

CITY OF VENTNOR CITY

ATLANTIC COUNTY

NEW JERSEY

AUDIT REPORT

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

CITY OF VENTNOR CITY

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CITY OF VENTNOR CITY

PART I

REPORT ON AUDIT OF FINANCIAL STATEMENTS

AND SUPPLEMENTARY DATA

YEAR ENDED DECEMBER 31, 2023

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FORD - SCOTT

& ASSOCIATES, L.L.C.

CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and
Members of the City Commission
City of Ventnor City
County of Atlantic, New Jersey

Report on the Financial Statements

Opinions

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

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles" paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of each fund of the City of Ventnor City as of December 31, 2023 and 2022, or changes in financial position for the years then ended.

Opinion on Regulatory Basis of Accounting

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

Basis for Opinions

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

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

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

The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Ventnor City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibility for the Audit of the Financial Statements

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

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

- exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of the internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City of Ventnor City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether in our judgement there are conditions or events considered in the aggregate, that raise substantial doubt about the City of Ventnor City's ability to continue as a going concern for a reasonable period of time.

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Ventnor City's basic financial statements. The supplementary information listed in the table of contents and schedule of expenditures of federal awards and schedule of state financial assistance, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and NJ OMB 15-08 respectively, and the letter of comments and recommendations section are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental information listed in the table of contents, schedule of expenditures of federal awards and the schedule of state financial assistance are fairly stated, in all material respects, in relation to the regulatory basis financial statements as a whole.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 21, 2024, on our consideration of the City of Ventnor City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Ventnor City's internal control over financial reporting and compliance.

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

Leon P. Costello
Leon P. Costello
Certified Public Accountant
Registered Municipal Accountant
No. 393

May 21, 2024

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EXHIBIT A - CURRENT FUND

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

	<u>2023</u>	<u>2022</u>
<u>ASSETS</u>		
Regular Fund:		
Cash:		
Cash Treasurer	\$ 18,076,468.81	11,788,866.65
Cash - Change	130.00	130.00
Total Cash	<u>18,076,598.81</u>	<u>11,788,996.65</u>
Other Receivables:		
Due from State - Chapter 20 P.L. 1971	23,518.92	22,176.45
Total Other Receivables	<u>23,518.92</u>	<u>22,176.45</u>
Receivables and Other Assets with Full Reserves:		
Delinquent Property Taxes Receivable	976,900.30	1,226,066.44
Property Acquired for Taxes - at Assessed Valuation	267,200.00	267,200.00
Revenue Accounts Receivable	11,600.28	15,316.22
Demolition Lien Receivable	39,495.19	39,495.19
Due from Local School District	869.13	80,968.13
Interfund Receivable:		
Animal Control Fund	9,741.20	6,640.80
Trust - Other	712.26	622.26
Water and Sewer Utility Operating	314,945.27	314,945.27
Total Receivables and Other Assets	<u>1,621,463.63</u>	<u>1,951,254.31</u>
Deferred Charges:		
None	-	-
Total Deferred Charges	<u>-</u>	<u>-</u>
Total Regular Fund	<u>19,721,581.36</u>	<u>13,762,427.41</u>
Federal and State Grant Fund:		
Federal and State Grants Receivable	5,294,335.51	4,291,249.23
Due from Current Fund	586,388.62	390,153.23
Due from Utility Operating	517,847.68	517,847.68
Total Federal and State Grant Fund	<u>6,398,571.81</u>	<u>5,199,250.14</u>
Total Current Fund	<u>\$ 26,120,153.17</u>	<u>18,961,677.55</u>

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

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>2023</u>	<u>2022</u>
Regular Fund:		
Liabilities:		
Appropriation Reserves	\$ 1,780,522.57	1,137,645.21
Reserve for Encumbrances	474,403.90	564,037.07
Accounts Payable	188,392.64	42,513.06
Prepaid Taxes	1,243,157.65	1,156,906.75
Overpaid Taxes	27,185.84	63,298.91
County Added Tax Payable	137,367.72	81,078.37
Due to State:		
Marriage Licenses Fees	325.00	125.00
State Training Fees	9,646.00	5,748.00
Interfund Payable:		
Federal and State Grant Fund	586,388.62	390,153.23
General Capital Fund	4,547,522.47	297,522.47
Other		
Reserve for Municipal Property Tax Relief	63,430.02	31,721.47
Reserve for Payroll Deductions	0.71	0.71
Reserve for Donations - Sponsorships	11,263.35	-
Reserve for Judgements	42,500.00	42,500.00
Reserve for Revaluation	115,603.00	115,603.00
	<u>9,227,709.49</u>	<u>3,928,853.25</u>
Reserve for Receivables and Other Assets	1,621,463.63	1,951,254.31
Fund Balance	<u>8,872,408.24</u>	<u>7,882,319.85</u>
Total Regular Fund	<u>19,721,581.36</u>	<u>13,762,427.41</u>
Federal and State Grant Fund:		
Unappropriated Reserves	534,296.63	543,954.44
Appropriated Reserves	5,400,928.37	4,649,379.93
Encumbrances Payable	463,346.81	5,915.77
	<u>6,398,571.81</u>	<u>5,199,250.14</u>
Total Federal and State Grant Fund	<u>6,398,571.81</u>	<u>5,199,250.14</u>
Total Current Fund	<u>\$ 26,120,153.17</u>	<u>18,961,677.55</u>

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

	<u>2023</u>	<u>2022</u>
Revenue and Other Income Realized		
Fund Balance	\$ 3,810,000.00	3,400,000.00
Miscellaneous Revenue Anticipated	6,306,425.18	6,716,442.90
Receipts from Delinquent Taxes	1,200,604.46	1,027,140.02
Receipts from Current Taxes	56,449,529.73	53,135,802.05
Non Budget Revenue	645,326.67	311,110.40
Other Credits to Income:		
Unexpended Balance of Appropriation Res.	1,212,145.74	1,336,075.05
Interfunds Returned	80,099.00	2,379.25
Total Income	<u>69,704,130.78</u>	<u>65,928,949.67</u>
Expenditures		
Budget and Emergency Appropriations:		
Appropriations Within "CAPS"		
Operations:		
Salaries and Wages	14,819,133.90	14,023,280.52
Other Expenses	9,062,928.21	8,390,009.32
Deferred Charges & Statutory Expenditures	4,422,587.19	3,909,111.52
Appropriations Excluded from "CAPS"		
Operations:		
Salaries and Wages	41,900.00	41,900.00
Other Expenses	2,073,198.34	2,953,948.75
Capital Improvements	300,000.00	200,000.00
Debt Service	3,351,468.12	2,348,378.87
Deferred Charges	-	297,522.47
Type I School Debt Service	1,070,687.50	1,056,200.00
Deferred Charges - Local School	200,000.00	200,000.00
Local District School Tax	16,622,500.00	16,702,599.00
County Tax	12,770,693.90	11,916,692.53
County Share of Added Tax	137,367.72	81,078.37
Interfunds Created	90.00	80,098.92
Refunds of Prior Year Revenue	31,487.51	-
Total Expenditures	<u>64,904,042.39</u>	<u>62,200,820.27</u>
Excess/(Deficit) in Revenue	<u>4,800,088.39</u>	<u>3,728,129.40</u>

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

	<u>2023</u>	<u>2022</u>
Adjustments to Income before Fund Balance:		
Expenditures included above which are by Statute Deferred Charges to Budgets of Succeeding Year		
Total Adjustments	<u>-</u>	<u>-</u>
Statutory Excess to Fund Balance	<u>4,800,088.39</u>	<u>3,728,129.40</u>
Fund Balance January 1	<u>7,882,319.85</u>	<u>7,554,190.45</u>
	12,682,408.24	11,282,319.85
Decreased by:		
Utilization as Anticipated Revenue	<u>3,810,000.00</u>	<u>3,400,000.00</u>
Fund Balance December 31	<u>\$ 8,872,408.24</u>	<u>7,882,319.85</u>

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

	Budget	Anticipated N.J.S. 40A:4-87	Realized	Excess or (Deficit)
Fund Balance Anticipated	\$ 3,810,000.00		3,810,000.00	-
Total Fund Balance Anticipated	3,810,000.00	-	3,810,000.00	-
Miscellaneous Revenues:				
Section A: Local Revenues				
Licenses:				
Alcoholic Beverages	5,000.00		8,695.60	3,695.60
Other	17,000.00		18,127.20	1,127.20
Fees and Permits	300,000.00		358,226.43	58,226.43
Fines and Costs:				
Municipal Court	130,000.00		186,131.13	56,131.13
Interest and Costs on Taxes	200,000.00		257,017.87	57,017.87
Parking Meters	140,000.00		147,803.87	7,803.87
Interest Earned on Investments	80,000.00		564,195.20	484,195.20
Beach Control Fees	360,000.00		428,273.97	68,273.97
Land Rental	80,000.00		91,502.00	11,502.00
Payment in Lieu of Taxes	120,000.00		130,008.00	10,008.00
Cable Television Franchise Fees	60,000.00		63,288.03	3,288.03
City Lease Fees	50,000.00		55,188.16	5,188.16
Ambulance Service Fees	275,000.00		257,408.50	(17,591.50)
Recreation Fees	40,000.00		107,441.10	67,441.10
Total Section A: Local Revenues	1,857,000.00	-	2,673,307.06	816,307.06

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

	Anticipated			Excess or
	Budget	N.J.S. 40A:4-87	Realized	(Deficit)
Section B: State Aid Without Offsetting Appropriations				
Energy Receipts Tax	612,315.00		612,315.48	0.48
Municipal Relief Fund	31,721.00		31,721.00	-
Total Section B: State Aid Without Offsetting Appropriations	644,036.00	-	644,036.48	0.48
Section C: Uniform Construction Code Fees				
Uniform Construction Code Fees	330,000.00		417,131.00	87,131.00
Total Section C: Uniform Construction Code Fees	330,000.00	-	417,131.00	87,131.00
Section D: Special Items - Interlocal Municipal Service Agreements Offset with Appropriations				
Borough of Longport - Uniform Construction Code Office	44,150.00		46,650.00	2,500.00
Total Section D: Special Items of General Revenue Anticipated	44,150.00	-	46,650.00	2,500.00
Section F: Special Items - Public and Private Programs				
Off-Set with Appropriations				
Municipal Alliance on Alcoholism and Drug Abuse	8,510.82	6,248.76	14,759.58	-
Body Armor Replacement Fund	4,241.09	2,931.55	7,172.64	-
Local Area Recreation Grant	50,000.00		50,000.00	-
Bulletproof Vest	94.49		94.49	-
Housing Inspections	23,125.00		23,125.00	-
Clean Communities		37,678.93	37,678.93	-
Atlantic County DWI Checkpoint	1,080.00	4,620.00	5,700.00	-
South Jersey Transportation Planning Organization				
CMAQ-Ventnor Avenue Signal Synchronization		1,640,000.00	1,640,000.00	-
Click It or Ticket		4,200.00	4,200.00	-
Distracted Driving	4,200.00		4,200.00	-

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

	Anticipated		Realized	Excess or (Deficit)
	Budget	N.J.S. 40A:4-87		
Drive Sober - Labor Day		5,250.00	5,250.00	-
Drive Sober - Year End Holiday		7,000.00	7,000.00	-
NJ Department of Environmental Protection Stormwater Assistance Grant		15,000.00	15,000.00	-
NJ Department of Law & Public Safety 2023 Summer Pedestrian Awareness Campaign		1,120.00	1,120.00	-
Total Section F: Special Items - Public and Private Programs Off-Set with Appropriations	91,251.40	1,724,049.24	1,815,300.64	-
Section G: Other Special Items				
Utility Fund Expense Allocation	410,000.00		410,000.00	-
Reserve for Payment of Debt	300,000.00		300,000.00	-
Total Section G: Other Special Items	710,000.00	-	710,000.00	-
Total Miscellaneous Revenues:	3,676,437.40	1,724,049.24	6,306,425.18	905,938.54
Receipts from Delinquent Taxes	1,050,000.00		1,200,604.46	150,604.46
Amount to be Raised by Taxes for Support of Municipal Budget				
Local Tax for Municipal Purposes	26,089,447.00		27,926,685.99	1,837,238.99
Amount for Local District Tax	1,270,687.50		1,270,687.50	-
Total Amount to be Raised by Taxes for Support of Municipal Budget	27,360,134.50	-	29,197,373.49	1,837,238.99
Budget Totals	35,896,571.90	1,724,049.24	40,514,403.13	2,893,781.99
Non- Budget Revenues:				
Other Non- Budget Revenues:			645,326.67	645,326.67
\$	35,896,571.90	1,724,049.24	41,159,729.80	3,539,108.66

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

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

Analysis of Realized Revenues

Allocation of Current Tax Collections:

Revenue from Collections	\$ 56,449,529.73
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Less: Reserve for Tax Appeals Pending	-
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Net Revenue from Collections	56,449,529.73
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Allocated to:

School, County and Other Taxes	29,530,561.62
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Balance for Support of Municipal Budget Appropriations	26,918,968.11
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Increased by:

Appropriation "Reserved for Uncollected Taxes"	2,278,405.38
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Amount for Support of Municipal Budget Appropriations	29,197,373.49
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Receipts from Delinquent Taxes:

Delinquent Tax Collection	\$ 1,200,604.46	
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Tax Title Lien Collections	-	
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Total Receipts from Delinquent Taxes	1,200,604.46
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Analysis of Non-Budget Revenue:

Miscellaneous Revenue Not Anticipated:

Lifeguards	4,520.00
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City Clerk	415.00
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Host Compliance	73,250.00
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Sale of Municipal Assets	59,246.00
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Banner Advertising	13,554.21
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Miscellaneous Finance	11,713.36
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Miscellaneous Collector & Assessor	75,601.04
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Police	28,253.68
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Community Champions	4,551.00
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Fire	40,543.81
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AT&T Settlement	75,000.00
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Chargepoint Payment EV Chargers	587.13
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Storm Reimbursements	61,009.00
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Unclaimed Property State of NJ Claim	10,607.39
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Jobs for Blue Administrative Refund	158,206.89
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Recycling	1,078.35
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Monsanto Co. Lawsuit Settlement	17,414.03
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Atlantic City Electric Reimbursement	45.07
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Trash Carts	4,425.00
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Shared Services Agreement - Margate	3,550.00
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Senior & Vets Admin Fee	1,043.15
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Miscellaneous	712.56
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Total Miscellaneous Revenue Not Anticipated:	\$ 645,326.67
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CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2023

	Appropriations		Paid or Charged	Expended		(Over expended) Unexpended Balance Cancelled
	Budget	Budget After Modifications		Encumbered	Reserved	
OPERATIONS WITHIN "CAPS"						
GENERAL GOVERNMENT:						
Mayor's Office						
Salaries and Wages	\$ 95,383.90	95,383.90	94,542.06		841.84	
Other Expenses	7,300.00	7,300.00	5,839.55	58.97	1,401.48	
City Administrator						
Salaries and Wages	17,700.00	17,700.00	17,248.39		451.61	
Other Expenses	220,500.00	217,400.00	148,408.22	35,045.75	33,946.03	
Police						
Salaries and Wages	4,487,000.00	4,487,000.00	4,347,502.56		139,497.44	
Other Expenses	406,000.00	406,000.00	351,846.67	16,373.50	37,779.83	
Fire						
Salaries and Wages	5,110,000.00	5,110,000.00	4,999,069.41		110,930.59	
Other Expenses	136,300.00	136,300.00	97,592.33	21,510.27	17,197.40	
Uniform Fire Safety Act (P.L. 1983, C.383)						
Other Expenses	4,850.00	4,850.00	3,053.80	1,482.57	313.63	
Radio and Communications						
Salaries and Wages	624,000.00	624,000.00	610,731.26		13,268.74	
Other Expenses	7,000.00	7,000.00	3,842.39		3,157.61	
Office of Emergency Management						
Other Expenses	11,500.00	11,500.00	5,987.00		5,513.00	
Traffic and Electrical Division						
Salaries and Wages	84,250.00	84,250.00	78,816.48		5,433.52	
Other Expenses	41,000.00	21,000.00	11,402.30	6,093.29	3,504.41	
Beach Patrol						
Salaries and Wages	600,000.00	604,000.00	602,111.92		1,888.08	
Other Expenses	60,850.00	60,850.00	57,491.92	2,008.55	1,349.53	
Celebration of Public Events						
Other Expenses	45,000.00	25,000.00	23,527.52		1,472.48	
Beach Control						
Salaries and Wages	80,000.00	80,300.00	80,185.37		114.63	
Other Expenses	10,800.00	10,800.00	10,800.00		-	
Animal Control						
Other Expenses	8,400.00	8,400.00	7,700.00	700.00	-	

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

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

	Appropriations		Paid or Charged	Expended		(Over expended) Unexpended Balance Cancelled
	Budget	Budget After Modifications		Encumbered	Reserved	
DEPARTMENT OF PUBLIC WORKS, PARKS & PUBLIC PROPERTY						
Director's Office						
Salaries and Wages	10,000.00	10,000.00	10,000.00	-		
Street Repairs and Maintenance						
Salaries and Wages	725,000.00	735,000.00	720,027.46		14,972.54	
Other Expenses	72,000.00	27,000.00	13,474.33	4,219.51	9,306.16	
Motor Vehicle Maintenance						
Salaries and Wages	280,000.00	280,000.00	256,134.26		23,865.74	
Other Expenses	111,500.00	78,500.00	10,923.41	19,255.58	48,321.01	
Buildings and Grounds						
Salaries and Wages	400,000.00	400,000.00	356,320.77	2,519.48	41,159.75	
Other Expenses	465,500.00	355,500.00	271,796.50	65,171.73	18,531.77	
Recreation						
Salaries and Wages	305,000.00	265,500.00	264,711.92		788.08	
Other Expenses	142,400.00	90,500.00	84,021.20	3,093.09	3,385.71	
Solid Waste/Recycling						
Salaries and Wages	156,000.00	156,000.00	147,045.33		8,954.67	
Other Expenses	1,252,200.00	1,337,200.00	1,295,345.24	7,067.88	34,786.88	
City Engineer						
Other Expenses	300,000.00	210,700.00	27,410.00		183,290.00	
DEPARTMENT OF REVENUE AND FINANCE						
Director's Office						
Salaries and Wages	10,000.00	10,000.00	10,000.00		-	
City Clerk						
Salaries and Wages	153,000.00	153,000.00	151,684.66		1,315.34	
Other Expenses	43,990.00	43,990.00	32,843.91	2,848.59	8,297.50	
Revision and Codification of Ordinances	15,000.00	15,000.00	689.31		14,310.69	
Elections						
Other Expenses	22,000.00	22,000.00	8,476.53		13,523.47	
Financial Administration						
Salaries and Wages	342,000.00	342,000.00	286,930.02	648.00	54,421.98	
Other Expenses	93,800.00	93,800.00	67,671.96	14,000.00	12,128.04	
Audit Fee						
Other Expenses	51,200.00	51,200.00	44,800.00	6,400.00	-	

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

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

	Appropriations		Paid or Charged	Expended		(Over expended) Unexpended Balance Cancelled
	Budget	Budget After Modifications		Encumbered	Reserved	
Information Technology						
Salaries and Wages	82,000.00	84,500.00	84,500.00		-	
Other Expenses	565,553.32	565,553.32	455,492.85	103,983.51	6,076.96	
Collection of Taxes						
Salaries and Wages	129,000.00	129,000.00	128,109.55		890.45	
Other Expenses	13,400.00	13,400.00	13,104.57	99.98	195.45	
Assessment of Taxes						
Salaries and Wages	92,500.00	92,500.00	91,407.59		1,092.41	
Other Expenses	19,500.00	19,500.00	13,818.12	5,344.00	337.88	
Legal Services and Costs						
Other Expenses	350,000.00	350,000.00	223,061.46	101,576.04	25,362.50	
Insurance						
General Liability	251,268.00	251,268.00	224,092.58	25,973.84	1,201.58	
Workers Compensation	745,990.00	745,990.00	745,224.20		765.80	
Employee Group Health	2,066,480.00	2,066,480.00	1,997,531.65	17,198.00	51,750.35	
Health Waiver	87,000.00	87,000.00	86,660.79		339.21	
Municipal Land Use Law (N.J.S.A. 40:55 D-1)						
Planning Board						
Salaries and Wages	34,000.00	34,000.00	11,794.99		22,205.01	
Other Expenses	30,400.00	31,400.00	30,391.13	920.08	88.79	
Municipal Court						
Contractual	285,000.00	285,000.00	269,436.18		15,563.82	
UNIFORM CONSTRUCTION CODE						
Construction Official						
Salaries and Wages	460,000.00	460,000.00	450,834.71		9,165.29	
Other Expenses	87,850.00	42,296.89	28,781.44	1,238.00	12,277.45	
Inspection of Housing						
Salaries and Wages	105,000.00	98,000.00	80,637.31		17,362.69	
Other Expenses	5,250.00	5,250.00	2,130.89		3,119.11	
Electrical and Plumbing Inspections						
Salaries and Wages	47,000.00	55,000.00	53,372.47		1,627.53	

