

ANNUAL COMPREHENSIVE FINANCIAL REPORT

**TOWNSHIP OF MILLSTONE
COUNTY OF MONMOUTH**

FOR THE YEAR ENDED DECEMBER 31, 2024

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PART I

SAMUEL KLEIN AND COMPANY, LLP

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INDEPENDENT AUDITORS' REPORT

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

To the Honorable Mayor and Members of the Township Committee:

Report on the Financial Statements

Opinions

We have audited the financial statements – regulatory basis of the various funds and account groups of the Township of Millstone, County of Monmouth, State of New Jersey as of December 31, 2024, and the related statement of operations and change in fund balance – regulatory basis for the year then ended, the related statement of revenues – regulatory basis, statement of expenditures – regulatory basis, and the related notes to the financial statements for the year then ended.

In our opinion, because of the significance of the matters discussed in the “Basis for Adverse Opinion on the United States Generally Accepted Accounting Principles” paragraph, the financial statements referred to above do not present fairly in accordance with accounting principles generally accepted in the United States of America, the financial position of each fund of the Township of Millstone, County of Monmouth, State of New Jersey as of December 31, 2024, and change in financial position thereof for the year then ended.

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

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

INDEPENDENT AUDITORS' REPORT (CONTINUED)

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

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

Opinion on Regulatory Basis of Accounting

In our opinion, except for the effects of such adjustments, if any, as might have been determined to be necessary had the LOSAP financial statements – regulatory basis been audited, the financial statements referred to above present fairly, in all material respects the financial statements – regulatory basis of the various funds and account groups of the Township of Millstone, County of Monmouth, State of New Jersey, as of December 31, 2024, and the results of its operations and change in fund balance of such funds – regulatory basis for the year then ended, and the revenues, regulatory basis, expenditures – regulatory basis of the various funds and account groups for the year ended December 31, 2024 in conformity with accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note 1.

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

As discussed in Note 1, the financial statements of the Length of Service Award Program Fund ("LOSAP") have not been audited, and we were not required by the Division to audit nor were we engaged to audit the LOSAP financial statements as part of our audit of the Township's financial statements. The LOSAP financial activities are included in the Township's Trust Fund, and represent 3.81% of the assets and liabilities of the Township's Trust Funds as of December 31, 2024.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

INDEPENDENT AUDITORS' REPORT (CONTINUED)

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements – regulatory basis, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Township of Millstone, State of New Jersey’s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements – regulatory basis.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Township of Millstone, State of New Jersey’s ability to continue as a going concern for a reasonable period of time.

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

Other Matters

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

INDEPENDENT AUDITORS' REPORT (CONTINUED)

Other Information

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

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 15, 2025, on our consideration of the Township of Millstone's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Township of Millstone's internal control over financial reporting and compliance.



Gerard Stankiewicz
Certified Public Accountant
Registered Municipal Accountant #431



SAMUEL KLEIN AND COMPANY, LLP

Freehold, New Jersey
December 15, 2025

SAMUEL KLEIN AND COMPANY, LLP

CERTIFIED PUBLIC ACCOUNTANTS

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

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

To the Honorable Mayor and Members of the Township Committee:

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the financial statements – regulatory basis of the Township of Millstone (herein referred to as “the Township”), as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the Township’s financial statements – regulatory basis, and have issued our report thereon dated December 15, 2025.

Internal Control Over Financial Reporting

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

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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



Gerard Stankiewicz
Certified Public Accountant
Registered Municipal Accountant #431



SAMUEL KLEIN AND COMPANY, LLP

Freehold, New Jersey
December 15, 2025

FINANCIAL STATEMENTS

CURRENT FUND

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

| <u>ASSETS</u> | <u>REFERENCE</u> | <u>2024</u> | <u>2023</u> |
|---|------------------|-------------------------|-------------------------|
| Current Fund: | | | |
| Cash - Treasurer | A-4 | \$ 11,965,339.79 | \$ 18,094,702.13 |
| Change Funds | A-7 | 1,000.00 | 1,000.00 |
| Investment - Certificate of Deposit | A-5 | 6,148,601.47 | |
| Investment - General Capital BAN | C | 725,550.00 | 825,550.00 |
| Due from State of New Jersey - Senior Citizen & Veteran Deductions | A-8 | <u>1,000.00</u> | <u>2,000.00</u> |
| Total | | <u>18,841,491.26</u> | <u>18,923,252.13</u> |
| Receivables & Other Assets With Full Reserves: | | | |
| Taxes Receivable | A-9 | 474,419.76 | 554,149.63 |
| Tax Title Liens Receivable | A-10 | 345,748.03 | 330,625.93 |
| Interfund Receivable - General Capital Fund | A-4 | | 21,805.00 |
| Revenue Accounts Receivable | A-11 | <u>67,528.23</u> | <u>2,860.42</u> |
| Total Receivable & Other Assets With Full Reserves | | <u>887,696.02</u> | <u>909,440.98</u> |
| Total Current Fund | | <u>19,729,187.28</u> | <u>19,832,693.11</u> |
| Grant Fund: | | | |
| Cash | A-4 | 124,254.24 | 337,367.11 |
| Interfund Receivable - Current Fund | A | 7,536.84 | 6,084.10 |
| Grants Receivable | A-22 | <u>39,293.16</u> | <u>15,839.80</u> |
| Total Grant Fund | | <u>171,084.24</u> | <u>359,291.01</u> |
| | | <u>\$ 19,900,271.52</u> | <u>\$ 20,191,984.12</u> |

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

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

| <u>LIABILITIES, RESERVES & FUND BALANCE</u> | <u>REFERENCE</u> | <u>2024</u> | <u>2023</u> |
|---|------------------|-------------------------|-------------------------|
| Current Fund: | | | |
| Liabilities: | | | |
| Appropriation Reserves | A-3/A-12 | \$ 408,545.01 | \$ 372,465.85 |
| Reserve for Encumbrances | A-3/A-12 | 289,899.58 | 242,573.93 |
| Accounts Payable | A-20 | 17,718.29 | 13,738.32 |
| Unallocated Receipts | A-4 | 16,972.24 | 5,860.14 |
| Interfunds Payable: | | | |
| Municipal Open Space Trust | A-18 | 36,953.27 | 137,448.70 |
| Trust Other - Municipal Alliance | B | 14.70 | |
| Trust Other - COAH | A-4 | | 80,711.08 |
| Grant Fund | A | 7,536.84 | 6,084.10 |
| Due to State of New Jersey - | | | |
| UCC Fees | A-19 | 6,316.00 | 23,887.00 |
| Reserve for Municipal Relief Fund - Unappropriated | A-11 | | 85,691.64 |
| Prepaid Taxes | A-13 | 293,742.64 | 329,843.77 |
| Tax Overpayments | A-14 | | 2,479.97 |
| Due County for Added & Omitted Taxes | A-16 | 138,522.25 | 207,323.21 |
| Local District School Tax Payable | A-17 | 13,052,299.00 | 12,672,858.50 |
| Total Liabilities | | <u>14,268,519.82</u> | <u>14,180,966.21</u> |
| | | | |
| Reserve for Receivables & Other Assets | A | 887,696.02 | 909,440.98 |
| Fund Balance | A-1 | 4,572,971.44 | 4,742,285.92 |
| | | | |
| Total Current Fund | | <u>19,729,187.28</u> | <u>19,832,693.11</u> |
| | | | |
| Grant Fund: | | | |
| Reserve for Encumbrances | A-23 | 52,707.22 | 1,966.65 |
| Reserve for Grants: | | | |
| Appropriated | A-23 | 117,922.96 | 113,041.50 |
| Unappropriated | A-24 | 454.06 | 244,282.86 |
| | | | |
| Total Grant Fund | | <u>171,084.24</u> | <u>359,291.01</u> |
| | | | |
| Total Liabilities, Reserves & Fund Balance | | <u>\$ 19,900,271.52</u> | <u>\$ 20,191,984.12</u> |

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

**TOWNSHIP OF MILLSTONE
CURRENT FUND
STATEMENTS OF OPERATIONS AND CHANGES IN
FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2024 AND 2023**

| | 2024 | 2023 |
|---|------------------------|------------------------|
| Revenue & Other Income Realized: | | |
| Fund Balance Utilized | \$ 2,600,000.00 | \$ 3,000,000.00 |
| Miscellaneous Revenue Anticipated | 2,842,241.08 | 2,880,424.50 |
| Receipts From Delinquent Taxes | 542,230.03 | 507,465.45 |
| Receipts from Current Taxes | 51,390,451.64 | 49,101,850.85 |
| Nonbudget Revenue | 79,514.67 | 29,833.00 |
| Other Credits to Income: | | |
| Unexpended Balance of Appropriation Reserves | 381,715.28 | 268,495.28 |
| Cancellation of Prior Year Payable | 6,268.90 | 6,284.56 |
| Cancellation of Prior Year Due to State | | 2,071.00 |
| Liquidation of Prior Year Interfund | 21,805.00 | |
| | <u>57,864,226.60</u> | <u>55,796,424.64</u> |
| Total Income | | |
| Expenditures: | | |
| Budget Appropriations: | | |
| Operations Within "CAPS": | | |
| Salaries and Wages | 2,102,300.00 | 2,048,600.00 |
| Other Expenses | 2,842,950.00 | 2,608,150.00 |
| Deferred Charges & Statutory Expenditures - Municipal | 408,868.00 | 332,585.00 |
| Operations Excluded from "CAPS": | | |
| Salaries and Wages | 5,200.00 | 18,200.00 |
| Other Expenses | 453,162.13 | 357,700.73 |
| Municipal Debt Service | 2,421,721.84 | 2,343,488.65 |
| Capital Improvements | 1,269,118.90 | 1,590,000.00 |
| County Taxes | 6,645,077.57 | 5,687,320.97 |
| County for Added and Omitted Taxes | 138,522.25 | 207,323.21 |
| Local District School Taxes | 35,104,598.00 | 34,345,717.00 |
| Municipal Open Space Tax | 1,301,066.75 | 1,200,306.59 |
| Fire District Taxes | 2,739,793.00 | 2,433,070.00 |
| Refund of Prior Year Revenue | | 39,330.23 |
| Interfund Advance | | 21,805.00 |
| Cancellation of Grant Receivable/Appropriated | 1,162.64 | |
| | <u>55,433,541.08</u> | <u>53,233,597.38</u> |
| Total Expenditures | | |
| Excess in Revenue | 2,430,685.52 | 2,562,827.26 |
| Fund Balance January 1 | <u>4,742,285.92</u> | <u>5,179,458.66</u> |
| | 7,172,971.44 | 7,742,285.92 |
| Decreased by: | | |
| Utilized as Anticipated Revenue | <u>2,600,000.00</u> | <u>3,000,000.00</u> |
| Fund Balance December 31 | <u>\$ 4,572,971.44</u> | <u>\$ 4,742,285.92</u> |

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

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

| | ADOPTED BUDGET | ADDED BY N.J.S.40A:4-87 | REALIZED | EXCESS (DEFICIT) |
|---|-------------------------|----------------------------|-------------------------|------------------------|
| Surplus Anticipated | \$ 2,600,000.00 | \$ - | \$ 2,600,000.00 | \$ - |
| Miscellaneous Revenue: | | | | |
| Local Revenues: | | | | |
| Licenses: | | | | |
| Alcoholic Beverages | 10,000.00 | | 10,125.00 | 125.00 |
| Fees & Permits | 53,000.00 | | 73,268.00 | 20,268.00 |
| Municipal Court | 30,000.00 | | 33,567.57 | 3,567.57 |
| Interest & Costs on Taxes | 101,500.00 | | 118,616.29 | 17,116.29 |
| Interest on Investments & Deposits | 150,000.00 | | 667,219.67 | 517,219.67 |
| | <u>344,500.00</u> | - | <u>902,796.53</u> | <u>558,296.53</u> |
| State Aid: | | | | |
| Energy Receipts Tax | 831,343.00 | | 831,342.62 | (0.38) |
| Garden State Trust Fund | 24,884.00 | | 24,884.00 | - |
| Municipal Relief Aid | 85,691.64 | | 85,691.64 | - |
| | <u>941,918.64</u> | - | <u>941,918.26</u> | <u>(0.38)</u> |
| Dedicated Uniform Construction Codes- Offset with Appropriations: | | | | |
| Uniform Construction Code Fees | 571,000.00 | | 464,953.00 | (106,047.00) |
| | <u>571,000.00</u> | - | <u>464,953.00</u> | <u>(106,047.00)</u> |
| Shared Services Agreement Offset with Appropriations: | | | | |
| Roosevelt Court Fees | 6,000.00 | | 6,000.00 | - |
| | <u>6,000.00</u> | - | <u>6,000.00</u> | <u>-</u> |
| Public & Private Revenues Offset with Appropriations: | | | | |
| Recycling Tonnage Grant | 3,978.25 | | 3,978.25 | - |
| Clean Communities Program | | 51,871.90 | 51,871.90 | - |
| Municipal Alliance Grant | 9,990.00 | | 9,990.00 | - |
| National Opioid Settlement | 163.90 | 6,682.58 | 6,846.48 | - |
| | <u>14,132.15</u> | <u>58,554.48</u> | <u>72,686.63</u> | <u>-</u> |
| Other Special Items: | | | | |
| Cable Franchise Fees | 83,692.00 | | 83,692.00 | - |
| Verizon Franchise Fees | 58,485.26 | | 58,485.26 | - |
| Telecommunications Tower Lease | 67,000.00 | | 67,590.50 | 590.50 |
| American Rescue Plan | 244,118.90 | | 244,118.90 | - |
| | <u>453,296.16</u> | - | <u>453,886.66</u> | <u>590.50</u> |
| Total Miscellaneous Revenue | <u>2,330,846.95</u> | <u>58,554.48</u> | <u>2,842,241.08</u> | <u>452,839.65</u> |
| Receipts from Delinquent Taxes | 400,000.00 | - | 542,230.03 | 142,230.03 |
| Amount to be Raised by Taxes for Support of Municipality: | <u>4,964,318.08</u> | | <u>6,311,789.55</u> | <u>1,347,471.47</u> |
| Budget Totals | 10,295,165.03 | 58,554.48 | 12,296,260.66 | 1,942,541.15 |
| Nonbudget Revenue | - | - | 79,514.67 | 79,514.67 |
| Total | <u>\$ 10,295,165.03</u> | <u>\$ 58,554.48</u> | <u>\$ 12,375,775.33</u> | <u>\$ 2,022,055.82</u> |

