

**ANNUAL COMPREHENSIVE FINANCIAL REPORT**

**TOWNSHIP OF MILLSTONE**

**COUNTY OF MONMOUTH**

**FOR THE YEAR ENDED DECEMBER 31, 2023**

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**PART I**

# SAMUEL KLEIN AND COMPANY, LLP

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## INDEPENDENT AUDITORS' REPORT

The Honorable Mayor and Members  
of the Township Committee  
Township of Millstone  
County of Monmouth  
State of New Jersey

To the Honorable Mayor and Members of the Township Committee:

### Report on the Financial Statements

#### Opinions

We have audited the financial statements – regulatory basis of the various funds and account groups of the Township of Millstone, County of Monmouth, State of New Jersey as of December 31, 2023, and the related statement of operations and change in fund balance – regulatory basis for the year then ended, the related statement of revenues – regulatory basis, statement of expenditures – regulatory basis, and the related notes to the financial statements for the year then ended.

In our opinion, because of the significance of the matters discussed in the “Basis for Adverse Opinion on the United States 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 Township of Millstone, County of Monmouth, State of New Jersey as of December 31, 2023, and change in financial position thereof for the year then ended.

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

As described in Note 1 of the financial statements – regulatory basis, the financial statements are prepared by the Township on a basis of the financial reporting provisions of the regulatory basis of the accounting and budget laws of the Division of Local Government Services, Department of Community Affairs, State of New Jersey which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of the State of New Jersey.

## INDEPENDENT AUDITORS' REPORT (CONTINUED)

### Disclaimer of Opinion on Length of Service Award Program Fund ("LOSAP")

Due to the fact that we were not required by the Division to audit nor were we engaged to audit the LOSAP financial statements as part of our audit of the Township's financial statements, we do not express an opinion of the LOSAP financial statements.

### Opinion on Regulatory Basis of Accounting

In our opinion, except for the effects of such adjustments, if any, as might have been determined to be necessary had the LOSAP financial statements – regulatory basis been audited, the financial statements referred to above present fairly, in all material respects the financial statements – regulatory basis of the various funds and account groups of the Township of Millstone, County of Monmouth, State of New Jersey, as of December 31, 2023, and the results of its operations and change in fund balance of such funds – regulatory basis for the year then ended, and the revenues, regulatory basis, expenditures – regulatory basis of the various funds and account groups for the year ended December 31, 2023 in conformity with accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note 1.

### Basis for Disclaimer of Opinion on Length of Service Award Program Fund ("LOSAP")

As discussed in Note 1, the financial statements of the Length of Service Award Program Fund ("LOSAP") have not been audited, and we were not required by the Division to audit nor were we engaged to audit the LOSAP financial statements as part of our audit of the Township's financial statements. The LOSAP financial activities are included in the Township's Trust Fund, and represent 3.55% of the assets and liabilities of the Township's Trust Funds as of December 31, 2023.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements – regulatory basis, in accordance with accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements – regulatory basis as a whole are free from material misstatements, 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 generally accepted auditing standards, *Government Auditing Standards* and auditing standards prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

## INDEPENDENT AUDITORS' REPORT (CONTINUED)

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements – regulatory basis, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Township of Millstone, State of New Jersey'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 – regulatory basis.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Township of Millstone, State of New Jersey's ability to continue as a going concern for a reasonable period of time.

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

### Other Matters

Accounting principles generally accepted in the United States of America require that pension plan information, including the Notes thereto, (Required Supplementary Information – RSI Schedules), as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

## INDEPENDENT AUDITORS' REPORT (CONTINUED)

### Other Information

Our audit was performed for the purpose of forming an opinion on the financial statements of the Township of Millstone, County of Monmouth, New Jersey. The information included Combining and Individual Funds and Account Statements as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the financial statements of the Township of Millstone, County of Monmouth, New Jersey. The information included in the Combining and Individual Funds and Account Statements are the responsibility of management and were derived from and related directly to the underlying accounting and other records used to prepare the financial statements.

The information has been subjected to auditing procedures applied in the audit of the financial statements – regulatory basis and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements, or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements – regulatory basis taken as a whole.

The information contained in the Statistical Section have not been subjected to auditing procedures applied in the audit of the financial statements – regulatory basis and, accordingly, we do not express an opinion, or provide any assurance on them.

### Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 6, 2025, on our consideration of the Township of Millstone'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 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 Township of Millstone's internal control over financial reporting and compliance.



Gerard Stankiewicz  
Certified Public Accountant  
Registered Municipal Accountant #431



SAMUEL KLEIN AND COMPANY, LLP

Freehold, New Jersey  
February 6, 2025



# SAMUEL KLEIN AND COMPANY, LLP

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

The Honorable Mayor and Members  
of the Township Committee  
Township of Millstone  
County of Monmouth  
State of New Jersey

To the Honorable Mayor and Members of the Township Committee:

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the financial statements – regulatory basis of the Township of Millstone (herein referred to as “the Township”), as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Township’s financial statements – regulatory basis, and have issued our report thereon dated February 6, 2025.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements – regulatory basis, we considered the Township’s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Township’s internal control. Accordingly, we do not express an opinion on the effectiveness of the Township’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.

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

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, with the exception of the general ledger for the Current and General Capital Funds, which required several adjusting journal entries to correct balances to agree with the detail actual balance. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Township's financial statements - regulatory basis are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance 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 result of that testing, and not to provide an opinion on the effectiveness of the Township of Millstone'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 Township of Millstone's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Gerard Stankiewicz  
Certified Public Accountant  
Registered Municipal Accountant #431



SAMUEL KLEIN AND COMPANY, LLP

Freehold, New Jersey  
February 6, 2025

**FINANCIAL STATEMENTS**

**CURRENT FUND**

**TOWNSHIP OF MILLSTONE  
CURRENT FUND  
STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND  
FUND BALANCE - REGULATORY BASIS  
DECEMBER 31, 2023 AND 2022**

ASSETS	REFERENCE	2023	2022
<b>Regular Fund:</b>			
Cash - Treasurer	A-4	\$ 18,094,702.13	\$ 17,387,426.48
Change Funds	A-6	1,000.00	1,000.00
Investment in General Capital - BAN	C	825,550.00	825,550.00
Due from State of New Jersey - Senior Citizen & Veteran Deductions	A-7	2,000.00	1,500.00
<b>Total</b>		<u>18,923,252.13</u>	<u>18,215,476.48</u>
<b>Receivables &amp; Other Assets With Full Reserves:</b>			
Delinquent Property Taxes Receivable	A-8	554,149.63	507,670.69
Tax Title Liens Receivable	A-9	330,625.93	316,170.11
<b>Interfunds Receivable:</b>			
Due from Trust Other	B	-	1,023.80
Due From General Capital Fund	C	21,805.00	
Revenue Accounts Receivable	A-10	2,860.42	2,671.40
<b>Total Receivable &amp; Other Assets With Full Reserves</b>		<u>909,440.98</u>	<u>827,536.00</u>
<b>Total Regular Fund</b>		<u>19,832,693.11</u>	<u>19,043,012.48</u>
<b>Grant Fund:</b>			
Cash	A-4	337,367.11	530,779.69
Interfund Receivable -		-	-
Due From Current Fund	A	6,084.10	
Grants Receivable	A-22	15,839.80	20,695.82
<b>Total Grants</b>		<u>359,291.01</u>	<u>551,475.51</u>
		<u>\$ 20,191,984.12</u>	<u>\$ 19,594,487.99</u>

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

**TOWNSHIP OF MILLSTONE  
CURRENT FUND  
STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND  
FUND BALANCE - REGULATORY BASIS  
DECEMBER 31, 2023 AND 2022**

LIABILITIES, RESERVES & FUND BALANCE	REFERENCE	2023	2022
<b>Regular Fund:</b>			
Liabilities:			
Appropriation Reserves	A-3/A-11	\$ 372,465.85	\$ 247,905.98
Accounts Payable	A-19	13,738.32	12,553.46
Unallocated Receipts	A-4	5,860.14	
Interfunds Payable:			
Due to Trust Other Municipal Open Space Reserve	A-17	137,448.70	8,943.76
Due To Grant Fund	A	6,084.10	
Due to Trust Other- COAH	B	80,711.08	
Due to State of New Jersey -			
Construction Fees	A-18	23,887.00	17,583.00
Reserve for Encumbrances	A-3/A-11	242,573.93	240,575.31
Reserve for Municipal Relief Fund - Unappropriated	A-4	85,691.64	42,855.02
Prepaid Taxes	A-12	329,843.77	331,594.21
Tax Overpayments	A-13	2,479.97	3,236.01
Due County for Added & Omitted Taxes	A-15	207,323.21	43,683.07
Local District School Tax Payable	A-16	<u>12,672,858.50</u>	<u>12,087,088.00</u>
<b>Total Liabilities</b>		<u>14,180,966.21</u>	<u>13,036,017.82</u>
Reserve for Receivables & Other Assets	A	909,440.98	827,536.00
Fund Balance	A-1	<u>4,742,285.92</u>	<u>5,179,458.66</u>
<b>Total Regular Fund</b>		<u>19,832,693.11</u>	<u>19,043,012.48</u>
<b>Grant Fund:</b>			
Reserve for Encumbrance	A-23	1,966.65	348.90
Reserve for Grants:			
Appropriated	A-23	113,041.50	62,887.65
Unappropriated	A-24	<u>244,282.86</u>	<u>488,238.96</u>
<b>Total Grant Fund</b>		<u>359,291.01</u>	<u>551,475.51</u>
<b>Total Liabilities, Reserves &amp; Fund Balance</b>		<u>\$ 20,191,984.12</u>	<u>\$ 19,594,487.99</u>

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

**TOWNSHIP OF MILLSTONE  
CURRENT FUND  
STATEMENTS OF OPERATIONS AND CHANGES IN  
FUND BALANCE - REGULATORY BASIS  
DECEMBER 31, 2023 AND 2022**

	2023	2022
Revenue & Other Income Realized:		
Fund Balance Utilized	\$ 3,000,000.00	\$ 1,300,000.00
Miscellaneous Revenue Anticipated	2,880,424.50	2,943,504.97
Receipts From Delinquent Taxes	507,465.45	457,009.79
Receipts from Current Taxes	49,101,850.85	46,086,063.69
Nonbudget Revenue	29,833.00	72,406.54
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	268,495.28	376,883.31
Cancellation of Prior Year Payable	6,284.56	325.00
Cancellation of Prior Year Due to State	2,071.00	-
	<u>55,796,424.64</u>	<u>51,236,193.30</u>
Total Income		
Expenditures:		
Budget Appropriations:		
Operations Within "CAPS":		
Salaries and Wages	2,048,600.00	1,935,200.00
Other Expenses	2,608,150.00	2,550,903.00
Deferred Charges & Statutory Expenditures - Municipal	332,585.00	319,816.00
Operations Excluded from "CAPS":		
Salaries and Wages	18,200.00	18,200.00
Other Expenses	357,700.73	325,524.32
Municipal Debt Service	2,343,488.65	2,005,323.50
Capital Improvements	1,590,000.00	350,000.00
Deferred Charges & Statutory Expenditures		6,404.00
County Taxes	5,687,320.97	5,596,457.97
County for Added and Omitted Taxes	207,323.21	43,682.75
Local District School Taxes	34,345,717.00	30,674,176.00
Municipal Open Space Tax	1,200,306.59	1,157,964.35
Fire District Taxes	2,433,070.00	2,274,201.00
Refund Prior Year Revenue	39,330.23	118.37
Interfund Advance	21,805.00	-
Miscellaneous Charge		19,862.59
	<u>53,233,597.38</u>	<u>47,277,833.85</u>
Total Expenditures		
Excess in Revenue	2,562,827.26	3,958,359.45
Fund Balance January 1	<u>5,179,458.66</u>	<u>2,521,099.21</u>
	7,742,285.92	6,479,458.66
Decreased by:		
Utilized as Anticipated Revenue	<u>3,000,000.00</u>	<u>1,300,000.00</u>
Fund Balance December 31	<u>\$ 4,742,285.92</u>	<u>\$ 5,179,458.66</u>

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

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

	ADOPTED BUDGET	ADDED BY N.J.S.40A:4-87	REALIZED	EXCESS (DEFICIT)
Surplus Anticipated	\$ 3,000,000.00	\$ -	\$ 3,000,000.00	\$ -
<b>Local Revenues:</b>				
Fees & Permits	64,500.00	-	63,902.47	(597.53)
Municipal Court	30,000.00	-	33,198.28	3,198.28
Interest on Costs & Taxes	101,500.00	-	133,930.38	32,430.38
Interest on Investments & Deposits	138,000.00	-	486,371.22	348,371.22
Telecommunications Tower Lease	64,000.00	-	67,150.32	3,150.32
Verizon Franchise Fees	56,488.27	-	56,488.27	-
	<u>454,488.27</u>	<u>-</u>	<u>841,040.94</u>	<u>386,552.67</u>
<b>State Aid:</b>				
Energy Receipts Tax	827,225.00	-	827,225.00	-
Garden State Trust Fund	20,207.00	-	24,884.00	4,677.00
Municipal Relief Aid	42,855.02	-	42,855.02	-
	<u>890,287.02</u>	<u>-</u>	<u>894,964.02</u>	<u>4,677.00</u>
<b>Dedicated Uniform Construction Codes- Offset with Appropriations:</b>				
Uniform Construction Code Fees	571,000.00	-	672,569.00	101,569.00
	<u>571,000.00</u>	<u>-</u>	<u>672,569.00</u>	<u>101,569.00</u>
<b>Shared Services Agreement Offset with Appropriations:</b>				
Roosevelt Court Fees	6,000.00	-	6,000.00	-
	<u>6,000.00</u>	<u>-</u>	<u>6,000.00</u>	<u>-</u>
<b>Public &amp; Private Revenues Offset with Appropriations:</b>				
Recycling Tonnage Grant	15,371.12		15,371.12	-
Clean Communities Program		45,670.19	45,670.19	-
Stormwater Assistance Grant	15,000.00		15,000.00	-
DMHAS Youth Leadership Grant	-	3,403.78	3,403.78	-
Municipal Alliance Grant		9,990.00	9,990.00	-
Sustainable Jersey Grant		2,000.00	2,000.00	-
National Opiod Settlement		3,422.70	3,422.70	-
	<u>30,371.12</u>	<u>64,486.67</u>	<u>94,857.79</u>	<u>-</u>
<b>Other Special Items:</b>				
Cable Franchise Fees	84,429.00		84,429.00	-
General Capital Fund Balance	21,805.00		21,805.00	-
American Rescue Plan	244,120.00	-	244,120.00	-
Interest on Bond Anticipation Note Investments	20,638.75	-	20,638.75	-
	<u>370,992.75</u>	<u>-</u>	<u>370,992.75</u>	<u>-</u>
Total Revenues	<u>2,323,139.16</u>	<u>64,486.67</u>	<u>2,880,424.50</u>	<u>492,798.67</u>
Receipts from Delinquent Taxes	400,000.00	-	507,465.45	107,465.45
Amount to be Raised by Taxes for Support of Municipal	<u>4,293,015.39</u>	<u>-</u>	<u>6,010,029.84</u>	<u>1,717,014.45</u>
Budget Totals	10,016,154.55	64,486.67	12,397,919.79	2,317,278.57
Nonbudget Revenue	<u>-</u>	<u>-</u>	<u>29,833.00</u>	<u>29,833.00</u>
Total	<u>\$ 10,016,154.55</u>	<u>\$ 64,486.67</u>	<u>\$ 12,427,752.79</u>	<u>\$ 2,347,111.57</u>

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



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

**ANALYSIS OF REALIZED REVENUE**

Allocation of Current Tax Collections:	
Revenue From Collections	\$ 49,101,850.85
Allocated to School, County, Fire District & Local Open Space Taxes	<u>43,873,737.75</u>
Balance of Support of Municipal Budget Appropriations	5,228,113.10
Add: Appropriation "Reserve for Uncollected Taxes"	<u>781,916.74</u>
Amount for Support of Municipal Budget Appropriations	<u>\$ 6,010,029.84</u>
Receipts from Delinquent Taxes:	
Delinquent Tax Collections	<u>507,465.45</u>
Total Receipts from Delinquent Taxes	<u>\$ 507,465.45</u>

**ANALYSIS OF NONBUDGET REVENUE**

Treasurer:	
Liquor License	\$ 10,000.00
Conv. Fee	5,026.00
Field Rental Permits	1,250.00
Paperwork Fees	4.00
Recycling Coordinator	200.00
Reimbursements	125.00
Sale of Equipment	1,351.00
Tax Premium	100.00
TRF Reserve Balance Closeout	11,040.10
Scrap Metal Recycling	286.80
Return Check Fees	450.00
Test for New Acc. Wire	<u>0.10</u>
Total	<u>\$ 29,833.00</u>

**ANALYSIS OF MISCELLANEOUS REVENUE**

Local - Fees & Permits	\$ 64,002.47
Less Refunded	<u>100.00</u>
Realized	<u>\$ 63,902.47</u>
Uniform Construction Fees	
Less:	\$ 674,854.00
Refunded	\$ 1,853.00
Accrued	<u>432.00</u>
	<u>2,285.00</u>
Realized	<u>\$ 672,569.00</u>

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

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

	APPROPRIATIONS		EXPENDED			
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	ENCUMBERED	RESERVED	CANCELLED
<b>GENERAL GOVERNMENT:</b>						
Mayor & Township Committee:						
Salaries and Wages	\$ 38,000.00	\$ 38,000.00	\$ 37,750.00	\$ -	\$ 250.00	\$ -
Other Expenses	1,900.00	1,900.00	1,819.02	-	80.98	-
General Administration:						
Salaries and Wages	175,000.00	170,000.00	162,527.54	-	7,472.46	-
Other Expenses	76,000.00	76,000.00	59,515.86	8,606.32	7,877.82	-
Municipal Clerk:						
Salaries and Wages	71,000.00	71,000.00	70,257.20	-	742.80	-
Other Expenses	11,000.00	11,000.00	8,336.57	195.36	2,468.07	-
Financial Administration:						
Salaries and Wages	167,000.00	169,000.00	167,459.03	-	1,540.97	-
Other Expenses	63,800.00	63,800.00	44,039.28	13,655.96	6,104.76	-
Audit Services:						
Other Expenses	27,000.00	27,000.00	13,450.00	13,450.00	100.00	-
Collection of Taxes:						
Salaries and Wages	64,000.00	64,000.00	52,346.67	-	11,653.33	-
Other Expenses	11,300.00	11,300.00	6,036.93	213.75	5,049.32	-
Assessment of Taxes:						
Salaries and Wages	103,000.00	68,000.00	66,423.27	-	1,576.73	-
Other Expenses	8,400.00	38,400.00	35,288.95	2,020.00	1,091.05	-
Legal Services & Costs:						
Other Expenses	222,000.00	227,000.00	184,608.16	36,525.26	5,866.58	-
Engineering Services & Costs:						
Other Expenses	20,000.00	26,000.00	23,782.50	1,247.50	970.00	-
Historical Preservation Committee:						
Salaries and Wages	2,400.00	2,400.00	2,200.00	-	200.00	-
Other Expenses	8,600.00	8,600.00	1,979.20	6,554.65	66.15	-
Veterans Memorial Committee:						
Other Expenses	2,000.00	3,100.00	1,220.15	1,100.00	779.85	-
Open Space Farmland Preservation Council:						
Salaries and Wages	18,000.00	18,000.00	17,650.10	-	349.90	-
Other Expenses	6,300.00	6,300.00	3,126.22	-	3,173.78	-
Friends Group:						
Other Expenses	5,000.00	5,000.00	4,979.53	-	20.47	-
Agricultural:						
Other Expenses	6,200.00	6,200.00	3,307.29	-	2,892.71	-
<b>MUNICIPAL LAND USE LAW (N.J.S.40:55D-1)</b>						
Planning Board:						
Salaries and Wages	39,000.00	39,000.00	38,624.82	-	375.18	-
Other Expenses	20,000.00	20,000.00	10,396.74	1,083.00	8,520.26	-
Zoning Board of Adjustment:						
Salaries and Wages	39,000.00	39,000.00	38,625.08	-	374.92	-
Other Expenses	7,500.00	8,500.00	4,984.20	450.00	3,065.80	-
Affordable Housing (COAH Admin)	100.00	1,100.00	327.89	-	772.11	-
<b>INSURANCE:</b>						
Liability Insurance	163,000.00	163,000.00	157,626.86	-	5,373.14	-
Worker's Compensation Insurance	75,000.00	75,000.00	74,568.00	-	432.00	-
Employee Group Health Insurance	637,000.00	637,000.00	578,331.89	30,682.72	27,985.39	-
Employee Group Insurance Waiver	12,000.00	12,000.00	10,500.00	-	1,500.00	-
Unemployment Insurance	12,000.00	12,000.00	8,876.14	-	3,123.86	-

