BOROUGH OF WILDWOOD CREST

COUNTY OF CAPE MAY

NEW JERSEY

AUDIT REPORT

FOR THE YEAR ENDED
DECEMBER 31, 2023

BOROUGH OF WILDWOOD CREST

TABLE OF CONTENTS

BOROUGH OF WILDWOOD CREST

TABLE OF CONTENTS

BOROUGH OF WILDWOOD CREST

PART 1

REPORT ON AUDIT OF FINANCIAL STATEMENTS

AND SUPPLEMENTARY DATA

YEAR ENDED DECEMBER 31, 2023

FORD - SCOTT
& ASSOCIATES, L.L.C.
CERTIFIED PUBLIC ACCOUNTANTS
1535 HAVEN AVENUE • OCEAN CITY, NJ • 08226
PHONE 609.399.6333 • FAX 609.399.3710
www.ford-scott.com

INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and
Members of the Board of Commissioners
Borough of Wildwood Crest
County of Cape May, New Jersey

Report on the Financial Statements

Opinions

We have audited the accompanying balance sheets - regulatory basis of the various funds and account group of the Borough of Wildwood Crest, as of December 31, 2023 and 2022, the related statement 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 funds for the year ended December 31, 2023 and the related notes to the financial statements, which collectively comprise the Borough's basic financial statements as listed in the table of contents.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles" 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 each fund of the Borough of Wildwood Crest as of December 31, 2023 and 2022, or changes in financial position for the years then ended.

Opinion on Regulatory Basis of Accounting

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

Basis for Opinions

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

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

As described in Note 1 of the financial statements, the financial statements are prepared by the Borough of Wildwood Crest on the basis of the financial reporting provisions prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of 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 these financial statements in accordance with the basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Borough of Wildwood Crest'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 Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards* and audit requirements prescribed by the Division of Local Government Services 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 an 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 judgement made by a reasonable user based on the financial statements.

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

- exercise professional judgement 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 the 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 of Wildwood Crest'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 judgement there are conditions or events considered in the aggregate, that raise substantial doubt about the Borough of Wildwood Crest's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charge 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 of Wildwood Crest basic financial statements. The supplementary information listed in the table of contents and the letter of comments and recommendations 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 listed in the table of contents is fairly stated, in all material respects, in relation to the regulatory basis financial statements as a whole.

The letter of comments and recommendations section has not been subject to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 21, 2024, on our consideration of the Borough of Wildwood Crest'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 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Borough of Wildwood Crest's internal control over financial reporting and compliance.

Ford, Scott & Associates, L.L.C.
FORD, SCOTT & ASSOCIATES, L.L.C.
CERTIFIED PUBLIC ACCOUNTANTS

Michael S. Garcia
Michael S. Garcia
Certified Public Accountant
Registered Municipal Accountant
No. 472

June 21, 2024

EXHIBIT A - CURRENT FUND

CURRENT FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS
AS OF DECEMBER 31,

	2023	2022
ASSETS		
Regular Fund:		
Cash:		
Treasurer	$ 15,809,057.85	16,291,758.99
Change and Petty Cash Funds	1,800.00	1,800.00
Total Cash	15,810,857.85	16,293,558.99
Other Receivables:		
Due to State of New Jersey		
Senior Citizens and Veterans	1,204.55	-
Total Other Receivables	1,204.55	-
Receivables and Other Assets with Full Reserves:		
Delinquent Property Taxes Receivable	373,899.76	355,694.07
Revenue Accounts Receivable	123,395.48	135,134.56
Interfund Receivable:		
Due from Trusts - Other	275.00	1,424.89
Due from Grant Fund	33,877.91	239,943.74
Total Receivables and Other Assets	531,448.15	732,197.26
Total Regular Fund	16,343,510.55	17,025,756.25
Federal and State Grant Fund:		
Cash	156,084.07	156,084.07
Federal and State Grants Receivable	1,908,733.60	3,103,634.27
Total Federal and State Grant Fund	2,064,817.67	3,259,718.34
Total Current Fund	$ 18,408,328.22	20,285,474.59

The Accompanying Notes To The Financial Statements Are An Integral Part of This Statement

CURRENT FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS
AS OF DECEMBER 31,

		2023	2022
LIABILITIES, RESERVES AND FUND BALANCE			
Regular Fund:			
Liabilities:			
Appropriation Reserves	$	1,623,616.75	1,579,320.75
Encumbrances Payable/Accounts Payable		878,289.84	589,926.80
Accounts Payable		82,769.96	89,785.12
Payroll Deductions Payable		1,801.61	2,876.52
Prepaid Taxes		1,074,771.79	1,042,960.55
Overpaid Taxes		16,597.23	3,833.46
Local School Tax Payable		2,451,360.76	2,380,262.51
County Added Tax Payable		34,314.98	19,196.89
Prepaid Sewer Rents		27,760.21	48,130.84
Sewer Rent Overpayments		31,105.56	-
Due to GWTIDA		300.00	400.00
Due to State of New Jersey			
Senior Citizens and Veterans		-	511.21
Other			
Reserve for Municipal Relief Act Funds		-	19,876.80
Reserve for GWTIDA - Bike Path		30,000.00	-
Reserve for Tax Appeals		226,993.45	226,993.45
Reserve for Beach Operations Offset		348,488.53	404,174.46
Reserve for Insurance Proceeds		-	58,890.52
		6,828,170.67	6,467,139.88
Reserve for Receivables and Other Assets		531,448.15	732,197.26
Fund Balance		8,983,891.73	9,826,419.11
Total Regular Fund		16,343,510.55	17,025,756.25
Federal and State Grant Fund:			
Unappropriated Reserves		88,277.70	38,844.29
Appropriated Reserves		1,758,675.73	2,901,268.46
Due to Current Fund		33,877.91	239,943.74
Encumbrances Payable		183,986.33	79,661.85
Total Federal and State Grant Fund		2,064,817.67	3,259,718.34
Total Current Fund	$	18,408,328.22	20,285,474.59

The Accompanying Notes To The Financial Statements Are An Integral Part of This Statement

CURRENT FUND
COMPARATIVE STATEMENT OF OPERATIONS AND CHANGES
IN FUND BALANCE - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31,

		2023	2022
Revenue and Other Income Realized			
Fund Balance	$	3,700,000.00	3,700,000.00
Miscellaneous Revenue Anticipated		9,035,266.12	9,731,175.17
Receipts from Delinquent Taxes		355,541.52	371,115.52
Receipts from Current Taxes		32,987,582.22	31,741,778.61
Non Budget Revenue		211,569.92	204,568.43
Other Credits to Income:			
Unexpended Balance of Appropriation Res.		1,357,366.96	1,655,437.42
Grant Balances Cancelled		-	7,500.00
Refund of Prior Year Expenses		-	2,519.72
Interfund Returned		206,065.83	-
Total Income		47,853,392.57	47,414,094.87
Expenditures			
Budget and Emergency Appropriations:			
Appropriations Within "CAPS"			
Operations:			
Salaries and Wages		7,884,088.00	7,402,976.00
Other Expenses		7,628,120.00	7,652,905.00
Deferred Charges & Statutory Expenditures		1,568,395.00	1,524,343.00
Judgements		150,000.00	150,000.00
Appropriations Excluded from "CAPS"			
Operations:			
Salaries and Wages		26,019.00	16,038.90
Other Expenses		5,964,558.24	6,319,896.80
Capital Improvements		1,044,700.00	1,137,400.00
Municipal Debt Service		4,091,965.84	4,056,906.43
Local District School Tax		8,702,436.00	8,531,800.00
County Tax		7,900,438.89	7,286,411.05
County Share of Added Tax		34,314.98	19,196.89
Prior Year Revenues Refunded		884.00	719.18
Interfund Advances		-	212,485.71
Total Expenditures		44,995,919.95	44,311,078.96
Excess in Revenue		2,857,472.62	3,103,015.91

The Accompanying Notes To The Financial Statements Are An Integral Part of This Statement

CURRENT FUND
COMPARATIVE STATEMENT OF OPERATIONS AND CHANGES
IN FUND BALANCE - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31,

		2023	2022
Statutory Excess to Fund Balance		2,857,472.62	3,103,015.91
Fund Balance January 1		9,826,419.11	10,423,403.20
		12,683,891.73	13,526,419.11
Decreased by:			
Utilization as Anticipated Revenue		3,700,000.00	3,700,000.00
Fund Balance December 31	$	8,983,891.73	9,826,419.11

The Accompanying Notes To The Financial Statements Are An Integral Part of This Statement

Exhibit A-2
Sheet 1

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

	Anticipated			
	Budget	N.J.S. 40A:4-87	Realized	Excess or (Deficit)
Fund Balance Anticipated	$ 3,700,000.00		3,700,000.00	-
Total Fund Balance Anticipated	3,700,000.00	-	3,700,000.00	-
Miscellaneous Revenues:				
Section A: Local Revenues				
Licenses:				
Other	152,000.00		155,170.00	3,170.00
Fees and Permits	195,000.00		212,380.20	17,380.20
Fines and Costs:				
Municipal Court	92,000.00		57,996.36	(34,003.64)
Interest and Costs on Taxes	76,000.00		78,193.84	2,193.84
Parking Meters	395,000.00		436,560.35	41,560.35
Interest on Investments and Deposits	193,000.00		606,451.31	413,451.31
Recreation Income - Pool	93,000.00		92,008.00	(992.00)
TV Cable Franchise Fee	52,300.00		52,300.93	0.93
Municipal Pier and Concession Income	265,000.00		304,916.00	39,916.00
Interest and Costs on Delinquent Sewer Rents	12,000.00		11,563.36	(436.64)
Sewer Rents	3,763,908.00		3,625,546.46	(138,361.54)
Ambulance Fees	170,000.00		178,751.44	8,751.44
Total Section A: Local Revenues	5,459,208.00	-	5,811,838.25	352,630.25
Section B: State Aid Without Offsetting Appropriations				
Energy Receipts Tax	381,045.00		383,678.93	2,633.93
Municipal Relief Fund	19,876.80		59,622.37	39,745.57
Total Section B: State Aid Without Offsetting Appropriations	400,921.80	-	443,301.30	42,379.50

The Accompanying Notes To The Financial Statements Are An Integral Part of This Statement

Exhibit A-2
Sheet 2

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

	Anticipated			
	Budget	N.J.S. 40A:4-87	Realized	Excess or (Deficit)
Section F: Special Items - Public and Private Programs Off-Set with Appropriations	$			
Recycling Tonnage Grant	13,604.28		13,604.28	-
Drunk Driving Enforcement Fund	4,117.64		4,117.64	-
State Housing Inspections - Local	26,019.00		26,019.00	-
Drive Sober or Get Pulled Over		9,800.00	9,800.00	-
NJ DEP Stormwater Grant		25,000.00	25,000.00	-
Local Recreation Grant		70,000.00	70,000.00	-
Clean Communities Program		27,803.46	27,803.46	-
Lead Grant Assistance Program		9,400.00	9,400.00	-
Greater Wildwood Tourism Improvement Development Authority		31,500.00	31,500.00	-
NJ UEZ Grant		8,929.00	8,929.00	-
2023 Summer Shore Pedestrian Awareness Grant		5,250.00	5,250.00	-
Cape May County Open Space - Crest Arts Pavillion Park		1,043,968.75	1,043,968.75	-
Click it or Ticket		7,000.00	7,000.00	-
DCA - Small Cities Grant - ADA Bathrooms		342,720.00	342,720.00	-
Atlantic Count JIF		2,500.00	2,500.00	-
Atlantic Count JIF Wellness Grant		1,000.00	1,000.00	-
Cape May County MUA Recycling Grant		50,237.96	50,237.96	-
Bullet Proof Vest Partnership Grant		3,132.50	3,132.50	-
Police Body Armor	1,896.65		1,896.65	-
Total Section F: Special Items - Public and Private Programs Off-Set with Appropriations	45,637.57	1,638,241.67	1,683,879.24	-

The Accompanying Notes To The Financial Statements Are An Integral Part of This Statement

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

	Anticipated			
	Budget	N.J.S. 40A:4-87	Realized	Excess or (Deficit)
Section G: Special Items of General Revenue Anticipated with Prior Written Consent of Director of Local Government Services - Other Special Items;				
Uniform Fire Safety Act	$ 160,000.00		167,442.87	7,442.87
Beach Operation Off-Set - Reserved	404,174.00		404,174.46	0.46
Anticipated General Capital Fund Balance	260,000.00		260,000.00	-
GWTIDA Event Support Funding	30,000.00		30,000.00	-
Beach Box Revenue	200,000.00		234,630.00	34,630.00
Total Section G: Special Items of General Revenue Anticipated With Prior Written Consent of Director of Local Government Services - Other Special Items	1,054,174.00	-	1,096,247.33	42,073.33
Total Miscellaneous Revenues:	6,959,941.37	1,638,241.67	9,035,266.12	437,083.08
Receipts from Delinquent Taxes	345,000.00		355,541.52	10,541.52
Amount to be Raised by Taxes for Support of Municipal Budget				
Local Tax for Municipal Purposes	$ 16,535,447.78		17,167,142.93	631,695.15
Total Amount to be Raised by Taxes for Support of Municipal Budget	16,535,447.78	-	17,167,142.93	631,695.15
Budget Totals	27,540,389.15	1,638,241.67	30,257,950.57	1,079,319.75
Non- Budget Revenues:				
Other Non- Budget Revenues:			211,569.92	211,569.92
	$ 27,540,389.15	1,638,241.67	30,469,520.49	1,290,889.67

The Accompanying Notes To The Financial Statements Are An Integral Part of This Statement

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

Analysis of Realized Revenues			
Allocation of Current Tax Collections:			
Revenue from Collections	$		32,987,582.22
Allocated to:			
School, County and Other Taxes			16,637,189.87
Balance for Support of Municipal Budget Appropriations			16,350,392.35
Increased by:			
Appropriation "Reserved for Uncollected Taxes"			816,750.58
Amount for Support of Municipal Budget Appropriations			17,167,142.93
Receipts from Delinquent Taxes:			
Delinquent Tax Collection		355,541.52	
Total Receipts from Delinquent Taxes			355,541.52
Analysis of Non-Budget Revenue:			
Miscellaneous Revenue Not Anticipated:			
Tax Collector:			
Tax Searches			
Tax Sale Costs			
Treasurer:			
Late Mercantile Penalties		1,796.00	
Code Violations		1,830.00	
Sale of Municipal Assets		5,115.00	
Administration Fee - Vets and Seniors		686.81	
Photocopies		1,055.00	
Police Department		14,766.92	
NSF Fees		160.00	
Junior Lifeguard Program		7,750.00	
Statuatory Animal Fund Excess		57.75	
Recycling		14,072.20	
Sewer Connection Fees		15,000.00	
Craft Show		3,750.00	
JIF Reimbursements		3,000.00	
Opra Fees		238.91	
Restitution		300.00	
Insurance Refunds		58,890.52	
TDF Collections		30,000.00	
Reimbursements		19,319.80	
Workers Compensation Reimbursements		10,846.54	
Health Insurance CoPay		200.40	
Miscellaneous		22,734.07	
			211,569.92
Total Miscellaneous Revenue Not Anticipated:	$		211,569.92

The Accompanying Notes To The Financial Statements Are An Integral Part of This Statement

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

	Appropriations		Expended			(Over expended)
	Budget	Budget After Modifications	Paid or Charged	Encumbered	Reserved	Unexpended Balance Cancelled
OPERATIONS WITHIN "CAPS"						
GENERAL GOVERNMENT:						
DEPARTMENT OF PUBLIC AFFAIRS AND PUBLIC SAFETY:						
Directors Office						
Salaries and Wages	$ 19,988.00	19,988.00	19,987.50		0.50	
Other Expenses	1,200.00	1,200.00	87.06		1,112.94	
Fire						
Salaries and Wages	4,000.00	4,000.00	3,500.00		500.00	
Other Expenses	244,000.00	244,000.00	212,028.03	7,462.23	24,509.74	
Police						
Salaries and Wages	2,769,200.00	2,767,200.00	2,624,957.05		142,242.95	
Other Expenses	364,215.00	364,215.00	329,310.18	27,944.56	6,960.26	
Legal						
Other Expenses	240,000.00	240,000.00	143,857.37	66,489.13	29,653.50	
Local Code Enforcement						
Salaries and Wages	45,000.00	45,000.00	41,541.97		3,458.03	
Other Expenses	6,000.00	6,000.00	2,346.69	2,160.78	1,492.53	
Emergency Management Services						
Salaries and Wages	6,500.00	6,500.00	4,666.67		1,833.33	
Other Expenses	5,000.00	5,000.00			5,000.00	
Services of Ambulance						
Salaries and Wages	625,000.00	613,000.00	599,456.18		13,543.82	
Other Expenses	78,800.00	78,800.00	48,892.90	26,346.66	3,560.44	
Lifeguards						
Salaries and Wages	754,000.00	766,000.00	764,359.51		1,640.49	
Other Expenses	75,580.00	75,580.00	73,306.96	2,012.00	261.04	
DEPARTMENT OF PUBLIC AFFAIRS AND PUBLIC SAFETY: (CONTINUED)						
Uniform Fire Safety Act (P.L. 1983, Ch. 383)						
Fire Official						
Salaries and Wages	146,000.00	146,000.00	143,269.90		2,730.10	
Other Expenses	17,700.00	17,700.00	8,176.97	9,257.35	265.68	
Animal Control						
Other Expenses	45,000.00	45,000.00	27,545.58	1,700.00	15,754.42	
Police Dispatch						
Other Expenses	265,000.00	265,000.00	265,000.00		-	