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

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

ANALYSIS OF REALIZED REVENUE

| | |
|---|-----------------------------|
| Allocation of Current Tax Collections: | |
| Revenue From Collections | \$ 51,390,451.64 |
| Allocated to School, County, Fire District & Local Open Space Taxes | <u>45,929,057.57</u> |
| Balance of Support of Municipal Budget Appropriations | 5,461,394.07 |
| Add: Appropriation "Reserve for Uncollected Taxes" | <u>850,395.48</u> |
| Amount for Support of Municipal Budget Appropriations | <u>\$ 6,311,789.55</u> |
| Receipts from Delinquent Taxes: | |
| Delinquent Tax Collections | <u><u>\$ 542,230.03</u></u> |

ANALYSIS OF NONBUDGET REVENUE

| | |
|-------------------------------|----------------------------|
| Treasurer: | |
| Conv. Fee | 5,430.00 |
| Field Rental Permits | 2,675.00 |
| Recycling | 725.00 |
| Reimbursements | 67,636.70 |
| Search Fees | 20.00 |
| Scrap Metal Recycling | 288.00 |
| Return Check Fees | 175.00 |
| Tax Overpayment | 2,479.97 |
| Miscellaneous | <u>85.00</u> |
| Total | <u><u>\$ 79,514.67</u></u> |
| Details: | |
| Cash Receipt | \$ 77,034.70 |
| Transfer from Tax Overpayment | <u>2,479.97</u> |
| | <u><u>\$ 79,514.67</u></u> |

ANALYSIS OF MISCELLANEOUS REVENUE

| | |
|---------------------------|-----------------------------|
| Local - Fees & Permits | <u><u>\$ 73,268.00</u></u> |
| Uniform Construction Fees | \$ 471,273.00 |
| Less: | |
| Refunded | <u>6,320.00</u> |
| Realized | <u><u>\$ 464,953.00</u></u> |

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

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

| | APPROPRIATIONS | | EXPENDED | | | |
|--|----------------|---------------------------|-----------------|------------|-----------|-----------|
| | BUDGET | BUDGET AFTER MODIFICATION | PAID OR CHARGED | ENCUMBERED | RESERVED | CANCELLED |
| GENERAL GOVERNMENT: | | | | | | |
| Mayor & Township Committee: | | | | | | |
| Salaries and Wages | \$ 43,000.00 | \$ 43,000.00 | \$ 42,750.00 | \$ - | \$ 250.00 | \$ - |
| Other Expenses | 2,350.00 | 2,350.00 | 1,571.97 | 30.00 | 748.03 | - |
| General Administration: | | | | | | |
| Salaries and Wages | 220,000.00 | 210,000.00 | 198,446.30 | - | 11,553.70 | - |
| Other Expenses | 78,000.00 | 78,000.00 | 60,454.54 | 17,169.55 | 375.91 | - |
| Municipal Clerk: | | | | | | |
| Salaries and Wages | 74,000.00 | 74,000.00 | 73,755.60 | - | 244.40 | - |
| Other Expenses | 11,500.00 | 11,500.00 | 10,635.94 | 192.17 | 671.89 | - |
| Financial Administration: | | | | | | |
| Salaries and Wages | 205,000.00 | 195,000.00 | 184,710.18 | - | 10,289.82 | - |
| Other Expenses | 28,500.00 | 23,500.00 | 13,882.19 | 7,131.14 | 2,486.67 | - |
| Audit Services: | | | | | | |
| Other Expenses | 28,500.00 | 28,500.00 | - | 27,600.00 | 900.00 | - |
| Collection of Taxes: | | | | | | |
| Salaries and Wages | 65,000.00 | 55,000.00 | 53,897.51 | - | 1,102.49 | - |
| Other Expenses | 9,000.00 | 9,000.00 | 7,485.38 | 283.00 | 1,231.62 | - |
| Assessment of Taxes: | | | | | | |
| Salaries and Wages | 15,000.00 | 15,000.00 | 8,276.29 | - | 6,723.71 | - |
| Other Expenses | 5,000.00 | 5,000.00 | 2,315.16 | - | 2,684.84 | - |
| Legal Services & Costs: | | | | | | |
| Other Expenses | 257,000.00 | 338,500.00 | 272,212.73 | 44,862.88 | 21,424.39 | - |
| Engineering Services & Costs: | | | | | | |
| Other Expenses | 70,000.00 | 70,000.00 | 37,682.50 | 9,542.50 | 22,775.00 | - |
| Historical Preservation Committee: | | | | | | |
| Salaries and Wages | 2,400.00 | 2,400.00 | 600.00 | - | 1,800.00 | - |
| Other Expenses | 8,850.00 | 8,850.00 | 2,024.74 | 6,597.95 | 227.31 | - |
| Veterans Memorial Committee: | | | | | | |
| Other Expenses | 3,000.00 | 3,000.00 | 1,273.86 | 119.40 | 1,606.74 | - |
| Open Space Farmland Preservation Council: | | | | | | |
| Salaries and Wages | 20,000.00 | 20,000.00 | 19,999.98 | - | 0.02 | - |
| Other Expenses | 6,300.00 | 2,300.00 | 1,713.26 | - | 586.74 | - |
| Friends Group: | | | | | | |
| Other Expenses | 5,000.00 | 5,000.00 | 805.20 | 4,178.82 | 15.98 | - |
| Agricultural: | | | | | | |
| Other Expenses | 6,200.00 | 2,700.00 | 2,262.30 | 359.17 | 78.53 | - |
| MUNICIPAL LAND USE LAW (N.J.S.40:55D-1) | | | | | | |
| Planning Board: | | | | | | |
| Salaries and Wages | 40,000.00 | 40,000.00 | 39,989.82 | - | 10.18 | - |
| Other Expenses | 32,000.00 | 32,000.00 | 17,141.35 | 339.68 | 14,518.97 | - |
| Zoning Board of Adjustment: | | | | | | |
| Salaries and Wages | 40,000.00 | 40,000.00 | 39,990.08 | - | 9.92 | - |
| Other Expenses | 7,000.00 | 7,000.00 | 4,807.80 | - | 2,192.20 | - |
| Affordable Housing (COAH Admin) | 25,000.00 | 15,000.00 | 6,592.87 | 366.50 | 8,040.63 | - |
| INSURANCE: | | | | | | |
| Liability Insurance | 181,500.00 | 181,500.00 | 180,330.74 | - | 1,169.26 | - |
| Worker's Compensation Insurance | 72,000.00 | 72,000.00 | 71,958.00 | - | 42.00 | - |
| Employee Group Health Insurance | 725,000.00 | 697,500.00 | 609,913.35 | 33,813.09 | 53,773.56 | - |
| Employee Group Insurance Waiver | 7,500.00 | 7,500.00 | 5,750.00 | - | 1,750.00 | - |
| Unemployment Insurance | 12,000.00 | 12,000.00 | 9,477.14 | - | 2,522.86 | - |

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

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

| | APPROPRIATIONS | | EXPENDED | | | |
|--|----------------|---------------------------|-----------------|-------------|-------------|-----------|
| | BUDGET | BUDGET AFTER MODIFICATION | PAID OR CHARGED | ENCUMBERED | RESERVED | CANCELLED |
| PUBLIC SAFETY FUNCTIONS | | | | | | |
| Emergency Management Service: | | | | | | |
| Other Expenses | \$ 10,000.00 | \$ 10,000.00 | \$ 250.00 | \$ 6,323.80 | \$ 3,426.20 | \$ - |
| PUBLIC WORKS FUNCTIONS | | | | | | |
| Streets & Roads: | | | | | | |
| Salaries and Wages | 745,000.00 | 745,000.00 | 677,423.10 | - | 67,576.90 | - |
| Other Expenses | 120,000.00 | 120,000.00 | 70,806.25 | 35,342.42 | 13,851.33 | - |
| Shade Tree Commission: | | | | | | |
| Salaries and Wages | 2,400.00 | 2,400.00 | 2,400.00 | - | - | - |
| Other Expenses | 8,000.00 | 8,000.00 | 2,572.49 | 296.25 | 5,131.26 | - |
| Sanitation: | | | | | | |
| Salaries and Wages | 52,000.00 | 52,000.00 | 49,166.43 | - | 2,833.57 | - |
| Other Expenses | 350,000.00 | 350,000.00 | 336,641.88 | 3,257.71 | 10,100.41 | - |
| Buildings & Grounds: | | | | | | |
| Salaries and Wages | 43,600.00 | 43,600.00 | 40,133.82 | - | 3,466.18 | - |
| Other Expense | 107,000.00 | 107,000.00 | 77,770.69 | 22,748.50 | 6,480.81 | - |
| Vehicle Maintenance: | | | | | | |
| Other Expense | 64,000.00 | 64,000.00 | 44,747.01 | 7,720.40 | 11,532.59 | - |
| HEALTH & HUMAN SERVICES | | | | | | |
| Senior Transportation: | | | | | | |
| Other Expenses | 15,000.00 | 15,000.00 | 10,063.04 | 2,325.00 | 2,611.96 | - |
| Environmental Commission: | | | | | | |
| Salaries and Wages | 2,400.00 | 2,400.00 | 2,400.00 | - | - | - |
| Other Expenses | 4,500.00 | 2,500.00 | 709.31 | - | 1,790.69 | - |
| PARKS & RECREATION FUNCTIONS: | | | | | | |
| Recreation Commission: | | | | | | |
| Salaries and Wages | 62,000.00 | 62,000.00 | 57,279.53 | - | 4,720.47 | - |
| Other Expenses | 2,500.00 | 3,000.00 | 2,615.20 | 107.50 | 277.30 | - |
| Maintenance of Parks: | | | | | | |
| Other Expenses | 20,000.00 | 16,000.00 | 15,561.46 | - | 438.54 | - |
| MUNICIPAL COURT OPERATIONS: | | | | | | |
| Municipal Court: | | | | | | |
| Salaries and Wages | 107,000.00 | 107,000.00 | 97,213.70 | - | 9,786.30 | - |
| Other Expenses | 18,000.00 | 18,000.00 | 9,378.58 | 1,517.00 | 7,104.42 | - |
| Public Defender: | | | | | | |
| Other Expenses | 7,500.00 | 7,500.00 | 7,500.00 | - | - | - |
| Municipal Prosecutor: | | | | | | |
| Other Expenses | 25,000.00 | 26,000.00 | 25,225.30 | 774.70 | 0.00 | - |
| EDUCATION FUNCTIONS: | | | | | | |
| Contribution to Municipal Library | 250.00 | 250.00 | 250.00 | - | - | - |
| UTILITY EXPENSES: | | | | | | |
| Electricity | 73,500.00 | 73,500.00 | 51,788.76 | 6,796.99 | 14,914.25 | - |
| Street Lighting | 102,000.00 | 109,000.00 | 98,171.44 | 9,350.49 | 1,478.07 | - |
| Telephone | 16,000.00 | 16,000.00 | 11,899.14 | 2,187.48 | 1,913.38 | - |
| Natural Gas | 38,000.00 | 38,000.00 | 24,669.80 | 4,510.02 | 8,820.18 | - |
| Gasoline | 55,000.00 | 45,000.00 | 28,673.65 | 2,772.67 | 13,553.68 | - |