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

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

	Appropriations		Paid or Charged	Expended		(Over expended) Unexpended Balance Cancelled
	Budget	Budget After Modifications		Encumbered	Reserved	
UNCLASSIFIED						
Accumulated Leave Compensation	300,000.00	300,000.00	300,000.00	-	-	
Utility Expenses and Bulk Purchases						
Gasoline	300,000.00	300,000.00	146,879.97	6,404.12	146,715.91	
Electricity	700,000.00	770,000.00	614,006.37		155,993.63	
Telephone	150,000.00	260,000.00	140,669.36	3,169.57	116,161.07	
Natural Gas	70,000.00	135,000.00	105,781.51		29,218.49	
TOTAL OPERATIONS WITHIN "CAPS"	23,985,615.22	23,877,062.11	21,915,725.65	474,403.90	1,486,932.56	-
Contingent	5,000.00	5,000.00	5,000.00	-	-	
TOTAL OPERATIONS INCLUDING CONTINGENT WITHIN "CAPS"	23,990,615.22	23,882,062.11	21,920,725.65	474,403.90	1,486,932.56	-
Detail:						
Salaries and Wages	14,860,833.90	14,819,133.90	14,343,906.80	3,167.48	472,059.62	-
Other Expenses	9,129,781.32	9,062,928.21	7,576,818.85	471,236.42	1,014,872.94	-
DEFERRED CHARGES AND STATUTORY EXPENDITURES:						
Statutory Expenditures:						
Contributions to:						
Public Employees' Retirement System	788,786.00	788,786.00	788,786.00	-	-	
Social Security System (O.A.S.I.)	345,000.00	345,000.00	326,364.78		18,635.22	
Consolidated Police						
and Firemen's Pension Fund	8,998.09	8,998.09	8,998.09	-	-	
Police and Firemen's Retirement System	2,892,250.00	2,998,803.10	2,998,803.10	-	-	
Unemployment	20,000.00	20,000.00	7,058.41		12,941.59	
Medicare Insurance	215,000.00	217,000.00	213,896.43		3,103.57	
Lifeguard Pension	40,000.00	40,000.00	40,000.00	-	-	
Defined Contribution Retirement Program	4,000.00	4,000.00	860.37		3,139.63	
TOTAL DEFERRED CHARGES AND STATUTORY EXPENDITURES:	4,314,034.09	4,422,587.19	4,384,767.18	-	37,820.01	-

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

	Appropriations		Paid or Charged	Expended		(Over expended) Unexpended Balance Cancelled
	Budget	Budget After Modifications		Encumbered	Reserved	
TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES WITHIN "CAPS"	28,304,649.31	28,304,649.30	26,305,492.83	474,403.90	1,524,752.57	-
OPERATIONS - EXCLUDED FROM "CAPS"						
(A) Operations - Excluded from "CAPS"						
Employee Group Health	253,520.00	253,520.00			253,520.00	
Shared Service Agreement:						
Borough of Longport -						
Uniform Construction Code	41,900.00	41,900.00	41,900.00		-	
Salaries and Wages	2,250.00	2,250.00	-		2,250.00	
Other Expenses						
	297,670.00	297,670.00	41,900.00	-	255,770.00	-
(A) Public and Private Programs Off-Set by Revenues						
Matching Funds for Grants		-				-
Clean Communities Program		37,678.93	37,678.93		-	
Atlantic County DWI Checkpoint	1,080.00	5,700.00	5,700.00		-	
Municipal Alliance on Alcoholism and Drug Abuse	10,638.52	16,887.28	16,887.28		-	
Body Armor Replacement Fund	4,241.09	7,172.64	7,172.64		-	
Local Area Recreation Grant	50,000.00	50,000.00	50,000.00		-	
Distracted Driving	4,200.00	4,200.00	4,200.00		-	
Click it or Ticket Grant		4,200.00	4,200.00		-	
Bulletproof Vest	94.49	94.49	94.49		-	
NJ Department of Environmental Protection						
Stormwater Assistance Grant		15,000.00	15,000.00		-	
Drive Sober Get Pulled Over Labor Day		5,250.00	5,250.00		-	
Drive Sober Campaign December 2023		7,000.00	7,000.00		-	
NJ Department of Law and Public Safety						
2023 Summer Pedestrian Awareness Campaign		1,120.00	1,120.00		-	
Housing Inspections		23,125.00	23,125.00		-	
South Jersey Transportation Planning Organization	23,125.00				-	
CMAQ - Ventnor Avenue Signal Synchronization		1,640,000.00	1,640,000.00		-	
16 Total Public and Private Programs Off-Set by Revenues	93,379.10	1,817,428.34	1,817,428.34	-	-	-

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

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

	Appropriations		Paid or Charged	Expended		(Over expended) Unexpended Balance Cancelled
	Budget	Budget After Modifications		Encumbered	Reserved	
Total Operations - Excluded from "CAPS"	391,049.10	2,115,098.34	1,859,328.34	-	255,770.00	-
Detail:						
Salaries and Wages	41,900.00	41,900.00	41,900.00	-	-	-
Other Expenses	349,149.10	2,073,198.34	1,817,428.34	-	255,770.00	-
(C) Capital Improvements						
Capital Improvement Fund	300,000.00	300,000.00	300,000.00			
Total Capital Improvements	300,000.00	300,000.00	300,000.00	-	-	-
(D) Debt Service						
Payment of Bond Principal	2,360,000.00	2,360,000.00	2,360,000.00			-
Payment of Bond Anticipation Notes		-				-
Interest on Bonds	730,526.88	730,526.88	730,526.88			-
Interest on Notes	112,500.00	112,500.00	112,187.50			312.50
Green Trust Loan Program:						
Loan Repayments for Principal and Interest	86,574.42	86,574.43	86,574.43			-
NJEIT:						
Principal	51,960.55	51,960.55	51,960.55			-
Interest	10,218.76	10,218.76	10,218.76			-
Total Debt Service	3,351,780.61	3,351,780.62	3,351,468.12	-	-	312.50

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

	Appropriations		Paid or Charged	Expended		(Over expended) Unexpended Balance Cancelled
	Budget	Budget After Modifications		Encumbered	Reserved	
(E) Deferred Charges						
None	-	-	-			
Total Deferred Charges	-	-	-	-	-	-
(I) Local District School Purposes						
Payment of Bond Principal	905,000.00	905,000.00	905,000.00		-	
Interest on Bonds	165,687.50	165,687.50	165,687.50		-	
Total Local District School Purposes	1,070,687.50	1,070,687.50	1,070,687.50	-	-	-
(J) Deferred Charges and Statutory Expenditures - Local School						
Capital project for Land, Building or Equipment NJSA 18A:22-20	200,000.00	200,000.00	200,000.00		-	
(K) District School Purpose (Items (I) and (J)) - Excluded From CAPS	200,000.00	200,000.00	200,000.00	-	-	-

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

	Appropriations		Expended		(Over expended) Unexpended Balance Cancelled
	Budget	Budget After Modifications	Paid or Charged	Encumbered	Reserved
TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES EXCLUDED FROM "CAPS"	5,313,517.21	7,037,566.46	6,781,483.96	-	312.50
SUBTOTAL GENERAL APPROPRIATIONS	33,618,166.52	35,342,215.76	33,086,976.79	474,403.90	312.50
(M) Reserve for Uncollected Taxes	2,278,405.38	2,278,405.38	2,278,405.38	-	-
TOTAL GENERAL APPROPRIATIONS	\$ 35,896,571.90	37,620,621.14	35,365,382.17	474,403.90	312.50
Budget		35,896,571.90			312.50
Appropriations by 40A:4-87		1,724,049.24			-
Emergency Appropriations		<u>37,620,621.14</u>			<u>312.50</u>
Reserve for Uncollected Taxes			2,278,405.38		
Federal and State Grants			1,817,428.34		
Deferred Charges			-		
Appropriation Refunds			(744,833.17)		
Disbursements			32,014,381.62		
			<u>35,365,382.17</u>		

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

EXHIBIT B - TRUST FUNDS

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

<u>ASSETS</u>	<u>2023</u>	<u>2022</u>
Dog License Fund:		
Cash	\$ 15,669.60	12,331.60
	<u>15,669.60</u>	<u>12,331.60</u>
Other Funds:		
Cash - Treasurer	1,806,173.77	2,241,445.87
Cash Held in Trust	3,000.00	3,000.00
	<u>1,809,173.77</u>	<u>2,244,445.87</u>
	<u>1,824,843.37</u>	<u>2,256,777.47</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>		
Dog License Fund:		
Due to Current Fund	9,741.20	6,640.80
Accounts Payable	-	320.00
Reserve for Dog Fund Expenditures	5,928.40	5,370.80
	<u>15,669.60</u>	<u>12,331.60</u>
Other Funds:		
Payroll Deductions Payable	9,207.14	131,087.38
Due to Current Fund	712.26	622.26
Miscellaneous Reserves	1,799,254.37	2,112,736.23
	<u>1,809,173.77</u>	<u>2,244,445.87</u>
Total	\$ <u>1,824,843.37</u>	<u>2,256,777.47</u>

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

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EXHIBIT C - GENERAL CAPITAL FUND

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

	<u>2023</u>	<u>2022</u>
<u>ASSETS</u>		
Cash	\$ 2,434,886.41	3,690,161.35
Deferred Charges to Future Taxation -		
Funded	27,962,698.96	31,386,149.32
Unfunded	21,813,159.00	19,429,350.00
Interfunds and Receivables		
Due from Current Fund	4,547,522.47	297,522.47
Due from NJEIT	70,703.00	70,703.00
	<u>56,828,969.84</u>	<u>54,873,886.14</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>		
Encumbrances Payable	2,020,086.37	4,581,639.86
Bond Anticipation Notes Payable	12,375,000.00	4,500,000.00
Serial Bonds Payable	18,580,000.00	20,940,000.00
School Serial Bonds - Type 1 Payable	7,720,000.00	8,625,000.00
Green Trust Loan Payable	919,567.08	986,740.89
NJEIT Loan Payable	743,131.88	834,408.43
Improvement Authorizations:		
Funded	286,036.30	557,147.23
Unfunded	11,688,463.49	11,529,117.76
Due from Utility Capital	49,772.00	49,772.00
Reserve for Payment of Bonds -		
2021 School Bonds	400,755.21	200,755.21
2021 Bond Anticipation Note	161,070.00	161,070.00
2020 Bond Anticipation Note	15,108.99	15,108.99
Other	260,128.13	464,084.38
Capital Improvement Fund	186,852.00	6,043.00
Fund Balance	1,422,998.39	1,422,998.39
	<u>\$ 56,828,969.84</u>	<u>54,873,886.14</u>

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

2022	14,929,350.00
2023	9,438,159.00

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

	<u>2023</u>	<u>2022</u>
Beginning Balance January 1	\$ 1,422,998.39	1,422,998.39
Increased by:		
Cancelled funded authorizations	-	-
Ending Balance December 31	\$ <u>1,422,998.39</u>	<u>1,422,998.39</u>

EXHIBIT D - WATER AND SEWER UTILITY

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**WATER AND SEWER UTILITY FUND
COMPARATIVE BALANCE SHEET
REGULATORY BASIS
AS OF DECEMBER 31,**

	<u>2023</u>	<u>2022</u>
<u>ASSETS</u>		
Operating Fund:		
Cash	\$ 4,117,365.91	1,609,797.50
Change Fund	100.00	100.00
	<u>4,117,465.91</u>	<u>1,609,897.50</u>
Receivables and Other Assets with Full Reserves:		
Consumer Accounts Receivable	<u>746,051.93</u>	<u>747,882.82</u>
	<u>746,051.93</u>	<u>747,882.82</u>
Deferred Charge		
Overexpenditure of Appropriations	(0.00)	14,034.41
	<u>(0.00)</u>	<u>14,034.41</u>
Total of Operating Fund	<u>4,863,517.84</u>	<u>2,371,814.73</u>
Capital Fund:		
Cash	265,155.20	4,435,099.97
Fixed Capital - Completed	12,021,714.84	12,021,714.84
Fixed Capital - Authorized and Uncompleted	54,664,262.00	32,664,262.00
Due from General Capital Fund	49,772.00	49,772.00
Due from Utility Operating Fund	2,500,000.00	-
NJEIT Bonds Receivable	300,210.00	300,210.00
Total of Capital Fund	<u>69,801,114.04</u>	<u>49,471,058.81</u>
Total Assets	<u>\$ 74,664,631.88</u>	<u>51,842,873.54</u>

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

**WATER AND SEWER UTILITY FUND
COMPARATIVE BALANCE SHEET
REGULATORY BASIS
AS OF DECEMBER 31,**

	<u>2023</u>	<u>2022</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>		
Operating Fund:		
Liabilities:		
Appropriation Reserves	\$ 178,969.01	123,152.34
Encumbrances Payable	129,647.16	181,962.05
Accounts Payable	22,532.71	6,366.75
Utility Rent Prepayments & Overpayments	32,863.05	31,754.51
Due to Current Fund	314,945.27	314,945.27
Due to Grant Fund	517,847.68	517,847.68
Due to Utility Capital Fund	2,500,000.00	-
Accrued Interest on Bonds and Notes	187,046.36	111,576.62
	<u>3,883,851.24</u>	<u>1,287,605.22</u>
Reserve for Receivables	746,051.93	747,882.82
Fund Balance	233,614.67	336,326.69
Total of Operating Fund	<u>4,863,517.84</u>	<u>2,371,814.73</u>
Capital Fund:		
Contracts Payable	2,653,565.47	905,975.21
Improvement Authorizations:		
Unfunded	25,880,054.93	7,014,815.96
Water and Sewer Serial Bonds Payable	12,140,000.00	13,440,000.00
NJEIT Bonds Payable	2,585,200.00	2,809,122.00
Bond Anticipation Notes	3,500,000.00	3,500,000.00
Reserve to Pay Bonds - Other	327.42	133,101.42
Reserves for Amortization	18,748,519.77	17,224,597.77
Deferred Reserve for Amortization	4,289,790.07	4,289,790.07
Fund Balance	3,656.38	153,656.38
Total of Capital Fund	<u>69,801,114.04</u>	<u>49,471,058.81</u>
Total Liabilities, Reserves and Fund Balance	<u>\$ 74,664,631.88</u>	<u>51,842,873.54</u>

There were Bonds and Notes Authorized But Not Issued at December 31, 2023 and 2022 of \$25,422,467 and \$3,422,467 respectively

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

**WATER AND SEWER OPERATING FUND
COMPARATIVE STATEMENT OF OPERATIONS
AND CHANGES IN FUND BALANCE
REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31,**

	<u>2023</u>	<u>2022</u>
<u>Revenue and Other Income Realized</u>		
Fund Balance Anticipated	\$ 300,000.00	559,222.00
Rents	6,345,480.34	5,958,223.11
Miscellaneous Anticipated Revenue	525,154.24	165,759.36
Miscellaneous Unanticipated Revenue	67,491.91	66,155.26
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	158,223.36	305,864.85
 Total Income	 <u>7,396,349.85</u>	 <u>7,055,224.58</u>
 <u>Expenditures</u>		
Operating	4,843,500.00	4,851,281.58
Debt Service	2,217,277.46	1,877,185.34
Capital Expenditures	-	-
Deferred Charges and Statutory Expenditures	138,284.41	137,040.53
 Total Expenditures	 <u>7,199,061.87</u>	 <u>6,865,507.45</u>
 Excess in Revenues	 197,287.98	 189,717.13
Adjustments to Income before Fund Balance:		
Expenditures included above which are by		
Statute deferred charges to budget of		
succeeding year		
Overexpenditure of Appropriation	<u>-</u>	<u>14,034.41</u>
 Statutory Excess to Fund Balance	 197,287.98	 203,751.54
 Fund Balance January 1	 <u>336,326.69</u>	 <u>691,797.15</u>
Total	533,614.67	895,548.69
Decreased by:		
Utilization as Anticipated Revenue	300,000.00	559,222.00
 Fund Balance December 31	 <u>\$ 233,614.67</u>	 <u>336,326.69</u>

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

**WATER AND SEWER OPERATING FUND
STATEMENT OF CAPITAL FUND BALANCE
REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31,**

	<u>2023</u>	<u>2022</u>
Balance January 1,	\$ 153,656.38	153,656.38
Decreased by:		
Anticipated Revenue - Operating Budget	150,000.00	-
Balance December 31,	\$ <u>3,656.38</u>	<u>153,656.38</u>

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

**WATER AND SEWER OPERATING FUND
STATEMENT OF REVENUES
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2023**

	Anticipated Budget	Realized	Excess or (Deficit)
Fund Balance Anticipated	\$ 300,000.00	300,000.00	-
Rents - Sewer	5,950,000.00	5,775,480.34	(174,519.66)
Miscellaneous Receipts	150,000.00	242,380.24	92,380.24
Reserve for Debt Service	132,774.00	132,774.00	-
Utility Capital Surplus	150,000.00	150,000.00	-
Additional Rents	570,000.00	570,000.00	-
Miscellaneous Unanticipated	-	67,491.91	67,491.91
	<u>\$ 7,252,774.00</u>	<u>7,238,126.49</u>	<u>(14,647.51)</u>

Analysis of Realized Revenue

Rents

Consumer Accounts Receivable	<u>6,345,480.34</u>
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Miscellaneous

Interest on Deposits	155,178.97
Connection Fees	17,350.00
Fire Hydrant Service	5,250.00
Penalties	64,601.27
Miscellaneous	<u>67,491.91</u>
	<u>309,872.15</u>

The Accompanying Notes to Financial Statements are an intergal part of this statement

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

	Appropriations		Expended			Unexpended Balance Canceled	Over-Expended
	Budget	Budget after Modification	Paid or Charged	Encumbered	Reserved		
Operating							
Salaries and Wages	\$ 1,460,000.00	1,452,000.00	1,424,031.53		27,968.47	-	
Other Expenses	1,701,500.00	1,621,500.00	1,426,859.23	129,647.16	64,993.61	-	
ACMJA- Treatment Costs	1,360,000.00	1,360,000.00	1,285,207.00		74,793.00	-	
Current Fund Allocation	410,000.00	410,000.00	410,000.00		-		
	<u>4,931,500.00</u>	<u>4,843,500.00</u>	<u>4,546,097.76</u>	<u>129,647.16</u>	<u>167,755.08</u>	<u>-</u>	<u>-</u>
Debt Service							
Payment on Bond Principal	1,300,000.00	1,300,000.00	1,300,000.00			-	
Interest on Bonds	545,000.50	545,000.50	539,285.02			5,715.48	
Interest on Notes	92,510.83	167,510.83	122,514.18			44,996.65	
NJEIT Principal and Interest	258,478.26	258,478.26	255,478.26			3,000.00	
	<u>2,195,989.59</u>	<u>2,270,989.59</u>	<u>2,217,277.46</u>	<u>-</u>	<u>-</u>	<u>53,712.13</u>	<u>-</u>
Deferred Charges and Statutory Expenditures							
Overexpenditures of Appropriations	14,034.41	14,034.41	14,034.41	-	-	-	
Contribution to:							
Social Security System (O.A.S.I.)	110,000.00	123,000.00	112,177.32		10,822.68		-
Unemployment Compensation	1,000.00	1,000.00	858.75		141.25		
Defined Contribution Retirement Plan	250.00	250.00	-		250.00		
	<u>125,284.41</u>	<u>138,284.41</u>	<u>127,070.48</u>	<u>-</u>	<u>11,213.93</u>	<u>-</u>	<u>-</u>
Deficit in Operations in Prior Years	-	-			-		
	<u>7,252,774.00</u>	<u>7,252,774.00</u>	<u>6,890,445.70</u>	<u>129,647.16</u>	<u>178,969.01</u>	<u>53,712.13</u>	<u>-</u>
Accrued interest on Bonds			917,277.46				
Deferred Charges			14,034.41				
Disbursed			5,959,133.83				
			<u>6,890,445.70</u>				

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

EXHIBIT G - GENERAL FIXED ASSETS

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GENERAL FIXED ASSETS ACCOUNT GROUP
COMPARATIVE STATEMENT OF GENERAL FIXED ASSETS
REGULATORY BASIS
AS OF DECEMBER 31,

	<u>2023</u>	<u>2022</u>
General Fixed Assets:		
Land and Buildings	\$ 30,668,753.00	30,668,753.00
Machinery and Equipment	5,445,467.00	4,812,948.00
Vehicles	<u>7,627,772.00</u>	<u>7,677,081.00</u>
Total General Fixed Assets	<u><u>43,741,992.00</u></u>	<u><u>43,158,782.00</u></u>
 Investment in General Fixed Assets	 \$ <u><u>43,741,992.00</u></u>	 \$ <u><u>43,158,782.00</u></u>

See Accompanying Notes to Financial Statements

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NOTES TO FINANCIAL STATEMENTS

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**CITY OF VENTNOR CITY
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 AND 2022**

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

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

Component units are legally separate organizations for which the entity is financially accountable. The entity is financially accountable for an organization if the entity appoints a voting majority of the organization's governing board and (1) the entity is able to significantly influence the programs or services performed or provided by the organization; or (2) the entity is legally entitled to or can otherwise access the organization's resources; the entity is legally obligated or has otherwise assumed the responsibility to finance the deficits of or provide financial support to the organization; or the entity is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the entity in that the entity approves the budget, the issuance of debt or the levying of taxes. The financial statements of the component unit of the City of Ventnor are not presented in accordance with Governmental Accounting Standards Board Statement (GASB) No. 14, as amended by GASB Statement No. 39, Determining Whether Certain Organizations are Component Units. If the provisions of GASB 14 and GASB 39 had been complied with, the other entity's financial statements would have to be either blended or discretely presented with the financial statements of the City of Ventnor, the primary government. The City maintains a Type 1 School District.