The Accompanying Notes To The Financial Statements Are An Integral Part of This Statement

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

	Appropriations		Expended			(Over expended)
	Budget	Budget After Modifications	Paid or Charged	Encumbered	Reserved	Unexpended Balance Cancelled
Municipal Court						
Salaries and Wages	90,000.00	90,000.00	86,998.08		3,001.92	
Other Expenses	86,000.00	86,000.00	71,823.86		14,176.14	
Traffic Maintenance						
Salaries and Wages	165,000.00	167,000.00	166,016.84		983.16	
Other Expenses	59,350.00	59,350.00	52,598.28	5,032.87	1,718.85	
DEPARTMENT OF REVENUE AND FINANCE:						
Director's Office						
Salaries and Wages	19,500.00	19,500.00			19,500.00	
Other Expenses	1,200.00	1,200.00	60.00		1,140.00	
Borough Administration						
Salaries and Wages	295,000.00	293,000.00	284,183.34		8,816.66	
Other Expenses	82,900.00	82,900.00	47,438.67	23,538.40	11,922.93	
Election Expense	1,200.00	1,200.00	1,117.14		82.86	
Financial Administration						
Salaries and Wages	320,000.00	322,000.00	320,492.83		1,507.17	
Other Expenses	105,200.00	105,200.00	84,983.32	9,983.05	10,233.63	
Municipal Audit	37,000.00	37,000.00	37,000.00		-	
Assessment of Taxes						
Salaries and Wages	41,500.00	41,500.00	40,999.92		500.08	
Other Expenses	11,000.00	11,000.00	370.84	3,075.72	7,553.44	
Collection of Taxes						
Salaries and Wages	155,000.00	155,000.00	151,070.05		3,929.95	
Other Expenses	24,500.00	24,500.00	18,561.18	1,200.75	4,738.07	
Utility Billing Expenses						
Other Expenses	12,900.00	12,900.00	8,152.08		4,747.92	
Weddings						
Salaries and Wages	500.00	500.00			500.00	
Land Use Administration						
Salaries and Wages	41,500.00	41,500.00	30,720.95		10,779.05	
Other Expenses	96,895.00	96,895.00	45,631.78	48,065.72	3,197.50	
Insurance						
General Liability	220,000.00	220,000.00	195,239.77		24,760.23	
Workers Compensation	360,000.00	360,000.00	358,663.67	1,336.33	0.00	
Employee Group Health	2,589,780.00	2,459,780.00	2,385,399.36		74,380.64	
Health Benefit Waiver						
Salaries and Wages	20,000.00	20,000.00	18,817.49		1,182.51	
Green Team						
Other Expenses	6,500.00	6,500.00	2,637.48	36.00	3,826.52	

The Accompanying Notes To The Financial Statements Are An Integral Part of This Statement

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

	Appropriations		Expended			(Over expended) Unexpended Balance Cancelled
	Budget	Budget After Modifications	Paid or Charged	Encumbered	Reserved	
DEPARTMENT OF PUBLIC WORKS PARKS AND PUBLIC PROPERTY:						
Director's Office						
Salaries and Wages	21,900.00	21,900.00	21,861.32		38.68	
Other Expenses	1,200.00	1,200.00	1,075.00		125.00	
Engineer						
Other Expenses	130,000.00	130,000.00	68,263.17	27,030.67	34,706.16	
Landfill						
Other Expenses	375,000.00	375,000.00	353,183.45		21,816.55	
Public Works						
Salaries and Wages	600,000.00	633,000.00	628,616.60		4,383.40	
Other Expenses	118,500.00	118,500.00	85,016.21	25,475.41	8,008.38	
Recreation Buildings						
Other Expenses	111,750.00	111,750.00	47,785.26	34,779.49	29,185.25	
Beach Cleaning						
Salaries and Wages	44,000.00	44,000.00	42,254.40		1,745.60	
Other Expenses	89,750.00	89,750.00	85,986.36	2,567.00	1,196.64	
Sanitation						
Salaries and Wages	440,000.00	460,000.00	450,557.12		9,442.88	
Other Expenses	53,000.00	48,000.00	10,635.94	3,368.28	33,995.78	
Parks and Buildings						
Salaries and Wages	200,000.00	200,000.00	184,059.63		15,940.37	
Other Expenses	215,000.00	215,000.00	138,542.66	45,601.06	30,856.28	
Sewage						
Salaries and Wages	135,000.00	112,000.00	103,841.20		8,158.80	
Other Expenses	76,000.00	76,000.00	14,121.68	43,716.48	18,161.84	
Fleet Maintenance						
Salaries and Wages	220,000.00	220,000.00	211,967.76		8,032.24	
Other Expenses	219,400.00	219,400.00	167,096.87	39,500.00	12,803.13	
Tourism						
Salaries and Wages	55,000.00	61,000.00	59,603.42		1,396.58	
Other Expenses	136,500.00	130,500.00	97,247.35	9,543.76	23,708.89	
Recreation Commission (N.J.S. 40:61-17)						
Salaries and Wages	460,000.00	460,000.00	453,057.31		6,942.69	
Other Expenses	61,400.00	61,400.00	40,655.98	8,852.05	11,891.97	

The Accompanying Notes To The Financial Statements Are An Integral Part of This Statement

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

	Appropriations		Expended			(Over expended)
	Budget	Budget After Modifications	Paid or Charged	Encumbered	Reserved	Unexpended Balance Cancelled
UNIFORM CONSTRUCTION CODE - APPROPRIATIONS						
APPROPRIATIONS OFFSET BY REVENUES						
State Uniform Construction Code						
Salaries and Wages	145,000.00	145,000.00	141,681.48		3,318.52	
Other Expenses	18,700.00	18,700.00	13,656.12	270.00	4,773.88	
UTILITY EXPENSES AND BULK PURCHASES:						
Water / Hydrants	207,000.00	217,000.00	168,524.55		48,475.45	
Street Lighting	190,000.00	225,000.00	203,832.23		21,167.77	
Communications	110,000.00	110,000.00	99,461.22	3,095.82	7,442.96	
Natural Gas	100,000.00	100,000.00	71,614.84	8,683.31	19,701.85	
Electric	180,000.00	180,000.00	132,167.68		47,832.32	
Gasoline	225,000.00	180,000.00	157,758.93		22,241.07	
Accumulated Absence Liability	10,000.00	10,000.00	10,000.00		-	
Information Technology	113,500.00	113,500.00	65,514.32	34,309.65	13,676.03	
TOTAL OPERATIONS WITHIN "CAPS"	15,617,208.00	15,512,208.00	14,050,907.51	522,434.53	938,865.96	-
Detail:						
Salaries and Wages	7,848,088.00	7,884,088.00	7,608,538.52	-	275,549.48	-
Other Expenses	7,769,120.00	7,628,120.00	6,442,368.99	522,434.53	663,316.48	-
DEFERRED CHARGES/STATUTORY EXPENDITURES						
Deferred Charges:						
none						
Statutory Expenditures:						
Contributions to:						
Public Employees Retirement System	504,639.00	504,639.00	504,639.00		-	
Social Security System (O.A.S.I.)	575,000.00	580,000.00	572,475.42		7,524.58	
Police and Fire Retirement System of N.J.	472,756.00	472,756.00	472,756.00		-	
Unemployment Compensation Insurance	10,000.00	10,000.00	10,000.00		-	
Defined Contribution Retirement Plan	1,000.00	1,000.00			1,000.00	
TOTAL DEFERRED CHARGES AND STATUTORY EXPENDITURES:	1,563,395.00	1,568,395.00	1,559,870.42	-	8,524.58	-
JUDGEMENTS	150,000.00	150,000.00	150,000.00	-	-	-
TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES WITHIN "CAPS"	17,330,603.00	17,230,603.00	15,760,777.93	522,434.53	947,390.54	-

The Accompanying Notes To The Financial Statements Are An Integral Part of This Statement

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

	Appropriations		Expended			(Over expended) Unexpended
	Budget	Budget After Modifications	Paid or Charged	Encumbered	Reserved	Balance Cancelled
OPERATIONS - EXCLUDED FROM "CAPS"						
(A) Operations - Excluded from "CAPS"						
Cape May County MUA - Charges	3,763,908.00	3,763,908.00	3,741,966.00		21,942.00	
Insurance - Employee Group Insurance	400,220.00	400,220.00			400,220.00	
Public Employee' Retirement System	7,599.00	7,599.00	7,599.00		-	
Police and Firemen's Retirement System	129,971.00	129,971.00	129,971.00		-	
TOTAL OTHER OPERATIONS - EXCLUDED FROM "CAPS"	4,301,698.00	4,301,698.00	3,879,536.00	-	422,162.00	-
(A) Public and Private Programs Off-Set by Revenues						
State Local - Housing Inspection						
Salaries and Wages	26,019.00	26,019.00	26,019.00		-	
Matching Funds for Grants	5,000.00	5,000.00			5,000.00	
Recycling Tonnage Grant	13,604.28	13,604.28	13,604.28		-	
Drunk Driving Enforcement Fund	4,117.64	4,117.64	4,117.64		-	
Drive Sober or Get Pulled Over		9,800.00	9,800.00		-	
NJ DEP Stormwater Grant		25,000.00	25,000.00		-	
Local Recreation Grant		70,000.00	70,000.00		-	
Clean Communities Program		27,803.46	27,803.46		-	
Lead Grant Assistance Program		9,400.00	9,400.00		-	
Greater Wildwood Tourism Improvement Development Authority		31,500.00	31,500.00		-	
NJ UEZ Grant		8,929.00	8,929.00		-	
2023 Summer Shore Pedestrian Awareness Grant		5,250.00	5,250.00		-	
Cape May County Open Space - Crest Arts Pavillion Park		1,043,968.75	1,043,968.75		-	
Click it or Ticket		7,000.00	7,000.00		-	
DCA - Small Cities Grant - ADA Bathrooms		342,720.00	342,720.00		-	
Atlantic Count JIF		2,500.00	2,500.00		-	
Atlantic Count JIF Wellness Grant		1,000.00	1,000.00		-	
Cape May County MUA Recycling Grant		50,237.96	50,237.96		-	
Bullet Proof Vest Partnership Grant		3,132.50	3,132.50		-	
Police Body Armor	1,896.65	1,896.65	1,896.65		-	
Total Public and Private Programs Off-Set by Revenues	50,637.57	1,688,879.24	1,683,879.24	-	5,000.00	-
Total Operations - Excluded from "CAPS"	4,352,335.57	5,990,577.24	5,563,415.24	-	427,162.00	-
Detail:						
Salaries and Wages	26,019.00	26,019.00	26,019.00	-	-	-
Other Expenses	4,326,316.57	5,964,558.24	5,537,396.24	-	427,162.00	-

The Accompanying Notes To The Financial Statements Are An Integral Part of This Statement

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

	Appropriations		Expended			(Over expended)
	Budget	Budget After Modifications	Paid or Charged	Encumbered	Reserved	Unexpended Balance Cancelled
(C) Capital Improvements						
Capital Improvement Fund	50,000.00	150,000.00	150,000.00		-	
Emergency Sanitary and Storm Sewer Repairs	100,000.00	100,000.00	3,758.75	35,269.14	60,972.11	-
Fire Department Equipment	197,400.00	197,400.00	197,197.20		202.80	
Purchase of Vehicles and Large Equipment	300,000.00	300,000.00		276,940.40	23,059.60	
Purchase of Equipment and Computers	157,300.00	157,300.00	37,848.92	40,179.18	79,271.90	
Improvements to Roads	50,000.00	50,000.00			50,000.00	
Acquisition of Beach Boxes and Equipment	30,000.00	30,000.00	29,200.00		800.00	
Capital Lease Program	60,000.00	60,000.00	21,775.61	3,466.59	34,757.80	
Total Capital Improvements	944,700.00	1,044,700.00	439,780.48	355,855.31	249,064.21	-
(D) Debt Service						
Payment of Bond Principal	2,585,000.00	2,585,000.00	2,585,000.00			-
Interest on Bonds	653,200.00	653,200.00	653,176.67			23.33
New Jersey Environmental Infrastructure Trust						
Principal	745,800.00	745,800.00	742,729.17			3,070.83
Interest	112,000.00	112,000.00	111,060.00			940.00
Total Debt Service	4,096,000.00	4,096,000.00	4,091,965.84	-	-	4,034.16
(E) Deferred Charges						
None						
Total Deferred Charges	-	-	-	-	-	-
TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES EXCLUDED FROM "CAPS"	$ 9,393,035.57	11,131,277.24	10,095,161.56	355,855.31	676,226.21	4,034.16
SUBTOTAL GENERAL APPROPRIATIONS	26,723,638.57	28,361,880.24	25,855,939.49	878,289.84	1,623,616.75	4,034.16
(M) Reserve for Uncollected Taxes	816,750.58	816,750.58	816,750.58	-	-	
TOTAL GENERAL APPROPRIATIONS	$ 27,540,389.15	29,178,630.82	26,672,690.07	878,289.84	1,623,616.75	4,034.16
Budget		$ 27,540,389.15				
Appropriations by 40A:4-87		1,638,241.67				
		29,178,630.82				
Reserve for Uncollected Taxes			816,750.58			
Federal and State Grants			1,683,879.24			
Disbursements			24,172,060.25			
			26,672,690.07			

The Accompanying Notes To The Financial Statements Are An Integral Part of This Statement

EXHIBIT B - TRUST FUND

Exhibit B

TRUST FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS
AS OF DECEMBER 31,

		2023	2022
ASSETS			
Animal Control Fund:			
Cash	$	1,683.00	1,680.00
Due from Current Fund			
		1,683.00	1,680.00
Other Funds:			
Cash - Treasurer		2,111,351.92	1,874,360.31
		2,111,351.92	1,874,360.31
	$	2,113,034.92	1,876,040.31
LIABILITIES, RESERVES AND FUND BALANCE			
Animal Control Fund:			
Due to State of New Jersey	$	-	-
Reserve for Expenditures		1,683.00	1,680.00
		1,683.00	1,680.00
Other Funds:			
Due to Current Fund		275.00	1,424.89
Reserve for Encumbrances		11,085.00	14,836.00
Due to State- Marriage Licenses		150.00	275.00
Due to State- DCA Training Fees		7,121.00	4,037.00
Reserves - Miscellaneous		2,092,720.92	1,853,787.42
		2,111,351.92	1,874,360.31
	$	2,113,034.92	1,876,040.31

The Accompanying Notes To The Financial Statements Are An Integral Part of This Statement

EXHIBIT C - CAPITAL FUND

GENERAL CAPITAL FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS
AS OF DECEMBER 31,

	Ref.		2023	2022
ASSETS				
Cash		$	4,130,635.97	1,964,477.85
Deferred Charges to Future Taxation -				
Funded			22,867,853.34	26,145,067.70
Unfunded			21,901,856.19	11,557,119.37
DOT Grant Receivable			91,527.50	196,025.00
			48,991,873.00	39,862,689.92
LIABILITIES, RESERVES AND FUND BALANCE				
Serial Bonds Payable			15,490,000.00	18,075,000.00
NJEIT Loan Payable			7,377,853.34	8,070,067.70
Bond Anticipation Notes Payable			9,500,000.00	-
Improvement Authorizations:				
Funded			423,571.91	840,820.85
Unfunded			10,238,191.28	8,039,214.94
Reserve for Encumbrances			5,133,872.07	3,546,189.29
Capital Improvement Fund			379,848.34	657,690.21
Fund Balance			448,536.06	633,706.93
		$	48,991,873.00	39,862,689.92

There were bonds and notes authorized but not issued at December 31

2022	11,557,119.37
2023	12,401,856.19

The Accompanying Notes To The Financial Statements Are An Integral Part Of This Statement

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

	Ref.		2023	2022
Beginning Balance January 1		$	633,706.93	364,459.95
Increased by:				
Funded Improvement Authorizations Canceled			9,659.13	476,801.43
Premium on Sale of BAN's			65,170.00	53,635.55
			708,536.06	894,896.93
Decreased by:				
Surplus budgeted in Current Fund			260,000.00	261,190.00
Ending Balance December 31		$	448,536.06	633,706.93

The Accompanying Notes To The Financial Statements Are An Integral Part Of This Statement

EXHIBIT D - GENERAL FIXED ASSETS ACCOUNT GROUP

Exhibit D

STATEMENT OF GENERAL FIXED ASSETS
DECEMBER 31,
REGULATORY BASIS

		2023	2022
General Fixed Assets:			
Land	$	28,423,272.00	28,423,272.00
Buildings		12,249,531.00	12,249,531.00
Machinery, Equipment and Vehicles		9,843,095.92	9,931,954.00
Construction in Progress		6,404,980.43	3,940,907.00
		56,920,879.35	54,545,664.00
Investment in General Fixed Assets	$	56,920,879.35	54,545,664.00

The Accompanying Notes To The Financial Statements Are An Integral Part of This Statement

NOTES TO FINANCIAL STATEMENTS

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

Except as noted below, the financial statements of the Borough of Wildwood Crest include every board, body, office or commission supported and maintained wholly or in part by funds appropriated by the Borough of Wildwood Crest, as required by N.J.S. 40A:5-5.

