

**TOWNSHIP OF BERKELEY
COUNTY OF OCEAN**

**AUDIT REPORT FOR THE YEAR
ENDED DECEMBER 31, 2024**

**TOWNSHIP OF BERKELEY
COUNTY OF OCEAN**

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**TOWNSHIP OF BERKELEY
COUNTY OF OCEAN**

PART I

**INDEPENDENT AUDITOR'S REPORT
AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

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INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members
of the Township Council
Township of Berkeley
County of Ocean
Berkeley, New Jersey 08721

Opinions

We have audited the accompanying financial statements of the various funds and account group of the Township of Berkeley, which comprise the statements of assets, liabilities, reserves and fund balance – regulatory basis as of December 31, 2024 and 2023, and the related statements of operations and changes in fund balance – regulatory basis for the years then ended and the statement of revenues – regulatory basis and statement of expenditures – regulatory basis for the year ended December 31, 2024, and the related notes to the financial statements.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets, liabilities, reserves and fund balance – regulatory basis of the Township of Berkeley, as of December 31, 2024 and 2023, and the results of its operations and changes in fund balance – regulatory basis for the years then ended and the statement of revenues – regulatory basis, statement of expenditures – regulatory basis for the year ended December 31, 2024, in accordance with the financial reporting provisions of the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note 1.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles section of our report, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Township of Berkeley, as of December 31, 2024 and 2023, or the results of its operations and changes in fund balance for the years then ended.

Basis for Opinions

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

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

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting provisions of the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. 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 audit requirements 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.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control(s) 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 Berkeley's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Township of Berkeley's ability to continue as a going concern for a reasonable period of time.

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Township of Berkeley's basic financial statements. The accompanying supplemental schedules presented for the various funds and letter of comments and recommendations section are presented for purposes of additional analysis as required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and are not a required part of the basic financial statements. The schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* is also presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements of each of the respective individual funds and account group taken as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 30, 2025, on our consideration of the Township of Berkeley's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Township of Berkeley's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Township of Berkeley's internal control over financial reporting and compliance.

Respectfully submitted,

HOLMAN FRENIA ALLISON, P.C.

Jerry W. Conaty
Certified Public Accountant
Registered Municipal Accountant
RMA No. 581

Lakewood, New Jersey
June 30, 2025

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

Honorable Mayor and Members
of the Township Council
Township of Berkeley
County of Ocean
Berkeley, New Jersey 08721

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 Berkeley, as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements, and have issued our report thereon dated June 30, 2025. Our report indicated that the Township's financial statements were not prepared in accordance with accounting principles generally accepted in the United States of America but rather prepared in accordance with the regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Township's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the 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.

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. We did identify deficiencies in internal control, described in the accompanying schedule of financial statement findings that we consider to be significant deficiencies as Findings No. 2024-001 and 2024-002.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Township's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and which described in the accompanying schedule of financial statement findings as Findings No. 2024-001 and 2024-002.

Township of Berkeley's Response to Findings

The Township of Berkeley's response to the findings identified in our audit is described in the accompanying schedule of financial statement findings and questioned costs. The Township's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Township's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey in considering the Township's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.

Jerry W. Conaty
Certified Public Accountant
Registered Municipal Accountant
RMA No. 581

Lakewood, New Jersey
June 30, 2025

BASIC FINANCIAL STATEMENTS

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**TOWNSHIP OF BERKELEY
CURRENT FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES
AND FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2024 AND 2023**

	<u>Ref.</u>	<u>2024</u>	<u>2023</u>
<u>Assets</u>			
Cash	A-4	\$ 19,845,319.30	\$ 19,739,002.62
Cash - Change Fund	A	2,725.00	2,225.00
		<u>19,848,044.30</u>	<u>19,741,227.62</u>
Receivables and Other Assets with Full Reserves:			
Delinquent Property Taxes Receivable	A-5	420,943.39	583,024.78
Tax Title Liens Receivable	A-6	229,275.05	207,887.34
Property Acquired for Taxes	A	9,538,500.32	9,529,240.32
Revenue Accounts Receivable	A-7	10,322.30	6,771.50
Due From Municipal Utility Authority	A	259.71	259.71
Trailer Fees Receivable	A	890.00	890.00
Interfunds:			
Trust Other Fund	A-15	-	17,221.06
General Capital	A-15	-	400,000.00
		<u>10,200,190.77</u>	<u>10,745,294.71</u>
Deferred Charges:			
Overexpenditure of Appropriation Reserves	A	-	88,925.85
Special Emergency Authorizations (40A:4-55)	A-8	660,000.00	880,000.00
		<u>660,000.00</u>	<u>968,925.85</u>
		<u>30,708,235.07</u>	<u>31,455,448.18</u>
<u>Grant Fund</u>			
Interfund - Current Fund	A-16	1,221,994.79	1,452,371.95
Grants Receivable	A-17	1,260,733.56	2,097,293.63
		<u>2,482,728.35</u>	<u>3,549,665.58</u>
		<u>\$ 33,190,963.42</u>	<u>\$ 35,005,113.76</u>

The accompanying notes to the financial statements are an integral part of this statement.

**TOWNSHIP OF BERKELEY
CURRENT FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES
AND FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2024 AND 2023**

	<u>Ref.</u>	<u>2024</u>	<u>2023</u>
<u>Liabilities, Reserves and Fund Balance</u>			
Appropriation Reserves	A-3	\$ 3,961,675.82	\$ 2,014,320.53
Reserve for Encumbrances	A-3	1,934,096.22	987,618.81
Prepaid Taxes	A-4	1,686,004.54	1,614,248.56
Accounts Payable	A	204,312.89	83,432.23
County Taxes Payable	A-12	168,076.88	150,861.02
Tax Overpayments	A	2,671.17	3,896.01
Reserve for Garden State Trust Fund	A-14	42,590.00	42,590.00
Reserve for Police Found Money	A-14	1,816.28	1,816.28
Reserve for COVID-19	A-14	111,596.06	111,596.06
Reserve for Municipal Relief Fund	A-14	-	439,530.81
Reserve for Legal Settlement	A-14	256,824.09	300,217.50
Reserve for Contractually Required Severance	A-14	200,000.00	200,000.00
Reserve for Special Emergency - Tax Map	A-14	17,128.17	306,641.20
Local District School Taxes Payable	A-10	4.01	659,371.00
Regional School Taxes Payable	A-11	0.12	1,120,210.78
State of New Jersey (P.L. 1971, Ch. 20)	A	43,128.95	48,591.91
Interfunds:			
Payroll Fund	A-15	123,720.08	53,720.08
Trust Fund	A-15	26,268.57	-
Grant Fund	A-16	1,221,994.79	1,452,371.95
		<u>10,001,908.64</u>	<u>9,591,034.73</u>
Reserve for Receivables and Other Assets	A	10,200,190.77	10,745,294.71
Fund Balance	A-1	<u>10,506,135.66</u>	<u>11,119,118.74</u>
		<u>30,708,235.07</u>	<u>31,455,448.18</u>
<u>Grant Fund</u>			
Reserve for Encumbrances	A-18	495,371.38	91,085.16
Appropriated Reserves	A-18	1,861,732.27	2,053,219.61
Unappropriated Reserves	A-19	125,624.70	1,405,360.81
		<u>2,482,728.35</u>	<u>3,549,665.58</u>
		<u><u>\$ 33,190,963.42</u></u>	<u><u>\$ 35,005,113.76</u></u>

There were deferred school taxes on December 31, 2024 and 2023 of \$30,169,509.00 and \$27,356,812.39, respectively (Exhibits A-10 and A-11).

The accompanying notes to the financial statements are an integral part of this statement.

TOWNSHIP OF BERKELEY
CURRENT FUND
STATEMENTS OF OPERATIONS AND CHANGE IN
FUND BALANCE - REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

	<u>Year 2024</u>	<u>Year 2023</u>
<u>Revenue and Other Income Realized</u>		
Fund Balance Utilized	\$ 7,600,152.64	\$ 6,650,000.00
Miscellaneous Revenue Anticipated	15,400,207.80	13,808,861.83
Receipts from Delinquent Taxes	580,668.72	453,519.16
Receipts from Current Taxes	130,323,539.95	124,128,421.24
Non-Budget Revenues	433,498.08	301,582.63
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	513,652.98	1,630,479.86
Prior Year Cancelled Checks	-	27,000.00
Interfunds Returned	17,221.06	-
Total Income	<u>154,868,941.23</u>	<u>146,999,864.72</u>
<u>Expenditures</u>		
Budget Appropriations within Caps:		
Operations:		
Salaries and Wages	19,575,700.00	18,504,734.00
Other Expenses	19,810,291.94	17,970,875.90
Deferred Charges and Statutory Expenditures	6,423,050.87	5,443,092.00
Budget Appropriations excluded from Caps:		
Operations:		
Salaries and Wages	1,443,497.44	1,247,604.75
Other Expenses	2,974,271.48	2,214,893.49
Capital Improvements	300,000.00	600,000.00
Municipal Debt Service	9,512,180.06	8,078,521.64
Deferred Charges	220,000.00	380,000.00
	<u>60,258,991.79</u>	<u>54,439,721.78</u>
Local District School Taxes	31,396,845.01	31,602,774.00
Regional School Taxes	26,129,476.38	26,670,010.00
County Taxes	29,392,778.25	27,691,752.20
Local Open Space Tax	540,222.74	534,875.00
Refund of Prior Year Revenue	235.73	-
Interfund Loans Advanced	-	400,076.56
Reserve for Linda Kelly	-	312,963.72
Tax Overpayments	135,554.62	2,737.92
Prior Year S/C and Vet Deductions- Disallowed	27,667.15	-
Total Expenditures	<u>147,881,771.67</u>	<u>141,654,911.18</u>

The accompanying notes to the financial statements are an integral part of this statement.

**TOWNSHIP OF BERKELEY
CURRENT FUND
STATEMENTS OF OPERATIONS AND CHANGE IN
FUND BALANCE - REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023**

	<u>Year 2024</u>	<u>Year 2023</u>
Excess/(Deficit) in Revenue	<u>6,987,169.56</u>	<u>5,344,953.54</u>
Adjustments to Income Before Fund Balance:		
Expenditures Included Above Which are by		
Statute Deferred Charges to Budgets of		
Succeeding Years	<u>-</u>	<u>200,000.00</u>
Statutory Excess to Fund Balance	<u>6,987,169.56</u>	<u>5,544,953.54</u>
Deficit in Operations to be Raised in Budget		
of Succeeding Year		
Fund Balance January 1	<u>11,119,118.74</u>	<u>12,224,165.20</u>
	18,106,288.30	17,769,118.74
Decreased by:		
Utilization as Anticipated Revenue	<u>7,600,152.64</u>	<u>6,650,000.00</u>
Fund Balance December 31	<u><u>\$ 10,506,135.66</u></u>	<u><u>\$ 11,119,118.74</u></u>

The accompanying notes to the financial statements are an integral part of this statement.

**TOWNSHIP OF BERKELEY
CURRENT FUND
STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2024**

	Anticipated Budget	Special N.J.S.A. 40A:4-87	Realized	Excess or (Deficit)
Fund Balance Anticipated	\$ 7,600,152.64	\$ -	\$ 7,600,152.64	\$ -
<u>Miscellaneous Revenues</u>				
Licenses:				
Alcoholic Beverages	\$ 45,000.00	\$ -	\$ 46,922.00	\$ 1,922.00
Other	4,000.00	-	8,098.00	4,098.00
Fees and Permits	570,000.00	-	744,821.89	174,821.89
Fines and Costs:				
Municipal Court	107,000.00	-	113,087.52	6,087.52
Interest and Costs on Taxes	200,000.00	-	223,227.88	23,227.88
Interest on Investments and Deposits	900,000.00	-	1,326,358.64	426,358.64
Beach Admission Fees	132,000.00	-	186,205.00	54,205.00
Municipal Golf Course	245,000.00	-	253,571.82	8,571.82
State Aid:				
Energy Receipts Tax	4,264,123.00	-	4,264,123.15	0.15
Garden State Trust Fund	52,447.00	-	52,447.00	-
Municipal Relief Fund Aid	439,530.81	-	439,530.81	-
Special Items of Revenue:				
Interlocal Services Agreements:				
Animal Control Services	17,408.69	-	17,603.78	195.09
Ocean Gate Borough - Code Enforcement	500.00	-	-	(500.00)
Ocean Gate Borough - Fuel Services	15,000.00	-	17,518.72	2,518.72
Berkeley Board of Education - Fuel Facilities	100,000.00	-	151,220.35	51,220.35
South Toms River - Fire Protection	28,000.00	-	31,000.00	3,000.00
Central Regional Board of Education - Fuel Facilities	250,000.00	-	188,438.35	(61,561.65)
Central Regional Board Trash	42,000.00	-	42,000.00	-
Public and Private Programs:				
Municipal Alliance on Alcohol and Drug Abuse	14,355.00	-	14,355.00	-
Flood Mitigation Assistance Grant	254,860.00	-	254,860.00	-
Clean Communities	-	169,996.61	169,996.61	-
Recycling Tonnage Grant	74,746.17	-	74,746.17	-
Recycling Partnership Grant	-	25,000.00	25,000.00	-
NJ Body Armor	5,619.05	-	5,619.05	-
Bulletproof Vest Partnership	-	23,455.32	23,455.32	-
NJ DOT - Bananier Dr PHII & Port Royal Dr.	202,170.00	-	202,170.00	-
NJ DEP - Green Acres Grant Program	-	89,714.20	89,714.20	-
Distracted Driving Crackdown	7,000.00	-	7,000.00	-
Local Recreation Improvements Grant	-	75,000.00	75,000.00	-
National Opioid Settlement Proceeds	-	251,730.13	251,730.13	-
Homeland Security and Preparedness	14,000.00	-	14,000.00	-
2023 APR Firefighter Grant - Bayville Volunteer Fire	70,000.00	-	70,000.00	-
2023 APR Firefighter Grant - Pinewald Volunteer Fire	30,000.00	-	30,000.00	-
Other Special Items:				
American Rescue Plan Act	1,399,847.36	-	1,399,847.36	-
Community Services Officer Program - Ambulance Service Fees	1,250,000.00	-	1,593,324.68	343,324.68
Hotel and Motel Occupancy Tax	25,000.00	-	24,909.76	(90.24)
Health Care Coverage - Employee Percentage	810,000.00	-	960,535.04	150,535.04
Reserve for Payment of Debt	213,486.85	-	213,486.85	-
Senior/Veteran Administration Fee	20,000.00	-	18,794.64	(1,205.36)
Surplus from the Berkeley Township Sewer Authority	410,000.00	-	404,000.00	(6,000.00)
Uniform Fire Safety Act	43,420.42	-	43,972.62	552.20
Sale of Land	250,000.00	-	312,812.00	62,812.00
Solar Farm Rent	122,679.00	-	172,690.68	50,011.68
Cable TV Franchise Fee	372,012.78	-	372,012.78	-
Interfund - Due from General Capital	400,000.00	-	400,000.00	-
Interfund - Due from Payroll Trust	70,000.00	-	70,000.00	-
Total Miscellaneous Revenues	13,471,206.13	634,896.26	15,400,207.80	1,294,105.41
Receipts from Delinquent Taxes	475,000.00	-	580,668.72	105,668.72
Subtotal General Revenues	21,546,358.77	634,896.26	23,581,029.16	1,399,774.13
Amount to be Raised by Taxes for Support of Municipal Budget	39,904,099.72	-	41,877,063.98	1,972,964.26
Total General Revenues	61,450,458.49	634,896.26	65,458,093.14	3,372,738.39
Non-Budget Revenues	-	-	433,498.08	433,498.08
	\$ 61,450,458.49	\$ 634,896.26	\$ 65,891,591.22	\$ 3,806,236.47

The accompanying notes to the financial statements are an integral part of this statement.

**TOWNSHIP OF BERKELEY
CURRENT FUND
STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2024**

Analysis of Realized Revenues

Allocation of Current Tax Collections:

Revenue from Collections	\$ 130,323,539.95
Allocated to:	
School, County Taxes and Municipal Open Space	90,272,018.99
Balance for Support of Municipal Budget	
Appropriations	40,051,520.96
Add: Appropriation "Reserve for Uncollected Taxes"	1,825,543.02

Amount for Support of Municipal Budget
Appropriations

\$ 41,877,063.98

Receipts from Delinquent Taxes:

Delinquent Tax Collections	\$ 580,668.72
	\$ 580,668.72

Analysis of Non-Budget Revenue

Landlord Registration	\$ 12,188.14
Treasurer Misc	98,674.05
Recycling	9,527.00
Township Auction	69,818.38
Refund of Expenses - Prior Year	66,364.51
Tax Lien Premiums	82,450.00
In Lieu of Taxes	15,253.00
Property Registration - Vacant	78,400.00
Restitution	823.00
	\$ 433,498.08

The accompanying notes to the financial statements are an integral part of this statement.

TOWNSHIP OF BERKELEY
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2024

	Appropriated		Expended		Unexpended Balance Cancelled
	Budget	Budget After Modification	Paid or Charged	Encumbrance	
OPERATIONS WITHIN CAPS					
General Government Functions					
General Administration					
Salaries and Wages	\$ 290,000.00	\$ 265,000.00	\$ 199,498.40	\$ -	\$ 65,501.60
Other Expenses	54,200.00	84,200.00	65,184.35	98.00	18,917.65
Human Resources					
Salaries and Wages	175,000.00	175,000.00	166,995.44	-	8,004.56
Other Expenses	6,150.00	6,150.00	5,104.44	-	1,045.56
Office of the Mayor					
Salaries and Wages	154,000.00	154,000.00	137,390.63	-	16,609.37
Other Expenses	4,000.00	4,000.00	2,218.35	-	1,781.65
Township Council					
Salaries and Wages	105,000.00	105,000.00	104,999.44	-	0.56
Other Expenses	800.00	800.00	494.00	-	306.00
Municipal Clerk					
Salaries and Wages	250,000.00	250,000.00	240,636.10	-	9,363.90
Other Expenses	26,625.00	26,625.00	23,889.90	111.64	2,623.46
Computerized Data Processing					
Salaries and Wages	80,900.00	80,900.00	78,216.55	-	2,683.45
Other Expenses	100,000.00	125,000.00	101,169.88	9,135.11	14,695.01
Financial Administration (Treasury)					
Salaries and Wages	430,000.00	400,000.00	369,275.84	-	30,724.16
Other Expenses	45,000.00	75,000.00	40,077.86	16,200.00	18,722.14
Audit Services					
Other Expenses	67,000.00	67,000.00	64,553.50	-	2,446.50
Revenue Administration (Tax Collection)					
Salaries and Wages	337,000.00	337,000.00	328,930.04	-	8,069.96
Other Expenses	57,000.00	57,000.00	50,617.32	878.97	5,503.71
Tax Assessment Administration					
Salaries and Wages	489,000.00	489,000.00	481,476.76	-	7,523.24
Other Expenses	28,000.00	78,000.00	21,966.24	50,426.31	5,607.45
Division of Purchasing					
Salaries and Wages	85,000.00	85,000.00	75,904.35	-	9,095.65
Other Expenses	116,225.00	126,225.00	119,540.47	1,363.36	5,321.17
Legal Services					
Other Expenses	525,000.00	625,000.00	447,570.23	46,543.75	130,886.02

The accompanying notes to the financial statements are an integral part of this statement.

