUGH OF OCEAN GATE - COUNTY OF OCEAN

Exhibit A-19

Sheet 2 of 3

CURRENT FUND

FEDERAL AND STATE GRANT FUND

SCHEDULE OF GRANTS - APPROPRIATED

<u>Grant</u>	<u>Balance Dec. 31, 2023</u>	<u>2024 Budget Appropriations</u>	<u>Reserve for Encumbrances</u>	<u>Paid or Charged</u>	<u>Balance Dec. 31, 2024</u>
State:					
Division of Criminal Justice:					
Body Armor 2024					
Body Armor 2023	393.70	1,459.82	858.34	858.34	1,459.82
Body Armor 2022			870.35	870.35	393.70
Body Armor 2021			972.07	972.07	
NJ Department of Health and Senior Services:		169.79			
Alcohol Education and Rehabilitation Fund 2023	534.77				169.79
Alcohol Education and Rehabilitation Fund 2022	3,674.00				534.77
Alcohol Education and Rehabilitation Fund 2021					3,674.00
NJ Department of Environmental Protection:					
Clean Communities 2024		4,715.62		4,715.62	
Clean Communities 2023	3,856.73			3,856.73	
Clean Communities 2022	1,558.44			1,558.44	
Hazardous Waste Grant	64.27				64.27
Recycling Tonnage 2024		3,403.86		3,320.19	
Recycling Tonnage 2023		3,258.81		3,258.81	
Recycling Tonnage 2022	2,267.70			2,267.70	
NJ DEP Stormwater Assistance		15,000.00		4,499.70	10,500.30
NJ Division of Highway Traffic Safety:					
Drunk Driving Enforcement Prior Years			3,690.48	3,690.48	
Drunk Driving Enforcement 2023			7,189.48	7,189.48	
NJ Department of Transportation:					
2024 Municipal Aid		258,540.00			258,540.00
2024 Municipal Aid - Elevation and Drainage		750,000.00		2,575.15	747,424.85
Monmouth Ave	363,486.47				363,486.47
Asbury Ave	69,822.22				
Ocean Gate Sidewalk & Curb Project	7,521.61			1,291.25	68,530.97
Arvenc Ave & Stone Harbor	52,120.10			4,930.00	2,591.61
NJ Division of Local Government Services:				50,860.81	1,259.29
Local Recreation Improvement		70,000.00		5,379.45	64,620.55
Governors Council on Alcoholism and Drug Abuse:					
Municipal Alliance:					
2024 Grant		2,677.31		500.00	2,177.31
2024 Matching		892.43	1,693.50		892.43
2023 Grant	1,876.24			1,693.50	1,876.24
2023 Matching	892.43			550.00	342.43
Youth Leader Grant	4,854.67				4,854.67
2022 Grant	876.24			500.00	376.24
2022 Matching	892.43				892.43
2021 Grant	1,376.24				1,376.24
2021 Matching	892.43				892.43
Prior Years	53,348.92				53,348.92
Prior Years Matching	15,604.75				15,604.75
Total State Grants	\$ 585,914.36	\$ 1,110,117.64	\$ 15,274.22	\$ 105,338.07	\$ 1,605,968.15

BOROUGH OF OCEAN GATE - COUNTY OF OCEAN

Exhibit A-19

Sheet 3 of 3

CURRENT FUND

FEDERAL AND STATE GRANT FUND

SCHEDULE OF GRANTS - APPROPRIATED

Grant	Balance Dec. 31, 2023	2024 Budget Appropriations	Reserve for Encumbrances	Paid or Charged	Balance Dec. 31, 2024
Local:					
966 Reimbursement Program	\$ 1,427.50	\$	\$	\$	\$ 1,427.50
Ocean County Recycling Grant:					
County Share	4,857.40			4,857.40	
Local Share	6,725.38			6,725.38	
NJ State Police Grants	9,815.82				9,815.82
Firefighter Cash Match	13,000.00	17,414.03		13,000.00	13,624.53
PCB Settlement		8,000.00		3,789.50	3,610.00
Comcast Technology Grant				4,390.00	
Total Local Grants	35,826.10	25,414.03		32,762.28	28,477.85
Total Grants	\$ 689,458.29	\$ 1,242,671.67	\$ 29,569.82	\$ 241,237.58	\$ 1,720,462.20
Ref.	A	A-17	A		A
Disbursements				\$ 240,964.38	
Reserve for Encumbrances				273.20	
				\$ 241,237.58	

BOROUGH OF OCEAN GATE - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-20

FEDERAL AND STATE GRANT FUND

SCHEDULE OF GRANTS - UNAPPROPRIATED

<u>Grant</u>	<u>Balance</u> <u>Dec. 31, 2023</u>	<u>Receipts</u>	<u>Utilization as</u> <u>Anticipated</u> <u>Revenue</u>	<u>Balance</u> <u>Dec. 31, 2024</u>
Alcohol Education and Rehabilitation Fund	\$ 169.79	\$	\$ 169.79	\$
Cops in Shops	1,440.00	1,440.00	1,440.00	1,440.00
Recycling Tonnage	3,403.86		3,403.86	
Clean Communities	4,715.62	5,356.21	4,715.62	5,356.21
Body Armor	1,459.82	1,506.83	1,459.82	1,506.83
Distracted Driving	7,000.00	7,000.00	7,000.00	7,000.00
Comcast Technology Grant	8,000.00		8,000.00	
NJ DEP Stormwater Assistance	15,000.00		15,000.00	
PCB Settlement	17,414.03		17,414.03	
	<u>\$ 58,603.12</u>	<u>\$ 15,303.04</u>	<u>\$ 58,603.12</u>	<u>\$ 15,303.04</u>
<u>Ref.</u>	<u>A</u>	<u>A-17</u>	<u>A-18</u>	<u>A</u>

BOROUGH OF OCEAN GATE - COUNTY OF OCEAN

TRUST FUND

Exhibit B-1

SCHEDULE OF CASH - TREASURER

	<u>Ref.</u>	<u>Animal Control Trust Fund</u>	<u>Other Trust Fund</u>
Balance December 31, 2023	B	\$ 1,835.20	\$ 314,919.11
Increased by Receipts:			
Reserve for Animal Control Trust		\$	\$
2024 Animal License Fees	B-2	937.00	
Due to State of New Jersey	B-3	132.00	
Miscellaneous Reserves	B-4		405,152.99
		<u>1,069.00</u>	<u>405,152.99</u>
		2,904.20	720,072.10
Decreased by Disbursements:			
Reserve for Animal Control			
Trust Fund Expenditures	B-2	1,031.20	
Due to State of New Jersey	B-3	124.20	
Miscellaneous Reserves	B-4		339,799.17
		<u>1,155.40</u>	<u>339,799.17</u>
Balance December 31, 2024	B	\$ <u>1,748.80</u>	\$ <u>380,272.93</u>

BOROUGH OF OCEAN GATE - COUNTY OF OCEAN

ANIMAL CONTROL TRUST FUND

Exhibit B-2

SCHEDULE OF RESERVE FOR ANIMAL CONTROL

TRUST FUND EXPENDITURES

	<u>Ref.</u>	
Balance December 31, 2023	B	\$ 1,829.80
Increased by:		
Animal Control License Fees Collected	B-1	<u>937.00</u>
		2,766.80
Decreased by:		
Expenditures Under R.S. 4:19-15.11:		
Cash		\$ 450.00
Statutory Excess Due Current Fund		<u>581.20</u>
	B-1	<u>1,031.20</u>
Balance December 31, 2024	B	\$ <u>1,735.60</u>

License Fees Collected

<u>Year</u>	<u>Amount</u>
2023	\$ <u>897.60</u>
2022	<u>838.00</u>
	\$ <u>1,735.60</u>

Exhibit B-3

SCHEDULE OF DUE STATE OF NEW JERSEY

	<u>Ref.</u>	
Balance December 31, 2023	B	\$ 5.40
Increased by:		
Receipts - State Registration Fees	B-1	<u>132.00</u>
		137.40
Decreased by:		
Disbursements - State Registration Fees	B-1	<u>124.20</u>
Balance December 31, 2024	B	\$ <u>13.20</u>

BOROUGH OF OCEAN GATE - COUNTY OF OCEAN

OTHER TRUST FUND

Exhibit B-4

SCHEDULE OF MISCELLANEOUS RESERVES

	<u>Balance</u> <u>Dec. 31, 2023</u>	<u>Increase</u>	<u>Decrease</u>	<u>Balance</u> <u>Dec. 31, 2024</u>
Boardwalk Improvements	\$ 4,318.69	\$	\$ 125.00	\$ 4,193.69
Developers Escrow	26,631.19	14,651.00	19,550.12	21,732.07
Federal Forfeiture Funds	58,259.12	81,300.27	30,385.93	109,173.46
Jason Marles Memorial	2,499.40	28.61		2,528.01
Law Enforcement Trust	4,193.27	171,185.77	4,930.19	170,448.85
Municipal Alliance	3,757.00		36.09	3,720.91
POAA	422.98	170.00	278.88	314.10
Public Defender	1,502.80	200.00	550.00	1,152.80
Recreation Building	1,884.00		300.00	1,584.00
Recreation Trust	36,436.61	21,340.80	16,675.13	41,102.28
Reserve - Tax Sale Premiums	163,600.00	27,100.00	187,118.72	3,581.28
Security Deposits	10,500.00			10,500.00
Third Party Tax Lien	921.63	89,176.54	79,849.11	10,249.06
	<u>\$ 314,926.69</u>	<u>\$ 405,152.99</u>	<u>\$ 339,799.17</u>	<u>\$ 380,280.51</u>
<u>Ref.</u>	B	B-1	B-1	B