Component units are legally separate organizations for which the entity is financially accountable. The entity is financially accountable for an organization if the entity appoints a voting majority of the organization's governing board and (1) the entity is able to significantly influence the programs or services performed or provided by the organization; or (2) the entity is legally entitled to or can otherwise access the organization's resources; the entity is legally obligated or has otherwise assumed the responsibility to finance the deficits of or provide financial support to the organization; or the entity is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the entity in that the entity approves the budget, the issuance of debt or the levying of taxes. The entity has no component units.

B. Description of Funds

The accounting policies of the Borough of Wildwood Crest 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 the respect to public funds. Under this method of accounting, the Borough of Wildwood Crest accounts for its financial transactions through the following separate funds:

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

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

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

General Fixed Assets Account Group -- All fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the general fixed assets account group, rather than in 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 policies in New Jersey follow.

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

Revenues -- are recorded as received in cash except for certain amounts, which are due from other governmental units. Receipts from Federal and State grants are realized as revenue when anticipated in the entity budget. Receivables for property taxes are recorded with offsetting reserves on the balance sheet of the entity's Current Fund, in addition the receivables for utility billings are recorded with offsetting reserves in the Utility Fund; accordingly, such amounts are not recorded as revenue until collected. Other amounts that are due to the entity which are susceptible to accrual are also recorded as receivables with offsetting reserves and recorded as revenue when received.

{This space intentionally left blank}

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

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. Appropriation reserves covering unencumbered 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 bonds and notes are provided on the cash basis; interest on general capital indebtedness is on the cash basis; interest on utility capital indebtedness is on the accrual basis. Compensated absences are treated on a pay as you go basis with no amount charged to operations in the year incurred.

Foreclosed Property -- Foreclosed property is recorded in the Current Fund at the assessed valuation when such property was acquired and is fully reserved.

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.

Inventories of Supplies - The cost of inventories of supplies for all funds are recorded as expenditures at the time individual items are purchased. The cost of inventories is not included on the various balance sheets.

General Fixed Assets -- The entity has developed a fixed assets accounting and reporting system, as promulgated by the Division of Local Government Services, which differs in certain respects from generally accepted accounting principles.

As required by New Jersey Statutes, foreclosed property is reported in the current operating fund of the municipality.

Fixed assets used in governmental operations (general fixed assets) are accounted for in the General Fixed Assets Account Group. 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.

All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available except for land which is valued at estimated market value on the date of acquisition. Expenditures for long lived assets with an original cost in excess of $2,000 are capitalized.

No depreciation has been provided for in the financial statements.

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.

Levy of Taxes -- The County Board of Taxation certifies the tax levy of the municipality each year. The tax levy is based on the assessed valuation of taxable property within the municipality. Taxes are payable on the first day of February, May, August, and November. Any taxes that have not been paid by 11th day of the 11th month in the fiscal year levied are subject to being included in the tax sale and the lien enforced by selling the property in accordance with NJSA 54:5 et. seq.

The municipality is responsible for remitting 100% of the school and county taxes to the respective agency. The loss for delinquent or uncollectible accounts is borne by the municipality and not the school district or county.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Interest on Delinquent Taxes – It is the policy of the Borough of Wildwood Crest to collect interest for the nonpayment of taxes or assessments on or before the date when they would become delinquent. The Tax Collector is authorized to charge eight percent (8%) per annum on the first $1,500.00 of taxes becoming delinquent after due date and eighteen percent (18%) per annum on any amount of taxes in excess of $1,500.00 becoming delinquent after due date and if a delinquency is in excess of $10,000.00 and remains in arrears beyond December 31st, an additional penalty of six percent (6%) shall be charged against the delinquency. There is a ten-day grace period.

Levy of Utility Charges – The entity does not operate a sewer utility fund. However, sewer rents are levied and collected in the Current Fund. Rates are determined by ordinance and changed as necessary. Sewer charges are based on flat fees and usage based on the type of entity. Charges are billed annually and due in quarterly installments on December 1, April 1, June 1 and September 1.

Interest on Delinquent Utility Charges -- It is the policy of the entity to collect interest for the nonpayment of utility charges on or before the date when they would become delinquent. The Utility Collector is authorized to charge eight percent (8%) per annum on the first $1,500.00 of charges becoming delinquent after due date and eighteen percent (18%) per annum on any amount of charges in excess of $1,500.00 becoming delinquent after due date. There is a ten-day grace period.

Capitalization of Interest -- It is the policy of the Borough of Wildwood Crest to treat interest on projects as a current expense and the interest is included in both the current and utility operating budgets with the exception of certain projects financed by the New Jersey Environmental Trust.

Use of Estimates -- The preparation of financial statements in conformity with generally accepted accounting principles or the statutory basis of accounting requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

D. Required Financial Statements

The State of New Jersey requires the following financial statements to be presented for each fund on the regulatory basis of accounting: Balance Sheet, Statement of Operations and Changes in Fund Balance, Statement of Revenue and Statement of Expenditures. These statements differ from those presented under Generally Accepted Accounting Principles, which requires a Statement of Net Position and Statement of Activities in addition to the fund financial statements.

E. Comparative Data

Comparative total data for the prior year has been presented in the accompanying Balance Sheets and Statement of Operations in order to provide an understanding of changes in the entity's financial position. However, comparative (i.e., presentation of prior year totals by fund type) data have not been presented in the Statement of Revenue-Regulatory Basis and Statement of Expenditures-Regulatory Basis since their inclusion would make the statements unduly complex and difficult to read.

F. Recent Accounting Pronouncements Not Yet Effective

In March 2021, the Governmental Accounting Standards Board (GASB) issued Statement No. 94, “Public-Private and Public-Public Partnerships and Availability Payment Arrangements”. This statement, which is effective for periods beginning after June 15, 2022, and all reporting periods thereafter, will not have any effect on the Borough’s financial reporting.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

In May 2021, the Governmental Accounting Standards Board (GASB) issued Statement No. 96, "Subscription-Based Information Technology Arrangements". This statement, which is effective for periods beginning after June 15, 2022, and all reporting periods thereafter, will not have any effect on the Borough's financial reporting.

In April 2022, the Governmental Accounting Standards Board (GASB) issued Statement No. 99, "Omnibus 2022". This statement, which is effective for periods beginning after June 15, 2022, and all reporting periods thereafter, will not have any effect on the Borough's financial reporting.

In June 2022, the Governmental Accounting Standards Board (GASB) issued Statement No. 100, "Accounting Changes and Error Corrections—an amendment of GASB Statement No. 62". This statement, which is effective for periods beginning after June 15, 2023, and all reporting periods thereafter, will not have any effect on the Borough's financial reporting.

In June 2022, the Governmental Accounting Standards Board (GASB) issued Statement No. 101, "Compensated Absences". This statement, which is effective for periods beginning after June 15, 2023, and all reporting periods thereafter, may have an effect on the Borough's financial reporting for footnote disclosure.

NOTE 2: BUDGETARY INFORMATION

Under New Jersey State Statutes, the annual budget is required to be a balanced cash basis document. To accomplish this, the municipality is required to establish a reserve for uncollected taxes. The 2023 and 2022 statutory budgets included a reserve for uncollected taxes in the amount of $816,751 and $863,423. To balance the budget, the municipality is required to show a budgeted fund balance. The amount of fund balance budgeted to balance the 2023 and 2022 statutory budgets was $3,700,000 and $3,700,000.

The Chief Financial Officer has the discretion of approving intra department budgetary transfers throughout the year. Inter department transfers are not permitted prior to November 1. After November 1 these transfers can be made in the form of a resolution and approved by Borough Council.

The following significant budget transfers were approved in the 2023 and 2022 calendar years:

Budget Category	2023	2022
Current Fund:		
Employee Group Health	(130,000)	(361,000)
Sewage		
Salaries and Wages	(23,000)	
Other Expenses		(30,000)
Engineer		
Other Expenses		40,000
Public Works		
Salaries and Wages	33,000	
Sanitation		
Salaries and Wages		25,000
Police		
Salaries and Wages		35,000
Other Expenses	(2,000)	
Recreation Commission		
Street Lighting	35,000	
Water / Hydrants	10,000	25,000
Gasoline	(45,000)	50,000

NOTE 2: BUDGETARY INFORMATION - CONTINUED

NJSA 40A:4-87 permits special items of revenue and appropriations to be inserted into the annual budget when the item has been made available by any public or private funding source and the item was not determined at the time of budget adoption.

	2023	2022
Summer Events Grant - GWTIDA		36,500
Summer Events Grant - 2022		3,500
NJ - UEZ	8,929	40,074
Drive Sober or Get Pulled Over	9,800	
NJ DCA - Local Recreation Grant		50,000
NJ Health Care Quality Institute -		
Mayors Wellness		1,000
Cape May County Open Space -		
Crest Arts Pavillion Park	1,043,969	
Public Beach Access		2,500,000
NJ DEP Stormwater Grant	25,000	
Local Recreation Grant	70,000	
Lead Grant Assistance Program	9,400	
Greater Wildwood Tourism Improvement		
Development Authority	31,500	
DCA - Small Cities - ADA Bathrooms	342,720	
Summer Shore Pedestrian Awareness	5,250	
JIF Incentive		3,500
Atlantic County JIF	2,500	
Atlantic County JIF - Wellness Grant	1,000	
Cape May County MUA Recycling Grant	50,238	
Click it or Ticket	7,000	7,000
Bullet Proof Vest Partnership Grant	3,133	
Distracted Driver Crackdown Grant		7,000
Recycling Tonnage Grant		12,951
Clean Communities	27,803	24,789
FEMA - Flood Mitigation		70,875
Total	1,638,242	2,757,189

The Borough may make emergency appropriations, after the adoption of the budget, for a purpose which was not foreseen at the time the budget was adopted or for which adequate provision was not made therein. This type of appropriation shall be made to meet a pressing need for public expenditure to protect or promote the public health, safety, morals or welfare or to provide temporary housing or public assistance prior to the next succeeding fiscal year. During 2023 the Borough did not have any emergency appropriations.

{This space intentionally left blank}

NOTE 3: CASH

Custodial Credit Risk – Deposits. Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The municipality's policy is based on New Jersey Statutes requiring cash be deposited only in New Jersey based banking institutions that participate in the New Jersey Governmental Unit Depository Protection Act (GUDPA) or in qualified investments established in New Jersey Statutes 40A:5-15.1(a) that are treated as cash equivalents. Under the act, all demand deposits are covered by the Federal Deposit Insurance Corporation (FDIC). Public funds owned by the municipality in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings, bail funds or funds that may pass to the municipality relative to the happening of a future condition. As of December 31, 2023 and 2022, none of the municipality's bank balances of custodial credit risk.

Interest Rate Risk. The municipality does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. However, New Jersey Statutes 40A:5-15.1(a) limits the length of time for most investments to 397 days.

Credit Risk. New Jersey Statutes 40A:5-15.1(a) limits municipal investments to those specified in the Statutes. The type of allowable investments are Bonds of the United States of America or of the local unit or school districts of which the local unit is a part of: obligations of federal agencies not exceeding 397 days; government money market mutual funds; the State of New Jersey Cash Management Plan; local government investment pools; or repurchase of fully collateralized securities.

Concentration of Credit Risk. The municipality places no limit on the amount the entity can invest in any one issuer.

NOTE 4: FIXED ASSETS

The following schedules are a summarization of the changes in general fixed assets for the calendar years ended December 31, 2023 and 2022:

	Balance 12/31/2022	Additions	Retirements/ Adjustments	Balance 12/31/2023
Land and Improvements	$ 28,423,272			28,423,272
Building and Improvements	12,249,531			12,249,531
Equipment and Machinery	9,931,954	648,889	(737,747)	9,843,096
Construction in Progress	3,940,907	2,464,073		6,404,980
	$ 54,545,664	3,112,962	(737,747)	56,920,879

	Balance 12/31/2021	Additions	Retirements/ Adjustments	Balance 12/31/2022
Land	$ 28,216,976	206,296		28,423,272
Building and Improvements	12,241,634	7,897		12,249,531
Equipment and Machinery	9,064,682	867,272		9,931,954
Construction in Progress	1,489,026	2,451,881		3,940,907
	$ 51,012,318	3,533,346	-	54,545,664

NOTE 5: SHORT-TERM OBLIGATIONS

The following is a summary of changes in short-term debt for the years ended December 31, 2023 and 2022:

	Balance 12/31/22	Issued	Retired	Balance 12/31/23
Bond Anticipation Notes payable:				
General		9,500,000		9,500,000
	$ -	9,500,000	-	9,500,000

The $9,500,000 Bond Anticipation Note was dated August 8, 2023 and matures on August 8, 2024, interest will be paid at the rate of 4.25%.

As of December 31, 2023 and 2022, the Borough has authorized but not issued bonds in the amount of $12,401,856.19 and $11,557,119.37 respectively.

NOTE 6: LONG TERM DEBT

Long-term debt as of December 31, 2023 and 2022 consisted of the following:

	Balance 12/31/22	Issued	Retired	Cancelled/ Refunded	Balance 12/31/23	Amounts Due Within One Year
Bonds payable:						
General	$ 18,075,000		2,585,000		15,490,000	2,485,000
Total	$ 18,075,000	-	2,585,000	-	15,490,000	2,485,000
Other liabilities:						
Loans Payable:						
General	8,070,068		742,729	50,515	7,377,854	757,729
Total long-term liabilities	$ 26,145,068	-	3,327,729	50,515	22,867,854	3,242,729

	Balance 12/31/21	Issued	Retired	Cancelled/ Refunded	Balance 12/31/22	Amounts Due Within One Year
Bonds payable:						
General	$ 11,185,000	9,465,000	2,575,000	-	18,075,000	2,585,000
Total	$ 11,185,000	9,465,000	2,575,000	-	18,075,000	2,585,000
Other liabilities:						
Loans Payable:						
General	8,807,392		737,324	-	8,070,068	742,729
Total long-term liabilities	$ 19,992,392	9,465,000	3,312,324	-	26,145,068	3,327,729

NOTE 6: LONG TERM DEBT - Continued

Outstanding Bonds Whose Principal and Interest are Paid From the Current Fund Budget of the Entity:

$8,530,000 General Improvement Bonds dated August 27, 2014, due in semi-annual installments through September 1, 2024, bearing interest at a varying rate ranging from 2.0% to 2.125%. The balance remaining as of December 31, 2023 is $950,000.

$6,320,000 General Improvement Bonds dated October 15, 2019, due in semi-annual installments through November 1, 2030, bearing interest at a varying rate ranging from 2.0% to 4%. The balance remaining as of December 31, 2023 is $4,550,000.

$5,225,000 Refunding Bonds dated November 1, 2019, due in semi-annual installments through November 1, 2036, bearing interest at a varying rate ranging from 2.0% to 4%. The balance remaining as of December 31, 2023 is $940,000.

$9,465,000 General Improvement Bonds dated September 29, 2022, due in semi-annual installments through September 15, 2034, bearing interest at a varying rate ranging from 3.0% to 5%. The balance remaining as of December 31, 2023 is $9,050,000.

$3,476,677 N.J. Environmental Fund Loan Bond Series A dated March 10, 2010, due in semi-annual installments through August 1, 2029, bearing no interest. The balance remaining at December 31, 2023 is $1,060,681.34.

$1,135,000 N.J. Environmental Trust Loan Bond Series A dated March 10, 2010, due in annual installments beginning August 1, 2011 through August 1, 2029, bearing interest at varying rates. The balance remaining as of December 31, 2023 is $437,000.

$7,010,031 N.J. Environmental Fund Loan Bond Series A dated 2015, due in semi-annual installments through August 1, 2034, bearing no interest. The balance remaining at December 31, 2023 is $3,885,172.