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

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

	APPROPRIATIONS		PAID OR CHARGED	EXPENDED		
	BUDGET	BUDGET AFTER MODIFICATION		ENCUMBERED	RESERVED	CANCELLED
<b>PUBLIC SAFETY FUNCTIONS</b>						
Emergency Management Service:						
Other Expenses	\$ 10,000.00	\$ 10,000.00		\$ 3,800.00	\$ 6,200.00	\$ -
<b>PUBLIC WORKS FUNCTIONS</b>						
Streets & Roads:						
Salaries and Wages	700,000.00	700,000.00	617,052.10	-	82,947.90	-
Other Expenses	125,000.00	125,000.00	100,273.41	17,026.83	7,699.76	-
Shade Tree Commission:						
Other Expenses	17,000.00	17,000.00	10,891.01	6,108.25	0.74	-
Sanitation:						
Salaries and Wages	51,000.00	51,000.00	49,918.75	-	1,081.25	-
Other Expenses	317,000.00	317,000.00	314,269.08	638.93	2,091.99	-
Buildings & Grounds:						
Salaries and Wages	41,800.00	41,800.00	39,712.38	-	2,087.62	-
Other Expense	80,000.00	87,000.00	64,456.29	14,738.39	7,805.32	-
Vehicle Maintenance:						
Other Expense	75,000.00	75,000.00	36,611.00	19,371.82	19,017.18	-
<b>HEALTH &amp; HUMAN SERVICES</b>						
Senior Transportation:						
Other Expenses	13,000.00	13,000.00	9,878.58	2,015.00	1,106.42	-
Environmental Commission:						
Salaries and Wages	2,400.00	2,400.00	2,400.00	-	-	-
Other Expenses	4,000.00	4,000.00	1,027.82	81.36	2,890.82	-
<b>PARKS &amp; RECREATION FUNCTIONS:</b>						
Recreation Commission:						
Salaries and Wages	62,000.00	62,000.00	61,799.92	-	200.08	-
Other Expenses	1,900.00	1,900.00	891.53	-	1,008.47	-
Maintenance of Parks:						
Other Expenses	23,000.00	28,000.00	10,152.05	17,552.00	295.95	-
<b>MUNICIPAL COURT OPERATIONS:</b>						
Municipal Court:						
Salaries and Wages	93,500.00	93,500.00	89,983.90	-	3,516.10	-
Other Expenses	18,000.00	18,000.00	7,486.13	2,557.58	7,956.29	-
Public Defender:						
Other Expenses	7,500.00	7,500.00	7,500.00	-	-	-
Municipal Prosecutor:						
Other Expenses	23,000.00	23,000.00	23,000.00	-	-	-
<b>EDUCATION FUNCTIONS:</b>						
Contribution to Municipal Library	250.00	250.00	250.00	-	-	-
<b>UTILITY EXPENSES:</b>						
Electricity	69,200.00	69,200.00	49,350.36	6,246.38	13,603.26	-
Street Lighting	97,500.00	100,500.00	91,091.22	7,543.65	1,865.13	-
Telephone	15,000.00	15,000.00	11,831.34	1,578.70	1,589.96	-
Natural Gas	36,000.00	36,000.00	19,702.88	8,215.70	8,081.42	-
Gasoline	60,000.00	55,000.00	29,302.29	5,698.58	19,999.13	-
<b>LANDFILL/SOLID WASTE DISPOSAL COSTS:</b>						
Landfill Tipping Fees						
Other Expenses	18,000.00	18,000.00	17,997.70	-	2.30	-

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

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

	APPROPRIATIONS		EXPENDED			
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	ENCUMBERED	RESERVED	CANCELLED
<b>Uniform Construction Code - Appropriations Offset by Dedicated Revenues (N.J.A.C.5:23-4.17):</b>						
State Uniform Construction Code:						
Construction:						
Salaries and Wages	\$ 350,000.00	\$ 350,000.00	\$ 325,721.91	\$ -	\$ 24,278.09	\$ -
Other Expenses:						
Direct Costs	190,000.00	173,900.00	133,073.84	4,823.54	36,002.62	-
Other Code Enforcement:						
Salaries and Wages	42,500.00	42,500.00	42,030.04	-	469.96	-
Other Expenses	700.00	700.00	135.00	139.00	426.00	-
<b>Total Operations Within "CAPS"</b>	<b>4,656,750.00</b>	<b>4,656,750.00</b>	<b>4,058,755.62</b>	<b>233,920.23</b>	<b>364,074.15</b>	<b>-</b>
Detail:						
Salaries and Wages	2,086,600.00	2,048,600.00	1,895,932.71	13,450.00	139,217.29	-
Other Expenses	2,570,150.00	2,608,150.00	2,162,822.91	220,470.23	224,856.86	-
<b>DEFERRED CHARGES &amp; STATUTORY EXPENDITURES</b>						
<b>MUNICIPAL - WITHIN "CAPS"</b>						
Statutory Expenditures:						
Contribution to:						
Public Employees' Retirement System	170,585.00	170,585.00	170,585.00	-	-	-
Social Security System (O.A.S.I.)	146,000.00	146,000.00	142,463.22	-	3,536.78	-
Defined Contribution Retirement Program	16,000.00	16,000.00	12,320.52	-	3,679.48	-
<b>Total Statutory Expenditures</b>	<b>332,585.00</b>	<b>332,585.00</b>	<b>325,368.74</b>	<b>-</b>	<b>7,216.26</b>	<b>-</b>
<b>Total General Appropriations Within "CAPS"</b>	<b>4,989,335.00</b>	<b>4,989,335.00</b>	<b>4,384,124.36</b>	<b>233,920.23</b>	<b>371,290.41</b>	<b>-</b>
<b>OPERATIONS EXCLUDED FROM "CAPS":</b>						
County of Monmouth- 911 Service	26,800.00	26,800.00	26,705.00	-	95.00	-
PERS	1,189.44	1,189.44	1,189.00	-	0.44	-
<b>SHARED SERVICE AGREEMENTS:</b>						
Municipal Court:						
Salaries and Wages	5,200.00	5,200.00	5,200.00	-	-	-
Other Expenses	800.00	800.00	665.00	135.00	-	-
Animal Control Services:						
Other Expenses	27,600.00	27,600.00	27,520.00	-	80.00	-
Vehicle Maintenance (County of Monmouth):						
Other Expenses	13,000.00	13,000.00	3,481.30	8,518.70	1,000.00	-
Interlocal Fire Department:						
Other Expenses	200,000.00	200,000.00	200,000.00	-	-	-
<b>PUBLIC AND PRIVATE PROGRAM OFFSET BY REVENUE</b>						
Municipal Alliance on Alcoholism & Drug Abuse:						
State Share	9,990.00	9,990.00	9,990.00	-	-	-
Township Share	2,497.50	2,497.50	2,497.50	-	-	-
Recycling Tonnage Grant	15,371.12	15,371.12	15,371.12	-	-	-
Storm Assistance Grant	15,000.00	15,000.00	15,000.00	-	-	-
Supplemental Fire Services Program	3,956.00	3,956.00	3,956.00	-	-	-
Sustainable Jersey Grant	2,000.00	2,000.00	2,000.00	-	-	-
Clean Communities Grant	45,670.19	45,670.19	45,670.19	-	-	-
DMHAS Youth Leadership Grant	3,403.78	3,403.78	3,403.78	-	-	-
2023 National Opioid Settlement Grant	3,422.70	3,422.70	3,422.70	-	-	-
<b>Total Operations</b>	<b>375,900.73</b>	<b>375,900.73</b>	<b>366,071.59</b>	<b>8,653.70</b>	<b>1,175.44</b>	<b>-</b>

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

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

	APPROPRIATIONS		EXPENDED			
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	ENCUMBERED	RESERVED	CANCELLED
Total Operations Including Contingent	\$ 375,900.73	\$ 375,900.73	\$ 366,071.59	\$ 8,653.70	\$ 1,175.44	\$ -
Detail:						
Salaries and Wages	5,200.00	18,200.00	8,681.30	8,518.70	1,000.00	-
Other Expenses	370,700.73	357,700.73	357,390.29	135.00	175.44	-
<b>CAPITAL IMPROVEMENTS:</b>						
Capital Improvement Fund	1,590,000.00	1,590,000.00	1,590,000.00	-	-	-
Total Capital Improvements	1,590,000.00	1,590,000.00	1,590,000.00	-	-	-
<b>MUNICIPAL DEBT SERVICE:</b>						
Payment of Bond Principal	1,620,000.00	1,620,000.00	1,620,000.00	-	-	-
Interest on Bonds	702,850.00	702,850.00	702,849.90	-	(0.00)	0.10
Interest on Notes	20,638.75	20,638.75	20,638.75	-	-	-
Total Municipal Debt Service	2,343,488.75	2,343,488.75	2,343,488.65	-	-	0.10
Subtotal General Appropriations	9,298,724.48	9,298,724.48	8,683,684.60	242,573.93	372,465.85	0.10
Reserve for Uncollected Taxes	781,916.74	781,916.74	781,916.74	-	-	-
<b>Total General Appropriations</b>	<b>\$ 10,080,641.22</b>	<b>\$ 10,080,641.22</b>	<b>\$ 9,465,601.34</b>	<b>\$ 242,573.93</b>	<b>\$ 372,465.85</b>	<b>\$ 0.10</b>
Budget	\$ 10,016,154.55					
Appropriation by 40A:4-87	64,486.67					
<b>Total</b>	<b>\$ 10,080,641.22</b>					
Reserve for Grants - Appropriated			\$ 94,857.79			
Reserve for Uncollected Taxes			781,916.74			
Due to Grant Fund			2,497.50			
Cash Disbursed			8,586,329.31			
<b>Total</b>			<b>\$ 9,465,601.34</b>			

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

**TRUST FUND**

**TOWNSHIP OF MILLSTONE  
TRUST FUND  
STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND  
FUND BALANCE - REGULATORY BASIS  
DECEMBER 31, 2023 AND 2022**

ASSETS	REFERENCE	2023	2022
<b>Animal Control Trust Fund:</b>			
Cash	B-1	\$ 6,044.32	\$ 8,909.14
Total Animal Control Trust Fund		<u>6,044.32</u>	<u>8,909.14</u>
<b>Other Funds:</b>			
Cash - Treasurer	B-1	5,933,145.94	5,447,579.43
Interfund Receivable - Due From Current Fund - COAH Interest	A	<u>80,711.08</u>	<u></u>
Total Other Funds		<u>6,013,857.02</u>	<u>5,447,579.43</u>
<b>Municipal Open Space Trust Fund:</b>			
Cash	B-1	3,081,096.01	6,368,615.82
Interfund Receivable - Due from Current Fund - Interest	B-9	137,448.70	
Grants Receivable	B-7	<u>1,194,056.57</u>	<u>1,194,056.57</u>
		<u>4,412,601.28</u>	<u>7,562,672.39</u>
<b>Length of Service Awards Program Fund LOSAP [<i>Unaudited</i>] :</b>			
Funds Held by Trustee	B-5	<u>383,805.63</u>	<u>402,547.61</u>
Total Assets		<u>\$ 10,816,308.25</u>	<u>\$ 13,421,708.57</u>

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

**TOWNSHIP OF MILLSTONE  
TRUST FUND  
STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND  
FUND BALANCE - REGULATORY BASIS  
DECEMBER 31, 2023 AND 2022**

LIABILITIES, RESERVES & FUND BALANCE	REFERENCE	2023	2022
<b>Animal Control Trust Fund:</b>			
Reserve for Animal Control Fund Expenditures	B-2	\$ 6,043.12	\$ 8,210.94
Reserve for Encumbrances	B		625.00
Due to State of New Jersey	B-3	1.20	73.20
<b>Total Animal Control Trust Fund</b>		<u>6,044.32</u>	<u>8,909.14</u>
<b>Other Funds:</b>			
Miscellaneous Reserves	B-4	1,489,509.58	1,732,561.35
Builders Escrow	B-5	927,097.97	866,694.94
Reserve for COAH	B-10	3,597,249.47	2,704,547.40
Reserve for Encumbrances	B-4		142,751.94
Interfund Payable - Due to Current Fund	B	-	1,023.80
<b>Total Other Funds</b>		<u>6,013,857.02</u>	<u>5,447,579.43</u>
<b>Municipal Open Space Trust Fund:</b>			
Reserve For Open Space	B-9	3,218,544.71	6,083,793.81
Reserve For Open Space Receivable	B-8	1,194,056.57	1,194,056.57
Reserve For Encumbrances	B-4	-	284,822.01
		<u>4,412,601.28</u>	<u>7,562,672.39</u>
<b>Length of Service Awards Program (LOSAP) Fund</b>			
Reserve for LOSAP	B-5	<u>383,805.63</u>	<u>402,547.61</u>
<b>Total Liabilities, Reserves &amp; Fund Balance</b>		<u>\$ 10,816,308.25</u>	<u>\$ 13,421,708.57</u>

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



**GENERAL CAPITAL FUND**

**TOWNSHIP OF MILLSTONE  
GENERAL CAPITAL FUND  
STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND  
FUND BALANCE - REGULATORY BASIS  
DECEMBER 31, 2023 AND 2022**

ASSETS	REFERENCE	2023	2022
Cash	C-2, C-3	\$ 2,407,827.50	\$ 685,545.97
Grants Receivable	C-4	282,395.00	76,250.00
Due from Monmouth County	C-8	34,755.00	
Deferred Charges to Future Taxation:			
Funded	C-5	17,985,000.00	19,825,000.00
Unfunded	C-6	825,550.00	825,550.00
<b>Total Assets</b>		<b>\$ 21,535,527.50</b>	<b>\$ 21,412,345.97</b>
<b>LIABILITIES, RESERVES &amp; FUND BALANCE</b>			
General Serial Bonds	C-11	\$ 17,985,000.00	\$ 19,825,000.00
Bond Anticipation Notes	C-10	825,550.00	825,550.00
Capital Improvement Fund	C-7	163,506.08	74,086.08
Improvement Authorizations:			
Funded	C-8	544,852.10	373,660.12
Unfunded	C-8	48,393.96	91,299.85
Reserve for Encumbrances	C-8	1,856,419.73	200,729.01
Preliminary Costs Payable	C-9		215.91
Interfunds Payable - Due to Current Fund	C-2	21,805.00	
Fund Balance	C-1	90,000.63	21,805.00
<b>Total Liabilities, Reserves &amp; Fund Balance</b>		<b>\$ 21,535,527.50</b>	<b>\$ 21,412,345.97</b>

There were no bonds and notes authorized but not issued on December 31, 2023 and December 31, 2022.

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

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

Balance December 31, 2022		\$ 21,805.00
Increased by:		
FEMA Reimbursement	89,784.72	
Cancellation of Preliminary Cost	215.91	
		90,000.63
Subtotal		111,805.63
Decreased by:		
Transfer to (Due to Current Fund) as Anticipated Miscellaneous Revenue		21,805.00
Balance December 31, 2023		\$ 90,000.63

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

**GENERAL FIXED ASSETS**

**TOWNSHIP OF MILLSTONE  
GENERAL FIXED ASSETS ACCOUNT GROUP  
STATEMENTS OF ASSETS AND FUND BALANCE -  
REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2023**

ASSETS	2023	2022
Land & Land Improvements	\$ 17,083,078.14	\$ 14,353,168.07
Buildings	6,313,081.27	5,878,758.87
Improvement Other Than Buildings	10,627,990.30	9,184,860.62
Machinery & Equipment	2,998,720.39	2,898,317.25
Total	\$ 37,022,870.10	\$ 32,315,104.81
FUND BALANCE		
Investment in General Fixed Assets	\$ 37,022,870.10	\$ 32,315,104.81

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

**NOTES TO FINANCIAL STATEMENTS**

**TOWNSHIP OF MILLSTONE**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Description of Financial Reporting Entity**

The Township of Millstone is located in the Western Section of County of Monmouth, New Jersey, approximately 15 miles east of Trenton, 56 miles southwest of New York City and 49 miles north-east of Philadelphia.

The municipality was formed and incorporated by an act of legislation on February 28, 1844. It contains a grand total of 23,700 acres or 37.36 square miles of rolling countryside located in the heart of New Jersey. The 2020 census reflects a population of 10,376. The Township is primarily rural and as such municipal services such as water supply and sewer treatment are not provided.

The Millstone Township Committee is made up of five elected officials. Township residents elect a new committee-person every 3 years on the first Tuesday after the first Monday in November. At the Reorganization meeting each year (first meeting in January), the committee elects a Mayor and Deputy Mayor, each of whom serve a term of one year or until the election and qualification of a successor.

**Component Units** - GASB Statement 14, as amended by GASB Statements 39, 61, 80, 90 and 97, establishes criteria to be used in determining the component units, which should be included in the financial statements of a primary government. The financial statements of the Township are not presented in accordance with GAAP (as discussed below). Therefore, the Township had no component units as defined by GASB Statement No. 14, as amended by GASB Statements 39, 61, 80, 90 and 97. The financial statements of the Township of Millstone do not include the operations of first aid organization, volunteer fire company, local school district and the fire district.

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

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

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

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

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

**TOWNSHIP OF MILLSTONE**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):**

**Description of Financial Reporting Entity (Continued)**

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

**Budgets and Budgetary Accounting** - The Township must adopt an annual budget for its Current Fund and Open Space Fund in accordance with *N.J.S.A.40A:4* et seq. *N.J.S.A.40A:4-5* requires the governing body to introduce and approve the annual municipal budget no later than February 24<sup>th</sup> of each year. At introduction, the governing body must fix the time and place for a public hearing on the budget and must advertise the time and place at least ten days prior to the hearing in a newspaper published and circulating in the municipality. The public hearing must not be held less than twenty-eight days after the date the budget was introduced. After the hearing has been held, the governing body may, by majority vote, adopt the budget or may amend the budget in accordance with *N.J.S.A.40A:4-9*. Amendments to adopted budgets, if any are detailed in the statements of revenues and expenditures.