Ventnor City School District
400 N. Lafayette Avenue
Ventnor, NJ 08406

The annual financial report may be inspected directly at the office of the component unit during regular business hours.

B. Description of Funds

The accounting policies of the City of Ventnor City conform to the accounting principles applicable to municipalities which have been prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Such principles and practices are designed primarily for determining compliance with legal provisions and budgetary restrictions and as a means of reporting on the stewardship of public officials with the respect to public funds. Under this method of accounting, the City of Ventnor City accounts for its financial transactions through the following separate funds:

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

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

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

Sewer Operating and Capital Funds -- account for the operations of the sewer utility and acquisition of sewer capital facilities other than those acquired in the Current and General Capital Funds.

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

**CITY OF VENTNOR CITY
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 AND 2022**

C. Basis of Accounting

The accounting principles and practices prescribed for municipalities by the State of New Jersey differ in certain respects from generally accepted accounting principles applicable to local governmental units. The more significant policies in New Jersey follow.

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

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

Expenditures -- are recorded on the "budgetary" basis of accounting. Generally, expenditures are recorded when an amount is encumbered for goods or services through the issuance of a purchase order in conjunction with the Encumbrance Accounting System. Outstanding encumbrances at December 31 are reported as a cash liability in the financial statements. Appropriation reserves covering unencumbered appropriation balances are automatically created at December 31st of each year and recorded as liabilities, except for amounts which may be canceled by the Governing Body. Appropriation reserves are available, until lapsed at the close of the succeeding year, to meet specific claims, commitments or contracts incurred during the preceding fiscal year. Lapsed appropriation reserves are recorded as income. Appropriations for principal payments on outstanding general capital bonds and notes are provided on the cash basis; interest on general capital indebtedness is on the cash basis; interest on utility capital indebtedness is on the accrual basis. Compensated absences are treated on a pay as you go basis with no amount charged to operations in the year incurred.

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

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

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

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

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

Fixed assets used in governmental operations (general fixed assets) are accounted for in the General Fixed Assets Account Group. Public domain ("infrastructure") general fixed assets consisting of certain improvements other than buildings, such as roads, bridges, curbs and gutters, streets and sidewalks and drainage systems are not capitalized.

All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available except for land which is valued at estimated market value on the date of acquisition. No depreciation has been provided for in the financial statements.

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

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

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

Property and equipment purchased by the Water and Sewer Utility Fund are recorded in the capital account at cost and are adjusted for disposition and abandonment. The amounts shown do not purport to represent reproduction costs or current value. Contributions in aid of construction are not capitalized. The balance in the Reserve for Amortization and Deferred Reserve for Amortization accounts in the utility capital fund represents charges to operations for the costs of acquisitions of property, equipment and improvements. The utility does not record depreciation on fixed assets.

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

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

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

Levy of Utility Charges – The entity operates a water and sewer utility fund. Rates are determined by ordinance and changed as necessary. Sewer charges are based on flat fees and usage based on the type of entity. Charges are billed annually and due in quarterly installments.

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

Capitalization of Interest -- It is the policy of the City of Ventnor City to treat interest on projects as a current expense and the interest is included in both the current and utility operating budgets.

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

D. Required Financial Statements

The State of New Jersey requires the following financial statements to be presented for each fund on the regulatory basis of accounting: Balance Sheet, Statement of Operations and Changes in Fund Balance, Statement of Revenue and Statement of Expenditures. These statements differ from those presented under

**CITY OF VENTNOR CITY
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 AND 2022**

Generally Accepted Accounting Principles, which requires a Statement of Net Position and Statement of Activities in addition to the fund financial statements.

E. Comparative Data

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

F. Recent Accounting Pronouncements Not Yet Effective

In June 2022, the Governmental Accounting Standards Board (GASB) issued Statement No. 100, "Accounting Changes and Error Corrections (an amendment of GASB Statement No. 62)". This statement, which is effective for fiscal years beginning after June 15, 2023, may have an effect on the City's financial reporting.

In June 2022, the Governmental Accounting Standards Board (GASB) issued Statement No. 101, "Compensated Absences". This statement, which is effective for fiscal years beginning after December 15, 2023, will not have an effect on the City's financial statements.

In December 2023, the Governmental Accounting Standards Board (GASB) issued Statement No. 102, "Certain Risk Disclosures". This statement, which is effective for fiscal years beginning after June 15, 2024, will not have an effect on the City's financial statements.



Note 2: BUDGETARY INFORMATION

Under New Jersey State Statutes, the annual budget is required to be a balanced cash basis document. To accomplish this, the municipality is required to establish a reserve for uncollected taxes. The 2023 and 2022 statutory budgets included a reserve for uncollected taxes in the amount of \$2,278,405.38 and \$2,241,565.41. To balance the budget, the municipality is required to show a budgeted fund balance. The amount of fund balance budgeted to balance the 2023 and 2022 statutory budgets was \$3,810,000 and \$3,400,000.00. In addition, the entity operates a self-liquidating sewer utility. Under New Jersey Statutes a separate budget for the utility must be adopted concurrently with the operating budget of the entity. The utility budget must be a balanced cash basis budget with fund balance being used to balance the budget. The amount of fund balance budgeted to balance the 2023 and 2022 statutory budgets was \$300,000.00 and \$559,222.00.

The Chief Financial Officer has the discretion of approving intra department budgetary transfers throughout the year. Inter department transfers are not permitted prior to November 1. After November 1 these transfers can be made in the form of a resolution and approved by entity City Council. The following significant budget transfers were approved in the 2023 and 2022 calendar years:

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

<u>Budget Category</u>	 2023	 2022
Current Operating		
Police		
Salaries and Wages	\$ -	110,000.00
Fire		
Salaries and Wages	-	50,000.00
Street Repairs and Maintenance		
Salaries and Wages	-	(80,000.00)
Recreation		
Salaries and Wages	(39,500.00)	40,000.00
Other Expenses	(51,900.00)	-
Buildings and Grounds		
Other Expenses	(110,000.00)	(65,000.00)
Solid Waste/Recycling		
Other Expenses	85,000.00	(80,000.00)
City Engineer		
Other Expenses	(89,300.00)	-
Construction Official		
Other Expenses	(45,553.11)	-
Insurance		
General Liability	-	80,000.00
Employee Health Insurance	-	125,000.00
Information Technology		
Other Expenses	-	(80,000.00)
Telephone	110,000.00	-
Electric	70,000.00	(92,000.00)
Gasoline	-	80,000.00
Natural Gas	65,000.00	-
Police and Fireman's Retirement System	106,553.10	-
Water and Sewer Utility Operating Fund		
Operating - Other Expenses	(80,000.00)	-
Debt Service - Interest on Notes	75,000.00	-
Deferred Charges and Statutory Expenditures -		
Contribution to Social Security (O.A.S.I.)	13,000.00	-

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

NJSA 40A:4-87 permits special items of revenue and appropriations to be inserted into the annual budget when the item has been made available by any public or private funding source and the item was not determined at the time of budget adoption. During 2023 and 2022, the following significant budget insertions were approved:

<u>Budget Category</u>	 <u>2023</u>	<u>2022</u>
Local Efficiency Achievement Program (LEAP)		
City Hall	\$ -	112,000.00
Clean Communities	37,678.93	
FEMA Flood Mitigation - Winchester Avenue		1,638,011.05
Coastal Resiliency		546,003.68
South Jersey Transportation Planning Organization		-
CMAQ-Ventnor Avenue Signal Synchronization	1,640,000.00	-
NJ Department of Environmental Protection		
Electric Vehicle Fast Charger	-	75,000.00
Clean Energy - Electric Vehicle	-	82,000.00
Clean Fleet - Electric Vehicle	-	83,000.00
American Rescue Plan (ARP)		

The entity may make emergency appropriations, after the adoption of the budget, for a purpose which was not foreseen at the time the budget was adopted or for which adequate provision was not made therein. This type of appropriation shall be made to meet a pressing need for public expenditure to protect or promote the public health, safety, morals or welfare or to provide temporary housing or public assistance prior to the next succeeding fiscal year. Emergency appropriations, except those classified as a special emergency, must be raised in the budgets of the succeeding year. Special emergency appropriations are permitted to be raised in the budgets of the succeeding three or five years. As of December 31, 2023, the City has no emergency or special emergency authorizations.

Note 3: INVESTMENTS

As of December 31, 2023 and 2022, the municipality had no investments.

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

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

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

Note 4: CASH

Custodial Credit Risk – Deposits. Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The municipality's policy is based on New Jersey Statutes

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

requiring cash be deposited only in New Jersey based banking institutions that participate in the New Jersey Governmental Depository Protection Act (GUDPA) or in qualified investments established in New Jersey Statutes 40A:5-15.1(a) that are treated as cash equivalents. Under the act, all demand deposits are covered by the Federal Deposit Insurance Corporation (FDIC). Public funds owned by the municipality in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings, bail funds or fund that may pass to the municipality relative to the happening of a future condition. As of December 31, 2023, and 2022, \$14,449,242.59 and \$3,469,628.43 of the municipality's bank balance of \$26,951,182.34 and \$24,062,115.42 exposed to custodial credit risk.

Note 5: FIXED ASSETS

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

	Balance 12/31/2022	Additions	Retirements/ Adjustments	Balance 12/31/2023
Land and Buildings	\$ 30,668,753.00			30,668,753.00
Equipment and Machinery	4,812,948.00	742,155.00	(109,636.00)	5,445,467.00
Vehicles	7,677,081.00	687,763.00	(737,072.00)	7,627,772.00
	<u>\$ 43,158,782.00</u>	<u>1,429,918.00</u>	<u>(846,708.00)</u>	<u>43,741,992.00</u>

	Balance 12/31/2021	Additions	Retirements/ Adjustments	Balance 12/31/2022
Land and Buildings	\$ 30,668,753.00			30,668,753.00
Equipment and Machinery	4,743,100.00	143,589.00	(73,741.00)	4,812,948.00
Vehicles	6,987,595.00	964,726.00	(275,240.00)	7,677,081.00
	<u>\$ 42,399,448.00</u>	<u>1,108,315.00</u>	<u>(348,981.00)</u>	<u>43,158,782.00</u>

Note 6: SHORT-TERM OBLIGATIONS

	Balance 12/31/22	Issued	Retired	Balance 12/31/23
Bond Anticipation Notes payable:				
General	\$ 4,500,000.00	12,375,000.00	4,500,000.00	12,375,000.00
Utility	3,500,000.00	3,500,000.00	3,500,000.00	3,500,000.00
	<u>\$ 8,000,000.00</u>	<u>15,875,000.00</u>	<u>8,000,000.00</u>	<u>15,875,000.00</u>

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

	Balance 12/31/21	Issued	Retired	Balance 12/31/22
Bond Anticipation Notes payable:				
General	\$ 13,500,000.00	4,500,000.00	13,500,000.00	4,500,000.00
Utility	6,000,000.00	3,500,000.00	6,000,000.00	3,500,000.00
	<u>\$ 19,500,000.00</u>	<u>8,000,000.00</u>	<u>19,500,000.00</u>	<u>8,000,000.00</u>

As of December 31, 2023, the City had the following bond anticipation note outstanding:

Bank	2023 Amount	Interest Rate	Date of Maturity
TD Securities (USA) LLC	\$ 15,875,000.00	4.50%	7/10/2024

At December 31, 2023 the entity has authorized but not issued bonds in the amount of \$9,438,159.00 and \$25,422,467.00 in the General Capital Fund and Utility Capital Fund respectively.

Note 7: LONG TERM DEBT

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

	Balance 12/31/22	Issued	Retired	Balance 12/31/23	Amounts Due Within One Year
Bonds payable:					
General	\$ 22,761,149.32		2,518,450.36	20,242,698.96	2,660,484.55
Utility	13,440,000.00		1,300,000.00	12,140,000.00	1,375,000.00
Utility - NJEIT	2,809,122.00		223,922.00	2,585,200.00	223,922.00
Total	<u>39,010,271.32</u>	<u>-</u>	<u>4,042,372.36</u>	<u>34,967,898.96</u>	<u>4,259,406.55</u>
Other liabilities:					
School	8,625,000.00		905,000.00	7,720,000.00	915,000.00
PERS Liability	7,166,451.00	2,273,211.00		9,439,662.00	-
PFRS Liability	16,373,265.00	9,081,842.00		25,455,107.00	-
Compensated Absences Payable	2,445,501.58	333,206.16	231,180.05	2,547,527.69	153,456.17
Total long-term liabilities	<u>73,620,488.90</u>	<u>11,688,259.16</u>	<u>5,178,552.41</u>	<u>80,130,195.65</u>	<u>5,327,862.72</u>

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

	Balance 12/31/21	Issued	Retired	Balance 12/31/22	Amounts Due Within One Year
Bonds payable:					
General	\$ 15,513,960.09	9,000,000.00	1,752,810.77	22,761,149.32	2,479,134.36
Utility	12,050,000.00	2,500,000.00	1,110,000.00	13,440,000.00	1,300,000.00
Utility - NJEIT	3,028,044.00	-	218,922.00	2,809,122.00	223,922.00
Total	30,592,004.09	11,500,000.00	3,081,732.77	39,010,271.32	4,003,056.36
Other liabilities:					
School	9,495,000.00		870,000.00	8,625,000.00	905,000.00
PERS Liability	9,707,426.00		2,540,975.00	7,166,451.00	
PFRS Liability	27,793,358.00		11,420,093.00	16,373,265.00	
Compensated Absences Payable	2,468,707.97	406,731.20	429,937.59	2,445,501.58	-
Total long-term liabilities	80,056,496.06	11,906,731.20	18,342,738.36	73,620,488.90	4,908,056.36

Outstanding bonds whose principal and interest are paid from the Current Fund Budget of the entity:

\$6,365,000.00 General Improvement Bond dated 12/4/13 payable in annual installments through 12/1/25. Interest is paid semiannually at rates varying from 2.00% to 3.25% per annum. The balance remaining as of December 31, 2023 was \$1,240,000.00.

\$3,235,000 Refunding Bonds dated 9/22/17 payable in annual installments through 12/1/2025. Interest is paid semiannually at 4% per annum. The balance remaining as of December 31, 2023 was \$1,335,000.00.

\$8,855,000.00 General Improvement Bond dated 10/22/19 payable in annual installments through 9/1/32. Interest is paid semiannually at rates varying from 2.00% to 4.00% per annum. The balance remaining as of December 31, 2023 was \$7,500,000.00.

\$9,000,000.00 General Improvement Bond dated 7/1/2022 payable in annual installments through 7/1/2034. Interest is paid semiannually at a rate of 3.8764% per annum during 2023 and 4% per annum thereafter. Bonds maturing on or after July 1 2030 are redeemable at the option of the City, in whole or in part, on any date on or after July 1, 2029, The balance remaining as of December 31, 2023 was \$8,505,000.00

\$1,110,000.00 School Refunding Bonds dated 9/22/17 payable in annual installments through 12/1/2025. Interest is paid semiannually at a rate of 4.00% per annum. The net present value of this savings is \$258,812.48. The balance at December 31, 2023 was \$465,000.00.

\$8,595,000.00 School Bond, Series 2021, dated 7/14/2021 payable in annual installments through 7/15/2033. Interest is paid semiannually at a rate of 1.00% to 3.00% per annum. The balance remaining as of December 31, 2023 was \$7,255,000.00.

\$1,335,000.00 Green Trust Loan Payable dated 2/16/17 payable in semiannual installments through 2035. Interest is paid semiannually at a rate of 2.00% per annum. The semiannual payments of \$30,254.51 are applied first to interest and then to principal. The balance remaining as of December 31, 2023 was \$919,567.08.

\$325,000.00 NJEIT Loan dated 2/8/2018 payable in annual installments through 8/1/2037. Interest is paid semiannually at rates varying from 5.00% to 3.00% per annum. The balance remaining as of December 31, 2023 was \$265,000.00.

**CITY OF VENTNOR CITY
NOTES TO FINANCIAL STATEMENTS
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\$726,891.00 NJEIT Loan dated 2/8/2018 payable in annual installments through 8/1/2037. This is an Interest Free Loan. The balance remaining as of December 31, 2023 was \$478,131.88.

Outstanding bonds whose principal and interest are paid from the Utility Operating Fund of the entity:

\$3,635,000.00 Water and Sewer Bonds dated 12/4/13 payable in annual installments through 12/1/31. Interest is paid semiannually at rates varying from 2.00% to 4.00% per annum. The balance remaining as of December 31, 2023 was \$1,945,000.00.

\$7,195,000 Refunding Water and Sewer Bond dated 9/22/17 payable in annual installments through 12/1/30. Interest is paid semiannually at a rate of 4.00% per annum. The balance remaining as of December 31, 2023 was \$5,010,000.00.

\$3,845,000.00 Water and Sewer Bonds dated 10/22/19 payable in annual installments through 12/1/31. Interest is paid semiannually at rates varying from 2.00% to 4.00% per annum. The balance remaining as of December 31, 2023 was \$2,825,000.00.

\$2,500,000.00 Water and Sewer Bonds dated 7/1/2022 payable in annual installments through 7/1/2034. Interest is paid semiannually at a rate of 3.8764% per annum during 2023 and 4% per annum thereafter. Bonds maturing on or after July 1 2030 are redeemable at the option of the City, in whole or in part, on any date on or after July 1, 2029, The balance remaining as of December 31, 2023 was \$2,360,000.00.

During 2014 the City entered into an agreement with NJEIT to finance utility improvements in the amount of \$5,387,000, of which a portion of the principal was forgiven. The principal is payable in annual installments through 8/1/35. Interest is paid semiannually at rates varying from 2.00% to 5.00% per annum. The balance remaining as of December 31, 2023 was \$2,585,200.00.