BOROUGH OF OCEAN GATE - COUNTY OF OCEAN

GENERAL CAPITAL FUND

Exhibit C-2

SCHEDULE OF CASH - TREASURER

	<u>Ref.</u>		
Balance December 31, 2023	C		\$ 318,179.16
Increased by Receipts:			
USDA Grant Proceeds	C-10	\$ 22,435.41	
USDA Loan Issued	C-9	930,100.00	
Bond Anticipation Notes	C-8	1,508,242.00	
Grants Receivable	C-3	228,546.03	
Interfund - Current Fund	C-3	<u>115,546.00</u>	
			<u>2,804,869.44</u>
			3,123,048.60
Decreased by Disbursements:			
Interfund - Current Fund	C-3	\$ 115,546.00	
Improvement Authorizations	C-6	1,363,018.64	
Bond Anticipation Notes	C-8	<u>1,508,242.00</u>	
			<u>2,986,806.64</u>
Balance December 31, 2024	C		\$ <u>136,241.96</u>

BOROUGH OF OCEAN GATE - COUNTY OF OCEAN

GENERAL CAPITAL FUND

ANALYSIS OF CAPITAL CASH

Exhibit C-3

	Receipts		Disbursements		Transfers		Balance Dec. 31, 2024
	Bond Anticipation Notes	USDA Loan	Improvement Authorizations	Bond Anticipation Notes	From	To	
Balance Dec. 31, 2023	\$	\$	\$	\$	\$	\$	\$
Fund Balance	\$ 11,274.30						\$ 11,274.30
Various Reserves	12,644.00						12,644.00
Capital Improvement Fund	23,601.31				8,750.00		14,851.31
Bond Anticipation Notes	902,000.00			902,000.00			61,986.19
Reserve for Encumbrances	939,636.99				939,636.99		(199,194.12)
Grant Receivable	(427,740.15)						
Interfunds:							
Current Fund				115,546.00			
Improvement Authorizations:							
Ordinance Number	Improvement Description						
451-01	Construction of a New Municipal Building		1,995.00				5,118.35
576-13	Various Capital Improvements						(33.00)
624-19	Various Capital Improvements		1,817.50				1,427.44
634-20	Various General Improvements		32,030.42				(107,552.00)
649-21	Various Capital Improvements		1,187,963.54				415,902.52
660-22	Various Capital Improvements				54,421.16	14,019.74	57,136.48
673-23	Police Vehicles					925,617.25	707.70
694-24	Acquisition of Capital Assets		139,212.18		7,565.03	8,750.00	(138,027.21)
\$	\$ 318,179.16	\$ 930,100.00	\$ 1,363,018.64	\$ 902,000.00	\$ 1,010,373.18	\$ 1,010,373.18	\$ 136,241.96

Ref.

C

C-2

C-8

C-2

C-2

C-9

C-8

C

BOROUGH OF OCEAN GATE - COUNTY OF OCEAN

GENERAL CAPITAL FUND

Exhibit C-4

SCHEDULE OF DEFERRED CHARGES TO FUTURE

TAXATION - FUNDED

	<u>Ref.</u>	
Balance December 31, 2023	C	\$ 2,465,000.00
Increased by:		
Improvement Costs Funded by:		
USDA Rural Development Loan Issued	C-5	<u>930,100.00</u>
		<u>3,395,100.00</u>
Decreased by:		
2024 Budget Appropriation to Pay		
Serial Bonds	C-7	<u>190,000.00</u>
Balance December 31, 2024	C	<u><u>\$ 3,205,100.00</u></u>

BOROUGH OF OCEAN GATE - COUNTY OF OCEAN

GENERAL CAPITAL FUND

Exhibit C-6

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

Ordinance Number	Improvement Description	Date	Ordinance Amount	Balance Dec. 31, 2023		2024 Authorizations	Reserve for Encumbrances	Paid or Charged	Balance Dec. 31, 2024	
				Funded	Unfunded				Funded	Unfunded
451-01	Construction of New Municipal Building	2/13/2001	\$ 2,000,000.00	\$ 7,113.35	\$ 500.00	\$	\$	\$ 1,995.00	\$ 5,118.35	\$ 500.00
624-19	Various Capital Improvements	3/13/2019	630,000.00	1,427.44				1,817.50	1,427.44	47,174.50
634-20	General Capital Improvements	7/01/2020	687,210.00		48,992.00			32,030.42		415,902.52
649-21	Various Capital Improvements	7/28/2021	638,150.00	433,913.20			14,019.74	1,242,384.70	57,136.48	225,470.59
660-22	Various Capital Improvements	6/22/2022	1,587,531.00		599,374.52		925,617.25		707.70	
673-23	Police Vehicles	4/26/2023	145,983.60	707.70				146,777.21		28,222.79
694-24	Acquisition of Capital Assets	7/10/2024	175,000.00			175,000.00				
				<u>\$ 443,161.69</u>	<u>\$ 648,866.52</u>	<u>\$ 175,000.00</u>	<u>\$ 939,636.99</u>	<u>\$ 1,425,004.83</u>	<u>\$ 64,389.97</u>	<u>\$ 717,270.40</u>
				C	C		C-3		C	C
		Ref.								
	Deferred Charges Unfunded	C-5				\$ 166,250.00				
	Capital Improvement Fund	C-3				<u>8,750.00</u>				
						<u>\$ 175,000.00</u>				
	Disbursed	C-2						\$ 1,363,018.64		
	Encumbered	C-3						<u>61,986.19</u>		
								<u>\$ 1,425,004.83</u>		

BOROUGH OF OCEAN GATE - COUNTY OF OCEAN

GENERAL CAPITAL FUND

Exhibit C-7

SCHEDULE OF GENERAL SERIAL BONDS

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Maturities of Bonds</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2023</u>	<u>Paid by Budget Appropriation</u>	<u>Balance Dec. 31, 2024</u>
			<u>Outstanding Date</u>	<u>Amount</u>				
General Improvements	4/27/2021	\$ 2,655,000.00	4/15/2025	190,000.00	4.000%	\$	\$	\$
			4/15/2026	190,000.00	4.000%			
			4/15/2027	190,000.00	4.000%			
			4/15/2028	190,000.00	4.000%			
			4/15/2029	190,000.00	2.000%			
			4/15/2030	190,000.00	2.000%			
			4/15/2031	190,000.00	2.000%			
			4/15/2032	190,000.00	2.000%			
			4/15/2033	190,000.00	2.000%			
			4/15/2034	190,000.00	2.000%			
			4/15/2035	190,000.00	2.000%			
			4/15/2036	185,000.00	2.000%			
						<u>2,465,000.00</u>	<u>190,000.00</u>	<u>2,275,000.00</u>
						<u>\$ 2,465,000.00</u>	<u>\$ 190,000.00</u>	<u>\$ 2,275,000.00</u>
					<u>Ref.</u>	C	C-4	C

BOROUGH OF OCEAN GATE - COUNTY OF OCEAN

GENERAL CAPITAL FUND

Exhibit C-8

SCHEDULE OF BOND ANTICIPATION NOTES

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Date of Issue of Original Note</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate</u>	<u>Balance Dec. 31, 2023</u>	<u>Issued</u>	<u>Decreased</u>	<u>Balance Dec. 31, 2024</u>
649-21	Various Capital Improvements	11/21/2023	11/21/2023	11/19/2024	4.90%	\$ 606,242.00	\$ 606,242.00	\$ 606,242.00	\$ 606,242.00
649-21	Various Capital Improvements	11/21/2023	11/19/2024	11/17/2025	3.65%		606,242.00		
660-22	Various Capital Improvements	7/03/2024	7/03/2024	9/03/2024	5.75%		902,000.00	902,000.00	
						\$ 606,242.00	\$ 1,508,242.00	\$ 1,508,242.00	\$ 606,242.00
					<u>Ref.</u>	<u>C</u>	<u>C-2</u>	<u>C-2</u>	<u>C</u>

BOROUGH OF OCEAN GATE - COUNTY OF OCEAN

GENERAL CAPITAL FUND

SCHEDULE OF LOANS PAYABLE

Exhibit C-9

Sheet 1 of 2

Purpose	Date of Issue	Original Issue	Maturities of Loans		Interest Rate	Loan Proceeds	Balance Dec. 31, 2024
			Outstanding Dec. 31, 2024				
			Date	Amount			
USDA Rural Development	8/22/24	\$ 930,100.00	02/22/25 - 08/22/34	\$ See C-9 Sheet 2 of 2	2.125%	\$ 930,100.00	\$ 930,100.00
						\$ 930,100.00	\$ 930,100.00
						<u>\$ 930,100.00</u>	<u>\$ 930,100.00</u>
					Ref.	C-2	C

BOROUGH OF OCEAN GATE - COUNTY OF OCEAN

GENERAL CAPITAL FUND

Exhibit C-9

SCHEDULE OF USDA LOAN PAYABLE

Sheet 2 of 2

USDA RURAL DEVELOPMENT

<u>Due</u>	<u>Loan Balance</u>	<u>Principal</u>	<u>Interest</u>	<u>Payment</u>
2/22/2025	\$ 930,100.00	\$ 41,989.69	\$ 9,882.31	\$ 51,872.00
8/22/2025	888,110.31	42,435.83	9,436.17	51,872.00
2/22/2026	845,674.48	42,886.71	8,985.29	51,872.00
8/22/2026	802,787.78	43,342.38	8,529.62	51,872.00
2/22/2027	759,445.40	43,802.89	8,069.11	51,872.00
8/22/2027	715,642.50	44,268.30	7,603.70	51,872.00
2/22/2028	671,374.21	44,738.65	7,133.35	51,872.00
8/22/2028	626,635.56	45,214.00	6,658.00	51,872.00
2/22/2029	581,421.56	45,694.40	6,177.60	51,872.00
8/22/2029	535,727.16	46,179.90	5,692.10	51,872.00
2/22/2030	489,547.26	46,670.56	5,201.44	51,872.00
8/22/2030	442,876.70	47,166.44	4,705.56	51,872.00
2/22/2031	395,710.27	47,667.58	4,204.42	51,872.00
8/22/2031	348,042.69	48,174.05	3,697.95	51,872.00
2/22/2032	299,868.64	48,685.90	3,186.10	51,872.00
8/22/2032	251,182.75	49,203.18	2,668.82	51,872.00
2/22/2033	201,979.56	49,725.97	2,146.03	51,872.00
8/22/2033	152,253.60	50,254.31	1,617.69	51,872.00
2/22/2034	101,999.29	50,788.26	1,083.74	51,872.00
8/22/2034	51,211.00	51,211.00	544.12	51,755.12
		<u>\$ 930,100.00</u>	<u>\$ 107,223.12</u>	<u>\$ 1,037,323.12</u>

BOROUGH OF OCEAN GATE - COUNTY OF OCEAN

GENERAL CAPITAL FUND

Exhibit C-10

SCHEDULE OF BONDS AND NOTES AUTHORIZED

BUT NOT ISSUED

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Balance Dec. 31, 2023</u>	<u>2024 Authorizations</u>	<u>Loans Issued</u>	<u>Grant Proceeds</u>	<u>Balance Dec. 31, 2024</u>
576-13	Various Capital Improvements	\$ 33.00	\$	\$		\$ 33.00
624-19	Various Capital Improvements	500.00				500.00
634-20	General Capital Improvements	154,726.50				154,726.50
660-22	Various Capital Improvements	1,178,006.00		930,100.00	22,435.41	225,470.59
694-24	Acquisition of Capital Assets		166,250.00			166,250.00
		<u>\$ 1,333,265.50</u>	<u>\$ 166,250.00</u>	<u>\$ 930,100.00</u>	<u>\$ 22,435.41</u>	<u>\$ 546,980.09</u>

Ref.