TOWNSHIP OF BERKELEY
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2024

	Appropriated		Expended		Unexpended
	Budget	Budget After Modification	Paid or Charged	Encumbrance	Balance Cancelled
Engineering Services	300,000.00	315,000.00	217,127.31	40,020.00	57,852.69
Other Expenses					
Economic Development Agencies	100.00	100.00	-	-	100.00
Salaries and Wages	100.00	100.00	45.00	-	55.00
Other Expenses					
Municipal Court:					
Salaries and Wages	335,000.00	335,000.00	293,858.59	-	41,141.41
Other Expenses	14,000.00	14,000.00	11,485.78	1,437.15	1,077.07
Public Defender (P.L. 1997, c256)					
Other Expenses	50,000.00	60,000.00	54,340.00	1,462.50	4,197.50
Land Use Administration					
Planning Board					
Salaries and Wages	51,000.00	51,000.00	47,548.54	-	3,451.46
Other Expenses	20,000.00	20,000.00	2,861.25	420.00	16,718.75
Director of Planning					
Other Expenses	100,000.00	100,000.00	63,784.00	-	36,216.00
Division of Zoning					
Salaries and Wages	141,500.00	141,500.00	115,208.54	-	26,291.46
Other Expenses	5,000.00	5,400.00	4,109.76	392.33	897.91
Zoning Board of Adjustment					
Salaries and Wages	5,000.00	5,000.00	3,500.00	-	1,500.00
Other Expenses	25,850.00	35,450.00	23,509.97	-	11,940.03
Code Enforcement					
Salaries and Wages	302,000.00	302,000.00	263,498.28	-	38,501.72
Other Expenses	15,000.00	15,000.00	11,149.23	661.75	3,189.02
Insurances					
General Liability	1,500,750.00	1,350,750.00	1,134,634.59	-	216,115.41
Workers Compensation	600,000.00	600,000.00	341,699.60	27,058.38	231,242.02
Employee Group Insurance	8,649,625.00	8,649,625.00	8,123,707.27	1,132.79	524,784.94
Unemployment Insurance	5,000.00	5,000.00	5,000.00	-	-
Public Safety Functions					
Police Department					
Salaries and Wages	8,770,152.64	8,770,152.64	7,994,871.38	500,000.00	275,281.26
Other Expenses	500,000.00	520,000.00	377,676.18	93,405.33	48,918.49
Office of Emergency Management (OEM)					
Salaries and Wages	5,000.00	5,000.00	4,461.70	-	538.30
Other Expenses	10,000.00	10,000.00	250.00	1,222.89	8,527.11

The accompanying notes to the financial statements are an integral part of this statement.

TOWNSHIP OF BERKELEY
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2024

	Appropriated		Paid or Charged	Expended		Unexpended Balance Cancelled
	Budget	Budget After Modification		Encumbrance	Reserved	
Aid to Volunteer Fire Companies						
Salaries and Wages	15,000.00	15,000.00	15,000.00	-	-	-
Other Expenses	198,600.00	203,600.00	166,824.38	36,325.05	450.57	-
Aid to Volunteer Ambulance Companies						
Other Expenses	132,000.00	132,000.00	132,000.00	-	-	-
Fire Department						
Salaries and Wages	90,000.00	90,000.00	58,482.92	-	31,517.08	-
Other Expenses	5,425.00	5,425.00	2,004.63	504.22	2,916.15	-
Uniform Fire Safety Act (P.L. 1983, Ch. 383):						
Salaries and Wages	37,000.00	37,000.00	37,000.00	-	-	-
Emergency Medical Services						
Salaries and Wages	200,000.00	200,000.00	-	-	200,000.00	-
Other Expenses	100,000.00	100,000.00	3,443.70	35,389.92	61,166.38	-
Police Department- ARP Funds						
Salaries and Wages	1,399,847.36	1,399,847.36	1,399,847.36	-	-	-
Municipal Prosecutor:						
Other Expenses	50,000.00	50,000.00	41,292.50	-	8,707.50	-
Public Works Functions						
Streets and Roads Maintenance:						
Salaries and Wages	790,000.00	790,000.00	624,321.43	50,000.00	115,678.57	-
Other Expenses	160,000.00	160,000.00	118,372.09	34,328.28	7,299.63	-
Contractual	100,000.00	100,000.00	99,094.48	905.52	-	-
Other Public Works Functions/Signs						
Salaries and Wages	70,000.00	70,000.00	63,589.34	2,000.00	4,410.66	-
Other Expenses	35,000.00	35,000.00	10,703.44	24,226.40	70.16	-
Other Public Works Functions/Demolition of Buildings						
Other Expenses	2,000.00	2,000.00	-	-	2,000.00	-
Solid Waste						
Salaries and Wages	2,360,000.00	2,262,000.00	1,940,239.56	100,000.00	221,760.44	-
Other Expenses	350,000.00	350,000.00	285,174.18	59,206.46	5,619.36	-
Division of Recycling						
Salaries and Wages	450,000.00	450,000.00	357,053.90	16,000.00	76,946.10	-
Other Expenses	40,000.00	40,000.00	10,164.89	25,780.18	4,054.93	-
Buildings and Grounds:						
Salaries and Wages	330,000.00	330,000.00	228,968.02	31,000.00	70,031.98	-
Other Expenses	150,000.00	160,000.00	129,317.63	19,706.55	10,975.82	-
Vehicle Maintenance (Includes Police Vehicles)						
Salaries and Wages	610,000.00	610,000.00	530,056.51	28,000.00	51,943.49	-
Other Expenses	50,000.00	50,000.00	30,463.87	17,229.26	2,306.87	-

The accompanying notes to the financial statements are an integral part of this statement.

TOWNSHIP OF BERKELEY
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2024

	Appropriated		Paid or Charged	Expended		Unexpended Balance Cancelled
	Budget	Budget After Modification		Encumbrance	Reserved	
<u>Health and Human Services</u>						
Veterans Advisory Council						
Salaries and Wages	100.00	100.00	-	-	100.00	-
Other Expenses	100.00	100.00	-	-	100.00	-
Senior Citizens Advisory Committee						
Salaries and Wages	100.00	100.00	-	-	100.00	-
Other Expenses	100.00	100.00	-	-	100.00	-
Waterways Advisory Committee						
Salaries and Wages	3,000.00	3,000.00	3,000.00	-	-	-
Other Expenses	100.00	100.00	-	-	100.00	-
Environmental Health Services						
Other Expenses	100.00	100.00	-	-	100.00	-
Animal Control Services						
Salaries and Wages	158,000.00	158,000.00	121,832.67	2,500.00	33,667.33	-
Other Expenses	2,000.00	2,000.00	989.00	-	1,011.00	-
Contribution - Providence House (N.J.S.A. 40:23-8,17)	1,000.00	1,000.00	1,000.00	-	-	-
Contribution - Community Services Inc. (N.J.S.A. 40:48-9.4)	5,000.00	5,000.00	-	-	5,000.00	-
Contribution - S.T.E.P.S., Inc. (N.J.S.A. 40:48-9.4)	1,000.00	1,000.00	-	-	1,000.00	-
<u>Parks and Recreation</u>						
Recreation Services and Programs						
Salaries and Wages	340,000.00	340,000.00	313,546.18	-	26,453.82	-
Other Expenses	82,500.00	82,500.00	74,537.44	3,744.10	4,218.46	-
Maintenance of Parks						
Salaries and Wages	670,000.00	670,000.00	552,132.63	28,000.00	89,867.37	-
Other Expenses	100,000.00	90,000.00	66,549.12	9,527.17	13,923.71	-
Beach and Boardwalk Operations						
Salaries and Wages	200,000.00	200,000.00	173,991.43	-	26,008.57	-
Other Expenses	34,725.00	34,725.00	32,002.72	-	2,722.28	-
<u>Utilities and Bulk Purchases</u>						
Utilities						
Electricity	250,000.00	305,000.00	278,169.58	6,317.64	20,512.78	-
Street Lighting	480,000.00	480,000.00	410,040.96	39,403.82	30,555.22	-
Telephone	200,000.00	200,000.00	133,916.24	9,295.56	56,788.20	-
Water	30,000.00	30,000.00	24,381.52	464.77	5,153.71	-
Natural Gas	70,000.00	70,000.00	36,695.84	7,538.89	25,765.27	-
Petroleum Products	1,300,000.00	1,200,000.00	684,120.83	110,863.02	405,016.15	-
Telecommunications (Cell Phone)	40,000.00	46,000.00	38,613.84	1,297.09	6,089.07	-
Sewerage Processing and Disposal	7,000.00	7,000.00	3,360.63	-	3,639.37	-
Fire Hydrants	165,000.00	195,000.00	171,291.24	-	23,708.76	-

The accompanying notes to the financial statements are an integral part of this statement.

**TOWNSHIP OF BERKELEY
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2024**

	Appropriated		Expended		Unexpended Balance Cancelled
	Budget	Budget After Modification	Paid or Charged	Encumbrance	Reserved
Recycling and Landfill					
Landfill/Solid Waste Disposal Costs	2,277,000.00	2,277,000.00	2,009,396.16	206,802.04	60,801.80
Other Expenses/Tipping					
Unclassified:					
Prior Year's Bills					
State of NJ-FEMA Disaster #4086	399,039.94	399,039.94	399,039.94	-	-
Dafeldecker Associates, LLC 10.17.2022	277.00	277.00	277.00	-	-
Accumulated Absences	20,000.00	20,000.00	20,000.00	-	-
Total Operations within Caps	39,391,991.94	39,384,991.94	34,052,336.86	1,698,326.20	3,634,328.88
Contingent	1,000.00	1,000.00	-	-	1,000.00
Total Operations within Caps including Contingent	39,392,991.94	39,385,991.94	34,052,336.86	1,698,326.20	3,635,328.88
Detail:					
Salaries and Wages	19,728,700.00	19,575,700.00	17,325,332.53	757,500.00	1,492,867.47
Other Expenses	19,664,291.94	19,810,291.94	16,727,004.33	940,826.20	2,142,461.41
DEFERRED CHARGES AND STATUTORY EXPENDITURES					
WITHIN CAPS					
Deficit in Operation - Overexpenditure of Appropriation Reserves 2021	88,925.85	88,925.85	88,925.85	-	-
Deferred Charges to Future Taxation Unfunded Overexpenditures Founders Day	7,820.26	7,820.26	7,820.26	-	-
Statutory Expenditures					
Contribution to:					
Social Security System	1,650,000.00	1,650,000.00	1,503,263.41	-	146,736.59
Police and Firemen's Retirement System of NJ	2,952,162.00	2,952,162.00	2,952,156.06	-	5.94
Defined Contribution Retirement Program	15,000.00	22,000.00	16,346.40	-	5,653.60
Public Employee Retirement System	1,702,142.76	1,702,142.76	1,702,108.92	-	33.84
Total Deferred Charges and Statutory Expenditures within Caps	6,416,050.87	6,423,050.87	6,270,620.90	-	152,429.97
Total Appropriations within Caps	45,809,042.81	45,809,042.81	40,322,957.76	1,698,326.20	3,787,758.85

**TOWNSHIP OF BERKELEY
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2024**

	Appropriated		Paid or Charged	Expended		Unexpended Balance Cancelled
	Budget	Budget After Modification		Encumbrance	Reserved	
OPERATIONS EXCLUDED FROM CAPS						
Length of Service Awards Program (N.J.A.C. 5:30-14.25)	200,000.00	200,000.00	132,300.28	-	67,699.72	-
Stormwater and Water Pollution (N.J.S.A. 40A: 4-45.3(cc))						
Salaries and Wages	215,000.00	215,000.00	194,225.99	6,500.00	14,274.01	-
Other Expenses	35,000.00	35,000.00	30,680.95	4,270.02	49.03	-
Recycling Enhancement Act (P.L. 2007 c.311)						
Other Expenses	100,000.00	100,000.00	100,000.00	-	-	-
Employee Group Insurance (Outside CAPS)	250,375.00	250,375.00	250,375.00	-	-	-
Garbage & Trash Removal	73,000.00	73,000.00	73,000.00	-	-	-
Liability Insurance Appropriation Exclusion	549,250.00	549,250.00	549,250.00	-	-	-
Emergency Medical Services (EMS)						
Salaries and Wages	1,200,000.00	1,200,000.00	972,361.54	225,000.00	2,638.46	-
Other Expenses	50,000.00	50,000.00	50,000.00	-	-	-
Interlocal Municipal Service Agreements						
Central Regional Board of Education - Fuel	210,000.00	210,000.00	188,438.25	-	21,561.75	-
Other Expenses						
Ocean County Social Services - Relocation Expenses	1,000.00	1,000.00	-	-	1,000.00	-
Other Expenses						
South Toms River - Fire Department	28,000.00	28,000.00	21,001.00	-	6,999.00	-
Other Expenses						
Ocean County Health Dept - Animal Control	20,000.00	20,000.00	805.00	-	19,195.00	-
Other Expenses						
Animal Control - Pine Beach, Seaside Park, Ocean Gate	17,408.69	17,408.69	17,408.69	-	-	-
Other Expenses						
Berkeley Board of Education - Fuel	60,000.00	60,000.00	60,000.00	-	-	-
Other Expenses						
Central Regional Board of Education - Trash Removal	42,000.00	42,000.00	42,000.00	-	-	-
Other Expenses						
Borough of Ocean Gate - Fuel	15,000.00	15,000.00	15,000.00	-	-	-
Other Expenses						
Borough of Ocean Gate - Code Enforcement						
Other Expenses	500.00	500.00	-	-	500.00	-

The accompanying notes to the financial statements are an integral part of this statement.

TOWNSHIP OF BERKELEY
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2024

	Appropriated		Paid or Charged	Expended		Unexpended Balance Cancelled
	Budget	Budget After Modification		Encumbrance	Reserved	
Public and Private Programs Offset by Revenues						
Matching Funds for Grants	40,000.00	40,000.00	-	-	40,000.00	-
Bullet Proof Vest Partnership Program Grant	-	23,455.32	23,455.32	-	-	-
Clean Communities Program Grant						
Other Expenses	-	169,996.61	169,996.61	-	-	-
Municipal Alliance Grant - State Share						
Other Expenses	14,355.00	14,355.00	14,355.00	-	-	-
Municipal Alliance Grant- Municipal Share						
Salaries and Wages	3,588.75	3,588.75	3,588.75	-	-	-
Recycling Tonnage Grant						
Other Expenses	74,746.17	74,746.17	74,746.17	-	-	-
Recycling Partnership Grant						
Other Expenses	-	25,000.00	25,000.00	-	-	-
NJ DEP - Green acres Grant Program						
Other Expenses	-	89,714.20	89,714.20	-	-	-
State of NJ - 2020 Body Armor Grant						
Other Expenses	5,619.05	5,619.05	5,619.05	-	-	-
Homeland Security Grant						
Other Expenses	14,000.00	14,000.00	14,000.00	-	-	-
FMA Grant	254,860.00	254,860.00	254,860.00	-	-	-
Local Recreation Improvements Grant						
Distracted Driving	-	75,000.00	75,000.00	-	-	-
NJDOT Bananier Dr PH II & Port Royal Dr.	7,000.00	7,000.00	7,000.00	-	-	-
National Opioid Settlement Proceeds	202,170.00	202,170.00	202,170.00	-	-	-
	-	251,730.13	251,730.13	-	-	-

TOWNSHIP OF BERKELEY
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2024

	Appropriated		Expended		Unexpended
	Budget	Budget After Modification	Paid or Charged	Encumbrance	Balance Cancelled
ARP Firefighter Grant - Bayville Volunteer Fire	70,000.00	70,000.00	70,000.00	-	-
Other Expenses					
APR Firefighter Grant - Pinewald Volunteer Fire	30,000.00	30,000.00	30,000.00	-	-
Other Expenses					
Total Operations excluded from Caps	3,782,872.66	4,417,768.92	4,008,081.93	235,770.02	173,916.97
Detail:					
Salaries and Wages	1,443,497.44	1,443,497.44	1,194,584.97	231,500.00	17,412.47
Other Expenses	2,339,375.22	2,974,271.48	2,813,496.96	4,270.02	156,504.50
CAPITAL IMPROVEMENTS EXCLUDED FROM CAPS					
Capital Improvement Fund	300,000.00	300,000.00	300,000.00	-	-
Total Capital Improvements excluded from Caps	300,000.00	300,000.00	300,000.00	-	-
MUNICIPAL DEBT SERVICE EXCLUDED FROM CAPS					
Payment of Bond Principal	6,570,000.00	6,570,000.00	6,570,000.00	-	-
Interest on Bonds	1,805,000.00	1,805,000.00	1,804,776.29	-	223.71
Interest on Notes	1,081,200.00	1,081,200.00	1,081,178.36	-	21.64
NJEIT:					
Loan Repayments for Principal	53,000.00	53,000.00	52,425.41	-	574.59
Loan Repayments for Interest	3,800.00	3,800.00	3,800.00	-	-
Total Municipal Debt Service Excluded from Caps	9,513,000.00	9,513,000.00	9,512,180.06	-	819.94

TOWNSHIP OF BERKELEY
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2024

	Appropriated		Expended		Unexpended Balance	
	Budget	Budget After Modification	Paid or Charged	Encumbrance	Reserved	Cancelled
DEFERRED CHARGES EXCLUDED FROM CAPS						
Special Emergency Authorizations - 5 Years- From 2021	40,000.00	40,000.00	40,000.00	-	-	-
Special Emergency Authorizations - 5 Years- From 2022	40,000.00	40,000.00	40,000.00	-	-	-
Special Emergency Authorizations - 5 Years- From 2023	40,000.00	40,000.00	40,000.00	-	-	-
Special Emergency Authorizations - 5 Years	100,000.00	100,000.00	100,000.00	-	-	-
Total Deferred Charges Excluded from Caps	220,000.00	220,000.00	220,000.00	-	-	-
Total General Appropriations Excluded from Caps	13,815,872.66	14,450,768.92	14,040,261.99	235,770.02	173,916.97	819.94
Subtotal General Appropriations	59,624,915.47	60,259,811.73	54,363,219.75	1,934,096.22	3,961,675.82	819.94
Reserve for Uncollected Taxes	1,825,543.02	1,825,543.02	1,825,543.02	-	-	-
Total General Appropriations	\$ 61,450,458.49	\$ 62,085,354.75	\$ 56,188,762.77	\$ 1,934,096.22	\$ 3,961,675.82	\$ 819.94
Adopted Budget						
Appropriations added by 40A:4-87	A-2	\$ 61,450,458.49				
	A-2	634,896.26				
		<u>\$ 62,085,354.75</u>				
Reserve for:						
Uncollected Taxes	A-1	\$ 1,825,543.02				
Disbursements	A-4	52,673,058.67				
Special Emergency Authorizations	A-8	220,000.00				
Deferred Charges Raised - Overexpenditure of Appropriation Reserve		88,925.85				
Interfunds:						
Payroll Fund	A-15	70,000.00				
Grant Fund	A-16	1,311,235.23				
	A-3	<u>\$ 56,188,762.77</u>				

The accompanying notes to the financial statements are an integral part of this statement.