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

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

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

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

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



**TOWNSHIP OF MILLSTONE**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):**

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

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

**General Fixed Assets** – Accounting for governmental fixed assets, as required by *N.J.A.C.5:30-5.6*, differs in certain respects from accounting principles generally accepted in the United States of America. In accordance with the regulations, all local units, including municipalities, must maintain a general fixed assets reporting system that establishes and maintains a physical inventory of nonexpendable, tangible property as defined and limited by the U.S. Office of Management and Budget Circular A-87 (Attachment B, Section 19), except that the useful life of such property is at least five years. The Township has adopted a capitalization threshold of \$5,000.00, the maximum amount allowed by the Circular. Generally, assets are valued at historical cost; however, assets acquired prior to December 31, 1985 are valued at actual historical cost or estimated historical cost. In some instances, assets are valued at the assessed valuation of the property at the time of acquisition, which approximates fair value. No depreciation of general fixed assets is recorded. Donated general fixed assets are recorded at their acquisition value as of the date of the transaction. Interest costs relative to the acquisition of general fixed assets are recorded as expenditures when paid. Public domain ("infrastructure") general fixed assets consisting of certain improvements such as roads, bridges, curbs and gutters, streets and sidewalks and drainage systems are not capitalized. Expenditures for construction in progress are recorded in the capital funds until such time as the construction is completed and put into operation. The Township is required to maintain a subsidiary ledger detailing fixed assets records to control additions, retirements, and transfers of fixed assets. In addition, a statement of general fixed assets, reflecting the activity for the year, must be included in the Township's basic financial statements.

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

**Foreclosed property** – Foreclosed Property or "Property Acquired for Taxes" is recorded in the Current Fund at the assessed valuation when such property was acquired and is fully reserved. Ordinarily it is the intention of the Township to resell foreclosed property in order to recover all or a portion of the delinquent taxes or assessments and to return the property to a taxpaying basis. For this reason the value of foreclosed property has not been included in the General Fixed Assets Account Group. If such property is converted to a municipal use, it will be recorded in the General Fixed Assets Account Group.

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

**TOWNSHIP OF MILLSTONE**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):**

**Fund Balance** – Fund Balance included in the Current Fund represent the amount available for anticipation as revenue in future year’s budgets, with certain restrictions.

**Revenues** – are recorded when received in cash except for certain amounts which are due from other governmental units. Revenue from Federal and State grants are realized when anticipated as such in the Township’s budget. Receivables for property taxes are recorded with offsetting reserves on the statement of assets, liabilities, reserves and fund balance of the Township’s Current Fund; accordingly, such amounts are not recorded as revenue until collected. Other amounts that are due the Township, which are susceptible to accrual are also recorded as receivables with offsetting reserves and recorded as revenues when received.

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

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

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

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

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

**Expenditures** – are recorded on the “budgetary” basis of accounting. Generally, expenditures are recorded when an amount is encumbered through the issuance of a numerically controlled purchase order or when a contract is executed as required by Technical Accounting Directive No. 85-1. When an expenditure is paid, the amount encumbered is simultaneously liquidated in its original amount. Encumbrances are offset by an account entitled reserve for encumbrances. The reserve is classified as a cash liability under New Jersey municipal accounting. At December 31, this reserve represents the portion of appropriation reserves that has been encumbered and is subject to the same statutory provisions as appropriation reserves. Appropriations for interest payments on outstanding general capital bonds and notes are provided on the cash basis.

**TOWNSHIP OF MILLSTONE**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):**

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

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

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

**Recent Accounting Pronouncements** – The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. GASB has recently adopted accounting statements to be used by governmental units when reporting financial position and results of operations in accordance with accounting principles generally accepted in the United States of America. (GAAP). The municipalities in the State of New Jersey do not prepare financial statements in accordance with GAAP and thus do not comply with all of the GASB pronouncements; and there have been no GASB pronouncements effective for the current year that have a significant impact of the Township’s financial statements.

Accounting Pronouncements Adopted in Current Year

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

- Statement No. 87, *Leases*.
- Statement No. 93, *Replacement of Interbank Offered Rates*.
- Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans – an amendment of GASB Statements No. 14 and No. 84 and a supersession of GASB Statement No. 32*. Requirements of this pronouncement related to paragraphs 4 and 5 were implemented in the prior year.

Management has determined that the implementation of these Statements did not have a significant impact on the Township’s financial statements.

Accounting Pronouncements Effective in Future Reporting Periods

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

- Statement No. 96, *Subscription-Based Information Technology Arrangements*. The requirements of this Statement are effective for fiscal years beginning after June 15, 2023.

**TOWNSHIP OF MILLSTONE**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):**

- Statement No. 100, *Accounting Changes and Error Corrections – an amendment of GASB Statement No. 62*. The requirements of this Statement are effective for fiscal years beginning after June 15, 2023.
- Statement No. 101, *Compensated Absences*. The requirements of this Statement are effective for fiscal years beginning after December 15, 2024 and all reporting periods thereafter.
- Statement No. 102, *Certain Risk Disclosures*. The requirements of this Statement are effective for fiscal years beginning after June 15, 2024.
- Statement No. 103, *Financial Reporting Model Improvements*. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025.

Management has not yet evaluated the impact implementation of these standards will have on the Township’s financial statements.

**NOTE 2. DEPOSITS AND INVESTMENTS**

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

**Deposits**

**Custodial Credit Risk Related to Deposits** - Custodial credit risk is the risk that, in the event of a bank failure, the Township’s deposits may not be returned. Although the Township does not have a formal policy regarding custodial credit risk, NJSA 17:9-41 et seq. requires that the governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). GUDPA is a supplemental insurance program set forth by the New Jersey Legislature to protect the deposits of local governmental agencies. The program is administered by the Commissioner of the New Jersey Department of Banking and Insurance. Under the Act, the first \$250,000 of governmental deposits in each insured depository is protected by FDIC. Public funds owned by the Township 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 Township relative to the happening of a future condition. Such funds are shown as Uninsured and Uncollateralized in the schedule below.

As of December 31, 2023, the Township’s bank balance of \$29,927,727.11 was insured or collateralized as follows:

Insured under FDIC and GUDPA	\$ 29,927,727.11
Uninsured and Uncollateralized	<u>None</u>
	<u>\$ 29,927,727.11</u>

**TOWNSHIP OF MILLSTONE**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

**NOTE 2. DEPOSITS AND INVESTMENTS (CONTINUED)**

**Investments – LOSAP (Unaudited)**

Fair Value Measurement – The fair value measurements of investments are required to be reported based on the hierarchy established by generally accepted accounting principles. Under GAAP, investments are required to be categorized based on the fair value of inputs of Levels 1, 2 and 3. Under Level 1 inputs, investments are required to be categorized based on quoted market prices in active markets for identical investments. Level 2 inputs are based primarily on using observable measurement criteria, including quoted market prices of similar investments in active and inactive markets and other observable corroborated factors. Level 3 inputs are assets measured at fair value on a recurring basis using significant unobservable measurement criteria based on the best information available.

Under regulatory basis of accounting, investments are measured at cost in the Township’s financial statements. However, had the financial statements been prepared in accordance with GAAP, the Township’s fair value, hierarchy level and maturities of its investments at December 31, 2023 would be as followed:

<u>Investment Type</u>	<u>Carrying Value</u>	<u>Fee Value as of Dec. 31, 2023</u>			<u>Investment Maturities</u>
		<u>Level 1</u>	<u>Level 3</u>	<u>Total</u>	<u>(in Years)</u>
					<u>Less than</u>
					<u>1 Year</u>
<u>Mutual Funds</u>					
Fixed Account Investment Contract	\$ 383,805.63	\$ 383,805.63	\$ -	\$ 383,805.63	\$ 383,805.63
	<u>\$ 383,805.63</u>	<u>\$ 383,805.63</u>	<u>\$ -</u>	<u>\$ 383,805.63</u>	<u>\$ 383,805.63</u>
<u>Fund</u>					
Trust Fund - LOSAP	\$ 383,805.63	\$ 383,805.63	\$ -	\$ 383,805.63	\$ 383,805.63
	<u>\$ 383,805.63</u>	<u>\$ 383,805.63</u>	<u>\$ -</u>	<u>\$ 383,805.63</u>	<u>\$ 383,805.63</u>

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

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

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

**TOWNSHIP OF MILLSTONE**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

**NOTE 2. DEPOSITS AND INVESTMENTS (CONTINUED)**

**Investments – LOSAP (Unaudited) (Continued)**

Concentration of Credit Risk – Concentration of credit risk is the risk of loss attributed to the magnitude of a government’s investment in a single issuer. Other than the rules and regulations promulgated by N.J.S.A. 40A; 5-15.1, the Township’s investment policies place no limit in the amount the Township may invest in any one issuer. More than 5% of the Township’s investments are in Mutual Funds and Fixed Account Investment Contracts. These investments represent 100% of the Township’s total investments.

**NOTE 3. PROPERTY TAXES**

The following is a three-year comparison of certain statistical information relative to property taxes and property tax collections for the current and previous four (4) years.

Comparison Schedule of Tax Rates

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Tax Rate	\$ 2.485	\$ 2.416	\$ 2.414	2.387	2.342
Apportionment of Tax Rate:					
Municipal	0.223	0.212	0.202	0.177	0.167
County General	0.295	0.292	0.308	0.304	0.299
Local School	1.780	1.733	1.734	1.739	1.717
Fire District	0.127	0.119	0.110	0.107	0.099
Municipal Open Space	0.060	0.060	0.060	0.060	0.060

Assessed Valuation

<u>Year</u>	<u>Amount</u>
2023	\$ 1,928,964,148.00
2022	1,914,322,319.00
2021	1,895,123,189.00
2020	1,881,791,531.00
2019	1,875,523,218.00

Comparison of Tax Levies and Collections

<u>Year</u>	<u>Tax Levy</u>	<u>Cash Collections</u>	<u>Percentage of Collections</u>
2023	\$ 49,684,822.78	\$ 49,101,850.85	98.82%
2022	46,600,597.45	46,086,063.69	98.89%
2021	46,538,659.21	46,016,252.13	98.88%
2020	45,236,120.22	44,639,310.91	98.68%
2019	42,497,393.95	42,157,294.53	99.20%

**TOWNSHIP OF MILLSTONE**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

**NOTE 3. PROPERTY TAXES (CONTINUED)**

Delinquent Taxes and Tax Title Liens

<u>Year</u>	<u>Tax Title Liens</u>	<u>Delinquent Taxes</u>	<u>Total Delinquent</u>	<u>Percentage of Tax Levy</u>
2023	\$ 330,625.93	\$ 554,117.13	\$ 884,743.06	1.78%
2022	316,170.11	507,670.69	823,840.80	1.77%
2021	335,576.06	456,926.61	792,502.67	1.70%
2020	321,999.75	561,960.27	883,960.02	1.95%
2019	308,575.24	603,843.50	912,418.74	2.07%

Number of Tax Title Liens

<u>Year</u>	<u>Number</u>
2023	17
2022	16
2021	15

The last tax sale was held on December 12, 2023.

**NOTE 4: PROPERTY ACQUIRED BY TAX TITLE LIEN LIQUIDATION**

The Township had no properties acquired by liquidation of tax title liens as of December 31, 2023, 2022 or 2021.

**NOTE 5. FUND BALANCES APPROPRIATED**

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

<u>Year</u>	<u>Balance December 31,</u>	<u>Utilized in Budget of Succeeding Year</u>	<u>Percentage of Fund Balance Used</u>
2023	\$ 4,742,285.92	\$ 2,600,000.00	54.83%
2022	5,179,458.66	3,000,000.00	57.92%
2021	2,521,099.21	1,300,000.00	51.56%
2020	1,112,245.09	929,000.00	83.52%
2019	1,268,624.57	600,000.00	47.30%

**TOWNSHIP OF MILLSTONE**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

**NOTE 6. FIXED ASSETS**

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

<u>CAPITAL ASSETS:</u>	<u>Dec 31, 2022</u>	<u>Increased by</u>	<u>Decreased by</u>	<u>Dec 31, 2023</u>
Land	\$ 14,353,168.07	\$2,729,910.07		\$ 17,083,078.14
Buildings	5,878,758.87	434,322.40		6,313,081.27
Improvements Other than Buildings	9,184,860.62	1,443,129.68		10,627,990.30
Machinery & Equipment	<u>2,898,317.25</u>	<u>108,393.14</u>	\$ 7,990.00	<u>2,998,720.39</u>
	<u>\$ 32,315,104.81</u>	<u>\$4,715,755.29</u>	<u>\$ 7,990.00</u>	<u>\$ 37,022,870.10</u>

**NOTE 7. INTERFUNDS RECEIVABLE, PAYABLE AND TRANSFERS**

There were the following individual fund receivable/payable balances at December 31, 2023.

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
Current	\$ 21,805.00	\$ 224,243.88
Grant	6,084.10	
Trust Other	218,159.78	
General Capital	<u>                    </u>	<u>21,805.00</u>
	<u>\$ 246,048.88</u>	<u>\$ 246,048.88</u>



**TOWNSHIP OF MILLSTONE**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

**NOTE 8. MUNICIPAL DEBT**

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

	<u>2023</u>	<u>2022</u>	<u>2021</u>
Issued:			
General:			
Bonds, Notes and Loans	\$ 18,810,550	\$ 20,650,550	\$ 21,280,000
Bonds, Notes and Loans Authorized But Not Issued	None	None	1,245,204
Total Gross Debt	<u>\$ 18,810,550</u>	<u>\$ 20,650,550</u>	<u>\$ 22,525,204</u>
Deductions:			
General:			
Deductions Applicable to Other Bonds and Notes			
Funds on Hand	None	None	None
Accounts Receivable from Public Authorities	None	None	None
Total Deductions	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total Net Debt	<u>\$ 18,810,550</u>	<u>\$ 20,650,550</u>	<u>\$ 22,525,204</u>

Bond Anticipation Notes (“BAN”) Payable – Short Term Debt

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

<u>General Capital Fund</u>	<u>Interest Rate</u>	<u>Original Issue Date</u>	<u>Amount</u>	<u>Payment Required</u>	
				<u>First</u>	<u>Final</u>
Various Capital Improvements 22-11	2.50%	2022	\$ <u>825,550.00</u>	2025	2033

The General Capital Fund BAN is held by the Current Fund as an investment and is due to mature on December 31, 2024 at an interest rate of 2.5%. A \$100,000 budgeted paydown was made on December 30, 2024 resulting in a BAN of \$725,550 maturing on December 29, 2025.

Bonds and Notes Authorized but Not Issued

As of December 31, 2023 and December 31, 2024 the Township had no General Capital bonds and notes authorized but not issued.

**TOWNSHIP OF MILLSTONE**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

**NOTE 8. MUNICIPAL DEBT (CONTINUED)**

Summary of Principal Debt

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

<u>General Capital</u>	<u>Balance December 31, 2022</u>	<u>Accrued/ Increase</u>	<u>Retiered/ Decreased</u>	<u>Balance December 31, 2023</u>	<u>Balance due Within One Year</u>
General Bonds	\$ 19,825,000		\$ 1,840,000	\$ 17,985,000	\$ 1,935,000
Bond Anticipation Notes Authorized but Not Issued	825,550			825,550	100,000
	None			-	
	<u>\$ 20,650,550</u>	<u>\$ -</u>	<u>\$ 1,840,000</u>	<u>\$ 18,810,550</u>	<u>\$ 2,035,000</u>

Summary of Statutory Debt Condition - Annual Debt Statement

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

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Local School District Debt	\$ 15,460,000	\$ 15,460,000	None
General Debt	<u>18,810,550</u>	<u>None</u>	<u>\$ 18,810,550</u>
	<u>\$ 34,270,550</u>	<u>\$ 15,460,000</u>	<u>\$ 18,810,550</u>

Net Debt \$18,810,550 divided by the average Equalized Valuation Basis per N.J.S.A 40A:2-2 as amended, \$2,360,554 equals .797%. New Jersey statute 40A:2-6, as amended, limits the debt of a Municipality to 3.5% of the last three preceding year's average equalized valuations of real estate, including improvements and the assessed valuation of Class II Railroad Property. The remaining borrowing power in dollars at December 31, 2023 is calculated as follows:

<u>Borrowing Power Under NJS 40A:2-6 as Amended</u>	
3 1/2% of Equalized Valuation Basis (Municipal)	\$ 82,619,394
Net Debt	<u>18,810,550</u>
Remaining Borrowing Power	<u>\$ 63,808,844</u>

**TOWNSHIP OF MILLSTONE**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

**NOTE 8. MUNICIPAL DEBT (CONTINUED)**

General Debt

A. Serial Bonds Payable

Principal and interest due on the outstanding bonds are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 1,935,000	\$ 812,100	\$ 2,747,100
2025	2,025,000	714,975	2,739,975
2026	1,345,000	613,350	1,958,350
2027	1,395,000	545,475	1,940,475
2028	<u>1,415,000</u>	<u>475,225</u>	<u>1,890,225</u>
	<u>8,115,000</u>	<u>3,161,125</u>	<u>11,276,125</u>
2029	1,435,000	403,975	1,838,975
2030	1,455,000	334,100	1,789,100
2031	1,480,000	265,600	1,745,600
2032	1,500,000	196,200	1,696,200
2033	<u>1,520,000</u>	<u>135,800</u>	<u>1,655,800</u>
	<u>7,390,000</u>	<u>1,335,675</u>	<u>8,725,675</u>
2034	560,000	74,600	634,600
2035	580,000	51,800	631,800
2036	580,000	31,500	611,500
2037	380,000	17,100	397,100
2038	<u>380,000</u>	<u>5,700</u>	<u>385,700</u>
	<u>2,480,000</u>	<u>180,700</u>	<u>2,660,700</u>
	<u>\$ 17,985,000</u>	<u>\$ 4,677,500</u>	<u>\$ 22,662,500</u>

**TOWNSHIP OF MILLSTONE**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

**NOTE 8. MUNICIPAL DEBT (CONTINUED)**

General Debt (Continued)

B. Long-Term Debt

General Capital Fund:

\$6,120,000 General Obligation Bonds, Series 2012 issued through the Monmouth County Improvement Authority. Annual maturities of \$710,000 to \$740,000 through December 1, 2025 at interest rate of 5.0%.	\$ 1,450,000 *
\$2,690,000 General Obligation Bonds, Series 2018 issued through the Monmouth County Improvement Authority. Annual maturities of \$125,000 to \$200,000 through January 15, 2036 at interest rates of 3.0% to 5.0%.	2,150,000 **
\$5,805,000 General Obligation (Open Space) Bonds, Series 2018 issued through the Monmouth County Improvement Authority. Annual maturities of \$235,000 to \$380,000 through January 15, 2038 at interest rates of 3.0% to 5.0%. These bonds are subsidized with Municipal Open Space Tax Funds.	4,795,000 **
\$11,395,000 General Obligation Bonds, Series 2020 issued through the Monmouth County Improvement Authority. Annual maturities of \$865,000 to \$980,000 through December 1, 2033 at interest rates of 4.0% to 5.0%.	<u>9,590,000 ***</u>
	<u><u>\$ 17,985,000</u></u>

Redemption

\* The \$6,120,000 General Obligation Bonds 2012 are not subject to redemption prior to maturity.

\*\* The Series 2018 bonds maturing on or before January 15, 2026 shall not be subject to redemption prior to their respective maturity dates. The Series 2018 bonds maturing on or after January 15, 2027 shall be subject to redemption prior to their respective maturity dates, on or after January 15, 2026 at the option of the Authority as directed by the respective borrower, upon notice as herein described, either in whole or in part by lot within a single maturity from maturities selected by the Authority as directed by the respective borrower, on any date, at a redemption price equal to 100% of the principal amount thereof and accrued interest thereon to the date of redemption.