C

C-6

C-9

C-2:C-5

C

BOROUGH OF OCEAN GATE - COUNTY OF OCEAN

WATER UTILITY FUND

Exhibit D-5

SCHEDULE OF WATER UTILITY CASH

	<u>Ref.</u>	<u>Operating</u>	<u>Capital</u>
Balance December 31, 2023	D	\$ 148,909.23	\$ 33,970.89
Increased by Receipts:			
Water Rent Overpayments	D	\$ 2,911.95	
Miscellaneous Revenue	D-3	7,316.59	
Consumer Accounts Receivable	D-7	508,783.25	
Interfunds	D-8:D-6	244,000.00	265,000.00
NJ EIT Proceeds Receivable	D-6		<u>380,197.00</u>
		<u>763,011.79</u>	<u>645,197.00</u>
		911,921.02	679,167.89
Decreased by Disbursements:			
Operating Surplus to Current Fund	D-1	129,000.00	
Budget Appropriations	D-4	523,219.90	
Interfunds	D-8:D-6	244,000.00	265,000.00
Appropriation Reserves	D-11	994.60	
Accrued Interest Payable	D-12	5,976.41	
Improvement Authorizations	D-14		<u>335,657.50</u>
		<u>903,190.91</u>	<u>600,657.50</u>
Balance December 31, 2024	D	\$ <u>8,730.11</u>	\$ <u>78,510.39</u>

BOROUGH OF OCEAN GATE - COUNTY OF OCEAN

WATER UTILITY CAPITAL FUND

Exhibit D-6

ANALYSIS OF CASH

	Balance Dec. 31, 2023	Miscellaneous Receipts	Improvement Authorization	Disbursements		Transfers	Balance Dec. 31, 2024
				Improvement Authorization	Miscellaneous	From	To
Capital Improvement Fund	\$ 347,650.00	\$	\$			\$	\$ 347,650.00
Interfunds:							
Current Fund		150,000.00			150,000.00		
Water Utility Operating Fund		115,000.00			115,000.00		
NJ/EIT Proceeds Receivable	(230,709.00)	380,197.00				894,485.00	(744,997.00)
Improvement Authorizations:							
Ordinance							
Number	Improvement Description						
83-257/	Improvements to Water Utility System, Improvements to Water Supply and Distribution System						(152.01)
83-266	General Improvements						(1,121.45)
86-285	General Improvements to the Water Utility System		2,222.80				(8,641.59)
93-366	Rehabilitation of the East Arverne Avenue						(68,099.56)
09-539	Elevated Storage Tank						
09-540	Construction and Installation of One or More Municipal Wind Turbine Electrical Generating Stations						(25,334.43)
12-568	Repair, Replacement, Reconstruction of Certain Portions of the Borough Water Treatment System, Delivery System, Values and Fire Hydrants						161.12
15-598	Water Infrastructure Improvements		15,948.28				2,046.73
24-689	Replacement of Borough - Wide Potable Water Meters		317,486.42				576,998.58
		\$ 645,197.00	\$ 335,657.50		\$ 265,000.00	\$ 894,485.00	\$ 78,510.39

Ref.

D

D-5

D-5:D-14

D-5

D

BOROUGH OF OCEAN GATE - COUNTY OF OCEAN

WATER UTILITY OPERATING FUND

Exhibit D-7

SCHEDULE OF CONSUMER ACCOUNTS RECEIVABLE

	<u>Ref.</u>	
Balance December 31, 2023	D	\$ 269,620.94
Increased by:		
2024 Water Rents		<u>387,659.31</u>
		657,280.25
Decreased by:		
Collections	D-5	\$ 508,783.25
Overpayments Applied	D	<u>1,303.20</u>
	D-3	<u>510,086.45</u>
Balance December 31, 2024	D	\$ <u><u>147,193.80</u></u>

BOROUGH OF OCEAN GATE - COUNTY OF OCEAN

WATER UTILITY OPERATING FUND

Exhibit D-8

SCHEDULE OF INTERFUNDS

	<u>Ref.</u>	<u>Totals (Memo Only)</u>	<u>Current Fund</u>	<u>Water Utility Capital Fund</u>
Decreased by:				
Receipts	D-5	\$ 244,000.00	\$ 129,000.00	\$ 115,000.00
Increased by:				
Disbursements	D-5	\$ <u>244,000.00</u>	\$ <u>129,000.00</u>	\$ <u>115,000.00</u>

BOROUGH OF OCEAN GATE - COUNTY OF OCEAN

WATER UTILITY CAPITAL FUND

Exhibit D-9

SCHEDULE OF FIXED CAPITAL

	Balance Dec. 31, 2023 and 2024
Improvements to Municipal Water Distribution System	\$ 1,227,294.64
Improvements to Water Utility System, Improvements to Water Supply and Distribution System	3,080.73
General Improvements	8,378.55
General Improvements to Water Utility System	71,687.00
Acquisition of Water Meters	8,146.63
	\$ 1,318,587.55
<u>Ref.</u>	D

SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED

Exhibit D-10

<u>Improvement Description</u>	<u>Ordinance</u>		<u>Balance Dec. 31, 2024</u>
	<u>Number</u>	<u>Amount</u>	
General Improvements to the Water Utility System	93-366	\$ 100,000.00	\$ 100,000.00
Rehabilitation of the East Arverne Avenue Elevated Storage Tank	09-539	550,000.00	550,000.00
Construction and Installation of One or More Municipal Wind Turbine Electrical Generating Stations	09-540	550,000.00	550,000.00
Repair, Replacement, Reconstruction of Certain Portions of the Borough Water Treatment System, Delivery System, Values and Fire Hydrants	12-568	450,000.00	450,000.00
Water Infrastructure Improvements	15-598	1,150,000.00	1,150,000.00
Replacement of Borough - Wide Potable Water Meters	24-689	1,700,000.00	1,700,000.00
			\$ 4,500,000.00
<u>Ref.</u>			D

BOROUGH OF OCEAN GATE - COUNTY OF OCEAN

WATER UTILITY OPERATING FUND

Exhibit D-11

SCHEDULE OF APPROPRIATION RESERVES

	<u>Balance Dec. 31, 2023</u>	<u>Reserve for Encumbrances</u>	<u>Balance After Transfers</u>	<u>Paid or Charged</u>	<u>Balance Lapsed</u>
Operating:					
Salaries and Wages	\$ 634.73	\$	\$ 634.73	\$	\$ 634.73
Other Expenses	8,360.05	912.80	9,272.85	994.60	8,278.25
Statutory Expenditures:					
Contributions to:					
Public Employees' Retirement System	4.33		4.33		4.33
Social Security System (O.A.S.I.)	856.66		856.66		856.66
	<u>\$ 9,855.77</u>	<u>\$ 912.80</u>	<u>\$ 10,768.57</u>	<u>\$ 994.60</u>	<u>\$ 9,773.97</u>

Ref.

D

D

D-5

D-1

BOROUGH OF OCEAN GATE - COUNTY OF OCEAN

WATER UTILITY OPERATING FUND

Exhibit D-12

SCHEDULE OF ACCRUED INTEREST ON BONDS, NOTES AND LOANS

	<u>Ref.</u>	
Balance December 31, 2023	D	\$ 6,810.62
Increased by:		
Budget Appropriations	D-4	<u>4,791.41</u>
		11,602.03
Decreased by:		
Disbursements	D-5	<u>5,976.41</u>
Balance December 31, 2024	D	<u><u>\$ 5,625.62</u></u>

WATER UTILITY CAPITAL FUND

SCHEDULE OF CAPITAL IMPROVEMENT FUND

Exhibit D-13

	<u>Ref.</u>	
Balance December 31, 2023 and 2024	D	<u><u>\$ 347,650.00</u></u>

BOROUGH OF OCEAN GATE - COUNTY OF OCEAN

WATER UTILITY CAPITAL FUND

Exhibit D-14

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Ordinance</u>		<u>Balance Dec. 31, 2023</u>		<u>2024 Authorizations</u>	<u>Paid or Charged</u>	<u>Balance Dec. 31, 2024</u>	
		<u>Date</u>	<u>Amount</u>	<u>Funded</u>	<u>Unfunded</u>			<u>Funded</u>	<u>Unfunded</u>
93-366	General Improvements to the Water Utility System	5/25/1993	\$ 100,000.00	\$	\$ 5,235.66	\$	\$ 2,222.80	\$	\$ 3,012.86
09-539	Rehabilitation of the East Arverne Avenue Elevated Storage Tank	5/24/2009	550,000.00		61,987.43				61,987.43
09-540	Construction and Installation of One or More Municipal Wind Turbine Electrical Generating Stations	5/24/2009	550,000.00		90,486.57				90,486.57
12-568	Repair, Replacement, Reconstruction of Certain Portions of the Borough Water Treatment System, Delivery System, Valves and Fire Hydrants	11/20/2012 11/10/2015	450,000.00 1,150,000.00	161.12 17,995.01	398,393.00		15,948.28	161.12 2,046.73	398,393.00
15-598 24-689	Water Infrastructure Improvements Replacement of Borough - Wide Potable Water Meters	3/13/2024	1,700,000.00			1,700,000.00	317,486.42	576,998.58	805,515.00
				\$ 18,156.13	\$ 556,102.66	\$ 1,700,000.00	\$ 335,657.50	\$ 579,206.43	\$ 1,359,394.86
	<u>Ref.</u>			D	D	D-10	D-5	D	D