$2,878,859 N.J. Environmental Trust Loan Bond Series A dated 2015, due in annual installments beginning August 1, 2016 through August 1, 2034, bearing interest at varying rates. The balance remaining as of December 31, 2023 is $1,995,000.

Schedule of Annual Debt Service for Principal and Interest for Bonded Debt Issued and Loans Outstanding

		General Fund	
Year		Principal	Interest
2024	$	3,242,729	680,855
2025		2,301,729	581,100
2026		2,316,729	502,410
2027		2,326,729	423,020
2028		2,336,729	344,830
2029-2033		8,852,525	856,015
2034-2036		1,490,682	57,275
		22,867,853	3,445,505

As of December 31, 2023 the carrying value of the above bonds and notes approximates the fair value of the bonds. No interest was charged to capital projects during the year. The total interest charged to the current budget was $764,236.67.

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

NOTE 6: LONG TERM DEBT - CONTINUED

Summary of Municipal Debt	Year 2023	Year 2022	Year 2021
Issued:			
General - Bonds, Loans and Notes	32,367,853	$ 26,145,068	$ 28,992,392
Total Issued	32,367,853	26,145,068	28,992,392
Authorized but not issued:			
General - Bonds, Loans and Notes	12,401,856	11,557,119	1,855,563
Total Authorized But Not Issued	12,401,856	11,557,119	1,855,563
Total Bonds & Notes Issued and Authorized But Not Issued	$ 44,769,710	$ 37,702,187	$ 30,847,955

Summary of Statutory Debt Condition - Annual Debt Statement

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicates a statutory net debt of 1.452%.

	Gross Debt	Deductions	Net Debt
General Debt	$ 44,769,710		44,769,710
	$ 44,769,710	-	44,769,710

Net Debt $44,769,710÷Equalized Valuation Basis per N.J.S.A. 40A:2-2 as amended, $3,081,329,121.33 = 1.452%.

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

3 1/2 % of Equalized Valuation Basis (Municipal)	$ 107,846,519
Net Debt	44,769,710
Remaining Borrowing Power	$ 63,076,809

NOTE 7: FUND BALANCES APPROPRIATED

Fund balances at December 31, 2023 and 2022, which were appropriated and included as anticipated revenue in their own respective funds for the year ending December 31, 2023 and 2022 were as follows:

	2023	2022
Current Fund	$ 3,700,000	3,700,000

{This space intentionally left blank}

NOTE 8: SCHOOL TAXES

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

	12/31/2023	12/31/2022
Balance of Tax	$ 3,601,361	$ 3,530,263
Deferred	1,150,000	1,150,000
Tax Payable	$ 2,451,361	$ 2,380,263

NOTE 9: TAXES COLLECTED IN ADVANCE

Taxes collected in advance are recorded as cash liabilities in the financial statements. Following is a comparison of the liability for the previous two years:

	Balance 12/31/23	Balance 12/31/22
Prepaid Taxes	$ 1,074,772	$ 1,042,961
Cash Liability for Taxes Collected in Advance	$ 1,074,772	$ 1,042,961

NOTE 10: PENSION FUNDS

Description of Plans

Substantially all of the entity's employees participate in the Public Employees' Retirement System (PERS) and Police and Fireman's Retirement System (PFRS) cost sharing multiple-employer defined benefit pension plans which have been established by State Statute and are administered by the New Jersey Division of Pensions and Benefits (Division). According to the State of New Jersey Administrative Code, all obligations of the System will be assumed by the State of New Jersey should the system terminate. The Division issues a publicly available financial report that includes the financial statements and required supplementary information for the systems. This report may be obtained by writing to the Division of Pension and Benefits, PO Box 295, Trenton, New Jersey 08625 or the report can be accessed on the internet at http://www.state.nj.us/treasury/pensions/annrprts.shtml.

Public Employees' Retirement System

The Public Employees' Retirement System was established in January, 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 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.

Police and Fireman's Retirement System

The contribution policy for the Police and Fireman's Retirement System (PFRS) is set by N.J.S.A. 43:16 and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. PFRS provides for employee contributions of 10.0% of employees' annual compensation, as defined. Employers are required to contribute to an actuarially determined rate.

NOTE 10: PENSION FUNDS - CONTINUED

Funding Policy

The contribution policy is set by N.J.S.A. 43:15A, Chapter 62, P.L. of 1994, Chapter 115, P.L. of 1997 and N.J.S.A. 18:66, and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. PERS provided for employee contributions of 7.50% of employee's annual compensation, as defined. Employers are required to contribute to an actuarially determined rate in PERS. The entity's contributions to PERS for the years ended December 31, 2023, 2022, and 2021 were $512,238, $487,574 and $427,119.

The contribution policy for the PFRS is set by N.J.S.A. 43:16 and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. PFRS provides for employee contributions of 10.0% of employees' annual compensation, as defined. Employers are required to contribute at an actuarially determined rate. The entity's contributions to PFRS for the years ended December 31, 2023, 2022, and 2021 were $602,727, $456,769 and $535,682.

The total payroll for the year ended December 31, 2023, 2022 and 2021 was $7,871897.46, $7,119,435 and $6,611,225. Payroll covered by PFRS was $1,959,046, $1,932,393 and $1,645,566. Payroll covered by PERS was $3,441,232, $3,188,566 and $2,968,513.

Significant Legislation

Chapter 78, P.L. 2011, effective June 28, 2011 made various changes to the manner in which the Public Employees' Retirement System (PERS) and the Police and Firemen's Retirement System (PFRS) operate and to the benefit provisions of those systems.

Chapter 78's provisions impacting employee pension and health benefits include:

- New members of the PERS hired on or after June 28, 2011 (Tier 5 members) will need 30 years of creditable service and age 65 for receipt of the early retirement benefit without a reduction of ¼ of 1% for each month that the member is under age 65.
- The eligibility age to qualify for a service retirement in the PERS is increased from age 63 to 65 for Tier 5 members.
- The annual benefit under special retirement for new PFRS members enrolled after June 28, 2011 (Tier 3 members), will be 60% instead of 65% of the member's final compensation plus 1% for each year of creditable service over 25 years but not to exceed 30 years.
- Increases in active member contribution rates. PERS active member rates increase from 5.5% of annual compensation to 6.5% plus an additional 1% phased-in over 7 years; PFRS active member rate increase from 8.5% to 10%.
- For fiscal year 2014, the member contribution rates increased in October 2011. The phase-in of the additional incremental member contribution rates for PERS members will take place in July of each subsequent fiscal year.
- The payment of automatic cost-of-living adjustment (COLA) additional increases to current and future retirees and beneficiaries is suspended until reactivated as permitted by this law.
- New employee contribution requirements towards the cost of employer-provided health benefit coverage. Employees are required to contribute a certain percentage of the cost of coverage. The rate of contribution is determined based on the employee's annual salary and the selected level of coverage. The increased employee contributions will be phased in over a 4-year period for those employed prior to Chapter 78's effective date with a minimum contribution required to be at least 1.5% of salary.
- In addition, this new legislation changes the method for amortizing the pension systems' unfunded accrued liability (from a level percent of pay method to a level dollar of pay).

NOTE 10: PENSION FUNDS - CONTINUED

Chapter 1, P.L. 2010, effective May 21, 2010, made a number of changes to the State-administered retirement systems concerning eligibility, the retirement allowance formula, the definition of compensation, the positions eligible for service credit, the non-forfeitable right to a pension, the prosecutor's part of the PERS, special retirement under the PFRS, and employer contributions to the retirement systems.

Also, Chapter 1, P.L. 2010 changed the membership eligibility criteria for new members of PERS from the amount of annual compensation to the number of hours worked weekly. Also, it returned the benefit multiplier for new members of PERS to 1/60th from 1/55th, and it provided that new members of PERS have the retirement allowance calculated using the average annual compensation for the last five years of service instead of the last three years of service. New members of PERS will no longer receive pension service credit from more than one employer. Pension service credit will be earned for the highest paid position only. For new members of the PFRS, the law capped the maximum compensation that can be used to calculate a pension from these plans at the annual wage contribution base for social security, and requires the pension to be calculated using a three year average annual compensation instead of the last year's salary. This law also closed the Prosecutors Part of the PERS to new members and repealed the law for new members that provided a non-forfeitable right to receive a pension based on the laws of the retirement system in place at the time 5 years of pension service credit is attained. The law also requires the State to make its full pension contribution, defined a 1/7th of the required amount, beginning in fiscal years 2012.

Chapter 3, P.L. 2010, effective May 21, 2010, replaced the accidental and ordinary disability retirement for new members of the PERS with disability insurance coverage similar to that provided by the State to individuals enrolled in the State's Defined Contribution Retirement Program.

Chapter 92, P.L. 2007 implemented certain recommendations contained in the December 1, 2006 report of the Joint Legislative Committee on Public Employee Benefits Reform; established a DCRP for elected and certain appointed officials, effective July 1, 2007; the new pension loan interest rate became 4.69% per year, and an $8.00 processing fee per loan was charged, effective January 1, 2008. The legislation also removed language from existing law that permits the State Treasurer to reduce employer pension contributions needed to fund the Funds and Systems when excess assets are available.

Note 11: PENSION LIABILITIES

In 2012, the Governmental Accounting Standards Board issued GASB statement 68. This statement is effective for fiscal years beginning after June 15, 2014. This statement changes the method of reporting the municipality's pension liabilities. However, due to the fact that the municipality reports on the regulatory basis of accounting, no financial statement impact will be recognized.

The following represents the municipality's pension liabilities as June 30, 2022:

Public Employees' Retirement System

The Municipality has a liability of $6,130,121 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2021 that was rolled forward to June 30, 2022. The Municipality's proportion of the net pension liability was based on a projection of the Municipality's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2022, the Municipality's proportion would be 0.04062002330%, which would be a decrease of 2.43% from its proportion measured as of June 30, 2021.

Note 11: PENSION LIABILITIES - CONTINUED

For the year ended December 31, 2022, the Municipality would have recognized a negative pension expense of $(151,569). At December 31, 2022, the Municipality would report deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected & actual experience	$ 44,244	$ (39,017)
Changes of assumptions	18,993	(917,922)
Changes in proportion	524,459	
Net difference between projected and actual earnings on pension plan investments	253,720	(261,214)
Total	$ 841,416	$ (1,218,153)

Amounts that would be reported as deferred outflows of resources and deferred inflows of resources related to pensions would be recognized in pension expense as follows:

Year ended June 30,	
2023	$ 344,358
2024	$ 126,825
2025	$ 8,911
2026	$ (104,167)
2027	$ 810
Total	$ 376,737

Actuarial Assumptions

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

Inflation rate	
Price	2.75%
Wage	3.25%
Salary increases:	2.75% – 6.55% (based on years of service)
Investment rate of return:	7.00%

{This space intentionally left blank}

Note 11: PENSION LIABILITIES - CONTINUED

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 disable 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 generational basis. Mortality improvement is based on Scale MP-2021.

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

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
US equity	27.00%	8.12%
Non-U.S. developed markets equity	13.50%	8.38%
Emerging markets equity	5.50%	10.33%
Private equity	13.00%	11.80%
Real estate	8.00%	11.19%
Real assets	3.00%	7.60%
High yield	4.00%	4.95%
Private Credit	8.00%	8.10%
Investment grade credit	7.00%	3.38%
Cash equivalents	4.00%	1.75%
U.S. Treasuries	4.00%	1.75%
Risk mitigation strategies	3.00%	4.91%

{This space intentionally left blank}

Note 11: PENSION LIABILITIES - CONTINUED

Discount Rate

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

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

The following presents the Municipality's proportionate share of the net pension liability calculated using the discount rate as disclosed above, as well as what the Municipality's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	1% Decrease -6.00%	Current Discount Rate -7.00%	1% Increase -8.00%
Municipality's proportionate share of the net pension liability	$ 7,351,272	$ 6,130,121	$ 5,092,027

Pension plan fiduciary net position.

Detailed information about the pension plan's fiduciary net position is available in the separately issued PERS financial report.

Police and Firemen's Retirement System

The Municipality has a liability of $5,304,687 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as July 1, 2021 that was rolled forward to June 30, 2022. The Municipality's proportion of the net pension liability was based on a projection of the Municipality's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2022, the Municipality's proportion would be 0.04634389000%, which would be an increase of 18.25% from its proportion measured as of June 30, 2021.

For the year ended December 31, 2022, the Municipality would have recognized a pension expense of $52,483. At December 31, 2022, the Municipality would have reported deferred outflows of resources and deferred inflows of resources related to PFRS from the following sources:

{This space intentionally left blank}

Note 11: PENSION LIABILITIES - CONTINUED

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected & actual experience	$ 240,104	$ (324,984)
Changes of assumptions	14,538	(667,755)
Changes in proportion	1,146,520	(773,900)
Net difference between projected and actual earnings on pension plan investments	485,753	
Total	$ 1,886,915	$ (1,766,639)

Amounts that would be reported as deferred outflows of resources and deferred inflows of resources related to pensions would be recognized in pension expense as follows:

Year ended June 30,	
2023	$ 126,460
2024	$ 80,816
2025	$ 76,986
2026	$ (160,812)
2027	$ (1,550)
Thereafter	$ (1,625)
Total	$ 120,276

Actuarial Assumptions

The total pension liability for the June 30, 2022 measurement date was determined by an actuarial valuation of July 1, 2020, which was rolled forward to June 30, 2022. This actuarial valuation used the following assumptions, applied to all periods in the measurement:

Inflation rate	
Price	2.75%
Wage	3.25%
Salary increases:	3.25% - 16.25% (based on years of service)
Investment rate of return:	7.00%

Employee mortality rates were based on the Pub-2010 Safety Employee mortality table with a 105.6% adjustment for males and 102.5% adjustment for females. For healthy annuitants, mortality rates were based on the PubS-2010 amount-weighted mortality table with a 96.7% adjustment for males and 96% adjustment for females. Disability rates were based on the Pub-2010 amount-weighted mortality table with a 152% adjustment for males and 109.3% adjustment for females. Mortality improvement is based on Scale MP-2021.

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

Note 11: PENSION LIABILITIES - CONTINUED

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
US equity	27.00%	8.12%
Non-U.S. developed markets equity	13.50%	8.38%
Emerging markets equity	5.50%	10.33%
Private equity	13.00%	11.80%
Real estate	8.00%	11.19%
Real assets	3.00%	7.60%
High yield	4.00%	4.95%
Private credit	8.00%	8.10%
Investment grade credit	7.00%	3.38%
Cash equivalents	4.00%	1.75%
U.S. Treasuries	4.00%	1.75%
Risk mitigation strategies	3.00%	4.91%

Discount Rate

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

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

Note 11: PENSION LIABILITIES – CONTINUED

The following presents the collective net pension liability of the participating employers as of June 30, 2021, calculated using the discount rate as disclosed above as well as what 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:

	Decrease (6.00%)	Rate (7.00%)	Increase (8.00%)
Municipality's proportionate share of the net pension liability	7,496,205.24	5,304,687.00	3,480,451.40

In addition to the PFRS liabilities listed above, a special funding situation exists for the Local employers of the Police and Fire Retirement System of New Jersey. The State of New Jersey, as a non-employer, is required to pay the additional costs incurred by Local employers under Chapter 8, P.L. 2000, Chapter 318, P.L. 2001, Chapter 86, P.L. 2001, Chapter 511, P.L. 1991, Chapter 109, P.L. 1979, Chapter 247, P.L. 1993 and Chapter 201, P.L. 2001. The June 30, 2022 State special funding situation net pension liability amount of $2,037,115,833.00 is the accumulated differences between the annual actuarially determined State obligation under the special funding situation and the actual State contribution through the valuation date. The fiscal year ending June 30, 2022 State special funding situation pension expense of $235,029,281.00 is the actuarially determined contribution amount that the State owes for the fiscal year ending June 30, 2022. The pension expense is deemed to be a State administrative expense due to the special funding situation.

The contribution policy for PFRS is set by N.J.S.A. 43:16A and required contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's contribution amount is based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. For fiscal year 2022, the State contributed an amount more than the actuarially determined amount.

Although the liabilities related to the special funding situation are the liabilities of the State of New Jersey, the proportionate share of the statewide liability allocated to the Municipality was 0.04634389000% for 2022. The net pension liability amount allocated to the Municipality was $944,079. For the fiscal year ending June 30, 2022 State special funding situation pension expense of $108,922 is allocated to the Municipality.

Pension plan fiduciary net position.

Detailed information about the pension plan's fiduciary net position is available in the separately issued PFRS financial report.

{This space intentionally left blank}

NOTE 12: POST-RETIREMENT BENEFITS – LOCAL PLAN

The Borough participates New Jersey State Health Benefits Program ("the SHBP"), which qualifies as a cost-sharing, multiple –employer plan in accordance with GASB Statement 75 "Accounting and Financial Reporting For Post-employment Benefits Other Than Pensions" ("OPEB"). The SHBP is administered by the State of New Jersey, Department of Treasury, Division of Pension and Benefits.