\*\*\* The Series 2020 bonds maturing on or before December 1, 2030 shall not be subject to redemption prior to their respective maturity dates. The Series 2020 bonds maturing on or after December 1, 2031 shall be subject to redemption prior to their respective maturity dates, on or after December 1, 2030 at the option of the Authority as directed by the respective borrower, upon notice as herein described, either in whole or in part by lot within a single maturity from maturities selected by the Authority as directed by the respective borrower, on any date, at a redemption price equal to 100% of the principal amount thereof and accrued interest thereon to the date of redemption.

**TOWNSHIP OF MILLSTONE**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

**NOTE 9. PENSION OBLIGATIONS:**

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

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

<http://www.state.nj.us/treasury/pensions/annual-reports.shtml>.

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

The following represents the membership tiers for PERS:

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

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

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

**Contributions** - The contribution policy for PERS is set by *N.J.S.A. 43:15A* and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount, which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For the fiscal year 2023, the State's pension contribution was more than the actuarial determined amount.

**TOWNSHIP OF MILLSTONE**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

**NOTE 9. PENSION OBLIGATIONS (CONTINUED):**

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

**Contributions (Continued)**

The local employers' contribution amounts are based on an actuarially determined rate, which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PERS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets. For the year ended December 31, 2023, the Township's contractually required contribution to PERS plan was \$171,774.

The information for PERS was abstracted from State of New Jersey Public Employees' Retirement System Schedules of Employer Allocations and Schedules of Pension Amounts by Employer as of June 30, 2023 and June 30, 2022 Independent Auditor's Report dated May 18, 2024 and May 18, 2023, respectively.

**Components of Net Pension Liability** - At December 31, 2023, the Township's proportionate share of the PERS net pension liability was \$2,567.014. The net pension liability was measured as of June 30, 2023. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2022, which was rolled forward to June 30, 2023. The Township's proportion of the net pension liability was based on the Township's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2023.

	June 30, (Measurement Date)	
	2023	2022
Local Group Share	\$ 14,606,489,066	\$ 15,219,184,920
Township Proportionate Percentage	0.0177226464 %	0.0136215273 %
Difference - Increase	0.0041011191 %	

**Collective Local Group Employers Balances**

	June 30, (Measurement Date)	
	2023	2022
Collective deferred outflows of resources	\$ 1,080,204,730	\$ 1,660,772,008
Collective deferred inflows of resources	1,780,216,457	3,236,303,935
Collective net pension liability	14,606,489,066	15,219,184,920
Collective net pension expense/(benefit)	(79,181,803)	(1,032,778,934)
Township's proportion (of Local Group)	0.0177226464 %	0.0136215273 %

**TOWNSHIP OF MILLSTONE**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

**NOTE 9. PENSION OBLIGATIONS (CONTINUED):**

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

**Pension Expense/(Benefit) and Deferred Outflows/Inflows of Resources** - At December 31, 2023, the Township's proportionate share of the pension expense/(benefit), calculated by the plan as of the June 30, 2023 measurement date is \$(37,277). This benefit is not recognized by the Township because of the regulatory basis of accounting as described in Note 1, but as previously mentioned the Township contributed \$171,774 to the plan in 2023.

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

<u>Fund</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 24,544.00	\$ 10,493.00
Changes of assumptions	5,639.00	155,572.00
Net Difference between projected and actual earnings on pension plan investments	11,821.00	
Changes in proportion	548,976.00	256,192.00
Township contributions made subsequent to year end	<u>236,868.00</u>	<u>                    </u>
	<u>\$ 827,848.00</u>	<u>\$ 422,257.00</u>

The \$236,868 reported as deferred outflows of resources related to pensions resulting from entities contributions subsequent to the measurement date (i.e. for the Township year ending December 31, 2023, the plan measurement date is June 30, 2023) would be recognized (under GAAP) as a reduction of the net pension liability in the Township year ended December 31, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense/(benefit) based on local share is as follows:

<u>Year Ended December 31,</u>	<u>Amount</u>
2024	\$ 184,320
2025	102,880
2026	(143,768)
2027	25,729
2028	<u>(438)</u>
	<u>\$ 168,723</u>

**TOWNSHIP OF MILLSTONE**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

**NOTE 9. PENSION OBLIGATIONS (CONTINUED):**

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

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

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

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

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

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



**TOWNSHIP OF MILLSTONE**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

**NOTE 9. PENSION OBLIGATIONS (CONTINUED):**

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

**Long-Term Expected Rate of Return (Continued)**

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Expected Real Rate of Return</u>
U.S. Equity	28.00 %	8.98 %
Non-U.S. Developed Market Equity	12.75	9.22
International Small Cap Equity	1.25	9.22
Emerging Market Equity	5.50	11.13
Private Equity	13.00	12.50
Real Estate	8.00	8.58
Real Assets	3.00	8.40
High Yield	4.50	6.97
Private Credit	8.00	9.20
Investment Grade Credit	7.00	5.19
Cash Equivalents	2.00	3.31
U.S. Treasuries	4.00	331.00
Risk Mitigation Strategies	3.00	6.21
	<u>100.00 %</u>	

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

**Sensitivity of the Township's proportionate share of the Net Pension Liability to Changes in the Discount Rate** - The following presents the Township's comparative proportionate share of the net pension liability calculated using the discount rate as disclosed above, as well as what the Township'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:

	December 31, 2023		
	<u>[Measurement Date June 30, 2023]</u>		
	1% Decrease	Current Discount Rate	1% Increase
	<u>6.00%</u>	<u>7.00%</u>	<u>8.00%</u>
Township's proportionate share of the net pension liability	\$ 3,341,706	\$ 2,567,014	\$ 1,907,649

**TOWNSHIP OF MILLSTONE**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

**NOTE 9. PENSION OBLIGATIONS (CONTINUED):**

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

**Sensitivity of the Township's proportionate share of the Net Pension Liability to Changes in the Discount Rate (Continued)**

	December 31, 2022		
	<i>[Measurement Date June 30, 2022]</i>		
	1% Decrease	Current Discount Rate	1% Increase
	<u>6.00%</u>	<u>7.00%</u>	<u>8.00%</u>
Township's proportionate share of the net pension liability	\$ 2,618,752	\$ 2,055,676	\$ 1,557,588

**Pension (PERS) Accrual** - The Township is required to report on its financial statements on an "Other Comprehensive Basis of Accounting" (OCBOA) Regulatory Basis, which does not require an accrual for its obligations inclusive of pension. If the Township were required to reflect the obligation under Generally Accepted Accounting Principles (GAAP) then an accrual for the PERS obligation would be needed in the amount of \$2,398,261 since the obligation relates to the period December 31, 2022 and prior. The accrual (under GAAP) would affect the fund balance at yearend.

**Special Funding Situation – PERS** – A special funding situation exists for certain Local employers of the Public Employees' Retirement System. The State, as a nonemployer, is required to pay the additional costs incurred by local employers under Chapter 366, P.L. 2001 and Chapter 133, P.L. 2001. The Chapter 366, P.L. 2001 legislation established the Prosecutors Part of the PERS which provides enhanced retirement benefits for prosecutors enrolled in the PERS. The State is liable for the increased pension costs to a county that resulted from the enrollment of prosecutors in the Prosecutors Part. The June 30, 2023 State special funding situation net pension liability amount of \$122.1 million is the accumulated difference between the annual actuarially determined State obligation under the special funding situation and the actual State contribution through the valuation date. The special funding situation for Chapter 133, P.L. 2001 is due to the State paying the additional normal cost related to benefit improvements from Chapter 133. Previously, this additional normal cost was paid from the Benefit Enhancement Fund (BEF). As of June 30, 2023, there is no net pension liability associated with this special funding situation there was no accumulated difference between the annual additional normal cost under the special funding situation and the actual State contribution through the valuation date. The State special funding situation pension expense of \$55.7 million, for the fiscal year ending June 30, 2023, is the actuarially determined contribution amount that the State owes for the fiscal year ending June 30, 2023. The pension expense is deemed to be a State administrative expense due to the special funding situation.

The Township has the following attributed to it related to the Special Funding Situation:

<u>December 31,</u>	Township's Proportionate Share	Employer's Pension Expense and Related Revenues	
		<u>Ch.133 P.L. 2001 State Total</u>	<u>Township's Share</u>
2023	0.017789934 %	\$ 45,000,471	\$ 8,006
2022	0.013675947	31,626,530	4,325
2021	- NOT AVAILABLE -		

**TOWNSHIP OF MILLSTONE**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

**NOTE 9. PENSION OBLIGATIONS (CONTINUED):**

**Pension Plan Fiduciary Net Position** – Detailed information about the pension plan’s fiduciary net position is available in the separated issued Financial Report for the State of New Jersey Public Employees Retirement System (PERS).

**NOTE 10. OTHER POST-EMPLOYMENT BENEFITS**

**General Information about the OPEB Plan**

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

The information presented was abstracted from the State of New Jersey State Health Benefits Local Government Retired Employees Plan for June 30, 2023 and June 30, 2022 measurement date from the Independent Auditor’s Reports dated August 21, 2024 and July 31, 2023.

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

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

Pursuant to Chapter 78, P.L. 2011, future retirees eligible for post-retirement 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.

**TOWNSHIP OF MILLSTONE**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

**NOTE 10. OTHER POST-EMPLOYMENT BENEFITS (CONTINUED):**

**Basis of Presentation**

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

**Allocation Methodology**

GASB Statement No. 75 requires participating employers in the Plan to recognize their proportionate share of the collective net OPEB liability, collective deferred outflows of resources, collective deferred inflows of resources, and collective OPEB (benefit) expense. The special funding situation's and nonspecial funding situation's net OPEB liability, deferred outflows of resources, deferred inflows of resources, and OPEB (benefit) expense are based on separately calculated total OPEB liabilities. For the special funding situation and the nonspecial funding situation, the total OPEB liabilities for the year ended June 30, 2023 and June 30, 2022 is as follows:

	Total OPEB Liability	
	Special Funding Situation	Non-Special Funding Situation
2023	\$ 3,461,898,890	\$ 11,427,677,896
2022	3,361,552,823	12,729,372,321
Number of Township Plan Members	43	38

The nonspecial funding situation's net OPEB liability, deferred outflows of resources, deferred inflows of resources, and OPEB expense (benefit) are further allocated to employers based on the ratio of the plan members of an individual employer to the total members of the Plan's nonspecial funding situation during the measurement period July 1, 2022 through June 30, 2023. Employer and nonemployer allocation percentages have been rounded for presentation purposes; therefore, amounts presented in the schedule of OPEB amounts by employer and nonemployer may result in immaterial differences.

**Net OPEB Liability**

The total OPEB liability as of June 30, 2023 was determined by an actuarial valuation as of July 1, 2022, which was rolled forward to June 30, 2023. 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:

**TOWNSHIP OF MILLSTONE**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

**NOTE 10. OTHER POST-EMPLOYMENT BENEFITS (CONTINUED):**

**Net OPEB Liability (Continued)**

Salary Increases – PERS	
Rate for all future years	2.75% to 6.55% based on year of services
Mortality – PERS	
	Pub-2010 General classification headcount weighted mortality with fully generational mortality improvement projections from the central year using scale MP-2021

**OPEB Obligation and OPEB Expense/(Benefit)**

The proportionate share of the total State’s Other Post-Employment Benefits Obligations, attributable to the Township is as follows:

June 30,	
<u>[Measurement Date]</u>	
<u>2023</u>	<u>2022</u>
\$ 6,251,124.00	\$ 6,535,580.00

The OPEB Obligation was measured as of June 30, 2023, and the total OPEB Obligation used to calculate the OPEB Obligation was determined by an actuarial valuation as of July 1, 2021, which was rolled forward to June 30, 2023. The State’s proportionate share of the OPEB Obligation associated with the Township was based on projection of the State’s long-term contributions to the OPEB plan associated with the Township relative to the projected contributions by the State associated with all participating Municipalities, actuarially determined. The proportion of the PERS Net OPEB Liability associated with the District’s liability is as follows:

June 30,	
<u>[Measurement Date]</u>	
<u>2023</u>	<u>2022</u>
0.0416560000 %	0.0404690000 %
Increase	0.0011870000

For the fiscal year ended June 30, 2023, the State of New Jersey recognized an OPEB benefit in the amount of \$124,828.00 for the State’s proportionate share of the OPEB benefit attributable to the Township. This OPEB benefit was based on the OPEB plans June 30, 2023, measurement date.

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

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

**TOWNSHIP OF MILLSTONE**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

**NOTE 10. OTHER POST-EMPLOYMENT BENEFITS (CONTINUED):**

**Health Care Trend Assumptions**

For pre-Medicare medical benefits, the trend rate is initially 6.50% and decreases to a 4.50% long-term trend rate after nine (9) years. For post-65 medical benefits, the trend is increasing to 14.8% in fiscal year 2026 and decreases to 4.50% in fiscal year 2033. For HMO, the trend is increasing to 17.4% in fiscal year 2026 and decreases to 4.50% in fiscal year 2033. For prescription drug benefits, the initial trend rate is 9.5% and decreases to a 4.50% long-term trend rate after seven (7) years. For the Medicare Part B reimbursement, the trend rate is 5.00%

**Discount Rate**

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

**Sensitivity of Net OPEB Liability to Changes in the Discount Rate**

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

		December 31, 2023		
		<i>[Measurement Date June 30, 2023]</i>		
		At 1% Decrease	At Discount Rate	At 1% Increase
		<u>2.65%</u>	<u>3.65%</u>	<u>4.65%</u>
Proportionate Share of Total OPEB				
Obligation Associated with Township	\$ 7,240,794	\$ 6,251,124	\$ 5,455,087	
		December 31, 2022		
		<i>[Measurement Date June 30, 2022]</i>		
		At 1% Decrease	At Discount Rate	At 1% Increase
		<u>2.54%</u>	<u>3.54%</u>	<u>4.54%</u>
Obligation Associated with Township	\$ 7,535,142	\$ 6,535,580	\$ 5,667,651	

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

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

**TOWNSHIP OF MILLSTONE**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

**NOTE 10. OTHER POST-EMPLOYMENT BENEFITS (CONTINUED):**

**Sensitivity of Net OPEB Liability to Changes in the Healthcare Trend Rate: (Continued)**

	December 31, 2023 <i>[Measurement Date June 30, 2023]</i>		
	1% Decrease	Healthcare Cost Trend Rate	1% Increase
	Proportionate Share of Total OPEB Obligation Associated with Township	\$ 5,312,720	\$ 6,251,124

  

	December 31, 2022 <i>[Measurement Date June 30, 2022]</i>		
	1% Decrease	Healthcare Cost Trend Rate	1% Increase
	Proportionate Share of Total OPEB Obligation Associated with Township	\$ 5,514,389	\$ 6,535,580

**Additional Information** – The following is a summary of the collective balances of the local group is as follows:

	December 31, 2023	December 31, 2022
	June 30, 2023	June 30, 2022
Actuarial valuation date (including roll forward)		
Collective Deferred Outflows of Resources	\$ 9,133,524,491	7,897,070,518
Collective Deferred Inflows of Resources	14,817,220,551	13,408,600,309
Collective Net OPEB Liability	15,006,539,477	16,149,595,478
Collective Expenses/(Benefit)	(483,888,575)	150,955,720
Township's Portion	0.041656%	0.040469%

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

Year Ending December 31,	
2024	\$ (530,776)
2025	(434,739)
2026	(235,186)
2027	(110,247)
2028	(222,539)
Total Thereafter	(238,496)
	\$ (1,771,983)

**TOWNSHIP OF MILLSTONE**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

**NOTE 10. OTHER POST-EMPLOYMENT BENEFITS (CONTINUED):**

**Changes in Proportion**

The previous amounts do not include employer specific deferred outflows of resources and deferred inflow of resources related to the changes in proportion. These amounts should be recognized (amortized) by each employer over the average remaining service lives of all plan members, which is 7.82, 7.87, 8.05, 8.14 and 8.04 years for the 2021, 2020, 2019, 2018 and 2017 amounts, respectively.

**Plan Membership (Statewide)**

At June 30, 2022, the Program membership consisted of the following:

	<u>June 30, 2022</u>
Active Plan Members	84,057
Retirees Currently Receiving Benefits	16,440
Total Plan Members	100,497

**Changes in the Total OPEB Liability**

The change in the State's Total OPEB liability for the measurement date year ended June 30, 2023 is as follows:

	<u>Total OPEB Liability</u>
Balance as of June 30, 2022	\$ 16,090,925,144
Changes Recognized for the Fiscal Year:	
Service Cost	\$ 597,135,801
Interest on the Total OPEB Liability	581,375,849
Changes of Assumptions	255,103,873
Change of Benefit Terms	23,039,435
Difference between Expected and Actual Expenses	(2,123,324,632)
Gross Benefit Payments	(597,093,300)
Contributions from the Member	62,414,616
Net Changes	\$ (1,201,348,358)
Balance as of June 30, 2023	\$ 14,889,576,786



**TOWNSHIP OF MILLSTONE**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

**NOTE 10. OTHER POST-EMPLOYMENT BENEFITS (CONTINUED):**

**Changes in the Total OPEB Liability (Continued)**

Changes of assumptions and other inputs reflect a change in the discount rate from 3.54% in 2022 to 3.65% in 2023. The component of the Net OPEB Liability is as follows:

	<i>Measurement Date</i>
	June 30, 2023
Total OPEB Liability	\$ 14,889,576,786
Plan Fiduciary Net Position	(116,962,691)
Net OPEB Liability	\$ 15,006,539,477
Net Position as a Percentage of OPEB Liability	(0.785534)%
OPEB Expense/(Benefit)	\$ (483,888,575)
Special Funding Situation	3,461,898,890
Non-special Funding Situation	11,427,677,896
	\$ 14,889,576,786

**Other**

The total nonemployer OPEB liability does not include certain other postemployment benefit obligations that are provided by the Township. The reporting of these benefits are the responsibility of the individual local Township. The Township provides Chapter 88 Reimbursement to certain retirees for the share of Medicare premiums that is withheld from their social security benefits. Amounts paid for the prior three years are as follows and is limited to employees who were hired prior to April 1, 2016:

Year	Number of Employees	Amount
2023	11	\$ 30,474.80
2022	13	35,855.00
2021	13	29,076.30

**NOTE 11. DEFERRED SCHOOL TAXES**

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

	Local School District Tax	
	2023	2022
Balance of Tax	\$ 17,172,859	\$ 16,587,088
Deferred	4,500,000	(4,500,000)
Tax Payable	\$ 21,672,859	\$ 12,087,088

**TOWNSHIP OF MILLSTONE**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

**NOTE 12. DEFERRED COMPENSATION SALARY ACCOUNT**

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

**NOTE 13. DEFINED CONTRIBUTION RETIREMENT PROGRAM**

**Description of System**

The Defined Contribution Retirement Program (DCRP) was established on July 1, 2007 for certain public employees under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007. The program provides eligible members, with a minimum base salary of \$1,500.00 or more, with a tax-sheltered, defined contribution retirement benefit, in addition to life insurance and disability coverage. The DCRP is jointly administered by the Division of Pensions and Benefits and Prudential Financial.

If an eligible elected or appointed official will earn less than \$5,000.00 annually, the official may choose to waive participation in the DCRP for that office or position. This waiver is irrevocable.

This retirement program is a new pension system where the value of the pension is based on the amount of the contribution made by the employee and employer and adjusted for membership earnings or losses. It is a Deferred Compensation Program where the employee has a portion of tax deferred salary placed into an account that the employee manages through investment options provided by the employer.