BOROUGH OF OCEAN GATE - COUNTY OF OCEAN

WATER UTILITY CAPITAL FUND

Exhibit D-15

SCHEDULE OF RESERVE FOR AMORTIZATION

	<u>Ref.</u>	
Balance December 31, 2023	D	\$ 1,268,720.42
Increased by:		
Debt Paid by Operating Budget:		
USDA Loan	D-18	<u>13,414.90</u>
Balance December 31, 2024	D	<u><u>\$ 1,282,135.32</u></u>

SCHEDULE OF DEFERRED RESERVE FOR AMORTIZATION

Exhibit D-16

	<u>Ref.</u>	
Balance December 31, 2023	D	\$ 1,338,834.31
Increased by:		
Debt Paid by Operating Budget:		
Serial Bonds	D-17	\$ 20,000.00
EIT Loans:		
Trust Loan - Water Tank	D-19	6,380.98
Fund Loan - Water Tank	D-20	16,568.19
Trust Loan - Wind Turbine	D-21	6,392.12
Fund Loan - Wind Turbine	D-22	5,464.57
Trust Loan - Nano Loan	D-23	5,000.00
Fund Loan - Nano Loan	D-24	<u>6,333.76</u>
		<u>66,139.62</u>
Balance December 31, 2024	D	<u><u>\$ 1,404,973.93</u></u>

BOROUGH OF OCEAN GATE - COUNTY OF OCEAN

WATER UTILITY CAPITAL FUND

Exhibit D-17

SCHEDULE OF WATER UTILITY SERIAL BONDS

<u>Purpose</u>	<u>Date of Issue</u>	<u>Amount of Original Issue</u>	<u>Maturities of Bonds Outstanding Dec. 31, 2024</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2023</u>	<u>Paid by Budget Appropriation</u>	<u>Balance Dec. 31, 2024</u>
			<u>Date</u>	<u>Amount</u>				
Water System Improvements	4/15/2021	\$ 380,000.00	4/15/25	\$ 20,000.00	4.000%			
			4/15/26	20,000.00	4.000%			
			4/15/27	25,000.00	4.000%			
			4/15/28	25,000.00	4.000%			
			4/15/29	30,000.00	2.000%			
			4/15/30	30,000.00	2.000%			
			4/15/31	30,000.00	2.000%			
			4/15/32	30,000.00	2.000%			
			4/15/33	30,000.00	2.000%			
			4/15/34	30,000.00	2.000%			
			4/15/35	30,000.00	2.000%			
			4/15/36	30,000.00	2.000%			
						\$ 350,000.00	\$ 20,000.00	\$ 330,000.00
						<u>\$ 350,000.00</u>	<u>\$ 20,000.00</u>	<u>\$ 330,000.00</u>
<u>Ref.</u>						D	D-16	D

BOROUGH OF OCEAN GATE - COUNTY OF OCEAN

WATER UTILITY CAPITAL FUND

Exhibit D-18

SCHEDULE OF WATER UTILITY USDA LOAN PAYABLE

<u>Purpose</u>	<u>Date of Issue</u>	<u>Amount of Original Issue</u>	<u>Maturities of Bonds</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2023</u>	<u>Paid by Budget Appropriation</u>	<u>Balance Dec. 31, 2024</u>
			<u>Outstanding Date</u>	<u>Amount</u>				
Water System Improvements	2/19/1987	\$ 270,000.00	2/19/2025	\$ 6,960.01	5.00%			
			8/19/2025	7,134.01	5.00%			
			2/19/2026	7,312.36	5.00%			
			8/19/2026	7,495.17	5.00%			
			2/19/2027	6,277.22	5.00%	\$ 48,593.67	\$ 13,414.90	\$ 35,178.77
						<u>\$ 48,593.67</u>	<u>\$ 13,414.90</u>	<u>\$ 35,178.77</u>
	<u>Ref.</u>					D	D-15	D

BOROUGH OF OCEAN GATE - COUNTY OF OCEAN

WATER UTILITY CAPITAL FUND

Exhibit D-19

SCHEDULE OF N.J. ENVIRONMENTAL INFRASTRUCTURE TRUST LOAN - WATER TANK

<u>Purpose</u>	<u>Date of Issue</u>	<u>Amount of Original Issue</u>	<u>Maturities of Bonds</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2023</u>	<u>Paid by Budget Appropriation</u>	<u>Balance Dec. 31, 2024</u>
			<u>Outstanding Date</u>	<u>Amount</u>				
Water Tank	2/18/2010	\$ 110,640.01	8/01/2025	\$ 6,617.08	3.80%			
			8/01/2026	6,868.53	3.90%			
			8/01/2027	7,136.40	3.99%			
			8/01/2028	7,421.14	4.08%			
			8/01/2029	6,689.92	4.16%	\$ 41,114.05	\$ 6,380.98	\$ 34,733.07
						\$ 41,114.05	\$ 6,380.98	\$ 34,733.07
					<u>Ref.</u>	D	D-16	D

BOROUGH OF OCEAN GATE - COUNTY OF OCEAN

WATER UTILITY CAPITAL FUND

Exhibit D-20

SCHEDULE OF N.J. ENVIRONMENTAL INFRASTRUCTURE FUND LOAN - WATER TANK

<u>Purpose</u>	<u>Date of Issue</u>	<u>Amount of Original Issue</u>	<u>Maturities of Bonds</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2023</u>	<u>Paid by Budget Appropriation</u>	<u>Balance Dec. 31, 2024</u>
			<u>Date</u>	<u>Outstanding Dec. 31, 2024 Amount</u>				
Water Tank	2/18/2010	\$ 309,273.00	2/01/2025	\$ 5,522.73	0.00%			
			8/01/2025	11,045.46	0.00%			
			2/01/2026	5,522.73	0.00%			
			8/01/2026	11,045.46	0.00%			
			2/01/2027	5,522.73	0.00%			
			8/01/2027	11,045.46	0.00%			
			2/01/2028	5,522.73	0.00%			
			8/01/2028	11,045.46	0.00%			
			2/01/2029	5,522.73	0.00%			
			8/01/2029	7,942.58	0.00%			
						\$ 96,306.26	\$ 16,568.19	\$ 79,738.07
						<u>\$ 96,306.26</u>	<u>\$ 16,568.19</u>	<u>\$ 79,738.07</u>
	<u>Ref.</u>					D	D-16	D

BOROUGH OF OCEAN GATE - COUNTY OF OCEAN

WATER UTILITY CAPITAL FUND

Exhibit D-21

SCHEDULE OF N.J. ENVIRONMENTAL INFRASTRUCTURE TRUST LOAN - WIND TURBINE

<u>Purpose</u>	<u>Date of Issue</u>	<u>Amount of Original Issue</u>	<u>Maturities of Bonds Outstanding Dec. 31, 2024</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2023</u>	<u>Paid by Budget Appropriation</u>	<u>Balance Dec. 31, 2024</u>
			<u>Date</u>	<u>Amount</u>				
Wind Turbine	3/10/2010	\$ 111,769.00	8/01/2025	\$ 6,615.85	3.60%			
			8/01/2026	6,854.02	3.66%			
			8/01/2027	7,104.88	3.80%			
			8/01/2028	7,374.86	3.89%			
			8/01/2029	7,661.74	3.99%	\$ 42,003.47	\$ 6,392.12	\$ 35,611.35
						\$ 42,003.47	\$ 6,392.12	\$ 35,611.35
					<u>Ref.</u>	D	D-16	D

BOROUGH OF OCEAN GATE - COUNTY OF OCEAN

WATER UTILITY CAPITAL FUND

Exhibit D-22

SCHEDULE OF N.J. ENVIRONMENTAL INFRASTRUCTURE FUND LOAN - WIND TURBINE

<u>Purpose</u>	<u>Date of Issue</u>	<u>Amount of Original Issue</u>	<u>Maturities of Bonds</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2023</u>	<u>Paid by Budget Appropriation</u>	<u>Balance Dec. 31, 2024</u>
			<u>Outstanding Date</u>	<u>Amount</u>				
Wind Turbine	1/08/2010	\$ 107,470.00	2/01/2025	\$ 1,821.52	0.00%			
			8/01/2025	3,643.05	0.00%			
			2/01/2026	1,821.52	0.00%			
			8/01/2026	3,643.05	0.00%			
			2/01/2027	1,821.52	0.00%			
			8/01/2027	3,643.05	0.00%			
			2/01/2028	1,821.52	0.00%			
			8/01/2028	3,643.05	0.00%			
			2/01/2029	1,821.52	0.00%			
			8/01/2029	3,643.17	0.00%			
						\$ 32,787.54	\$ 5,464.57	\$ 27,322.97
						<u>\$ 32,787.54</u>	<u>\$ 5,464.57</u>	<u>\$ 27,322.97</u>
					<u>Ref.</u>	D	D-16	D

BOROUGH OF OCEAN GATE - COUNTY OF OCEAN

WATER UTILITY CAPITAL FUND

Exhibit D-23

SCHEDULE OF N.J. ENVIRONMENTAL INFRASTRUCTURE TRUST NANO LOAN

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding Dec. 31, 2024		Interest Rate	Balance Dec. 31, 2023	Paid by Budget Appropriation	Balance Dec. 31, 2024
			Date	Amount				
Water System Improvements	12/22/2016	\$ 185,000.00	9/1/2025-26	\$ 5,000.00	5.00%			
			9/1/2027-37	5,000.00	4.00%			
			9/1/2038-45	10,000.00	4.00%			
			9/01/2046	5,000.00	4.00%	\$ 155,000.00	\$ 5,000.00	\$ 150,000.00
						\$ 155,000.00	\$ 5,000.00	\$ 150,000.00
					<u>Ref.</u>	D	D-16	D