**TOWNSHIP OF BERKELEY
OTHER TRUST FUND
STATEMENTS OF ASSETS, LIABILITIES,
RESERVES AND FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2024 AND 2023**

	<u>Ref.</u>	<u>2024</u>	<u>2023</u>
<u>Assets</u>			
<u>Animal Control Trust Fund</u>			
Cash	B-1	\$ 3,308.56	\$ 4,882.61
<u>Other Trust Fund</u>			
Cash	B-1	7,920,280.73	7,633,170.10
Deferred Charge - Overexpenditure of Trust Fund	B	-	7,820.26
Due From State of New Jersey - Marriage Licenses	B	1,550.00	-
Due From Current Fund	B-4	26,268.57	-
		<u>7,948,099.30</u>	<u>7,640,990.36</u>
Length of Service Awards Program Fund (LOSAP)			
Funds Held by Trustee	B-7	<u>2,447,975.17</u>	<u>2,377,275.86</u>
		<u>\$ 10,399,383.03</u>	<u>\$ 10,018,266.22</u>
<u>Liabilities and Reserves</u>			
<u>Animal Control Trust Fund</u>			
Reserve for Animal Control Trust Fund	B-2	\$ 3,299.56	\$ 4,873.61
Due to State of New Jersey	B-3	<u>9.00</u>	<u>9.00</u>
		<u>3,308.56</u>	<u>4,882.61</u>
<u>Other Trust Fund</u>			
Interfund:			
Current Fund	B-4	-	17,221.06
Due to State of New Jersey - DCA	B	37,378.00	20,642.00
Reserve for:			
Miscellaneous Reserves	B-5	7,337,756.93	7,177,914.26
Open Space	B-6	<u>572,964.37</u>	<u>425,213.04</u>
		<u>7,948,099.30</u>	<u>7,640,990.36</u>
Length of Service Awards Program Fund (LOSAP)			
Funds Held by Trustee	B-7	<u>2,447,975.17</u>	<u>2,377,275.86</u>
		<u>\$ 10,399,383.03</u>	<u>\$ 10,018,266.22</u>

The accompanying notes to the financial statements are an integral part of this statement.

**TOWNSHIP OF BERKELEY
GENERAL CAPITAL FUND
STATEMENTS OF ASSETS, LIABILITIES,
RESERVES AND FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2024 AND 2023**

	<u>Ref.</u>	<u>2024</u>	<u>2023</u>
<u>Assets</u>			
Cash	C-2	\$ 11,951,164.29	\$ 14,369,871.12
Deferred Charges to Future Taxation:			
Funded	C-4	48,503,268.94	55,286,375.07
Unfunded	C-5	34,956,342.00	22,672,842.00
Grants Receivable	C-7	1,050,868.32	1,050,868.32
Deferred Charge - Overexpenditure of an Ordinance	C	423,455.87	423,455.87
Deferred Charge - Cancellation of Bond Down Payment	C-8	646,500.00	-
		<u>\$ 97,531,599.42</u>	<u>\$ 93,803,412.38</u>
<u>Liabilities, Reserves and Fund Balance</u>			
Capital Improvement Fund	C-6	\$ 370,052.97	\$ 70,052.97
Interfunds:			
Current Fund	A	-	400,000.00
Reserve for Debt Service	C-3	277,689.11	213,060.85
Improvement Authorizations:			
Funded	C-8	1,185,135.03	1,376,356.16
Unfunded	C-8	7,000,937.00	5,288,633.60
Reserve for Encumbrances	C-8	6,127,250.07	7,352,060.43
Bond Anticipation Notes	C-12	32,761,000.00	22,761,000.00
Environmental Infrastructure Trust Fund Loans	C-9	378,971.56	507,250.87
Serial Bonds	C-10	47,269,000.00	53,839,000.00
Green Trust Loan Payable	C-11	855,297.38	940,124.20
Fund Balance	C-1	<u>1,306,266.30</u>	<u>1,055,873.30</u>
		<u>\$ 97,531,599.42</u>	<u>\$ 93,803,412.38</u>

There were bonds and notes authorized but not issued on December 31, 2024 and 2023 of \$2,285,342.00 and \$1,842.00, respectively. (Exhibit C-13).

**TOWNSHIP OF BERKELEY
GENERAL CAPITAL FUND
STATEMENT OF FUND BALANCE - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2024**

Balance December 31, 2023	\$ 1,055,873.30
Increased by:	
Improvement Authorizations Cancelled	<u>250,393.00</u>
Balance December 31, 2024	<u><u>\$ 1,306,266.30</u></u>

The accompanying notes to the financial statements are an integral part of this statement.

**TOWNSHIP OF BERKELEY
PAYROLL FUND
STATEMENTS OF ASSETS AND LIABILITIES
REGULATORY BASIS
DECEMBER 31, 2024 AND 2023**

	<u>2024</u>	<u>2023</u>
<u>Assets</u>		
Cash	\$ 151,360.28	\$ 262,839.08
Interfund Receivable - Current	<u>123,720.08</u>	<u>53,720.08</u>
	<u><u>\$ 275,080.36</u></u>	<u><u>\$ 316,559.16</u></u>
<u>Liabilities</u>		
Payroll Deductions Payable	<u>275,080.36</u>	<u>316,559.16</u>
	<u><u>\$ 275,080.36</u></u>	<u><u>\$ 316,559.16</u></u>

The accompanying notes to the financial statements are an integral part of this statement.

**TOWNSHIP OF BERKELEY
GENERAL FIXED ASSETS ACCOUNT GROUP
STATEMENTS OF ASSETS AND LIABILITIES
REGULATORY BASIS
DECEMBER 31, 2024 AND 2023**

	<u>2024</u>	<u>2023</u>
General Fixed Assets:		
Land	\$ 8,081,770.07	\$ 8,081,770.07
Buildings and Improvements	12,124,106.91	12,011,049.11
Machinery and Equipment	<u>40,628,001.20</u>	<u>37,143,311.45</u>
Investment in General Fixed Assets	<u>\$ 60,833,878.18</u>	<u>\$ 57,236,130.63</u>

The accompanying notes to the financial statements are an integral part of this statement.

**TOWNSHIP OF BERKELEY
COUNTY OF OCEAN**

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

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**TOWNSHIP OF BERKELEY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

Note 1. Summary of Significant Accounting Policies

Description of Financial Reporting Entity

The Township of Berkeley, County of Ocean, New Jersey (hereafter referred to as the "Township"), include every board, body, office or commission supported by and maintained wholly or in part by funds appropriated by the Township as required by N.J.S. 40A:5-5. The financial statements of the Township do not include the operation of the Board of Education, first aid organizations, or volunteer fire companies which are subjected to separate audits.

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). If the provisions of these GASB statements had been complied with, the financial statements of the following components unit would have been either blended or discretely presented with the financial statements of the Township, the primary government:

Berkeley Municipal Utilities Authority

Berkeley Sewerage Authority

Berkeley Housing Authority

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.

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.

Payroll Fund – This fund accounts for receipt and disbursements for payroll costs & taxes.

TOWNSHIP OF BERKELEY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Note 1. Summary of Significant Accounting Policies (continued)

Budgets and Budgetary Accounting - The Township must adopt an annual budget for its Current 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 10th 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.

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.

TOWNSHIP OF BERKELEY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Note 1. Summary of Significant Accounting Policies (continued)

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.

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.

TOWNSHIP OF BERKELEY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Note 1. Summary of Significant Accounting Policies (continued)

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 Ocean, and Berkeley 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 Ocean. 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 10th 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 10th of the current year and due to be paid to the County by February 15th of the following year.

School Taxes – The municipality is responsible for levying, collecting and remitting school taxes for the Berkeley 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 1 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 BERKELEY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

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 31st 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 vested accumulated vacation and 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 adopts 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 their financial statements in accordance with GAAP and thus do not comply with all of the GASB pronouncements.

Accounting Pronouncements Adopted in Current Year

The following GASB Statements became effective for the fiscal year ended December 31, 2024:

- 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. Management has determined that the implementation of this Statement did not have a significant impact on the Township’s financial statements.
- Statement No. 101, *Compensated Absences*. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023. Implementation of this Statement resulted in additional footnote disclosures on the Township’s financial statements. See Note 14 for further detail.

Accounting Pronouncements Effective in Future Reporting Periods

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

- 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.
- Statement No. 104, *Disclosure of Certain Capital Assets*. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter.

Management has not yet determined the potential impact these Statements will have on the Township’s financial statements.

**TOWNSHIP OF BERKELEY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

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, 2024, the Township's bank balance of \$40,155,029.12 was insured or collateralized as follows:

Insured under FDIC and GUDPA	\$ 32,030,429.57
Uninsured and Uncollateralized	<u>8,124,599.55</u>
	<u><u>\$ 40,155,029.12</u></u>

Investments

Under the 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 generally accepted accounting principles (GAAP), investments would be reported at fair value (except for fully benefit-responsive investment contracts, which would be reported at contract value). Contract value is the relevant measure for the portion of the Length of Service Awards Program (LOSAP) Plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants normally would receive if they were to initiate permitted transactions under the terms of the LOSAP Plan.

Investments at Fair Value – The fair value measurements of investments are required to be reported based on the hierarchy established by GAAP. 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

TOWNSHIP OF BERKELEY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Note 2. Deposits and Investments (continued)

Investments (continued)

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. As of December 31, 2024, the Township had no investments held at Level 2 or 3.

Following is a description of the valuation methodologies used for investments measured at fair value.

Money Market Funds: Valued at the quoted NAV of shares held by the Township at year-end.

Mutual Funds: Valued at quoted market prices which represent the net asset value (“NAV”) shares held by the Township at year-end.

The Township’s fair value, hierarchy level and maturities of its investments at December 31, 2024 was as followed:

		Fair Value as of December 31, 2024	Investments Maturities (in Years) Less Than 1 Year
<u>Investment Type</u>	<u>Carrying Value</u>	<u>Level 1</u>	
Money Markets	\$ 253,897.91	\$ 253,897.91	\$ 253,897.91
Mutual Funds	1,533,908.02	1,533,908.02	1,533,908.02
	<u>\$ 1,787,805.93</u>	<u>\$ 1,787,805.93</u>	<u>\$ 1,787,805.93</u>
 <u>Fund</u>			
Trust Fund - LOSAP	\$ 1,787,805.93	\$ 1,787,805.93	\$ 1,787,805.93
	<u>\$ 1,787,805.93</u>	<u>\$ 1,787,805.93</u>	<u>\$ 1,787,805.93</u>

Investments at Contract Value - The Township held a fully benefit-responsive investment contract with Corebridge totaling \$660,169.24 as of December 31, 2024. Corebridge maintains the contributions in the group fixed annuity contract (fixed account). The account is credited with earnings on the underlying investments and charged for participant withdrawals and administrative expenses. The traditional investment contract held by the Township is a guaranteed investment contract.

**TOWNSHIP OF BERKELEY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

Note 2. Deposits and Investments (continued)

Investments (continued)

The contract issuer is contractually obligated to repay the principal and interest at a specified interest rate that is guaranteed to the LOSAP Plan. The Township's ability to receive amounts due in accordance with the fully benefit-responsive investment contract is dependent on the contract issuer's ability to meet its financial obligations. The fixed account continues in-force until they are terminated by Corebridge or the LOSAP Plan and do not define a maturity date.

No events are probable of occurring that might limit the ability of the LOSAP Plan to transact at contract value with the contract issuer and also limit the ability of the LOSAP Plan to transact at contract value with participants. This contract meets the fully benefit-responsive investment contract criteria and therefore is reported at contract value. The total Trust Fund LOSAP value held by the Township at December 31, 2024 was as follows:

Trust Fund - LOSAP (Fair Value)	\$ 1,787,805.93
Trust Fund - LOSAP (Contract Value)	<u>660,169.24</u>
Total Trust Fund - LOSAP	<u><u>\$ 2,447,975.17</u></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.BE1, 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.

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 money markets and these investments represent 73.03% of the Township's total investments.

TOWNSHIP OF BERKELEY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

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 two years.

Comparison Schedule of Tax Rates

	<u>2024</u>	<u>2023</u>	<u>2022</u>
Tax Rate	<u>\$ 2.411</u>	<u>\$ 2.320</u>	<u>\$ 2.277</u>
Apportionment of Tax Rate:			
Municipal	0.740	0.705	0.705
Municipal Open Space	0.010	0.010	0.010
County	0.542	0.515	0.467
Local School	0.603	0.591	0.618
Regional School	0.516	0.499	0.477

Assessed Valuation

<u>Year</u>	<u>Amount</u>
2024	\$ 5,394,444,800.00
2023	5,348,753,700.00
2022	5,292,304,213.00

Comparison of Tax Levies and Collections

<u>Year</u>	<u>Tax Levy</u>	<u>Cash Collections</u>	<u>Percentage Of Collection</u>
2024	\$ 130,808,047.93	\$ 130,323,539.95	99.62%
2023	124,771,555.88	124,128,421.24	99.48%
2022	121,519,506.51	120,965,209.12	99.54%

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>
2024	\$ 229,275.05	\$ 420,943.39	\$ 650,218.44	0.50%
2023	207,887.34	583,024.78	790,912.12	0.63%
2022	193,725.75	442,008.14	635,733.89	0.52%

Number of Tax Title Liens

<u>Year</u>	<u>Number</u>
2024	182
2023	187
2022	187

**TOWNSHIP OF BERKELEY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

Note: 4: Property Acquired By Tax Title Lien Liquidation

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

<u>Year</u>	<u>Amount</u>
2024	\$ 9,538,500.32
2023	9,529,240.32
2022	9,529,240.32

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>
Current Fund:			
2024	\$ 10,506,135.66	\$ 7,500,000.00	71.39%
2023	11,119,118.74	7,600,152.64	68.35%
2022	12,224,165.20	6,650,000.00	54.40%

Note: 6: Interfund Receivables, Payables and Transfers

The following interfund balances were recorded in the various statements of assets liabilities, reserves and fund balances at December 31, 2024:

Fund	Interfund Receivable	Interfund Payable
Current Fund	\$ -	\$ 1,371,983.44
State and Federal Grant Fund	1,221,994.79	-
Trust Other Fund	26,268.57	-
Payroll Fund	123,720.08	-
	<u>\$ 1,371,983.44</u>	<u>\$ 1,371,983.44</u>

The interfund receivables and payables above predominately resulted from payment made by certain funds on behalf of other funds. All interfund balances are expected to be repaid within one year.

**TOWNSHIP OF BERKELEY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

Note: 6: Interfund Receivables, Payables and Transfers (continued)

A summary of interfund transfers is as follows:

Fund	Transfers In	Transfers Out
Current Fund	\$ 2,777,861.21	\$ 1,398,490.13
State and Federal Grant Fund	1,098,436.35	2,264,317.80
Trust Other Fund	53.78	43,543.41
Capital Fund	300,000.00	400,000.00
Payroll Fund	-	70,000.00
	\$ 4,176,351.34	\$ 4,176,351.34

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them (i.e. interest earning), (2) provide cash flow to other funds to temporary finance expenditures that are on a reimbursable basis (i.e. grants), (3) when no bank account exists for a fund, and (4) utilizing surplus or fund balance from one fund as budgeted revenue in another.

Note 7: Fixed Assets

The following is a summary of changes in the General Fixed Assets Account Group for the year ended December 31, 2024.

	Balance December 31, <u>2023</u>	<u>Additions</u>	<u>Deletions</u>	Balance December 31, <u>2024</u>
Land	\$ 8,081,770.07	\$ -	\$ -	\$ 8,081,770.07
Buildings and Improvements	12,011,049.11	113,057.80	-	12,124,106.91
Machinery & Equipment	37,143,311.45	3,571,102.98	86,413.23	40,628,001.20
	\$ 57,236,130.63	\$ 3,684,160.78	\$ 86,413.23	\$ 60,833,878.18

Note 8. Pension Obligations

A. Public Employees' Retirement System (PERS)

As of the date of this report, the New Jersey Division of Pension and Benefits has not provided updated actuarial valuations for pension obligations for the Public Employees' Retirement System (PERS) for year ended June 30, 2024. The New Jersey Division of Pension and Benefits will post these reports on their website as they are made available. The footnote below includes the most current information made publicly available, which had a reporting date of June 30, 2023.

Plan Description - 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>.

TOWNSHIP OF BERKELEY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Note 8. Pension Obligations (continued)

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

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 1/55th of final average salary for each year of service credit is available to tiers 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tiers 1 and 2 members before reaching age 60, tiers 3 and 4 with 25 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. 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 \$1,624,595.00.

**TOWNSHIP OF BERKELEY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

Note 8. Pension Obligations (continued)

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

Components of Net Pension Liability - At December 31, 2023, the Township's proportionate share of the PERS net pension liability was \$17,606,256. The net pension liability was measured as of June 30, 2023. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of July 1, 2018, 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. The Township's proportion measured as of June 30, 2023, was 0.12155% which was an increase of 0.00439% from its proportion measured as of June 30, 2022.

Balances at December 31, 2023 and December 31, 2022

	<u>12/31/2023</u>	<u>12/30/2022</u>
	June 30, 2023	June 30, 2022
Actuarial valuation date (including roll forward)		
Deferred Outflows of Resources	\$ 1,842,773	\$ 2,330,428
Deferred Inflows of Resources	1,259,366	3,026,117
Net Pension Liability	17,606,256	17,680,448
Township's portion of the Plan's total Net Pension Liability	0.12155%	0.11716%

Pension Expense/(Credit) and Deferred Outflows/Inflows of Resources - At December 31, 2023, the Township's proportionate share of the PERS expense, calculated by the plan as of the June 30, 2023 measurement date is \$306,327.00. This expense/(credit) 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 \$1,624,595.00 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>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between Expected and Actual Experience	\$ 168,338	\$ 71,969
Changes of Assumptions	38,677	1,067,015
Net Difference between Projected and Actual Earnings on Pension Plan Investments	81,079	-
Changes in Proportion and Differences between Township Contributions and Proportionate Share of Contributions	1,554,679	120,382
	<u>\$ 1,842,773</u>	<u>\$ 1,259,366</u>

**TOWNSHIP OF BERKELEY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

Note 8. Pension Obligations (continued)

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

The Township will amortize the above sources of deferred outflows and inflows related to PERS over the following number of years:

The following is a summary of the deferred outflows of resources and deferred inflows of resources related to PERS that will be recognized in future periods:

<u>Year Ending December 31,</u>	<u>Amount</u>
2024	\$ (642,685)
2025	(231,977)
2026	1,011,898
2027	157,106
2028	<u>289,065</u>
	<u>\$ 583,407</u>

Special Funding Situation – Under N.J.S.A. 43:15A-15, local participating employers are responsible for their own contributions based on actuarially determined amounts, except where legislation was passed which legally obligated the State if certain circumstances occurred. The legislation which legally obligates the State, are Chapter 366, P.L. 2001 and Chapter 133, P.L. 2001.

The amounts contributed on behalf of the local participating employers under this legislation is considered to be a special funding situation as defined by GASB Statement No. 68 and the State is treated as a non-employer contributing entity. Since the local participating employers do not contribute under this legislation directly to the plan (except for employer specific financed amounts), there is no net pension liability to report in the financial statements of the local participating employers related to this legislation.

Additionally, the State has no proportionate share of the PERS net pension liability attributable to the Township as of December 31, 2023. At December 31, 2023, the State's proportionate share of the PERS expense, associated with the Township, calculated by the plan as of the June 30, 2022 measurement date was \$54,907.00.

Actuarial Assumptions - The total pension asset/(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 actuarial assumptions:

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

TOWNSHIP OF BERKELEY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Note 8. Pension Obligations (continued)

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

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

<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 Markets Equity	12.75%	9.22%
International Small Cap Equity	1.25%	9.22%
Emerging Markets Equity	5.50%	11.13%
Private Equity	13.00%	12.50%
Real Estate	8.00%	8.58%
Real Assets	3.00%	8.40%
High Yield	4.50%	6.97%
Private Credit	8.00%	9.20%
Investment Grade Credit	7.00%	5.19%
Cash Equivalents	2.00%	3.31%
U.S. Treasuries	4.00%	3.31%
Risk Mitigation Strategies	3.00%	6.21%
	<u>100.00%</u>	

**TOWNSHIP OF BERKELEY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

Note 8. Pension Obligations (continued)

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

Discount Rate - The discount rate used to measure the total pension liability was 7.00% as of June 30, 2023. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers 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 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 (6.00%) or 1-percentage-point higher (8.00%) than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Township's Proportionate Share of the Net Pension Liability	<u>\$ 23,112,831</u>	<u>\$ 17,606,256</u>	<u>\$ 13,194,207</u>

B. Police and Firemen's Retirement System (PFRS)

As of the date of this report, the New Jersey Division of Pension and Benefits has not provided updated actuarial valuations for pension obligations for the Police and Firemen's Retirement System (PFRS) for year ended June 30, 2024. The New Jersey Division of Pension and Benefits will post these reports on their website as they are made available. The footnote below includes the most current information made publicly available, which had a reporting date of June 30, 2023.