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

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

| | APPROPRIATIONS | | EXPENDED | | | |
|---|---------------------|---------------------------|---------------------|-------------------|-------------------|-----------|
| | BUDGET | BUDGET AFTER MODIFICATION | PAID OR CHARGED | ENCUMBERED | RESERVED | CANCELLED |
| Uniform Construction Code - Appropriations Offset by Dedicated Revenues (N.J.A.C.5:23-4.17): | | | | | | |
| State Uniform Construction Code: | | | | | | |
| Construction: | | | | | | |
| Salaries and Wages | \$ 350,000.00 | \$ 350,000.00 | \$ 336,956.28 | \$ - | \$ 13,043.72 | \$ - |
| Other Expenses: | | | | | | |
| Direct Costs | 195,000.00 | 201,000.00 | 162,489.47 | 29,283.59 | 9,226.94 | - |
| Other Code Enforcement: | | | | | | |
| Salaries and Wages | 43,500.00 | 43,500.00 | 43,229.94 | - | 270.06 | - |
| Other Expenses | 500.00 | 500.00 | 169.85 | - | 330.15 | - |
| Total Operations Within "CAPS" | 4,945,250.00 | 4,945,250.00 | 4,270,862.90 | 287,900.37 | 386,486.73 | - |
| Detail: | | | | | | |
| Salaries and Wages | 2,132,300.00 | 2,102,300.00 | 1,968,618.56 | - | 133,681.44 | - |
| Other Expenses | 2,812,950.00 | 2,842,950.00 | 2,302,244.34 | 287,900.37 | 252,805.29 | - |
| DEFERRED CHARGES & STATUTORY EXPENDITURES | | | | | | |
| MUNICIPAL - WITHIN "CAPS" | | | | | | |
| Statutory Expenditures: | | | | | | |
| Contribution to: | | | | | | |
| Public Employees' Retirement System | 236,868.00 | 236,868.00 | 236,868.00 | - | - | - |
| Social Security System (O.A.S.I) | 155,000.00 | 155,000.00 | 150,030.59 | - | 4,969.41 | - |
| Defined Contribution Retirement Program | 17,000.00 | 17,000.00 | 10,652.13 | - | 6,347.87 | - |
| Total Statutory Expenditures | 408,868.00 | 408,868.00 | 397,550.72 | - | 11,317.28 | - |
| Total General Appropriations Within "CAPS" | 5,354,118.00 | 5,354,118.00 | 4,668,413.62 | 287,900.37 | 397,804.01 | - |
| OPERATIONS EXCLUDED FROM "CAPS": | | | | | | |
| County of Monmouth- 911 Service | 27,500.00 | 27,500.00 | 27,239.00 | - | 261.00 | - |
| Supplemental Fire Services Program | 1,978.00 | 1,978.00 | 1,978.00 | - | - | - |
| Total Other Operations Excluded from "CAPS" | 29,478.00 | 29,478.00 | 29,217.00 | - | 261.00 | - |
| SHARED SERVICE AGREEMENTS: | | | | | | |
| Municipal Court: | | | | | | |
| Salaries and Wages | 5,200.00 | 5,200.00 | 5,200.00 | - | - | - |
| Other Expenses | 800.00 | 800.00 | 800.00 | - | - | - |
| Animal Control Services: | | | | | | |
| Other Expenses | 28,000.00 | 28,000.00 | 27,520.00 | - | 480.00 | - |
| Vehicle Maintenance (County of Monmouth): | | | | | | |
| Other Expenses | 13,000.00 | 13,000.00 | 1,000.79 | 1,999.21 | 10,000.00 | - |
| Interlocal Fire Department: | | | | | | |
| Other Expenses | 200,000.00 | 200,000.00 | 200,000.00 | - | - | - |
| Interlocal Tax Assessor: | | | | | | |
| Other Expenses | 106,700.00 | 106,700.00 | 106,700.00 | - | - | - |
| Total Interlocal Municipal Service Agreements | 353,700.00 | 353,700.00 | 341,220.79 | 1,999.21 | 10,480.00 | - |
| PUBLIC AND PRIVATE PROGRAM OFFSET BY REVENUE | | | | | | |
| Municipal Alliance on Alcoholism & Drug Abuse: | | | | | | |
| State Share | 9,990.00 | 9,990.00 | 9,990.00 | - | - | - |
| Township Share | 2,497.50 | 2,497.50 | 2,497.50 | - | - | - |
| Recycling Tonnage Grant | 3,978.25 | 3,978.25 | 3,978.25 | - | - | - |
| Clean Communities Grant | | 51,871.90 | 51,871.90 | - | - | - |
| 2023 National Opioid Settlement Grant | 163.90 | 6,846.48 | 6,846.48 | - | - | - |
| Total Public and Private Programs Offset by Revenues | 16,629.65 | 75,184.13 | 75,184.13 | - | - | - |

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

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

| | APPROPRIATIONS | | EXPENDED | | | |
|---------------------------------------|-----------------------------------|---------------------------|-----------------|---------------|---------------|-----------|
| | BUDGET | BUDGET AFTER MODIFICATION | PAID OR CHARGED | ENCUMBERED | RESERVED | CANCELLED |
| Total Operations Including Contingent | \$ 399,807.65 | \$ 458,362.13 | \$ 445,621.92 | \$ 1,999.21 | \$ 10,741.00 | \$ - |
| Detail: | | | | | | |
| Salaries and Wages | 5,200.00 | 5,200.00 | 5,200.00 | - | - | - |
| Other Expenses | 394,607.65 | 453,162.13 | 440,421.92 | 1,999.21 | 10,741.00 | - |
| CAPITAL IMPROVEMENTS: | | | | | | |
| Capital Improvement Fund | 1,025,000.00 | 1,025,000.00 | 1,025,000.00 | - | - | - |
| ARP-Road Improvement Program | 244,118.90 | 244,118.90 | 244,118.90 | - | - | - |
| Total Capital Improvements | 1,269,118.90 | 1,269,118.90 | 1,269,118.90 | - | - | - |
| MUNICIPAL DEBT SERVICE: | | | | | | |
| Payment of Bond Principal | 1,700,000.00 | 1,700,000.00 | 1,700,000.00 | - | - | - |
| Payment of Bond Anticipation Notes | 100,000.00 | 100,000.00 | 100,000.00 | - | - | - |
| Interest on Bonds | 621,725.00 | 621,725.00 | 621,721.84 | - | 0.00 | 3.16 |
| Total Municipal Debt Service | 2,421,725.00 | 2,421,725.00 | 2,421,721.84 | - | 0.00 | 3.16 |
| Subtotal General Appropriations | 9,444,769.55 | 9,503,324.03 | 8,804,876.28 | 289,899.58 | 408,545.01 | 3.16 |
| Reserve for Uncollected Taxes | 850,395.48 | 850,395.48 | 850,395.48 | - | - | - |
| Total General Appropriations | \$ 10,295,165.03 | \$ 10,353,719.51 | \$ 9,655,271.76 | \$ 289,899.58 | \$ 408,545.01 | \$ 3.16 |
| | Budget | \$ 10,295,165.03 | | | | |
| | Appropriation by 40A:4-87 | 58,554.48 | | | | |
| | Total | \$ 10,353,719.51 | | | | |
| | Reserve for Grants - Appropriated | | \$ 75,184.15 | | | |
| | Reserve for Uncollected Taxes | | 850,395.48 | | | |
| | BAN Principal | | 100,000.00 | | | |
| | Cash Disbursed | | 8,629,692.13 | | | |
| | Total | | \$ 9,655,271.76 | | | |

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

TRUST FUND

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

| <u>ASSETS</u> | <u>REFERENCE</u> | <u>2024</u> | <u>2023</u> |
|--|------------------|------------------------|-------------------------|
| Animal Control Trust Fund: | | | |
| Cash | B-1 | \$ 2,537.58 | \$ 6,044.32 |
| Total Animal Control Trust Fund | | <u>2,537.58</u> | <u>6,044.32</u> |
| Other Funds: | | | |
| Cash - Treasurer | B-1 | 1,142,777.97 | 1,489,509.58 |
| Interfunds Receivable - Current Fund - Municipal Alliance | B-1 | <u>14.70</u> | |
| Total Other Funds | | <u>1,142,792.67</u> | <u>1,489,509.58</u> |
| Municipal Open Space Trust Fund: | | | |
| Cash | B-1 | 2,997,606.01 | 3,081,096.01 |
| Interfunds Receivable: | | | |
| Current Fund | A-18 | 36,953.27 | 137,448.70 |
| Grants Receivable | B-8 | <u>1,194,056.57</u> | <u>1,194,056.57</u> |
| | | <u>4,228,615.85</u> | <u>4,412,601.28</u> |
| Affordable Housing Trust Fund: | | | |
| Cash | B-1 | 3,092,455.53 | 3,516,538.39 |
| Interfund Receivable - Current Fund | A | | <u>80,711.08</u> |
| | | <u>3,092,455.53</u> | <u>3,597,249.47</u> |
| Builder's Escrow Trust Fund: | | | |
| Cash | B-1 | <u>906,686.31</u> | <u>927,097.97</u> |
| Length of Service Awards Program Fund | | | |
| LOSAP [<i>Unaudited</i>] : | | | |
| Funds Held by Trustee | B-1 | <u>371,258.03</u> | <u>383,805.63</u> |
| Total Assets | | <u>\$ 9,744,345.97</u> | <u>\$ 10,816,308.25</u> |

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

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

| <u>LIABILITIES, RESERVES & FUND BALANCE</u> | <u>REFERENCE</u> | <u>2024</u> | <u>2023</u> |
|---|------------------|------------------------|-------------------------|
| Animal Control Trust Fund: | | | |
| Reserve for Animal Control Fund Expenditures | B-2 | \$ 2,532.78 | \$ 6,043.12 |
| Due to State of New Jersey | B-3 | <u>4.80</u> | <u>1.20</u> |
| Total Animal Control Trust Fund | | <u>2,537.58</u> | <u>6,044.32</u> |
| Other Funds: | | | |
| Miscellaneous Reserves | B-4 | <u>1,142,792.67</u> | <u>1,489,509.58</u> |
| Municipal Open Space Trust Fund: | | | |
| Reserve For Open Space | B-9 | 3,034,559.28 | 3,218,544.71 |
| Reserve For Open Space Receivable | B-8 | <u>1,194,056.57</u> | <u>1,194,056.57</u> |
| | | <u>4,228,615.85</u> | <u>4,412,601.28</u> |
| Affordable Housing Trust Fund: | | | |
| Reserve for COAH | B-10 | <u>3,092,455.53</u> | <u>3,597,249.47</u> |
| Builder's Escrow Trust Fund: | | | |
| Reserve for Builder's Escrow | B-5 | <u>906,686.31</u> | <u>927,097.97</u> |
| Length of Service Awards Program (LOSAP) Fund | | | |
| Reserve for LOSAP (Unaudited) | B-6 | <u>371,258.03</u> | <u>383,805.63</u> |
| Total Liabilities, Reserves & Fund Balance | | <u>\$ 9,744,345.97</u> | <u>\$ 10,816,308.25</u> |

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

GENERAL CAPITAL FUND

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

| <u>ASSETS</u> | <u>REFERENCE</u> | <u>2024</u> | <u>2023</u> |
|---|------------------|-----------------------------|-----------------------------|
| Cash | C-2, C-3 | \$ 2,160,239.75 | \$ 2,407,827.50 |
| Intergovernmental Accounts Receivable | C-4 | 327,358.00 | 282,395.00 |
| Due from County of Monmouth | C-8 | | 34,755.00 |
| Deferred Charges to Future Taxation: | | | |
| Funded | C-5 | 16,050,000.00 | 17,985,000.00 |
| Unfunded | C-6 | 725,550.00 | 825,550.00 |
| Total Assets | | <u>\$ 19,263,147.75</u> | <u>\$ 21,535,527.50</u> |
| <u>LIABILITIES, RESERVES & FUND BALANCE</u> | | | |
| General Serial Bonds | C-10 | \$ 16,050,000.00 | \$ 17,985,000.00 |
| Bond Anticipation Notes | C-9 | 725,550.00 | 825,550.00 |
| Capital Improvement Fund | C-7 | 163,506.08 | 163,506.08 |
| Improvement Authorizations: | | | |
| Funded | C-8 | 1,822,148.00 | 544,852.10 |
| Unfunded | C-8 | | 48,393.96 |
| Reserve for Encumbrances | C-8 | 433,059.08 | 1,856,419.73 |
| Interfund Payable - Current Fund | C-2 | | 21,805.00 |
| Fund Balance | C-1 | 68,884.59 | 90,000.63 |
| Total Liabilities, Reserves & Fund Balance | | <u>\$ 19,263,147.75</u> | <u>\$ 21,535,527.50</u> |

There were no bonds and notes authorized but not issued on December 31, 2024 and December 31, 2023.