BOROUGH OF OCEAN GATE - COUNTY OF OCEAN

WATER UTILITY CAPITAL FUND

Exhibit D-24

SCHEDULE OF N.J. ENVIRONMENTAL INFRASTRUCTURE TRUST FUND NANO LOAN

<u>Purpose</u>	<u>Date of Issue</u>	<u>Amount of Original Issue</u>	<u>Maturities of Bonds</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2023</u>	<u>Paid by Budget Appropriation</u>	<u>Balance Dec. 31, 2024</u>
			<u>Outstanding Date</u>	<u>Amount</u>				
Water System Improvements	12/22/2016	\$ 563,706.00	02/01/ 2025-2037	\$ 2,111.25	0.00%			
			08/01/ 2025-2036	4,222.51	0.00%			
			8/01/2037	3,548.80	0.00%	\$ 87,998.93	\$ 6,333.76	\$ 81,665.17
						\$ 87,998.93	\$ 6,333.76	\$ 81,665.17
			<u>Ref.</u>			D	D-16	D

BOROUGH OF OCEAN GATE - COUNTY OF OCEAN

WATER UTILITY CAPITAL FUND

Exhibit D-25

SCHEDULE OF NJEIT INTERIM CONSTRUCTION NOTE PAYABLE

	<u>Ref.</u>	
Increased by:		
Drawdown Submitted but not Yet Received	D-6	\$ <u>894,485.00</u>
Balance December 31, 2024	D	\$ <u><u>894,485.00</u></u>

BOROUGH OF OCEAN GATE - COUNTY OF OCEAN

WATER UTILITY CAPITAL FUND

Exhibit D-26

SCHEDULE OF BONDS AND NOTES AUTHORIZED

BUT NOT ISSUED

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Balance Dec. 31, 2024</u>
83-257/83-266	Improvements to Water Utility System, Improvements to Water Supply and Distribution System	\$ 152.01
86-285	General Improvements	1,121.45
93-366	General Improvements to the Water Utility System	11,654.45
09-539	Rehabilitation of the East Arverne Avenue Elevated Storage Tank	130,086.99
09-540	Construction and Installation of One or More Municipal Wind Turbine Electrical Generating Stations	115,821.00
15-598	Water Infrastructure Improvements	398,393.00
24-689	Replacement of Borough - Wide Potable Water Meters	805,515.00
		<u>\$ 1,462,743.90</u>
	<u>Ref.</u>	D

BOROUGH OF OCEAN GATE - COUNTY OF OCEAN

SEWER UTILITY FUND

Exhibit E-5

SCHEDULE OF SEWER UTILITY CASH

	<u>Ref.</u>	<u>Operating</u>	<u>Capital</u>
Balance December 31, 2023	E	\$ 80,357.91	\$ 77,308.69
Increased by Receipts:			
Sewer Rent Overpayments	E	\$ 6,749.96	\$
Miscellaneous Revenue	E-3	6,453.25	
Consumer Accounts Receivable	E-7	473,818.65	
Interfunds	E-8:E-6	<u>150,000.00</u>	<u>50,000.00</u>
		637,021.86	50,000.00
		<u>717,379.77</u>	<u>127,308.69</u>
Decreased by Disbursements:			
Operating Surplus to Current Fund	E-1	54,000.00	
Budget Appropriations	E-4	470,368.53	
Interfunds	E-8:E-6	<u>150,000.00</u>	<u>50,000.00</u>
Appropriation Reserves	E-11	96.46	
Accrued Interest Payable	E-12	<u>683.48</u>	
		675,148.47	50,000.00
Balance December 31, 2024	E	<u>\$ 42,231.30</u>	<u>\$ 77,308.69</u>

BOROUGH OF OCEAN GATE - COUNTY OF OCEAN

SEWER UTILITY CAPITAL FUND

Exhibit E-6

ANALYSIS OF CASH

Capital Improvement Fund					
Interfund - Current Fund					
Improvement Authorizations:					
Ordinance	Improvement Description	Balance Dec. 31, 2023	Disbursements Miscellaneous	Receipts Miscellaneous	Balance Dec. 31, 2024
Number					
09-538	Sanitary Sewer Rehabilitation Infiltration Inflow Correction Project	\$ 67,500.00	\$ 50,000.00		\$ 67,500.00
13-572	Sanitary Sewer Rehabilitation Infiltration Inflow Correction Project	46,212.14 (36,403.45)			46,212.14 (36,403.45)
		<u>\$ 77,308.69</u>	<u>\$ 50,000.00</u>	<u>\$ 50,000.00</u>	<u>\$ 77,308.69</u>
Ref.		E	E-5	E-5	E

BOROUGH OF OCEAN GATE - COUNTY OF OCEAN

SEWER UTILITY OPERATING FUND

Exhibit E-7

SCHEDULE OF CONSUMER ACCOUNTS RECEIVABLE

	<u>Ref.</u>	
Balance December 31, 2023	E	\$ 34,540.61
Increased by:		
2024 Sewer Rents		<u>487,312.92</u>
		521,853.53
Decreased by:		
Collections	E-5	\$ 473,818.65
Overpayments Applied	E	<u>16,506.67</u>
	E-3	<u>490,325.32</u>
Balance December 31, 2024	E	\$ <u><u>31,528.21</u></u>

BOROUGH OF OCEAN GATE - COUNTY OF OCEAN

SEWER UTILITY OPERATING FUND

Exhibit E-8

SCHEDULE OF INTERFUNDS

	<u>Ref.</u>	<u>Current Fund</u>
Increased by:		
Receipts	E-5	\$ 150,000.00
Decreased by:		
Disbursements	E-5	\$ <u>150,000.00</u>

BOROUGH OF OCEAN GATE - COUNTY OF OCEAN

SEWER UTILITY CAPITAL FUND

Exhibit E-9

SCHEDULE OF FIXED CAPITAL

		<u>Balance Dec. 31, 2023 and 2024</u>
Sewer System		<u>\$ 3,296,034.29</u>
	<u>Ref.</u>	E

SEWER UTILITY CAPITAL FUND

Exhibit E-10

SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED

<u>Improvement Description</u>	<u>Ordinance</u>		<u>Balance Dec. 31, 2023 and 2024</u>
	<u>Number</u>	<u>Amount</u>	
Sanitary Sewer Rehabilitation Infiltration Inflow Correction Project	09-538	\$ 450,000.00	\$ 450,000.00
Sanitary Sewer Rehabilitation Infiltration Inflow Correction Project	13-572	50,000.00	<u>50,000.00</u>
			<u>\$ 500,000.00</u>
	<u>Ref.</u>		E

BOROUGH OF OCEAN GATE - COUNTY OF OCEAN

SEWER UTILITY OPERATING FUND

Exhibit E-11

SCHEDULE OF APPROPRIATION RESERVES

	<u>Balance Dec. 31, 2023</u>	<u>Reserve for Encumbrances</u>	<u>Balance After Transfers</u>	<u>Paid or Charged</u>	<u>Balance Lapsed</u>
Operating:					
Salaries and Wages	\$ 1,394.45	\$	\$ 1,394.45	\$	\$ 1,394.45
Other Expenses	91.13	231.46	322.59	96.46	226.13
Sewer Treatment Costs	85.07		85.07		85.07
Statutory Expenditures:					
Contributions to:					
Public Employees' Retirement System	4.33		4.33		4.33
Social Security System (O.A.S.I)	546.77		546.77		546.77
	<u>\$ 2,121.75</u>	<u>\$ 231.46</u>	<u>\$ 2,353.21</u>	<u>\$ 96.46</u>	<u>\$ 2,256.75</u>
<u>Ref.</u>	E	E		E-5	E-1

BOROUGH OF OCEAN GATE - COUNTY OF OCEAN

SEWER UTILITY OPERATING FUND

Exhibit E-12

SCHEDULE OF ACCRUED INTEREST PAYABLE

	<u>Ref.</u>	
Balance December 31, 2023	E	\$ 683.48
Increased by:		
Budget Appropriations	E-4	<u>577.92</u>
		1,261.40
Decreased by:		
Interest Paid	E-5	<u>683.48</u>
Balance December 31, 2024	E	\$ <u><u>577.92</u></u>

SEWER UTILITY CAPITAL FUND

SCHEDULE OF CAPITAL IMPROVEMENT FUND

Exhibit E-13

	<u>Ref.</u>	
Balance December 31, 2023 and 2024	E	\$ <u><u>67,500.00</u></u>

BOROUGH OF OCEAN GATE - COUNTY OF OCEAN

SEWER UTILITY CAPITAL FUND

Exhibit E-14

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Ordinance</u>		<u>Balance Dec. 31, 2023 and 2024</u>	
		<u>Date</u>	<u>Amount</u>	<u>Funded</u>	<u>Unfunded</u>
09-538	Sanitary Sewer Rehabilitation Infiltration Inflow Correction Project	5/24/2009	\$ 450,000.00	\$ 46,212.14	\$ 215,581.00
13-572	Sanitary Sewer Rehabilitation Infiltration Inflow Correction Project	2/27/2013	50,000.00		11,096.55
				<u>\$ 46,212.14</u>	<u>\$ 226,677.55</u>
			<u>Ref.</u>	E	E

SEWER UTILITY CAPITAL FUND

Exhibit E-15

SCHEDULE OF RESERVE FOR AMORTIZATION

	<u>Ref.</u>		
Balance December 31, 2023	E		\$ 3,203,456.54
Increased by:			
Paid by Operating Budget:			
NJEIT Trust Loan Payable	E-17	\$ 5,000.00	
NJEIT Fund Loan Payable	E-18	<u>8,868.75</u>	
			<u>13,868.75</u>
Balance December 31, 2024	E		<u>\$ 3,217,325.29</u>

BOROUGH OF OCEAN GATE - COUNTY OF OCEAN

SEWER UTILITY CAPITAL FUND

Exhibit E-16

SCHEDULE OF DEFERRED RESERVE FOR AMORTIZATION

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Ordinance Date</u>	<u>Balance Dec. 31, 2023 and 2024</u>
09-538	Sanitary Sewer Rehabilitation Infiltration Inflow Correction Project	5/24/2009	\$ 234,419.00
13-572	Sanitary Sewer Rehabilitation Infiltration Inflow Correction Project	2/27/2013	<u>2,500.00</u>
			<u>\$ 236,919.00</u>
		<u>Ref.</u>	E