Plan Description – The State of New Jersey, Police and Firemen's Retirement System (PFRS) 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 PFRS, please refer to the 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. 43:16A. PFRS provides retirement as well as death and disability benefits. All benefits vest after ten years of service, except disability benefits which vest after four years of service.

The following represents the membership tiers for PFRS:

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

TOWNSHIP OF BERKELEY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Note 8. Pension Obligations (continued)

B. Police and Firemen's Retirement System (PFRS) (continued)

Service retirement benefits are available at age 55 and are generally determined to be 2% of final compensation for each year of creditable service, as defined, up to 30 years plus 1% for each year of service in excess of 30 years. Members may seek special retirement after achieving 25 years of creditable service, in which benefits would equal 65% (tiers 1 and 2 members) and 60% (tier 3 members) of final compensation plus 1 % for each year if creditable service over 25 years but not to exceed 30 years. Members may elect deferred retirement benefits after achieving ten years of service, in which case benefits would begin at age 55 equal to 2% of final compensation for each year of service.

Basis of Presentation - The schedule of employer and nonemployer allocations and the schedule of pension amounts by employer and nonemployer (collectively, the Schedules) present amounts that are considered elements of the financial statements of PFRS, 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 PFRS, 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 PFRS 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 PFRS is set by *N.J.S.A. 43:16A* and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's contribution amount is based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. For fiscal year 2023, the State contributed an amount more than the actuarially determined amount. 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 PFRS 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 contributions to PFRS plan was \$2,829,989.00.

Net Pension Liability and Pension Expense - At December 31, 2023 the Township's proportionate share of the PFRS net pension liability was \$23,488,513.00. The net pension liability was measured as of June 30, 2023. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of July 1, 2022, to the measurement date of 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. The Township's proportion measured as of June 30, 2023, was 0.21258%, which was an increase of .003787% from its proportion measured as of June 30, 2022.

TOWNSHIP OF BERKELEY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Note 8. Pension Obligations (continued)

B. Police and Firemen's Retirement System (PFRS) (continued)

Balances at December 31, 2023 and December 31, 2022

	<u>12/31/2023</u>	<u>12/31/2022</u>
Actuarial valuation date (including roll forward)	June 30, 2023	June 30, 2022
Deferred Outflows of Resources	\$ 4,303,318	\$ 5,622,010
Deferred Inflows of Resources	2,706,231	4,472,765
Net Pension Liability	23,488,513	23,900,147
Township's portion of the Plan's total net pension Liability	0.21259%	0.20880%

Pension Expense/(Credit) and Deferred Outflows/Inflows of Resources – At December 31, 2023, the Township's proportionate share of the PFRS expense/(credit), calculated by the plan as of the June 30, 2023 measurement date was \$1,970,835.00. This expense/(credit) 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 \$2,829,989.00 to the plan in 2023.

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

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between Expected and Actual Experience	\$ 1,005,731	\$ 1,120,194
Changes of Assumptions	50,696	1,586,037
Net Difference between Projected and Actual Earnings on Pension Plan Investments	1,196,226	-
Changes in Proportion and Differences between Township Contributions and Proportionate Share of Contributions	2,050,665	-
	<u>\$ 4,303,318</u>	<u>\$ 2,706,231</u>

The following is a summary of the deferred outflows of resources and deferred inflows of resources related to PFRS that will be recognized in future periods:

**TOWNSHIP OF BERKELEY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

Note 8. Pension Obligations (continued)

B. Police and Firemen's Retirement System (PFRS) (continued)

<u>Year Ending December 31,</u>	<u>Amount</u>
2024	\$ (503,958)
2025	(467,099)
2026	1,821,510
2027	288,743
2028	453,460
Thereafter	<u>4,431</u>
	<u><u>\$ 1,597,087</u></u>

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

Additionally, the State's proportionate share of the PFRS net pension liability attributable to the Township is \$4,328,032 as of December 31, 2023. The net pension liability was measured as of June 30, 2023. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of July 1, 2022, to the measurement date of June 30, 2023. The State's proportion of the net pension liability associated with the Township was based on a projection of the Township's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. The State's proportion measured as of June 30, 2023 was 0.21258%, which was an increase of .003787% from its proportion measured as of June 30, 2022, which is the same proportion as the Township's. At December 31, 2023, the Township's and the State of New Jersey's proportionate share of the PFRS net pension liability were as follows:

Township's Proportionate Share of Net Pension Liability	\$ 23,488,513
State of New Jersey's Proportionate Share of Net Pension Liability Associated with the Township	<u>4,328,032</u>
	<u><u>\$ 27,816,545</u></u>

**TOWNSHIP OF BERKELEY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

Note 8. Pension Obligations (continued)

B. Police and Firemen's Retirement System (PFRS) (continued)

At December 31, 2023, the State's proportionate share of the PFRS expense, associated with the Township, calculated by the plan as of the June 30, 2023 measurement date was \$492,305.00.

Actuarial Assumptions - The total pension asset/(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 actuarial assumptions:

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

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

The actuarial assumptions used in the July 1, 2022 valuation were based on the results of an actuarial experience study for the period July 1, 2019 to June 30, 2022.

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

**TOWNSHIP OF BERKELEY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

Note 8. Pension Obligations (continued)

B. Police and Firemen's Retirement System (PFRS) (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 Markets Equity	12.75%	9.22%
International Small Cap Equity	1.25%	9.22%
Emerging Markets Equity	5.50%	11.13%
Private Equity	13.00%	12.50%
Real Estate	8.00%	8.58%
Real Assets	3.00%	8.40%
High Yield	4.50%	6.97%
Private Credit	8.00%	9.20%
Investment Grade Credit	7.00%	5.19%
Cash Equivalents	2.00%	3.31%
U.S. Treasuries	4.00%	3.31%
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 and the nonemployer contributing entity will be based on 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for 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 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 (6.00%) or 1-percentage-point higher (8.00%) than the current rate:

**TOWNSHIP OF BERKELEY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

Note 8. Pension Obligations (continued)

B. Police and Firemen's Retirement System (PFRS) (continued)

	1% Decrease <u>(6.00%)</u>	Current Discount Rate <u>(7.00%)</u>	1% Increase <u>(8.00%)</u>
Township's Proportionate Share of the Net Pension Liability	\$ 32,727,130	\$ 23,488,513	\$ 15,794,952
State of New Jersey's Proportionate Share of Net Pension Liability associated with the Township	<u>6,030,356</u>	<u>4,328,032</u>	<u>2,910,404</u>
	<u><u>\$ 38,757,486</u></u>	<u><u>\$ 27,816,545</u></u>	<u><u>\$ 18,705,356</u></u>

Related Party Investments - The Division of Pensions and Benefits does not invest in securities issued by the Township.

Note 9. Postemployment Benefits Other Than Pensions

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

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 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.

TOWNSHIP OF BERKELEY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Note 9. Postemployment Benefits Other Than Pensions (continued)

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

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

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 were \$3,461,898,890 and \$11,427,677,896, respectively. The nonspecial funding situation's net OPEB liability, deferred outflows of resources, deferred inflows of resources, and OPEB (benefit) expense are further allocated to employers based on the ratio of the plan members of an individual employer to the total members of the Plan's 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. 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 components of the collective net OPEB liability of the plan as of June 30, 2023 is as follows:

**TOWNSHIP OF BERKELEY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

Note 9. Postemployment Benefits Other Than Pensions (continued)

Total OPEB Liability	\$ 14,889,576,786
Plan fiduciary net position	<u>(116,962,691)</u>
Net OPEB liability	<u><u>\$ 15,006,539,477</u></u>

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:

Salary Increases*:

Public Employees' Retirement System (PERS)	
Rate for all future years	2.75% to 6.55%
Police and Firemen's Retirement System (PFRS)	
Rate for all future periods	3.25% to 16.25%

Mortality Rate Table:

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

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

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

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

OPEB Obligation and OPEB (Benefit) Expense

The State's proportionate share of the total Other Post-Employment Benefits Obligations, attributable to the Township's as of June 30, 2023 was \$0.00. The Township's proportionate share was \$0. As of the date of this report, the Township of Berkeley had no employees enrolled in the State Health Benefit Plan.

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, 2022, which was rolled forward to June 30, 2023.

**TOWNSHIP OF BERKELEY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

Note 9. Postemployment Benefits Other Than Pensions (continued)

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. At June 30, 2023, the State proportionate share of the OPEB Obligation attributable to the Township was 0%, which was a decrease of 0.38022% from its proportion measured as of June 30, 2022.

For the fiscal year ended June 30, 2023, the State of New Jersey recognized an OPEB (benefit) expense in the amount of (\$10,732,617.00) for the State's proportionate share of the OPEB (benefit) expense attributable to the Township. This OPEB (benefit) expense was based on the OPEB plans June 30, 2023 measurement date.

Health Care Trend Assumptions

For pre-Medicare medical benefits, the trend rate is initially 6.50% and decreases to a 4.5% long-term trend rate after nine years. For post-65 medical benefits PPO, the trend rate is increasing to 14.8% in fiscal year 2026 and decreases to 4.50% in fiscal year 2033. For HMO, the trend 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 9.50% decreasing to a 4.5% long-term trend rate after seven 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:

	At 1% Decrease (2.65%)	At Discount Rate (3.65%)	At 1% Increase (4.65%)
State of New Jersey's Proportionate Share of Total OPEB Obligation Associated with The Township	\$ -	\$ -	\$ -
State of New Jersey's Total Nonemployer OPEB Liability	17,382,355,978.00	15,006,539,477.00	13,095,561,553.00

**TOWNSHIP OF BERKELEY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

Note 9. Postemployment Benefits Other Than Pensions (continued)

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:

	Healthcare Cost		
	1% Decrease	Trend Rate	1% Increase
State of New Jersey's Proportionate Share of Total OPEB Obligations Associated with The Township	\$ -	\$ -	\$ -
State of New Jersey's Total Nonemployer OPEB Liability	12,753,792,805.00	15,006,539,477.00	17,890,743,651.00

Additional Information – The following is a summary of the collective balances of the local group at June 30, 2023:

Collective Balances at December 31, 2023 and December 31, 2022

	12/31/2023	12/31/2022
Actuarial valuation date (including roll forward)	June 30, 2023	June 30, 2022
Collective Deferred Outflows of Resources	\$ 9,133,524,491.00	\$ 7,897,070,518.00
Collective Deferred Inflows of Resources	14,817,220,551.00	13,408,600,309.00
Collective Net OPEB Liability	15,006,539,477.00	16,149,595,478.00
Township's Portion	0.000000%	0.380219%

The collective 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 June 30:	
2024	\$ (1,702,483,126.00)
2025	(1,394,440,795.00)
2026	(754,368,466.00)
2027	(353,621,247.00)
2028	(713,799,877.00)
Thereafter	(764,982,549.00)
	<u>\$ (5,683,696,060.00)</u>

**TOWNSHIP OF BERKELEY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

Note 9. Postemployment Benefits Other Than Pensions (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 7.89, 7.82, 7.82, 7.87, 8.05, 8.14 and 8.04 years for the 2023, 2022, 2021, 2020, 2019, 2018 and 2017 amounts, respectively.

At June 1, 2022, the program membership consisted of the following

Active Plan Members	65,613
Retirees Currently Receiving Benefits	<u>34,771</u>
 Total Plan Members	 <u>100,384</u>

Changes in the Total OPEB Liability

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

Service Cost	\$ 597,135,801
Interest on the Total OPEB Liability	581,375,849
Changes of Benefit Terms	23,039,435
Differences Between Expected and Actual Experience	(2,123,324,632)
Changes of Assumptions	255,103,873
Contributions from the Employer	(431,386,179)
Contributions from Non-Employer Contributing Entities	(55,614,980)
Net Investment Income	(2,001,914)
Administrative Expenses	<u>12,616,746</u>
 Net Change in Total OPEB Liability	 (1,143,056,001)
 Total OPEB Liability (Beginning)	 <u>16,149,595,478</u>
 Total OPEB Liability (Ending)	 <u>\$ 15,006,539,477</u>

**TOWNSHIP OF BERKELEY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

Note 10: Disaggregated Receivable and Payable Balances

There are no significant components of receivable and payable balances reported in the financial statements.

Note 11. 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>2024</u>	<u>2023</u>	<u>2022</u>
Issued:			
General:			
Bonds, Notes and Loans	\$ 81,264,268.94	\$ 78,047,375.07	\$ 62,360,011.97
Total Debt Issued	<u>81,264,268.94</u>	<u>78,047,375.07</u>	<u>62,360,011.97</u>
Authorized but not issued:			
General:			
Bonds, Notes and Loans	2,285,342.00	1,842.00	10,773,360.00
Total Authorized But Not Issued	<u>2,285,342.00</u>	<u>1,842.00</u>	<u>10,773,360.00</u>
Total Gross Debt	<u>\$ 83,549,610.94</u>	<u>\$ 78,049,217.07</u>	<u>\$ 73,133,371.97</u>
Deductions:			
General:			
Funds on Hand For Payment of Bonds and Notes:			
Reserve for Debt Service	\$ 277,689.11	\$ 213,060.85	\$ 345,583.38
Open Space Trust (N.J.S.A. 40A:244(h))	572,964.37	425,213.04	271,604.77
Total Deductions	<u>850,653.48</u>	<u>638,273.89</u>	<u>617,188.15</u>
Total Net Debt	<u>\$ 82,698,957.46</u>	<u>\$ 77,410,943.18</u>	<u>\$ 72,516,183.82</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>
General Debt	<u>\$ 83,549,610.94</u>	<u>\$ 850,653.48</u>	<u>\$ 82,698,957.46</u>

TOWNSHIP OF BERKELEY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Note 11. Municipal Debt (continued)

Net Debt \$82,698,957.46 divided by the average Equalized Valuation Basis per N.J.S.A 40A:2-2 as amended, \$296,690,410.39, equals 0.976%. 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:

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

3 1/2% of Equalized Valuation Basis (Municipal)	\$ 296,690,410.39
Net Debt	<u>82,698,957.46</u>
Remaining Borrowing Power	<u><u>\$ 213,991,452.93</u></u>

General Debt

A. Serial Bonds Payable

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

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 6,120,000.00	\$ 1,584,073.76	\$ 7,704,073.76
2026	6,230,000.00	1,350,773.76	7,580,773.76
2027	6,510,000.00	1,124,573.76	7,634,573.76
2028	6,754,000.00	887,183.76	7,641,183.76
2029	5,895,000.00	680,893.76	6,575,893.76
2030-2034	13,685,000.00	1,699,715.63	15,384,715.63
2035	2,075,000.00	67,437.50	2,142,437.50
	<u>\$ 47,269,000.00</u>	<u>\$ 7,394,651.93</u>	<u>\$ 54,663,651.93</u>

B. Bond Anticipation Notes

The following is a summary of bond anticipation notes payable accounted for in the General Capital Fund at December 31, 2024:

<u>Description</u>	<u>Date of Original Issue</u>	<u>Date of Maturity</u>	<u>Rate</u>	<u>Balance December 31, 2024</u>
Series 2024A	3/23/2023	3/20/2025	4.25%	\$ 10,772,000.00
Series 2024B	3/23/2023	8/25/2025	4.00%	11,989,000.00
Series 2024B	8/26/2024	8/25/2025	4.00%	<u>10,000,000.00</u>
				<u><u>\$ 32,761,000.00</u></u>

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.

TOWNSHIP OF BERKELEY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Note 11. Municipal Debt (continued)

C. Bonds and Notes Authorized But Not Issued

As of December 31, 2024, the Township had \$2,285,342.00 in various General Capital bonds and notes authorized but not issued.

D. DEP Loans Payable

New Jersey Environmental Infrastructure Trust

A summary of the maturities for each of the subsequent five years and then each five-year period thereafter is as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 126,221.20	\$ 6,846.25	\$ 133,067.45
2026	124,163.09	4,892.50	129,055.59
2027	90,587.27	3,201.25	93,788.52
2028	19,000.00	1,520.00	20,520.00
2029	19,000.00	760.00	19,760.00
	<u>\$ 378,971.56</u>	<u>\$ 17,220.00</u>	<u>\$ 396,191.56</u>

Green Trust Loans

A summary of the maturities for each of the subsequent five years and then each five-year period thereafter is as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 86,531.83	\$ 16,675.43	\$ 69,006.51
2026	88,271.13	14,936.15	69,006.52
2027	74,164.62	13,004.67	69,006.53
2028	50,624.01	3,643.02	69,006.52
2029	42,559.85	10,902.37	53,462.22
2030-2034	225,980.20	41,330.97	267,311.17
2035-2039	220,440.65	17,978.32	238,418.97
2040-2041	66,725.09	1,676.42	68,401.51
	<u>\$ 855,297.38</u>	<u>\$ 120,147.35</u>	<u>\$ 903,619.95</u>

TOWNSHIP OF BERKELEY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Note 11. 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:

	Balance December 31, <u>2023</u>	Accrued/ <u>Increases</u>	Retired/ <u>Decreases</u>	Balance December 31, <u>2024</u>	Balance Due Within <u>One Year</u>
General Capital:					
General Bonds	\$ 53,839,000.00	\$ -	\$ 6,570,000.00	\$ 47,269,000.00	\$ 6,120,000.00
Bond Anticipation Notes	22,761,000.00	32,761,000.00	22,761,000.00	32,761,000.00	32,761,000.00
Green Trust Loan	940,124.20	-	84,826.82	855,297.38	86,531.83
NJEIT Loans	507,250.87	-	128,279.31	378,971.56	126,221.20
Authorized But Not Issued	1,842.00	12,283,500.00	10,000,000.00	2,285,342.00	-
	<u>\$ 78,049,217.07</u>	<u>\$ 45,044,500.00</u>	<u>\$ 39,544,106.13</u>	<u>\$ 83,549,610.94</u>	<u>\$ 39,093,753.03</u>

Note 12: 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:

<u>Local Taxes</u>	<u>Balance, December 31,</u>	
	<u>2024</u>	<u>2023</u>
Total Balance of Local Tax	\$ 16,254,831.01	\$ 15,801,389.01
Deferred Taxes	<u>16,254,827.00</u>	<u>15,142,018.01</u>
Local Tax Payable	<u>\$ 4.01</u>	<u>\$ 659,371.00</u>

<u>Regional Tax</u>	<u>Balance, December 31,</u>	
	<u>2024</u>	<u>2023</u>
Total Balance of Regional Tax	\$ 13,914,682.12	\$ 13,335,005.16
Deferred Taxes	<u>13,914,682.00</u>	<u>12,214,794.38</u>
Regional Tax Payable	<u>\$ 0.12</u>	<u>\$ 1,120,210.78</u>

**TOWNSHIP OF BERKELEY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

Note 13. Deferred Charges to be Raised in Succeeding Budgets

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2024 the following deferred charges are shown on the statement of assets, liabilities, reserves and fund balances of the following funds:

<u>Description</u>	<u>Balance December 31, 2024</u>	<u>2025 Budget Appropriation</u>	<u>Balance to Succeeding Budgets</u>
Current Fund:			
Special Emergency Authorizations (40A:4-55)			
2021 Contractually Required Liabilities	\$ 80,000.00	\$ 40,000.00	\$ 40,000.00
2022 Contractually Required Liabilities	120,000.00	40,000.00	80,000.00
Tax Maps	300,000.00	100,000.00	200,000.00
2023 Contractually Required Liabilities	160,000.00	40,000.00	120,000.00
Over-expenditure of Appropriation Reserve	88,925.85	88,925.85	-
General Capital Fund:			
Overexpenditure of an Ordinance	\$ 423,455.87	\$ 423,455.87	\$ -
Cancellation of Bond Down Payment	646,500.00	-	646,500.00

Note 14. Accrued Sick, Vacation and Compensation Time

GASB Statement No. 101, *Compensated Absences*, requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. The liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means.