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

Year	General Fund		Utility Fund	
	Principal	Interest	Principal	Interest
2024	\$ 2,660,484.55	688,544.18	1,598,922.00	483,781.26
2025	2,836,861.88	597,866.85	1,648,922.00	431,381.26
2026	1,578,266.91	499,536.82	1,683,922.00	376,681.26
2027	1,624,700.16	439,153.57	1,723,922.00	317,118.76
2028	1,706,162.23	376,941.50	1,773,922.00	255,718.76
2029-2033	8,483,791.62	968,702.03	5,824,610.00	715,337.54
2034-2037	1,352,431.61	51,193.66	470,980.00	18,100.00
	<u>\$ 20,242,698.96</u>	<u>3,621,938.61</u>	<u>14,725,200.00</u>	<u>2,598,118.84</u>

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

	<u>School Debt</u>	
<u>Year</u>	<u>Principal</u>	<u>Interest</u>
2024	\$ 915,000.00	149,887.50
2025	985,000.00	133,987.50
2026	705,000.00	116,937.50
2027	705,000.00	109,887.50
2028	750,000.00	102,837.50
2029-2033	3,660,000.00	295,250.00
	<u>\$ 7,720,000.00</u>	<u>908,787.50</u>

As of December 31, 2023 the carrying value of the above bonds and notes approximates the fair value of the bonds. No interest was charged to capital projects during the year and the total interest charged to the current budget was \$760,146.25 and to the utility budget was \$530,628.76.

<u>Summary of Municipal Debt</u>	<u>Year 2023</u>	<u>Year 2022</u>	<u>Year 2021</u>
<u>Issued:</u>			
General - Bonds	\$ 18,580,000.00	20,940,000.00	13,575,000.00
School - Bonds	7,720,000.00	8,625,000.00	9,495,000.00
Loan	919,567.08	986,740.89	1,052,591.11
NJEIT	743,131.88	834,408.43	886,368.98
Bond Anticipation Note	12,375,000.00	4,500,000.00	13,500,000.00
Sewer Utility - Bonds	12,140,000.00	13,440,000.00	12,050,000.00
Sewer Utility - Bond Anticipation Notes	3,500,000.00	3,500,000.00	6,000,000.00
Sewer Utility - NJEIT	2,585,200.00	2,809,122.00	3,028,044.00
Total Issued	<u>58,562,898.96</u>	<u>55,635,271.32</u>	<u>59,587,004.09</u>
<u>Authorized but not issued:</u>			
General - Bonds and Notes	9,438,159.00	14,929,350.00	9,647,522.47
Sewer Utility - Bonds and Notes	25,422,467.00	3,422,467.00	1,947,467.00
Total Authorized But Not Issued	<u>34,860,626.00</u>	<u>18,351,817.00</u>	<u>11,594,989.47</u>
Total Bonds & Notes Issued and Authorized But Not Issued	<u>\$ 93,423,524.96</u>	<u>73,987,088.32</u>	<u>71,181,993.56</u>

Summary of Statutory Debt Condition - Annual Debt Statement

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicates a statutory net debt of 1.551%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Local School District Debt	\$ 7,720,000.00	7,720,000.00	-
Sewer Utility Debt	43,667,667.00	43,667,667.00	-
General Debt	42,055,857.95	692,616.57	41,363,241.38
	<u>\$ 93,443,524.95</u>	<u>52,080,283.57</u>	<u>41,363,241.38</u>

CITY OF VENTNOR CITY
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Net Debt \$41,363,241.38 ÷ Equalized Valuation Basis per N.J.S.A. 40A:2-2 as amended, \$2,667,244,240.00 = 1.551%.

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

3 1/2 % of Equalized Valuation Basis (Municipal)	\$	93,353,548.40
Net Debt		41,363,241.38
Remaining Borrowing Power	\$	<u>51,990,307.02</u>

The City of Ventnor City School District, as a K-12 school district, is permitted to borrow up to 3% of the average equalized valuation for the past three years. State statutes allow a school district to exceed the districts limitation with voter approval. Any amount approved by the voters in excess of the limit is treated as an impairment of the municipal limit.

Note 8: LEASE OBLIGATIONS

The City has entered into several agreements to lease various copier machines for various City owned facilities under operating leases. The terms of the leases range from thirty-six (36) to sixty (60) months through December 31, 2026. The monthly payment of the leases range from \$60.12 to \$535.27 per month.

The total operating lease payments in 2023 was \$24,097.96.

The following is a schedule of the future minimum lease payments under these leases at December 31, 2023.

Year	Amount
2024	\$ 18,880.56
2025	11,846.63
2026	7,738.48
2027	330.00
2028	-
Total	\$ <u>38,795.67</u>

Note 9: FUND BALANCES APPROPRIATED

Fund balances at December 31, 2023 and 2022, which were appropriated and included as anticipated revenue in their own respective funds for the year ending December 31, 2024 and 2023 were as follows:

	<u>2024</u>	<u>2023</u>
Current Fund	\$ 4,000,000.00	3,810,000.00
Water & Sewer Utility	231,975.00	300,000.00

Municipalities are permitted to appropriate the full amount of fund balance, net of any amounts due from the State of New Jersey for Senior Citizens and Veterans deductions, deferred charges, and cash deficit. The total amount of fund balance available to the City to appropriate in the 2024 budget is \$8,872,408.24 for the current fund and \$233,614.67 for the utility fund.

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**CITY OF VENTNOR CITY
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 AND 2022**

Note 10: DEFERRED CHARGES TO BE RAISED IN SUCCEEDING BUDGETS

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2023, there were no deferred charges shown on the balance sheets of the various funds.

Note 11: SCHOOL TAXES

Local District School Tax in the amounts of \$16,622,500.00 and \$17,958,799.00 have been raised for the 2023 and 2022 calendar years and remitted to the school district. During the 2022 calendar year, the City overpaid the School District by an amount of \$80,098.92. This amount was returned to the City during the 2023 calendar year.

Note 12: TAXES COLLECTED IN ADVANCE

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

	Balance 12/31/23	Balance 12/31/22
Prepaid Taxes	\$ 1,243,157.65	1,156,906.75
Cash Liability for Taxes Collected in Advance	\$ 1,243,157.65	1,156,906.75

Note 13: PENSION FUNDS

Description of Plans

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

Public Employees' Retirement System

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

Police and Fireman's Retirement System

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

**CITY OF VENTNOR CITY
NOTES TO FINANCIAL STATEMENTS
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Pension Plan For Lifeguards

The City of Ventnor City has established a pension plan to provide retirement, disability and survivor pension benefits for the individuals who serve on the City's lifeguard force. An eligible employee becomes a plan member upon employment. Employee contributions shall be withheld from the member's salary and contributed to the plan for his benefit. The City budgets its contribution in the current fund which is then placed in the Lifeguard Pension Trust Fund. Retiree benefits are then paid from the Trust Fund. A plan member may retire with a pension only after his 45th birthday and after he has completed 20 years of services, the last 10 must have been completed immediately preceding his application.

Funding Policy

The contribution policy is set by N.J.S.A. 43:15A, Chapter 62, P.L. of 1994, Chapter 115, P.L. of 1997 and N.J.S.A. 18:66, and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. PERS provides for employee contributions of 7.50% of employee's annual compensation, as defined. Employers are required to contribute to an actuarially determined rate in PERS. The entity's contributions to PERS for the years ended December 31, 2023, 2022, and 2021 were \$788,786.00, \$708,458.00, and \$651,205.00.

The contribution policy for the PFRS is set by N.J.S.A. 43:16 and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. PFRS provides for employee contributions of 10.0% of employees' annual compensation, as defined. Employers are required to contribute at an actuarially determined rate. The entity's contributions to PFRS for the years ended December 31, 2023, 2022, and 2021 were \$2,892,250.00, \$2,610,762.00, and \$2,403,000.00.

The total payroll for the year ended December 31, 2023, 2022, and 2021 was \$15,608,035.06, \$15,227,377.15 and \$15,177,039.46 Payroll covered by PFRS was \$8,351,140.73, \$7,770,532.00, and \$7,888,223.00. Payroll covered by PERS was \$4,620,739.88, \$4,515,709.00, and \$4,500,273.00.

The Lifeguard Pension provides for employee contributions of 4.00% of employees' annual compensation. The City's contributions to the Lifeguard Pension for the year ended December 31, 2023, 2022, and 2021 was \$40,000.00, \$0 and \$0. The City's trust for the Lifeguard Pension at December 31, 2023 and 2022 was \$141,51437 and \$149,073.70 respectively. Currently there are only three individuals receiving benefits. The benefits paid by the trust for the year ended December 31, 2023, 2022, and 2021 were \$82,927.35, \$58,363.56, and \$62,218.25.

Significant Legislation

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

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

- New members of the PERS hired on or after June 28, 2011 (Tier 5 members) will need 30 years of creditable service and age 65 for receipt of the early retirement benefit without a reduction of $\frac{1}{4}$ of 1% for each month that the member is under age 65.
- The eligibility age to qualify for a service retirement in the PERS is increased from age 63 to 65 for Tier 5 members.
- The annual benefit under special retirement for new PFRS members enrolled after June 28, 2011 (Tier 3 members), will be 60% instead of 65% of the member's final compensation plus 1% for each year of creditable service over 25 years but not to exceed 30 years.

**CITY OF VENTNOR CITY
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 AND 2022**

- Increases in active member contribution rates. PERS active member rates increase from 5.5% of annual compensation to 6.5% plus an additional 1% phased-in over 7 years; PFRS active member rate increase from 8.5% to 10%. For fiscal year 2013, the member contribution rates increased in October 2011. The phase-in of the additional incremental member contribution rates for PERS members will take place in July of each subsequent fiscal year.
- The payment of automatic cost-of-living adjustment (COLA) additional increases to current and future retirees and beneficiaries is suspended until reactivated as permitted by this law.
- New employee contribution requirements towards the cost of employer-provided health benefit coverage. Employees are required to contribute a certain percentage of the cost of coverage. The rate of contribution is determined based on the employee's annual salary and the selected level of coverage. The increased employee contributions will be phased in over a 4-year period for those employed prior to Chapter 78's effective date with a minimum contribution required to be at least 1.5% of salary.
- In addition, this new legislation changes the method for amortizing the pension systems' unfunded accrued liability (from a level percent of pay method to a level dollar of pay).

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

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

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

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

Note 14: PENSION LIABILITIES

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

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

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

Public Employees' Retirement System

The City has a liability of \$9,439,662 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2021 that was rolled forward to June 30, 2022. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2022, the City's proportion would be 0.06255003670%, which would be an increase of 3.40% from its proportion measured as of June 30, 2021.

For the year ended December 31, 2022, the City would have recognized pension expense of \$(490,005). At December 31, 2022, the City would report deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected & actual experience	\$ 68,131	\$ (60,082)
Changes of assumptions	29,247	(1,413,491)
Changes in proportion	579,460	(72,377)
Net difference between projected and actual earnings on pension plan investments	390,699	-
Total	<u>\$ 1,067,537</u>	<u>\$ (1,545,950)</u>

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

Year ended June 30,	
2023	\$ (437,295)
2024	(161,054)
2025	(11,316)
2026	132,280
2027	(1,028)
Total	<u>\$ (478,413)</u>

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**CITY OF VENTNOR CITY
NOTES TO FINANCIAL STATEMENTS
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Actuarial Assumptions

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

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

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

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

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

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

Discount Rate

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

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

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

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
City's proportionate share of the net pension liability	\$ 11,320,091	\$ 9,439,662	\$ 7,841,121

Pension plan fiduciary net position.

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

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

Police and Firemen's Retirement System

The City has a liability of \$25,455,107 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as July 1, 2021 that was rolled forward to June 30, 2022. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2022, the City's proportion would be 0.22238611000%, which would be a decrease of 0.73% from its proportion measured as of June 30, 2021.

For the year ended December 31, 2022, the City would have recognized pension expense of \$(775,597). At December 31, 2022, the City would have reported deferred outflows of resources and deferred inflows of resources related to PFRS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected & actual experience	\$ 1,152,166	\$ (1,559,471)
Changes of assumptions	69,762	(3,204,295)
Changes in proportion	1,063,248	(2,259,288)
Net difference between projected and actual earnings on pension plan investments	2,330,940	-
Total	<u>\$ 4,616,116</u>	<u>\$ (7,023,054)</u>

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

Year ended June 30,	
2023	\$ (2,530,701)
2024	(1,617,275)
2025	(1,540,634)
2026	3,218,145
2027	31,014
Thereafter	32,513
Total	<u>\$ (2,406,938)</u>

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**CITY OF VENTNOR CITY
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 AND 2022**

Actuarial Assumptions

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

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

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

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

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:

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

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

Discount Rate

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

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

The following presents the collective net pension liability of the participating employers as of June 30, 2021, calculated using the discount rate as disclosed above as well as what the collective net pension liability would be if it was calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	Decrease (6.00%)	Rate (7.00%)	Increase (8.00%)
City's proportionate share of the net pension liability	35,971,341.30	25,455,107.00	16,701,317.71

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

**CITY OF VENTNOR CITY
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 AND 2022**

the actuarially determined contribution amount that the State owes for the fiscal year ending June 30, 2022. The pension expense is deemed to be a State administrative expense due to the special funding situation.

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

Although the liabilities related to the special funding situation are the liabilities of the State of New Jersey, the proportionate share of the statewide liability allocated to the City was 0.222386110000% for 2022. The net pension liability amount allocated to the City was \$4,530,263. For the fiscal year ending June 30, 2022 State special funding situation pension expense of \$522,672 is allocated to the City.

Pension plan fiduciary net position.

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

Note 15: OTHER POST-RETIREMENT BENEFITS

General Information about the Plan:

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

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

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.

Allocation Methodology:

GASB Statement No. 75 requires participating employers in the Plan to recognize their proportionate share of the collective net OPEB liability, collective deferred outflows of resources, collective deferred inflows of resources, and collective OPEB expense, however under the Regulatory Basis of Accounting followed by the Municipality these amounts are not accrued or recorded in the financial statements and the information listed in this note is for disclosure purposes only. Statewide across all member employers, the special funding situation's and nonspecial funding situation's net OPEB liability, deferred outflows of resources, deferred inflows of resources, and OPEB expense are based on separately calculated total OPEB liabilities. For the special funding situation and the nonspecial funding situation, the Collective Total OPEB liabilities for the

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

year ended June 30, 2022 were \$3,361,552,823 and \$3,872,142,278, respectively. The nonspecial funding situation's net OPEB liability, deferred outflows of resources, deferred inflows of resources, and OPEB expense are further allocated to employers based on the ratio of the plan members of an individual employer to the total members of the Plan's non special funding situation during the measurement period July 1, 2021 through June 30, 2022. Employer and non-employer allocation percentages have been rounded for presentation purposes.

Special Funding Situation:

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

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

Net OPEB Liability:

Components of Net OPEB Liability

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

	<u>June 30, 2022</u>
	<u>Collective</u>
	<u>Total</u>
Total OPEB Liability	\$ 16,090,925,144.00
Plan Fiduciary Net Position (Deficit)	(58,670,334.00)
Net OPEB Liability	<u>\$ 16,149,595,478.00</u>
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	-0.36%

At June 30, 2022, the State's proportionate share for the Special Funding Situation that is associated with the City is \$27,909,874. The State's proportionate share attributable to the City of the Collective Net OPEB Liability for the Special Funding Situation was 0.827251% which was an increase from the prior year of 0.88%.

For the Year ended June 30, 2022, the State of New Jersey realized Total OPEB Expense in the amount of \$(4,577,806.00) for its proportionate share of Total OPEB Expense that is associated with the City.

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

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

Investment Rate of Return
Including Inflation rate 3.54%

Salary increases*:

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

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

Mortality:

Pre-Retirement Healthy Mortality:

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

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

Post-Retirement Healthy Mortality

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

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

Disable Retiree Mortality:

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

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

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

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

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

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




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

Discount Rate

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

Sensitivity of Net OPEB Liability to Changes in the Discount Rate

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

	 1% Decrease (2.54%)	 Discount Rate (3.54%)	 1% Increase (4.54%)
Collective			
Net OPEB Liability \$	18,720,632,230	16,149,595,478	14,080,955,857

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

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

	1% Decrease	Healthcare Cost Trend Rate	1% Increase
Collective			
Net OPEB Liability \$	13,700,188,049.00	\$ 16,149,595,478.00	\$ 19,286,596,671.00

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

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

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

	Collective Totals	
	Deferred Outflow s of Resources	Deferred Inflow s of Resources
Differences between expected and actual experience \$	833,982,363	(2,993,448,535)
Changes of assumptions	2,155,230,462	(5,511,545,572)
Net difference between projected and actual earnings on OPEB plan investments	4,251,491	
Changes in proportion and differences between contributions and proportionate share of contributions		
Total	\$ 2,993,464,316	(8,504,994,107)

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

Year ended June 30,	Collective Totals
2023	\$ (1,463,380,541)
2024	(1,464,672,406)
2025	(1,156,630,075)
2026	(516,557,746)
2027	(115,810,526)
Thereafter	(794,478,497)
Total	\$ (5,511,529,791)

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

Collective OPEB Expenses reported by the State of New Jersey.

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

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

Note 16: ACCRUED SICK AND VACATION BENEFITS

The entity has permitted employees to accrue unused sick time, which may be taken as time off or paid at a later date at an agreed upon rate. It is estimated that the cost for the most current calendar year of such unpaid compensation would approximate \$2,547,527.67 in 2023 and \$2,445,501.58 in 2022. This amount is not reported either as an expenditure or liability due to the likelihood of all employees terminating in one fiscal year being improbable. It is the entity's policy to negotiate the final amount of each payment of accrued sick and vacation pay on an individual basis. Effective January 1, 2002 the State of New Jersey is allowing municipalities to accrue a compensated absences liability. The entity does not accrue the liability.

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

Note 17: ECONOMIC DEPENDENCY

The City of Ventnor City is not economically dependent on any one business or industry as a major source of tax revenue for the entity.

Note 18: RISK MANAGEMENT

The entity is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

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

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

New Jersey Unemployment Compensation Insurance – The City has elected to fund its New Jersey Unemployment Compensation Insurance under the “Benefit Reimbursement Method”. Under this plan, the City is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The City is billed quarterly for amounts due to the State. The following is a summary of City contributions, employee contributions, reimbursements to the State for benefits and the ending balance of the City’s trust fund for the previous three years:

Calendar Year	City Contributions	Interest	Employee Contributions	Amount Reimbursed	Ending Balance
2023	\$ 60,218.53	1,957.05	23,211.44	108,761.86	105,185.70
2022	75,407.43	296.54	22,795.57	14,108.15	128,560.54
2021	20,345.50	122.91	20,088.15	22,040.25	44,169.15

Note 19: DEFERRED COMPENSATION

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

An unrelated financial institution administers the deferred compensation plan. Under the terms of an IRC Section 457 deferred compensation plan, all deferred compensation and income attributable to the investment of the deferred compensation amounts held by the financial institution, until paid or made available to the employees or beneficiaries, are the property of the Employees. As part of its fiduciary role, the entity has an obligation of due care in selecting the third party administrator. In the opinion of the entity’s legal counsel, the entity has acted in a prudent manner and is not liable for losses that may arise from the administration of the plan.

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

Note 20: CONTINGENT LIABILITIES

From time to time, the entity is a defendant in legal proceedings relating to its operations as a municipality. In the best judgment of the entity's management, the outcome of any present legal proceedings will not have any adverse material effect on the accompanying financial statements.

Note 21: INTERFUND BALANCES

During the most current calendar year ended December 31, 2023, the following interfunds were included on the balance sheets of the various funds of City of Ventnor City:

	Due From	Due To
Current Fund:		
Animal Control Fund	\$ 9,741.20	
Other Trusts	712.26	
Grant Fund		586,388.62
General Capital Fund		4,547,522.47
Utility Operating Fund	314,945.27	
Grant Fund:		
Current Fund	586,388.62	
Utility Operating Fund	517,847.68	
Trust Fund:		
Current Fund		712.26
Animal Control Trust Fund:		
Current Fund		9,741.20
General Capital Fund:		
Current Fund	4,547,522.47	
Utility Capital Fund		49,772.00
Utility Operating Fund:		
Current Fund		314,945.27
Grant Fund		517,847.68
Utility Capital Fund		2,500,000.00
Utility Capital Fund:		
General Capital Fund	49,772.00	
Utility Operating Fund	2,500,000.00	
	\$ <u>8,526,929.50</u>	<u>8,526,929.50</u>

The amounts due to the Grant fund from the Current fund is due to the fact that there is only one bank account. The remaining interfunds are due to amounts that should have been transferred to the proper bank accounts.

**CITY OF VENTNOR CITY
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 AND 2022**

Note 22: SUBSEQUENT EVENTS

Capital Ordinances

On April 25, 2024, the City Commission adopted capital ordinance #2024-011 which authorized \$900,000.00 for various general capital improvements and acquisition of various equipment for the City's schools. This bond ordinance increases the City's authorized debt by \$900,000.00.