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

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

| | |
|---------------------------|----------------------------|
| Balance December 31, 2023 | \$ 90,000.63 |
| Decreased by: | |
| Excess Ordinance Charges | <u>21,116.04</u> |
| Balance December 31, 2024 | <u><u>\$ 68,884.59</u></u> |

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

GENERAL CAPITAL (FIXED) ASSETS

**TOWNSHIP OF MILLSTONE
GENERAL CAPITAL (FIXED) ASSETS ACCOUNT GROUP
STATEMENTS OF ASSETS AND FUND BALANCE -
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2024**

| <u>ASSETS</u> | <u>2024</u> | <u>2023</u> |
|------------------------------------|-------------------------|-------------------------|
| Land & Land Improvements | \$ 18,317,002.99 | \$ 17,083,078.14 |
| Buildings | 6,883,210.91 | 6,313,081.27 |
| Improvement Other Than Buildings | 10,627,990.30 | 10,627,990.30 |
| Machinery & Equipment | <u>2,998,720.39</u> | <u>2,998,720.39</u> |
| Total | <u>\$ 38,826,924.59</u> | <u>\$ 37,022,870.10</u> |
| <u>FUND BALANCE</u> | | |
| Investment in General Fixed Assets | <u>\$ 38,826,924.59</u> | <u>\$ 37,022,870.10</u> |

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

NOTES TO FINANCIAL STATEMENTS

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of Financial Reporting Entity

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

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

The Millstone Township Committee is made up of five elected officials. Township residents elect a new committee-person, elect two (2) Committee Members for two (2) consecutive years and one (1) for the third year every 3 years on the first Tuesday after the first Monday in November. At the Reorganization meeting each year (first meeting in January), the committee elects a Mayor and Deputy Mayor, each of whom serve a term of one year or until the election and qualification of a successor.

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

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

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

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

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

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

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

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

Description of Financial Reporting Entity (Continued)

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

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

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

Cash, Cash Equivalents and Investments - Cash and Cash equivalents include petty cash, change funds, cash on deposit with public depositories and securities that mature three (3) months or less from the date of purchase. Securities with a maturity date greater than three (3) months from the date of purchase are deemed to be an investment as defined in GASB Statement No. 3 as amended by GASB Statement No. 40. Under GAAP, investments are reported at fair value, but under regulatory basis of accounting investments are stated at cost, with the exception of LOSAP investments which are reported at fair value. Therefore, unrealized gains or losses on investments have not been recorded.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Accounting Pronouncements Effective in Future Reporting Periods

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

- *GASB Statement 101. Compensated Absences.* The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. The objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures.

Effective Date: The requirements of this Statement are effective for fiscal years beginning after December 15, 2023 and all reporting periods thereafter. Earlier application is encouraged.

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

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

- *GASB Statement No. 102. Certain Risk Disclosures.* State and local governments face a variety of risks that could negatively affect the level of service they provide or their ability to meet obligations as they come due. Although governments are required to disclose information about their exposure to some of those risks, essential information about other risks that are prevalent among state and local governments is not routinely disclosed because it is not explicitly required. The objective of this Statement is to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints.

Effective Date: The requirements of this Statement are effective for fiscal years beginning after June 15, 2024, and all reporting periods thereafter. Earlier application is encouraged.

- *GASB Statement No. 103. Financial Reporting Model Improvements.* The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This Statement also addresses certain application issues – Management's Discussion and Analysis, Unusual or Infrequent Items, Presentation of the Proprietary Fund Statement of Revenues, Expenses and Changes in Fund Net Position, Major Component Unit Information, and Budgetary Comparison Information.

Effective Date: The requirements of this Statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter. Earlier application is encouraged.

- *GASB Statement No. 104. Disclosure of Certain Capital Assets.* The objective of this Statement is to provide users of government financial statements with essential information about certain types of capital assets.

This Statement requires certain types of capital assets to be disclosed separately in the capital assets note disclosures required by Statement 34. Lease assets recognized in accordance with Statement No. 87, *Leases*, and intangible right-to-use assets recognized in accordance with Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, should be disclosed separately by major class of underlying asset in the capital assets note disclosures. Subscription assets recognized in accordance with Statement No. 96, *Subscription-Based Information Technology Arrangements*, also should be separately disclosed. In addition, this Statement requires intangible assets other than those three types to be disclosed separately by major class.

This Statement also requires additional disclosures for capital assets held for sale. Governments should disclose (1) the ending balance of capital assets held for sale, with separate disclosure for historical cost and accumulated depreciation by major class of asset, and (2) the carrying amount of debt for which the capital assets held for sale are pledged as collateral for each major class of asset.

Effective Date: The requirements of this Statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter. Earlier application is encouraged.

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

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

NOTE 2. DEPOSITS AND INVESTMENTS

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

Deposits

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

As of December 31, 2024, the Township’s bank balance of \$22,481,928.58 was insured or collateralized as follows:

| | |
|--------------------------------|--------------------------------|
| Insured under FDIC and GUDPA | \$ 22,476,655.81 |
| Uninsured and Uncollateralized | <u>5,272.77</u> |
| | <u><u>\$ 22,481,928.58</u></u> |

Investments

New Jersey statutes establish the following securities as eligible for the investment of Township funds:

1. Bonds or other obligations of the United States of America or obligations guaranteed by the United States;
2. Government money market mutual funds;
3. Any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided such obligation bear a fixed rate of interest not dependent on any index or other external factor;
4. Bonds or other obligations of the Township or bonds or other obligations of school districts of which the Township is a part and within which the school district is located;
5. Bonds or other obligations having a maturity date of not more than 397 days from the date of purchase issued by New Jersey school districts, municipalities, counties, and entities subject to the “Local Authorities Fiscal Control Law”.
6. Local government investment pools.

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

NOTE 2. DEPOSITS AND INVESTMENTS (CONTINUED)

Investments (Continued)

7. Deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1997, c. 281 (C.52:18A-90.4); or
8. Agreements for the repurchase of fully collateralized securities, if:
 - a. the underlying securities are permitted investments pursuant to paragraphs (1) and (3);
 - b. the custody of collateral is transferred to a third party;
 - c. the maturity of the agreement is more than 30 days; and
 - d. the underlying securities are purchased through a public depository as defined in section 1 of P.L. 1970, c.236 (C.19:9-41) and for which a master repurchase agreement providing for the custody and security of the collateral is executed.

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

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

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

Concentration of Credit Risk – Concentration of credit risk is the risk of loss attributed to the magnitude of a government’s investment in a single issuer. Other than the rules and regulations promulgated by N.J.S.A. 40A; 5-15.1, the Township’s investment policies place no limit in the amount the Township may invest in any one issuer.

As of December 31, 2024, the Township held a Certificate of Deposit in the amount of \$6,148,601.47, purchased October 9, 2024, maturing March 3, 2025, at an interest rate of 4.64%. In addition, an amount of \$371,258.03 was held by a Trustee for the Length of Service Award Program (LOSAP).

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

NOTE 3. PROPERTY TAXES

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

Comparison Schedule of Tax Rates

| | <u>2024</u> | <u>2023</u> | <u>2022</u> | <u>2021</u> | <u>2020</u> |
|----------------------------|-----------------|-----------------|-----------------|--------------|--------------|
| Tax Rate | \$ <u>2.395</u> | \$ <u>2.485</u> | \$ <u>2.416</u> | <u>2.414</u> | <u>2.387</u> |
| Apportionment of Tax Rate: | | | | | |
| Municipal | 0.234 | 0.223 | 0.212 | 0.202 | 0.177 |
| County General | 0.314 | 0.295 | 0.292 | 0.308 | 0.304 |
| Local School | 1.655 | 1.780 | 1.733 | 1.734 | 1.739 |
| Fire District | 0.132 | 0.127 | 0.119 | 0.110 | 0.107 |
| Municipal Open Space | 0.060 | 0.060 | 0.060 | 0.060 | 0.060 |

Assessed Valuation

| <u>Year</u> | <u>Amount</u> |
|-------------|---------------------|
| 2024 | \$ 2,121,387,658.00 |
| 2023 | 1,928,964,148.00 |
| 2022 | 1,914,322,319.00 |
| 2021 | 1,895,123,189.00 |
| 2020 | 1,881,791,531.00 |

Comparison of Tax Levies and Collections

| <u>Year</u> | <u>Tax Levy</u> | <u>Cash Collections</u> | <u>Percentage of Collections</u> |
|-------------|------------------|-------------------------|----------------------------------|
| 2024 | \$ 51,906,843.73 | \$ 51,390,451.64 | 99.01% |
| 2023 | 49,684,822.78 | 49,101,850.85 | 98.82% |
| 2022 | 46,600,597.45 | 46,086,063.69 | 98.89% |
| 2021 | 46,538,659.21 | 46,016,252.13 | 98.88% |
| 2020 | 45,236,120.22 | 44,639,310.91 | 98.68% |

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

NOTE 3. PROPERTY TAXES (CONTINUED)

Delinquent Taxes and Tax Title Liens

| <u>Year</u> | <u>Tax Title Liens</u> | <u>Delinquent Taxes</u> | <u>Total Delinquent</u> | <u>Percentage of Tax Levy</u> |
|-------------|----------------------------|-----------------------------|-----------------------------|-----------------------------------|
| 2024 | \$ 345,748.03 | \$ 474,419.76 | \$ 820,167.79 | 1.58% |
| 2023 | 330,625.93 | 554,117.13 | 884,743.06 | 1.78% |
| 2022 | 316,170.11 | 507,670.69 | 823,840.80 | 1.77% |
| 2021 | 335,576.06 | 456,926.61 | 792,502.67 | 1.70% |
| 2020 | 321,999.75 | 561,960.27 | 883,960.02 | 1.95% |

Number of Tax Title Liens

| <u>Year</u> | <u>Number</u> |
|-------------|---------------|
| 2024 | 20 |
| 2023 | 17 |
| 2022 | 16 |

The last tax sale was held on December 4, 2024.

NOTE 4: PROPERTY ACQUIRED BY TAX TITLE LIEN LIQUIDATION

The Township had no properties acquired by liquidation of tax title liens as of December 31, 2024, 2023 or 2022.

NOTE 5. FUND BALANCES APPROPRIATED

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

| <u>Year</u> | <u>Balance December 31,</u> | <u>Utilized in Budget of Succeeding Year</u> | <u>Percentage of Fund Balance Used</u> |
|-------------|---------------------------------|--|--|
| 2024 | \$ 4,564,988.27 | \$ 2,200,000.00 | 48.19% |
| 2023 | 4,742,285.92 | 2,600,000.00 | 54.83% |
| 2022 | 5,179,458.66 | 3,000,000.00 | 57.92% |
| 2021 | 2,521,099.21 | 1,300,000.00 | 51.56% |
| 2020 | 1,112,245.09 | 929,000.00 | 83.52% |

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

NOTE 6. CAPITAL (FIXED) ASSETS

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

| <u>CAPITAL ASSETS:</u> | <u>Dec 31, 2023</u> | <u>Increased by</u> | <u>Dec 31, 2024</u> |
|-----------------------------------|-------------------------|------------------------|-------------------------|
| Land | \$ 17,083,078.14 | \$ 1,233,924.85 | \$ 18,317,002.99 |
| Buildings | 6,313,081.27 | 570,129.64 | 6,883,210.91 |
| Improvements Other than Buildings | 10,627,990.30 | | 10,627,990.30 |
| Machinery & Equipment | <u>2,998,720.39</u> | | <u>2,998,720.39</u> |
| | <u>\$ 37,022,870.10</u> | <u>\$ 1,804,054.49</u> | <u>\$ 38,826,924.59</u> |

NOTE 7. INTERFUNDS

There were the following individual fund receivable/payable balances at December 31, 2024.

| <u>Fund</u> | <u>Interfund Receivable</u> | <u>Interfund Payable</u> |
|----------------------------------|---------------------------------|------------------------------|
| Current | | \$ 44,504.81 |
| Grant | \$ 7,536.84 | |
| Municipal Open Space Trust | 36,953.27 | |
| Trust Other - Municipal Alliance | <u>14.70</u> | |
| | <u>\$ 44,504.81</u> | <u>\$ 44,504.81</u> |

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

NOTE 8. MUNICIPAL DEBT

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

| | <u>2024</u> | <u>2023</u> | <u>2022</u> |
|---|----------------------|----------------------|----------------------|
| Issued: | | | |
| General: | | | |
| Bonds, Notes and Loans | \$ 16,775,550 | \$ 18,810,550 | \$ 20,650,550 |
| Bonds, Notes and Loans Authorized But Not Issued | None | None | 1,245,204 |
| | <u>\$ 16,775,550</u> | <u>\$ 18,810,550</u> | <u>\$ 21,895,754</u> |
| Total Gross Debt | | | |
| Deductions: | | | |
| General: | | | |
| Other Bonds and Notes - Funds on Hand | None | None | None |
| Accounts Receivable from Public Authorities | None | None | None |
| | <u>\$ 16,775,550</u> | <u>\$ 18,810,550</u> | <u>\$ 21,895,754</u> |
| Total Net Debt | | | |

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

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

| <u>General Capital Fund</u> | <u>Interest Rate</u> | <u>Original Issue Date</u> | <u>Amount</u> | <u>Payment Required</u> | |
|---|--------------------------|--------------------------------|----------------------|-------------------------|--------------|
| | | | | <u>First</u> | <u>Final</u> |
| Various Capital Improvements Ord. #22-11 | 2.50% | 2022 | \$ <u>725,550.00</u> | 2025 | 2033 |

The General Capital Fund BAN is held by the Current Fund as an investment and is due to mature on December 26, 2025 at an interest rate of 2.5%.