As discussed in Note 1 and in accordance with accounting principles prescribed by the State of New Jersey, the cash basis of accounting is followed for recording the Borough's liability related to unused vacation, sick pay and compensation time. The Borough permits certain employees, within limits, to accumulate unused vacation, sick pay and compensation time, which may be taken as time off or paid at a later date at an agreed upon rate. In accordance with New Jersey accounting principles, this unused accumulated absence amount is not reported as a liability in the accompanying financial statements.

Under current policies and in accordance with N.J.S.A. 40A:9-10.2, unused sick leave is paid at an agreed upon rate upon separation of employment. Excess unused sick leave above the statutory cap is not paid out upon separation and lapses unless used. However, a liability is recognized under GASB 101 to the extent such leave is expected to be used as time off. It is estimated that accrued benefits for compensated absences, in accordance with GASB Statement No. 101, are valued at \$4,199,995.30 at December 31, 2024.

This estimate includes leave that is expected to be paid upon separation from service, and sick leave and compensation time to the extent that such leave is more likely than not to be used by employees as paid time off, based on historical usage patterns.

The Borough adopted GASB Statement No. 101 during the year ended December 31, 2024. As a result, the compensated absences liability disclosed above reflects the revised recognition criteria under this standard.

**TOWNSHIP OF BERKELEY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

Note 15. Contingencies

Pending Litigation

The Township is a defendant in several 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 except for the following:

The Township was a defendant in a disability discrimination lawsuit. The jury returned a verdict against the Township of \$1,600,000, which the Township has appealed on the basis that the verdict was unsupported by the evidence introduced at trial. The appeal was heard by the Appellate Division and the Township is awaiting a decision in this matter.

Residents of South Seaside Park previously filed a petition to de-annex from the Township of Berkeley. After being denied by the Township, the petitioners appealed to the Superior Court and the trial judge ruled in their favor. The Township has filed a petition for certification to the Supreme Court of New Jersey, which was granted. The matter was argued by both parties and the Township is awaiting a decision. If the court finds the petition should have been granted, the petitioners will then have to petition Seaside Park to potentially become a part of the municipality.

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 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 \$100 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)). The Division of Local Government Services of the State of New Jersey will issue the permitted maximum annually. The Township elected to contribute \$1,150.00 for the year ended December 31, 2024 per eligible volunteer, into the Plan, depending on how many years the volunteer has served. During the year ended December 31, 2024, the Township contributed a total of \$143,765.00 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.

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

**TOWNSHIP OF BERKELEY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

Note 16. Length of Service Awards Program (continued)

the Township. The funds may also be used to pay the administrative fees charged by the Plan Administrator. Corebridge, ("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, 2024 payouts of \$326,563.73 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.

Note 17. Subsequent Events

Management has reviewed and evaluated all events and transactions that occurred between December 31, 2024 and June 30, 2025, the date that the financial statements were available for issuance, for possible disclosure and recognition in the financial statements.

On January 27, 2025, the Township adopted an ordinance providing for the acquisition of Robo-Cans, appropriating \$1,514,000 therefor and authorizing the issuance of \$1,438,300 bonds and notes to finance a portion of the costs thereof.

On April 21, 2025, the Township introduced an ordinance providing for a Special Emergency Appropriation in the amount of \$2,650,000 for the preparation and execution of a complete program of revaluation of real property for the use of the local assessor.

On May 19, 2025, the Township adopted an ordinance providing for capital improvements and the acquisition of various capital equipment, appropriating \$4,800,000 therefor and authorizing the issuance of \$4,560,000 bonds and notes to finance a portion of the costs thereof.

SUPPLEMENTARY EXHIBITS

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CURRENT FUND

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**TOWNSHIP OF BERKELEY
CURRENT FUND
SCHEDULE OF CASH - TREASURER
FOR THE YEAR ENDED DECEMBER 31, 2024**

Balance December 31, 2023		\$	19,739,002.62
Increased by Receipts:			
Taxes Receivable	\$	128,317,097.83	
Revenue Accounts Receivable		11,783,183.15	
State of New Jersey (Ch. 20, P.L. 1971)		939,732.17	
Miscellaneous Revenue Not Anticipated		433,498.08	
Prepaid Taxes		1,686,004.54	
Due To Berkeley		246,565.92	
Interfunds:			
Grant Fund		2,264,317.80	
General Capital Fund		400,000.00	
Trust Other		43,543.41	
Other		70,000.00	
			<u>146,183,942.90</u>
			165,922,945.52
Decreased by Disbursements:			
Budget Appropriations		52,673,058.67	
County Taxes Payable		29,375,562.39	
Regional School Tax		27,249,687.04	
Local School District Tax		32,056,212.00	
Appropriation Reserves		2,358,067.53	
Accounts Payable		9,338.17	
Tax Overpayments Refunded		136,779.46	
Spending Reserves		332,906.44	
Open Space Tax		540,222.74	
Change Fund		500.00	
Due To Berkeley		246,565.92	
Refund of Prior Year Revenue		235.73	
Interfunds:			
Grant Fund		1,098,436.35	
Payroll		53.78	
			<u>146,077,626.22</u>
Balance December 31, 2024		\$	<u><u>19,845,319.30</u></u>

TOWNSHIP OF BERKELEY
CURRENT FUND
SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY
FOR THE YEAR ENDED DECEMBER 31, 2024

Year	Balance Dec. 31, 2023	2024 Levy	Added/ Omitted	Collections		Due from State	Transferred to Tax Title Liens	Cancelled	Balance Dec. 31, 2024
				2023	2024				
2020	\$ 6.32	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6.32
2021	18.91	-	-	-	-	-	-	-	18.91
2022	663.87	-	-	-	827.03	(250.00)	-	-	86.84
2023	582,335.68	-	-	-	607,508.84	(27,417.15)	-	-	2,243.99
	<u>583,024.78</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>608,335.87</u>	<u>(27,667.15)</u>	<u>-</u>	<u>-</u>	<u>2,356.06</u>
2024	-	130,060,077.46	747,970.47	1,614,248.56	127,736,429.11	972,862.28	21,387.71	44,532.94	418,587.33
	<u>\$ 583,024.78</u>	<u>\$ 130,060,077.46</u>	<u>\$ 747,970.47</u>	<u>\$ 1,614,248.56</u>	<u>\$ 128,344,764.98</u>	<u>\$ 945,195.13</u>	<u>\$ 21,387.71</u>	<u>\$ 44,532.94</u>	<u>\$ 420,943.39</u>

Analysis of 2024 Property Tax Yield and Tax Levy

Tax Yield:	
General Purpose Tax	\$ 130,060,077.46
Added and Omitted Taxes	<u>747,970.47</u>
	<u>\$ 130,808,047.93</u>
 Tax Levy:	
Local District School Tax (Abstract)	\$ 32,509,654.00
Regional School Tax (Abstract)	27,829,364.00
County Taxes:	
County Tax (Abstract)	\$ 24,300,929.24
County Library Tax (Abstract)	2,461,148.82
County Health Tax (Abstract)	1,428,784.31
County Open Space Tax (Abstract)	1,033,839.00
Due County for Added and Omitted Taxes	<u>168,076.88</u>
Total County Taxes	29,392,778.25
Local Open Space Tax	540,222.74
Local Tax for Municipal Purposes	<u>39,904,099.72</u>
Add: Additional Tax Levied (Net)	<u>41,076,251.68</u>
	<u>\$ 130,808,047.93</u>

**TOWNSHIP OF BERKELEY
CURRENT FUND
SCHEDULE OF TAX TITLE LIENS
FOR THE YEAR ENDED DECEMBER 31, 2024**

Balance December 31, 2023	\$ 207,887.34
Increased by:	
Transfers from Taxes Receivable	<u>21,387.71</u>
Balance December 31, 2024	<u><u>\$ 229,275.05</u></u>

**TOWNSHIP OF BERKELEY
CURRENT FUND
SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2024**

	<u>Balance Dec. 31, 2023</u>	<u>Accrued in 2024</u>	<u>Collections</u>	<u>Balance Dec. 31, 2024</u>
Licenses:				
Alcoholic Beverages	\$ -	\$ 46,922.00	\$ 46,922.00	\$ -
Other	-	8,098.00	8,098.00	-
Fees and Permits	-	744,821.89	744,821.89	-
Fines and Costs:				
Municipal Court	6,771.50	116,638.32	113,087.52	10,322.30
Interest and Costs on Taxes	-	223,227.88	223,227.88	-
Interest on Investments and Deposits	-	1,326,358.64	1,326,358.64	-
Beach Admission Fees	-	186,205.00	186,205.00	-
Municipal Golf Course	-	253,571.82	253,571.82	-
Cable TV Franchise Fees	-	372,012.78	372,012.78	-
Hotel and Motel Occupancy Tax	-	24,909.76	24,909.76	-
State Aid:				
Energy Receipts Tax	-	4,264,123.15	4,264,123.15	-
Garden State Trust Fund	-	52,447.00	52,447.00	-
Special Items of Revenue:				
Interlocal Services Agreements:				
Animal Control Services	-	17,603.78	17,603.78	-
Ocean Gate Borough - Fuel Services	-	17,518.72	17,518.72	-
Berkeley Board of Education - Fuel Facilities	-	151,220.35	151,220.35	-
Central Regional Board of Education - Fuel Facilities	-	188,438.35	188,438.35	-
Central Regional Board Trash	-	42,000.00	42,000.00	-
Other Special Items:				
Community Services Officer Program-Ambulance Service Fees	-	1,593,324.68	1,593,324.68	-
Health Care Coverage - Employee Percentage	-	960,535.04	960,535.04	-
Sale of Land	-	312,812.00	312,812.00	-
Solar Farm Rent	-	172,690.68	172,690.68	-
Capital Fund Reserve for Cash	-	213,486.85	213,486.85	-
Senior/Veteran Administration Fee	-	18,794.64	18,794.64	-
Surplus from the Berkeley Township Sewer Authority	-	404,000.00	404,000.00	-
Uniform Fire Safety Act	-	43,972.62	43,972.62	-
	<u>\$ 6,771.50</u>	<u>\$ 11,786,733.95</u>	<u>\$ 11,783,183.15</u>	<u>\$ 10,322.30</u>

**TOWNSHIP OF BERKELEY
CURRENT FUND
SCHEDULE OF DEFERRED CHARGES N.J.S. 40A:4-55
FOR THE YEAR ENDED DECEMBER 31, 2024**

Date Authorized	Improvement Description	1/5 of		Balance Dec. 31, 2023	2024 Budget Appropriation	Balance Dec. 31, 2024
		Net Amount Authorized	Net Amount Authorized			
2022	Tax Maps	\$ 400,000.00	\$ 80,000.00	\$ 400,000.00	\$ 100,000.00	\$ 300,000.00
2022	Contractually Required Severance	200,000.00	40,000.00	160,000.00	40,000.00	120,000.00
5/24/2021	Contractually Required Severance	200,000.00	40,000.00	120,000.00	40,000.00	80,000.00
12/18/2023	Contractually Required Severance	200,000.00	40,000.00	200,000.00	40,000.00	160,000.00
				\$ 880,000.00	\$ 220,000.00	\$ 660,000.00

**TOWNSHIP OF BERKELEY
CURRENT FUND
SCHEDULE OF APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2024**

	Balance Dec. 31, 2023	Reserve for Encumbrances	Balance After Transfers	Paid or Charged	Balance Lapsed
OPERATIONS WITHIN CAPS					
<u>General Government Functions</u>					
General Administration:					
Salaries and Wages	\$ 13,749.46	\$ -	\$ 749.46	-	\$ 749.46
Other Expenses	12,722.33	2,126.91	14,849.24	14,842.43	6.81
Human Resources:					
Salaries and Wages	7,728.04	-	228.04	-	228.04
Other Expenses	900.90	-	900.90	-	900.90
Office of the Mayor:					
Salaries and Wages	655.88	-	655.88	-	655.88
Other Expenses	339.59	899.48	1,239.07	921.17	317.90
Township Council:					
Salaries and Wages	0.56	-	0.56	-	0.56
Other Expenses	77.50	-	77.50	-	77.50
Municipal Clerk:					
Salaries and Wages	13,266.23	-	3,266.23	2,267.16	999.07
Other Expenses	10,456.20	105.68	10,561.88	7,253.58	3,308.30
Division of Information Technology					
Salaries and Wages	3,037.53	-	537.53	-	537.53
Other Expenses	22,454.73	313.45	37,768.18	35,883.88	1,884.30
Office of the Treasurer					
Salaries and Wages	29,542.88	-	11,542.88	4,930.06	6,612.82
Other Expenses	13,346.56	3,145.33	11,491.89	10,116.33	1,375.56
Audit Services:					
Other Expenses	2,019.00	2,800.00	4,819.00	4,800.00	19.00
Revenue Administration (Tax Collection):					
Salaries and Wages	12,949.40	-	12,949.40	5,959.28	6,990.12
Other Expenses	8,435.09	-	8,435.09	5,000.00	3,435.09
Tax Assessment Administration:					
Salaries and Wages	5,837.84	-	11,837.84	5,968.36	5,869.48
Other Expenses	1,517.11	42.48	1,559.59	524.98	1,034.61
Division of Purchasing					
Salaries and Wages	2,779.27	-	2,779.27	-	2,779.27
Other Expenses	7,640.89	9,367.07	27,007.96	24,309.53	2,698.43
Legal Services:					
Other Expenses	86,825.94	9,361.75	49,187.69	37,540.48	11,647.21
Engineering Services:					
Other Expenses	64,907.37	15,287.30	35,194.67	31,830.31	3,364.36
Senior Citizens Advisory Committee:					
Salaries and Wages	100.00	-	100.00	-	100.00
Other Expenses	55.00	-	55.00	-	55.00

**TOWNSHIP OF BERKELEY
CURRENT FUND
SCHEDULE OF APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2024**

	Balance Dec. 31, 2023	Reserve for Encumbrances	Balance After Transfers	Paid or Charged	Balance Lapsed
Municipal Court:					
Salaries and Wages	7,777.22	-	7,777.22	1,331.88	6,445.34
Other Expenses	1,999.11	2,673.07	4,672.18	3,643.54	1,028.64
Public Defender (P.L. 1997, c256):					
Other Expenses	5,893.47	4,934.99	10,828.46	6,393.32	4,435.14
<u>Land Use Administration</u>					
Planning Board / Director of Planning:					
Salaries and Wages	842.05	-	842.05	-	842.05
Other Expenses	12,156.65	3,580.00	15,736.65	3,580.00	12,156.65
Planning Board:					
Other Expenses	92,067.53	4,140.00	26,207.53	6,420.00	19,787.53
Division of Zoning:					
Salaries and Wages	304.21	-	304.21	-	304.21
Other Expenses	374.08	371.52	770.60	748.08	22.52
Zoning Board of Adjustment:					
Salaries and Wages	6,684.00	-	12,684.00	6,640.50	6,043.50
Other Expenses	5,521.29	924.38	6,445.67	2,239.38	4,206.29
<u>Insurance</u>					
General Liability	27,712.60	-	7,712.60	-	7,712.60
Workers Compensation	199,929.92	72,597.91	172,527.83	146,075.73	26,452.10
Employee Group Insurance	125,942.17	1,871.10	1,091,788.27	1,082,609.93	9,178.34
<u>Public Safety Functions</u>					
Police Department:					
Salaries and Wages	176,925.96	-	36,925.96	19,412.20	17,513.76
Other Expenses	47,280.13	127,391.54	149,671.67	142,159.69	7,511.98
Emergency Management:					
Salaries and Wages	11,500.02	-	1,500.02	-	1,500.02
Other Expenses	3,647.38	11,227.62	14,875.00	11,227.62	3,647.38
Aid to Volunteer Fire Companies:					
Salaries and Wages	500.00	-	500.00	-	500.00
Other Expenses	5,004.80	14,304.47	29,309.27	19,269.67	10,039.60
Fire Department:					
Salaries and Wages	9,084.95	-	2,084.95	-	2,084.95
Other Expenses	3,097.21	1,166.65	11,263.86	7,466.95	3,796.91
Emergency Medical Services					
Salaries & Wages	38,070.98	-	38,070.98	-	38,070.98
Other Expenses	13,356.75	71,950.70	85,307.45	73,507.54	11,799.91
Municipal Prosecutor:					
Other Expenses	5,602.50	1,137.50	6,740.00	4,787.50	1,952.50

**TOWNSHIP OF BERKELEY
CURRENT FUND
SCHEDULE OF APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2024**

	Balance Dec. 31, 2023	Reserve for Encumbrances	Balance After Transfers	Paid or Charged	Balance Lapsed
Public Works Functions					
Streets and Roads Maintenance:					
Salaries and Wages	11,657.00	-	11,657.00	7,653.33	4,003.67
Other Expenses	9,467.86	44,130.65	53,598.51	45,313.32	8,285.19
Contractual	100,000.00	-	-	-	-
Other Public Works Functions/ Signs, Maintenance:					
Salaries and Wages	3,074.00	-	3,074.00	-	3,074.00
Other Expenses	239.04	29,547.41	29,786.45	28,336.06	1,450.39
Other Public Works Functions/ Building Demolition:					
Other Expenses	2,000.00	-	2,000.00	-	2,000.00
Sanitation/Solid Waste Collection:					
Salaries and Wages	10,586.58	-	5,586.58	-	5,586.58
Other Expenses	-	138,525.46	148,525.46	138,978.30	9,547.16
Solid Waste Collection/Recycling:					
Salaries and Wages	11,252.12	-	1,252.12	-	1,252.12
Other Expenses	-	13,056.97	18,056.97	12,605.66	5,451.31
Buildings and Grounds:					
Salaries and Wages	23,843.49	-	1,843.49	-	1,843.49
Other Expenses	9,304.48	29,211.06	43,515.54	43,515.54	-
Equipment Maintenance:					
Salaries and Wages	13,164.03	-	3,164.03	-	3,164.03
Other Expenses	539.44	14,611.46	25,150.90	15,745.71	9,405.19
Health and Human Services					
Veterans Advisory Council					
Salaries and Wages	100.00	-	100.00	-	100.00
Other Expenses	100.00	-	100.00	-	100.00
Senior Citizens Advisory Committee					
Salaries and Wages	100.00	-	100.00	-	100.00
Other Expenses	100.00	-	100.00	-	100.00
Waterways Advisory Committee					
Salaries and Wages	500.00	-	500.00	-	500.00
Other Expenses	100.00	-	100.00	-	100.00
Environmental Health Services:					
Other Expenses	100.00	-	100.00	-	100.00
Animal Control Services:					
Salaries and Wages	17,758.82	-	4,758.82	-	4,758.82
Other Expenses	250.00	-	250.00	-	250.00
Contribution - Community Services Inc. (N.J.S.A. 40:48-9.4)	5,000.00	-	-	-	-