Under the SHBP, retirees may continue the health benefits programs in which they are enrolled at the time of retirement, provided the retiree pays the costs of the benefits (at group rates) for themselves and their eligible dependents. The OPEB Liability associated with the SHBP is further discussed in Note 13.

Borough employees are also eligible to participate in the single – employer OPEB Plan discussed below.

A retiree and their covered dependents may also receive Borough -paid dental, vision and life insurance benefits that are not included as part of the State Health Benefits Plan. These benefits are budgeted by the Borough annually on a "pay as you go basis" and are included in the group insurance budget line item.

The Regulatory Basis of Accounting does not permit the accrual of Actuarily determined OPEB Expenses or Liabilities. The Borough reports all OPEB related costs on the "pay as you go" basis. The following information is for disclosure purposes only and has not been accrued in the Financial Statements of the Borough.

The actuarial determined valuation of these benefits has been reviewed and will be reviewed bi-annually for the purpose of estimating the present value of future benefits for active and retired employees and their dependents as required by GASB 75.

Annual OPEB Cost and Net OPEB Liability

The Borough's annual OPEB cost represents the accrued cost for post-employment benefits under GASB 75.

Actuarial Methods and Assumptions

Actuarial valuations of an ongoing plan involve estimates and assumptions about the probability of occurrences of events fare into the future, including future employment, mortality and healthcare cost trends. Actuarially determined amounts are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

In the January 1, 2023 actuarial valuation, the "Entry-Age-Normal, Level Percentage of Salary" method was used for all participants. The actuarial assumptions used to project future costs included a discount rate of 4.0% and annual dental and vision cost trend rate of 5.0%.

{This space intentionally left blank}

NOTE 12: POST-RETIREMENT BENEFITS – LOCAL PLAN - CONTINUED

Other Post-employment Benefit Costs and Obligations

In the January 1, 2023 actuarial valuation, the Actuarily Determined Contribution for the year's ending December 31, 2022 and 2023 were projected as detailed on the following schedule:

TOTAL OPEB LIABILITY

	12/31/2023	12/31/2022	12/31/2021	12/31/2020	12/31/2019	12/31/2018
Service Cost	$ 67,931	113,937	$ 112,169	$ 122,296	$ 114,282	$ 104,654
Interest	229,169	201,475	168,441	252,743	266,257	256,776
Experience & Assumption (Gain) or Loss	247,819	(3,844,861)	47,941	687,372	152,087	(1,560)
Benefit Payments	(99,251)	(116,458)	(86,766)	(88,718)	(100,338)	(98,482)
Net Change in Total OPEB Liability	445,668	(3,645,907)	241,785	973,693	432,288	261,388
Total OPEB Liability - Beginning	5,366,769	9,012,676	8,770,891	7,797,198	7,364,910	7,103,522
Total OPEB Liability - Ending	$ 5,812,437	5,366,769	$ 9,012,676	$ 8,770,891	$ 7,797,198	$ 7,364,910
Plan Fiduciary Net Posistion as a % of the Total OPEB Liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Covered Payroll	$ 7,871,897	$ 7,119,435	$ 6,340,608	$ 6,157,839	$ 6,437,211	$ 6,115,757
OPEB Liability as a Percentage of Covered Payroll	73.84%	75.38%	142.14%	142.43%	121.13%	120.43%

There were no changes of benefit.

Sensitivity of the total OPEB liability to changes in the discount rate.

The January 1, 2023 valuation was prepared using a discount rate of 4.0%. If the discount rate were 1% higher than what was used in this valuation. The chart below shows the effect of a 1% change in the discount rate in either direction.

	Discount Rate		
	1% Decrease	Baseline 4%	1% Increase
Total OPEB Liability	$ 6,852,575	$ 5,812,437	$ 4,989,802

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

The January 1, 2023 valuation was prepared using a trend rate of 5.0%. The chart below shows the effect of a 1% change in the trend rate in either direction.

	Healthcare Cost Trend Rates		
	1% Decrease	Baseline 5.0%	1% Increase
Total OPEB Liability	$ 4,982,312	$ 5,812,437	$ 6,865,255

NOTE 12: POST-RETIREMENT BENEFITS – LOCAL PLAN - CONTINUED

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

For the year ended December 31, 2022 and 2023 respectively, the Borough's Actuarily determined OPEB expense was -$274,668 and -$305,920.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actuarial experience	$ 174,670	$ (1,076,915)
Changes in assumptions	702,525	(1,630,500)
Total	$ 877,195	$ (2,707,415)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB would be recognized in OPEB expense as follows:

For the Year Ending December 31,	
2024	$ (571,509)
2025	(596,856)
2026	(711,418)
2027	49,563
2028	-
	$ (1,830,220)

{This space intentionally left blank}

NOTE 13 – OTHER POST-RETIREMENT BENEFITS – STATE PLAN

General Information about the Plan:

The Municipality offers Other Post-Retirement Benefits (OPEB) to its employees through the State Health Benefit Local Government Retired Employees Plan (the Plan) a cost-sharing multiple employer defined benefit other postemployment benefit plan with a special funding situation. It covers employees of local government employers that have adopted a resolution to participate in the Plan. For additional information about the Plan, please refer to the State of New Jersey (the State), Division of Pensions and Benefits' (the Division) Annual Comprehensive Financial Report (ACFR), which can be found at:

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

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

1) retired on a disability pension;

or 2) retired with 25 or more years of service credit in a State or locally administered retirement system and a period of service of up to 25 years with the employer at the time of retirement as established by the employer;

or 3) retired and reached the age of 65 with 25 or more years of service credit in a State or locally administered retirement system and a period of service of up to 25 years with the employer at the time of retirement as established by the employer;

or 4) retired and reached age 62 with at least 15 years of service with the employer. Further, the law provides that the employer paid obligations for retiree coverage may be determined by means of a collective negotiations agreement.

In accordance with Chapter 330, P.L. 1997, which is codified in N.J.S.A 52:14-17.32i, the State provides medical and prescription coverage to local police officers and firefighters, who retire with 25 years of service or on a disability from an employer who does not provide postretirement medical coverage. Local employers were required to file a resolution with the Division in order for their employees to qualify for State-paid retiree health benefits coverage under Chapter 330. The State also provides funding for retiree health benefits to survivors of local police officers and firefighters who die in the line of duty under Chapter 271, P.L.1989.

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

{This space intentionally left blank}

NOTE 13 – OTHER POST-RETIREMENT BENEFITS – STATE PLAN - CONTINUED

Allocation Methodology:

GASB Statement No. 75 requires participating employers in the Plan to recognize their proportionate share of the collective net OPEB liability, collective deferred outflows of resources, collective deferred inflows of resources, and collective OPEB expense, however under the Regulatory Basis of Accounting followed by the Municipality these amounts are not accrued or recorded in the financial statements and the information listed in this note is for disclosure purposes only. Statewide across all member employers, the special funding situation's and nonspecial funding situation's net OPEB liability, deferred outflows of resources, deferred inflows of resources, and OPEB expense are based on separately calculated total OPEB liabilities. For the special funding situation and the nonspecial funding situation, the Collective Total OPEB liabilities for the year ended June 30, 2022 were $3,361,552,823 and $3,872,142,278, respectively. The nonspecial funding situation's net OPEB liability, deferred outflows of resources, deferred inflows of resources, and OPEB expense are further allocated to employers based on the ratio of the plan members of an individual employer to the total members of the Plan's non special funding situation during the measurement period July 1, 2021 through June 30, 2022. Employer and non-employer allocation percentages have been rounded for presentation purposes.

Special Funding Situation:

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

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

Net OPEB Liability:

Components of Net OPEB Liability

The components of the collective net OPEB liability of the participating employers in the Plan as of June 30, 2022 is as follows:

{This space intentionally left blank}

NOTE 13 – OTHER POST-RETIREMENT BENEFITS – STATE PLAN - CONTINUED

	June 30, 2022	
	Collective Total	**Proportionate Share**
Total OPEB Liability	$ 16,090,925,144	$ 20,898,411
Plan Fiduciary Net Position (Deficit)	(58,670,334)	(76,199)
Net OPEB Liability	$ 16,149,595,478	$ 20,974,610
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	-0.36%	-0.36%

At June 30, 20223 the Municipality's proportionate share of the Collective Net OPEB Liability was $20,974,610. The State's proportionate share for the Special Funding Situation that is associated with the Municipality is $205,229. The Municipality's proportion of the Collective Net OPEB Liability was 0.129877% which was a decrease from the prior year of 0.49%. The State's proportionate share attributable to the Municipality of the Collective Net OPEB Liability for the Special Funding Situation was 0.006083% which was an increase from the prior year of 1.62%.

Municipality's Proportionate Share of Collective Net OPEB Liability	$ 20,974,610
State's proportionate share that is associated with the Municipality	205,229
Total	$ 21,179,839

For the Year ended June 30, 2021 the Borough's Total OPEB Expense was $719,439 and the State of New Jersey realized Total OPEB Expense in the amount of $(33,662) for its proportionate share of Total OPEB Expense that is associated with the Borough.

The total OPEB liability as of June 30, 2022 was determined by an actuarial valuation as of June 30, 2021, which was rolled forward to June 30, 2022. The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

{This space intentionally left blank}

NOTE 13 – OTHER POST-RETIREMENT BENEFITS – STATE PLAN - CONTINUED

Investment Rate of Return
Including Inflation rate 3.54%

Salary increases*:

	Completed Years of Service	Annual Rate of Increase (%)
PERS	0	6.55
	5	5.75
	10	4.75
	15	3.75
	20	3.15
	25	2.85
	>=29	2.75

	Completed Years of Service	Annual Rate of Increase (%)
PFRS	0	16.25
	5	11.00
	10	6.00
	15	4.00
	>=17	3.25

Mortality:

Pre-Retirement Healthy 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

Post-Retirement Healthy Mortality

Chapter 330 Retirees: PUB-2010 “Safety” classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021.

Other Retirees: PUB-2010 “General” classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021.

Disable Retiree Mortality:

PERS Future Disabled Retirees: PUB-2010 “General” classification headcount-weighted disabled mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021.

PFRS Future Disabled Retirees: PUB-2010 “Safety” classification headcount-weighted disabled mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021.

Chapter 330 Current Retirees: PUB-2010 “Safety” classification headcount-weighted disabled mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021.

NOTE 13 – OTHER POST-RETIREMENT BENEFITS – STATE PLAN - CONTINUED

Other Current Retirees: PUB-2010 “General” classification headcount-weighted disabled mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021.

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

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

Discount Rate

The discount rate for June 30, 2022 was 3.54%. The discount rate will change each year based on the Bond Buyer Go 20-Bond Municipal Bond Index each year.

Sensitivity of Net OPEB Liability to Changes in the Discount Rate

The following presents the Net OPEB liability as of June 30, 2022, 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:

		1% Decrease -2.54%	Discount Rate -3.54%	1% Increase -4.54%
Collective Net OPEB Liability	$	18,720,632,230	16,149,595,478	14,080,955,857
Proportionate Share Net OPEB Liability	$	24,313,795	20,974,610	18,287,923

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

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

		1% Decrease	Healthcare cost Trend Rate	1% Increase
Collective Net OPEB Liability	$	13,700,188,049	16,149,595,478	19,286,596,671
Proportionate Share Net OPEB Liability	$	17,793,393	20,974,610	25,048,853

NOTE 13 – OTHER POST-RETIREMENT BENEFITS – STATE PLAN - CONTINUED

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

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

	Collective Totals		Proportionate Share	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 833,982,363	(2,993,448,535)	1,083,151	(3,887,801)
Changes of assumptions	2,155,230,462	(5,511,545,572)	2,799,149	(7,158,230)
Net difference between projected and actual earnings on OPEB plan investments	4,251,491		5,522	
Changes in proportion and differences between contributions and proportionate share of contributions			4,632,490	(1,099,507)
Total	$ 2,993,464,316	(8,504,994,107)	8,520,312	(12,145,538)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to retired employees' OPEB will be recognized in OPEB expense as follows:

Year Ended June 30,	Collective Totals	Proportionate Share
2023	$ (1,463,380,541.00)	962,543.14
2024	(1,464,672,406.00)	963,392.87
2025	(1,156,630,075.00)	760,777.06
2026	(516,557,746.00)	339,767.48
2027	(115,810,526.00)	76,174.74
Thereafter	(794,478,497.00)	522,570.72
Total	$ (5,511,529,791.00)	3,625,226.00

Detailed information about the plan's fiduciary net position is available in the separately issued OPEB financial report.

Collective OPEB Expenses reported by the State of New Jersey

The components of allocable OPEB Expense related to specific liabilities of individual employers for the year ending June 30, 2022 are as follows:

Service cost	$ 796,654,029
Interest on Total OPEB Liability	401,372,615
Expected Investment Return	86,955
Administrative Expenses	12,334,441
Changes of Benefit Terms	402,474,416
Current Period Recognition (Amortization) of Deferred Inflows/ Outflows of Resources:	
Differences between Expected and Actual Experience	(630,413,303)
Changes in Assumptions	(835,585,441)
Differences between Projected and Actual Investment Earnings on OPEB Plan Investments	4,032,008
Total Collective OPEB Expense	$ 150,955,720

NOTE 13 – OTHER POST-RETIREMENT BENEFITS – STATE PLAN - CONTINUED

Schedule of Municipality's Share of Net OPEB Liability

		2022	2021	2020	2019
Borough's Proportionate Share of Net OPEB Liability	$	12.987700%	0.129798%	0.11228%	0.07380%
Borough's Share of Net OPEB Liability		20,974,610	23,363,356	20,151,175	13,808,729
Borough's Covered Payroll		7,119,435	6,340,608	6,157,839	6,437,211
Borough's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered-Employee Payroll		294.61%	368.47%	327.24%	214.51%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability		0.36%	0.28%	0.97%	1.97%

NOTE 14: ACCRUED SICK AND VACATION BENEFITS

The Borough permits eligible employees to accrue unused vacation and personal time for up to one year after the time has been earned. Unused accrued vacation and personal time expires at the end of the two-year period for employees hired prior to 12/31/14. For employees hired after 1/1/15, personal time expires if it is not used at the end of one year.

The Borough also permits employees to accrue earned and unused sick time, which may be taken as time off or paid at the rate of pay applicable at time of termination. A portion of the monetary value of unused sick leave and vacation has been reserved on the balance sheet by charges to operations. This liability may be affected by conditions, which could preclude an employee from receiving full payment of the accrual. The reserve for accumulated absences in the Trust Fund at December 31, 2022 is $385,101. The total liability of accrued sick leave and vacation for all eligible employees at December 31, 2022 is estimated to be $435,547.

NOTE 15: ECONOMIC DEPENDENCY

The Borough of Wildwood Crest is not economically dependent on any one business. The tourism industry is a major source of tax revenue for the entity.

{This space intentionally left blank}

NOTE 16: RISK MANAGEMENT

The entity 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.

Property and Liability Insurance - The entity maintains commercial insurance coverage for property, liability and surety bonds. During the year ended December 31, 2023 and 2022 the entity did not incur claims in excess of their coverage and the amount of coverage did not significantly decrease.

The entity is a member of the Atlantic County Joint Insurance Fund (JIF) and the Municipal Excess Liability Fund (MEL) which also includes other municipalities throughout the region. The entity is obligated to remit insurance premiums into these funds for sufficient insurance coverage. There is an unknown contingent liability with the Atlantic County Municipal Joint Insurance Fund if there is a catastrophic insurance claim from any member of the fund. The entity has a general liability limit of $100,000 under JIF, which increases to $5,000,000 under MEL.

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 annually appropriate funds to pay the projected costs of contributions at a rate determined by the Commissioner of Labor. Previously, the Borough funded the plan under the "Benefit Reimbursement Method" and has the following remaining in the Trust Fund:

Calendar Year	Borough Contributions	Amount Contributed	Ending Balance
2023	$ 10,000	33,687	60,448
2022	30,000	31,983	84,135
2021	45,000	28,065	86,118
2020	45,000	26,835	69,183

NOTE 17: DEFERRED COMPENSATION

Employees of the Borough of Wildwood Crest may participate in a deferred compensation plan adopted under the provisions of Internal Revenue Code Section 457 (Deferred Compensation Plans With Respect to Service for State and Local Governments). The deferred compensation plan is available to all employees of the entity. Under the plan, employees may elect to defer a portion of their salaries and avoid paying taxes on the deferred portion until the withdrawal date. The deferred compensation amount is not available for withdrawal by employees until termination, retirement, death, or unforeseeable emergency.

An unrelated financial institution administers the deferred compensation plan. Under the terms of an IRC Section 457 deferred compensation plan, all deferred compensation and income attributable to the investment of the deferred compensation amounts held by the financial institution, until paid or made available to the employees or beneficiaries, are the property of the employees.