Bonds and Notes Authorized but Not Issued

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

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

NOTE 8. MUNICIPAL DEBT (CONTINUED)

Summary of Principal Debt

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

| <u>General Capital</u> | <u>Balance December 31, 2023</u> | <u>Retired/ Decreased</u> | <u>Balance December 31, 2024</u> | <u>Balance due Within One Year</u> |
|--|--|-------------------------------|--|--|
| General Bonds | \$ 17,985,000 | \$ 1,935,000 | \$ 16,050,000 | \$ 2,025,000 |
| Bond Anticipation Notes Authorized but Not Issued | 825,550 | 100,000 | 725,550 | 100,000 |
| | <u>\$ 18,810,550</u> | <u>\$ 2,035,000</u> | <u>\$ 16,775,550</u> | <u>\$ 2,125,000</u> |

Summary of Statutory Debt Condition - Annual Debt Statement

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

| | <u>Gross Debt</u> | <u>Deductions</u> | <u>Net Debt</u> |
|----------------------------|----------------------|----------------------|----------------------|
| Local School District Debt | \$ 11,405,000 | \$ 11,405,000 | None |
| General Debt | 16,775,550 | None | \$ 16,775,550 |
| | <u>\$ 28,180,550</u> | <u>\$ 11,405,000</u> | <u>\$ 16,775,550</u> |

Net Debt \$16,775,550 divided by the average Equalized Valuation Basis per N.J.S.A 40A:2-2 as amended, \$2,697,074,094 equals 0.622%. New Jersey statute 40A:2-6, as amended, limits the debt of a Municipality to 3.5% of the last three preceding year's average equalized valuations of real estate, including improvements and the assessed valuation of Class II Railroad Property. The remaining borrowing power in dollars at December 31, 2024 is calculated as follows:

| <u>Borrowing Power Under NJS 40A:2-6 as Amended</u> | |
|---|----------------------|
| 3 1/2% of Equalized Valuation Basis (Municipal) | \$ 94,397,593 |
| Net Debt | <u>16,775,550</u> |
| Remaining Borrowing Power | <u>\$ 77,622,043</u> |

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

NOTE 8. MUNICIPAL DEBT (CONTINUED)

General Debt

A. Serial Bonds Payable

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

| <u>Year</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|-------------|----------------------|---------------------|----------------------|
| 2025 | \$ 2,025,000 | \$ 714,975 | \$ 2,739,975 |
| 2026 | 1,345,000 | 613,350 | 1,958,350 |
| 2027 | 1,395,000 | 545,475 | 1,940,475 |
| 2028 | 1,415,000 | 475,225 | 1,890,225 |
| 2029 | <u>1,435,000</u> | <u>403,975</u> | <u>1,838,975</u> |
| | <u>7,615,000</u> | <u>2,753,000</u> | <u>10,368,000</u> |
| 2030 | 1,455,000 | 334,100 | 1,789,100 |
| 2031 | 1,480,000 | 265,600 | 1,745,600 |
| 2032 | 1,500,000 | 196,200 | 1,696,200 |
| 2033 | 1,520,000 | 135,800 | 1,655,800 |
| 2034 | <u>560,000</u> | <u>74,600</u> | <u>634,600</u> |
| | <u>6,515,000</u> | <u>1,006,300</u> | <u>7,521,300</u> |
| 2035 | 580,000 | 51,800 | 631,800 |
| 2036 | 580,000 | 31,500 | 611,500 |
| 2037 | 380,000 | 17,100 | 397,100 |
| 2038 | <u>380,000</u> | <u>5,700</u> | <u>385,700</u> |
| | <u>1,920,000</u> | <u>106,100</u> | <u>2,026,100</u> |
| | <u>\$ 16,050,000</u> | <u>\$ 3,865,400</u> | <u>\$ 19,915,400</u> |

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

NOTE 8. MUNICIPAL DEBT (CONTINUED)

General Debt (Continued)

B. Long-Term Debt

General Capital Fund:

| | |
|--|---------------|
| \$6,120,000 General Obligation Bonds, Series 2012 issued through the Monmouth County Improvement Authority. Annual maturity of \$740,000 on December 1, 2025 at interest rate of 5.0%. | \$ 740,000 * |
| \$2,690,000 General Obligation Bonds, Series 2018 issued through the Monmouth County Improvement Authority. Annual maturities of \$130,000 to \$200,000 through January 15, 2036 at interest rates of 3.0% to 5.0%. | 2,025,000 ** |
| \$5,805,000 General Obligation (Open Space) Bonds, Series 2018 issued through the Monmouth County Improvement Authority. Annual maturities of \$245,000 to \$380,000 through January 15, 2038 at interest rates of 3.0% to 5.0%. These bonds are subsidized with Municipal Open Space Tax Funds. | 4,560,000 ** |
| \$11,395,000 General Obligation Bonds, Series 2020 issued through the Monmouth County Improvement Authority. Annual maturities of \$910,000 to \$980,000 through December 1, 2033 at interest rates of 4.0% to 5.0%. | 8,725,000 *** |
| | \$ 16,050,000 |

Redemption

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

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

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

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

NOTE 9. PENSION OBLIGATIONS:

A. Public Employees' Retirement System (PERS)

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

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

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

The following represents the membership tiers for PERS:

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

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

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

Contributions - The contribution policy for PERS is set by *N.J.S.A. 43:15A* and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount, which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For the fiscal year 2024, the State's pension contribution was more than the actuarial determined amount.

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

NOTE 9. PENSION OBLIGATIONS (CONTINUED):

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

Contributions (Continued)

The local employers' contribution amounts are based on an actuarially determined rate, which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PERS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets. For the year ended December 31, 2024, the Township's contractually required contribution to PERS plan was \$236,868.

The information for PERS was abstracted from State of New Jersey Public Employees' Retirement System Schedules of Employer Allocations and Schedules of Pension Amounts by Employer as of June 30, 2024 and June 30, 2023 Independent Auditor's Report dated June 11, 2025 and May 18, 2024, respectively.

Components of Net Pension Liability - The Township's reported liability of \$2,408,354 and \$2,567,014 for its proportionate share of the net pension liability at December 31, 2024 (*measurement date of June 30, 2024*) and December 31, 2023 (*measurement date of June 30, 2023*), respectively. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2023, which was rolled forward to June 30, 2024. The Township's proportion of the net pension liability was based on the Township's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2024.

| | June 30, (Measurement Date) | |
|-----------------------------------|--------------------------------|-------------------|
| | 2024 | 2023 |
| Local Group Share | \$ 13,702,423,985 | \$ 14,606,489,066 |
| Township Proportionate Percentage | 0.0177240664 % | 0.0177226464 % |
| Difference - Increase | 0.0000014200 % | |

Collective Local Group Employers Balances

| | June 30, (Measurement Date) | |
|---|--------------------------------|------------------|
| | 2024 | 2023 |
| Collective deferred outflows of resources | \$ 1,079,580,780 | \$ 1,080,204,730 |
| Collective deferred inflows of resources | 1,611,322,898 | 1,780,216,457 |
| Collective net pension liability | 13,702,423,985 | 14,606,489,066 |
| Collective net pension expense/(benefit) | 372,106,096 | (79,181,803) |
| Township's proportion (of Local Group) | 0.0177240664 % | 0.0177226464 % |

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

NOTE 9. PENSION OBLIGATIONS (CONTINUED):

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

Pension Expense/(Benefit) and Deferred Outflows/Inflows of Resources - At December 31, 2024, the Township's proportionate share of the pension expense/(benefit), calculated by the plan as of the June 30, 2024 measurement date is \$75,897. This expense is not recognized by the Township because of the regulatory basis of accounting as described in Note 1, but as previously mentioned the Township contributed \$236,868 to the plan in 2024.

At December 31, 2024, the Township reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

| <u>Fund</u> | <u>Deferred Outflows of Resources</u> | <u>Deferred Inflows of Resources</u> |
|---|---|--|
| Differences between expected and actual experience | \$ 48,244.00 | \$ 6,412.00 |
| Changes of assumptions | 2,992.00 | 27,402.00 |
| Net Difference between projected and actual earnings on pension plan investments | | 111,669.00 |
| Changes in proportion | 414,596.00 | 139,359.00 |
| Township contributions made subsequent to year end | <u>241,175.00</u> | <u> </u> |
| | <u>\$ 707,007.00</u> | <u>\$ 284,842.00</u> |

The \$241,175 reported as deferred outflows of resources related to pensions resulting from entities contributions subsequent to the measurement date (i.e. for the Township year ending December 31, 2024, the plan measurement date is June 30, 2024) would be recognized (under GAAP) as a reduction of the net pension liability in the Township year ended December 31, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense/(benefit) based on local share is as follows:

| <u>Year Ended December 31,</u> | <u>Amount</u> |
|--------------------------------|-------------------|
| 2025 | \$ 196,366 |
| 2026 | (151,942) |
| 2027 | 87,415 |
| 2028 | 50,464 |
| 2029 | <u>(1,313)</u> |
| | <u>\$ 180,990</u> |

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

NOTE 9. PENSION OBLIGATIONS (CONTINUED):

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

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

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

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

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

Long-Term Expected Rate of Return - In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2024) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2023 are summarized in the following table:

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

NOTE 9. PENSION OBLIGATIONS (CONTINUED):

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

Long-Term Expected Rate of Return (Continued)

| <u>Asset Class</u> | <u>Target Allocation</u> | <u>Long-term Expected Real Rate of Return</u> |
|----------------------------------|--------------------------|---|
| U.S. Equity | 28.00 % | 8.63 % |
| Non-U.S. Developed Market Equity | 12.75 | 8.85 |
| International Small Cap Equity | 1.25 | 8.85 |
| Emerging Market Equity | 5.50 | 10.66 |
| Private Equity | 13.00 | 12.40 |
| Real Estate | 8.00 | 10.95 |
| Real Assets | 3.00 | 8.20 |
| High Yield | 4.50 | 6.74 |
| Private Credit | 8.00 | 8.90 |
| Investment Grade Credit | 7.00 | 5.37 |
| Cash Equivalents | 2.00 | 3.57 |
| U.S. Treasuries | 4.00 | 3.57 |
| Risk Mitigation Strategies | 3.00 | 7.10 |
| | <u>100.00 %</u> | |

Discount Rate - The discount rate used to measure the total pension liability was 7.00% as of June 30, 2024. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be based on 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments to determine the total pension liability.

Sensitivity of the Township's proportionate share of the Net Pension Liability to Changes in the Discount Rate - The following presents the Township's comparative proportionate share of the net pension liability calculated using the discount rate as disclosed above, as well as what the Township's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

| | December 31, 2024 | | |
|---|---|---------------------------------------|-----------------------------|
| | <u>[Measurement Date June 30, 2024]</u> | | |
| | 1% Decrease <u>6.00%</u> | Current Discount Rate <u>7.00%</u> | 1% Increase <u>8.00%</u> |
| Township's proportionate share of the net pension liability | \$ 3,200,110 | \$ 2,408,354 | \$ 1,734,574 |

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

NOTE 9. PENSION OBLIGATIONS (CONTINUED):

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

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

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

Pension (PERS) Accrual - The Township is required to report on its financial statements on an "Other Comprehensive Basis of Accounting" (OCBOA) Regulatory Basis, which does not require an accrual for certain obligations inclusive of pension. If the Township were required to reflect the obligation under Generally Accepted Accounting Principles (GAAP) then an accrual for the PERS obligation would be needed in the amount of \$2,227,364 since the obligation relates to the period December 31, 2024 and prior. The accrual (under GAAP) would affect the fund balance at yearend.