Exhibit E-17

SCHEDULE OF N.J. ENVIRONMENTAL INFRASTRUCTURE TRUST LOAN

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding Dec. 31, 2024		Interest Rate	Balance Dec. 31, 2023	Paid by Budget Appropriation	Balance Dec. 31, 2024
			Date	Amount				
Sewer Improvements	5/21/2014	\$ 60,000.00	8/01/2025	\$ 5,000.00	3.000%	\$	\$	
			8/01/2026	5,000.00	3.000%			
			8/01/2027	5,000.00	3.000%			
			8/01/2028	5,000.00	3.000%			
			8/01/2029	5,000.00	3.000%			
			8/01/2030	5,000.00	3.000%			
			8/01/2031	5,000.00	3.000%			
			8/01/2032	5,000.00	3.125%			
			8/01/2033	5,000.00	3.250%	50,000.00	5,000.00	45,000.00
					\$ 50,000.00	\$ 5,000.00	\$ 45,000.00	
					E	E-15	E	

BOROUGH OF OCEAN GATE - COUNTY OF OCEAN

SEWER UTILITY CAPITAL FUND

Exhibit E-18

SCHEDULE OF N.J. ENVIRONMENTAL INFRASTRUCTURE FUND LOAN

<u>Purpose</u>	<u>Date of Issue</u>	<u>Amount of Original Issue</u>	<u>Maturities of Bonds</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2023</u>	<u>Paid by Budget Appropriation</u>	<u>Balance Dec. 31, 2024</u>
			<u>Outstanding Date</u>	<u>Dec. 31, 2024 Amount</u>				
Sewer Improvements	5/21/2014	\$ 128,309.00	2/01/2025	\$ 2,956.25	0.00%	\$	\$	\$
			8/01/2025	5,912.50	0.00%			
			2/01/2026	2,956.25	0.00%			
			8/01/2026	5,912.50	0.00%			
			2/01/2027	2,956.25	0.00%			
			8/01/2027	5,912.50	0.00%			
			2/01/2028	2,956.25	0.00%			
			8/01/2028	4,146.50	0.00%	42,577.75	8,868.75	33,709.00
						<u>42,577.75</u>	<u>8,868.75</u>	<u>33,709.00</u>
						\$ <u>42,577.75</u>	\$ <u>8,868.75</u>	\$ <u>33,709.00</u>
					<u>Ref.</u>	E	E-15	E

BOROUGH OF OCEAN GATE - COUNTY OF OCEAN

SEWER UTILITY CAPITAL FUND

Exhibit E-19

SCHEDULE OF BONDS AND NOTES AUTHORIZED

BUT NOT ISSUED

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Balance Dec. 31, 2024</u>
09-538	Sanitary Sewer Rehabilitation Infiltration Inflow Correction Project	\$ 215,581.00
13-572	Sanitary Sewer Rehabilitation Infiltration Inflow Correction Project	<u>47,500.00</u>
		<u>\$ 263,081.00</u>
		<u>Ref.</u> E

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BOROUGH OF OCEAN GATE

PART II

SINGLE AUDIT SECTION

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

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH
REQUIREMENTS APPLICABLE TO MAJOR FEDERAL
FINANCIAL ASSISTANCE PROGRAMS AND ON
INTERNAL CONTROL OVER COMPLIANCE
REQUIRED BY THE UNIFORM GUIDANCE

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

NOTES TO THE SCHEDULE OF EXPENDITURES OF
FEDERAL AWARDS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS



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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 Ocean Gate
County of Ocean
Ocean Gate, New Jersey 08740

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 account groups of the Borough of Ocean Gate, as of and for the year ended December 31, 2024, 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 29, 2025. Our report disclosed that, as described in Note 1 to the financial statements, the Borough of Ocean Gate 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 Ocean Gate'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. We noted other matters in the internal control which are discussed in Part III, General Comments and Recommendations section of the audit report.

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*. We noted other matters in compliance which are discussed in Part III, General Comments and Recommendations section of the audit 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 Ocean Gate'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 Ocean Gate's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



CERTIFIED PUBLIC ACCOUNTANTS



REGISTERED MUNICIPAL ACCOUNTANT NO. 439

August 29, 2025



SUPLEE, CLOONEY & COMPANY LLC

CERTIFIED PUBLIC ACCOUNTANTS

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

The Honorable Mayor and Members
of the Borough Council
Borough of Ocean Gate
County of Ocean
Ocean Gate, New Jersey 08740

Report on Compliance for Each Major Federal Financial Assistance Program

Opinion on Each Major Federal Program

We have audited the Borough of Ocean Gate, County of Ocean, State of New Jersey's (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, 2024. 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, 2024.

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 29, 2025

BOROUGH OF OCEAN GATE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2024

FEDERAL GRANTOR/PASS THROUGH GRANTOR/ PROGRAM TITLE	FEDERAL CFDA NUMBER	PASS THROUGH GRANTOR'S NUMBER	GRANT PERIOD		GRANT AWARD AMOUNT	2024		CUMULATIVE EXPENDITURES DECEMBER 31, 2024
			FROM	TO		FUNDS RECEIVED	EXPENDITURES	
<u>DEPARTMENT OF AGRICULTURE:</u> Direct Program: Rural Development Grant Rural Development Loan Total Department of Agriculture	10.766	N/A	01/01/22	Till Finished	\$ 47,900.00	\$ 22,435.41	\$ 22,435.41	\$ 22,435.41
	10.766	N/A	01/01/22	Till Finished	930,100.00	930,100.00	930,100.00	930,100.00
						952,535.41	952,535.41	952,535.41
<u>DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT:</u> Community Development Block Grant: Indirect Programs - Passed Through the County of Ocean Department of Planning: Handicapped Access Improvements - Narragansett Avenue Handicapped Access Improvements - Wildwood Avenue Total Department of Housing and Urban Development	14.218	CT-1518-20	01/01/21	Till Finished	35,000.00		27,633.13	34,937.27
	14.218	CT-1518-24	01/01/24	Till Finished	41,700.00		1,648.50	1,648.50
							29,281.63	36,585.77
<u>DEPARTMENT OF TRANSPORTATION:</u> National Priority Safety Programs: Indirect Programs - Passed Through the New Jersey Department of Law and Public Safety: Cops in Shops: Prior 2024 2025 Drive Sober or Get Pulled Over: Prior 2023 2024 Click It or Ticket: 2022 Distracted Driving Incentive: 2023 2024 2025 Total Department of Transportation	20.616	100-066-1400-028-210150	01/01/20	Till Finished	9,620.00			
	20.616	100-066-1400-028-210150	01/01/24	Till Finished	1,440.00	1,440.00	1,440.00	1,440.00
	20.616	100-066-1400-028-210150	01/01/25	Till Finished	1,440.00			
	20.616	100-066-1160-157-031020	01/01/20	Till Finished	6,049.52			
	20.616	100-066-1160-157-031020	01/01/23	Till Finished	6,000.00		1,120.00	1,120.00
	20.616	100-066-1160-157-031020	01/01/24	Till Finished	7,000.00	7,000.00		
	20.616	100-066-1160-155-031000	01/01/22	Till Finished	6,000.00			
	20.616	100-066-1160-158-031030	01/01/23	Till Finished	7,000.00			
	20.616	100-066-1160-158-031030	01/01/24	Till Finished	7,000.00	7,000.00	7,000.00	7,000.00
	20.616	100-066-1160-158-031030	01/01/25	Till Finished	7,000.00			
						15,440.00	9,560.00	9,980.00
<u>DEPARTMENT OF THE TREASURY:</u> Covid ARP State and Local Fiscal Recovery Funding: Indirect Program - Passed Through the New Jersey Department of Community Affairs: American Rescue Plan - Firefighter Grant 2023 2024 Total Department of the Treasury	21.027	100-022-8030-689-046180	01/01/23	Till Finished	16,000.00			14,295.60
	21.027	100-022-8030-689-046180	01/01/24	Till Finished	50,000.00	14,295.60	14,295.60	50,000.00
						14,295.60	50,000.00	50,000.00
						14,295.60	64,295.60	64,295.60

YEAR ENDED DECEMBER 31, 2024

FEDERAL GRANTOR/PASS THROUGH GRANTOR/ PROGRAM TITLE	FEDERAL CFDA NUMBER	PASS THROUGH GRANTOR'S NUMBER	GRANT PERIOD		GRANT AWARD AMOUNT	2024			CUMULATIVE EXPENDITURES DECEMBER 31, 2024
			FROM	TO		FUNDS RECEIVED	EXPENDITURES	SUBRECIPIENTS	
DEPARTMENT OF ENVIRONMENTAL PROTECTION:									
Capitalization Grants for Drinking Water State Revolving Fund									
Indirect Programs - Passed Through the New Jersey Infrastructure Bank									
Water Meter Project	66.468	S340 151-02	01/01/24	Till Finished	\$ 380,197.00	\$ 380,197.00	\$	\$ 380,197.00	\$ 380,197.00
Total Department of Environmental Protection						\$ 380,197.00		\$	\$ 380,197.00
DEPARTMENT OF HEALTH AND HUMAN SERVICES:									
COVID ARP - LIHWAP									
Indirect Program - Passed Through the New Jersey Department of Community Affairs	93.499	100-997-8050-022-052323	01/01/24	Till Finished	509.52	509.52		509.52	509.52
Total Department of Health and Human Services						509.52			509.52
DEPARTMENT OF HOMELAND SECURITY:									
Public Assistance Grants									
Indirect Programs - Passed Through the New Jersey Department of Law and Public Safety									
Hurricane Sandy	97.036	100-066-1200-A92-068280	01/01/24	Till Finished	2,900.15	2,900.15			2,900.15
Total Department of Homeland Security						2,900.15			2,900.15
Total Federal Assistance					\$ 1,365,877.68	\$ 1,436,379.16	\$	\$	1,447,003.45

The accompanying notes to schedules of expenditures of federal awards and state financial assistance are an integral part of this schedule.