As part of its fiduciary role, the entity has an obligation of due care in selecting the third party administrator.

NOTE 20: CONTINGENT LIABILITIES

From time to time, the Borough is a defendant in legal proceedings relating to its operations as a municipality. In the best judgment of the Borough's management, the outcome of any present legal proceedings are difficult to quantify, but an adverse outcome could have a material effect on the accompanying financial statements.

NOTE 21: INTERFUND BALANCES

As of December 31, 2023, the following interfunds were included on the balance sheets of the various funds of the Borough of Wildwood Crest:

	Due From	Due To
Current Fund:		
Grant Fund	$ 33,877.91	
Other Trust Fund	275.00	
Trust Fund:		
Current - Other Trust Fund		275.00
Grant Fund:		
Current Fund		33,877.91
	$ 34,152.91	34,152.91

NOTE 22: SUBSEQUENT EVENTS

The entity has evaluated subsequent events through June 21, 2024, the date which the financial statements were available to be issued and identified no events requiring disclosure.

SUPPLEMENTARY DATA

FORD - SCOTT
& ASSOCIATES, L.L.C.
CERTIFIED PUBLIC ACCOUNTANTS
1535 HAVEN AVENUE • OCEAN CITY, NJ • 08226
PHONE 609.399.6333 • FAX 609.399.3710
www.ford-scott.com

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

To the Honorable Mayor and
Members of the Borough Commission
Borough of Wildwood Crest
County of Cape May, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements – regulatory basis, as listed in the accompanying table of contents, of the Borough of Wildwood Crest, State of New Jersey, as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Borough's basic financial statements, and have issued our report thereon dated June 21, 2024, which was adverse due to being presented in accordance with the New Jersey Regulatory Basis of Accounting. Our report disclosed that, as described in Note 1 to the financial statements, the Borough of Wildwood Crest 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 (the "Division"), that demonstrates compliance with a modified accrual basis of accounting and the budget laws of the State of New Jersey.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Borough's 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 Borough's internal control. Accordingly, we do not express an opinion on the effectiveness of the Borough's internal control.

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

Ford, Scott & Associates, L.L.C.

FORD, SCOTT & ASSOCIATES, L.L.C.
CERTIFIED PUBLIC ACCOUNTANTS

Michael S. Garcia

Michael S. Garcia
Certified Public Accountant
Registered Municipal Accountant
No. 472

June 21, 2024

CURRENT FUND
SCHEDULE OF CASH - TREASURER

		Current Fund		Grant Fund	
Balance December 31, 2022	$		16,291,758.99		156,084.07
Increased by Receipts:					
Prepaid Taxes		1,074,771.79			
Prepaid Sewer Rents		27,760.21			
Sewer Rent Overpayments		31,105.56			
Tax Overpayments		16,596.26			
Taxes Receivable		32,260,274.53			
Revenue Accounts Receivable - Collector		3,715,303.66			
Revenue Accounts Receivable - Treasurer		3,105,010.60			
Miscellaneous Revenue Not Anticipated		211,569.92			
State of New Jersey:					
Senior Citizen and Veterans Deductions		34,340.41			
Reserve - Beach Operations Off-Set		348,488.53			
Due to GWTIDA		276,845.00			
Due from GWTIDA - Bike Path		30,000.00			
Federal and State Unappropriated Reserves				81,466.70	
Federal and State Receivables				2,846,746.62	
Due to Current Fund - From Grant Fund		206,065.83			
			41,338,132.30		2,928,213.32
			57,629,891.29		3,084,297.39
Decreased by Disbursements:					
Current Year Appropriation		24,172,060.25			
Prior Year Appropriations		744,450.29			
Accounts Payable		74,445.46			
County Taxes		7,919,635.78			
Local District School Taxes		8,631,337.75			
Due to GWTIDA		276,945.00			
Refund of Prior Year's Revenue		884.00			
Payroll Deductions		1,074.91			
Due to Current Fund - From Grant Fund				206,065.83	
Federal and State Disbursements				2,722,147.49	
			41,820,833.44		2,928,213.32
Balance December 31, 2023	$		15,809,057.85		156,084.07

The Accompanying Notes To The Financial Statements Are An Integral Part of This Statement

Exhibit A - 6

CURRENT FUND
SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY

Year	Balance Dec. 31, 2022	Current Year Levy	Added Taxes	Collections by Cash 2022	Collections by Cash 2023	Adjustments	Balance Dec. 31, 2023
Prior	$ 355,694.07				355,541.52	150.71	1.84
	355,694.07	-	-	-	355,541.52	150.71	1.84
2023		33,217,909.74	143,581.86	1,042,960.55	31,944,621.67	11.46	373,897.92
	$ 355,694.07	33,217,909.74	143,581.86	1,042,960.55	32,300,163.19	162.17	373,899.76

32,260,274.53	Cash Receipts
3,832.49	Overpayments Applied
36,056.17	Senior Citizens and Veterans
32,300,163.19	

Analysis of Current Year Tax Levy

Tax Yield:		
General Property Tax	33,217,909.74	
Added Taxes (54:4-63.1 et. Seq.)	143,581.86	
		33,361,491.60
Tax Levy:		
General County Taxes	6,522,181.51	
County Library Taxes	1,065,062.41	
County Open Space Taxes	313,194.97	
County Added and Omitted Taxes	34,314.98	
Total County Taxes		7,934,753.87
Local School District Tax		8,702,436.00
Local Tax for Municipal Purposes	16,535,447.78	
Add: Additional Tax Levied	188,853.95	
		16,724,301.73
		33,361,491.60

The Accompanying Notes To The Financial Statements Are An Integral Part of This Statement

CURRENT FUND
SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE

	Balance Dec. 31, 2022	Accrued in 2023	Collected by Collector	Collected by Treasurer	Balance Dec. 31, 2023
Borough Clerk:	$				
Licenses - Other		155,170.00		155,170.00	
Fees and Permits		212,380.20		212,380.20	
Recreation Income - Pool		92,008.00		92,008.00	
TV Cable Franchise Fee		52,300.93		52,300.93	
Municipal Court:					
Fines and Costs	5,440.48	54,582.03		57,996.36	2,026.15
Parking Meters		436,560.35		436,560.35	
Interest and Costs on Taxes		78,193.84	78,193.84		
Interest Earned on Investments and Deposits		606,451.31		606,451.31	
Municipal Pier and Concession Income		304,916.00		304,916.00	
Interest and Costs on Delinquent Sewer Rents		11,563.36	11,563.36		
Sewer Rents	129,694.08	3,617,221.71	3,625,546.46		121,369.33
Ambulance Fees		178,751.44		178,751.44	
Uniform Fire Safety Act		167,442.87		167,442.87	
GWTIDA Municipal Event Support		30,000.00		30,000.00	
Energy Receipts Tax		383,678.93		383,678.93	
Municipal Relief Fund		59,622.37		59,622.37	
Anticipated General Capital Fund Balance		260,000.00		260,000.00	
Beach Box Revenue		234,630.00		234,630.00	
Beach Operation Offset - Reserved		404,174.46		404,174.46	
	$ 135,134.56	7,339,647.80	3,715,303.66	3,636,083.22	123,395.48
	A	Res.			A

Reserve for Insurance Proceeds	A	58,890.52
Reserve for Municipal Relief Fund	A	19,876.80
Reserve for Beach Operations Off-Set	A	404,174.46
Sewer Prepayments Applied	A	48,130.84
Collected	A-4	3,105,010.60
		3,636,083.22

The Accompanying Notes To The Financial Statements Are An Integral Part of This Statement

CURRENT FUND
SCHEDULE OF APPROPRIATION RESERVES - PRIOR YEAR

	Balance Dec. 31, 2022	Balance After Transfers	Paid or Charged	Balance Lapsed
OPERATIONS WITHIN "CAPS"				
SALARIES & WAGES:				
Department of Public Affairs and Public Safety:				
Police	$ 2,395.50	2,395.50		2,395.50
Fire	499.88	499.88		499.88
Local Code Enforcement	6,473.54	6,473.54		6,473.54
Emergency Management	1,500.00	1,500.00		1,500.00
Services of Ambulance	945.40	945.40		945.40
Lifeguards	272.96	272.96		272.96
Fire Official	4,972.03	4,972.03		4,972.03
Municipal Court	5,123.78	5,123.78		5,123.78
Traffic Maintenance	1,309.68	1,309.68		1,309.68
Department of Revenue and Finance:				
Borough Administration	12,752.61	12,752.61		12,752.61
Financial Administration	13,380.88	13,380.88		13,380.88
Assessment of Taxes	557.05	557.05		557.05
Collection of Taxes	13,234.04	13,234.04		13,234.04
Weddings	3,000.00	3,000.00		3,000.00
Land Use Administration	5,562.03	5,562.03		5,562.03
Health Benefit Waiver	18,299.74	18,299.74		18,299.74
Department of Public Works, Parks and Public Property:				
Director's Office	0.68	0.68		0.68
Public Works	44,316.96	44,316.96		44,316.96
Beach Cleaning	1,557.50	1,557.50		1,557.50
Sanitation	5,244.83	5,244.83		5,244.83
Parks and Buildings	13,535.06	13,535.06		13,535.06
Sewage	35,562.13	35,562.13		35,562.13
Fleet Maintenance	10,285.55	10,285.55		10,285.55
Tourism	4,492.99	4,492.99		4,492.99
Recreation Commission (N.J.S. 40:61-17)	529.18	529.18		529.18

The Accompanying Notes To The Financial Statements Are An Integral Part of This Statement

CURRENT FUND
SCHEDULE OF APPROPRIATION RESERVES - PRIOR YEAR

	Balance Dec. 31, 2022	Balance After Transfers	Paid or Charged	Balance Lapsed
Uniform Construction Code - Appropriation Offset by Dedicated Revenue				
State Uniform Construction Code	$ 4,330.96	4,330.96		4,330.96
OTHER EXPENSES:				
Department of Public Affairs and Public Safety:				
Director's Office	264.16	264.16		264.16
Fire	44,811.07	44,811.07	44.00	44,767.07
Police	67,673.07	67,673.07	61,389.11	6,283.96
Legal	92,470.73	92,470.73	7,368.30	85,102.43
Local Code Enforcement	3,788.52	3,788.52	3,013.18	775.34
Emergency Management Services	5,000.00	5,000.00	5,000.00	-
Services of Ambulance	39,127.35	39,127.35	4,622.50	34,504.85
Lifeguards	23,787.22	23,787.22	23,321.46	465.76
Traffic Maintenance	10,328.28	10,328.28	5,666.80	4,661.48
Fire Official	6,396.08	6,396.08	909.02	5,487.06
Animal Control	4,753.49	4,753.49	80.00	4,673.49
Municipal Court	5,533.59	5,533.59		5,533.59
Department of Revenue and Finance:				
Director's Office	330.61	330.61		330.61
Borough Administration:				
Other	25,944.88	25,944.88	6,734.84	19,210.04
Election Expense	190.80	190.80		190.80
Financial Administration	22,576.94	22,576.94	13,345.18	9,231.76
Assessment of Taxes	9,592.10	9,592.10	3,075.72	6,516.38
Collection of Taxes	5,666.48	5,666.48	915.06	4,751.42
Utility Billing Expenses	4,242.86	4,242.86		4,242.86
Land Use Administration	41,798.85	41,798.85	20,173.87	21,624.98
Insurance:				
General Liability	26,436.00	26,436.00	819.39	25,616.61
Employee Group Health	344,324.58	344,324.58	108,448.85	235,875.73
Green Team	1,896.11	1,896.11		1,896.11

The Accompanying Notes To The Financial Statements Are An Integral Part of This Statement

CURRENT FUND
SCHEDULE OF APPROPRIATION RESERVES - PRIOR YEAR

	Balance Dec. 31, 2022	Balance After Transfers	Paid or Charged	Balance Lapsed
Department of Public Works, Parks and Public Property:				
Director's Office	$ 1,100.00	1,100.00		1,100.00
Engineer	65,192.84	65,192.84	51,077.34	14,115.50
Landfill	44,808.75	44,808.75	28,994.68	15,814.07
Public Works	32,272.96	32,272.96	18,135.37	14,137.59
Recreation Buildings	30,285.55	30,285.55	10,686.02	19,599.53
Beach Cleaning	5,207.77	5,207.77		5,207.77
Sanitation	17,383.67	17,383.67	4,868.45	12,515.22
Parks and Playgrounds	44,446.24	44,446.24	15,474.41	28,971.83
Sewage	21,317.40	21,317.40	2,549.92	18,767.48
Fleet Maintenance	21,841.21	21,841.21	2,960.87	18,880.34
Tourism	26,377.59	26,377.59	18,571.24	7,806.35
Recreation Commission (N.J.S. 40:61-17)	33,933.82	33,933.82	17,930.17	16,003.65
Uniform Construction Code - Appropriation Offset by Dedicated Revenue				
State Uniform Construction Code	9,553.36	9,553.36	8,049.50	1,503.86
UTILITY EXPENSES & BULK PURCHASES				
Water	41,074.90	41,074.90	38,134.20	2,940.70
Street Lighting	24,216.37	24,216.37	17,158.07	7,058.30
Communications	15,329.28	15,329.28	4,243.47	11,085.81
Natural Gas	35,437.15	35,437.15	20,241.80	15,195.35
Electric	39,899.19	39,899.19	943.86	38,955.33
Gasoline	17,600.54	17,600.54	2,158.15	15,442.39
Information Technology	14,745.19	14,745.19	5,122.50	9,622.69
STATUTORY EXPENDITURES				
Contributions to:				
Social Security System (O.A.S.I.)	361.34	361.34		361.34
Defined Contribution Retirement Plan	4,210.13	4,210.13		4,210.13

The Accompanying Notes To The Financial Statements Are An Integral Part of This Statement

CURRENT FUND
SCHEDULE OF APPROPRIATION RESERVES - PRIOR YEAR

	Balance Dec. 31, 2022	Balance After Transfers	Paid or Charged	Balance Lapsed
OPERATIONS - EXCLUDED FROM "CAPS"				
Cape May County MUA - Charges	162,801.00	162,801.00	145,344.00	17,457.00
PUBLIC & PRIVATE PROGRAMS OFF-SET BY REVENUES				
Matching Funds for Grants	5,000.00	5,000.00		5,000.00
CAPITAL IMPROVEMENTS				
Emergency Sanitary and Storm Sewer Repairs	82,652.37	82,652.37		82,652.37
Fire Department Equipment	202.80	202.80		202.80
Purchase of Vehicles and Large Equipment	164,458.40	164,458.40	134,309.29	30,149.11
Purchase of Equipment and Computers	21,824.33	21,824.33		21,824.33
Improvements to Roads	100,000.00	100,000.00		100,000.00
Improvements to Borough Buildings and Property	86,594.67	86,594.67		86,594.67
Acquisistion of Beach Boxes & Equipment	2,050.00	2,050.00		2,050.00
	$ 2,169,247.55	2,169,247.55	811,880.59	1,357,366.96
		Cash Disbursed	744,450.29	
		Accounts Payable	67,430.30	
			811,880.59	

The Accompanying Notes To The Financial Statements Are An Integral Part of This Statement

CURRENT FUND
SCHEDULE OF LOCAL DISTRICT SCHOOL TAX

Balance December 31, 2022			
School Tax Payable	$	2,380,262.51	
School Tax Deferred		1,150,000.00	
			3,530,262.51
Increased by:			
Levy - School Year July 1, 2023 to June 30, 2024			8,702,436.00
			12,232,698.51
Decreased by:			
Payments			8,631,337.75
Balance December 31, 2023			
School Tax Payable		2,451,360.76	
School Tax Deferred		1,150,000.00	
			3,601,360.76
Current Year Liability for Local School District School Tax:			
Tax Paid			8,631,337.75
Tax Payable Ending			2,451,360.76
			11,082,698.51
Less: Tax Payable Beginning			2,380,262.51
Amount Charged to Current Year Operations	$		8,702,436.00

The Accompanying Notes To The Financial Statements Are An Integral Part of This Statement

CURRENT FUND
SCHEDULE OF FEDERAL AND STATE GRANTS RECEIVABLE

Purpose		Balance Dec. 31, 2022	Transferred From 2023 Revenues	Received	Balance Dec. 31, 2023
FEDERAL GRANTS:					
FEMA-Sunset Lake	$	70,386.52		11,941.47	58,445.05
FEMA - Flood Mitigation		70,875.00		70,485.00	390.00
Bulletproof Vest Partnership					
2020 Grant		563.85		563.85	(0.00)
2021 Grant		2,655.00		2,655.00	-
2022 Grant			3,132.50	331.15	2,801.35
CDBG Street Intersections ADA		41,676.46			41,676.46
2017 CY CDBG Grant-Beach Access		57,759.99			57,759.99
DCA - Small Cities Grant - ADA Bathrooms			342,720.00		342,720.00
Small Cities - Library/Pool		32,545.45		32,545.45	-
Total Federal		276,462.27	345,852.50	118,521.92	503,792.85
STATE GRANTS:					
NJ DCA - Local Recreation Grant		50,000.00		50,000.00	-
New Jersey Transportation Trust Fund:					
2020 Beach		38,750.00			38,750.00
2021 Stanton Avenue		185,000.00			185,000.00
Recycling Tonnage			13,604.28	13,604.28	-
Drive Sober or Get Pulled Over			9,800.00	7,000.00	2,800.00