The law requires that three classes of employees enroll in the DCRP, detailed as follows:

- All elected officials taking office on or after July 1, 2007, except that a person who is reelected to an elected office held prior to that date without a break in service may remain in the Public Employee's Retirement System (PERS).
- A Governor appointee with the advice and consent of the Legislature or who serves at the pleasure of the Governor only during that Governor's term of office.
- Other employees commencing service after July 1, 2007, pursuant to an appointment by an elected official or elected governing body which include the statutory untenured chief administrative officer such as the Business Administrator, County Administrator or Municipal or County Manager, Department Heads, Legal Counsel, Municipal or County Engineer, Municipal Prosecutor and the Municipal Court Judge.

Notwithstanding the foregoing requirements, other employees who hold a professional license or certificate or meet other exceptions are permitted to remain in PERS.

**TOWNSHIP OF MILLSTONE**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

**NOTE 13. DEFINED CONTRIBUTION RETIREMENT PROGRAM (CONTINUED)**

**Contributions Required and Made**

Contributions made by employees for DCRP are currently 5.5% of their base wages. Member contributions are matched by a 3.0% employer contribution. There were employer and employees contributions to the and the detail is as follows:

		Employee		Township Share
2023	\$	16,388.56	\$	12,320.52
2022		18,294.04		13,471.28
2021		17,571.21		12,938.92

**NOTE 14. RISK MANAGEMENT**

**Monmouth County Municipal Joint Insurance Fund (“Fund”)**

The Township is exposed to various risks of loss related to torts; theft of damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Township is a member of the Monmouth County Municipal Joint Insurance Fund, and the Municipal Excess Liability Fund, public entity risk pools currently operating as a common risk management and insurance programs for municipalities within the state. The Township pays an actuarially determined annual assessment to Monmouth County Municipal Joint Insurance Fund for its insurance coverage and that of the Municipal Excess Liability Fund. Supplemental assessments may be levied to supplement the funds. The Township has not been notified on any supplemental assessments.

At December 31, 2023 the Fund reported for all years combined total assets of \$28,039,527, liabilities and reserves of \$17,131,680, which includes loss reserves of \$13,185,298 and an unrestricted net position deficit balance of \$10,907,847. The information was abstracted from the Annual Independent Financial Audit of the Fund as of December 31, 2023 whose opinion was unmodified.

**Contingent Liability – Middlesex Joint Insurance Fund (JIF)**

The Township is a former member of the Middlesex County Joint Insurance Fund (JIF). In 2021 the JIF billed the Township \$287,887 for what is their pro rata share of an accumulated deficit of the JIF. The Township has not commenced repayment in accordance with the seven (7) year repayment terms that have been offered as it has not been determined if it was a bona fide obligation. The original balance owed is subject to review and adjustment on an annual basis.

**TOWNSHIP OF MILLSTONE**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

**NOTE 15. CONTINGENCIES**

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

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

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

Compensated Absences

Sick Pay – Millstone Township will provide all full-time employees a full complement of twelve (12) days of paid sick leave on the first day of the benefit year at the same rate of pay as the employee normally earns. Part-time employees will accrue on a pro-rata basis depending on number of hours worked at the same rate of pay as the employee normally earns. All full-time and part-time employees can begin to use their accrued but unused paid sick leave beginning on the 60<sup>th</sup> calendar day after the employee begins employment unless the collective bargaining agreement says otherwise, or until the expiration of the collective bargaining agreement that is in place.

A "benefit year" is the period of twelve (12) consecutive months as established by the Township. The "benefit year" is the same as the calendar year, in that it begins on January 1<sup>st</sup> and concludes on December 31<sup>st</sup> of that same year.

Employees will not receive compensation for unused, accrued sick leave. The only exception is that upon retirement, employees who have a minimum of fifteen (15) years of service can redeem their accrued, unused sick days at one-half (1/2) their value (at the employee's present rate of pay) for up to a maximum of \$15,000 paid out. The total (*gross*) amount of unused sick pay for all employees is \$231,741.41 with a limit upon retirement of \$107,253.34.

**TOWNSHIP OF MILLSTONE**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

**NOTE 15. CONTINGENCIES (CONTINUED)**

Compensated Absences (Continued)

Vacation Pay – All vacation time for employees will accrue proportionately in each calendar year based on a three hundred sixty-five (365) day calendar year, rounded to the nearest half-day. Employees, may, however, take non-accrued vacation leave for the calendar year with prior written authorization of the Administrator, so long as the notice time requirements as outlined below are satisfied. Employees may carry over up to five (5) accrued, unused vacation days that are not used within the preceding calendar year into the first six (6) months of the next calendar year.

Any unused days beyond those five (5) days will be forfeited. The Township will not pay for any days that are not used within the first six-month period of the following calendar year, and any unused days will be forfeited. Employees must submit written requests for vacation leave to the Administrator no later than thirty (30) calendar days in advance for a leave of five (5) days or more, and no later than three (3) calendar days in advance for a leave of fewer than five (5) days. Vacation leave may only be taken with the prior written approval of the Administrator. The Township reserves the right to approve or disapprove requests based upon the needs of the Township to efficiently run its operations. Part-time employees will accrue vacation days on a pro-rata basis depending on the number of hours worked. Part-time employees hired after January 1, 202, working 10 hours or more per week, will be eligible for vacation days. Any part-time employees hired after January 1, 2020, working less than 10 hours per week are not eligible to receive vacation days. If an employee separates from services for any reason and has used unearned vacation time, he/she shall be required to reimburse the Township for the unearned time. The reimbursement will be invoiced to the employee.

**NOTE 16. LENGTH OF SERVICE AWARDS PROGRAM**

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

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

**Contributions** – If an active member meets the year of active service requirement, a length of service awards program must provide a benefit between the minimum contribution of \$500 and a maximum contribution of \$1,150.00 per year. While the maximum amount is established by statute, it is subject to periodic increases that are related to the consumer price index (N.J.S.A. 40A:14-185(f)). During the year ended December 31, 2023, the Township contributed a total of \$0.00 to the plan. Participants direct the investment of the contributions into various investment options offered by the Plan. The Township has no authorization to direct investment contributions on behalf of eligible volunteers nor has the ability to purchase or sell investment options offered by the Plan. The types of investment options, and the administering of such investments, rests solely with the plan administrator.

**TOWNSHIP OF MILLSTONE**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

**NOTE 16. LENGTH OF SERVICE AWARDS PROGRAM (CONTINUED)**

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

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

**Payment of Benefits** – Upon retirement or disability, participants may select various payout options, which include lump sum, periodic, or annuity payments. In the case of death, with certain exceptions, any amount invested under the participant's account is paid to the beneficiary or the participant's estate. In the event of an unforeseeable emergency, as outlined in the Plan document, a participant or a beneficiary entitled to vested accumulated deferrals may request the local plan administrator to payout a portion of vested accumulated deferrals. During the year ended December 31, 2023 payouts of \$76,377.18 were made to vested participants.

**Plan Information** – Additional information about the Township’s length of service awards program can be obtained by contacting the Plan Administrator.

The LOSAP funds are administered independently and distinct from the Township and are subjected to a review in accordance with the American Institute of Certified Public Accounts Standards for Accounting and Review Services. A separate report as of December 31, 2023 revealed net assets available for benefits of \$383,805.63.

Contributions for the past three (3) years are as follows:

	<u>Contribution</u>	<u>Per Member</u>
2023	None	\$500 - \$1,150
2022	None	\$500 - \$1,150
2021	None	\$500 - \$1,150

**TOWNSHIP OF MILLSTONE**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

**NOTE 17. INTERLOCAL AGREEMENTS**

The Township is involved in five (5) interlocal and shared services agreements. There is one (1) agreement for Public Works Support Service with the County of Monmouth that expires on September 30, 2028. The fees are on a case-by-case basis based on cost of goods, expenditures, labor and administrative costs. The other three (3) are Animal Control, Emergency Medical Services, and County 911 are annual contracts.

The Township serves as the lead agency for Municipal Court with a neighboring municipality which is an annual contract.

**NOTE 18. SUBSEQUENT EVENTS**

Management has reviewed and evaluated all events and transactions that occurred between December 31, 2023 and January 31, 2025, the date that the financial statements were available for issuance, for possible disclosure and recognition in the financial statements. No items have come to the attention of the Township that would require disclosure other than the following:

On July 19, 2023, the Township adopted an ordinance providing funding for various capital improvements appropriating \$1,478,646.90 for such purpose, and which amount was funded from New Jersey Department of Transportation in the amount of \$209,528.00, an American Rescue Plan Grant of \$244,118.90 and from the Capital Improvement Fund in the amount of \$1,025,000.00.

**TOWNSHIP OF MILLSTONE**  
**SCHEDULE OF THE TOWNSHIP'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**  
**PUBLIC EMPLOYEES RETIREMENT SYSTEM (PERS)**  
**LAST TEN (10) FISCAL YEARS**

<u>Year</u>	<u>Township's proportion of the net pension liability (asset)</u>	<u>Township's proportionate share of the net pension liability (asset)</u>	<u>Township's covered- employee payroll</u>	<u>Township's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll</u>	<u>Plan fiduciary net position as a percentage of the total pension liability</u>
2023	0.0177226464	\$ 2,567,014	\$ 1,390,975	184.55%	65.23%
2022	0.0136215273	2,055,676	1,256,247	163.64%	62.91%
2021	0.0140734110	1,667,207	1,091,914	152.69%	70.34%
2020	0.0162380430	2,648,000	1,096,311	241.54%	58.13%
2019	0.0163206654	2,940,736	1,124,021	261.63%	56.27%
2018	0.0167747936	3,302,873	1,186,528	278.36%	53.60%
2017	0.0173107920	4,029,676	N/A	N/A	48.10%
2016	0.0167180761	4,951,415	N/A	N/A	40.14%
2015	0.0179003498	4,018,270	N/A	N/A	47.93%
2014	0.0174329833	3,263,931	N/A	N/A	52.08%

**Notes to Required Supplementary Information:**

Benefit Changes - There were none.

Changes of Assumptions - The discount rate was 7.00% as of June 30, 2022 and 7.00% as of June 30, 2023.



**TOWNSHIP OF MILLSTONE  
SCHEDULE OF TOWNSHIP CONTRIBUTIONS  
PUBLIC EMPLOYEES RETIREMENT SYSTEM (PERS)  
LAST TEN (10) FISCAL YEARS**

<u>Year</u>	<u>Contractually required contribution</u>	<u>Contributions in relation to the contractually required contribution</u>	<u>Contribution deficiency (excess)</u>	<u>Township's covered- employee payroll</u>	<u>Contributions as a percentage of covered-employee payroll</u>
2023	\$ 171,774	\$ 171,774	None	\$ 1,390,975	12.35%
2022	164,816	164,816	None	1,256,247	13.12%
2021	177,638	177,638	None	1,091,914	16.27%
2020	158,752	158,752	None	1,096,311	14.48%
2019	166,855	166,855	None	1,124,021	14.84%
2018	160,366	160,366	None	1,186,528	13.52%
2017	153,395	153,395	None	N/A	N/A
2016	148,521	148,521	None	N/A	N/A
2015	143,715	143,715	None	N/A	N/A
2014	126,210	126,210	None	N/A	N/A

**SUPPLEMENTARY EXHIBITS**

**CURRENT FUND**

**TOWNSHIP OF MILLSTONE  
CURRENT FUND  
SCHEDULE OF CURRENT CASH  
FOR THE YEAR ENDED DECEMBER 31, 2023**

	<u>CURRENT</u>	<u>GRANT FUNDS</u>
Balance December 31, 2022	\$ 17,387,426.48	\$ 530,779.69
Increased by Receipts:		
Tax Collector	\$ 49,696,496.24	\$ -
Unallocated Receipts	5,860.14	
Miscellaneous Receipts	1,023.98	
Due from State of New Jersey -		
Senior Citizens' & Veterans' Deductions	43,500.00	-
Due to Grant Fund	2,228.32	-
Nonbudget Revenue	29,833.00	-
Tax Overpayments	5,572.31	-
Revenue Accounts Receivable	2,762,163.95	
UCC Fees – Due to State of NJ	41,548.00	-
Reserve for Municipal Relief Fund	85,691.64	
Grants Receivable	-	96,291.11
	<u>52,673,917.58</u>	<u>96,291.11</u>
Total Increases		
	70,061,344.06	627,070.80
Subtotal		
Decreased by Disbursements:		
2023 Budget Appropriations	8,586,329.31	-
2022 Appropriation Reserves	212,948.59	
Tax Overpayments	8,808.32	-
Fire District Taxes	2,433,070.00	-
Municipal Open Space Tax	1,199,379.72	-
County Share of Added & Omitted Taxes	43,682.52	-
County Taxes	5,687,320.97	
Local District School Tax	33,759,946.50	-
UCC Fees – Due to State of NJ	33,173.00	-
Refund of Revenue	1,983.00	
Reserve for Grants Unappropriated	-	244,120.00
Reserve for Grant Funds - Appropriated	-	45,583.69
	<u>51,966,641.93</u>	<u>289,703.69</u>
Total Disbursements		
Balance December 31, 2023	<u>\$ 18,094,702.13</u>	<u>\$ 337,367.11</u>

**TOWNSHIP OF MILLSTONE  
CURRENT FUND  
SCHEDULE OF CASH AND RECONCILIATION  
PER N.J.S.40A:5-5--COLLECTOR  
FOR THE YEAR ENDED DECEMBER 31, 2023**

Increased by:	
Taxes Receivable	\$ 49,232,722.09
Interest & Costs on Taxes	133,930.38
Prepaid Taxes	<u>329,843.77</u>
Subtotal	\$ 49,696,496.24
Decreased by:	
Deposits Directly to Treasurer Bank Account	<u>\$ 49,696,496.24</u>

**SCHEDULE OF CHANGE FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2023**

	December 31
	<u>2023</u>
Recreation Department	\$ 100.00
Tax Department	200.00
Municipal Court	500.00
Animal Licensing	<u>200.00</u>
Total	<u>\$ 1,000.00</u>

**TOWNSHIP OF MILLSTONE  
CURRENT FUND  
SCHEDULE OF DUE FROM/(TO) STATE OF NEW JERSEY  
CHAPTER 128, P.L. 1976  
FOR THE YEAR ENDED DECEMBER 31, 2023**

Balance December 31, 2022	\$ 1,500.00
Increased by:	
Allowed Deductions By Tax Collector - Current Year	<u>44,000.00</u>
Subtotal	45,500.00
Decreased by:	
Cash Receipts	<u>43,500.00</u>
Balance December 31, 2023	<u><u>\$ 2,000.00</u></u>

Detail:

Per Duplicate	\$ 42,500.00
Add: Allowed in 2023	2,000.00
Less: Disallowed in 2023	<u>500.00</u>
	<u><u>\$ 44,000.00</u></u>

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

YEAR	BALANCE	2023	ADDED	COLLECTIONS		DUE FROM	TRANSFER TO	CANCELLED	BALANCE
	DECEMBER 31, 2022			Levy	TAXES				2022
2017	\$ 2.03	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2.03
2018	2.29	-	-	-	-	-	-	-	2.29
2019	2.34	-	-	-	-	-	-	-	2.34
2020	2.39	-	-	-	-	-	-	-	2.39
2021	7.77	-	-	-	-	-	-	-	7.77
2022	507,653.87	-	-	-	507,465.45	-	172.74	-	15.68
<b>Total</b>	<b>507,670.69</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>507,465.45</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>32.50</b>
2023	-	48,015,371.49	1,668,501.29	331,594.21	48,725,256.64	44,000.00	14,132.21	14,772.59	554,117.13
<b>Balance</b>	<b>\$ 507,670.69</b>	<b>\$ 48,015,371.49</b>	<b>\$ 1,668,501.29</b>	<b>\$ 331,594.21</b>	<b>\$ 49,232,722.09</b>	<b>\$ 44,000.00</b>	<b>\$ 14,304.95</b>	<b>\$ 14,772.59</b>	<b>\$ 554,149.63</b>

**Tax Levy:**

Local District School Tax	\$ 34,345,717.00	
County Taxes:		
County Tax	4,609,083.24	
County Library Tax	333,430.32	
County Health Tax	91,801.10	
Open Space	653,006.31	
Due County:		
Added & Omitted Taxes (R.S.54.4-63.1 et seq.)	<u>207,323.19</u>	\$ 40,240,361.16
Fire District Taxes		2,433,070.00
Local Open Space Tax	\$ 1,158,146.13	
Added Local Open Space Tax	<u>42,160.46</u>	<u>1,200,306.59</u>
		43,873,737.75
Local Tax for Municipal Purpose	\$ 4,293,015.39	
Add: Additional Tax Levied	<u>1,504,848.47</u>	<u>5,797,863.86</u>
<b>Total</b>		<u>\$ 49,671,601.61</u>

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

Balance December 31, 2022		\$ 316,170.11
Increased by:		
Transfer from Taxes Receivable	\$ 14,304.95	
Interest and Costs	<u>150.87</u>	<u>14,455.82</u>
Balance December 31, 2023		<u>\$ 330,625.93</u>

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

	BALANCE DECEMBER 31, 2022	ACCRUED	COLLECTED BY TREASURER	COLLECTED BY COLLECTOR	BALANCE DECEMBER 31, 2023
Fees & Permits	\$ -	\$ 64,002.47	\$ 64,002.47	\$ -	\$ -
Municipal Court	2,671.40	33,387.30	33,198.28	-	2,860.42
Interest on Costs & Taxes	-	133,930.38	-	133,930.38	-
Interest on Investments & Deposits	-	486,371.22	486,371.22	-	-
Telecommunications Tower Lease		67,150.32	67,150.32		
Verizon Franchise Fees		56,488.27	56,488.27		
Energy Receipts Tax		827,225.00	827,225.00		
Garden State Trust Fund		24,884.00	24,884.00		
Municipal Relief Fund		42,855.02	42,855.02		
Uniform Construction Code Fees	-	674,854.00	674,854.00	-	-
Roosevelt Court Fees		6,000.00	6,000.00		
Cable Franchise Fees	-	84,429.00	84,429.00	-	-
General Capital Fund Balance		21,805.00	21,805.00		
American Rescue Plan	-	244,120.00	244,120.00	-	-
Interest On Bond Anticipation Note Investments	-	20,638.75	20,638.75	-	-
<b>Total</b>	<u>\$ 2,671.40</u>	<u>\$ 2,788,140.73</u>	<u>\$ 2,654,021.33</u>	<u>\$ 133,930.38</u>	<u>\$ 2,860.42</u>

**Detail:**

Cash Receipts	\$ 2,762,163.95
Due from General Capital Fund	21,805.00
Transfer From Reserve Municipal Relief Fund	<u>42,855.02</u>
	<u>\$ 2,826,823.97</u>