BOROUGH OF OCEAN GATE

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED DECEMBER 31, 2024

NOTE 1. GENERAL

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal financial awards of the Borough of Ocean Gate, County of Ocean, State of New Jersey. All federal financial awards received directly from federal agencies, as well as federal financial awards passed through other government agencies are included on the Schedule of Expenditures of Federal Awards.

NOTE 2. BASIS OF ACCOUNTING

The accompanying Schedule of Expenditures of Federal Awards is presented 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 the modified accrual basis of accounting with certain exceptions and 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.

NOTE 3. RELATIONSHIP TO FEDERAL FINANCIAL REPORTS

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

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. These amounts are reported in the Current Fund, General Capital Fund, and Water Capital Fund. Reconciliations of revenues and expenses are presented on the following page.

NOTE 4. RELATIONSHIP TO FINANCIAL STATEMENTS - REGULATORY BASIS (CONTINUED)

Revenues:

	<u>Federal</u>
Current Fund	\$ 33,145.27
General Capital Fund	952,535.41
Water Capital Fund	<u>380,197.00</u>
	<u>\$ 1,365,877.68</u>

Expenditures:

	<u>Federal</u>
Current Fund	\$ 103,646.75
General Capital Fund	952,535.41
Water Capital Fund	<u>380,197.00</u>
	<u>\$ 1,436,379.16</u>

NOTE 5. OTHER

Matching contributions expended by the Borough in accordance with terms of the various grants are not reported in the accompanying schedule. In addition, the Borough has not elected to use the *de minimis* indirect cost rate as covered in CFR 200.414 (F&A) costs.

BOROUGH OF OCEAN GATE
COUNTY OF OCEAN, NEW JERSEY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Section I - Summary of Auditor's Results

Financial Statements

- (1) Type of Auditor's Report Issued: Unmodified
- (2) Internal Control Over Financial Reporting:
- (a) Material weaknesses identified? No
- (b) Significant deficiencies identified that are not considered to be material weaknesses? No
- (3) Noncompliance material to the financial statements noted during the audit? No

Federal Programs(s)

- (1) Internal Control Over Major Federal Programs:
- (a) Material weaknesses identified? No
- (b) Significant deficiencies identified that are not considered to be material weaknesses? No
- (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 Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and listed in Section III of this schedule? No
- (4) Identification of Major Federal Program(s):

<u>Program</u>	<u>Grant Number</u>
Rural Development Grant/Loan	10.854
Water Meter Project	66.468

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

State Program(s)

Not Applicable

BOROUGH OF OCEAN GATE
COUNTY OF OCEAN, NEW JERSEY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2024

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 and State Programs

Federal Programs - None Reported

State Programs - Not Applicable

Status of Prior Year Audit Findings - Not Applicable

BOROUGH OF OCEAN GATE

PART III

STATISTICAL DATA

LIST OF OFFICIALS

COMMENTS AND RECOMMENDATIONS

YEAR ENDED DECEMBER 31, 2024

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

	YEAR 2024		YEAR 2023	
	AMOUNT	%	AMOUNT	%
<u>REVENUE AND OTHER INCOME REALIZED</u>				
Fund Balance Utilized	\$ 573,253.58	5.65%	\$ 400,000.00	4.75%
Miscellaneous-From Other Than Local				
Property Tax Levies	2,103,206.60	20.72%	1,016,828.42	12.09%
Collection of Delinquent Taxes and				
Tax Title Liens	106,658.09	1.04%	129,948.26	1.54%
Collection of Current Tax Levy	7,366,360.84	72.58%	6,866,154.33	81.61%
<u>TOTAL INCOME</u>	<u>10,149,479.11</u>	<u>100.00%</u>	<u>8,412,931.01</u>	<u>100.00%</u>
<u>EXPENDITURES</u>				
Budget Expenditures:				
Municipal Purposes	5,039,918.41	50.06%	3,788,920.79	46.54%
County Taxes	1,444,060.34	14.34%	1,233,478.72	15.15%
Local District School Taxes	2,294,249.00	22.79%	1,896,741.00	23.30%
Regional District School Taxes	1,215,077.00	12.07%	1,222,049.00	15.01%
Other Expenditures	73,785.81	0.74%	500.00	0.02%
<u>TOTAL EXPENDITURES</u>	<u>10,067,090.56</u>	<u>100.00%</u>	<u>8,141,689.51</u>	<u>100.00%</u>
Excess in Revenue	82,388.55		271,241.50	
Adjustment Before Fund Balance:				
Expenditures Included Above Which				
Are by Statute, Deferred Charges to				
Budgets of Succeeding Years			150,000.00	
Regulatory Excess in Fund Balance	82,388.55		421,241.50	
Fund Balance, January 1	630,470.92		609,229.42	
	712,859.47		1,030,470.92	
Less: Utilization as Anticipated Revenue	573,253.58		400,000.00	
Fund Balance, December 31	\$ 139,605.89		\$ 630,470.92	

COMPARATIVE STATEMENT OF OPERATIONS AND
CHANGES IN FUND BALANCE - WATER UTILITY FUND

	YEAR 2024		YEAR 2023	
	AMOUNT	%	AMOUNT	%
<u>REVENUE AND OTHER INCOME REALIZED</u>				
Fund Balance Utilized	\$	0.00%	\$	0.00%
Collection of Water Rents	510,086.45	96.66%	535,700.33	98.47%
Miscellaneous - Other Than Water Rents	17,600.56	3.34%	8,297.58	1.53%
<u>TOTAL INCOME</u>	<u>527,687.01</u>	<u>100.00%</u>	<u>543,997.91</u>	<u>100.00%</u>
<u>EXPENDITURES</u>				
Budget Expenditures:				
Operating	431,341.71	80.02%	384,500.00	76.67%
Debt Service	87,629.18	16.26%	83,841.43	16.72%
Deferred Charges and Statutory Expenditures	20,072.15	3.72%	33,168.00	6.61%
Other Expenditures		0.00%		0.00%
<u>TOTAL EXPENDITURES</u>	<u>539,043.04</u>	<u>100.00%</u>	<u>501,509.43</u>	<u>100.00%</u>
(Deficit)/Excess in Revenue	(11,356.03)		42,488.48	
Operating Deficit to be Raised in Budget of Succeeding Year	11,356.03			
Fund Balance, January 1	129,516.84		417,028.36	
	129,516.84		459,516.84	
Less: Utilization by Current Fund Budget as Anticipated Revenue	129,000.00		330,000.00	
Fund Balance, December 31	\$ 516.84		\$ 129,516.84	

COMPARATIVE STATEMENT OF OPERATIONS AND
CHANGES IN FUND BALANCE - SEWER UTILITY FUND

	YEAR 2024		YEAR 2023	
	AMOUNT	%	AMOUNT	%
<u>REVENUE AND OTHER INCOME REALIZED</u>				
Fund Balance Utilized	\$	0.00%	\$	11.71%
Collection of Sewer Rents	490,325.32	98.20%	486,477.94	86.48%
Miscellaneous - Other Than Sewer Rents	9,010.00	1.80%	10,156.80	1.81%
<u>TOTAL INCOME</u>	<u>499,335.32</u>	<u>100.00%</u>	<u>562,510.25</u>	<u>100.00%</u>
<u>EXPENDITURES</u>				
Budget Expenditures:				
Operating	444,961.96	92.67%	524,000.00	92.45%
Debt Service	15,381.95	3.20%	15,631.96	2.76%
Deferred Charges and Statutory Expenditures	19,789.71	4.12%	27,138.00	4.79%
Other Expenditures		0.00%		0.00%
<u>TOTAL EXPENDITURES</u>	<u>480,133.62</u>	<u>100.00%</u>	<u>566,769.96</u>	<u>100.00%</u>
Excess/(Deficit) in Revenue	19,201.70		(4,259.71)	
Operating Deficit to be Raised in Budget of Succeeding Year			4,259.71	
Fund Balance, January 1	64,774.26		130,649.77	
	83,975.96		130,649.77	
Less: Utilization by Current Fund Budget	54,000.00			
Less: Utilization as Anticipated Revenue	0.00		65,875.51	
Fund Balance, December 31	<u>\$ 29,975.96</u>		<u>\$ 64,774.26</u>	

COMPARATIVE SCHEDULE OF TAX RATE INFORMATION

	<u>2024*</u>	<u>2023</u>	<u>2022</u>
Tax Rate	\$ <u>1.644</u>	\$ <u>3.019</u>	\$ <u>2.781</u>
Appointment of Tax Rate:			
Municipal	0.556	1.036	0.947
County	0.317	0.534	0.492
Local School	0.504	0.915	0.876
Regional School	0.267	0.534	0.466

*Reassessment

Assessed Valuation:

Year 2024*	\$ <u>455,027,800.00</u>		
Year 2023		\$ <u>229,054,900.00</u>	
Year 2022			\$ <u>226,814,315.00</u>

*Reassessment

COMPARISON OF TAX LEVIES AND COLLECTION CURRENTLY

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

<u>YEAR</u>	<u>TAX LEVY</u>	<u>CASH COLLECTIONS</u>	<u>CURRENTLY PERCENTAGE OF COLLECTION</u>
2024	\$7,504,760.30	\$7,366,360.84	98.15%
2023	6,972,677.27	6,866,154.33	98.47%
2022	6,347,866.46	6,218,050.93	97.95%

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>
2024	\$3,114.14	\$131,999.21	\$135,113.35	1.80%
2023	2,352.97	106,161.58	108,514.55	1.56%
2022	1,069.56	129,470.31	131,439.87	2.07%

COMPARISON OF WATER UTILITY LEVIES

<u>YEAR</u>	<u>LEVY</u>	<u>CASH COLLECTION</u>
2024	\$387,659	\$510,086*
2023	520,089	535,700*
2022	771,570	554,885*

COMPARISON OF SEWER UTILITY LEVIES

<u>YEAR</u>	<u>LEVY</u>	<u>CASH COLLECTION</u>
2024	\$487,313	\$490,325*
2023	486,994	486,478*
2022	486,100	503,081*