On May 9, 2024, the City Commission adopted capital ordinance #2024-012 for the repair and/or rehabilitation of the boardwalk, appropriating \$14,110,689.00, including a \$7,110,689 grant from the New Jersey Boardwalk Preservation Fund, and authorizing the issuance of \$7,000,000.00 in bonds or notes to finance the remaining costs.

Also, on May 9, 2024, the City Commission adopted capital ordinance #2024-013 which authorizes \$3,000,000.00 for various 2024 general capital improvements within the City. This bond ordinance increases the City's authorized debt by \$2,857,142.00.

Other

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

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SUPPLEMENTARY INFORMATION

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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

To the Honorable Mayor and
Members of the City Commission
City of Ventnor
County of Atlantic, New Jersey

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

Report Internal Control over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

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

Leon P. Costello
Leon P. Costello
Certified Public Accountant
Registered Municipal Accountant
No. 393

May 21, 2024



FORD - SCOTT

& ASSOCIATES, L.L.C.

CERTIFIED PUBLIC ACCOUNTANTS

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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 & NJ OMB 15-08**

The Honorable Mayor and
Members of the City Commission
City of Ventnor City
County of Atlantic, New Jersey

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

We have audited the City of Ventnor City's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* and NJ OMB 15-08 that could have a direct and material effect on each of the City of Ventnor City's major federal and state programs for the year ended December 31, 2023. The City of Ventnor City's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City of Ventnor City 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 and state programs for the year ended December 31, 2023.

Basis for Opinion on Each Major Federal and State 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 NJ OMB 15-08. Our responsibilities under those standards, OMB Circular Uniform Guidance and NJ OMB 15-08 are further described in the Auditor's Responsibilities for the Audit of Compliance section of this report.

We are required to be independent of the City of Ventnor City 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 and state program. Our audit does not provide a legal determination of the City of Ventnor City'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 its Federal and State 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 City of Ventnor City'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*, the Uniform Guidance and NJ OMB 15-08 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 City of Ventnor City's compliance with the requirements of each major federal or state 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 City of Ventnor City'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 City of Ventnor City'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 and NJ OMB 15-08, but not for the purpose of expressing an opinion on the effectiveness of the City of Ventnor City'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.

Other Matters

The results of our auditing procedures disclosed no instances of noncompliance which are required to be reported in accordance with the Uniform Guidance or NJ OMB 15-08.

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 or state 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 or state 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 or state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular Uniform Guidance and NJ OMB 15-08. Accordingly, this report is not suitable for any other purpose.

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May 21, 2024

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2023**

Federal or State Grantor/Pass - Through Grantor/Program Title	Grant Period	CFDA # or Pass-Through Grantor's #	Program or Award Amount	Balance Dec. 31, 2022	Receipts or Revenue Recognized	Disbursements/ Expenditures	Adjustment	Balance Dec. 31, 2023
Federal:								
U. S. Department of Justice	1/1/2023-12/31/2023	16.607	94.49	-	94.49	94.49		-
Bulletproof Vest Partnership Program	1/1/18 - 12/31/18	16.607	3,640.00	1,758.05	94.49	1,758.05		-
				1,758.05	94.49	1,852.54	-	-
NJ Department of Homeland Security	1/1/22 - 12/31/22	97.042	1,638,011.05	1,638,011.05				1,638,011.05
Flood Mitigation - Winchester Avenue	1/1/22 - 12/31/22	97.042	10,000.00	10,000.00		4,846.45		5,153.55
FEMA - Emergency Management	1/1/21 - 12/31/21	97.042	10,000.00	3,564.37				3,564.37
FEMA - Emergency Management	1/1/2022-12/31/2024	97.044	36,000.00	33,260.00		995.00		32,265.00
American Rescue Plan Firefighters Grant Program				1,684,835.42	-	5,841.45	-	1,678,993.97
Department of Highway Safety								
Drive Sober or Get Pulled Over	8/18/23-9/4/23	20.616	5,250.00	180.00	5,250.00	5,040.00		390.00
Labor Day	12/1/23-1/1/24	20.616	7,000.00	-	7,000.00	6,720.00		280.00
Year End Holiday	4/4/23-4/30/23	20.610	4,200.00	-	4,200.00	4,200.00		-
Distracted Driver Crackdown (U Text, U Drive, U Pay)	5/22/23-6/4/23	20.600	4,200.00	-	4,200.00	4,200.00		-
Click It or Ticket				180.00	20,850.00	20,160.00	-	670.00
U.S. Department of Housing and Urban Development	1/1/19 - 12/31/19	14.218	154,028.00	154,028.00				154,028.00
Community Development Block Grant	1/1/13 - 12/31/13	14.218	260,000.00	9,590.01				9,590.01
Post Sandy Assistance Grant				163,618.01	-	-	-	163,618.01
Total Federal Awards				\$ 1,850,391.48	20,744.49	27,853.99	-	1,843,281.98

**SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED DECEMBER 31, 2023**

Federal or State Grantor/Pass - Through Grantor/Program Title	Grant Period	Pass-Through Grantor's #	Program or Award Amount	Balance Dec. 31, 2022	Receipts or Revenue Recognized	Disbursements/ Expenditures	Adjustment	Balance Dec. 31, 2023	(Memo Only) Total Cumulative State Expenditures
State of New Jersey									
NJ Department of Environmental Protection									
Clean Communities Act	1/1/23 - 12/31/23	4900-765-178920	37,678.93	-	37,678.93	4,580.88		33,098.05	4,580.88
Clean Communities Act	1/1/22 - 12/31/22	4900-765-178920	33,593.05	33,593.05		33,593.05		-	33,593.05
Clean Communities Act	1/1/21 - 12/31/21	4900-765-178920	33,603.60	28,603.60		28,603.60		(0.00)	33,603.60
Clean Communities Act	1/1/20 - 12/31/20	4900-765-178920	31,562.58	1,655.93		1,655.93		(0.00)	31,562.58
Clean Communities Act	1/1/19 - 12/31/19	4900-765-178920	35,002.81	83.16		83.16		(0.00)	35,002.81
Clean Communities Act	1/1/18 - 12/31/18	4900-765-178920	36,706.11	130.01		130.01		(0.00)	36,706.11
Recycling Tonnage Grant	1/1/17 - 12/31/17	NA	38,230.34	204.34		204.34		(0.00)	38,230.34
Recycling Tonnage Grant	1/1/20 - 12/31/20	NA	12,805.23	8,998.13		8,998.13		-	12,805.23
Recycling Tonnage Grant	1/1/22 - 12/31/22	NA	12,951.93	12,951.93		12,951.93		-	12,951.93
Municipal Alliance Drug and Alcoholism	1/1/18 - 12/31/18	4250-760-050000-63-262	16,360.00	3,031.08		3,031.08		177.92	16,182.08
Municipal Alliance Drug and Alcoholism	1/1/19 - 12/31/19	4250-760-050000-63-262	14,110.00	9,300.29		9,300.29		9,300.29	4,809.71
Municipal Alliance Drug and Alcoholism	1/1/20 - 12/31/20	4250-760-050000-63-262	17,330.60	12,966.19	17.56	17.56		12,948.63	4,381.97
Municipal Alliance Drug and Alcoholism	1/1/21 - 12/31/21	4250-760-050000-63-262	15,472.67	9,150.42		1,936.96		7,213.46	8,259.21
Municipal Alliance Drug and Alcoholism	1/1/22 - 12/31/22	4250-760-050000-63-262	5,951.03	1,190.21		1,438.31		1,190.21	4,760.82
Municipal Alliance Drug and Alcoholism	1/1/23 - 12/31/23	4250-760-050000-63-262	8,510.82		8,510.82			7,072.51	1,438.31
Resilient New Jersey	1/1/18 - 12/31/18	NA	88,242.96	88,242.96		88,242.96		-	-
Coastal Resiliency Grant 2022	1/1/22 - 12/31/22	NA	546,003.68	546,003.68		546,003.68		-	-
State Housing Inspection	1/1/17 - 12/31/17	NA	3,403.00	3,403.00		3,403.00		-	-
State Housing Inspection	1/1/23 - 12/31/23	NA	23,125.00	23,125.00		23,125.00		-	-
Electric Vehicle Charging Grant (It Pays to Plug In)	1/1/22 - 12/31/22	NA	75,000.00	75,000.00		75,000.00		-	-
Stormwater Assistance Grant	1/1/23 - 12/31/23	NA	15,000.00		15,000.00			15,000.00	-
				834,507.98	84,314.75	172,047.02	-	746,775.71	
Department of Transportation									
Transportation Trust Fund Authority Act									
NJDOT 2021 Ventnor Heights	N/A	N/A	265,000.00	265,000.00		265,000.00		-	265,000.00
NJ DOT Atlantic Avenue Road Diet Project	N/A	N/A	250,000.00	250,000.00				250,000.00	-
Transportation Trust Fund Authority Act 2019	N/A	N/A	310,000.00	423.22		423.22		423.22	309,576.78
NJDOT 2021 Suffolk to Edgewater	N/A	N/A	310,000.00	310,000.00				310,000.00	-
NJDOT 2021 Bikeway	N/A	N/A	100,000.00	100,000.00				100,000.00	-
NJDOT Bidway	N/A	N/A	190,000.00	2,169.17		2,169.17		2,169.17	187,830.83
NJDOT Safe Routes to School	N/A	N/A	207,000.00	207,000.00				207,000.00	-
NJDOT Safe Streets - Little Rock Avenue	N/A	N/A	300,000.00	300,000.00		292,000.00		8,000.00	292,000.00
NJDOT 2018 Municipal Aid	N/A	N/A	172,000.00	172,000.00				172,000.00	-
NJDOT Burk Avenue	N/A	N/A	196,000.00	42,910.47				42,910.47	153,089.53
Passed through South Jersey Transportation Planning Organization									
MCAQ - Ventnor Avenue Signal Synchronization	1/1/23 - 12/31/23	NA	1,640,000.00	1,649,502.86	1,640,000.00	557,000.00	-	1,640,000.00	-
				1,649,502.86	1,640,000.00		-	2,732,502.86	
Department of Community Affairs									
Local Efficiency Achievement Program (LEAP)									
Implement Grant -									
Office of Emergency Management	1/1/22 - 12/31/24	NA	37,500.00	19,594.05		8,000.00		11,594.05	25,905.95
City Hall	1/1/22 - 12/31/24	NA	112,500.00	105,841.67		103,405.67		2,436.00	110,064.00
Local Area Recreation Grant	1/1/23 - 12/31/24	NA	50,000.00		50,000.00			50,000.00	-
				125,435.72	50,000.00	111,405.67	-	64,030.05	

The Accompanying Notes To The Schedule of Expenditures of Federal Awards and State Financial Assistance Are An Integral Part of This Statement

**SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED DECEMBER 31, 2023**

Federal or State Grantor/Pass - Through Grantor/Program Title	Grant Period	Pass-Through Grantor's #	Program or Award Amount	Balance Dec 31, 2022	Receipts or Revenue Recognized	Disbursements/ Expenditures	Adjustment	Balance Dec 31, 2023	(Memo Only) Total Cumulative State Expenditures
NJ Division of Law and Public Safety									
Division of Motor Vehicles									
Drunk Driving Enforcement Fund	1/1/15 - 12/31/15	NA	13,810.00	179.00				179.00	13,631.00
Drunk Driving Enforcement Fund	1/1/19 - 12/31/19	NA	26,132.28	10,611.30		10,611.30		-	26,132.28
Drunk Driving Enforcement Fund	1/1/20 - 12/31/20	NA	2,760.00	2,102.00		2,102.00		-	2,760.00
2023 Summer Pedestrian Awareness Campaign	1/1/23 - 12/31/23	NA	1,120.00		1,120.00	1,120.00		-	1,120.00
				<u>12,892.30</u>	<u>1,120.00</u>	<u>13,833.30</u>	<u>-</u>	<u>179.00</u>	
NJ Board of Public Utilities									
Clean Energy Electric Vehicle Tourism Grant	1/1/22 - 12/31/22	NA	82,000.00	82,000.00		82,000.00		-	82,000.00
Clean Fleet Electric Vehicle Incentive Program	1/1/22 - 12/31/22	NA	83,000.00	83,000.00		83,000.00		-	83,000.00
				<u>165,000.00</u>	<u>-</u>	<u>165,000.00</u>	<u>-</u>	<u>-</u>	
State of New Jersey State Police									
Body Armor Replacement Program	1/10/23-12/31/23	NA	7,172.64	-	7,172.64	2,749.07		4,423.57	2,749.07
				<u>-</u>	<u>7,172.64</u>	<u>2,749.07</u>	<u>-</u>	<u>4,423.57</u>	
Total State Assistance				<u>2,787,338.86</u>	<u>1,782,607.39</u>	<u>1,022,035.06</u>	<u>-</u>	<u>3,547,911.19</u>	
Total Federal Awards and State Financial Assistance				<u>4,637,730.34</u>	<u>1,803,351.88</u>	<u>1,049,889.05</u>	<u>-</u>	<u>5,391,193.17</u>	

CITY OF VENTNOR CITY
NOTES TO SCHEDULE OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
YEAR ENDED DECEMBER 31, 2023

Note 1: GENERAL

The accompanying schedule of expenditures of federal awards and state financial assistance includes the federal and state grant activity of the City of Ventnor City, New Jersey and is presented on the basis of accounting prescribed by the State of New Jersey, Department of Community Affairs, Division of Local Government Services, which is a comprehensive basis of accounting other than generally accepted accounting principles. Encumbrances are considered in determining the single audit threshold on major programs. The City has elected not to use the 10% de minimis indirect cost rate.

Note 2: RELATIONSHIP TO GENERAL PURPOSE FINANCIAL STATEMENTS

Amounts reported in the accompanying schedules agree with amounts reported in the City's financial statements. Receipts from federal and state grants are realized as revenue when anticipated in the City's budget. Expenditures are recognized when they become payable. Financial assistance revenue and expenditures are reported in the City's financial statements on the basis of accounting prescribed by the State of New Jersey, Department of Community Affairs, Division of Local Government Services, as follows:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
Expenditure per Schedule of Expenditures of			
Federal Awards and State Financial Assistance	\$ 27,853.99	1,022,035.06	1,049,889.05
Encumbrances, net	<u>2,740.00</u>	<u>(460,011.46)</u>	<u>(457,271.46)</u>
Expenditures reported in Basic Financial Statements	<u>\$ 30,593.99</u>	<u>562,023.60</u>	<u>592,617.59</u>

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

Section I -- Summary of Auditor's Results

Financial Statement

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

Federal Awards

Not Applicable

Internal Control over major programs:			
• Material weakness(es) identified?	_____ yes	_____	no
• Significant deficiency(ies) identified?	_____ yes	_____	none reported
Type of auditor's report issued on compliance major programs	_____		
Any audit findings disclosed that are required to be reported in accordance with OMB Uniform Guidance	_____ yes	_____	no
Identification of major programs:			

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

Dollar Threshold used to distinguish between type A and type B programs:		\$ _____
Auditee qualified as low-risk auditee?	_____ yes	_____ no

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

State Awards

Internal Control over major programs:

- Material weakness(es) identified? _____ yes X no
- Significant deficiency(ies) identified? _____ yes X none reported

Type of auditor's report issued on
compliance major programs

Unmodified

Any audit findings disclosed that are required to
be reported in accordance with OMB Circular 15-08

yes X no

Identification of major programs:

GMIS Number(s)

Name of State Program

6320-480-601381-61

State of NJ Department of Transportation

Dollar Threshold used to distinguish between type A and
type B programs:

\$ 750,000.00

Auditee qualified as low-risk auditee?

yes X no

**CITY OF VENTNOR
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2023**

Part 2 -- Schedule of Financial Statement Findings

NONE

Part 3 – Schedule of Federal Award Findings and Questioned Costs

NONE

STATUS OF PRIOR YEAR RECOMMENDATIONS

Finding 2022-1

Condition

Overexpenditures totaling \$14,034.41 were noted in the Water and Sewer Utility Fund, Other Expenses and Interest on Bond Anticipation Notes, as of December 31, 2022.

Current Status

This recommendation was cleared during the 2023 calendar year.

Finding 2022-2

Condition

Subsequent to December 31, 2022, a theft of City funds was discovered in one of the offices. It was determined that the theft was occurring since at least 2021. The total amount of the theft is estimated at \$75,000.00.

Current Status

This recommendation has been cleared by the City as of December 31, 2023.

CURRENT FUND **SCHEDULE OF CASH - TREASURER**

		<u>Current Fund</u>
Balance December 31, 2022	\$	11,788,866.65
Increased by Receipts:		
Taxes Receivable	56,434,731.51	
Tax Title Liens	-	
Prepaid Taxes	1,243,157.65	
Appropriation Refunds		
Current Year	744,833.17	
Appropriation Reserves	309,466.07	
Revenue Accounts Receivable	4,459,403.54	
Miscellaneous Revenue	645,326.67	
Due from State of New Jersey -		
Senior Citizens and Veterans	52,157.53	
State Marriage License Fees	525.00	
DCA Fees	30,197.00	
Reserve for Municipal Property Tax Relief	63,429.55	
Reserve for Donations - Sponsorships	11,263.35	
Due from Trust Other Fund	80.00	
Due from Capital	4,250,000.00	
Due from Utility Operating	-	
Federal & State Grants Receivable	786,107.60	
Unappropriated Federal & State Grants	16,448.95	
		<u>69,047,127.59</u>
		80,835,994.24
Decreased by Disbursements:		
Current Year Appropriation	32,014,381.62	
Prior Year Appropriations	651,133.56	
Accounts Payable	1,989.47	
County Taxes	12,851,772.27	
Local District School Taxes	16,542,401.00	
Tax Overpayments Refunded	31,117.14	
Due to State - Marriage Licenses	325.00	
Due to State - DCA Fees	26,299.00	
Federal and State Disbursements	608,448.86	
Due to Trust Funds	170.00	
Refund of Prior Year Revenue	31,487.51	
		<u>62,759,525.43</u>
Balance December 31, 2023	\$	<u><u>18,076,468.81</u></u>

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

Year	Balance Dec. 31, 2022	Current Year Levy	Added Taxes	Collections by Cash		Overpayments	Adjustments	Balance Dec. 31, 2023
				2022	2023			
Arrears \$	-							-
2021	72,609.81				48,226.35			24,383.46
2022	1,153,456.63				1,152,912.36	(534.25)	1,078.52	(0.00)
	1,226,066.44	-	-	-	1,201,138.71	(534.25)	1,078.52	24,383.46
2021	-	56,769,242.90	610,809.87	1,156,906.75	55,287,092.80	5,530.18	(21,993.80)	952,516.84
\$	1,226,066.44	56,769,242.90	610,809.87	1,156,906.75	56,488,231.51	4,995.93	(20,915.28)	976,900.30
Analysis of Current Year Tax Levy								
Tax Yield:								
General Property Tax								
Added Taxes (54:4-63.1 et. Seq.)								
				56,769,242.90				
				610,809.87				
						57,380,052.77		
Tax Levy:								
General County Taxes								
County Library Taxes								
County Open Space Taxes								
County Health Taxes								
County Added and Omitted Taxes								
Total County Taxes								
						12,908,061.62		
Local School District Tax								
						16,622,500.00		
Local Tax for Municipal Purposes								
Add: Additional Tax Levied								
				27,360,134.50				
				489,356.65				
						27,849,491.15		
						57,380,052.77		

**CURRENT FUND
SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE**

	Balance Dec. 31, 2022	Accrued in 2023	Treasurer	Balance Dec. 31, 2023
Licenses:				
Alcoholic Beverages	\$ -	8,695.60	8,695.60	
Other	-	18,127.20	18,127.20	
Fees and Permits	-	358,226.43	358,226.43	
Fines and Costs:	-			
Municipal Court	15,316.22	182,415.19	186,131.13	11,600.28
Interest and Costs on Taxes	-	257,017.87	257,017.87	
Parking Meters	-	147,803.87	147,803.87	
Interest Earned on Investments	-	564,195.20	564,195.20	
Beach Control Fees	-	428,273.97	428,273.97	
Land Rental	-	91,502.00	91,502.00	
Payment in Lieu of Taxes	-	130,008.00	130,008.00	
Cable Television Franchise Fees	-	63,288.03	63,288.03	
City Lease Fees	-	55,188.16	55,188.16	
Ambulance Service Fees	-	257,408.50	257,408.50	
Recreation Fees	-	107,441.10	107,441.10	
Energy Receipts Tax	-	612,315.48	612,315.48	
Uniform Construction Code Fees	-	417,131.00	417,131.00	
Borough of Longport-Uniform Construction Code	-	46,650.00	46,650.00	
Utility Fund Allocation	-	410,000.00	410,000.00	
Reserve for Payment of Debt	-	300,000.00	300,000.00	
Miscellaneous Revenue Not Anticipated	-	645,326.67	645,326.67	
	<u>\$ 15,316.22</u>	<u>5,101,014.27</u>	<u>5,104,730.21</u>	<u>11,600.28</u>