The Accompanying Notes To The Financial Statements Are An Integral Part of This Statement

CURRENT FUND
SCHEDULE OF FEDERAL AND STATE GRANTS RECEIVABLE

Purpose		Balance Dec. 31, 2022	Transferred From 2023 Revenues	Received	Balance Dec. 31, 2023
NJ Law & Public Safety - Body Worn Camera	$	922.00			922.00
Click it or Ticket			7,000.00	7,000.00	-
NJ UEZ Grant			8,929.00	8,929.00	-
2023 Summer Shore Pedestrian Awareness Grant			5,250.00	5,250.00	-
Clean Communities			27,803.46	27,803.46	-
Lead Grant Assistance Program			9,400.00	9,400.00	-
Local Recreation Grant			70,000.00		70,000.00
NJ DEP Stormwater Grant			25,000.00	15,000.00	10,000.00
NJ Urban & Community Forestry Program Stewardship		50,000.00			50,000.00
Total State		324,672.00	176,786.74	143,986.74	357,472.00

The Accompanying Notes To The Financial Statements Are An Integral Part of This Statement

CURRENT FUND
SCHEDULE OF FEDERAL AND STATE GRANTS RECEIVABLE

Purpose	Balance Dec. 31, 2022	Transferred From 2023 Revenues	Received	Balance Dec. 31, 2023
LOCAL GRANTS:				
GWTIDA Summer Events 2023		31,500.00	31,500.00	-
Cape May County MUA Recycling Grant		50,237.96	50,237.96	-
Cape May County Open Space - Crest Arts Pavillion Park		1,043,968.75		1,043,968.75
Atlantic City Electric - Sustainable Communities	2,500.00			2,500.00
Cape May County Open Space - Public Beach Access	2,500,000.00		2,500,000.00	-
JIF Incentive-2023		3,500.00	2,500.00	1,000.00
Total Local	2,502,500.00	1,129,206.71	2,584,237.96	1,047,468.75
	$ 3,103,634.27	1,651,845.95	2,846,746.62	1,908,733.60

The Accompanying Notes To The Financial Statements Are An Integral Part of This Statement

CURRENT FUND
SCHEDULE OF APPROPRIATED RESERVES FOR FEDERAL AND STATE GRANTS

	Balance December 31, 2022 Appropriated	Balance December 31, 2022 Reserve for Encumbrances	2023 Appropriations	Expended	Balance Dec. 31, 2023
FEDERAL GRANTS:					
2017 CY CDBG Grant-Beach Access	$ 30,472.07				30,472.07
FEMA-Sunset Lake	99,495.05				99,495.05
CDBG Street ADA	25,191.99				25,191.99
DCA - Small Cities Grant - ADA Bathrooms			342,720.00		342,720.00
Police Body Armor:					
2022 Grant		1,407.83		1,407.83	-
2023 Grant			1,896.65	1,896.65	-
Bulletproof Vest Partnership			3,132.50	3,132.50	-
FEMA - Flood Mitigation	66,375.00	4,350.00		70,725.00	-
Small Cities Grant					
Scoop Taylor Park		25,299.74		25,299.74	-
Total Federal	221,534.11	31,057.57	347,749.15	102,461.72	497,879.11

The Accompanying Notes To The Financial Statements Are An Integral Part of This Statement

CURRENT FUND
SCHEDULE OF APPROPRIATED RESERVES FOR FEDERAL AND STATE GRANTS

	Balance December 31, 2022 Appropriated	Balance December 31, 2022 Reserve for Encumbrances	2023 Appropriations	Expended	Balance Dec. 31, 2023
STATE GRANTS:					
Clean Communities Grant:					
2022	13,375.70			13,250.70	125.00
2023			27,803.46	15,930.39	11,873.07
Drunk Driving Enforcement Fund			4,117.64	4,117.64	-
Cooperative Housing Inspections:					
2022			26,019.00		26,019.00
2021	27,400.00				27,400.00
2020	29,773.56			8,411.60	21,361.96
Recycling Tonnage Grant					
2020	2.84				2.84
2021	76.00				76.00
2022		1,500.00			1,500.00
2023			13,604.28	10,352.00	3,252.28
Click it or Ticket			7,000.00	7,000.00	-
NJ Urban & Community Forestry Program Stewardship	13,740.77	33,599.28		33,599.28	13,740.77
NJ DCA - Local Recreation Grant:					
2022 Grant	$ 50,000.00			50,000.00	-
2023 Grant			70,000.00	50,121.92	19,878.08
Alcohol Education & Rehabilitation	3,712.24				3,712.24
Drive Sober or Get Pulled Over			9,800.00	8,120.00	1,680.00
NJ DEP Stormwater Grant			25,000.00		25,000.00
2023 Summer Shore Pedestrian Awareness Grant			5,250.00	5,250.00	-
Lead Grant Assistance Program			9,400.00		9,400.00
NJ Law & Public Safety - Body Worn Camera	922.00				922.00
NJ UEZ - Prior	97,593.24			79,231.00	18,362.24
NJ UEZ 2022			8,929.00	8,929.00	-
Total State	236,596.35	35,099.28	206,923.38	294,313.53	184,305.48

The Accompanying Notes To The Financial Statements Are An Integral Part of This Statement

CURRENT FUND
SCHEDULE OF APPROPRIATED RESERVES FOR FEDERAL AND STATE GRANTS

	Balance December 31, 2022				
	Appropriated	Reserve for Encumbrances	2023 Appropriations	Expended	Balance Dec. 31, 2023
LOCAL GRANTS:					
GWTIDA - Summer Events					
2023			31,500.00	20,878.25	10,621.75
NJ Health Care Quality Institute - Mayors Wellness					-
JIF Incentive-2022	300.00	1,000.00		1,000.00	300.00
JIF Incentive-2023			3,500.00	3,500.00	-
Cape May County MUA Recycling Grant			50,237.96	31,475.32	18,762.64
Cape May County Open Space - Public Beach Access	2,440,000.00	12,505.00		2,452,505.00	-
Cape May County Open Space - Crest Arts Pavillion Park			1,043,968.75		1,043,968.75
Atlantic City Electric - Sustainable Communities	2,838.00				2,838.00
Total Local	2,443,138.00	13,505.00	1,129,206.71	2,509,358.57	1,076,491.14
	$ 2,901,268.46	79,661.85	1,683,879.24	2,906,133.82	1,758,675.73
			Cash Disbursed	2,722,147.49	
			Encumbered	183,986.33	
				2,906,133.82	

The Accompanying Notes To The Financial Statements Are An Integral Part of This Statement

Exhibit A - 13

CURRENT FUND
SCHEDULE OF FEDERAL AND STATE GRANTS - UNAPPROPRIATED RESERVES

Purpose		Balance Dec. 31, 2022	Transferred To 2023 Appropriations	Received	Balance Dec. 31, 2023
FEDERAL GRANTS:					
None	$	-			-
STATE GRANTS:					
NJ UEZ Assistance Grant				68,350.00	68,350.00
Police Body Armor Grant		1,896.65	1,896.65	2,099.70	2,099.70
Drunk Driving Enforcement Fund		4,117.64	4,117.64		-
State Housing Grant		32,830.00	26,019.00	11,017.00	17,828.00
Grand Total	$	38,844.29	32,033.29	81,466.70	88,277.70

The Accompanying Notes To The Financial Statements Are An Integral Part of This Statement

TRUST FUND
SCHEDULE OF CASH - TREASURER

		Animal Control			Other
Balance December 31, 2022	$		1,680.00		1,874,360.31
Increased By:					
State Dog License Fees		63.60			
Municipal Dog License Fees		645.00			
Cat License Fees		3.00			
Other Reserves				1,196,783.77	
			711.60		1,196,783.77
			2,391.60		3,071,144.08
Decreased By:					
Paid to State of NJ		63.60			
Dog Fund Expenditures		57.75			
Prior Year Encumbrances				14,836.00	
Current Fund		587.25		1,149.89	
Other Reserves				943,806.27	
			708.60		959,792.16
Balance December 31, 2023	$		1,683.00		2,111,351.92

Analysis of December 31, 2023 Balance

Trust - Escrow	1,012,657.68
Unemployment Trust	59,829.10
Recreation Commission	109,249.50
Police Forfeiture	3,343.95
Uniform Construction Code	143,338.55
TTL Redemption/Premium Account	177,199.99
Afforable Housing Trust	605,733.15
	2,111,351.92

The Accompanying Notes To The Financial Statements Are An Integral Part of This Statement

TRUST FUND
SCHEDULE OF RESERVE FOR ANIMAL CONTROL
FUND EXPENDITURES

Balance December 31, 2022	$		1,680.00
Increased by:			
Cancellation of State Fees Payable			
Cat License Fees		3.00	
Dog License Fees Collected		645.00	
			648.00
			2,328.00
Decreased by:			
Expenditures under N.J.S.A. 4:19-15.11:		57.75	
Statutory Excess		587.25	
			645.00
Balance December 31, 2023	$		1,683.00

License Fees Collected

Year	Amount
2022	753.00
2021	930.00
	1,683.00

The Accompanying Notes To The Financial Statements Are An Integral Part of This Statement

Exhibit B - 3

TRUST FUND
SCHEDULE OF AMOUNT DUE TO/(FROM) STATE OF NEW JERSEY
ANIMAL CONTROL FUND

Balance December 31, 2022	$		-
Increased By:			
Collected in 2023			
State License Fees		63.60	
			63.60
			63.60
Decreased By:			
Payments		63.60	
			63.60
Balance December 31, 2023	$		-

The Accompanying Notes To The Financial Statements Are An Integral Part of This Statement

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

Reserve	Balance Dec. 31, 2022	Increased by: Receipts	Increased by: Budget Appropriation	Decreased by: Expended	Balance Dec. 31, 2023
Accumulated Absences	$ 390,912.45		10,000.00	15,811.34	385,101.11
Affordable Housing Trust	372,339.13	233,394.02			605,733.15
Borough Beautification	68,149.85	49,050.00		20,957.00	96,242.85
DCA Training Fees - Due State of NJ	4,037.00	19,558.00		16,474.00	7,121.00
Employment of Borough Employees	20,322.61	18,625.00		28,661.08	10,286.53
Fire Penalties - Non-Dedicated	57,120.12	5,960.00		(7,828.19)	70,908.31
Fire Prevention	14,524.16	3,950.00			18,474.16
Marriage License Fees Due to State	275.00	175.00		300.00	150.00
Parking Offense Adjudication Act	5,770.33	412.00			6,182.33
Planning and Zoning Escrow	48,583.74	38,263.00		29,893.00	56,953.74
Police Forfeited Funds	3,261.76	82.19			3,343.95
Premiums Received at Tax Sale	217,900.00	122,400.00		163,100.00	177,200.00
Recreation Commission	78,803.28	266,046.45		240,682.92	104,166.81
Arts Pavilion		2,000.00			2,000.00
Capital Donation		8,000.00			8,000.00
Retiree Life Insurance	172,500.00				172,500.00
Snow Removal Trust	8,666.88				8,666.88
Street Paving	64,093.93	58,140.00		55,441.25	66,792.68
Streets Openings - Maintenance Surety	25,870.00				25,870.00
Streets Openings - Performance Surety	20,650.00				20,650.00
Third Party Construction Inspections	117,762.60	232,530.00		214,206.00	136,086.60
Third Party Lien Redemptions		72,157.88		72,157.88	(0.00)
Tourism Development Commission	80,829.09	45,705.00		69,755.00	56,779.09
Unclaimed Funds - Police	1,592.92	335.23		1,592.92	335.23
Unemployment Compensation Insurance	84,134.57		10,000.00	33,687.07	60,447.50
	$ 1,858,099.42	1,176,783.77	20,000.00	954,891.27	2,099,991.92
			Encumbered	11,085.00	
			Cash Disbursed	943,806.27	
				954,891.27	

The Accompanying Notes To The Financial Statements Are An Integral Part of This Statement

GENERAL CAPITAL FUND
SCHEDULE OF CASH - TREASURER

	Ref.			
Balance December 31, 2022			$	1,964,477.85
Increased by:				
Budget Appropriations:				
Capital Improvement Fund		150,000.00		
Bond Anticipation Notes		9,500,000.00		
Premium Received at Note Sale		65,170.00		
DOT Grants		274,582.50		
Fire Company Contribution		50,000.00		
				10,039,752.50
				12,004,230.35
Decreased by:				
Improvement Authorizations		7,613,594.38		
Anticipated as a Revenue in 2020 Budget;				
Capital Fund Balance		260,000.00		
				7,873,594.38
Balance December 31, 2023			$	4,130,635.97

See Accompanying Auditor's Report

Exhibit C - 3

GENERAL CAPITAL FUND
ANALYSIS OF CASH

		Balance Dec. 31, 2022	Receipts: Miscellaneous	Receipts: Debt Issued	Disbursements: Improvement Authorizations	Disbursements: Miscellaneous	Transfers: From	Transfers: To	Balance Dec. 31, 2023
Fund Balance		$ 633,706.93	65,170.00			260,000.00		9,659.13	448,536.06
Capital Improvement Fund		657,690.21	150,000.00				477,500.00	49,658.13	379,848.34
Reserve for Encumbrances		3,546,189.29			3,546,189.29			5,133,872.07	5,133,872.07
DOT Grant Receivable		(196,025.00)	274,582.50				170,085.00		(91,527.50)
Improvement Authorizations:									
1267	Various Improvements	3,780.58					3,780.58		-
1268	Newark Avenue Reconstruction	3,039.25					3,039.25		-
1299	Various Improvements								
	A. Road and Drainage Improvement	11,826.31			(112.50)		6,339.24		5,599.57
	B. Beach and Bay Improvments	4,492.10			(315.00)		4,807.10		-
	C. Improvements to Public Buildings	39,618.16			77,503.44		1,366.65		(39,251.93)
	D. Improvements to Recreation and Parks	4,852.03			-		4,852.03		-
1318	Pacific Ave	81,410.31		-	3,442.83			40,555.50	118,522.98
1323	Acquisition of 5900 NJ Avenue	21,749.00					21,749.00		-
1338	Volunteer Fire Company Radios	(89,512.45)	50,000.00						(39,512.45)
1341	A. Road Improvements	25,185.52			(143,833.68)		168,958.68		60.52
	B. Beach and Bay Improvements	4,136.66			(13,641.19)		13,641.19		4,136.66
	C. Public Building and Property	172,000.00			38,586.88		31,902.50		101,510.62
	D. Recreation Improvements	211,775.38			26,530.47		2,500.00		182,744.91
1345	Municipal Building Improvements	10,866.25			(7,655.40)		7,525.00		10,996.65
1357	Acquisistion of Real Property	20,945.00					20,945.00		-
1370	Various Improvements	(3,428,391.98)		5,500,000.00	1,446,322.70		1,683,290.57		(1,058,005.25)
1387	Acquisistion of Real Property	144.30			-		144.30		-
1388	Various Improvements	225,000.00		4,000,000.00	2,156,580.29		653,782.52		1,414,637.19
1400	Various Improvements				93,355.00		2,450,262.47	422,585.00	(2,121,032.47)
1411	Various Improvements				390,641.25		154,858.75	225,000.00	(320,500.00)
		$ 1,964,477.85	539,752.50	9,500,000.00	7,613,594.38	260,000.00	5,881,329.83	5,881,329.83	4,130,635.97

See Accompanying Auditor's Report

GENERAL CAPITAL FUND
SCHEDULE OF CAPITAL IMPROVEMENT FUND

	Ref.			
Balance December 31, 2022			$	657,690.21
Increased by:				
Current Fund Budget Appropriation		150,000.00		
Funded Improvement Authorizations Canceled		49,658.13		
				199,658.13
				857,348.34
Decreased by:				
Appropriation to Finance Improvement Authorization		477,500.00		
				477,500.00
Balance December 31, 2023			$	379,848.34
Capital Improvement Fund				379,848.34
Down Payment on Improvements				
				379,848.34

See Accompanying Auditor's Report

GENERAL CAPITAL FUND
SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - FUNDED

	Ref.		
Balance December 31, 2022			$ 26,145,067.70
Increased by:			
None			
			-
			26,145,067.70
Decreased by:			
Serial Bonds Paid by Operating Budget		2,585,000.00	
NJEIT Loans Paid by Operating Budget		742,729.17	
			3,277,214.36
Balance December 31, 2023			$ 22,867,853.34