* Includes collection of prior year's levies

COMPARATIVE SCHEDULE OF FUND BALANCES

	<u>YEAR</u>	<u>BALANCE</u> <u>DECEMBER 31</u>	<u>UTILIZED IN BUDGET</u> <u>OF SUCCEEDING</u> <u>YEAR</u>
Current Fund	2024	\$ 139,605.89	\$ 115,000.00
	2023	630,470.92	573,253.58
	2022	609,229.42	400,000.00
	2021	579,635.87	400,000.00
	2020	436,212.35	200,000.00
Water Utility Operating Fund	2024	\$ 515.84	\$ -
	2023	129,515.84	-
	2022	417,028.36	-
	2021	567,533.58	-
	2020	862,791.81	-
Sewer Utility Operating Fund	2024	\$ 29,975.96	\$ -
	2023	64,774.26	-
	2022	130,649.77	65,875.51
	2021	102,383.30	22,605.51
	2020	165,084.03	127,120.33

EQUALIZED VALUATIONS – REAL PROPERTY

<u>YEAR</u>	<u>AMOUNT</u>
2024	\$ 466,073,748.00
2023	389,416,695.00
2022	336,968,643.00

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>	<u>NAME OF SURETY</u>
Robert Curtin	Mayor	*	
James McGrath	Council President	*	
Joella Nicastro	Council	*	
Mark Haug	Council	*	
Bruce Cox	Council	*	
James Fry	Council	*	
Richard Zieser	Council	*	
Ileana Vazquez-Gallipoli	Municipal Clerk	1,000,000.00	MEL/JIF
Frederick Ebenau	Chief Financial Officer	1,000,000.00	MEL/JIF
Kristen Hudnut	Fiscal Officer/Purchasing	1,000,000.00	MEL/JIF
Kammie Verdolina	Tax Collector/Tax Search Officer/ Water and Sewer Collector	1,000,000.00	MEL/JIF
Stacey D. Kerr	Municipal Court Judge	1,000,000.00	MEL/JIF
Jessie Camporeale	Municipal Court Administrator	1,000,000.00	MEL/JIF
Jean Cipriani	Attorney		
Colliers Engineering	Engineer		

*Borough employees, other than the Chief Financial Officer, Tax/Utility Collectors, Judge and Court Administrator, were covered by blanket bonds of the Municipal Excess Liability and Joint Insurance Funds for a total amount of \$1,000,000.00.

COMMENTS AND RECOMMENDATIONS

GENERAL COMMENTS

CONTRACTS AND AGREEMENTS REQUIRED TO BE ADVERTISED PER 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 therefor, except as is provided otherwise in this act or specifically by any other law. No work, materials or supplies shall be undertaken, acquired or furnished for a sum exceeding in the aggregate, the amount set forth in or the amount calculated by the Governor pursuant to Section 3 of P.L. 1971 Ch. 198 (40A:11-3), except by contract or agreement.

Effective July 1, 2020, the bid threshold in accordance with N.J.S.A. 40A:11-3 is \$17,500.00 or up to \$44,000.00 if the entity has a Qualified Purchasing Agent. The Borough has not have a Qualified Purchasing Agent. The Borough has elected to operate using a bid threshold of \$17,500.00.

The governing body of the municipality has the responsibility of determining whether the expenditures in any category will exceed the \$17,500.00 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:

Bike Path Reconstruction: 3rd Phase
Handicap Accessibility Improvements - Various Streets
Removal and Replacement of Potable Water Meters Project

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

Our examination of expenditures did not reveal any individual payments or contracts or agreements in excess of \$17,500.00 for the performance of any work or the furnishing or hiring of any materials or supplies, other than those where bids had been previously sought by public advertisement or where a resolution had been previously adopted under the provisions of N.J.S.A. 40A:11-4

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

Attorney's
Auditor
Bond Counsel
Engineer
Fee Accountant
Flood Plain Manager
Insurance

GENERAL COMMENTS (CONTINUED)

Labor Counsel
Municipal Prosecutor
Public Defender
Rabies Clinic
Recreation Events
Special Counsel

CONTRACTS OR AGREEMENTS NOT REQUIRED TO BE ADVERTISED ADVERTISED PER N.J.S.A. 40A:11-6.1

N.J.S.A. 40A:11-6.1 states "For all contracts that in the aggregate are less than the bid threshold but 15 percent or more of that amount, and for those contracts that are for subject matter enumerated in subsection (1) of section 5 of P.L. 1971, c.198 (C.40A11-5), except for paragraph (a) of that subsection concerning professional services and paragraph (b) of that subsection concerning work by employees of the contracting unit, the contracting agent shall award the contract after soliciting at least two competitive quotations, if practicable. The award shall be made to a vendor whose response is most advantageous, price and other factors considered. The contracting agent shall retain the record of the quotation solicitation and shall include a copy of the record with the voucher used to pay the vendor."

We conducted a compliance review of the procedures and policies for securing quotations for purchases referred to above which indicated that the procedures were implemented to ensure statutory compliance and that quotes had been solicited as required by the statute.

COLLECTION OF INTEREST ON DELINQUENT TAXES AND WATER-SEWER RENTS

The Statutes provide the method for authorizing interest and the maximum rate to be charged for the non-payment of taxes, assessments or water-sewer rents on or before the date when they would become delinquent.

The governing body on January 1, 2024 adopted the following resolution authorizing interest to be charged on delinquent taxes, assessments and water-sewer rents:

"BE IT RESOLVED that the governing body of the Borough of Ship Bottom set the rate of interest to be charged on delinquent taxes, assessments and water-sewer accounts at 8% per annum on the first \$ 1,500 of the delinquency and 18% per annum on any amount in excess of \$ 1,500 and 6% to be collected against a delinquency in excess of \$10,000 on properties that fail to pay the delinquency prior to the end of the calendar year. A 10-day grace period shall be permitted as provided by N.J.S.A. 54:4-67."

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

GENERAL COMMENTS (CONTINUED)

DELINQUENT TAXES AND TAX TITLE LIENS

The following is a comparison of the number of tax title liens receivable on December 31st of the last three years:

<u>YEAR</u>	<u>NUMBER OF LIENS</u>
2024	3
2023	3
2022	3

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

VERIFICATION OF DELINQUENT TAXES AND OTHER CHARGES

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

<u>TYPE</u>	<u>NUMBER MAILED</u>
Delinquent Taxes	25
Delinquent Water Rents	25
Delinquent Sewer Rents	15

The results of the test are not yet known, but a separate report will be issued if any irregularities are developed. For those verification notices which were not returned by taxpayers, we examined subsequent cash collections as an alternative procedure where possible.

MISCELLANEOUS

All sums of outstanding checks, reflected in cash reconciliations herein, are in agreement with the records of the Chief Financial Officer, as well as with independent lists made part of this audit.

A report summarizing collections of Dog License Fees and remittance of State Registration Fees has been prepared and filed with the New Jersey Department of Health and the Division of Local Government Services.

A statutory report on the operations of the Municipal Court has been prepared and copies filed with the New Jersey Administrative Office of the Courts, the Division of Local Government Services, the Municipal Court and the Borough Clerk.

Individual payments of the Local, Regional and/or Consolidated School District Taxes by the municipality were confirmed as received by the Secretaries of the Boards of Education for the year 2024.

GENERAL COMMENTS (CONTINUED)

MISCELLANEOUS (CONTINUED)

In our verification of expenditures, no attempt was made to establish proof of rendition, character or extent of services nor quantities, nature, propriety of prices or receipt of materials, these elements being left necessarily to internal review in connection with approval of claims.

The propriety of deductions from individual employee salaries for pensions, withholding tax, social security and other purposes was not verified as part of this examination. Remittances to authorized agencies, however, were ascertained.

A summary or synopsis of this report was prepared for publication and filed with the Borough Clerk.

FOLLOW-UP OF PRIOR YEAR FINDINGS

In accordance with Government Auditing Standards, our procedures included a review of all prior year audit findings. A corrective action plan was approved on May 14, 2025 to address the findings below.

23-01 Finding - The Borough does not maintain subsidiary ledgers for Land and Buildings and Improvements.

Status - The fixed asset records are currently being maintained on an excel spreadsheet. However, adjustments are required for items not yet listed. A similar finding for the period under audit appears below.

23-02 Finding - The Borough does not have a detailed list of municipal tax title liens.

Status - A detailed list of tax title liens is currently being maintained.

CURRENT YEAR FINDINGS

24-01 Finding - There were deferred charges to future taxation unfunded balances as of December 31, over five years old.

Criteria - Upon authorization of capital projects, the Borough establishes deferred charges for the cost of the capital projects to be raised by future taxation. Funded deferred charges relate to permanent debt issued, whereas unfunded deferred charges relate to temporary or non-funding of the authorized cost of capital projects. According to N.J.S. 40A:2-4, the Borough may levy taxes on all taxable property within its jurisdiction to repay its debt. The Borough raises the debt requirements for its debt in its current budget as funds are raised thereby reducing the deferred charges.

24-02 Finding - The analyses of capital fund cash includes cash deficits for ordinances over 5 years old.

Criteria - Deficits arise when expenditures are incurred and paid on projects for which the funding has yet to be fully provided but other funds on deposit are available to cover the expenditures until the full funding is achieved.

CURRENT YEAR FINDINGS (CONTINUED)

24-03 Finding - The fixed asset listing required to be maintained in accordance with N.J.A.C. 5:30-5.6 did not include all assets that were required to be included.

Criteria - For fixed asset accounting and reporting purposes, all capital assets are grouped into the following fixed asset categories: Land, Buildings, Improvements Other than Buildings, Equipment, Construction Work-in-Progress and Lease Purchase Agreements. The fixed asset inventory maintained on the excel spreadsheet did not include all land and buildings listed in the name of the Borough. All land and building information should be incorporated within the fixed asset inventory maintained on the spreadsheet. In addition, the computer software system that the Borough uses has a fixed assets module available and the Borough might want to consider using the Edmunds fixed assets module.

RECOMMENDATIONS

That the deferred charges over five years old be funded either by borrowing or by raising the funds in the next succeeding budget cycle.

That cash deficits identified in the analyses of capital fund cash be funded.

That the fixed asset listing be updated to reflect all properties owned by the Borough.