CURRENT FUND
SCHEDULE OF APPROPRIATION RESERVES - PRIOR YEAR

	Balance Dec. 31, 2022	Balance After Transfers	Paid or Charges	Balance Lapsed
OPERATIONS WITHIN "CAPS"				
GENERAL GOVERNMENT:				
Mayor's Office				
Salaries and Wages	\$ 1,936.16	1,936.16	-	1,936.16
Other Expenses	3,176.93	3,176.93	29.60	3,147.33
Police				
Salaries and Wages	10,224.82	10,224.82	(3,660.00)	13,884.82
Other Expenses	46,660.68	46,660.68	12,312.35	34,348.33
Fire				
Salaries and Wages	69,007.37	203,007.37	200,475.84	2,531.53
Other Expenses	24,864.60	24,864.60	13,080.23	11,784.37
Uniform Fire Safety Act				
Other Expenses	1,715.96	1,715.96	-	1,715.96
Radio and Communications				
Salaries and Wages	2,423.28	2,423.28	-	2,423.28
Other Expenses	4,334.93	4,334.93	-	4,334.93
City Administrator				
Salaries and Wages	624.00	624.00	-	624.00
Other Expenses	73,937.74	40,937.74	105.00	40,832.74
Office of Emergency Management				
Other Expenses	7,231.00	7,231.00	4,174.68	3,056.32
Traffic and Electrical Division				
Salaries and Wages	4,602.81	4,602.81	-	4,602.81
Other Expenses	32,910.76	32,910.76	16,418.81	16,491.95
Animal Control				
Other Expenses	700.00	700.00	700.00	-
Celebration of Public Events				
Other Expenses	20,831.75	831.75	-	831.75
Beach Patrol				
Salaries and Wages	1,578.70	1,578.70	-	1,578.70
Other Expenses	6,240.01	6,240.01	5,711.16	528.85
Beach Control				
Salaries and Wages	1,197.39	1,197.39	-	1,197.39
Other Expenses	108.85	108.85	-	108.85
DEPARTMENT OF PUBLIC WORKS, PARKS & PUBLIC PROPERTY				
Streets and Roads				
Salaries and Wages	44,040.56	40.56	-	40.56
Other Expenses	28,683.21	28,683.21	2,955.95	25,727.26
Motor Vehicle Maintenance				
Salaries and Wages	7,811.44	7,811.44	-	7,811.44
Other Expenses	47,076.78	47,076.78	16,610.63	30,466.15
Buildings and Grounds				
Salaries and Wages	11,951.96	951.96	-	951.96
Other Expenses	105,236.01	105,236.01	31,866.16	73,369.85
Recreation				
Salaries and Wages	4,264.58	4,264.58	-	4,264.58
Other Expenses	20,818.65	20,818.65	2,502.99	18,315.66
City Engineer				
Other Expenses	154,271.25	154,271.25	139,138.75	15,132.50
Solid Waste/Recycling				
Salaries and Wages	11,092.12	92.12	-	92.12
Other Expenses	49,436.48	49,436.48	11,567.73	37,868.75
DEPARTMENT OF REVENUE AND FINANCE				
Legal Services and Costs				
Other Expenses	81,531.00	66,531.00	16,133.00	50,398.00
City Clerk				
Salaries and Wages	246.14	246.14	-	246.14
Other Expenses	2,192.21	2,192.21	431.40	1,760.81
Codification of Ordinances	354.00	354.00	-	354.00

**CURRENT FUND
SCHEDULE OF APPROPRIATION RESERVES - PRIOR YEAR**

	Balance Dec. 31, 2022	Balance After Transfers	Paid or Charges	Balance Lapsed
Elections				
Other Expenses	1,398.52	1,398.52	-	1,398.52
Planning Board				
Salaries and Wages	5,610.44	5,610.44	-	5,610.44
Other Expenses	3,438.89	3,438.89	80.00	3,358.89
Financial Administration				
Salaries and Wages	12,659.24	12,659.24	-	12,659.24
Other Expenses	3,747.44	3,747.44	2,707.25	1,040.19
Audit Fee	4,000.00	4,000.00	4,000.00	-
Other Expenses				
Assessment of Taxes				
Salaries and Wages	348.04	348.04	-	348.04
Other Expenses	9,270.20	9,270.20	3,907.35	5,362.85
Collection of Taxes				
Salaries and Wages	328.26	328.26	-	328.26
Other Expenses	1,980.82	1,980.82	1,935.96	44.86
Information Technology				
Salaries and Wages	256.05	256.05	-	256.05
Other Expenses	88,269.53	88,269.53	70,321.49	17,948.04
Municipal Court				
Contractual	1,571.20	1,571.20	-	1,571.20
Insurance				
General Liability	71,792.45	71,792.45	21,414.93	50,377.52
Workers Compensation	35,966.10	35,966.10	4,030.00	31,936.10
Employee Group Health	401,597.40	401,597.40	(105,531.42)	507,128.82
Health Waiver	6,580.14	6,580.14	-	6,580.14
Construction Official				
Salaries and Wages	1,739.64	1,739.64	-	1,739.64
Other Expenses	52.82	52.82	-	52.82
Inspection of Housing				
Salaries and Wages	3,199.47	3,199.47	-	3,199.47
Other Expenses	1,043.68	1,043.68	750.00	293.68
Electrical and Plumbing				
Salaries and Wages	135.60	135.60	-	135.60
Utilities				
Gasoline	36,127.42	36,127.42	2,620.40	33,507.02
Electricity	11,660.03	11,660.03	-	11,660.03
Telephone	26,502.74	26,502.74	9,706.18	16,796.56
Natural Gas	2,656.04	2,656.04	-	2,656.04
STATUTORY EXPENDITURES				
Contribution to				
Public Employees' Retirement System	2,520.85	2,520.85	668.82	1,852.03
Police and Firemen's Retirement System	2,371.30	2,371.30	2,371.30	-
Social Security System	12,261.88	12,261.88	-	12,261.88
Unemployment	13,182.44	13,182.44	-	13,182.44
Medical Insurance	13,698.57	13,698.57	-	13,698.57
Define Contribution Retirement Program	2,785.36	2,785.36	-	2,785.36
OPERATIONS EXCLUDED FROM "CAPS"				
Borough of Longport-Uniform Construction Code Office				
Salaries and Wages	37,365.59	37,365.59	-	37,365.59
Other Expenses	2,250.00	2,250.00	-	2,250.00
	<u>\$ 1,701,682.28</u>	<u>1,701,682.28</u>	<u>489,536.54</u>	<u>1,212,145.74</u>
Appropriation Reserves	1,137,645.21		651,133.56	Paid
Accounts Payable and Encumbrances	564,037.07		(309,466.07)	Refunds
	-		147,869.05	Accounts Payable
	<u>1,701,682.28</u>		<u>489,536.54</u>	

**CURRENT FUND
SCHEDULE OF LOCAL DISTRICT SCHOOL TAX**

Balance December 31, 2022	
School Tax Payable	\$ (80,098.92)
Increased by:	
Levy - Calender Year January 1, 2023 to	
December 31, 2023	<u>16,622,500.00</u>
	16,542,401.08
Decreased by:	
Payments	<u>16,542,401.00</u>
Balance December 31, 2023	
School Tax Payable	<u><u>0.08</u></u>
Current Year Liability for Local School District School Tax:	
Tax Paid	16,542,401.00
Tax Payable Ending	<u>0.08</u>
	16,542,401.08
Less: Tax Payable Beginning	<u>(80,098.92)</u>
Amount charged to Current Year Operations	<u><u>\$ 16,622,500.00</u></u>

CURRENT FUND SCHEDULE OF FEDERAL AND STATE GRANTS RECEIVABLE

Purpose	Balance Dec. 31, 2022	Transferred From 2023 Revenues	Received	Adjustments	Balance Dec. 31, 2023
FEDERAL GRANTS:					
Federal Emergency Management Agency (FEMA)					
Assistance to Firefighters	\$ 77,743.00				77,743.00
Emergency Management	17,000.00				17,000.00
Fire Assistance Grant	21,000.00				21,000.00
Emergency Management	24,761.34		10,000.00		14,761.34
Emergency Management 2022	-				-
Flood Mitigation - Winchester Avenue	1,638,011.05		30,674.55		1,607,336.50
Body Armor	836.02	7,172.64	4,738.82		3,269.84
US Department of Highway Safety	-				-
Drive Sober or Get Pulled Over	-				-
Labor Day	180.00	5,250.00	5,040.00		390.00
Year End Holiday	2,520.00	7,000.00	2,520.00		7,000.00
Distracted Driver Crackdown (U Text, U Drive, U Pay)	-	4,200.00	4,200.00		-
Click It or Ticket	-	4,200.00	4,200.00		-
State of New Jersey	-				-
American Rescue Plan	-				-
Firefighters Grant Program	36,000.00				36,000.00
Total Federal	1,818,051.41	27,822.64	61,373.37	-	1,784,500.68
STATE GRANTS:					
New Jersey Transportation Trust Fund - Bikeway	2,169.17				2,169.17
New Jersey Transportation Trust Fund - Safe Streets			211,500.00		88,500.00
Ventnor and Little Rock	300,000.00				
New Jersey Transportation Trust Fund - 2022 Municipal Aid	310,000.00				310,000.00
Suffolk to Edgewater					
New Jersey Transportation Trust Fund - 2021	100,000.00				100,000.00
Bicycle and Pedestrian					
NJ Transportation Trust Fund Authority Act - 2022					
Atlantic Avenue Road Diet Project	250,000.00				250,000.00
NJ Transp Trust Fund Authority Act - 2021 Ventnor Heights	265,000.00		198,750.00		66,250.00
New Jersey Transportation - Safe Routes to School	207,000.00				207,000.00
Municipal Alliance	14,782.01	8,510.82	4,748.19		18,544.64
NJ Department of Environmental Protection					
Electric Vehicle Charging Grant (It Pays to Plug In)	75,000.00				75,000.00
Recycling Tonnage	-				-
Clean Communities	-	37,678.93	37,678.93		-

**CURRENT FUND
SCHEDULE OF FEDERAL AND STATE GRANTS RECEIVABLE**

Purpose	Balance Dec. 31, 2022	Transferred From 2023 Revenues	Received	Adjustments	Balance Dec. 31, 2023
Stormwater Assistance Grant		15,000.00	15,000.00		-
Bulletproof Vest	-	94.49	94.49		-
NJ Board of Public Utilities					
Clean Energy Electric Vehicle Tourism Grant	82,000.00				82,000.00
Clean Fleet Electric Vehicle Incentive Program	83,000.00				83,000.00
Local Area Recreation Grant		50,000.00			50,000.00
NJ Department of Community Affairs					
Local Efficiency Achievement Program (LEAP)					
Implementation Grant -					
Office of Emergency Management	37,500.00				37,500.00
City Hall	112,500.00				112,500.00
NJ Department of Law & Public Safety		1,120.00	1,120.00		-
2023 Summer Pedestrian Awareness Campaign					
South Jersey Transportation Planning Organization					
CMAQ-Ventnor Avenue Signal Synchronization		1,640,000.00			1,640,000.00
Housing Inspections		23,125.00	23,125.00		-
Coastal Resiliency Grant 2022	546,003.68		250,000.00		296,003.68
Resilient NJ	88,242.96				88,242.96
Total State	2,473,197.82	1,775,529.24	742,016.61	-	3,506,710.45

**CURRENT FUND
SCHEDULE OF FEDERAL AND STATE GRANTS RECEIVABLE**

Purpose	Balance Dec. 31, 2022	Transferred From 2023 Revenues	Received	Adjustments	Balance Dec. 31, 2023
OTHER:					
Atlantic County DWI Checkpoint		5,700.00	5,700.00		-
DMHAS Youth Leadership		6,248.76	3,124.38		3,124.38
Total Other	-	11,948.76	8,824.38	-	3,124.38
\$	4,291,249.23	1,815,300.64	812,214.36	-	5,294,335.51

**CURRENT FUND
SCHEDULE OF APPROPRIATED RESERVES FOR FEDERAL AND STATE GRANTS**

	Balance December 31, 2022		2023	Reverse Prior Year Encumbrances	Disbursed	Encumbrances	Canceled	Balance Dec. 31, 2023
	Appropriated	Reserve for Encumbrances						
FEDERAL GRANTS:								
Community Development Block Grant	\$ 154,028.00							154,028.00
Post Sandy Planning Assistance	9,590.01							9,590.01
Federal Bulletproof Vest Partnership	1,758.05		94.49		1,852.54			(0.00)
US Department of Highway Safety								-
Drive Sober or Get Pulled Over								-
Labor Day	180.00		5,250.00		5,040.00			390.00
Year End Holiday	-		7,000.00		6,720.00			280.00
Distracted Driver Crackdown (U Text, U Drive, U Pay)	-		4,200.00		4,200.00			-
Click It or Ticket	-		4,200.00		4,200.00			-
Federal Emergency Management Agency -								-
Emergency Management	3,564.37					2,216.10		3,564.37
Emergency Management-2022	10,000.00				4,846.45			5,153.55
Flood Mitigation - Winchester Avenue	1,638,011.05							1,638,011.05
State of New Jersey								-
American Rescue Plan								-
Firefighters Grant Program	33,260.00	2,740.00			3,735.00			32,265.00
Total Federal	1,850,391.48	4,956.10	20,744.49	-	30,593.99	2,216.10	-	1,843,281.98
STATE GRANTS:								
NJ Transportation Trust Fund Authority Act - 2019								
Dorset Avenue	423.22							423.22
New Jersey Transportation - Safe Routes to School	207,000.00							207,000.00
New Jersey Transportation Trust Fund - Bikeway	2,169.17							2,169.17
New Jersey Transportation Trust Fund - 2018 Municipal Aid								
Hampshire Avenue	172,000.00							172,000.00
New Jersey Transportation Trust Fund - Burk Avenue	42,910.47							42,910.47
New Jersey Transportation Trust Fund								
Ventnor Heights	265,000.00				219,385.17	45,614.83		(0.00)
New Jersey Transportation Trust Fund - Safe Streets								
Little Rock Avenue	300,000.00					292,000.00		8,000.00
New Jersey Transportation Trust Fund - Muni Aid 2021								
Suffolk to Edgewater	310,000.00							310,000.00
New Jersey Transportation Trust Fund - Bikeway	100,000.00							100,000.00
New Jersey Transportation Trust Fund -								
Atlantic Avenue Road Diet Project	250,000.00							250,000.00
Recycling Tonnage Grant-2017	204.34				204.34			0.00
Recycling Tonnage Grant-2020	8,998.13	1,207.00			10,205.13			-
Recycling Tonnage Grant-2022	12,951.93				12,951.93			-
Alliance for the Prevention of Alcohol and Drug Abuse	3,031.08	(2,250.00)			2,853.16	(2,250.00)		177.92
Alliance for the Prevention of Alcohol and Drug Abuse-2019	9,300.29							9,300.29
Alliance for the Prevention of Alcohol and Drug Abuse-2020	12,966.19				17.56			12,948.63

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CURRENT FUND
SCHEDULE OF FEDERAL AND STATE GRANTS - UNAPPROPRIATED RESERVES

Purpose	Balance Dec. 31, 2022	Transferred To 2023 Appropriations	Received	Cancelled	Balance Dec. 31, 2023
FEDERAL GRANTS:					
Bulletproof Vest	\$ 94.49	94.49	-		-
Body Armor	1,807.27	1,807.27			-
American Rescue Plan	517,847.68				517,847.68
Total Federal	519,749.44	1,901.76	-	-	517,847.68
STATE GRANTS:					
State Housing Inspection	23,125.00	23,125.00	-		-
Recycling Tonnage Grant			13,398.78		13,398.78
Alcohol Education and Rehab	-		3,050.17		3,050.17
Total State	23,125.00	23,125.00	16,448.95	-	16,448.95
OTHER:					
Atlantic County DWI Checkpoint	1,080.00	1,080.00			-
	1,080.00	1,080.00	-	-	-
	\$ 543,954.44	26,106.76	16,448.95	-	534,296.63

**TRUST FUND
SCHEDULE OF CASH - TREASURER**

	<u>Dog Licenses</u>	<u>Other</u>
Balance December 31, 2022	\$ 12,331.60	2,244,445.87
Increased by Receipts:		
Dog License Fees 2023	3,358.00	
Due to State of New Jersey	597.00	
Late Fees	500.00	
Payroll Deductions Payable		18,329,833.07
Miscellaneous Trust Reserves		1,407,945.62
Due from Current		410,604.65
	<u>4,455.00</u>	<u>20,148,383.34</u>
	16,786.60	22,392,829.21
Decreased by Disbursements		
Statutory Expenditures	200.00	
Due to State of New Jersey	597.00	
Accounts Payable	320.00	
Payroll Deductions Payable	-	18,451,713.31
Miscellaneous Trust Reserves		1,721,427.48
Due to Current Fund	-	410,514.65
	<u>1,117.00</u>	<u>20,583,655.44</u>
Balance December 31, 2023	\$ <u><u>15,669.60</u></u>	<u><u>1,809,173.77</u></u>

TRUST FUND
SCHEDULE OF RESERVE FOR DOG FUND EXPENDITURES

Balance December 31, 2022		\$	5,370.80
Increased by:			
Dog License Fees Collected	3,358.00		
Late Fees	500.00		
			<u>3,858.00</u>
			9,228.80
Decreased by:			
Statutory Excess	3,100.40		
Accounts Payable	-		
Expenditures under N.J.S. 4:19-15:11	200.00		
			<u>3,300.40</u>
Balance December 31, 2023		\$	<u><u>5,928.40</u></u>

License Fees Collected:

Year	Amount
2022	\$ 3,401.60
2021	2,526.80
	<u>5,928.40</u>
	<u><u>\$ 5,928.40</u></u>

TRUST FUND
SCHEDULE OF AMOUNT DUE TO CURRENT FUND - DOG LICENSE FUND

Balance December 31, 2022		\$	6,640.80
Increased by:			
Statutory Excess	<u>3,100.40</u>		<u>3,100.40</u>
			9,741.20
Decreased by:			
Paid to Current Fund			<u>-</u>
Balance December 31, 2023		\$	<u><u>9,741.20</u></u>

TRUST FUND
SCHEDULE OF AMOUNT DUE TO(FROM) STATE OF NEW JERSEY - DEPARTMENT OF HEALTH

Balance December 31, 2022		\$	-
Increased by:			
2023 State License Fees	<u>597.00</u>		<u>597.00</u>
			597.00
Decreased by:			
Disbursements to the State			<u>597.00</u>
Balance December 31, 2023		\$	<u><u>-</u></u>

TRUST FUND
SCHEDULE OF PAYROLL DEDUCTIONS PAYABLE

Balance December 31, 2022		\$	131,087.38
Increased by:			
Receipts	<u>18,329,833.07</u>		<u>18,329,833.07</u>
			18,460,920.45
Decreased by:			
Disbursements	<u>18,451,713.31</u>		<u>18,451,713.31</u>
Balance December 31, 2023		\$	<u><u>9,207.14</u></u>

TRUST - OTHER FUNDS
SCHEDULE OF DUE TO/(FROM) CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2023

	Increased by		Decreased by			Balance Dec 31, 2022
	Receipts	Current Fund	Disbursements	2023 Budget Appropriation	Current Fund	Balance Dec 31, 2023
Payroll Agency						\$ 0.40
Developer's Escrow	178.25		-			216.32
Other Trust	410,426.40		410,426.40			405.54
	<u>410,604.65</u>	<u>-</u>	<u>410,514.65</u>	<u>-</u>	<u>-</u>	<u>622.26</u>
						\$