See Accompanying Auditor's Report

GENERAL CAPITAL FUND
SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED

							Analysis of Balance		
Ord #	Improvement Description	Balance Dec. 31, 2022	2023 Authorizations	Funds Received	Canceled	Balance Dec. 31, 2023	Bond Anticipation Notes	Expenditures	Unexpended Improvement Authorizations
1299	Various Improvements	$ 95,000.00			49,690.63	45,309.37		39,251.93	6,057.44
1318	Pacific Ave	313,062.62				313,062.62			313,062.62
1338	Volunteer Fire Radios	97,500.00			7,987.55	89,512.45		89,512.45	-
1341	Various Improvements	4,111.50				4,111.50			4,111.50
1370	Various Improvements	6,772,445.25				6,772,445.25	5,500,000.00	1,058,005.25	214,440.00
1388	Various Improvements	4,275,000.00		50,000.00		4,225,000.00	4,000,000.00		225,000.00
1400	Various Improvements		6,177,415.00			6,177,415.00		2,121,032.47	4,056,382.53
1411	Various Improvements		4,275,000.00			4,275,000.00		320,500.00	3,954,500.00
		$ 11,557,119.37	10,452,415.00	50,000.00	57,678.18	21,901,856.19	9,500,000.00	3,628,302.10	8,773,554.09

Improvement Authorizations Unfunded		10,238,191.28
Less:		
Unexpended Proceeds of Bond Anticipation Notes Issued:		
Ord. Number		
1388	$ 1,464,637.19	
		1,464,637.19
		$ 8,773,554.09

See Accompanying Auditor's Report

Exhibit C - 7

GENERAL CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

Ord #	Improvement Description	Ord. Date	Amount	Balance December 31, 2022 Funded	Balance December 31, 2022 Unfunded	Authorizations Other Funding	Authorizations Deferred Future Taxation	Cancelled/ Adjustment	Paid/Charged	Balance December 31, 2023 Funded	Balance December 31, 2023 Unfunded
1267	Various Vehicles and Equipment		440,000.00	$ 3,780.58				(3,780.58)		-	
1268	Various Improvements to Facilities	2/21/2018	187,500.00	3,039.25				(3,039.25)		-	
1299	Various Improvements										
	A. Road and Drainage Improvement	2019	2,510,000.00	11,826.31					6,226.74	5,599.57	
	B. Beach and Bay Improvments		402,000.00	4,492.10				(4,807.10)	(315.00)	-	
	C. Improvements to Public Buildings		603,000.00	39,618.16	95,000.00			(49,690.63)	78,870.09	-	6,057.44
	D. Improvements to Recreation and Parks		585,000.00	4,852.03				(4,852.03)		-	
1318	Pacific Ave Improvements	2019	6,000,000.00	81,410.31	313,062.62				(37,112.67)	118,522.98	313,062.62
1323	Acquisition of 5900 NJ Avenue	2020	400,000.00	21,749.00				(21,749.00)		-	
1338	Volunteer Fire Company Radios	2020	250,000.00		7,987.55			(7,987.55)			-
1341	A. Road Improvements	2020	2,400,000.00	25,185.52					25,125.00	60.52	
	B. Beach and Bay Improvements		1,800,000.00	4,136.66					0.00	4,136.66	
	C. Public Building and Property		200,000.00	172,000.00					70,489.38	101,510.62	
	D. Recreation Improvements		900,000.00	211,775.38	4,111.50				29,030.47	182,744.91	4,111.50
1345	Municipal Building Improvements	2/10/2021	1,600,000.00	10,866.25					(130.40)	10,996.65	
1357	Acquisition of Real Property	5/12/2021	400,000.00	20,945.00				(20,945.00)		-	
1370	Various Improvements	2/16/2022	7,500,000.00		3,344,053.27				3,129,613.27		214,440.00
1387	Acquisistion of Real Property	10/26/2022	202,000.00	144.30				(144.30)		(0.00)	
1388	Various Improvements	11/22/2022	4,500,000.00	225,000.00	4,275,000.00				2,810,362.81		1,689,637.19
1400	Various Improvements	4/21/2023	6,600,000.00			422,585.00	6,177,415.00		2,543,617.47		4,056,382.53
1411	Various Improvements	10/13/2023	4,500,000.00			225,000.00	4,275,000.00		545,500.00		3,954,500.00
				$ 840,820.85	8,039,214.94	647,585.00	10,452,415.00	(116,995.44)	9,201,277.16	423,571.91	10,238,191.28

NJDOT Grant Receivable	170,085.00
Capital Improvement Fund	477,500.00
	647,585.00

Deferred Charges to Future Taxation	(57,678.18)
Capital Improvement Fund	(49,658.13)
Fund Balance	(9,659.13)
	(116,995.44)

Cash Disbursed	7,613,594.38
Encumbrances Payable	5,133,872.07
Prior Year Encumbrances Cancelled	(3,546,189.29)
	9,201,277.16

See Accompanying Auditor's Report

GENERAL CAPITAL FUND
SCHEDULE OF GENERAL SERIAL BONDS

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding December 31, 2023 Date		Amount	Interest Rate	Balance Dec. 31, 2022	Decreased	Balance Dec. 31, 2023
General Improvement	8/27/2014	8,530,000	2024		950,000.00	2.125%	$ 1,890,000.00	940,000.00	950,000.00
General Bonds of 2019	10/15/2019	6,320,000	2024		650,000.00	4.000%	5,225,000.00	675,000.00	4,550,000.00
			2025		650,000.00	4.000%			
			2026		650,000.00	4.000%			
			2027		650,000.00	4.000%			
			2028		650,000.00	2.000%			
			2029		650,000.00	2.000%			
			2030		650,000.00	2.000%			
Refunding Bonds of 2019	11/1/2019	5,225,000	2024	(1)	60,000.00	2.000%	1,495,000.00	555,000.00	940,000.00
			2025	(1)	65,000.00	2.000%			
			2026	(1)	65,000.00	2.000%			
			2027	(1)	65,000.00	2.000%			
			2028	(1)	65,000.00	2.000%			
			2029	(1)	70,000.00	2.000%			
			2030	(2)	70,000.00	4.000%			
			2031	(2)	70,000.00	4.000%			
			2032	(2)	75,000.00	4.000%			
			2033	(3)	80,000.00	4.000%			
			2034	(3)	80,000.00	4.000%			
			2035	(3)	85,000.00	4.000%			
			2036	(3)	90,000.00	4.000%			

(1) = Term Bond Mandatory Sinking Fund $390,000.00 due 2029.
(2) = Term Bond Mandatory Sinking Fund $215,000.00 due 2032.
(3) = Term Bond Mandatory Sinking Fund $335,000.00 due 2036.

See Accompanying Auditor's Report

GENERAL CAPITAL FUND
SCHEDULE OF GENERAL SERIAL BONDS

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding December 31, 2023 Date	Amount	Interest Rate	Balance Dec. 31, 2022	Decreased	Balance Dec. 31, 2023
General Obligation Bonds	9/29/2022	9,465,000	9/15/24	825,000.00	5.000%	9,465,000.00	415,000.00	9,050,000.00
			9/15/25	825,000.00	5.000%			
			9/15/26	825,000.00	5.000%			
			9/15/27	825,000.00	5.000%			
			9/15/28	825,000.00	5.000%			
			9/15/29	825,000.00	5.000%			
			9/15/30	820,000.00	4.000%			
			9/15/31	820,000.00	3.000%			
			9/15/32	820,000.00	3.125%			
			9/15/33	820,000.00	3.250%			
			9/15/34	820,000.00	3.375%			
						$ 18,075,000.00	2,585,000.00	15,490,000.00

See Accompanying Auditor's Report

GENERAL CAPITAL FUND
SCHEDULE OF NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST LOAN PAYABLE

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding Balance December 31, 2023 Date	Amount	Interest Rate	Balance Dec. 31, 2022	Decreased	Loan Forgivenes	Balance Dec. 31, 2023
NJ Environ. Infrastructure Trust									
Series 2010- Fund Loan	3/10/2010	$ 3,476,677	2/1/24	58,926.72	0.000%	$ 1,237,461.51	176,780.17		1,060,681.34
			8/1/24	117,853.45	0.000%				
			2/1/25	58,926.72	0.000%				
			8/1/25	117,853.45	0.000%				
			2/1/26	58,926.72	0.000%				
			8/1/26	117,853.45	0.000%				
			2/1/27	58,926.72	0.000%				
			8/1/27	117,853.45	0.000%				
			2/1/28	58,926.72	0.000%				
			8/1/28	117,853.45	0.000%				
			2/1/29	58,926.72	0.000%				
			8/1/29	117,853.77	0.000%				
NJ Environ. Infrastructure Trust									
Series 2010A- Trust Loan	3/10/2010	$ 1,135,000	8/1/24	67,000.00	4.000%	499,574.84	62,000.00	(574.84)	437,000.00
			8/2/25	66,000.00	4.000%				
			8/1/26	71,000.00	3.500%				
			8/1/27-28	76,000.00	4.000%				
			8/1/29	81,000.00	4.000%				

See Accompanying Auditor's Report

GENERAL CAPITAL FUND
SCHEDULE OF NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST LOAN PAYABLE

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding Balance December 31, 2023 Date	Amount	Interest Rate	Balance Dec. 31, 2022	Decreased	Loan Forgivenes	Balance Dec. 31, 2023
NJ Environ. Infrastructure Trust									
NJ Ave 2015 Fund Loan	2015	$ 7,010,031	2024	368,949.00	0.000%	4,254,121.00	368,949.00		3,885,172.00
			2025	368,949.00	0.000%				
			2026	368,949.00	0.000%				
			2027	368,949.00	0.000%				
			2028	368,949.00	0.000%				
			2029	368,949.00	0.000%				
			2030	368,949.00	0.000%				
			2031	368,949.00	0.000%				
			2032	368,949.00	0.000%				
			2033	368,949.00	0.000%				
			2034	195,682.00	0.000%				
NJ Environ. Infrastructure Trust									
NJ Ave 2015 Trust Loan	2015	$ 2,878,859	2024	145,000.00	5.000%	2,078,910.35	135,000.00	51,089.65	1,995,000.00
			2025	150,000.00	5.000%				
			2026	160,000.00	5.000%				
			2027	165,000.00	4.000%				
			2028	175,000.00	4.000%				
			2029	180,000.00	4.000%				
			2030	190,000.00	4.000%				
			2031	195,000.00	4.000%				
			2032	205,000.00	4.000%				
			2033	210,000.00	4.000%				
			2034	220,000.00	4.000%				
						$ 8,070,067.70	742,729.17	50,514.81	7,377,853.34

See Accompanying Auditor's Report

GENERAL CAPITAL FUND
SCHEDULE OF BOND ANTICIPATION NOTES

Improvement Description	Ordinance Number	Date of Original Issue	Date of Issue	Date of Maturity	Interest Rate	Balance Dec. 31, 2022	Increased	Decreased	Balance Dec. 31, 2023
Various Improvements	1370	8/8/2023	8/8/2023	8/8/2024	4.25%	$	5,500,000.00		5,500,000.00
Various Improvements	1388	8/8/2023	8/8/2023	8/8/2024	4.25%		4,000,000.00		4,000,000.00
						$ -	9,500,000.00	-	9,500,000.00

GENERAL CAPITAL FUND
SCHEDULE OF BOND AND NOTES AUTHORIZED BUT NOT ISSUED

Ordinance Number	Improvement Description	Balance Dec. 31, 2022	2023 Authorizations	Bonds Issued	Other	Balance Dec. 31, 2023
1299	Various Improvements	$ 95,000.00			(49,690.63)	45,309.37
1318	Pacific Avenue	313,062.62				313,062.62
1338	Volunteer Fire Radios	97,500.00			(57,987.55)	39,512.45
1341	Various Improvements	4,111.50				4,111.50
1370	Various Improvements	6,772,445.25		5,500,000.00		1,272,445.25
1388	Various Improvements	4,275,000.00		4,000,000.00		275,000.00
1400	Various Improvements		6,177,415.00			6,177,415.00
1411	Various Improvements		4,275,000.00			4,275,000.00
		$ 11,557,119.37	10,452,415.00	9,500,000.00	(107,678.18)	12,401,856.19

Cancelled Improvement Authorizations	$ 57,678.18
Fire Company Contribution	50,000.00
	$ 107,678.18

See Accompanying Auditor's Report

BOROUGH OF WILDWOOD CREST

PART II

LETTER OF COMMENTS AND RECOMMENDATIONS

YEAR ENDED DECEMBER 31, 2023

GENERAL COMMENTS

Contracts and Agreements Required to be Advertised for N.J.S. 40A:11-4

N.J.S. 40A:11-4 states "Every contract or agreement, for the performance of any work or the furnishing or hiring of any materials or supplies, the cost of 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 after public advertising for bids and bidding therefore, except as 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 $44,000, except by contract or agreement".

The governing body of the municipality has the responsibility of determining whether the expenditures of any category will exceed $44,000 within the fiscal year due to not having a Qualified Purchasing Agent. 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 indicated the following contracts were bid in 2023:

Beach Street End Public Access Improvements – Phase 2
Joseph Von Savage Memorial Pool HVAC Equipment Replacement
Beach Patrol Headquarter Renovations
Pool and Roof Improvements
Landscaping Services
Seaview Avenue Intersection Improvements
Reconstruction of Orchid Road

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

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

Our examination of expenditures did not reveal individual payments, contracts or agreements in excess of $44,000 "for the performance of any work 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. 40A:11-6.

Collection of Interest on Delinquent Taxes and Assessments

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

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

WHEREAS, N.J.S.A. 54:4-67 et seq. permits the governing body to fix the rate of interest to be charged for the nonpayment of taxes, sewer or other municipal charges.

NOW, THEREFORE, BE IT RESOLVED, by the governing body of the Borough of Wildwood Crest, the rate of interest on unpaid taxes and sewer shall be eight (8) percent per annum on the first one thousand five hundred dollars ($1,500.00) of delinquency and eighteen (18) percent per annum on any

GENERAL COMMENTS – Continued

amount in excess of one thousand five hundred dollars ($1,500.00) to be calculated from the date the tax, sewer or other municipal charges were payable until the date of actual payment. No interest shall be charged if payment is made on or before the tenth (10th) calendar day following the date upon which the same is payable.

BE IT FURTHER RESOLVED, in addition to the interest provided above, all delinquencies in excess of ten thousand dollars ($10,000.00) which are not paid prior to the end of the year will be subject to a year-end penalty of six (6) percent.

Delinquent Taxes and Tax Title Liens

The tax sale was held and was complete. There were no properties in bankruptcy as of December 31, 2023.

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

Year	Number of Liens
2023	0
2022	0
2021	0

Verification of Delinquent Taxes and Other Charges

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

Type	Number Mailed
Payment of 2023 and 2024 Taxes	10
Delinquent Taxes	5
Payment of Utility Charges	10
Delinquent Utility Charges	5

Comparison of Tax Levies and Collections 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.

	Current		
Year	Tax Levy	Cash Collections	Percent of Collections
2023	$ 33,361,491	32,300,163	97.82%
2022	32,116,735	31,741,779	98.83%
2021	30,972,353	30,593,201	98.78%
2020	30,046,060	29,601,130	98.52%
2019	29,611,852	28,911,515	97.00%
2018	28,821,337	28,328,542	98.07%

GENERAL COMMENTS – Continued

Comparative Schedule of Tax Rate Information

	2023	2022	2021	2020	2019
Tax Rate	1.406	1.366	1.326	1.289	1.279
Apportionment of Tax Rate:					
Municipal	0.700	0.690	0.683	0.679	0.676
County	0.337	0.312	0.284	0.272	0.268
Local School	0.369	0.364	0.359	0.338	0.335
Assessed Valuation	2,362,582,500	2,345,000,000	2,330,670,500	2,322,564,210	2,302,497,100

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 five years.

Year	Amount of Tax Title Liens	Amount of Delinquent Taxes	Total Delinquent	Percentage Of Tax Levy
2023	$ -	373,900	373,900	1.12%
2022	-	355,694	355,694	1.11%
2021	-	373,188	373,188	1.20%
2020	-	374,139	374,139	1.25%
2019	-	668,964	668,964	2.26%
2018	-	510,264	510,264	1.77%

Uniform Construction Code

The Borough of Wildwood Crest construction code official is in compliance with uniform construction code rules NJAC 5:23.17(b)2 and NJAC 5:23.4.17(b)3.

FINDINGS AND RECOMMENDATIONS

NONE

Should any questions arise as to our audit please do not hesitate to contact me.

Ford, Scott & Associates, L.L.C.

FORD, SCOTT & ASSOCIATES, L.L.C.
CERTIFIED PUBLIC ACCOUNTANTS

Michael S. Garcia

Michael S. Garcia
Certified Public Accountant
Registered Municipal Accountant
No. 472

June 21, 2024