Special Funding Situation – PERS – A special funding situation exists for certain Local employers of the Public Employees' Retirement System. The State, as a nonemployer, is required to pay the additional costs incurred by local employers under Chapter 366, P.L. 2001 and Chapter 133, P.L. 2001. The Chapter 366, P.L. 2001 legislation established the Prosecutors Part of the PERS which provides enhanced retirement benefits for prosecutors enrolled in the PERS. The State is liable for the increased pension costs to a county that resulted from the enrollment of prosecutors in the Prosecutors Part. The June 30, 2024 State special funding situation net pension liability amount of \$114.4 million is the accumulated difference between the annual actuarially determined State obligation under the special funding situation and the actual State contribution through the valuation date. The special funding situation for Chapter 133, P.L. 2001 is due to the State paying the additional normal cost related to benefit improvements from Chapter 133. Previously, this additional normal cost was paid from the Benefit Enhancement Fund (BEF). As of June 30, 2024, there is no net pension liability associated with this special funding situation there was no accumulated difference between the annual additional normal cost under the special funding situation and the actual State contribution through the valuation date. The State special funding situation pension expense of \$53.7 million, for the fiscal year ending June 30, 2024, is the actuarially determined contribution amount that the State owes for the fiscal year ending June 30, 2024. The pension expense is deemed to be a State administrative expense due to the special funding situation.

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

| <u>December 31,</u> | Township's Proportionate Share | Employer's Pension Expense and Related Revenues | |
|---------------------|--------------------------------------|--|-----------------------------|
| | | <u>Ch.133 P.L. 2001 State Total</u> | <u>Township's Share</u> |
| 2024 | 0.017805953 % | \$ 43,606,492 | \$ 7,765 |
| 2023 | 0.017789934 | 45,000,471 | 8,006 |
| 2022 | 0.013675947 | 31,626,530 | 4,325 |

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

NOTE 9. PENSION OBLIGATIONS (CONTINUED):

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

NOTE 10. OTHER POST-EMPLOYMENT BENEFITS

General Information about the OPEB Plan

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

The information presented was abstracted from the State of New Jersey State Health Benefits Local Government Retired Employees Plan for June 30, 2024 and June 30, 2023 measurement date from the Independent Auditor’s Reports dated September 26, 2025 and August 21, 2024.

The Plan provides medical and prescription drug to retirees and their covered dependents of the participating employers. Under the provisions of Chapter 88, P.L. 1974 and Chapter 48, P.L. 1999, local government employers electing to provide postretirement medical coverage to their employees must file a resolution with the Division. Under Chapter 88, local employers elect to provide benefit coverage based on the eligibility rules and regulations promulgated by the State Health Benefits Commission. Chapter 48 allows local employers to establish their own age and service eligibility for employer paid health benefits coverage for retired employees. Under Chapter 48, the employer may assume the cost of postretirement medical coverage for employees and their dependents who: 1) retired on a disability pension; or 2) retired with 25 or more years of service credit in a State or locally administered retirement system and a period of service of up to 25 years with the employer at the time of retirement as established by the employer; or 3) retired and reached the age of 65 with 25 or more years of service credit in a State or locally administered retirement system and a period of service of up to 25 years with the employer at the time of retirement as established by the employer; or 4) retired and reached age 62 with at least 15 years of service with the employer. Further, the law provides that the employer paid obligations for retiree coverage may be determined by means of a collective negotiations agreement.

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

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

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

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

Basis of Presentation

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

Allocation Methodology

GASB Statement No. 75 requires participating employers in the Plan to recognize their proportionate share of the collective net OPEB liability, collective deferred outflows of resources, collective deferred inflows of resources, and collective OPEB (benefit) expense. The special funding situation's and nonspecial funding situation's net OPEB liability, deferred outflows of resources, deferred inflows of resources, and OPEB (benefit) expense are based on separately calculated total OPEB liabilities. For the special funding situation and the nonspecial funding situation, the total OPEB liabilities for the year ended June 30, 2024 and June 30, 2023 is as follows:

| | Total OPEB Liability | |
|---------------------------------|------------------------------|----------------------------------|
| | Special Funding Situation | Non-Special Funding Situation |
| 2024 | \$ 4,833,833,875 | \$ 12,914,423,673 |
| 2023 | 3,461,898,890 | 11,427,677,896 |
| Number of Township Plan Members | 43 | 38 |

The nonspecial funding situation's net OPEB liability, deferred outflows of resources, deferred inflows of resources, and OPEB expense (benefit) are further allocated to employers based on the ratio of the plan members of an individual employer to the total members of the Plan's nonspecial funding situation during the measurement period July 1, 2023 through June 30, 2024. Employer and nonemployer allocation percentages have been rounded for presentation purposes; therefore, amounts presented in the schedule of OPEB amounts by employer and nonemployer may result in immaterial differences.

Net OPEB Liability

The total OPEB liability as of June 30, 2024 was determined by an actuarial valuation as of July 1, 2023, which was rolled forward to June 30, 2024. The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

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

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

Net OPEB Liability (Continued)

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

OPEB Obligation and OPEB Expense/(Benefit)

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

| | | |
|--|-----------------------------|-----------------|
| | June 30, | |
| | [<i>Measurement Date</i>] | |
| | <u>2024</u> | <u>2023</u> |
| | \$ 7,160,388.00 | \$ 6,251,124.00 |

The OPEB Obligation was measured as of June 30, 2024, and the total OPEB Obligation used to calculate the OPEB Obligation was determined by an actuarial valuation as of July 1, 2023, which was rolled forward to June 30, 2024. The State’s proportionate share of the OPEB Obligation associated with the Township was based on projection of the State’s long-term contributions to the OPEB plan associated with the Township relative to the projected contributions by the State associated with all participating Municipalities, actuarially determined. The proportion of the PERS Net OPEB Liability associated with the Township is as follows:

| | | |
|----------|-----------------------------|----------------|
| | June 30, | |
| | [<i>Measurement Date</i>] | |
| | <u>2024</u> | <u>2023</u> |
| | 0.0399900000 % | 0.0416560000 % |
| Decrease | (0.0016660000) | |

For the fiscal year ended June 30, 2024, the State of New Jersey recognized an OPEB benefit in the amount of \$50,393.00 for the State’s proportionate share of the OPEB benefit attributable to the Township. This OPEB benefit was based on the OPEB plan’s June 30, 2024, measurement date.

Actuarial assumptions used in the July 1, 2023, valuation were based on the results of the PERS experience studies prepared for July 1, 2018 to June 30, 2021.

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

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

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

Health Care Trend Assumptions

For pre-Medicare medical benefits, the trend rate is initially 7.50% and decreases to a 4.50% long-term trend rate after nine (9) years. For post-65 medical benefits, the trend is increasing to 22.62% in fiscal year 2027 and decreases to 4.50% in fiscal year 2034. For HMO, the trend is increasing to 23.58% in fiscal year 2027 and decreases to 4.50% in fiscal year 2034. For prescription drug benefits, the initial trend rate is 12.75% and decreases to a 4.50% long-term trend rate after nine (9) years. For the Medicare Part B reimbursement, the trend rate is 5.00%

Discount Rate

The discount rate for June 30, 2024 was 3.93%. This represents the municipal bond return rate as chosen by the State. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

Sensitivity of Net OPEB Liability to Changes in the Discount Rate

The following presents the collective net OPEB liability of the participating employers as of June 30, 2024, calculated using the discount rate as disclosed above as well as what the collective net OPEB liability would be if it was calculated using a discount rate that is 1-percentage point lower or 1-percentage-point higher than the current rate:

| | December 31, 2024 | | |
|-------------------------------------|---|------------------|----------------|
| | <i>[Measurement Date June 30, 2024]</i> | | |
| | At 1% Decrease | At Discount Rate | At 1% Increase |
| Proportionate Share of Total OPEB | 2.93% | 3.93% | 4.93% |
| Obligation Associated with Township | \$ 8,341,080 | \$ 7,160,388 | \$ 6,214,758 |
| | December 31, 2023 | | |
| | <i>[Measurement Date June 30, 2023]</i> | | |
| | At 1% Decrease | At Discount Rate | At 1% Increase |
| Proportionate Share of Total OPEB | 2.65% | 3.65% | 4.65% |
| Obligation Associated with Township | \$ 7,240,794 | \$ 6,251,124 | \$ 5,455,087 |

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

The following presents the net OPEB liability as of June 30, 2024, calculated using the healthcare trend rate as disclosed above as well as what the net OPEB liability would be if it was calculated using a healthcare trend rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

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

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

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

| | December 31, 2024 [Measurement Date June 30, 2024] | | |
|--|--|-------------------------------|--------------|
| | 1% Decrease | Healthcare Cost Trend Rate | 1% Increase |
| | Proportionate Share of Total OPEB Obligation Associated with Township | \$ 6,056,227 | \$ 7,160,388 |

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

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

| | <u>December 31, 2024</u> | <u>December 31, 2023</u> |
|---|--------------------------|--------------------------|
| | June 30, 2024 | June 30, 2023 |
| Actuarial valuation date (including roll forward) | | |
| Collective Deferred Outflows of Resources | \$ 9,862,097,951 | \$ 9,133,524,491 |
| Collective Deferred Inflows of Resources | 11,975,956,585 | 14,817,220,551 |
| Collective Net OPEB Liability | 17,905,445,505 | 15,006,539,477 |
| Collective Expenses/(Benefit) | (208,667,483) | (483,888,575) |
| Township's Portion | 0.039990% | 0.041656% |

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

| | |
|--------------------------|---------------------|
| Year Ending December 31, | |
| 2025 | \$ (333,635) |
| 2026 | (143,640) |
| 2027 | (24,684) |
| 2028 | (131,597) |
| 2029 | (83,840) |
| Total Thereafter | 89,929 |
| | <u>\$ (627,467)</u> |

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

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

Changes in Proportion

The previous amounts do not include employer specific deferred outflows of resources and deferred inflow of resources related to the changes in proportion. These amounts should be recognized (amortized) by each employer over the average remaining service lives of all plan members, which is 7.89, 7.89, 7.82, 7.82, 7.87, 8.05, 8.14 and 8.04 years for the 2024, 2023, 2022, 2021, 2020, 2019, 2018 and 2017 amounts, respectively.

Plan Membership (Statewide)

At June 30, 2023, the Program membership consisted of the following:

| | <u>June 30, 2023</u> |
|---------------------------------------|----------------------|
| Active Plan Members | 60,691 |
| Retirees Currently Receiving Benefits | 28,899 |
| Total Plan Members | 89,590 |

Changes in the Total OPEB Liability

The change in the State's Total OPEB liability for the measurement date year ended June 30, 2024 is as follows:

| | <u>Total OPEB Liability</u> |
|---|-----------------------------|
| Balance as of June 30, 2023 | \$ 14,889,576,786 |
| Changes Recognized for the Fiscal Year: | |
| Service Cost | \$ 545,086,159 |
| Interest on the Total OPEB Liability | 554,448,470 |
| Changes of Assumptions | 1,735,990,164 |
| Change of Benefit Terms | 107,670,542 |
| Difference between Expected and Actual Expenses | 408,491,660 |
| Gross Benefit Payments | (557,363,143) |
| Contributions from the Member | 64,356,910 |
| Net Changes | \$ 2,858,680,762 |
| Balance as of June 30, 2024 | \$ 17,748,257,548 |

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

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

Changes in the Total OPEB Liability (Continued)

Changes of assumptions and other inputs reflect a change in the discount rate from 3.65% in 2023 to 3.93% in 2024. The component of the Net OPEB Liability is as follows:

| | <i>Measurement Date</i> |
|--|-------------------------|
| | June 30, 2024 |
| Total OPEB Liability | \$ 17,748,257,548 |
| Plan Fiduciary Net Position | (157,187,957) |
| Net OPEB Liability | \$ 17,905,445,505 |
| Net Position as a Percentage of Total OPEB Liability | (0.885653)% |
| OPEB Expense/(Benefit) | \$ (208,667,483) |
| Special Funding Situation | 4,833,833,875 |
| Non-special Funding Situation | 12,914,423,673 |
| | \$ 17,748,257,548 |

Other

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

| Year | Number of Employees | Amount |
|------|---------------------|--------------|
| 2024 | 12 | \$ 35,671.50 |
| 2023 | 11 | 30,474.80 |
| 2022 | 13 | 35,855.00 |

NOTE 11. DEFERRED SCHOOL TAXES

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

| | Local School District Tax | |
|----------------|---------------------------|------------------|
| | 2024 | 2023 |
| Balance of Tax | \$ 17,552,299.00 | \$ 17,172,858.50 |
| Deferred | (4,500,000.00) | (4,500,000.00) |
| Tax Payable | \$ 13,052,299.00 | \$ 12,672,858.50 |

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

NOTE 12. DEFERRED COMPENSATION SALARY ACCOUNT

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

NOTE 13. DEFINED CONTRIBUTION RETIREMENT PROGRAM

Description of System

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

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

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

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

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

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

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

NOTE 13. DEFINED CONTRIBUTION RETIREMENT PROGRAM (CONTINUED)

Contributions Required and Made

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

| | <u>Employee</u> | | <u>Township Share</u> |
|------|-----------------|----|-----------------------|
| 2024 | \$ 14,465.81 | \$ | 10,652.13 |
| 2023 | 16,388.56 | | 12,320.52 |
| 2022 | 18,294.04 | | 13,471.28 |

NOTE 14. RISK MANAGEMENT

Monmouth County Municipal Joint Insurance Fund (“Fund”)

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

At December 31, 2024 the Fund reported for all years combined total assets of \$34,435,308, liabilities and reserves of \$20,761,736, which includes loss reserves of \$16,440,730 and an unrestricted net position deficit balance of \$14,673,573. The information was abstracted from the Annual Independent Financial Audit of the Fund as of December 31, 2024 whose opinion was unmodified.