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

<u>Reserve</u>	<u>Balance Dec 31, 2022</u>	<u>Increased by</u>		<u>Decreased by</u>		<u>Balance Dec 31, 2023</u>
		<u>Receipts</u>	<u>Collections made by Current Fund</u>	<u>Disbursements</u>	<u>Payments made by Current Fund</u>	
Small Cities Revolving Loan Fund	\$ 51,934.00					51,934.00
Developers Escrow	238,472.81	58,475.16		56,771.15		240,176.82
Law Enforcement Trust	743.99	5,540.51		5,528.49		756.01
Federal Forfeitures	135.13	2.19				137.32
Life Guard Pension Fund	149,073.70	75,368.02		82,927.35		141,514.37
Unemployment Trust	128,560.54	85,387.02		108,761.86		105,185.70
Evidence Trust	4,775.22	77.22				4,852.44
Tax Sale Premiums	1,159,100.00	121,300.00		476,500.00		803,900.00
Tax Title Lien Redemptions	23,156.05	561,188.29		444,677.71		139,666.63
Boardwalk Benches	16,889.16					16,889.16
Storm Emergency	41,740.07					41,740.07
Penalties Collected Under the Uniform Fire Code	14,032.24	4,525.00		500.00		18,057.24
Police Detail	118,498.64	196,082.21		314,580.85		-
Accumulated Absences	165,624.68	300,000.00		231,180.07		234,444.61
	<u>\$ 2,112,736.23</u>	<u>1,407,945.62</u>	<u>-</u>	<u>1,721,427.48</u>	<u>-</u>	<u>1,799,254.37</u>

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

Balance December 31, 2022		\$	3,690,161.35
Increased by:			
Receipts	8,471,043.75		
	<hr/>		<hr/>
			8,471,043.75
			12,161,205.10
Decreased by:			
Disbursements	9,726,318.69		
	<hr/>		<hr/>
			9,726,318.69
Balance December 31, 2023		\$	<u><u>2,434,886.41</u></u>

**GENERAL CAPITAL FUND
ANALYSIS OF CASH**

	Balance Dec. 31, 2022	Receipts				Improvement Authorizations	Disbursements		Balance Dec. 31, 2023
		Miscellaneous		Debt Issued	Bond Anticipation Notes		Miscellaneous		
Fund Balance	\$ 1,422,998.39 (70,703.00)								1,422,998.39 (70,703.00)
Due from NJEIT									(4,250,000.00)
Due from Current Fund									
Due to Utility Capital	49,772.00			-				-	49,772.00
Capital Improvement Fund	6,043.00	300,000.00						-	186,852.00
Contracts Payable	4,581,639.86							119,191.00	2,020,086.37
Reserve for Payment of Bonds	841,018.58	296,043.75		-				4,581,639.86	837,062.33
Improvement Authorizations:									
2011-11 Various Improvements	255,850.51				96,968.73				158,881.78
2017-38 Various Projects	7,646.72				51,534.50	5,700.00		57,551.30	7,963.52
2017-41 General Capital Improvements	1,523,869.93				635,443.33	235,629.23		401,950.82	1,054,748.19
2017-42 Park and Beach Improvements	145,050.64				7,744.00	7,200.00		14,674.00	144,780.64
2018-28 Various School Improvements	(71.00)				-	20,042.02		20,042.02	(71.00)
2019-03 Construction of Firehouse #2	(263,198.20)				4,500.00				(267,698.20)
2020-24 Various Improvements	1,394,479.33			2,200,000.00	1,039,057.30	619,121.46		873,360.82	2,809,661.39
2021-14 Various Improvements	(5,927,778.75)			3,075,000.00	1,987,955.31	595,690.26		2,699,192.34	(2,737,231.98)
2022-18 Various Improvements	(276,456.66)			2,600,000.00	1,353,115.52	536,703.40		514,868.56	948,592.98
2023-20 Traffic Signal & Safety Improvements								119,191.00	119,191.00
	\$ 3,690,161.35	596,043.75		7,875,000.00	5,176,318.69	6,720,917.23	-	6,720,917.23	2,434,886.41

**GENERAL CAPITAL FUND
SCHEDULE OF CAPITAL IMPROVEMENT FUND**

Balance December 31, 2022		\$	6,043.00
Increased by:			
2023 Budget Appropriation			
Capital Improvement Fund	300,000.00		<u>300,000.00</u>
			306,043.00
Decreased by:			
Finance Improvement Authorizations	119,191.00		
	<u>119,191.00</u>		<u>119,191.00</u>
Balance December 31, 2023		\$	<u><u>186,852.00</u></u>

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

Balance December 31, 2022		\$	31,386,149.32
Decreased by:			
2023 Budget Appropriation:			
General Serial Bonds	2,360,000.00		
School Serial Bonds	905,000.00		
Green Trust Loans Payable	67,173.81		
NJEIT Loans Payable	91,276.55		
			<u>3,423,450.36</u>
Balance December 31, 2023		\$	<u><u>27,962,698.96</u></u>

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

Ord #	Improvement Description	Balance Dec. 31, 2022	2023 Authorizations	Raised in 2023 Budget	Transferred to Deferred Taxation- Funded	Balance Dec. 31, 2023	Bond Anticipation Notes	Analysis of Balance	
								Expenditures	Unexpended Improvement Authorizations
2017-41	Various Improvements	\$ 800,000.00				800,000.00			800,000.00
2017-42	Various Park and Beach Improvements	-				-			-
2018-28	Various School Improvements	-				-			-
2019-03	Construction of Firehouse #2	200,000.00				200,000.00		134,365.20	65,634.80
2020-24	Various Improvements	6,700,000.00				6,700,000.00	6,700,000.00	-	-
2021-14	Various Improvements	6,150,000.00				6,150,000.00	3,075,000.00	2,737,023.98	337,976.02
2022-18	Various Improvements	5,579,350.00				5,579,350.00	2,600,000.00	157,424.53	2,821,925.47
2023-20	Traffic Signal & Safety Improvements		2,383,809.00			2,383,809.00	-	-	-
		<u>\$ 19,429,350.00</u>	<u>2,383,809.00</u>	<u>-</u>	<u>-</u>	<u>21,813,159.00</u>	<u>12,375,000.00</u>	<u>3,028,813.71</u>	<u>4,025,536.29</u>
Improvement Authorizations Unfunded									11,688,463.49
Less:									
Unexpended Proceeds of Bond									
Anticipation Notes Issued:									
	<u>Ord. Number</u>							\$	
	2017-41							1,152,269.66	
	2017-42							144,780.64	
	2020-24							2,876,050.39	
	2022-18							1,106,017.51	
	2023-20							2,383,809.00	
								<u>7,662,927.20</u>	
									<u>4,025,536.29</u>

**GENERAL CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS**

Ord #	Improvement Description	Ord. Date	Amount	Authorizations				Prior Year Encumbrances	Paid or Charged	Current Year Encumbrances	Cancelled	Balance December 31, 2023	
				Balance December 31, 2022	Other Funding	Deferred Charges to Future Taxation						Funded	Unfunded
2011-11	Various Improvements	2011	1,700,000	\$ 255,850.51					96,988.73			158,881.78	
2017-38	Various Projects	2017	846,000	7,646.72				57,551.30	51,534.50	5,700.00		7,963.52	
2017-41	General Capital Improvements	2017	13,209,039					401,950.82	635,443.33	235,629.23			1,952,269.66
2017-42	Park and Beach Improvements	2017	1,785,000					14,674.00	7,744.00	7,200.00			144,780.64
2018-28	Various School Improvements	7/2/2018	9,315,071					20,042.02		20,042.02			-
2019-03	Construction of Firehouse #2	1/24/2019	3,500,000						4,500.00				65,634.80
2020-24	Various Improvements	12/12/2020	8,006,820					873,360.82	1,039,057.30	619,121.46			2,876,050.39
2021-14	Various Improvements	7/8/2021	6,457,721					2,693,192.34	1,987,955.31	595,690.26			337,976.02
2022-18	Various Improvements	7/13/2022	9,000,000					514,868.56	1,353,115.52	536,703.40			3,927,942.98
2023-20	Traffic Signal & Safety Improvements	9/28/2023	2,503,000									119,191.00	2,383,809.00
				\$ 557,147.23	119,191.00	2,383,809.00		4,581,639.86	5,176,318.69	2,020,086.37	-	286,036.30	11,688,463.49

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

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding December 31, 2023		Interest Rate	Balance Dec. 31, 2022	Increased	Decreased	Balance Dec. 31, 2023
			Date	Amount					
General Improvement Bonds of 2013	12/4/2013	6,365,000	12/1/2024	610,000.00	3.000% \$	1,840,000.00		600,000.00	1,240,000.00
			12/1/2025	630,000.00	3.250%				
Refunding Improvement Bonds of 2017	9/22/2017	3,235,000	12/1/2024	650,000.00	4.000%	1,970,000.00		635,000.00	1,335,000.00
			12/1/2025	685,000.00	4.000%				
General Improvement Bonds of 2019	10/22/2019	8,855,000	9/1/2024	695,000.00	3.000%	8,130,000.00		630,000.00	7,500,000.00
			9/1/2025	770,000.00	3.000%				
			9/1/2026	780,000.00	4.000%				
			9/1/2027	780,000.00	4.000%				
			9/1/2028	810,000.00	4.000%				
			9/1/2029	830,000.00	4.000%				
			9/1/2030	865,000.00	2.000%				
			9/1/2031	955,000.00	2.000%				
			9/1/2032	1,015,000.00	2.000%				
General Improvement Bonds of 2022	7/13/2022	9,000,000	7/1/2024	585,000.00	4.000%	9,000,000.00		495,000.00	8,505,000.00
			7/1/2025	630,000.00	4.000%				
			7/1/2026	675,000.00	4.000%				
			7/1/2027	720,000.00	4.000%				
			7/1/2028	765,000.00	4.000%				
			7/1/2029	810,000.00	4.000%				
			7/1/2030	810,000.00	4.000%				
			7/1/2031	810,000.00	4.000%				
			7/1/2032	855,000.00	4.000%				
			7/1/2033	855,000.00	4.000%				
			7/1/2034	990,000.00	4.000%				
						\$ 20,940,000.00	-	2,360,000.00	18,580,000.00

GENERAL CAPITAL FUND
SCHEDULE OF SCHOOL SERIAL BONDS PAYABLE - TYPE 1

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding		Interest Rate	Balance Dec. 31, 2022	Increased	Decreased	Balance Dec. 31, 2023
			Date	December 31, 2023 Amount					
Refunding Series 2017	9/22/2017	1,110,000	12/1/2024	225,000.00	4.000%	690,000.00		225,000.00	465,000.00
			12/1/2025	240,000.00	4.000%				
School Bonds, Series 2021	7/7/2021	8,595,000	7/15/2024	690,000.00	1.000%	7,935,000.00		680,000.00	7,255,000.00
			7/15/2025	745,000.00	1.000%				
			7/15/2026	705,000.00	1.000%				
			7/15/2027	705,000.00	1.000%				
			7/15/2028	750,000.00	1.125%				
			7/15/2029	775,000.00	2.000%				
			7/15/2030	765,000.00	2.000%				
			7/15/2031	765,000.00	3.000%				
			7/15/2032	765,000.00	3.000%				
			7/15/2033	590,000.00	3.000%				
						\$ 8,625,000.00	-	905,000.00	7,720,000.00

GENERAL CAPITAL FUND
SCHEDULE OF GREEN TRUST LOAN PAYABLE

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding				Interest Rate	Balance Dec. 31, 2022	Increased	Decreased	Balance Dec. 31, 2023
			Date	December 31, 2023	Amount						
Fishing Pier	2/16/2017	1,335,000	2024	68,524.00			2.000%	\$ 986,740.89		67,173.81	919,567.08
			2025	69,901.33							
			2026	71,306.36							
			2027	72,739.61							
			2028	74,201.68							
			2029	75,693.13							
			2030	77,214.57							
			2031	78,766.57							
			2032	80,349.79							
			2033	81,964.81							
			2034	83,612.30							
			2035	85,292.93							
								\$ 986,740.89	-	67,173.81	919,567.08

**GENERAL CAPITAL FUND
SCHEDULE OF NJEIT LOAN PAYABLE**

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds				Interest Rate	Balance Dec. 31, 2022	Increased	Decreased	Balance Dec. 31, 2023
			Outstanding		Amount						
			Date	December 31, 2023							
Repair and Replace Bulkheads 2014-25	2/8/2018	325,000.00	8/1/2024	15,000.00	\$	5.000%	280,000.00		15,000.00		265,000.00
			8/1/2025	15,000.00	5.000%						
			8/1/2026	15,000.00	5.000%						
			8/1/2027	15,000.00	5.000%						
			8/1/2028	20,000.00	3.000%						
			8/1/2029	20,000.00	3.000%						
			8/1/2030	20,000.00	3.000%						
			8/1/2031	20,000.00	3.000%						
			8/1/2032	20,000.00	3.125%						
			8/1/2033	20,000.00	3.125%						
			8/1/2034	20,000.00	3.250%						
			8/1/2035	20,000.00	3.250%						
			8/1/2036	20,000.00	3.375%						
			8/1/2037	25,000.00	3.375%						
Repair and Replace Bulkheads 2014-25 (Original \$973,515 - \$246,624 Principal Forgiveness)	2/8/2018	726,891.00	2/1/2024	12,320.18		0.000%	554,408.43		76,276.55		478,131.88
			8/1/2024	24,640.37	0.000%						
			2/1/2025	12,320.18	0.000%						
			8/1/2025	24,640.37	0.000%						
			2/1/2026	12,320.18	0.000%						
			8/1/2026	24,640.37	0.000%						
			2/1/2027	12,320.18	0.000%						
			8/1/2027	24,640.37	0.000%						
			2/1/2028	12,320.18	0.000%						
			8/1/2028	24,640.37	0.000%						
			2/1/2029	12,320.18	0.000%						
			8/1/2029	24,640.37	0.000%						
			2/1/2030	12,320.18	0.000%						
			8/1/2030	24,640.37	0.000%						
2/1/2031	12,320.18	0.000%									
8/1/2031	24,640.37	0.000%									
2/1/2032	12,320.18	0.000%									
8/1/2032	24,640.37	0.000%									

GENERAL CAPITAL FUND
SCHEDULE OF NJEIT LOAN PAYABLE

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding		Interest Rate	Balance Dec. 31, 2022	Increased	Decreased	Balance Dec. 31, 2023
			Date	Amount					
Repair and Replace Bulkheads 2014-25 (Original \$973,515 - \$246,624 Principal Forgiveness)	2/8/2018	726,891.00	2/1/2033	12,320.18	0.000%				
			8/1/2033	24,640.37	0.000%				
			2/1/2034	12,320.18	0.000%				
			8/1/2034	24,640.37	0.000%				
			2/1/2035	12,320.18	0.000%				
			8/1/2035	24,640.37	0.000%				
			2/1/2036	12,320.18	0.000%				
	8/1/2036			22,285.10	0.000%				
						\$ 834,408.43	-	91,276.55	743,131.88
							Loan Cancelled		
							Principal Paid	51,960.55	
							Loan Forgiveness	39,316.00	
								91,276.55	

**GENERAL CAPITAL FUND
SCHEDULE OF BOND ANTICIPATION NOTES**

Improvement Description	Ordinance Number	Date of Original Issue	Date of Issue	Date of Maturity	Interest Rate	Balance Dec. 31, 2022	Increased	Decreased	Balance Dec. 31, 2023
Various Improvements	2020-24	7/15/2021	7/13/2022	7/12/2023	2.50%	\$	-	4,500,000.00	-
Various Improvements	2020-24	7/15/2021	7/12/2023	7/10/2024	4.50%	4,500,000.00	4,500,000.00	4,500,000.00	4,500,000.00
Various Improvements	2020-24	7/11/2023	7/11/2023	7/10/2024	4.50%		2,200,000.00		2,200,000.00
Various Improvements	2021-14	7/11/2023	7/11/2023	7/10/2024	4.50%		3,075,000.00		3,075,000.00
Various Improvements	2022-18	7/11/2023	7/11/2023	7/10/2024	4.50%		2,600,000.00		2,600,000.00
						<u>\$ 4,500,000.00</u>	<u>12,375,000.00</u>	<u>4,500,000.00</u>	<u>12,375,000.00</u>
						Paid by Budget Appropriation			
						Bonds and Notes Issued			
						<u>-</u>			
						<u>4,500,000.00</u>			
						<u>4,500,000.00</u>			

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

Ordinance Number	Improvement Description	Balance Dec. 31, 2022	2023 Authorizations	Bond Anticipation Notes Issued	Balance Dec. 31, 2023
2017-41	Various Improvements	\$ 800,000.00			800,000.00
2019-03	Construction of Firehouse #2	200,000.00			200,000.00
2020-24	Various Improvements	2,200,000.00		2,200,000.00	-
2021-14	Various Improvements	6,150,000.00		3,075,000.00	3,075,000.00
2022-18	Various Improvements	5,579,350.00		2,600,000.00	2,979,350.00
2023-20	Traffic Signal and Safety Improvements		2,383,809.00		2,383,809.00
		<u>\$ 14,929,350.00</u>	<u>2,383,809.00</u>	<u>7,875,000.00</u>	<u>9,438,159.00</u>

**WATER AND SEWER OPERATING FUND
SCHEDULE OF CASH - TREASURER**

	<u>Operating</u>
Balance December 31, 2022	\$ 1,609,797.50
Increased by Receipts:	
Sewer Rents Receivable	6,346,588.88
Miscellaneous	309,872.15
Due from Utility Capital	2,782,774.00
Due from Current Fund	4,681,358.05
	<u>14,120,593.08</u>
	15,730,390.58
Decreased by Disbursements:	
2023 Appropriations	5,959,133.83
2022 Appropriation Reserves	130,725.07
Accrued Interest on Bonds & Notes	841,807.72
Due from Current Fund	4,681,358.05
	<u>11,613,024.67</u>
Balance December 31, 2023	\$ <u><u>4,117,365.91</u></u>

**WATER AND SEWER UTILITY CAPITAL FUND
ANALYSIS OF CASH**

	Balance Dec. 31, 2022	Receipts		Disbursements		Transfers		Balance Dec. 31, 2023
		Debt Issued	Miscellaneous	Improvement Authorizations	Miscellaneous	From	To	
Fund Balance	\$ 153,656.38				150,000.00			3,656.38
Contracts Payable	905,975.21	-		-	-	905,975.21	2,653,565.47	2,653,565.47
Reserve for Payment of Bonds & Notes	133,101.42		-		132,774.00	-	-	327.42
NJEIT Bonds & Loans Receivable	(300,210.00)							(300,210.00)
Due from General Capital	(49,772.00)							(49,772.00)
Due from Utility Capital	-				2,500,000.00			(2,500,000.00)
<u>Improvement Authorizations:</u>								
<u>Ordinance</u>								
<u>Number</u>								
2017-39 Water & Sewer Improvements	3,000.00	-		44,135.03	-	-	44,135.03	3,000.00
2017-40 Utility Improvements	557,341.79	-		180,156.35		581,400.81	255,824.73	51,609.36
2021-06 Various Utility Improvements	3,134,149.64	-		851,134.42		1,990,705.13	503,872.98	796,183.07
2022-17 Various Utility Improvements	(102,142.47)		-	311,744.97		81,459.53	102,142.47	(393,204.50)
2023-16 Replacement of Lead Pipes								-
	<u>\$ 4,435,099.97</u>	<u>-</u>	<u>-</u>	<u>1,387,170.77</u>	<u>2,782,774.00</u>	<u>3,559,540.68</u>	<u>3,559,540.68</u>	<u>265,155.20</u>

**WATER AND SEWER OPERATING FUND
SCHEDULE OF SEWER CONSUMER ACCOUNTS RECEIVABLE**

Balance December 31, 2022		\$	747,882.82
Increased by:			
Utility Rents Levied	6,343,649.45		
Prepaid & Overpaid Created	<u>32,863.05</u>		
			<u>6,376,512.50</u>
			7,124,395.32
Decreased by:			
Collections	6,346,588.88		
Prepaid & Overpaid Applied	31,754.51		
Cancelled	<u>-</u>		
			<u>6,378,343.39</u>
Balance December 31, 2023		\$	<u><u>746,051.93</u></u>

WATER AND SEWER OPERATING FUND
SCHEDULE OF WATER AND SEWER RENT PREPAYMENTS & OVERPAYMENTS

Balance December 31, 2022	\$ 31,754.51
Increase by:	
Overpayments created	32,863.05
Decreased by:	
Refunded	-
Overpayments Applied	<u>(31,754.51)</u>
Balance December 31, 2023	\$ <u><u>32,863.05</u></u>