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

Exhibit A-11  
Sheet 2 of 2

	Balance December 31, 2022			Balance After Transfers	Paid or Charged	Accounts Payable	Balance Lapsed
Appropriation	Reserves	Encumbered	Transfers	Transfers	Charged	Payable	Lapsed
Employee Health Insurance	\$ 8,169.72	\$ 32,999.40	\$ -	\$ 41,169.12	\$ 35,855.00	\$ -	\$ 5,314.12
Employee Group Insurance Waiver	250.00			250.00			250.00
Unemployment Insurance	2,199.77			2,199.77			2,199.77
Emergency Management Service	59.74	1,840.26		1,900.00	1,826.83		73.17
Streets & Roads	2,273.92	20,872.53		23,146.45	6,853.82		16,292.63
Shade Tree Commission	0.83	42,588.55		42,589.38	42,588.55		0.83
Sanitation	404.56	2,022.45		2,427.01			2,427.01
Buildings & Grounds	5,792.02	23,392.04		29,184.06	12,427.88	1,145.08	15,611.10
Vehicle Maintenance	2,319.46	25,926.74		28,246.20	23,972.80		4,273.40
Senior Transportation	1,198.00	2,015.00		3,213.00	2,015.00		1,198.00
Environmental Commission	495.02	391.31		886.33	391.31		495.02
Recreation Commission	1,069.89			1,069.89			1,069.89
Maintenance of Parks	2,035.08	1,075.00		3,110.08	1,075.00		2,035.08
Municipal Court	3,016.92	2,506.78		5,523.70	100.00	350.00	5,073.70
Electricity	13,934.14	2,910.60		16,844.74	5,074.26		11,770.48
Street Lighting	437.16	8,111.94		8,549.10	8,111.94		437.16
Telephone	6,589.38	983.33		7,572.71	1,158.33		6,414.38
Natural Gas		7,299.90		7,299.90	6,819.74		480.16
Gasoline	50.00	9,719.25		9,769.25	6,033.10		3,736.15
Landfilling Tipping Fees	6,420.25			6,420.25			6,420.25
Construction	7,763.39	2,497.38		10,260.77	2,793.24		7,467.53
Other Code Enforcement	412.02	142.99		555.01	142.99		412.02
Social Security System			100.00	100.00	53.60		46.40
Defined Contribution Retirement Program	1,528.72			1,528.72			1,528.72
<b>Operations Excluded from "CAPS":</b>							
County of Monmouth 911 Service	19.00			19.00			19.00
Animal Control Services	179.00			179.00			179.00
Vehicle Maintenance	11,070.00	323.75		11,393.75	282.07		11,111.68
Municipal Alliance on Alcoholism & Drug Abuse- Township Share	2,550.00			2,550.00			2,550.00
Total Other Expenses	138,617.80	240,575.31		379,193.11	212,948.59	7,037.42	159,207.10
Grand Total	\$ 247,905.98	\$ 240,575.31	\$ -	\$ 488,481.29	\$ 212,948.59	\$ 7,037.42	\$ 268,495.28

Details:

Cash Disbursed

\$ 212,948.59

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

	Balance			Balance After Transfers	Paid or Charged	Accounts Payable	Balance Lapsed
	December 31, 2022						
	Appropriation Reserves	Encumbered	Transfers				
<b>Salaries and Wages:</b>							
<b>Operations - Within "CAPS":</b>							
Mayor & Township Committee	\$ 31.00	\$ -	\$ -	\$ 31.00	\$ -	\$ -	\$ 31.00
General Administration	4,662.09			4,662.09			4,662.09
Municipal Clerk	1,789.00			1,789.00			1,789.00
Financial Administration	189.06			189.06			189.06
Collection of Taxes	2,097.92			2,097.92			2,097.92
Assessment of Taxes	369.04			369.04			369.04
Historical Prevention Committee	200.00			200.00			200.00
Open Space Farmland Preservation Council	863.92			863.92			863.92
Planning Board	2,048.03			2,048.03			2,048.03
Zoning Board of Adjustment	2,048.02			2,048.02			2,048.02
Streets & Roads	68,179.88			68,179.88			68,179.88
Sanitation	4,921.41			4,921.41			4,921.41
Buildings & Grounds	660.00			660.00			660.00
Recreation Commission	1,000.06			1,000.06			1,000.06
Municipal Court	3,155.52			3,155.52			3,155.52
Construction	16,879.19			16,879.19			16,879.19
Other Code Enforcement	194.04			194.04			194.04
	<u>109,288.18</u>			<u>109,288.18</u>			<u>109,288.18</u>
<b>Total Salaries and Wages</b>							
<b>Other Expenses:</b>							
<b>Operations - Within "CAPS":</b>							
Mayor & Township Committee	572.98			572.98			572.98
General Administration	7,702.38	11,435.65	(5,000.00)	14,138.03	7,528.69	323.57	6,285.77
Municipal Clerk	861.70	82.48		944.18	230.52		713.66
Financial Administration	2,695.33	9,869.20		12,564.53	10,779.60		1,784.93
Collection of Taxes	9,749.66	4,475.00		14,224.66	4,475.00		9,749.66
Assessment of Taxes	2,335.05	1,989.68		4,324.73	1,783.34		2,541.39
Legal Services & Costs	21,979.37	15,651.16		37,630.53	22,703.54	1,618.77	13,308.22
Engineering Services & Costs	6,673.75			6,673.75	1,363.75		5,310.00
Historical Prevention Committee	18.45	2,564.44		2,582.89	2,564.44		18.45
Veteran Memorial Committee	368.67			368.67			368.67
Open Space Farmland Preservation Council	410.99			410.99			410.99
Friends Group		4,600.00		4,600.00	1,000.00	3,600.00	
Agricultural	238.79			238.79			238.79
Planning Board	2,846.07	1,588.50		4,434.57	2,044.25		2,390.32
Zoning Board of Adjustment	803.70	700.00	1,000.00	2,503.70	900.00		1,603.70
Affordable Housing (COAH Admin)	100.00			100.00			100.00
Liability Insurance	652.92		3,900.00	4,552.92			4,552.92
Workers Compensation Insurance	370.00			370.00			370.00

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

Balance December 31, 2022		\$ 331,594.21
Increased by:		
Collection of 2024 Taxes		<u>329,843.77</u>
Subtotal		661,437.98
Decreased by:		
Applied to 2023 Taxes		<u>331,594.21</u>
Balance December 31, 2023		<u><u>\$ 329,843.77</u></u>

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

Balance December 31, 2022		\$ 3,236.01
Increased by:		
Overpayments	\$ 5,572.31	
Refund Prior Year Tax	<u>2,479.97</u>	
		<u>\$ 8,052.28</u>
Subtotal		11,288.29
Decreased by:		
Refunded		<u>8,808.32</u>
Balance December 31, 2023		<u><u>\$ 2,479.97</u></u>

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

Balance December 31, 2022		\$ -
Increased by:		
2023 Levy:		
County Tax	\$ 4,609,083.24	
County Library Tax	333,430.32	
County Health Tax	91,801.10	
County Open Space Tax	<u>653,006.31</u>	
		<u>5,687,320.97</u>
Subtotal		5,687,320.97
Decreased by:		
Payments		<u>5,687,320.97</u>

**SCHEDULE OF DUE COUNTY FOR ADDED AND OMITTED TAXES  
FOR THE YEAR ENDED DECEMBER 31, 2023**

Balance December 31, 2022		\$ 43,683.07
Increase by:		
County Share of 2023 Levy (R.S.54:4-63.1 et seq.):		
County Tax	\$ 167,992.28	
County Library Tax	11,961.36	
County Health Tax	3,513.37	
County Open Tax	<u>23,856.20</u>	
		<u>207,323.21</u>
Subtotal		251,006.28
Decreased by:		
Payments	\$ 43,682.52	
Cancelled	<u>0.55</u>	
		<u>43,683.07</u>
Balance December 31, 2023		<u><u>\$ 207,323.21</u></u>

**TOWNSHIP OF MILLSTONE  
CURRENT FUND  
SCHEDULE OF LOCAL DISTRICT SCHOOL TAX  
FOR THE YEAR ENDED DECEMBER 31, 2023**

Balance December 31, 2022		
School Tax Payable	\$	12,087,088.00
School Tax Deferred		<u>4,500,000.00</u>
		<u>\$ 16,587,088.00</u>
Increased by Local District School's Share of 2022 Levy: School Year July 1, 2023 to June 30, 2024		<u>34,345,717.00</u>
Subtotal		50,932,805.00
Decreased by Payments: Payments		<u>33,759,946.50</u>
Balance December 31, 2023		
School Tax Payable	\$	12,672,858.50
School Tax Deferred		<u>4,500,000.00</u>
		<u>\$ 17,172,858.50</u>
2023 Liability for Local District School Tax:		
Tax Paid	\$	33,759,946.50
Less: Tax Payable December 31, 2022		<u>12,087,088.00</u>
Subtotal		21,672,858.50
Add: Tax Payable December 31, 2023		<u>12,672,858.50</u>
Amount Charged to 2023 Operations		<u>\$ 34,345,717.00</u>

**TOWNSHIP OF MILLSTONE  
 SCHEDULE OF MUNICIPAL OPEN SPACE TAX PAYABLE  
 CURRENT FUND  
 DUE TO TRUST OTHER  
 FOR THE YEAR ENDED DECEMBER 31, 2023**

Balance December 31, 2022		\$ 8,943.76
<u>Increased By:</u>		
2023 Levy	\$ 1,158,146.13	
2023 Added & Omitted	<u>42,160.46</u>	<u>1,200,306.59</u>
Subtotal		1,209,250.35
<u>Decreased by:</u>		
Cash Disbursed - Transferred		<u>1,199,379.72</u>
Balance December 31, 2023		<u><u>\$ 9,870.63</u></u>

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

Balance December 31, 2022		\$ 17,583.00
<u>Increased By:</u>		
Cash Receipts		<u>41,548.00</u>
Subtotal		59,131.00
<u>Decreased by:</u>		
Cash Disbursed	\$ 33,173.00	
Cancelled	<u>2,071.00</u>	<u>35,244.00</u>
Balance December 31, 2023		<u><u>\$ 23,887.00</u></u>

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

Balance December 31, 2022		\$	12,553.46
<u>Increased By:</u>			
2022 Budget Charge	\$	7,037.42	
2023 Construction Code Period Refund		<u>432.00</u>	<u>7,469.42</u>
Subtotal			20,022.88
<u>Decreased by:</u>			
Cancelled			<u>6,284.56</u>
Balance December 31, 2023		\$	<u><u>13,738.32</u></u>
Detail:			
	2021	\$	6,268.90
	2022		7,037.42
	2023		<u>432.00</u>
		\$	<u><u>13,738.32</u></u>



**TOWNSHIP OF MILLSTONE  
CURRENT FUND  
SCHEDULE OF SPECIAL FIRE DISTRICT TAXES PAYABLE  
FOR THE YEAR ENDED DECEMBER 31, 2023**

<u>Increased By:</u>	
Tax Levy	<u>\$ 2,433,070.00</u>
<u>Decreased by:</u>	
Tax Paid	<u>\$ 2,433,070.00</u>

**TOWNSHIP OF MILLSTONE  
GRANT FUND  
SCHEDULE OF GRANTS RECEIVABLE  
FOR THE YEAR ENDED DECEMBER 31, 2023**

PROGRAM	BALANCE DECEMBER 31, 2022	2022 BUDGET REVENUE REALIZED	TRANSFER FROM UNAPPROPRIATED RESERVES	RECEIVED	BALANCE DECEMBER 31, 2023
State Grants:					
Municipal Alliance on Alcoholism & Drug Abuse - 2019-20 FY	\$ 1,675.64	\$ -	\$ -		\$ 1,675.64
Municipal Alliance on Alcoholism & Drug Abuse - 2021-2022 FY	11,165.00			11,165.00	-
Municipal Alliance on Alcoholism & Drug Abuse - 2022-2023 FY		9,990.00		7,084.80	2,905.20
Sustainable Jersey Grant		2,000.00		2,000.00	-
Storm Water Management Grant		15,000.00		15,000.00	-
Recycling Tonnage Grant - 2023	-	15,371.12		15,371.12	-
DMHAS - Youth Leadership	2,269.18	3,403.78		-	5,672.96
Clean Communities Grant - 2023		45,670.19		45,670.19	-
<b>Total State Grants</b>	<b>15,109.82</b>	<b>91,435.09</b>	<b>-</b>	<b>96,291.11</b>	<b>10,253.80</b>
Federal Grants:					
CDBG ADA - Improvements to Muni & Court Buildings - 2018	5,586.00	-	-	-	5,586.00
National Opioid Settlement Grant	-	3,422.70		3,422.70	-
<b>Total Federal Grants</b>	<b>5,586.00</b>	<b>3,422.70</b>	<b>-</b>	<b>3,422.70</b>	<b>5,586.00</b>
<b>Total</b>	<b>\$ 20,695.82</b>	<b>\$ 94,857.79</b>	<b>\$ -</b>	<b>\$ 99,713.81</b>	<b>\$ 15,839.80</b>

Cash Received	96,291.11
Due From Current Fund	<u>3,422.70</u>
	<u><u>99,713.81</u></u>

**TOWNSHIP OF MILLSTONE  
GRANT FUND  
SCHEDULE OF RESERVE FOR GRANTS - APPROPRIATED  
FOR THE YEAR ENDED DECEMBER 31, 2023**

PROGRAM	BALANCE DECEMBER 31, 2022	TRANSFERRED FROM 2023 BUDGET APPROPRIATION	PAID OR CHARGED			BALANCE DECEMBER 31, 2023
			PRIOR YEAR ENCUMBRANCES	CASH DISBURSED	CURRENT YEAR ENCUMBRANCES	
<b>State Grants:</b>						
Alcohol Ed. & Rehab. Grant - 2013	\$ 522.35	\$ -	\$ -	\$ -	\$ -	\$ 522.35
Alcohol Ed. & Rehab. Grant - 2017	292.93	-	-	-	-	292.93
Alcohol Ed. & Rehab. Grant - 2018	80.37	-	-	-	-	80.37
Alcohol Ed. & Rehab. Grant - 2020	583.48	-	-	-	-	583.48
Alcohol Ed. & Rehab. Grant - 2022	1,421.39	-	-	-	-	1,421.39
Stormwater Management Grant		15,000.00				15,000.00
Recycling Tonnage Grant - 2023		15,371.12				15,371.12
Clean Communities Grant - 2021	7,575.11	-	348.90	7,924.01	-	(0.00)
Clean Communities Grant - 2022	40,646.75	-	-	21,887.59	-	18,759.16
Clean Communities Grant- 2023		45,670.19				45,670.19
Municipal Alliance on Alcoholism & Drug Abuse - 2020-2021	200.14	-	-	200.14	-	-
Municipal Alliance on Alcoholism & Drug Abuse - 2021-2022	1,895.60	-	-	1,895.60	-	-
Municipal Alliance on Alcoholism & Drug Abuse - 2022-2023		9,990.00		8,059.26		1,930.74
DMHAS - Youth Leadership	2,269.18	3,403.78	-	2,340.00	1,500.00	1,832.96
Sustainable Jersey Grant		2,000.00		455.00	466.65	1,078.35
CFMP - 2017	513.00	-	-	-	-	513.00
<b>Total State Grants</b>	<b>56,000.30</b>	<b>91,435.09</b>	<b>348.90</b>	<b>42,761.60</b>	<b>1,966.65</b>	<b>103,056.04</b>
<b>Municipal Share/ Local:</b>						
Municipal Alliance on Alcoholism & Drug Abuse - 2019-2020	1,178.81	-	-	1,041.10	-	137.71
Municipal Alliance on Alcoholism & Drug Abuse - 2020-2021	122.54	-	-		-	122.54
Municipal Alliance on Alcoholism & Drug Abuse - 2022-2023		2,497.50		1,780.99		716.51
<b>Total Local Grants</b>	<b>1,301.35</b>	<b>2,497.50</b>	<b>-</b>	<b>2,822.09</b>	<b>-</b>	<b>976.76</b>
<b>Federal Grant:</b>						
National Opioid Settlement Grant		3,422.70				3,422.70
CDBG ADA - Improvements to Muni & Court Buildings - 2018	5,586.00	-	-	-	-	5,586.00
	5,586.00	3,422.70	-	-	-	9,008.70
<b>Total All Grants</b>	<b>\$ 62,887.65</b>	<b>\$ 97,355.29</b>	<b>\$ 348.90</b>	<b>\$ 45,583.69</b>	<b>\$ 1,966.65</b>	<b>\$ 113,041.50</b>

**TOWNSHIP OF MILLSTONE  
GRANT FUND  
SCHEDULE OF RESERVE FOR GRANTS - UNAPPROPRIATED  
FOR THE YEAR ENDED DECEMBER 31, 2023**

PROGRAM	BALANCE DECEMBER 31, 2022	CASH RECEIVED	\	TRANSFER	BALANCE DECEMBER 31, 2023
American Rescue Plan	\$ 488,238.96	\$ -		\$ 244,120.00	\$ 244,118.96
National Opioid Settlement Grant	-	163.90			163.90
	<u>\$ 488,238.96</u>	<u>\$ 163.90</u>		<u>\$ 244,120.00</u>	<u>\$ 244,282.86</u>
Due From Current Fund		<u>\$ 163.90</u>			
Transferred to:					
General Fund - As Anticipated Reversal				<u>\$ 244,120.00</u>	

**TRUST FUND**

**TOWNSHIP OF MILLSTONE  
TRUST FUND  
STATEMENT OF TRUST CASH  
PER N.J.S.40A:5-5-TREASURER  
FOR THE YEAR ENDED DECEMBER 31, 2023**

	<u>ANIMAL CONTROL TRUST FUND</u>	<u>MUNICIPAL OPEN SPACE TRUST FUND</u>	<u>PAYROLL TRUST FUND</u>	<u>OTHER FUNDS</u>
Balance December 31, 2022	\$ 8,909.14	\$6,368,615.82	\$ -	\$5,447,579.43
Increased by Receipts:				
Reserve for Animal Control Fund Expenditures	7,880.50	-	-	-
Due State of New Jersey	1,191.30			-
Miscellaneous Reserves	-			1,663,526.00
Reserve for Builders Escrow Over \$5,000	-			495,778.01
Municipal Open Space Levy		\$1,199,379.72		
Grants		6,000.00		
Miscellaneous		7,338.22		
Reserve for COAH				974,744.90
Reserve for Payroll	-		2,401,831.94	
Total Receipts	<u>9,071.80</u>	<u>1,212,717.94</u>	<u>2,401,831.94</u>	<u>3,134,048.91</u>
	<u>17,980.94</u>	<u>7,581,333.76</u>	<u>2,401,831.94</u>	<u>8,581,628.34</u>
Decreased by Disbursements:				
Reserve for Animal Control Fund Expenditures	10,734.22			-
Due State of New Jersey	1,202.40			-
Miscellaneous Reserves	-			1,932,943.96
Reserve for Builders Escrow	-			436,398.78
Reserve for Open Space	-	4,215,415.74		
Reserve for Encumbrances	-	284,822.01		
Reserve for COAH				279,139.66
Reserve for Payroll	-		2,401,831.94	
Total Disbursements	<u>11,936.62</u>	<u>4,500,237.75</u>	<u>2,401,831.94</u>	<u>2,648,482.40</u>
Balance December 31, 2023	<u>\$ 6,044.32</u>	<u>\$3,081,096.01</u>	<u>\$ -</u>	<u>\$5,933,145.94</u>

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

Balance December 31, 2022		\$ 8,210.94
Increased by:		
Collections:		
Dog License Fees Collected by Clerk	\$ 7,880.50	
Prior Year Reserve for Encumbrances	625.00	
Prior Year Due to State	<u>60.90</u>	
		<u>8,566.40</u>
Subtotal		16,777.34
Decreased by:		
Expenditures Under R.S.4:19-15.11 - Cash	<u>\$ 10,734.22</u>	
		<u>10,734.22</u>
Balance December 31, 2023		<u><u>\$ 6,043.12</u></u>

LICENSE FEES COLLECTED

<u>Year</u>	<u>Amount</u>
2022	\$ 8,823.80
2021	<u>8,405.40</u>
Total	<u><u>\$ 17,229.20</u></u>