**TOWNSHIP OF BERKELEY
CURRENT FUND
SCHEDULE OF APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2024**

	Balance Dec. 31, 2023	Reserve for Encumbrances	Balance After Transfers	Paid or Charged	Balance Lapsed
<u>Parks and Recreation</u>					
Recreation Services and Programs:					
Salaries and Wages	13,800.04	-	14,800.04	2,771.30	12,028.74
Other Expenses	7,493.24	644.85	8,138.09	2,422.79	5,715.30
Maintenance of Parks:					
Salaries and Wages	40,124.94	-	10,124.94	500.00	9,624.94
Other Expenses	8,303.28	17,196.87	25,500.15	24,826.23	673.92
Beach and Boardwalk Operations:					
Salaries and Wages	314.73	-	314.73	-	314.73
Other Expenses	906.81	1,129.00	2,035.81	1,129.00	906.81
<u>Utilities and Bulk Purchases</u>					
Utilities:					
Electricity	64,072.73	4,842.68	58,915.41	58,915.41	-
Street Lighting	3,216.56	66.05	3,282.61	132.10	3,150.51
Telephone	1,898.46	9,256.88	19,455.34	8,902.29	10,553.05
Water	19,591.29	1,950.50	13,241.79	6,729.95	6,511.84
Natural Gas	27,563.53	231.61	27,795.14	19,219.17	8,575.97
Petroleum Products	131,443.06	155,655.70	152,098.76	145,181.28	6,917.48
Telecommunications (Cell Phone)	29,678.73	3,027.87	7,706.60	6,056.07	1,650.53
Sewerage Processing and Disposal	0.07	-	0.07	-	0.07
Fire Hydrants	19,376.02	600.00	19,976.02	16,793.86	3,182.16
<u>Landfill/Solid Waste</u>					
Landfill/Solid Waste Disposal Costs:					
Other Expenses/Tipping	38,825.66	142,201.31	146,026.97	141,617.76	4,409.21
<u>Code Enforcement and Administration</u>					
Other Code Enforcement Functions:					
Salaries and Wages	197.74	-	10,197.74	2,693.93	7,503.81
Other Expenses	928.45	59.67	988.12	59.67	928.45
Total Operations within Caps	1,749,592.48	967,666.90	2,856,259.38	2,459,759.81	396,499.57
Contingent	1,000.00	-	1,000.00	-	1,000.00
Total Operations within Caps including Contingent	1,750,592.48	967,666.90	2,857,259.38	2,459,759.81	397,499.57

**TOWNSHIP OF BERKELEY
CURRENT FUND
SCHEDULE OF APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2024**

	Balance Dec. 31, 2023	Reserve for Encumbrances	Balance After Transfers	Paid or Charged	Balance Lapsed
<u>DEFERRED CHARGES AND STATUTORY EXPENDITURES</u>					
<u>WITHIN CAPS</u>					
<u>Statutory Expenditures</u>					
Contribution to:					
Social Security System	34,694.77	-	24,694.77	3,720.05	20,974.72
Defined Contribution Retirement Program	1,063.84	-	1,063.84	-	1,063.84
Total Deferred Charges and Statutory Expenditures within Caps	35,758.61	-	25,758.61	3,720.05	22,038.56
Total Appropriations within Caps	1,786,351.09	967,666.90	2,883,017.99	2,463,479.86	419,538.13
<u>OPERATIONS EXCLUDED FROM CAPS</u>					
Length of Service Awards Program (N.J.A.C. 5:30-14.25):					
Other Expenses	80,706.00	-	80,706.00	4,597.00	76,109.00
Stormwater and Water Pollution (N.J.S.A. 40A: 4-45.3(cc)):					
Salaries and Wages	101,727.59	-	1,727.59	-	1,727.59
Other Expenses	29,998.19	4,162.18	5,160.37	4,259.77	900.60
Recycling Enhancement Act (P.L. 2007 c.311):					
Other Expenses	207.66	1,251.73	1,459.39	1,251.73	207.66
<u>Interlocal Municipal Service Agreements</u>					
Ocean County Social Services - Relocation Expenses:					
Other Expenses	1,000.00	-	1,000.00	-	1,000.00
Fire Protection - South Toms River:					
Other Expenses	6,000.00	-	6,000.00	-	6,000.00
Ocean County- Animal Control					
Salaries and Wages	5,021.00	14,538.00	19,559.00	14,698.00	4,861.00
Borough of Ocean Gate - Chief Financial Officer					
Other Expenses	3,309.00	-	3,309.00	-	3,309.00
Total Operations Excluded from Caps	227,969.44	19,951.91	118,921.35	24,806.50	94,114.85
Total General Appropriations	\$ 2,014,320.53	\$ 987,618.81	\$ 3,001,939.34	\$ 2,488,286.36	\$ 513,652.98
Disbursed					
Accounts Payable				\$ 2,358,067.53	
				130,218.83	
				\$ 2,488,286.36	

**TOWNSHIP OF BERKELEY
CURRENT FUND
SCHEDULE OF LOCAL DISTRICT SCHOOL TAX
FOR THE YEAR ENDED DECEMBER 31, 2024**

Balance December 31, 2023:

School Tax Payable	\$ 659,371.00	
School Tax Deferred	<u>15,142,018.01</u>	
		<u>\$ 15,801,389.01</u>

Increased by:

Levy for School Year July 1, 2024 to June 30, 2025		<u>32,509,654.00</u>
		48,311,043.01

Decreased by:

Disbursements		<u>32,056,212.00</u>
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Balance December 31, 2024:

School Tax Payable	4.01	
School Tax Deferred	<u>16,254,827.00</u>	
		<u>\$ 16,254,831.01</u>

2024 Charge to Operations for Local School Tax

Balance December 31, 2023 - School Tax Deferred	\$ 15,142,018.01
Add: 2024-2025 School Tax Levy	32,509,654.00
Less: Ending Balance December 31, 2024 - School Tax Deferred	<u>(16,254,827.00)</u>
Amount Charged to 2024 Operations	<u>\$ 31,396,845.01</u>

**TOWNSHIP OF BERKELEY
CURRENT FUND
SCHEDULE OF REGIONAL SCHOOL TAX
FOR THE YEAR ENDED DECEMBER 31, 2024**

Balance December 31, 2023:			
School Tax Payable	\$	1,120,210.78	
School Tax Deferred		<u>12,214,794.38</u>	
	\$		<u>13,335,005.16</u>
Increased by:			
Levy for School Year July 1, 2024 to June 30, 2025			<u>27,829,364.00</u>
			41,164,369.16
Decreased by:			
Disbursements			<u>27,249,687.04</u>
Balance December 31, 2024:			
School Tax Payable		0.12	
School Tax Deferred		<u>13,914,682.00</u>	
	\$		<u>13,914,682.12</u>
<u>2024 Charge to Operations for Regional School Tax</u>			
Balance December 31, 2023 - School Tax Deferred	\$		12,214,794.38
Add: 2024-2025 School Tax Levy			27,829,364.00
Less: Ending Balance December 31, 2024 - School Tax Deferred			<u>(13,914,682.00)</u>
Amount Charged to 2024 Operations	\$		<u>26,129,476.38</u>

**TOWNSHIP OF BERKELEY
CURRENT FUND
SCHEDULE OF COUNTY TAXES PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2024**

Balance December 31, 2023		\$ 150,861.02
2024 Tax Levy:		
County Tax (Abstract)	\$ 24,300,929.24	
County Library Tax (Abstract)	2,461,148.82	
County Health Tax (Abstract)	1,428,784.31	
County Open Space Tax (Abstract)	1,033,839.00	
Due County for Added and Omitted Taxes	<u>168,076.88</u>	
		<u>29,392,778.25</u>
		29,543,639.27
Decreased by:		
Disbursements		<u>29,375,562.39</u>
Balance December 31, 2024		<u><u>\$ 168,076.88</u></u>

**SCHEDULE OF MUNICIPAL OPEN SPACE TAX
FOR THE YEAR ENDED DECEMBER 31, 2024**

Balance December 31, 2023		\$ -
Increased by:		
Levy Calendar Year 2024		<u>540,222.74</u>
Decreased by:		
Disbursements		<u>540,222.74</u>
Balance December 31, 2024		<u><u>\$ -</u></u>

**TOWNSHIP OF BERKELEY
CURRENT FUND
SCHEDULE OF SPENDING RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2024**

<u>Improvement Description</u>	<u>Balance Dec. 31, 2023</u>	<u>Expended</u>	<u>Balance Dec. 31, 2024</u>
Reserve for Garden State Trust Fund	\$ 42,590.00	\$ -	\$ 42,590.00
Reserve for Police Found Money	1,816.28	-	1,816.28
Reserve for COVID-19	111,596.06	-	111,596.06
Reserve for Municipal Relief Fund	439,530.81	439,530.81	-
Reserve for Contractually Required Severance	200,000.00	-	200,000.00
Reserve for Legal Settlement	300,217.50	43,393.41	256,824.09
Reserve for Special Emergency - Tax Map	306,641.20	289,513.03	17,128.17
	<u>\$ 1,402,391.85</u>	<u>\$ 772,437.25</u>	<u>\$ 629,954.60</u>
Cash Disbursements		\$ 332,906.44	
Budget Appropriation		439,530.81	
		<u>\$ 772,437.25</u>	

**TOWNSHIP OF BERKELEY
CURRENT FUND
SCHEDULE OF INTERFUNDS
FOR THE YEAR ENDED DECEMBER 31, 2024**

	Total (Memo Only)	Other Trust Fund	General Capital Fund	Payroll Fund
Balance December 31, 2023 - (Due From)/Due To	\$ (363,500.98)	\$ (17,221.06)	\$ (400,000.00)	\$ 53,720.08
Increased by:				
Disbursed	53.78	53.78	-	-
Total Increases	53.78	53.78	-	-
Total Increases and Balances	(363,554.76)	(17,274.84)	(400,000.00)	53,720.08
Decreased by:				
Receipts	513,543.41	43,543.41	400,000.00	70,000.00
Total Decreases	513,543.41	43,543.41	400,000.00	70,000.00
Balance December 31, 2024 - (Due From)/Due To	\$ 149,988.65	\$ 26,268.57	\$ -	\$ 123,720.08

**TOWNSHIP OF BERKELEY
CURRENT FUND
SCHEDULE OF INTERFUND
GRANT FUND**

Balance December 31, 2023 - Due To/(From)		\$ 1,452,371.95
Increased by:		
Grant Accounts Receivable Deposits	\$ 2,144,206.55	
Unappropriated Funds Received	120,111.25	
Transferred from 2024 Budget Appropriations	<u>1,311,235.23</u>	
		<u>3,575,553.03</u>
Decreased by:		5,027,924.98
Grant Fund Disbursements	1,098,436.35	
Transferred from Unappropriated Reserves	1,399,847.36	
Transferred from 2024 Anticipated Revenue	<u>1,307,646.48</u>	
		<u>3,805,930.19</u>
Balance December 31, 2024 - Due To/(From)		<u><u>\$ 1,221,994.79</u></u>

TOWNSHIP OF BERKELEY
CURRENT FUND
SCHEDULE OF FEDERAL AND STATE GRANTS RECEIVABLE
GRANT FUND

<u>Grant</u>	Balance Dec. 31, 2023	2024 Budget Revenue	Received	Balance Dec. 31, 2024
Ocean - Municipal Recycling Grant Program	\$ 7,213.00	\$ -	\$ -	\$ 7,213.00
Recycling Tonnage Grant	-	74,746.17	74,746.17	-
Recycling Partnership Grant	-	25,000.00	22,500.00	2,500.00
FY2020 Homeland Security Grant	330.45	-	-	330.45
FY2021 Homeland Security Grant	26,000.00	-	25,960.15	39.85
FY2024 Homeland Security Grant	-	14,000.00	-	14,000.00
Bulletproof Vest Partnership Grant	11,970.00	23,455.32	1,063.40	34,361.92
2022 Body Armor Grant	4,797.38	-	4,797.38	-
2024 Body Armor Grant	-	5,619.05	-	5,619.05
Clean Energy EV Grant	7,000.00	-	-	7,000.00
Municipal Alliance on Alcohol and Drug Abuse - 2022	11,433.32	-	-	11,433.32
Municipal Alliance on Alcohol and Drug Abuse - 2023	14,355.00	-	1,700.00	12,655.00
Municipal Alliance on Alcohol and Drug Abuse - 2024	-	14,355.00	-	14,355.00
DOT Grant FY 2018 - Various Road Improvements	1,840.70	-	-	1,840.70
CDBG - Road and Drainage Improvements - Jamaica Blvd 2018	34,000.00	-	-	34,000.00
CDBG 2020	34,000.00	-	-	34,000.00
2018 Society of Fire Protection Engineers Grant	1,000.00	-	-	1,000.00
COPS FAST	1,250,000.00	-	1,250,000.00	-
State Body Armor Replacement Fund	2,902.64	-	1,005.24	1,897.40
Body Armor Replacement Grant - 2018	7,415.90	-	-	7,415.90
Body Armor Replacement Grant - 2019	6,711.15	-	-	6,711.15
Body Armor Replacement Grant - 2022	3,405.05	-	-	3,405.05
Firehouse Subs Public Safety Foundations Grant	14,567.82	-	-	14,567.82
National Opioid Settlement Proceeds	53,021.22	251,730.13	264,853.49	39,897.86
Local Recreation Grant	81,000.00	75,000.00	-	156,000.00
NJDA Spotted Lanterfly Grant	15,000.00	-	-	15,000.00
SAFER Grant	39,930.00	-	-	39,930.00
Flood Mitigation Assistance Grant	-	254,860.00	-	254,860.00
Lead Assistance Grant	34,400.00	-	-	34,400.00
Clean Communities	-	169,996.61	169,996.61	-
Distracted Driving Crackdown	-	7,000.00	7,000.00	-
NJ DEP - Green Acres Grant Program	-	89,714.20	-	89,714.20
NJ DOT - Richard Road Curb & Sidewalk	360,000.00	-	135,000.00	225,000.00
NJ DOT - Bananier Dr PHII & Port Royal Dr.	-	202,170.00	151,627.50	50,542.50
2022 O/C Summer Concert Program	1,000.00	-	-	1,000.00
2022 Homeland Security and Preparedness	74,000.00	-	-	74,000.00
2023 ARP Firefighter Grant - Bayville Volunteer Fire	-	70,000.00	33,956.61	36,043.39
2023 ARP Firefighter Grant - Pinewald Volunteer Fire	-	30,000.00	-	30,000.00
	<u>\$ 2,097,293.63</u>	<u>\$ 1,307,646.48</u>	<u>\$ 2,144,206.55</u>	<u>\$ 1,260,733.56</u>

**TOWNSHIP OF BERKELEY
CURRENT FUND
SCHEDULE OF APPROPRIATED RESERVES
GRANT FUND**

Grant	Balance Dec. 31, 2023	Transfer from 2024 Budget Appropriation	Transfer		Paid or Charged	Transfer		Balance Dec. 31, 2024
			From Encumbrances	To Encumbrances		From Encumbrances	To Encumbrances	
Homeland Security Grant - FY 2020	\$ 20,616.90	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20,616.90
Homeland Security Grant - FY 2021	30,447.40	-	-	21,962.60	21,962.60	-	-	30,447.40
Homeland Security Grant - FY 2024	-	14,000.00	-	-	5,117.64	-	-	8,882.36
Municipal Alliance on Alcohol and Drug Abuse - 2022	9,892.53	-	-	-	2,177.44	-	-	7,715.09
Municipal Alliance on Alcohol and Drug Abuse - Local Match - 2022	2,864.75	-	-	-	-	-	-	2,864.75
Municipal Alliance on Alcohol and Drug Abuse - 2023	14,355.00	-	-	-	5,579.20	-	-	6,267.20
Municipal Alliance on Alcohol and Drug Abuse - Local Match - 2023	3,588.75	-	-	-	-	-	2,508.60	3,588.75
Municipal Alliance on Alcohol and Drug Abuse - 2024	-	14,355.00	-	-	-	-	-	14,355.00
Municipal Alliance on Alcohol and Drug Abuse - Local Match - 2024	-	3,588.75	-	-	-	-	-	3,588.75
Municipal Alliance on Alcohol and Drug Abuse - Local Match - 2024	-	-	-	-	-	-	-	5,128.98
DDEF FY2015 Grant	5,128.98	-	-	-	-	-	-	-
DDEF FY 2023 Grant	-	-	-	19,305.00	19,305.00	-	-	-
Clean Energy EV Grant	7,000.00	-	-	-	-	-	-	7,000.00
FY 15 EMPG EMMA Grant	5,120.00	-	-	-	-	-	-	5,120.00
FY 15 EMPG EMMA Grant - Local Match	7,000.00	-	-	-	-	-	-	7,000.00
Bulletproof Vest Partnership	3.80	23,455.32	-	18,902.80	18,902.80	-	7,000.00	16,459.12
NJ Sandy Recovery-Post Sandy Planning Grant - S. Seaside Pk Neighborhood	1,731.97	-	-	-	-	-	-	1,731.97
CDBG Grant-Roadway & Drainage Imp - Jamaica - 2018	2,783.44	-	-	-	-	-	-	2,783.44
CDBG Grant-Roadway & Drainage Improvements for Various Locations	31,000.00	-	-	-	-	-	-	31,000.00
CDBG Grant-2020	34,000.00	-	-	-	-	-	-	34,000.00
NJ Body Armor - 2015	1,900.00	-	-	-	-	-	-	1,900.00
NJ Body Armor - 2016	3,893.11	-	-	-	-	-	-	3,893.11
NJ Body Armor - 2018	2,039.54	-	-	-	-	-	-	2,039.54
2022 Body Armor Grant	3.78	-	-	4,793.60	4,793.60	-	-	3.78
Clean Communities Grant - 2017	491.08	-	-	-	-	-	-	491.08
Clean Communities Grant - 2019	500.00	-	-	-	-	-	-	500.00
Clean Communities Grant - 2023	28,672.73	-	-	18,620.37	40,272.94	-	47.88	6,972.28
Clean Communities Program - 2024	-	169,996.61	-	-	50,360.91	-	2,103.58	117,532.12
Society of Fire Protection Engineers - 2018	1,000.00	-	-	-	-	-	-	1,000.00
DOT - Various Road Improvements - 2018	797.87	-	-	-	-	-	-	797.87
DOT - Jamaica Blvd Phase 3 - 2019	365,000.00	-	-	-	-	-	-	365,000.00
COPS FAST	638,894.65	-	-	-	638,894.65	-	-	-
2022 Distracted Driving	105.00	-	-	-	-	-	-	105.00

**TOWNSHIP OF BERKELEY
CURRENT FUND
SCHEDULE OF APPROPRIATED RESERVES
GRANT FUND**

	Balance Dec. 31, 2023	Transfer from 2024 Budget Appropriation	Transfer From Encumbrances	Paid or Charged	Transfer To Encumbrances	Balance Dec. 31, 2024
Recycling Tonnage Grant - 2019	1,353.98	-	-	-	-	1,353.98
Recycling Tonnage Grant - 2021	-	-	280.79	-	280.79	-
Recycling Tonnage Grant - 2024	-	74,746.17	-	-	-	74,746.17
Recycling Partnership Grant	-	25,000.00	-	-	4,600.00	-
NJDEP - Green Acres Grant Program	-	89,714.20	-	20,400.00	59,356.77	30,357.43
State of NJ - 2020 Body Armor Grant	-	5,619.05	-	-	-	5,619.05
Distracted Driving	-	7,000.00	-	7,000.00	-	-
NJ DOT - Bananier Dr PH II & Port Royal Dr.	-	202,170.00	-	-	202,170.00	-
Firehouse Subs Public Safety Foundation Grant	14,567.82	-	-	-	-	14,567.82
Stormwater Assistance Grant	15,000.00	-	-	-	-	15,000.00
ARP Firefighter Grant - Bayville Volunteer Fire	-	70,000.00	-	55,522.18	-	14,477.82
ARP Firefighter Grant - Pinewald Volunteer Fire	-	30,000.00	-	30,000.00	-	-
2022 Homeland Security and Preparedness	74,000.00	-	-	72,582.64	-	1,417.36
2022 ARP Firefighter Grant	43.39	-	-	-	-	43.39
2022 BPU Clean Energy Electric Vehicle	7,000.00	-	-	-	-	7,000.00
NJDA Spotted Lanterfly Grant	15,000.00	-	-	-	-	15,000.00
Lead Assistance Grant	34,400.00	-	-	-	-	34,400.00
Local Recreation Grant	81,000.00	75,000.00	-	-	-	156,000.00
FMA Grant	13,439.93	254,860.00	-	3,459.10	842.50	263,998.33
Hazard Mitigation Grant Program - Police - Federal Share	9,802.19	-	720.00	-	-	10,522.19
SAFER Grant	11,930.00	-	6,500.00	13,572.71	-	4,857.29
NJ DOT - Richard Road Curb & Sidewalk	360,000.00	-	-	-	180,000.00	180,000.00
National Opioid Settlement Proceeds	135,653.57	251,730.13	-	88,532.94	36,461.26	262,389.50
2022 O/C Recycling Revenue Profit Share	61,197.45	-	-	-	-	61,197.45
	<u>\$ 2,053,219.61</u>	<u>\$ 1,311,235.23</u>	<u>\$ 91,085.16</u>	<u>\$ 1,098,436.35</u>	<u>\$ 495,371.38</u>	<u>\$ 1,861,732.27</u>