**WATER AND SEWER OPERATING FUND
SCHEDULE OF 2022 APPROPRIATION RESERVES**

	Balance Dec. 31, 2022	Balance After Transfers	Paid or Charged	Balance Lapsed
Operating:				
Salaries and Wages	\$ 63,444.16	63,444.16	-	63,444.16
Other Expenses	181,962.05	181,962.05	146,891.03	35,071.02
ACMUA-Treatment Costs	53,991.00	53,991.00	-	53,991.00
Statutory Expenditures:				
Contribution to:				
Social Security System	5,265.99	5,265.99	-	5,265.99
Unemployment Compensation	201.19	201.19	-	201.19
Defined Contribution Retirement Plan	250.00	250.00	-	250.00
	<u>\$ 305,114.39</u>	<u>305,114.39</u>	<u>146,891.03</u>	<u>158,223.36</u>
		Cash Disbursed	130,725.07	
		Accounts Payable	16,165.96	
		<u>146,891.03</u>		

**WATER AND SEWER OPERATING UTILITY FUND
SCHEDULE OF ACCRUED INTEREST ON BONDS
AND NOTES - ANALYSIS OF BALANCE**

Balance December 31, 2022	\$ 111,576.62
Increased by:	
Accrued interest charged to 2023 budget appropriation - Interest on bonds	<u>917,277.46</u>
	1,028,854.08
Decreased by:	
Disbursements	<u>841,807.72</u>
Balance December 31, 2023	<u><u>\$ 187,046.36</u></u>

ANALYSIS OF ACCRUED INTEREST - DECEMBER 31, 2023

Description	Principal Outstanding Dec. 31, 2023	Interest Rate	From	To	# of Days	Amount
Water and Sewer Bonds of 2013	1,945,000	var	12/01/23	12/31/23	30	5,818.75
Refunding Water and Sewer Bond- 2017	5,010,000	var	12/01/23	12/31/23	30	16,700.00
Water & Sewer Bonds of 2019	2,825,000	var	09/01/23	12/31/23	120	30,283.33
Water & Sewer Bonds of 2022	2,360,000	var	07/01/23	12/31/23	180	47,200.00
Bonds Payable	1,630,200	0.00%	08/01/23	12/31/23	152	-
NJEIT Bonds Payable	955,000	var	08/01/23	12/31/23	150	11,794.28
Bond Anticipation Note	3,500,000	4.50%	07/12/23	12/31/23	172	75,250.00
						<u><u>187,046.36</u></u>

**WATER AND SEWER OPERATING FUND
SCHEDULE OF FIXED CAPITAL**

Account	Balance Dec. 31, 2022	Balance Dec. 31, 2023
Office Equipment	\$ 72,997.00	72,997.00
Other Equipment	2,067,838.42	2,067,838.42
Building and Improvements	792,974.00	792,974.00
Water System Improvements	3,210,673.42	3,210,673.42
Sewer System Improvements	2,379,307.00	2,379,307.00
Combined Improvements	3,497,925.00	3,497,925.00
	<hr/>	<hr/>
	\$ 12,021,714.84	12,021,714.84
	<hr/> <hr/>	<hr/> <hr/>

WATER AND SEWER UTILITY CAPITAL FUND
STATEMENT OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED

Ordinance Number	Improvement Description	Ordinance		2023 Authorizations		Costs to Fixed Capital	Transferred/ Canceled	Balance Dec. 31, 2023
		Date	Amount	Deferred Reserve for Amortization	Deferred Charge to Future Revenue			
2009-06	Reconstruction of Sewer Lines	03/19/09	1,000,000 \$					1,000,000.00
2009-15a	Reconstruction of Sewer Lines	06/18/09	1,700,000					1,700,000.00
2009-15b	Repainting the Water Tower	06/18/09	290,000					290,000.00
2009-15c	Purchase of Water Meters	06/18/09	617,400					617,400.00
2009-15d	Purchase of Vehicles	06/18/09	65,000					65,000.00
2009-15e	Purchase of Vehicles	06/18/09	70,000					70,000.00
2009-15f	Purchase of Equipment	06/18/09	180,000					180,000.00
2010-14a	Replacement of sanitary sewer mains	10/06/10	4,639,473					4,639,473.00
2010-14b	Replacement of well and well house #8	10/06/10	1,824,170					1,824,170.00
2010-14c	Improve and upgrade electrical at wells 5, 7 and 10	10/06/10	729,668					729,668.00
2011-9a	Replacement of Meter Batteries	06/16/11	500,000					500,000.00
2011-9c	Rehab Well House # 10	06/16/11	150,000					150,000.00
2011-9d	Purchase of Generator	06/16/11	100,000					100,000.00
2013-9a	Replacement of Water Meters	04/18/13	25,000					25,000.00
2013-9b	Renovations to Main Water Plant	04/18/13	100,000					100,000.00
2013-9c	Renovations to Wells	04/18/13	200,000					200,000.00
2013-9d	Replacement of Sewer and Water Mains	04/18/13	1,750,000					1,750,000.00
2013-9e	Acquisition of Water Plant Heating System	04/18/13	75,000					75,000.00
2013-9f	Acquisition of Fire Hydrants	04/18/13	80,000					80,000.00
2013-9g	Acquisition of Vehicles	04/18/13	120,000					120,000.00
2014-26	Repairs to Stormwater System	10/16/14	5,387,000					5,387,000.00
2015-23	Repairs to Stormwater System	11/19/15	250,000					250,000.00
2015-24	Replacement of Sewer and Water Mains	11/19/15	295,871					295,871.00
2017-39	Water & Sewer Improvements	11/16/17	400,000					400,000.00
2017-40	Utility Improvements	11/16/17	4,576,430					4,576,430.00
2021-06	Various Utility Improvements	03/11/21	6,064,250					6,064,250.00
2022-17	Various Utility Improvements	07/13/22	2,500,000					1,475,000.00
2023-16	Lead Service Lines Replacement Project - Phase I	08/10/23	22,000,000	22,000,000.00				22,000,000.00
			\$	32,664,262.00	-	-	-	54,664,262.00

**WATER AND SEWER CAPITAL UTILITY FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS**

Ordinance Number	Improvement Authorization	Ordinance		2023 Authorizations			Prior Year Encumbrances	Paid or Charged	Current Year Encumbrances	Balance		
		Date	Amount	Balance Dec. 31, 2022		Down Payment or Capital Improvement Fund				Deferred Charges to Future Revenue	Funded	Unfunded
2017-39	Water & Sewer Improvements	11/16/17	400,000.00	\$	3,000.00	-	-	44,135.03	44,135.03	-	3,000.00	
2017-40	Utility Improvements	11/16/17	4,576,430.00		-	-	-	255,824.73	180,156.35	581,400.81	88,039.36	
2021-06	Various Utility Improvements	03/11/21	6,064,250.00		-	-	-	503,872.98	851,134.42	1,990,705.13	2,707,220.07	
2022-17	Various Utility Improvements	07/13/22	2,500,000.00		-	-	-	102,142.47	311,744.97	81,459.53	1,081,795.50	
2023-16	Lead Service Lines Replacement Project - Phase I	08/10/23	22,000,000.00				22,000,000.00			-	22,000,000.00	
				\$	-	-	22,000,000.00	905,975.21	1,387,170.77	2,653,565.47	25,880,054.93	

**WATER AND SEWER CAPITAL UTILITY FUND
SCHEDULE OF BOND ANTICIPATION NOTES PAYABLE**

Ordinance	Purpose	Date of Original Issue	Date of Issue	Amount of Original Issue	Interest Rate	Balance Dec. 31, 2022	Increased	Decreased	Balance Dec. 31, 2023
2021-06	Various Utility Improvements	7/13/2022	7/13/2022	3,500,000.00	2.50%	3,500,000.00		3,500,000.00	-
2021-06	Various Utility Improvements	7/13/2022	7/12/2023	3,500,000.00	4.50%		3,500,000.00		3,500,000.00
						<u>\$ 3,500,000.00</u>	<u>3,500,000.00</u>	<u>3,500,000.00</u>	<u>3,500,000.00</u>

**WATER AND SEWER CAPITAL UTILITY FUND
STATEMENT OF WATER AND SEWER SERIAL BONDS PAYABLE**

Purpose	Date of Issue	Original Issue	Maturities of Bonds				Interest Rate	Balance Dec. 31, 2022	Increased	Decreased	Balance Dec. 31, 2023
			Outstanding December 31, 2023		Amount	Rate					
			Date								
Water and Sewer Bonds of 2013	12/04/13	3,635,000	12/01/24	210,000.00	3.00%	\$ 2,145,000.00			200,000.00	1,945,000.00	
			12/01/25	220,000.00	3.25%						
			12/01/26	230,000.00	3.375%						
			12/01/27	240,000.00	3.50%						
			12/01/28	250,000.00	3.625%						
			12/01/29	260,000.00	3.75%						
			12/01/30	265,000.00	4.00%						
Refunding Water and Sewer Bond- 2017	09/22/17	7,195,000	12/01/31	270,000.00	4.00%						
			12/01/24	695,000.00	4.00%	5,680,000.00		670,000.00	5,010,000.00		
			12/01/25	695,000.00	4.00%						
			12/01/26	690,000.00	4.00%						
			12/01/27	705,000.00	4.00%						
			12/01/28	730,000.00	4.00%						
			12/01/29	745,000.00	4.00%						
Water & Sewer Bonds of 2019	10/22/2019	3,845,000	12/01/30	750,000.00	4.00%						
			09/01/24	310,000.00	3.00%	3,115,000.00		290,000.00	2,825,000.00		
			09/01/25	325,000.00	3.00%						
			09/01/26	345,000.00	4.00%						
			09/01/27	345,000.00	4.00%						
			09/01/28	345,000.00	4.00%						
			09/01/29	365,000.00	4.00%						
Water & Sewer Bonds of 2022	7/13/2022	2,500,000	09/01/30	365,000.00	2.00%						
			09/01/31	425,000.00	2.00%						
			07/01/24	160,000.00	4.000%	2,500,000.00		140,000.00	2,360,000.00		
			07/01/25	180,000.00	4.000%						
			07/01/26	190,000.00	4.000%						
			07/01/27	200,000.00	4.000%						
			07/01/28	210,000.00	4.000%						
07/01/29	230,000.00	4.000%									
07/01/30	230,000.00	4.000%									
07/01/31	230,000.00	4.000%									
07/01/32	240,000.00	4.000%									
07/01/33	240,000.00	4.000%									
07/01/34	250,000.00	4.000%									
							\$ 13,440,000.00	-	1,300,000.00	12,140,000.00	

**WATER AND SEWER CAPITAL UTILITY FUND
STATEMENT OF WATER AND SEWER NJEIT LOAN PAYABLE**

Purpose	Date of Issue	Original Issue	Maturities of Loans		Interest Rate	Balance Dec. 31, 2022	Loan Forgiveness	Paid	Balance Dec. 31, 2023
			Date	Outstanding December 31, 2023 Amount					
NJEIT Series 2016 A-1	05/26/16	3,125,466	02/01/24	105,948.00	0.00%	\$1,789,122.00		158,922.00	1,630,200.00
			08/01/24	52,974.00	0.00%				
			02/01/25	105,948.00	0.00%				
			08/01/25	52,974.00	0.00%				
			02/01/26	105,948.00	0.00%				
			08/01/26	52,974.00	0.00%				
			02/01/27	105,948.00	0.00%				
			08/01/27	52,974.00	0.00%				
			02/01/28	105,948.00	0.00%				
			08/01/28	52,974.00	0.00%				
			02/01/29	105,948.00	0.00%				
			08/01/29	52,974.00	0.00%				
			02/01/30	105,948.00	0.00%				
			08/01/30	52,974.00	0.00%				
			02/01/31	105,948.00	0.00%				
			08/01/31	52,974.00	0.00%				
			02/01/32	105,948.00	0.00%				
			08/01/32	52,974.00	0.00%				
			02/01/33	105,948.00	0.00%				
			08/01/33	52,974.00	0.00%				
			02/01/34	-	0.00%				
			08/01/34	40,980.00	0.00%				

**WATER AND SEWER CAPITAL UTILITY FUND
STATEMENT OF WATER AND SEWER NJEIT LOAN PAYABLE**

Purpose	Date of Issue	Original Issue	Maturities of Loans		Interest Rate	Balance Dec. 31, 2022	Loan Forgiveness	Paid	Balance Dec. 31, 2023
			Date	Outstanding December 31, 2023 Amount					
NJEIT Series 2016 A-1	05/26/16	1,335,000	02/01/24	65,000.00	4.00%	1,020,000.00		65,000.00	955,000.00
			02/01/25	70,000.00	4.00%				
			02/01/26	70,000.00	4.00%				
			02/01/27	75,000.00	4.00%				
			02/01/28	80,000.00	2.00%				
			02/01/29	80,000.00	2.00%				
			02/01/30	80,000.00	2.00%				
			02/01/31	85,000.00	2.13%				
			02/01/32	85,000.00	3.00%				
			02/01/33	85,000.00	3.00%				
			02/01/34	90,000.00	3.00%				
			02/01/35	90,000.00	3.00%				
						\$2,809,122.00	-	223,922.00	2,585,200.00

**WATER AND SEWER CAPITAL UTILITY FUND
SCHEDULE OF RESERVE FOR AMORTIZATION**

Balance December 31, 2022		\$ 17,224,597.77
Increased by:		
Serial Bonds Paid by Operating Budget	1,300,000.00	
NJEIT Paid by Operating Budget	223,922.00	
	<hr/>	<hr/>
		1,523,922.00
Balance December 31, 2023		<u><u>\$ 18,748,519.77</u></u>

**WATER AND SEWER UTILITY CAPITAL FUND
SCHEDULE OF DEFERRED RESERVE FOR AMORTIZATION**

Ordinance Number	Improvement Description	Date of Ordinance	Balance Dec. 31, 2022	Fixed Capital Authorized	To Reserve for Amortization	Bond Paid/ Loan Forgiven	Balance Dec. 31, 2023
2009-06	Various Capital Improvements	2009	\$ 162,488.87				162,488.87
2009-15c	Purchase of water meters	6/18/09	887,976.69				887,976.69
2010-14a	Various Capital Improvements	10/06/10	1,903,629.51				1,903,629.51
2014-26	Repairs to Stormwater System	10/16/14	1,032,482.00				1,032,482.00
2021-06	Various Utility Improvements	03/11/21	303,213.00				303,213.00
			<u>\$ 4,289,790.07</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,289,790.07</u>

WATER AND SEWER CAPITAL UTILITY FUND
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

Ordinance Number	Improvement Description	Balance Dec. 31, 2022	2023 Authorizations	BANs Issued	Serial Bonds Issued	Balance Dec. 31, 2023
2017-40	Water & Sewer Utility Improvements	\$ 36,430.00				36,430.00
2021-06	Water & Sewer Utility Improvements	1,911,037.00				1,911,037.00
2022-17	Water & Sewer Utility Improvements	1,475,000.00				1,475,000.00
2023-16	Lead Service Lines Replacement Project - Phase I		22,000,000.00			22,000,000.00
		<u>\$ 3,422,467.00</u>	<u>22,000,000.00</u>	<u>-</u>	<u>-</u>	<u>25,422,467.00</u>

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CITY OF VENTNOR CITY

PART II

LETTER OF COMMENTS AND RECOMMENDATIONS

YEAR ENDED DECEMBER 31, 2023

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GENERAL COMMENTS

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

N.J.S. 40A:11-4 states, "Every contract or agreement for the performance of any work or the furnishing or hiring of any materials or supplies, the cost or the contract price whereof is to be paid with or out of public funds not included within the terms of Section 3 of this act, shall be made or awarded only after public advertising for bids and bidding therefore, except as is provided otherwise in this act or specifically by any other law." Due to the City having a Qualified Purchasing Agent, pursuant to N.J.S.A. 40A:11-3(a), the maximum bid threshold is \$44,000.

The governing body of the City has the responsibility of determining whether the expenditures in any category will exceed the bid threshold within the fiscal year. Where question arises as to whether any contract or agreement might result in violation of the statute, the City Commission's opinion should be sought before a commitment is made.

Our examination of expenditures did not reveal any payments in excess of the bid threshold "for the performance of any work or the furnishing or hiring of any materials or supplies" other than those where bids had been previously sought by public advertisement, awarded under state or county cooperative purchasing agreements, or where a resolution had been previously adopted under the provisions of N.J.S. 40A:11-6.

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

2022 Main Storm Cleaning and Video Inspection
Custodial and Sanitation Services
Replacement/Installation of New Telephone System
Ventnor and Little Rock Avenues-Safe Streets to Transit
Water Main Replacement and Roadway Reconstruction-Monmouth and Lafayette Avenues

Contracts and Agreements Requiring Solicitation of Quotations

N.J.S. 40A:11-6.1 states, "Prior to the award of any other purchase, contract or agreement, the contracting agent shall, except in the case of the performance of professional services, solicit quotations, whenever practical, on any such purchase, contract or agreement the estimated cost or price of which is 15% of bid amount or more."

Our examination of expenditures did reveal purchases made in excess of 15% of bid amount without obtaining quotes as required by statute.

Collection of Interest on Delinquent Taxes and Assessments

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

The governing body, on January 12, 2023, adopted the following resolution authorizing interest to be charged on delinquent taxes:

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Commission of the City of Ventnor, County of Atlantic and state of New Jersey, as follows:

The Tax Collector is hereby authorized and directed to charge eight percent (8%) per annum on the first \$1,500.00 of taxes becoming delinquent after due date and eighteen percent (18%) per annum on any amount of taxes in excess of \$1,500.00 becoming delinquent after due date and if a delinquency is in excess of \$10,000.00 and remains in arrears beyond December 31st, an additional penalty of six percent (6%) shall be charged against the delinquency.

There will be a ten (10) day grace period of quarterly tax payments made by cash, check or money order.

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

Delinquent Taxes and Tax Title Liens

The last tax sale was held on December 20, 2023 and was complete.

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

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

<u>Year</u>	<u>Number of Liens</u>
2023	0
2022	0
2021	0

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

Verification of Delinquent Taxes and Other Charges

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

<u>Type:</u>	<u>Number Mailed</u>
Payment of 2023 and 2024 Taxes	25
Payment of 2023 and 2024 Utility Bills	25
Delinquent Taxes	10
Delinquent Utility	10

As of the date of this audit report, all verifications have not been returned. No problems were noted with the verifications that have been returned related to property taxes and utilities.

Deposit of Municipal Funds

N.J.S. 40A:5-15 states, "All municipal funds shall be deposited within 48 hours upon receipt."

Our examination has revealed that municipal funds were deposited within the mandated time.

Comparison of Tax Levies and Collections Currently

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

<u>Year</u>	<u>Tax Levy</u>	Currently	
		<u>Cash Collections</u>	<u>Percentage of Collections</u>
2023	\$ 57,380,052.77	56,449,529.73	98.38%
2022	54,264,225.80	53,135,802.05	97.92%
2021	54,084,568.77	52,961,059.36	97.92%
2020	53,211,394.49	52,164,964.01	98.03%
2019	52,708,914.86	51,566,301.00	97.83%

Comparative Schedule of Tax Rate Information

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Tax Rate	\$ 2.661	2.572	2.588	2.591	2.585
Apportionment of Tax Rate:					
Municipal	1.223	1.146	1.135	1.135	1.118
County	0.599	0.569	0.560	0.562	0.590
School	0.839	0.857	0.893	0.894	0.877
Assessed Valuation	2,133,379,900	2,095,551,980	2,065,456,800	2,041,541,000	2,028,525,300

Delinquent Taxes and Tax Title Liens

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

<u>Year</u>	<u>Tax Title Liens</u>	<u>Delinquent Taxes</u>	<u>Total Delinquent</u>	<u>of Tax Levy</u>
2023	\$ -	976,900.30	976,900.30	1.70%
2022	-	1,226,066.44	1,226,066.44	2.26%
2021	-	1,105,283.92	1,105,283.92	2.04%
2020	-	1,058,355.29	1,058,355.29	1.99%
2019	-	1,130,881.39	1,130,881.39	2.15%

Uniform Construction Code

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

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RECOMMENDATIONS

None

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

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

Very truly yours,

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

Leon P. Costello
Leon P. Costello
Certified Public Accountant
Registered Municipal Accountant
No. 393

May 21, 2024