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

Balance December 31, 2022		\$ 73.20
Increased by:		
2023 Animal License Fees		<u>1,191.30</u>
Subtotal		1,264.50
Decreased by:		
Fees paid to State	\$ 1,202.40	
Cancelled to Reserve for Animal Control Fund Reserve	<u>60.90</u>	
		<u>1,263.30</u>
Balance December 31, 2023		<u><u>\$ 1.20</u></u>

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

	Balance December 31, 2022	Transfer from Encumbrances	Increased by Receipts	Decreased by Disbursements	Balance December 31, 2023
Self Insurance Trust	\$ 29,996.45	\$ 1,373.63	\$ 41,335.88	\$ 27,870.60	\$ 44,835.36
Storm Recovery Trust	67,497.79	11.90	60,000.00		127,509.69
Basin Maintenance Trust	91,578.04	-	-	1,354.07	90,223.97
Mt. Laurel Special	3,705.96	-	-	-	3,705.96
Public Defender Trust	2,200.00	-	800.00	-	3,000.00
POAA Trust	81.00	-	-	-	81.00
Municipal Alliance Trust	3,453.65	-	100.00		3,553.65
Recreation Trust	532,207.98	21,230.66	417,688.09	388,344.74	582,781.99
Tax Sale Premium	962,275.92	-	1,143,602.03	1,506,874.55	599,003.40
Veterans Memorial Trust	3,797.61	-		-	3,797.61
Shade Tree Trust	31,373.00	3,750.00		8,500.00	26,623.00
Stavola Asphalt	4,393.95	-		-	4,393.95
<b>Total Reserves</b>	<b>\$ 1,732,561.35</b>	<b>\$ 26,366.19</b>	<b>\$ 1,663,526.00</b>	<b>\$ 1,932,943.96</b>	<b>\$ 1,489,509.58</b>



**TOWNSHIP OF MILLSTONE  
TRUST OTHER FUNDS  
SCHEDULE OF RESERVES FOR BUILDERS ESCROW  
FOR THE YEAR ENDED DECEMBER 31, 2023**

	<u>Balance December 31, 2022</u>	<u>Increased by Cash Receipts</u>	<u>Decreased by Cash Disbursements</u>	<u>Balance December 31, 2023</u>
Builder's Escrow over \$5,000	\$ 738,902.42	\$ 395,052.94	\$ 334,303.14	\$ 799,652.22
Builder's Escrow under \$5,000	<u>127,792.52</u>	<u>101,748.87</u>	<u>102,095.64</u>	<u>127,445.75</u>
Total Reserves	<u>\$ 866,694.94</u>	<u>\$ 496,801.81</u>	<u>\$ 436,398.78</u>	<u>\$ 927,097.97</u>
		Cash Receipt	\$ 495,778.01	
		Interfund Cancelled	<u>1,023.80</u>	
			<u>\$ 496,801.81</u>	

**TOWNSHIP OF MILLSTONE  
TRUST OTHER FUNDS  
SCHEDULE OF RESERVE FOR LENGTH OF  
SERVICE AWARDS PROGRAM (LOSAP)  
FOR THE YEAR ENDED DECEMBER 31, 2023  
[UNAUDITED]**

Balance December 31, 2022		\$ 402,547.61
Increased by:		
Investment Earnings		58,085.40
Decreased by:		
Withdrawals	\$ 76,377.38	
Account Charge	<u>450.00</u>	
		<u>76,827.38</u>
Balance December 31, 2023		<u><u>\$ 383,805.63</u></u>

**TOWNSHIP OF MILLSTONE**  
**TRUST OTHER FUNDS**  
**SCHEDULE OF PAYROLL DEDUCTIONS PAYABLE**

	Balance December 31, <u>2022</u>	Increased by		Decreased by <u>Disbursements</u>	Balance December 31, <u>2023</u>
		<u>Township's Share</u>	<u>Payroll Deductions</u>		
Federal Withholding Tax			\$ 181,404.56	\$ 181,404.56	
FICA		\$ 153,180.09	153,180.09	306,360.18	
State of New Jersey Withholding Tax			55,055.37	55,055.37	
PERS- Normal Pension			104,323.14	104,323.14	
PERS- Loan			14,629.40	14,629.40	
PERS- Contributory Life Insurance			6,412.94	6,412.94	
DCRP Investment		12,320.52	15,709.33	28,029.85	
TSA 457			47,572.11	47,572.11	
Union Dues			11,480.34	11,480.34	
AFLAC			2,035.14	2,035.14	
NJUI			14,247.22	14,247.22	
NJDI		1,389.97		1,389.97	
NJFLI		1,209.79		1,209.79	
Employee Health Benefit Contribution			74,528.58	74,528.58	
Interest Earned - Due Current			251.48	251.48	
Garnishment			1,000.00	1,000.00	
PERS Annual Bill		171,774.00		171,774.00	
Net Pay		1,380,127.87		1,380,127.87	
	<u>\$ -</u>	<u>\$ 1,720,002.24</u>	<u>\$ 681,829.70</u>	<u>\$ 2,401,831.94</u>	<u>\$ -</u>

() denotes deficit

EXHIBIT B-8

**TOWNSHIP OF MILLSTONE  
TRUST OTHER FUNDS  
SCHEDULE OF OPEN SPACE GRANTS RECEIVABLE  
FOR THE YEAR ENDED DECEMBER 31, 2023**

Balance December 31, 2022		\$ 1,194,056.57
Balance December 31, 2023		<u>\$ 1,194,056.57</u>
 <u>Analysis of Balance</u>		
Waters		\$ 588,158.25
Perl Acres North		418,376.62
Cady		488.89
Burnt Tavern		<u>187,032.81</u>
		<u>\$ 1,194,056.57</u>

EXHIBIT B-9

**MUNICIPAL OPEN SPACE TRUST FUND  
RESERVE FOR MUNICIPAL OPEN SPACE**

Balance December 31, 2022		\$ 6,083,793.81
 <u>Increased By:</u>		
Municipal Open Space:		
2023 Levy:	\$ 1,158,146.13	
2023 Added & Omitted	<u>51,104.22</u>	
Interest Earned Prior Year	\$ 102,593.94	
Interest Earned Current Year	24,984.13	
Grants	6,000.00	
Miscellaneous	<u>7,338.22</u>	<u>1,350,166.64</u>
 <u>Decreased By:</u>		
Expenditures		4,215,415.74
Balance December 31, 2023		<u>\$ 3,218,544.71</u>

**TOWNSHIP OF MILLSTONE  
TRUST OTHER FUNDS  
SCHEDULE OF RESERVE FOR  
COUNCIL ON AFFORDABLE HOUSING (COAH)  
FOR THE YEAR ENDED DECEMBER 31, 2023**

Balance December 31, 2022		\$ 2,704,547.40
Increased by:		
Interest Earned	\$ 70,203.23	
Interest 2022 Returned	10,507.85	
Contribution	974,744.90	
Prior Year Encumbrance	<u>116,385.75</u>	
		<u>1,171,841.73</u>
Subtotal		3,876,389.13
Decreased by:		
Expenditures		<u>279,139.66</u>
Balance December 31, 2023		<u><u>\$ 3,597,249.47</u></u>

**GENERAL CAPITAL FUND**

**TOWNSHIP OF MILLSTONE  
GENERAL CAPITAL FUND  
SCHEDULE OF GENERAL CAPITAL CASH  
PER N.J.S.40A:5-5-TREASURER  
FOR THE YEAR ENDED DECEMBER 31, 2023**

Balance December 31, 2022		\$ 685,545.97
Increased by Receipts:		
FEMA Reimbursement	\$ 89,784.72	
2023 Budget Appropriation - Capital Improvement Fund	1,590,000.00	
Grants Receivable	265,175.00	
	<u>                    </u>	<u>1,944,959.72</u>
Subtotal		2,630,505.69
Decreased by Disbursements:		
Improvement Authorizations		<u>222,678.19</u>
Balance December 31, 2023		<u><u>\$ 2,407,827.50</u></u>

**TOWNSHIP OF MILLSTONE  
GENERAL CAPITAL FUND  
ANALYSIS OF GENERAL CAPITAL CASH  
FOR THE YEAR ENDED DECEMBER 31, 2023**

	<u>BALANCE DECEMBER 31, 2023</u>
Fund Balance	\$ 90,000.63
Capital Improvement Fund	163,506.08
Grants Receivable	(282,395.00)
Interfund Payable - Current Fund	21,805.00
Reserve for Encumbrances	1,856,419.73
Due from County of Monmouth	(34,755.00)
<u>IMPROVEMENT AUTHORIZATIONS:</u>	
<u>ORDINANCE</u>	
<u>NUMBER</u>	<u>IMPROVEMENT DESCRIPTION</u>
01-43	Acquisition of Development Rights - Buono Property 2,763.94
07-16	Park Improvements - Phase II 24,573.95
13-18	Acquisition/Installation of Generators 10,492.51
14-09	2014 Site Improvements 24,460.71
18-02	Improvements to Various Technology, Safety & Buildings 3,207.47
18-05	Park Improvements (Rocky Brook) 101,932.54
19-06	Various Technology and Safety Improvements 2,794.81
19-10	Acquisition of DPW Vehicles and Equipment 632.07
20-17	Acquisition of an Ambulance and Equipment 16,028.99
20-18	Construction of a Park Maintenance Building and Improvements 6,277.65
20-19	Acquisition of Public Works Vehicles & Equipment 8,557.57
21-11	Various Capital Improvements 48,393.96
22-11	Various Capital Improvements 124,660.76
23-12	Various Capital Improvements 218,469.13
Total	\$ 2,407,827.50



**TOWNSHIP OF MILLSTONE  
GENERAL CAPITAL FUND  
STATEMENT OF INTERGOVERNMENTAL ACCOUNTS RECEIVABLE  
FOR THE YEAR ENDED DECEMBER 31, 2023**

	New Jersey Department of Transportation			
	<u>Total</u>	Millstone Road Phase II <u>Ord. #23-12</u>	Backbone Hill Road <u>Ord. #23-12</u>	Various Capital Improvements <u>Ord. #21-11</u>
Balance December 31, 2022	\$ 76,250.00	\$ -	\$ -	\$ 76,250.00
INCREASED BY:				
Grants Awarded	524,420.00	305,000.00	219,420.00	
	600,670.00	305,000.00	219,420.00	76,250.00
DECREASED BY:				
Cash Received	265,175.00	188,925.00		76,250.00
Improvement Authorization Cancelled	53,100.00	53,100.00		
	318,275.00	242,025.00	-	76,250.00
Balance December 31, 2023	\$ 282,395.00	\$ 62,975.00	\$ 219,420.00	\$ -

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

Balance December 31, 2022	\$ 19,825,000.00
Decreased by:	
2023 Budget Appropriation to Pay Debt - General Serial Bonds & Loans	1,840,000.00
	1,840,000.00
Balance December 31, 2023	\$ 17,985,000.00

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

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	BALANCE DECEMBER 31, <u>2022</u>	BALANCE DECEMBER 31, <u>2023</u>	ANALYSIS OF
				BALANCE
				BOND ANTICIPATION NOTES
21-11	Various Capital Improvements	\$ 825,550.00	\$ 825,550.00	\$ 825,550.00
	Total	<u>\$ 825,550.00</u>	<u>\$ 825,550.00</u>	<u>\$ 825,550.00</u>

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

Balance December 31, 2022	\$ 74,086.08
Increased by:	
2023 Budget Appropriation	<u>1,590,000.00</u>
Subtotal	1,664,086.08
Decreased by:	
Appropriated to Finance Improvement Authorizations	<u>1,500,580.00</u>
Balance December 31, 2023	<u><u>\$ 163,506.08</u></u>

**TOWNSHIP OF MILLSTONE  
GENERAL CAPITAL FUND  
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS  
FOR THE YEAR ENDED DECEMBER 31, 2023**

IMPROVEMENT DESCRIPTION	ORDINANCE		BALANCE		2023		CASH	CURRENT		BALANCE		
	NUMBER	DATE	December 31, 2022		AUTHORIZATIONS IMPROVEMENT FUND	PRIOR YEAR ENCUMBRANCES		EXPENDED	YEAR ENCUMBRANCES	TRANSFER IN	December 31, 2023	
			AMOUNT	FUNDED							UNFUNDED	FUNDED
<b>Outstanding Improvements:</b>												
Acquisition of Development Rights - Buono Property	01-43	12/19/2001	\$ 533,000.00	\$ 2,763.94	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,763.94	\$ -
Park Improvements - Phase II	07-16	7/18/2007	200,000.00	24,573.95	-	-	45,000.00	-	45,000.00	-	24,573.95	-
Acquisition/Installation of Generators	13-18	7/17/2013	105,000.00	10,492.51	-	-	-	-	-	-	10,492.51	-
2014 Site Improvements	14-09	7/16/2014	150,000.00	24,460.71	-	-	-	-	-	-	24,460.71	-
Improvements to Various Technology, Safety & Buildings	18-02	2/21/2018	280,000.00	3,207.47	-	-	-	-	-	-	3,207.47	-
Park Improvements (Rocky Brook)	18-05	6/6/2018	250,000.00	101,932.54	-	-	16,403.00	-	16,403.00	-	101,932.54	-
Various Technology and Safety Improvements	19-06	5/13/2019	185,000.00	2,794.81	-	-	-	-	-	-	2,794.81	-
Acquisition of DPW Vehicles and Equipment	19-10	7/1/2019	250,000.00	632.07	-	-	-	-	-	-	632.07	-
Acquisition of an Ambulance and Equipment	20-17	6/3/2020	200,000.00	16,028.99	-	-	-	-	-	-	16,028.99	-
Construction of a Park Maintenance Building and Improvements	20-18	6/3/2020	550,000.00	6,277.65	-	-	40,298.30	-	40,298.30	-	6,277.65	-
Acquisition of Public Works Vehicles & Equipment	20-19	6/3/2020	206,000.00	8,557.57	-	-	-	-	-	-	8,557.57	-
Various Capital Improvements (NJDOT \$305,000)	21-11	8/4/2021	1,174,000.00	-	91,299.85	-	1,609.57	76,577.96	2,692.50	34,755.00	-	48,393.96
Various Capital Improvements	22-11	6/15/2022	300,000.00	171,937.91	-	-	97,418.14	137,688.43	7,006.86	-	124,660.76	-
Various Capital Improvements (NJDOT \$251,900 NJDOT \$219,420 & CIF \$1,500,580)	23-12	7/19/2023	1,973,700.00	-	-	2,025,000.00	-	8,411.80	1,745,019.07	(53,100.00)	218,469.13	-
<b>Total</b>				<b>\$ 373,660.12</b>	<b>\$ 91,299.85</b>	<b>\$ 2,025,000.00</b>	<b>\$ 200,729.01</b>	<b>\$ 222,678.19</b>	<b>\$1,856,419.73</b>	<b>\$ (18,345.00)</b>	<b>\$ 544,852.10</b>	<b>\$ 48,393.96</b>
						Capital Improvement Fund	\$ 1,500,580.00					
						NJDOT Grant	524,420.00					
							<u>\$ 2,025,000.00</u>					

**TOWNSHIP OF MILLSTONE  
GENERAL CAPITAL FUND  
SCHEDULE OF PRELIMINARY COSTS PAYABLE  
FOR THE YEAR ENDED DECEMBER 31, 2023**

Balance December 31, 2022	\$ 215.91
Decreased by:	
Cancelled To Fund Balance	<u>\$ 215.91</u>

**TOWNSHIP OF MILLSTONE  
GENERAL CAPITAL FUND  
SCHEDULE OF BOND ANTICIPATION NOTES  
FOR THE YEAR ENDED DECEMBER 31, 2023**

<u>ORDINANCE NUMBER</u>	<u>IMPROVEMENT DESCRIPTION</u>	<u>DATE OF ISSUE OF ORIGINAL NOTES</u>	<u>DATE OF ISSUE</u>	<u>DATE OF MATURITY</u>	<u>GROSS INTEREST RATE</u>	<u>BALANCE DECEMBER 31, 2022</u>	<u>BALANCE DECEMBER 31, 2023</u>
23-12	Various Capital Improvement	12/31/22	12/29/2023	12/28/2024	2.50%	\$ 825,550.00	\$ 825,550.00
					Total	<u>\$ 825,550.00</u>	<u>\$ 825,550.00</u>

**TOWNSHIP OF MILLSTONE  
GENERAL CAPITAL FUND  
SCHEDULE OF SERIAL BONDS  
FOR THE YEAR ENDED DECEMBER 31, 2023**

PURPOSE	DATE OF ISSUE	ORIGINAL ISSUE	MATURITIES OF BONDS		INTEREST RATE	BALANCE DECEMBER 31, 2022	PAID BY BUDGET APPROPRIATION	BALANCE DECEMBER 31, 2023
			OUTSTANDING DATE	DEC. 31, 2023 AMOUNT				
MCIA 2012 - General Improvements	5/22/2012	\$ 6,120,000.00	12/31/2024	\$ 710,000.00	5.00%	\$ 2,125,000.00	\$ 675,000.00	\$ 1,450,000.00
			12/31/2025	740,000.00	5.00%			
MCIA 2018 - General Improvements Bonds	2/1/2018	2,690,000.00	1/15/2024	125,000.00	5.00%	2,270,000.00	120,000.00	2,150,000.00
			1/15/2025	130,000.00	5.00%			
			1/15/2026	135,000.00	5.00%			
			1/15/2027	145,000.00	5.00%			
			1/15/2028	150,000.00	5.00%			
			1/15/2029	160,000.00	5.00%			
			1/15/2030	165,000.00	4.00%			
			1/15/2031	175,000.00	4.00%			
			1/15/2032	180,000.00	4.00%			
			1/15/2033	190,000.00	4.00%			
			1/15/2034	195,000.00	4.00%			
			1/15/2035	200,000.00	4.00%			
			1/15/2036	200,000.00	3.00%			
			MCIA 2018 - Open Space Bonds	2/1/2018	5,805,000.00			
1/15/2025	245,000.00	5.00%						
1/15/2026	255,000.00	5.00%						
1/15/2027	270,000.00	5.00%						
1/15/2028	285,000.00	5.00%						
1/15/2029	295,000.00	5.00%						
1/15/2030	310,000.00	4.00%						
1/15/2031	325,000.00	4.00%						
1/15/2032	340,000.00	4.00%						
1/15/2033	350,000.00	4.00%						
1/15/2034	365,000.00	4.00%						
1/15/2035	380,000.00	4.00%						
1/15/2036	380,000.00	3.00%						
1/15/2037	380,000.00	3.00%						
1/15/2038	380,000.00	3.00%						
MCIA 2020 - General Improvements Bonds	12/23/2020	11,395,000.00	12/1/2024	865,000.00	5.00%	10,415,000.00	825,000.00	9,590,000.00
			12/1/2025	910,000.00	5.00%			
			12/1/2026	955,000.00	5.00%			
			12/1/2027	980,000.00	5.00%			
			12/1/2028	980,000.00	5.00%			
			12/1/2029	980,000.00	5.00%			
			12/1/2030	980,000.00	5.00%			
			12/1/2031	980,000.00	5.00%			
			12/1/2032	980,000.00	4.00%			
			12/1/2033	980,000.00	4.00%			
						<b>\$ 19,825,000.00</b>	<b>\$ 1,840,000.00</b>	<b>\$ 17,985,000.00</b>



**GENERAL FIXED ASSETS**

**TOWNSHIP OF MILLSTONE  
GENERAL FIXED ASSETS ACCOUNT GROUP  
SCHEDULE OF GENERAL FIXED ASSETS  
FOR THE YEAR ENDED DECEMBER 31, 2023**