Adopted Budget
Local Match
Added by 40A:4-87

\$ 672,750.22
3,588.75
634,896.26

\$ 1,311,235.23

**TOWNSHIP OF BERKELEY
CURRENT FUND
SCHEDULE OF UNAPPROPRIATED RESERVES
GRANT FUND**

<u>Grant</u>	<u>Balance Dec. 31, 2023</u>	<u>Receipts</u>	<u>Transferred To Current Fund</u>	<u>Balance Dec. 31, 2024</u>
Recycling Tonnage Grant - 2020	\$ 5,513.45	\$ -	\$ -	\$ 5,513.45
DMHAS Grant	-	1,080.00	-	1,080.00
Impaired Driving Countermeasure	-	7,000.00	-	7,000.00
NJDOT - Boardwalk Preservation Allen Road	-	112,031.25	-	112,031.25
American Rescue Plan Act	1,399,847.36	-	1,399,847.36	-
	<u>\$ 1,405,360.81</u>	<u>\$ 120,111.25</u>	<u>\$ 1,399,847.36</u>	<u>\$ 125,624.70</u>

TRUST FUND

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**TOWNSHIP OF BERKELEY
TRUST FUND
SCHEDULE OF CASH - TREASURER**

	Animal Control Trust Fund	Other Trust Fund
Balance December 31, 2023	\$ 4,882.61	\$ 7,633,170.10
Increased by Receipts:		
Animal Control License Fees	\$ 31,487.00	\$ -
Miscellaneous Reserves	-	7,438,386.56
Deferred Charge Raised in Current Fund	-	7,820.26
Reserve For Open Space	-	558,676.65
Due To State of New Jersey - Animal Control	5,112.00	-
Due To State of New Jersey - DCA	-	58,984.00
Due From State of New Jersey - Marriage Licenses	-	5,325.00
Interfund:		
Current Fund	-	53.78
	<u>36,599.00</u>	<u>8,069,246.25</u>
	41,481.61	15,702,416.35
Decreased by Disbursements:		
Expenditures Under R.S. 4:19-15.11	33,061.05	-
Miscellaneous Reserves	-	7,278,543.89
Reserve for Open Space	-	410,925.32
Due To State of New Jersey - Animal Control	5,112.00	-
Due To State of New Jersey - DCA	-	42,248.00
Due From State of New Jersey - Marriage Licenses	-	6,875.00
Interfund:		
Current Fund	-	43,543.41
	<u>38,173.05</u>	<u>7,782,135.62</u>
Balance December 31, 2024	<u>\$ 3,308.56</u>	<u>\$ 7,920,280.73</u>

Exhibit B-2

**TOWNSHIP OF BERKELEY
ANIMAL CONTROL TRUST FUND
SCHEDULE OF RESERVE FOR ANIMAL CONTROL
TRUST FUND EXPENDITURES**

Balance December 31, 2023		\$ 4,873.61
Increased by:		
Animal Control License Fees Collected	\$ 28,952.00	
Other Fees	<u>2,535.00</u>	
		<u>31,487.00</u>
		36,360.61
Decreased by:		
Expenditures Under R.S. 4:19-15.11		<u>33,061.05</u>
Balance December 31, 2024		<u><u>\$ 3,299.56</u></u>

License and Penalty Fees Collected

<u>Year</u>	<u>Amount</u>
2023	\$ 28,013.60
2022	<u>29,778.40</u>
	<u><u>\$ 57,792.00</u></u>

Exhibit B-3

**ANIMAL CONTROL TRUST FUND
SCHEDULE OF DUE STATE OF NEW JERSEY**

Balance December 31, 2023	\$ 9.00
Increased by:	
2024 Animal License Fees	<u>5,112.00</u>
	5,121.00
Decreased by:	
Fees Paid to State	<u>5,112.00</u>
Balance December 31, 2024	<u><u>\$ 9.00</u></u>

**TOWNSHIP OF BERKELEY
OTHER TRUST FUND
SCHEDULE OF INTERFUNDS**

	<u>Current Fund</u>
Balance December 31, 2023 - Due To (From)	\$ 17,221.06
Increased by:	
Receipts	<u>53.78</u>
	17,274.84
Decreased by:	
Disbursements	<u>43,543.41</u>
Balance December 31, 2024 - Due To (From)	<u><u>\$ (26,268.57)</u></u>

**TOWNSHIP OF BERKELEY
OTHER TRUST FUND
SCHEDULE OF MISCELLANEOUS RESERVES**

Balance December 31, 2023	\$ 7,177,914.26
Increased by:	
Receipts	<u>7,438,386.56</u>
	14,616,300.82
Decreased by:	
Disbursements	<u>7,278,543.89</u>
Balance December 31, 2024	<u><u>\$ 7,337,756.93</u></u>

Analysis of Balance

Reserve for:

Law Enforcement	\$ 290,326.77
Sanitary Landfill	13,165.85
Unemployment Compensation	17,309.94
Construction Code	147,735.12
Tree Inspection Fees	14,372.03
Tax Map Maintenance	2,577.80
Founders Day	(560.29)
Drainage Improvements	150,831.62
Affordable Housing	1,481,166.42
Uniform Fire Safety Act - Penalty Monies	865.11
Fire Prevention Donations	2,866.48
Street Opening	35,365.75
DARE	10,424.73
Developers Road Impact	181,616.50
Public Defender	18,264.44
Tax Sale Premium	812,850.00
POAA	346.89
Third Party Liens	53,258.90
Foreclosures	11,112.88
Accumulated Absences	40,000.00
Developers Escrow	3,247,289.81
Inspection Fees - Grading	19,180.83
Security Deposit	7,200.00
Planning/Zoning Board Escrow	260,562.32
Reserve for ABC	112.00
Tree Planting	1,017.02
Municipal Alliance Donations	5,961.14
Disposal of Forfeited Property	4,082.39
Inspection Holly Park	3,141.84
Outside Employment	209,805.94
Reserve for Snow Removal	178,018.25
Recreation Fees Trust	41,155.22
Recreations - Open Space	39,500.00
Lead Based Pain Inspection fees	5,625.00
DWI Special Account	235.73
Tree Removal	15,372.03
Flood & Bulkhead	<u>15,600.47</u>
	<u><u>\$ 7,337,756.93</u></u>

**TOWNSHIP OF BERKELEY
OTHER TRUST FUND
SCHEDULE OF RESERVE FOR OPEN SPACE**

Balance December 31, 2023		\$ 425,213.04
Increased by:		
2024 Tax Levy - Open Space	\$ 540,222.74	
Interest on Deposits	<u>18,453.91</u>	
		<u>558,676.65</u>
		983,889.69
Decreased by:		
Cash Disbursements		<u>410,925.32</u>
Balance December 31, 2024		<u><u>\$ 572,964.37</u></u>

**SCHEDULE OF RESERVE FOR LENGTH OF SERVICE
AWARDS PROGRAM (LOSAP)**

Balance December 31, 2023		\$ 2,377,275.86
Increased by:		
Gains	\$ 241,799.24	
Contributions	143,765.00	
Interest Earned	<u>11,698.80</u>	
		<u>397,263.04</u>
		2,774,538.90
Decreased by:		
Distributions		<u>326,563.73</u>
Balance December 31, 2024		<u><u>\$ 2,447,975.17</u></u>

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GENERAL CAPITAL FUND

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**TOWNSHIP OF BERKELEY
GENERAL CAPITAL FUND
SCHEDULE OF CASH - TREASURER**

Balance December 31, 2023		\$	14,369,871.12
Increased by:			
Bond Anticipation Notes	\$	32,761,000.00	
Reserve for Debt Service - Premium		278,115.11	
Budget Appropriation:			
Capital Improvement Fund		<u>300,000.00</u>	
			<u>33,339,115.11</u>
			47,708,986.23
Decreased by:			
Improvement Authorizations		12,383,335.09	
Bond Anticipation Notes		22,761,000.00	
Utilized as Current Fund Anticipated Revenue:			
Reserve for Payment of Debt		213,486.85	
Interfund - Current Fund		<u>400,000.00</u>	
			<u>35,757,821.94</u>
Balance December 31, 2024		\$	<u>11,951,164.29</u>

**TOWNSHIP OF BERKELEY
GENERAL CAPITAL FUND
ANALYSIS OF CAPITAL CASH**

		Balance Dec. 31, 2024
		<hr/>
Fund Balance		\$ 1,306,266.30
Capital Improvement Fund		370,052.97
Grants Receivable		(1,050,868.32)
Reserve for Encumbrances		6,127,250.07
Reserve for Debt Service		277,689.11
Deferred Charge - Overexpenditure of an Ordinance		(1,069,955.87)
Excess Financing		90,000.00
Improvement Authorizations:		
Ordinance	Improvement Description	
Number		
12-14	Various Capital Improvements	(116.00)
13-26	Various Capital Improvements	(27.00)
14-03	Various Capital Improvements	(0.50)
15-01	Various Capital Improvements	(0.50)
18-01	Various Capital Improvements	31,930.81
19-01	Various Capital Improvements	(225.00)
20-01	Various Capital Improvements	1,274.58
20-09	Improvements to Manitou Park School House	1,087,928.77
21-01	Various Capital Improvements	63,935.37
22-01	Various Capital Improvements	474,880.57
23-02	Various Capital Improvements	187,482.12
23-04	Various Capital Improvements	2,420,887.82
24-04	Various Capital Improvements	1,632,778.99
		<hr/>
		\$ 11,951,164.29
		<hr/>

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

Balance December 31, 2023			\$	55,286,375.07
Decreased by:				
Budgeted Principal Reductions:				
Serial Bonds	\$	6,570,000.00		
NJEIT Loans		128,279.31		
Green Trust Loans		84,826.82		
				<u>6,783,106.13</u>
Balance December 31, 2024			\$	<u><u>48,503,268.94</u></u>

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

Ordinance Number	Improvement Description	Balance Dec. 31, 2023	2024 Authorizations	Balance Dec. 31, 2024	Notes Payable	Analysis of Balance		
						Excess Financing	Expended Balance	Unexpended Balance
12-14	Various Capital Improvements	\$ 116.00	-	\$ 116.00	-	\$ -	116.00	\$ -
13-26	Various Capital Improvements	27.00	-	27.00	-	-	27.00	-
14-03	Various Capital Improvements	0.50	-	0.50	-	-	0.50	-
15-01	Various Capital Improvements	0.50	-	0.50	-	-	0.50	-
17-21	Turf Fields (Open Space)	-	-	-	90,000.00	(90,000.00)	-	-
19-01	Various Capital Improvements	225.00	-	225.00	-	-	225.00	-
22-01	Various Capital Improvements	10,682,565.00	-	10,682,565.00	10,682,000.00	-	-	565.00
23-02	Various Capital Improvements	2,061,914.00	-	2,061,914.00	2,061,914.00	-	-	-
23-04	Various Capital Improvements	9,927,994.00	-	9,927,994.00	9,927,086.00	-	-	908.00
24-04	Various Capital Improvements	-	12,283,500.00	12,283,500.00	10,000,000.00	-	-	2,283,500.00
		<u>\$ 22,672,842.00</u>	<u>\$ 12,283,500.00</u>	<u>\$ 34,956,342.00</u>	<u>\$ 32,761,000.00</u>	<u>\$ (90,000.00)</u>	<u>\$ 369.00</u>	<u>\$ 2,284,973.00</u>

Improvement Authorizations - Unfunded

Ordinance Number	Improvement Description	
22-01	Various Capital Improvements	\$ 474,815.07
23-02	Acquisition of Real Property	187,482.12
23-04	Various Capital Improvements	2,420,887.82
24-04	Various Capital Improvements	1,632,778.99
		<u>4,715,964.00</u>
		<u>\$ 2,284,973.00</u>

**TOWNSHIP OF BERKELEY
GENERAL CAPITAL FUND
SCHEDULE OF CAPITAL IMPROVEMENT FUND**

Balance December 31, 2023	\$ 70,052.97
Increased by:	
Budget Appropriation	<u>300,000.00</u>
Balance December 31, 2024	<u><u>\$ 370,052.97</u></u>

**TOWNSHIP OF BERKELEY
GENERAL CAPITAL FUND
SCHEDULE OF GRANTS RECEIVABLE**

<u>Ordinance Number</u>	<u>Description</u>	<u>Balance Dec. 31, 2024 & 2023</u>
09-29, 09-11	NJ DEP Green Acres - Manitou Park	\$ 12,998.74
11-18	US Department of Homeland Security - FEMA	41,418.00
17-09	NJ DOT - LAIF - John F. Kennedy Blvd	135,222.08
20-09	NJ Historic Trust - Manitou Park School House	656,537.00
21-01	Various Capital Improvements	108,375.00
22-01	Various Capital Improvements	44,000.00
23-04	Various Capital Improvements	52,317.50
		<hr/>
		\$ 1,050,868.32
		<hr/> <hr/>

**TOWNSHIP OF BERKELEY
GENERAL CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS**

Ordinance Number	Improvement Description	Date	Ordinance Amount	Balance Dec. 31, 2023		2024 Authorizations	Transfer from Encumbrances	Paid or Charged	Transfer to Encumbrances	Cancelled	Balance Dec. 31, 2024	
				Funded	Unfunded						Funded	Unfunded
06-31	Various Capital Improvements	05/23/06	\$ 5,849,102.00	\$ -	\$ -	\$ -	\$ 4,621.43	\$ 4,233.78	\$ -	\$ 387.65	\$ -	\$ -
16-01	Various Capital Improvements	01/25/16	7,821,000.00	43,471.93	-	-	-	43,471.93	-	-	-	-
17-09	Various Capital Improvements	02/27/17	8,650,000.00	-	-	-	4,100.00	-	4,100.00	-	-	-
18-01	Various Capital Improvements	02/26/18	9,019,355.00	227,112.03	-	-	22,640.00	4,690.00	3,770.72	209,360.50	31,930.81	-
19-01	Various Capital Improvements	01/28/19	6,845,500.00	-	-	-	239,667.57	218,649.32	21,018.25	-	-	-
20-01	Various Capital Improvements	01/27/20	8,675,700.00	13,985.93	-	-	39,499.50	12,488.85	39,499.50	222.50	1,274.58	-
20-09	Improvements to Manitou Park School House	03/23/20	1,750,000.00	1,091,786.27	-	-	104,009.52	19,920.84	87,946.18	-	1,087,928.77	-
20-10	Acquisition of Real Property	03/23/20	1,750,000.00	-	-	-	1,067.85	(34,100.00)	35,167.85	-	-	-
21-01	Various Capital Improvements	01/01/21	11,670,274.00	-	-	-	199,696.16	104,439.53	31,321.26	-	63,935.37	-
22-01	Various Capital Improvements	01/24/22	11,444,805.00	-	722,801.79	-	2,414,375.89	2,246,433.14	374,876.62	40,422.35	65.50	475,380.07
23-02	Various Capital Improvements	01/23/23	2,170,437.00	-	516,536.46	-	916,040.31	939,198.85	305,895.80	-	-	187,482.12
23-04	Various Capital Improvements	01/23/23	9,927,994.00	-	4,049,295.35	-	3,406,342.20	4,193,193.84	840,647.89	-	-	2,421,795.82
24-04	Various Capital Improvements	02/26/24	12,930,000.00	-	-	12,930,000.00	-	4,650,715.01	4,383,006.00	-	-	3,916,278.99
				\$ 1,376,356.16	\$ 5,288,633.60	\$ 12,930,000.00	\$ 7,352,060.43	\$ 12,383,335.09	\$ 6,127,250.07	\$ 250,393.00	\$ 1,185,135.03	\$ 7,000,937.00
	Deferred Charges - Unfunded					\$ 12,283,500.00						
	Deferred Charge - Cancellation of Bond Down Payment					646,500.00						
						\$ 12,930,000.00						

**TOWNSHIP OF BERKELEY
GENERAL CAPITAL FUND
SCHEDULE OF NJ ENVIRONMENTAL INFRASTRUCTURE LOANS PAYABLE**

<u>Purpose</u>	<u>Year Issued</u>	<u>Original Issue</u>	<u>Interest Rate</u>	<u>Balance Dec. 31, 2023</u>	<u>Decreases</u>	<u>Balance Dec. 31, 2024</u>
NJ Fund Loan	2007	\$ 975,000.00	0.00%	\$ 203,067.15	\$ 53,853.90	\$ 149,213.25
NJ Trust Loan	2007	345,000.00	3.40% to 5.00%	88,000.00	22,000.00	66,000.00
NJ Trust Loan	2010	250,000.00	3.845% to 4.260%	95,000.00	14,000.00	81,000.00
NJ Fund Loan	2010	755,700.00	0.00%	121,183.72	38,425.41	82,758.31
				<u>\$ 507,250.87</u>	<u>\$ 128,279.31</u>	<u>\$ 378,971.56</u>
				Disbursed by Current Fund	\$ 52,425.41	
				Disbursed by Open Space Fund	75,853.90	
					<u>\$ 128,279.31</u>	