Contingent Liability – Middlesex Joint Insurance Fund (JIF)

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

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

NOTE 15. CONTINGENCIES

Grantor Agencies – The Township receives financial assistance from the State of New Jersey and the U.S. government in the form of grants. Entitlement to the funds is generally conditional upon compliance with terms and conditions of the grant agreements and applicable regulations, including the expenditure of the funds for eligible purposes. Substantially all grants, entitlements and cost reimbursements are subject to financial and compliance audits by grantors. As a result of these audits, costs previously reimbursed could be disallowed and require repayment to the grantor agency. As of December 31, 2024, the Township estimates that no material liabilities will result from such audits.

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

Tax Appeals – Losses arising from tax appeals are recognized at the time a decision is rendered by an administrative or judicial body; however, municipalities may establish reserves transferred from tax collections or by budget appropriation for future payments of tax appeal losses. There are no significant pending tax appeals as of December 31, 2024.

Compensated Absences

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

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

Employees will not receive compensation for unused, accrued sick leave. The only exception is that upon retirement, employees who have a minimum of fifteen (15) years of service can redeem their accrued, unused sick days at one-half (1/2) their value (at the employee's present rate of pay) for up to a maximum of \$15,000 paid out. The total (*gross*) amount of unused sick pay for all employees is \$231,571.18 with a limit upon retirement of \$106,321.72.

Vacation Pay – All vacation time for employees will accrue proportionately in each calendar year based on a three hundred sixty-five (365) day calendar year, rounded to the nearest half-day. Employees, may, however, take non-accrued vacation leave for the calendar year with prior written authorization of the Administrator, so long as the notice time requirements as outlined below are satisfied. Employees may carry over up to five (5) accrued, unused vacation days that are not used within the preceding calendar year into the first six (6) months of the next calendar year. The Township will not pay for any days that are not used within the first six-month period of the following calendar year, and any unused days will be forfeited. As of December 31, 2024, the total amount of accrued, unused vacation is \$20,631.74.

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

NOTE 15. CONTINGENCIES (CONTINUED)

Compensated Absences (Continued)

Employees must submit written requests for vacation leave to the Administrator no later than thirty (30) calendar days in advance for a leave of five (5) days or more, and no later than three (3) calendar days in advance for a leave of fewer than five (5) days. Vacation leave may only be taken with the prior written approval of the Administrator. The Township reserves the right to approve or disapprove requests based upon the needs of the Township to efficiently run its operations.

Part-time employees will accrue vacation days on a pro-rata basis depending on the number of hours worked. Part-time employees hired after January 1, 2020, working 10 hours or more per week, will be eligible for vacation days. Any part-time employees hired after January 1, 2020, working less than 10 hours per week are not eligible to receive vacation days.

Employees may sell back up to one (1) week of earned and unused vacation time each year. Such requests must be made in writing and presented to the Administrator by November 1st of the calendar year, to be paid in the month of December.

If an employee separates from services for any reason and has used unearned vacation time, he/she shall be required to reimburse the Township for the unearned time. The reimbursement will be invoiced to the employee.

NOTE 16. LENGTH OF SERVICE AWARDS PROGRAM

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

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

Contributions – If an active member meets the year of active service requirement, a length of service awards program must provide a benefit between the minimum contribution of \$500 and a maximum contribution of \$1,150.00 per year. While the maximum amount is established by statute, it is subject to periodic increases that are related to the consumer price index (N.J.S.A. 40A:14-185(f)). During the year ended December 31, 2024, the Township contributed a total of \$0.00 to the plan. Participants direct the investment of the contributions into various investment options offered by the Plan. The Township has no authorization to direct investment contributions on behalf of eligible volunteers nor has the ability to purchase or sell investment options offered by the Plan. The types of investment options, and the administering of such investments, rests solely with the plan administrator.

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

NOTE 16. LENGTH OF SERVICE AWARDS PROGRAM (CONTINUED)

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

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

Payment of Benefits – Upon retirement or disability, participants may select various payout options, which include lump sum, periodic, or annuity payments. In the case of death, with certain exceptions, any amount invested under the participant's account is paid to the beneficiary or the participant's estate. In the event of an unforeseeable emergency, as outlined in the Plan document, a participant or a beneficiary entitled to vested accumulated deferrals may request the local plan administrator to payout a portion of vested accumulated deferrals. During the year ended December 31, 2024 payouts of \$69,950.43 were made to vested participants.

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

The LOSAP funds are administered independently and distinct from the Township and are subjected to a review in accordance with the American Institute of Certified Public Accounts Standards for Accounting and Review Services. A separate report as of December 31, 2024 revealed net assets available for benefits of \$371,258.03.

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

| | <u>Contribution</u> | <u>Per Member</u> |
|------|---------------------|-------------------|
| 2024 | None | \$500 - \$1,150 |
| 2023 | None | \$500 - \$1,150 |
| 2022 | None | \$500 - \$1,150 |

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

NOTE 17. INTERLOCAL AGREEMENTS

The Township is involved in five (5) interlocal and shared services agreements. There is one (1) agreement for Public Works Support Service with the County of Monmouth that expires on September 30, 2028. The fees are on a case-by-case basis based on cost of goods, expenditures, labor and administrative costs. The other four (4) are Animal Control, Emergency Medical Services, County 911 and Maintenance of Certain Common Roads are annual contracts.

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

NOTE 18. SUBSEQUENT EVENTS

Management has reviewed and evaluated all events and transactions that occurred between December 31, 2024 and December 15, 2025, the date that the financial statements were available for issuance, for possible disclosure and recognition in the financial statements. No items have come to the attention of the Township that would require disclosure other than the following:

On October 1, 2025 the Township adopted a capital ordinance providing funding for various capital improvements appropriating \$976,910.00 for such purpose, and which amount was funded from New Jersey Department of Transportation in the amount of \$135,910.00 and from the Capital Improvement Fund in the amount of \$841,000.00.

REQUIRED SUPPLEMENTARY INFORMATION

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

| Year | Township's proportion of the net pension liability (asset) | Township's proportionate share of the net pension liability (asset) | Township's covered- employee payroll | Township's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll | Plan fiduciary net position as a percentage of the total pension liability |
|------|---|---|--|---|---|
| 2024 | 0.0177240664 | \$ 2,408,354 | \$ 1,439,086 | 167.35% | 68.22% |
| 2023 | 0.0177226464 | 2,567,014 | 1,390,975 | 184.55% | 65.23% |
| 2022 | 0.0136215273 | 2,055,676 | 1,256,247 | 163.64% | 62.91% |
| 2021 | 0.0140734110 | 1,667,207 | 1,091,914 | 152.69% | 70.34% |
| 2020 | 0.0162380430 | 2,648,000 | 1,096,311 | 241.54% | 58.13% |
| 2019 | 0.0163206654 | 2,940,736 | 1,124,021 | 261.63% | 56.27% |
| 2018 | 0.0167747936 | 3,302,873 | 1,186,528 | 278.36% | 53.60% |
| 2017 | 0.0173107920 | 4,029,676 | N/A | N/A | 48.10% |
| 2016 | 0.0167180761 | 4,951,415 | N/A | N/A | 40.14% |
| 2015 | 0.0179003498 | 4,018,270 | N/A | N/A | 47.93% |

Notes to Required Supplementary Information:

Benefit Changes - There were none.

Changes of Assumptions - The discount rate was 7.00% as of June 30, 2023 and 7.00% as of June 30, 2024.

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

| <u>Year</u> | <u>Contractually required contribution</u> | <u>Contributions in relation to the contractually required contribution</u> | <u>Contribution deficiency (excess)</u> | <u>Township's covered- employee payroll</u> | <u>Contributions as a percentage of covered-employee payroll</u> |
|-------------|--|---|---|---|--|
| 2024 | \$ 236,868 | \$ 236,868 | None | \$ 1,439,086 | 16.46% |
| 2023 | 171,774 | 171,774 | None | 1,390,975 | 12.35% |
| 2022 | 164,816 | 164,816 | None | 1,256,247 | 13.12% |
| 2021 | 177,638 | 177,638 | None | 1,091,914 | 16.27% |
| 2020 | 158,752 | 158,752 | None | 1,096,311 | 14.48% |
| 2019 | 166,855 | 166,855 | None | 1,124,021 | 14.84% |
| 2018 | 160,366 | 160,366 | None | 1,186,528 | 13.52% |
| 2017 | 153,395 | 153,395 | None | N/A | N/A |
| 2016 | 148,521 | 148,521 | None | N/A | N/A |
| 2015 | 143,715 | 143,715 | None | N/A | N/A |

SUPPLEMENTARY EXHIBITS

CURRENT FUND

**TOWNSHIP OF MILLSTONE
CURRENT FUND
SCHEDULE OF CURRENT CASH
FOR THE YEAR ENDED DECEMBER 31, 2024**

| | CURRENT | GRANT FUNDS |
|---|------------------|---------------|
| Balance December 31, 2023 | \$ 18,094,702.13 | \$ 337,367.11 |
| Increased by Receipts: | | |
| Tax Collector | \$ 51,972,696.83 | |
| Unallocated Receipts | 11,112.10 | |
| Due from State of New Jersey - Senior Citizens' & Veterans' Deductions | 43,500.00 | |
| Interfund Receivable: | | |
| Current Fund | | \$ 2,661.40 |
| General Capital Fund | 21,805.00 | |
| Interfund Payable - | | |
| Municipal Alliance | 14.70 | |
| Nonbudget Revenue | 77,034.70 | |
| Tax Overpayments | 24,117.76 | |
| Revenue Accounts Receivable | 2,565,246.52 | |
| UCC Fees – Due to State of NJ | 27,347.00 | |
| Miscellaneous Receipts | 453.98 | |
| Grants Receivable | | 123,057.73 |
| | 54,743,328.59 | 125,719.13 |
| Total Increases | | |
| Subtotal | 72,838,030.72 | 463,086.24 |
| Decreased by Disbursements: | | |
| 2024 Appropriations | 8,629,692.13 | |
| 2023 Appropriation Reserves | 221,470.38 | |
| Tax Overpayments | 24,117.76 | |
| Fire District Taxes | 2,739,793.00 | |
| Municipal Open Space Tax | 1,273,984.11 | |
| County Share of Added & Omitted Taxes | 207,323.21 | |
| County Taxes | 6,645,077.57 | |
| Local District School Tax | 34,725,157.50 | |
| UCC Fees – Due to State of NJ | 44,918.00 | |
| Interfund Payable: | | |
| Grant Fund | 2,661.40 | |
| Municipal Open Space Trust Fund | 127,578.07 | |
| Trust Other - COAH | 80,711.08 | |
| Accounts Payable | 1,605.25 | |
| Investment - Certificate of Deposit | 6,148,601.47 | |
| Reserve for Grants - Appropriated | | 94,713.10 |
| Reserve for Grants - Unappropriated | | 244,118.90 |
| | 60,872,690.93 | 338,832.00 |
| Total Disbursements | | |
| Balance December 31, 2024 | \$ 11,965,339.79 | \$ 124,254.24 |

**TOWNSHIP OF MILLSTONE
CURRENT FUND
SCHEDULE OF INVESTMENTS -
CERTIFICATE OF DEPOSIT
FOR THE YEAR ENDED DECEMBER 31, 2024**

| | |
|----------------------------------|-------------------------------|
| Increased by: | |
| Certificate of Deposit Purchased | <u>\$ 6,148,601.47</u> |
| Balance December 31, 2024 | <u><u>\$ 6,148,601.47</u></u> |
| | |
| Purchase Date | October 9, 2024 |
| Maturity Date | March 3, 2025 |
| Interest Rate | 4.64% |

**TOWNSHIP OF MILLSTONE
CURRENT FUND
SCHEDULE OF CASH AND RECONCILIATION -
COLLECTOR
FOR THE YEAR ENDED DECEMBER 31, 2024**

| | | |
|---|-------------------|-------------------------|
| Increased by: | | |
| Taxes Receivable | \$ 51,560,337.90 | |
| Interest & Costs on Taxes | 118,616.29 | |
| Prepaid Taxes | <u>293,742.64</u> | |
| Subtotal | | \$ 51,972,696.83 |
| Decreased by: | | |
| Deposits Directly to Treasurer Bank Account | | <u>\$ 51,972,696.83</u> |