	BALANCE DECEMBER 31, 2022	ADDITIONS	DELETIONS	BALANCE DECEMBER 31, 2023
Land & Land Improvements	\$ 14,353,168.07	\$ 2,729,910.07	\$ -	\$ 17,083,078.14
Buildings	5,878,758.87	434,322.40	-	6,313,081.27
Improvement Other Than Buildings	9,184,860.62	1,443,129.78	-	10,627,990.40
Machinery & Equipment	2,898,317.25	108,393.14	7,990.00	2,998,720.39
Total	<u>\$ 32,315,104.81</u>	<u>\$ 4,715,755.39</u>	<u>\$ 7,990.00</u>	<u>\$ 37,022,870.20</u>

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

**SUPPLEMENTARY DATA**

**TOWNSHIP OF MILLSTONE**  
**MONMOUTH COUNTY, NEW JERSEY**  
**COMBINED BALANCE SHEET ALL FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

	Current Fund	Trust Fund	General Capital Fund	Governmental Capital Assets Account	Totals (Memorandum Only)	
					2023	2022
<b><u>ASSETS</u></b>						
Cash	\$ 18,433,069.24	9,020,286.27	2,407,827.50		\$ 29,861,183.01	\$ 30,429,856.53
Cash Held by Plan Administrator (LOSAP)		383,805.63			383,805.63	402,547.61
Investment in General Capital- BAN	825,550.00				825,550.00	825,550.00
Accounts Receivable:						
Grants	15,839.80	1,194,056.57	282,395.00		1,492,291.37	1,291,002.39
Due from State of New Jersey	2,000.00				2,000.00	1,500.00
Delinquent Property Taxes Receivable	554,149.63				554,149.63	
Tax title Liens Receivable	330,625.93				330,625.93	823,840.80
Interfund Loans	27,889.10	218,159.78			246,048.88	1,023.80
Revenue Accounts Receivable	2,860.42		34,755.00		37,615.42	2,671.40
Deferred Charges to Future Taxation:						
Funded			17,985,000.00		17,985,000.00	20,650,550.00
Unfunded			825,550.00		825,550.00	32,315,104.81
Capital Assets				\$ 37,022,870.10	37,022,870.10	
	<u>\$ 20,191,984.12</u>	<u>\$ 10,816,308.25</u>	<u>\$ 21,535,527.50</u>	<u>\$ 37,022,870.10</u>	<u>\$ 89,566,689.97</u>	<u>\$ 86,743,647.34</u>

**TOWNSHIP OF MILLSTONE**  
**MONMOUTH COUNTY, NEW JERSEY**  
**COMBINED BALANCE SHEET ALL FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

	<u>Current</u> <u>Fund</u>	<u>Trust</u> <u>Fund</u>	<u>General</u> <u>Capital Fund</u>	<u>Governmental</u> <u>Capital Assets</u> <u>Account</u>	<u>Totals</u> <u>(Memorandum Only)</u>	
					<u>2023</u>	<u>2022</u>
<b><u>LIABILITIES, RESERVES</u></b>						
<b><u>AND FUND BALANCE</u></b>						
Bonds and Notes Payable			\$ 18,810,550.00		\$ 18,810,550.00	\$ 20,650,550.00
Prepaid Taxes	\$ 329,843.77				329,843.77	331,594.21
Taxes and Liens	2,479.97				2,479.97	3,236.01
Due to County for Added and Omitted Taxes	207,323.21				207,323.21	43,683.07
Accounts Payable	13,738.32				13,738.32	21,497.22
Appropriation Reserves	372,465.85				372,465.85	247,905.98
Local District School Tax Payable	12,672,858.50				12,672,858.50	12,087,088.00
Reserve for Encumbrances	244,540.58		1,856,419.73		2,100,960.31	869,852.17
Amounts Pledged to Specific Purposes (LOSAP)		\$ 383,805.63			383,805.63	402,547.61
Developers Deposits and Escrow Funds		927,097.97			927,097.97	866,694.94
Improvement Authorizations			593,246.06		593,246.06	464,959.97
Capital Improvement Fund			163,506.08		163,506.08	74,086.08
Interfund Loans	224,243.88		21,805.00		246,048.88	1,023.80
Other Liabilities	115,438.78				115,438.78	60,438.02
Reserve for Certain Assets Receivable	909,440.98	1,194,056.57			2,103,497.55	2,021,592.57
Miscellaneous Reserves		8,311,348.08			8,311,348.08	10,529,402.61
Reserve for Grants	357,324.36				357,324.36	551,126.61
Investment in Governmental Capital Assets				\$ 37,022,870.10	37,022,870.10	32,315,104.81
Fund Balance	<u>4,742,285.92</u>		<u>90,000.63</u>		<u>4,832,286.55</u>	<u>5,201,263.66</u>
<b>Total Liabilities, Reserves and Fund Balance</b>	<b>\$ <u>20,191,984.12</u></b>	<b>\$ <u>10,816,308.25</u></b>	<b>\$ <u>21,535,527.50</u></b>	<b>\$ <u>37,022,870.10</u></b>	<b>\$ <u>89,566,689.97</u></b>	<b>\$ <u>86,743,647.34</u></b>

**TOWNSHIP OF MILLSTONE**  
**MONMOUTH COUNTY, NEW JERSEY**  
**COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE IN FUND BALANCE**  
**CURRENT FUND**

	Balance December 31, <u>2023</u>	Percent	Balance December 31, <u>2022</u>	Percent
<u>Revenue and Other Income Realized</u>				
Fund Balance Utilized	\$ 3,000,000.00	5.38%	\$ 1,300,000.00	2.54%
Miscellaneous - from other than Local				
Property Tax Levies	2,880,424.50	5.16%	2,943,504.97	5.74%
Other Credits to Income	276,850.84	0.50%	377,208.31	0.74%
Nonbudget Revenue	29,833.00	0.05%	72,406.54	0.14%
Collection of Delinquent Taxes and Tax Title Liens	507,465.45	0.91%	457,009.79	0.89%
Collection of Current Tax Levy	<u>49,101,850.85</u>	<u>88.01%</u>	<u>46,086,063.69</u>	<u>89.95%</u>
 Total Income	 \$ <u>55,796,424.64</u>	 <u>100.00%</u>	 \$ <u>51,236,193.30</u>	 <u>100.00%</u>
 <u>Expenditures</u>				
Budget Expenditures - Municipal Purposes	\$ 9,298,724.38	17.46%	\$ 7,511,370.82	15.88%
County Taxes	5,894,644.18	11.07%	5,640,140.72	11.93%
Local School Taxes	34,345,717.00	64.52%	30,674,176.00	64.88%
Open Space Tax	1,200,306.59	2.25%	1,157,964.35	2.45%
Fire District Taxes	2,433,070.00	4.57%	2,274,201.00	4.81%
Other Expenditures	<u>61,135.23</u>	<u>0.11%</u>	<u>19,980.96</u>	<u>0.04%</u>
 Total Expenditures	 \$ <u>53,233,597.38</u>	 <u>100.00%</u>	 \$ <u>47,277,833.85</u>	 <u>100.00%</u>
 Excess of Revenue over Expenditures	 \$ 2,562,827.26		 \$ 3,958,359.45	
 Fund Balance, January 1	 <u>5,179,458.66</u>		 <u>2,521,099.21</u>	
	7,742,285.92		6,479,458.66	
 Less: Utilized as Anticipated Revenue	 <u>3,000,000.00</u>		 <u>1,300,000.00</u>	
 Fund Balance, December 31	 \$ <u>4,742,285.92</u>		 \$ <u>5,179,458.66</u>	

**PART II**

**TOWNSHIP OF MILLSTONE**  
**OFFICIALS IN OFFICE**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

<u>Name</u>	<u>Title</u>
Al Ferro	Mayor
Chris Morris	Deputy Mayor
Michael McLaughlin	Committeeman
Eric Davis	Committeeman
Tara Zabrosky	Committeewoman
Kevin Abernethy	Township Administrator
Anthony Mannino	Chief Financial Officer
Kathleen Hart	Municipal Clerk
Elizabeth Kiernan	Tax Collector
Robin Bucchi	Tax Assessor
Nicole Sonnenblick	Magistrate
Sonia Fernandez	Court Administrator



**COMMENTS AND RECOMMENDATIONS**

**GENERAL COMMENTS**  
**DECEMBER 31, 2023**

An audit of the financial accounts and transactions of the Township of Millstone, County of Monmouth, New Jersey for the year ended December 31, 2023 has been completed. The General Comments are herewith set forth:

Scope of Audit

The audit covered the financial transactions of the Finance Department and the other various offices and departments collecting fees within the Township of Millstone, County of Monmouth, New Jersey.

The audit did not and could not determine the character of services rendered for which payment had been made or for which reserves had been set up, nor could it determine the character, proper price or quantity of materials supplied for which claims had been passed. These details were necessarily covered by the internal review and control before approval of such claims by the Governing Body.

Contracts and Agreements Required to be Advertised Per 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 or the contract price whereof is to be paid with or out of public funds not included within the terms of Section 3 of this act, shall be made or awarded only after public advertising for bids and bidding therefore, except as is provided otherwise in this act or specifically by any other law. No work, materials or supplies shall be undertaken, acquired or furnished for a sum exceeding in the aggregate of \$17,500.00, due to the absence of a Qualified Purchasing Agent (QPA), except by contract or agreement."

The Governing Body of the Municipality has the responsibility of determining whether the expenditures in any category will exceed \$17,500.00 within the fiscal year. Where questions arise as to whether any contract or agreement might result in violation of the statute, the Township Attorney's opinion should be sought before a commitment is made.

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

Public Works Maintenance and Utility Maintenance	2022-2023 Roadway Improvement Program
Curbside Spring Cleanup	Sitework Clarksburg Cultural Center Phase III
Walking Trail	Brookside Road Improvements

In addition, the following items were purchased under State Contract or Cooperative Purchasing Agreements:

Deer Carcass Removal	Sodium Chloride (Rock Salt)
Unleaded Gasoline & Diesel Fuel	HV Dump Truck

**GENERAL COMMENTS (CONTINUED)**  
**DECEMBER 31, 2023**

Contracts and Agreements Required to be Advertised Per N.J.S. 40A:11-4 (Continued)

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

The minutes did indicate that proposals were requested for professional services. The minutes indicate that resolutions were adopted and advertised authorizing the awarding of contracts or agreements for "Professional Services" per NJS 40A:11-5.

The Township appointed Amanda Saterns as the Qualified Purchasing Agent "QPA" on January 5, 2022 thereby raising the bid threshold and quote threshold to \$44,000.00 and \$6,600.00, respectively.

Our examination of expenditures did not reveal any individual payments, contracts or agreements in excess of \$17,500.00 "for the performance of any work or the furnishing or hiring of any materials or supplies" other than those where bids had been previously sought by public advertisement or where a resolution had been previously adopted under the provision of N.J.S. 40A:11-6.

Collection of Interest on Delinquent Taxes and Assessments

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

The Township, on January 4, 2023, adopted the following resolution authorizing interest to be charged on delinquent taxes and assessments:

WHEREAS, it is advisable that taxes and other assessments be paid promptly so to enable the Township to meet its obligations as they fall due and payable; and

WHEREAS, N.J.S.A. 54:4-67, as amended, permits a municipality to charge interest on delinquent taxes and assessments; and

WHEREAS, the Township Committee has decided that such stated interest rate shall prevail for the year 2023, as set forth in said Statute, be charged on any such delinquent taxes and/or assessments; and

NOW, THEREFORE, BE IT AND IT IS HEREBY RESOLVED by the Township Committee of the Township of Millstone in the County of Monmouth, New Jersey, that the following interest rates shall be charged:

8% per annum on the first \$1,500.00 of such delinquency;  
18% per annum on any amount in excess of said \$1,500.00; and

**GENERAL COMMENTS (CONTINUED)**  
**DECEMBER 31, 2023**

Collection of Interest on Delinquent Taxes and Assessments (Continued)

BE IT FURTHER RESOLVED that a penalty of 6% of the amount of the delinquency with interest included, shall be charged to a taxpayer with a delinquency in excess of \$10,000.00 who fails to pay said delinquency prior to the end of the year.

BE IT FURTHER RESOLVED that the Tax Collector of the Township of Millstone is hereby authorized to allow a ten (10) day grace period (taxes are due quarterly - February 1<sup>st</sup>, May 1<sup>st</sup>, August 1<sup>st</sup> and November 1<sup>st</sup>) and if unpaid within the ten (10) days after these dates, the account becomes delinquent and subject from the due date at the interest rate above mentioned.

It appears, from an examination of the Tax Collector's records, that interest was collected in accordance with the foregoing ordinance for delinquent taxes.

Delinquent Taxes and Tax Title Liens

The detail of all unpaid taxes for 2023 is being properly carried in the Tax Collector's records. An abstract taken from these records as at December 31, 2023, covering all unpaid charges on that date, was verified with the accounting control figures shown in this report. The detail of unpaid prior year's taxes and tax title liens is being properly carried in the Tax Collector's records.

The last tax sale was held on December 12, 2023 and was complete with respect to taxes.

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

Cash Balances

The cash balances in all funds were verified by independent certifications obtained from the depositories as of December 31, 2023.

Cash counts were made at various dates in all departments of the Township and bank balances were independently reconciled to the books and records or to such schedules of receipts and disbursements provided for audit.

The Finance office operation would be greatly enhanced if the number of bank accounts were reduced and in addition, if a "*claims fund*" established. The claims fund would serve to pay all the Township bills through one account rather than several. The remaining bank accounts would merely be depositories who would monthly transfer the required amount into the claims account.

Revenues

Receipts from licenses, fees, fines and costs, etc., for major departments, including the Municipal Court, were checked to the records maintained to the extent deemed necessary.

**GENERAL COMMENTS (CONTINUED)**  
**DECEMBER 31, 2023**

Expenditures

The vouchers for all funds were examined to the extent deemed necessary to determine that they carried the properly executed certifications as required by statute. Our examination of expenditures revealed for the most part, compliance with procedures and requirements have been adhered to.

Payroll

An examination was made of the employees' compensation records for the year 2023 to determine that salaries were paid in conformity with the amounts of salaries and wages authorized by ordinance.

Documentation of unused vacation payout needs to be reviewed to include more detail for audit purposes.

Our examination of payroll did not cover verification of the validity and reasonableness of the allocation of salaries for individuals whose job encompasses activities that relate to more than one of the Township's Departments. The allocation of salaries for individuals whose duties encompass more than one appropriation is done at the sole discretion of the management of the Township. It is proper and legal to allocate salaries amongst funds as long as the duties of the individuals relate to the costs charged to the fund or appropriation.

The Township utilizes an outside vendor as a service bureau for the processing and transmitting of the Township's net payroll and payroll (withholding) agencies. On file at the Township is the Service Organization Control (SOC 1) Report – Payroll Service in accordance with SSAE #16.

Miscellaneous Comments

Interfunds Receivable/Payable

There are interfunds receivable/payable on various balance sheets that should be liquidated as soon as possible.

Aged or Inactive Accounts

Reserves including Trust reserves, unexpended appropriations and improvement authorizations in all funds should be reviewed on an ongoing basis for utilization, refund to the funding source or cancellation to the appropriate fund balance.

Surety Bonds

Surety Bonds were tested as part of our normal annual audit procedures. The Surety Bonds for the Tax Collector, Municipal Court Employees and Chief Financial Officer were tested for adequacy and deemed to be sufficient.

**OTHER COMMENTS**  
**DECEMBER 31, 2023**

Miscellaneous Comments (Continued)

Technical Directives – State of New Jersey

N.J.A.C. 5:30-5.7 – General Ledger Accounting System

A general ledger was maintained except however, for adjustments via adjusting audit journal entries were required in the Current Fund and General Capital Fund in order to bring them into agreement with the detail records. This condition does not relate to the cash accounts and deviates from the past presentation. We consider this condition to be a significant deficiency. It should be noted that an outside consultant was contracted for as the Chief Financial Officer (CFO) for 2023 and a new CFO was appointed in 2024.

N.J.A.C. 5:30-5.6 – Accounting for Governmental Fixed Assets

A complete encumbrance system for budgetary purposes was maintained during 2023.

N.J.A.C. 5:30-5.2 – Encumbrance Accounting

A fixed assets detail was maintained in 2023.

Construction Code Official

Our examination of the Uniform Construction Code Annual Report revealed the revenues for 2023 in accordance with the report were \$615,156.00 and expenditures were \$475,520.00. The revenue and expenditures should be reviewed annually for sufficiency.

A separate report in accordance with Local Finance Board Notice #17-15 for Uniform Construction Code was filed in conjunction with the audit.

Local School District Taxes

The payment made and amount due to the Local School District as of December 31, 2023 was verified by the School Board Secretary.

Internal Control Documentation

Statement on Auditing Standards 115 sets forth requirements upon the auditee that includes the documentation of its internal controls. We suggest the Township initiate this process and also consider utilizing the framework established by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) for its documentation, which includes the five components of internal controls, as follows: Control Environment; Risk Assessment; Control Activities; Information and Communication; and Monitoring. In addition, we suggest the documentation should also include the internal controls that exist over grant compliance along with providing for this documentation in conjunction with information relating to job descriptions and procedures manual.

**OTHER COMMENTS (CONTINUED)**  
**DECEMBER 31, 2023**

Miscellaneous Comments (Continued)

Administration and Accounting of Grants

The acceptance of grant funds also places additional requirements upon the Township with respect to the Township's system of internal control. Based upon the matrix of requirements applicable to the specific grant, the Township's internal controls are required to include systems and policies and procedures designed to ensure with the compliance requirements. In addition, we suggest the Township review all of the applicable grant agreements and the Township's system of internal controls in order to ensure the Township's internal controls are functioning at the requisite levels to meet with the various accounting and compliance requirements.

Cybersecurity

With the ever-increasing challenges relating to cybersecurity, each organization determines what particular assessment or combination of assessments best fits its information security strategy. We suggest management continue to assess risks related to cybersecurity along with the utilization of specialized assessments, which would also include a periodic reporting mechanism to those charged with governance.

Condition of Records - Other Officials Collecting Fees

Our reviews of the records maintained for other officials collecting fees, which were designed to determine that minimum levels of internal control and accountability were met, and that cash receipts were deposited or turned over to the Township's Treasurer's accounts within a 48-hour period as required by N.J.S.A. 40A:5-15. There were no exceptions to report.

Length of Service Awards Program

The Township by referendum authorized a Length of Service Awards Program (LOSAP) which is accounted for in a separate and distinct fund from the Township. A separate Accountant's Review Report has been prepared for its operations as of December 31, 2023.

Appreciation

I desire to express my appreciation for the cooperation received from the Township Officials and Employees and the courtesies extended to us during the course of the audit.

A formal exit conference, in accordance with audit requirements generally accepted in the United States of America, has been held on the contents of this audit with the appropriate Township Officials.

Corrective Action Plan

A corrective action plan was not required for the 2022 audit since there were no recommendations and no plan of action is required for 2023 as a similar condition exists.

**RECOMMENDATIONS**  
**DECEMBER 31, 2023**

None.

The problems and weaknesses noted in my audit were not of such a magnitude that they would affect my ability to express an opinion on the financial statements taken as a whole.

Should any questions arise as to my comments or recommendations, or should you desire assistance in implementing my recommendations, please do not hesitate to call me.

Very truly yours,

A handwritten signature in cursive script, appearing to read "G. Stankiewicz".

Gerard Stankiewicz  
Certified Public Accountant  
Registered Municipal Accountant #431

For the Firm  
SAMUEL KLEIN AND COMPANY, LLP