**TOWNSHIP OF BERKELEY
GENERAL CAPITAL FUND
SCHEDULE OF GENERAL SERIAL BONDS**

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Maturities of Bonds</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2023</u>	<u>Paid by Budget Appropriation</u>	<u>Balance Dec. 31, 2024</u>
			<u>Outstanding</u>	<u>Dec. 31, 2024</u>				
			<u>Date</u>	<u>Amount</u>				
General Obligation Bonds	5/24/2016	\$ 11,409,000.00	5/15/2025	\$ 1,150,000.00	2.000%	\$ 5,749,000.00	\$ 1,150,000.00	\$ 4,599,000.00
			5/15/2026	1,150,000.00	2.000%			
			5/15/2027	1,150,000.00	2.000%			
			5/15/2028	1,149,000.00	2.000%			
General Obligation Bonds	5/16/18	19,955,000.00	5/15/2025	2,300,000.00	5.000%	13,400,000.00	1,900,000.00	11,500,000.00
			5/15/2026	2,300,000.00	4.000%			
			5/15/2027	2,300,000.00	4.000%			
			5/15/2028	2,300,000.00	4.000%			
			5/15/2029	2,300,000.00	3.000%			
General Obligation Bonds	5/14/20	9,715,000.00	5/01/2025	1,100,000.00	4.000%	7,670,000.00	1,095,000.00	6,575,000.00
			5/01/2026	1,100,000.00	4.000%			
			5/01/2027	1,100,000.00	4.000%			
			5/01/2028	1,100,000.00	4.000%			
			5/01/2029	1,090,000.00	2.000%			
			5/01/2030	1,085,000.00	2.125%			
Refunding Bonds	1/1/2020	3,750,000.00				965,000.00	965,000.00	-
General Obligation Bonds	8/19/21	6,420,000.00	8/01/2025	395,000.00	4.000%	5,660,000.00	395,000.00	5,265,000.00
			8/01/2026	605,000.00	4.000%			
			8/01/2027	625,000.00	4.000%			
			8/01/2028	680,000.00	3.000%			
			8/01/2029	740,000.00	2.000%			
			8/01/2030	740,000.00	2.000%			
			8/01/2031	740,000.00	2.000%			
			8/01/2032	740,000.00	2.000%			
General Obligation Bonds	8/16/2023	20,395,000.00	8/15/2025	1,175,000.00	4.000%	20,395,000.00	1,065,000.00	19,330,000.00
			8/15/2026	1,075,000.00	4.000%			
			8/15/2027	1,335,000.00	4.000%			
			8/15/2028	1,525,000.00	4.000%			
			8/15/2029	1,765,000.00	4.000%			
			8/15/2030	1,930,000.00	4.000%			
			8/15/2031	2,100,000.00	4.000%			
			8/15/2032	2,100,000.00	4.000%			
			8/15/2033	2,125,000.00	4.000%			
			8/15/2034	2,125,000.00	4.000%			
			8/15/2035	2,075,000.00	3.250%			
						\$ 53,839,000.00	\$ 6,570,000.00	\$ 47,269,000.00

**TOWNSHIP OF BERKELEY
GENERAL CAPITAL FUND
SCHEDULE OF GREEN TRUST LOANS PAYABLE**

Purpose	Year	Original Issue	Maturities of Loans		Interest Rate	Balance Dec. 31, 2023	Paid by Budget Appropriation	Balance Dec. 31, 2024
			Outstanding Dec. 31, 2024	Amount				
Veterans' Park Improvements	2021/2022	\$ 550,000.00	1/12/2022 to 1/12/2041					
			Level Debt Payments	\$ 17,100.38	2.00%	\$ 514,849.70	\$ 24,023.28	\$ 490,826.42
Toms River Park	2008	500,000.00	3/21/2015 to 3/21/2027					
			Level Debt Payments	15,880.75	2.00%	106,848.76	29,772.64	77,076.12
Toms River Park Phase II	2008	289,202.77	2/19/2015 to 2/19/2028					
			Level Debt Payments	8,991.78	2.00%	77,023.71	16,525.29	60,498.42
Manitou Park	2018	309,753.77	5/01/2019 to 5/01/2038					
			Level Debt Payments	9,630.74	2.00%	241,402.03	14,505.61	226,896.42
						\$ 940,124.20	\$ 84,826.82	\$ 855,297.38

TOWNSHIP OF BERKELEY
GENERAL CAPITAL FUND
SCHEDULE OF BOND ANTICIPATION NOTES

Ordinance Number	Improvement Description	Date of Original Issue	Date of Maturity	Interest Rate	Balance Dec. 31, 2023	Increases	Decreases	Balance Dec. 31, 2024
17-21	Turf Fields (Open Space)	3/23/2023	3/20/2025	4.25%	\$ 90,000.00	\$ 90,000.00	\$ 90,000.00	\$ 90,000.00
22-01	Various Capital Improvements	3/23/2023	3/20/2025	4.25%	10,682,000.00	10,682,000.00	10,682,000.00	10,682,000.00
23-02	Various Capital Improvements	3/23/2023	8/25/2025	4.00%	2,061,914.00	2,061,914.00	2,061,914.00	2,061,914.00
23-04	Various Capital Improvements	3/23/2023	8/25/2025	4.00%	9,927,086.00	9,927,086.00	9,927,086.00	9,927,086.00
24-04	Various Capital Improvements	8/26/2024	8/25/2025	4.00%	-	10,000,000.00	-	10,000,000.00
					<u>\$ 22,761,000.00</u>	<u>\$ 32,761,000.00</u>	<u>\$ 22,761,000.00</u>	<u>\$ 32,761,000.00</u>

**TOWNSHIP OF BERKELEY
GENERAL CAPITAL FUND
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED**

Ordinance Number	Improvement Description	Balance Dec. 31, 2023	2024 Authorizations	BAN's Issued	Balance Dec. 31, 2024
12-14	Various Capital Improvements	\$ 116.00	\$ -	-	\$ 116.00
13-26	Various Capital Improvements	27.00	-	-	27.00
14-03	Various Capital Improvements	0.50	-	-	0.50
15-01	Acquisition of Real Property for Open Space	0.50	-	-	0.50
19-01	Various Capital Improvements	225.00	-	-	225.00
22-01	Various Capital Improvements	565.00	-	-	565.00
23-04	Various Capital Improvements	908.00	-	-	908.00
24-04	Various Capital Improvements	-	12,283,500.00	10,000,000.00	2,283,500.00
		<u>\$ 1,842.00</u>	<u>\$ 12,283,500.00</u>	<u>\$ 10,000,000.00</u>	<u>\$ 2,285,342.00</u>

TOWNSHIP OF BERKELEY

PART II

SINGLE AUDIT SECTION

FOR THE YEAR ENDED DECEMBER 31, 2024

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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

The Honorable Mayor and Members
of the Township Council
Township of Berkeley
County of Ocean
Berkeley, New Jersey 08721

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Township of Berkeley's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the Township of Berkeley's major federal programs for the year ended December 31, 2024. The Township of Berkeley's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Township of Berkeley complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2024.

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control over Compliance

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

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

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

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

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.

Jerry W. Conaty
Certified Public Accountant
Registered Municipal Accountant
RMA No. 581

Lakewood, New Jersey
June 30, 2025

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TOWNSHIP OF BERKELEY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2024

FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE	FEDERAL ASSISTANCE LISTING NUMBER	PASS-THROUGH GRANTOR'S #/ FEDERAL GRANT #	Grant Period	AWARD AMOUNT	PROGRAM EXPENDITURES	PASSED THROUGH TO SUBRECIPIENTS	TOTAL EXPENDITURES
Department of Justice							
Direct Programs:							
Community Oriented Policing Services (COPS)	16.710	Not Available	01/01/2024 - 12/31/2024	\$ 638,894.65	\$ 638,894.65	\$ -	\$ 638,894.65
Total Department of Justice					638,894.65	-	638,894.65
Department of Homeland Security							
Pass-Through Program From:							
State of NJ Department of Law & Safety:							
Flood Mitigation Assistance Grant	97.029	066-1200-100-A92	01/01/2024 - 12/31/2024	3,459.10	3,459.10	-	3,459.10
Disaster Grants - Public Assistance (Presidentially Declared)	97.036	066-1200-100-C50	01/01/2024 - 12/31/2024	83,598.07	83,598.07	-	83,598.07
Direct Programs:							
Staffing for Adequate Fire and Emergency Response	97.083	Not Available	01/01/2024-12/31/2024	13,572.71	13,572.71	-	13,572.71
Homeland Security Grant Program	97.067	Not Available	01/01/2024-12/31/2024	118,447.40	99,662.88	-	99,662.88
Total Department of Homeland Security					200,292.76	-	200,292.76
Department of Treasury							
Direct Programs:							
Coronavirus State and Local Fiscal Recovery Funds	21.027	100-022-8030-687	06/23/2021 - 12/31/2026	1,399,847.36	1,399,847.36	-	1,399,847.36
Coronavirus State and Local Fiscal Recovery Funds- Firefighter	21.027	100-022-8030-689	06/23/2021 - 12/31/2026	100,000.00	85,522.18	-	85,522.18
Total Department of Treasury					1,485,369.54	-	1,485,369.54
Total Federal Awards					\$ 2,324,556.95	\$ -	\$ 2,324,556.95

The accompanying Notes to the Schedule of Expenditures of Federal Awards are an integral part of this Statement.

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TOWNSHIP OF BERKELEY
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2024

Note 1. Basis of Presentation

The accompanying schedule of expenditures of federal awards present the activity of all federal award programs of the Township of Berkeley. The Township is defined in Note 1 of the basic financial statements. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*. All federal awards received directly from federal agencies, as well as federal awards passed through other government agencies is included on the schedule of expenditures of federal awards.

Note 2. Summary of Significant Accounting Policies

The accompanying schedule of federal awards is presented using the modified accrual basis of accounting as promulgated by the State of New Jersey, Department of Community Affairs, Division of Local Government Services, which is described in the Notes to the Financial Statements, Note 1.

The amounts shown as current year expenditures represent only the federal grant portion of the program costs. Such expenditures are recognized following the cost principles contained in Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

The Township did not elect the applicable de minimis indirect cost rate as discussed in 2 CFR 200.414.

Note 3. Relationship to Basic Financial Statements

Amounts reported in the accompanying schedule agree with amounts reported in the Township's financial statements. Expenditures from awards are reported in the Township's financial statements as follows:

	Federal	Total
Current Fund*	\$ 1,483,445.43	\$ 1,483,445.43
State & Federal Grant Fund	<u>841,111.52</u>	<u>841,111.52</u>
Total	<u><u>\$ 2,324,556.95</u></u>	<u><u>\$ 2,324,556.95</u></u>

*Federal monies in the current fund represent Coronavirus State and Local Fiscal Recovery funds utilized for revenue loss and FEMA Public Assistance reimbursements.

TOWNSHIP OF BERKELEY
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2024

Note 4. Relationship to Federal Financial Reports

The regulations and guidelines governing the preparation of federal financial reports vary by federal agency and among programs administered by the same agencies. Accordingly, the amounts reported in the federal financial reports do not necessarily agree with the amounts reported in the accompanying Schedule, which is prepared on the modified accrual basis of accounting as explained in Note 2.

Note 5. Federal Loans Outstanding

The Township had no loan balances outstanding at December 31, 2024.

Note 6. Contingencies

Each of the grantor agencies reserves the right to conduct additional audits of the Township's grant program for economy, efficiency and program results. However, Township administration does not believe such audits would result in material amounts of disallowed costs.

Note 7. Major Programs

Major programs are identified in the Summary of Auditor's Results section of the Schedule of Findings and Questioned Costs.

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

Section I - Summary of Auditor's Results

Financial Statements

	Adverse - GAAP	
Type of auditor's report issued	<u>Unmodified - Regulatory</u>	
Internal control over financial reporting:		
1) Material weakness(es) identified?	<u> </u> yes	<u> X </u> no
2) Significant deficiency(ies) identified?	<u> X </u> yes	<u> </u> none reported
Noncompliance material to financial statements noted?	<u> </u> yes	<u> X </u> no

Federal Awards

Internal control over major programs:

1) Material weakness(es) identified?	<u> </u> yes	<u> X </u> none reported
2) Significant deficiency(ies) identified?	<u> </u> yes	<u> X </u> none reported

Type of auditor's report issued on compliance for major programs Unmodified

Any audit findings disclosed that are required to be reported
in accordance with 2 CFR 200 section .516(a) of Uniform Guidance? yes X none reported

Identification of major programs:

<u>Assistance Listing Number(s)</u>	<u>Name of Federal Program or Cluster</u>
21.027	Coronavirus State and Local Fiscal Recovery Funds

Dollar threshold used to determine Type A programs	<u>\$750,000.00</u>
Auditee qualified as low-risk auditee?	<u> X </u> yes <u> </u> no

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

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

State Financial Assistance - SECTION NOT APPLICABLE

Dollar threshold used to determine Type A programs _____

Auditee qualified as low-risk auditee? _____ yes _____ no

Internal control over major programs:

1) Material weakness(es) identified? _____ yes _____ no

2) Significant deficiency(ies) identified? _____ yes _____ no

Type of auditor's report issued on compliance for major programs _____

Any audit findings disclosed that are required to be reported
in accordance with New Jersey OMB's Circular 15-08? _____ yes _____ no

Identification of major programs:

State Grant/Project Number(s)

Name of State Program

_____	_____
_____	_____
_____	_____
_____	_____

**TOWNSHIP OF BERKELEY
SCHEDULE OF FINDINGS & QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

Section II – Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses and instances of noncompliance related to the basic financial statements that are required to be reported in accordance with *Government Auditing Standards* and with audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

FINANCIAL STATEMENT FINDINGS

Finding No. 2024-001

Criteria or specific requirement:

N.J.S.A. 40A:2-11 does not allow for balances held in a municipality's Fund Balance to be utilized as the required down payment for obligations authorized in a bond ordinance.

Condition:

Ordinance 2024-04 improperly utilized General Capital Fund Balance for a 5% down payment on obligations authorized.

Cause:

Management oversight.

Effect or potential effect:

Non-compliance with N.J.S.A. 40A:2-11

Recommendation:

That the Township raise the deferred charges in the respective funds to provide for the down payment.

View of responsible official:

The responsible official agrees with this finding and will address the matter as part of their corrective action plan.

Finding No. 2024-002

Criteria or specific requirement:

N.J.S.A. 40A:11-1 states any vendor over the \$44,000 threshold with a QPA must either go out for bid, or have a valid exception.

Condition:

A vendor the Township paid over the \$44,000 threshold did not go out for bid or have a valid exception per the Local Public Contracts Law.

Cause:

Management oversight.

Effect or potential effect:

Non-compliance with N.J.S.A. 40A:11-3

**TOWNSHIP OF BERKELEY
SCHEDULE OF FINDINGS & QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

FINANCIAL STATEMENT FINDINGS (continued)

Recommendation:

That the Township review all vendors that are paid over the \$44,000 threshold to either go out for bid or have a exception.

View of Responsible Official

The responsible official agrees with this finding and will address the matter as part of their corrective action plan.

TOWNSHIP OF BERKELEY
SCHEDULE OF FINDINGS & QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Section III – Federal Award Findings & Questioned Costs

This section identifies the significant deficiencies, material weaknesses and instances of noncompliance, including questioned costs, related to the audit of major federal programs, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)* and New Jersey OMB's Circular 15-08.

FEDERAL AWARDS

None.

STATE FINANCIAL ASSISTANCE

N/A – No State Single Audit in current year.

TOWNSHIP OF BERKELEY
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT
FOR THE YEAR ENDED DECEMBER 31, 2024

This section identifies the status of prior year findings related to the financial statements, federal awards and state financial assistance that are required to be reported in accordance with *Government Auditing Standards*, Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*, and New Jersey OMB's Circular 15-08.

FINANCIAL STATEMENT FINDINGS

Finding No. 2023-001

Condition:

The general ledger was not timely maintained in the Township's financial reporting system.

Status:

The finding has been corrected.

Finding No. 2023-002

Condition:

The Township's General Capital Fund reflects over expenditures.

Status:

The finding has been corrected.

Finding No. 2023-003

Condition:

At December 31, 2023, the Bank Accounts were not accurately reconciled, additionally the Township was unable to provide a breakdown of Payroll Agency Liabilities.

Status:

The finding has been corrected.

**TOWNSHIP OF BERKELEY
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT
FOR THE YEAR ENDED DECEMBER 31, 2024**

FEDERAL AWARDS

Finding 2023-001

Information on the Federal Program:

- Coronavirus State and Local Fiscal Recovery Funds

Condition:

The general ledger was not timely maintained in the Townships financial reporting system.

Status:

The finding has been corrected.

STATE FINANCIAL ASSISTANCE

N/A – No State Single Audit in prior year.

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**TOWNSHIP OF BERKELEY
COUNTY OF OCEAN**

PART III

**LETTER OF COMMENTS AND RECOMMENDATIONS – REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2024**

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Certified Public Accountants + Advisors

1985 Cedar Bridge Ave., Suite 3 • Lakewood, NJ 08701 • 732.797.1333

194 East Bergen Place • Red Bank, NJ 07701 • 732.747.0010

www.hfacpas.com

Honorable Mayor and Members
of the Township Council
Township of Berkeley
County of Ocean
Berkeley, New Jersey 08721

In accordance with requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the following are the *General Comments* and *Recommendations* for the year ended December 31, 2024.

GENERAL COMMENTS:

Contracts and Agreements required to be advertised by (N.J.S.A.40A:11-4)

N.J.S.A.40A:11-4 states every contract or agreement, for the performance of any work or furnishing or hiring of any materials or supplies, the cost or the contract price whereof is to be paid with or out of public funds not included within the terms of Section 3 of this act, shall be made or awarded only by the Governing Body of the contracting unit after public advertising for bids and bidding therefore, except as is provided otherwise in this act or specifically by any other Law. No work, materials or supplies shall be undertaken, acquired or furnished for a sum exceeding in the aggregate the bid threshold, except by contract or agreement.

The bid threshold in accordance with *N.J.S.A. 40A:11-4* was \$44,000 for the year ended December 31, 2024.

It is pointed out that the governing body of the municipality has the responsibility of determining whether the expenditures in any category will exceed the statutory minimum within the fiscal year. Where question arises as to whether any contract or agreement might result in violation of the statute, the solicitor's opinion should be sought before a commitment is made.

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.

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

Collection of Interest on Delinquent Taxes and Assessments

N.J.S.54:4-67, provides the method for authorizing interest and the maximum rates to be charged for the nonpayment of taxes or assessments on or before the date when they would become delinquent.

The governing body on January 1, 2024 adopted the following resolution authorizing interest to be charged on delinquent taxes:

NOW THEREFORE, BE IT RESOLVED, that if said taxes are deemed to be delinquent for non-payment of taxes, the Tax Collector shall charge eight (8%) percent per annum on the first \$1,500.00 of the delinquency, and eighteen (18%) percent per annum on any amount in excess of \$1,500.00; and

BE IT FURTHER RESOLVED, by the Township Council of the Township of Berkeley, that the Tax Collector shall allow that no interest will be charged on payments received and made by the tenth calendar day following the date upon which the same became payable; and

BE IT FURTHER RESOLVED, by the Township Council of the Township of Berkeley, that the Tax Collector shall charge, in addition to the interest for delinquent taxes, as noted above, a penalty of six (6%) percent of the amount of the delinquency in taxes in excess of \$10,000.00 to a taxpayer who fails to pay the delinquency prior to the end of the calendar year.

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

OTHER COMMENTS (FINDINGS):

Finding No. 2024-001

Ordinance 2024-04 improperly utilized General Capital Fund Balance for a 5% down payment on obligations authorized.

Finding No. 2024-002

A vendor the Township paid over the \$44,000 threshold did not go out for bid or have an exception per the Local Public Contracts Law (40A-11-3).

RECOMMENDATIONS:

Finding No. 2024-001

That the Township raise the deferred charges in the respective funds to provide for the down payment.

Finding No. 2024-002

That the Township ensure every vendor over the \$44,000 threshold to have a valid exception per Local Public Contracts Law (40A-11-3).

OFFICIALS IN OFFICE

The following officials were in office at December 31, 2024:

<u>Name</u>	<u>Title</u>
John Bacchione	Mayor
Keith Buscio	Council President
Angelo Guadagno	Council Vice President
Douglas Bowens	Council Member
James J. Byrnes	Council Member
Sophia Gingrich	Council Member
L. Thomas Grosse, Jr.	Council Member
Michael Signorile	Council Member
Scott Tirella	Township Administrator
Christine J. Manolio	Chief Financial Officer
Angela Jimenez-Moreno	Assistant Treasurer
Karen Stallings	Township Clerk
Maureen Cosgrove	Tax Collector
James J. Gluck	Municipal Court Judge
Jessica L. Jenkins	Municipal Court Administrator

Appreciation

We express our appreciation for the assistance and courtesies extended to the members of the audit team.

Respectfully submitted,

HOLMAN FRENIA ALLISON, P. C.

Jerry W. Conaty
Certified Public Accountant
Registered Municipal Accountant
RMA No. 581

Lakewood, New Jersey
June 30, 2025