**SCHEDULE OF CHANGE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2024**

| | |
|-----------------------|---------------------------|
| | December 31 |
| | <u>2024</u> |
| Recreation Department | \$ 100.00 |
| Tax Department | 200.00 |
| Municipal Court | 500.00 |
| Animal Licensing | <u>200.00</u> |
| Total | <u><u>\$ 1,000.00</u></u> |

**TOWNSHIP OF MILLSTONE
CURRENT FUND
SCHEDULE OF DUE FROM/(TO) STATE OF NEW JERSEY
CHAPTER 128, P.L. 1976
FOR THE YEAR ENDED DECEMBER 31, 2024**

| | | |
|---|--------------|--------------|
| Balance December 31, 2023 | | \$ 2,000.00 |
| Increased by: | | |
| Tax Billings - Senior Citizen | \$ 2,250.00 | |
| Tax Billings - Disabled Person | 1,000.00 | |
| Tax Billings - Veteran | 33,750.00 | |
| Tax Billings - Widow of Veteran | 4,000.00 | |
| Deductions Allowed by Tax Collector - Current Year | 2,000.00 | |
| | | 43,000.00 |
| Subtotal | | 45,000.00 |
| Decreased by: | | |
| Cash Receipts | \$ 43,500.00 | |
| Deductions Disallowed by Tax Collector - Current Year | 500.00 | |
| | | 44,000.00 |
| Balance December 31, 2024 | | \$ 1,000.00 |
| <u>Analysis of Realized Revenue:</u> | | |
| Senior Citizens and Vets. Deduction per Tax Billing | | \$ 41,000.00 |
| Add: Deductions Allowed | | 2,000.00 |
| Less: Deductions Disallowed | | 500.00 |
| Realized Revenue - 2024 | | \$ 42,500.00 |

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

| YEAR | BALANCE | 2024 Levy | ADDED TAXES | COLLECTIONS | | DUE FROM STATE OF NEW JERSEY | TRANSFER TO TAX TITLE LIEN | CANCELLED | BALANCE |
|--------------|----------------------|------------------|-----------------|---------------|-------------------|------------------------------------|-------------------------------|------------------|---------------------|
| | DECEMBER 31, 2023 | | | 2023 | 2024 | | | | DECEMBER 31 2024 |
| 2017 | \$ 2.03 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 2.03 | \$ - | |
| 2018 | 2.29 | - | - | - | - | - | 2.29 | - | |
| 2019 | 2.34 | - | - | - | - | - | 2.34 | - | |
| 2020 | 2.39 | - | - | - | - | - | 2.39 | - | |
| 2021 | 7.77 | - | - | - | - | - | 7.77 | - | |
| 2022 | 15.68 | - | - | - | 13.26 | - | 2.42 | - | |
| 2023 | 554,117.13 | - | - | - | 542,216.77 | - | - | 11,900.36 | |
| Total | 554,149.63 | - | - | - | 542,230.03 | - | 19.24 | 11,900.36 | |
| 2024 | - | 50,858,229.07 | 1,048,614.66 | 329,843.77 | 51,018,107.87 | 42,500.00 | 15,102.86 | 26,869.47 | 474,419.76 |
| Balance | \$ 554,149.63 | \$ 50,858,229.07 | \$ 1,048,614.66 | \$ 329,843.77 | \$ 51,560,337.90 | \$ 42,500.00 | \$ 15,122.10 | \$ 38,769.83 | \$ 474,419.76 |

Tax Yield:

| | |
|---------------------|-------------------------|
| General Purpose Tax | \$ 50,858,229.07 |
| Added Taxes | 1,037,515.27 |
| 6% Penalty Added | 11,099.39 |
| | <u>\$ 51,906,843.73</u> |

Tax Levy:

| | | |
|---------------------------------|-----------------|-------------------------|
| Local District School Tax | | \$ 35,104,598.00 |
| County Taxes: | | |
| County Tax | 5,385,128.50 | |
| County Library Tax | 366,332.18 | |
| County Health Tax | 101,176.58 | |
| County Open Space | 792,440.31 | 6,645,077.57 |
| Due County: | | |
| Added & Omitted Taxes | | <u>138,522.25</u> |
| | | <u>\$ 41,888,197.82</u> |
| Fire District Taxes | | \$ 2,739,793.00 |
| Local Open Space Tax | \$ 1,273,984.11 | |
| Added Local Open Space Tax | 27,082.64 | |
| | | <u>1,301,066.75</u> |
| | | 45,929,057.57 |
| Local Tax for Municipal Purpose | \$ 4,964,318.08 | |
| Add: Additional Tax Levied | 1,002,368.69 | |
| 6% Penalty | 11,099.39 | |
| | | <u>5,977,786.16</u> |
| Total | | <u>\$ 51,906,843.73</u> |

Taxes Realized:

| | |
|----------------------------|-------------------------|
| Sr. Citizens & Vets | \$ 42,500.00 |
| Cash Receipts | 51,018,107.87 |
| Prepayments | 329,843.77 |
| Subtotal | <u>51,390,451.64</u> |
| Subtotal | 51,390,451.64 |
| Res. for Uncoll. Tax | <u>850,395.48</u> |
| | <u>52,240,847.12</u> |
| Allocated to: | |
| School | - |
| County | 6,783,599.82 |
| Fire District | 2,739,793.00 |
| Open Space | 1,301,066.75 |
| | <u>10,824,459.57</u> |
| Taxes Realized | 41,416,387.55 |
| Local Tax Levy | <u>4,964,318.08</u> |
| Taxes Realized Over Budget | <u>\$ 36,452,069.47</u> |

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

| | | |
|---|--------------|-----------------------------|
| Balance December 31, 2023 | | \$ 330,625.93 |
| Increased by: | | |
| Transfer from Taxes Receivable | \$ 15,102.86 | |
| Transfer from Prior Year Taxes Receivable | <u>19.24</u> | |
| | | <u>15,122.10</u> |
| Balance December 31, 2024 | | <u><u>\$ 345,748.03</u></u> |

**SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2024**

| | BALANCE DECEMBER 31, <u>2023</u> | ACCRUED | COLLECTED BY TREASURER | COLLECTED BY COLLECTOR | BALANCE DECEMBER 31, <u>2024</u> |
|------------------------------------|--|------------------------|------------------------------|------------------------------|--|
| Licenses | \$ - | \$ 10,125.00 | \$ 10,125.00 | \$ - | \$ - |
| Fees & Permits | | 73,268.00 | 73,268.00 | - | - |
| Municipal Court | 2,860.42 | 32,230.92 | 33,567.57 | - | 1,523.77 |
| Interest & Costs on Taxes | - | 118,616.29 | - | 118,616.29 | - |
| Interest on Investments & Deposits | - | 733,224.13 | 667,219.67 | - | 66,004.46 |
| Telecommunications Tower Lease | - | 67,590.50 | 67,590.50 | - | - |
| Verizon Franchise Fees | - | 58,485.26 | 58,485.26 | - | - |
| Energy Receipts Tax | - | 831,342.62 | 831,342.62 | - | - |
| Garden State Trust Fund | - | 24,884.00 | 24,884.00 | - | - |
| Municipal Relief Fund | - | 85,691.64 | 85,691.64 | - | - |
| Uniform Construction Code Fees | - | 464,953.00 | 464,953.00 | - | - |
| Roosevelt Court Fees | - | 6,000.00 | 6,000.00 | - | - |
| Cable Franchise Fees | - | 83,692.00 | 83,692.00 | - | - |
| American Rescue Plan | - | 244,118.90 | 244,118.90 | - | - |
| Total | <u>\$ 2,860.42</u> | <u>\$ 2,834,222.26</u> | <u>\$ 2,650,938.16</u> | <u>\$ 118,616.29</u> | <u>\$ 67,528.23</u> |

Detail:

| | |
|---|-------------------------------|
| Cash Receipts | \$ 2,565,246.52 |
| Transfer From Reserve for Municipal Relief Fund | <u>85,691.64</u> |
| | <u><u>\$ 2,650,938.16</u></u> |

TOWNSHIP OF MILLSTONE
CURRENT FUND
SCHEDULE OF 2023 APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2024

Exhibit A-12
Sheet 1 of 2

| | Balance December 31, 2023 | | | Balance After Transfers | Paid or Charged | Transfer to Accounts Payable | Balance Lapsed |
|--|------------------------------|------------|-----------|-------------------------------|--------------------|------------------------------------|-------------------|
| | Appropriation Reserves | Encumbered | Transfers | | | | |
| Salaries and Wages: | | | | | | | |
| Operations - Within "CAPS": | | | | | | | |
| Mayor & Township Committee | \$ 250.00 | \$ - | \$ - | \$ 250.00 | \$ - | \$ - | \$ 250.00 |
| General Administration | 7,472.46 | | | 7,472.46 | | | 7,472.46 |
| Municipal Clerk | 742.80 | | | 742.80 | | | 742.80 |
| Financial Administration | 1,540.97 | | | 1,540.97 | | | 1,540.97 |
| Collection of Taxes | 11,653.33 | | | 11,653.33 | | | 11,653.33 |
| Assessment of Taxes | 1,576.73 | | | 1,576.73 | | | 1,576.73 |
| Historical Prevention Committee | 200.00 | | | 200.00 | | | 200.00 |
| Open Space Farmland Preservation Council | 349.90 | | | 349.90 | | | 349.90 |
| Planning Board | 375.18 | | | 375.18 | | | 375.18 |
| Zoning Board of Adjustment | 374.92 | | | 374.92 | | | 374.92 |
| Streets & Roads | 82,947.90 | | | 82,947.90 | | | 82,947.90 |
| Sanitation | 1,081.25 | | | 1,081.25 | | | 1,081.25 |
| Buildings & Grounds | 2,087.62 | | | 2,087.62 | | | 2,087.62 |
| Recreation Commission | 200.08 | | | 200.08 | | | 200.08 |
| Municipal Court | 3,516.10 | | | 3,516.10 | | | 3,516.10 |
| Construction | 24,278.09 | | | 24,278.09 | | | 24,278.09 |
| Other Code Enforcement | 469.96 | | | 469.96 | | | 469.96 |
| | <u>139,117.29</u> | | | <u>139,117.29</u> | | | <u>139,117.29</u> |
| Total Salaries and Wages | | | | | | | |
| Other Expenses: | | | | | | | |
| Operations - Within "CAPS": | | | | | | | |
| Mayor & Township Committee | 80.98 | | | 80.98 | 80.98 | | |
| General Administration | 7,877.82 | 8,606.32 | | 16,484.14 | 5,509.99 | | 10,974.15 |
| Municipal Clerk | 2,468.07 | 195.36 | | 2,663.43 | 529.97 | | 2,133.46 |
| Financial Administration | 6,104.76 | 13,655.96 | | 19,760.72 | 15,176.66 | | 4,584.06 |
| Audit Services | 100.00 | 13,450.00 | | 13,550.00 | 13,450.00 | | 100.00 |
| Collection of Taxes | 5,049.32 | 213.75 | | 5,263.07 | 229.75 | | 5,033.32 |
| Assessment of Taxes | 1,091.05 | 2,020.00 | | 3,111.05 | 40.00 | | 3,071.05 |
| Legal Services & Costs | 5,866.58 | 36,525.26 | 20,000.00 | 62,391.84 | 41,647.43 | 8,062.12 | 12,682.29 |
| Engineering Services & Costs | 970.00 | 1,247.50 | 2,300.00 | 4,517.50 | 4,517.50 | | 4,517.50 |
| Historical Prevention Committee | 66.15 | 6,554.65 | | 6,620.80 | 2,762.65 | 3,792.00 | 66.15 |
| Veteran Memorial Committee | 779.85 | 1,100.00 | | 1,879.85 | 1,100.00 | | 779.85 |
| Open Space Farmland Preservation Council | 3,173.78 | | | 3,173.78 | | | 3,173.78 |
| Friends Group | 20.47 | | | 20.47 | | | 20.47 |
| Agricultural | 2,892.71 | | | 2,892.71 | | | 2,892.71 |
| Planning Board | 8,520.26 | 1,083.00 | | 9,603.26 | 1,868.30 | | 7,734.96 |
| Zoning Board of Adjustment | 3,065.80 | 450.00 | | 3,515.80 | 900.00 | | 2,615.80 |
| Affordable Housing (COAH Admin) | 772.11 | | | 772.11 | 407.97 | | 364.14 |
| Liability Insurance | 5,373.14 | | | 5,373.14 | | | 5,373.14 |
| Workers Compensation Insurance | 432.00 | | | 432.00 | | | 432.00 |

TOWNSHIP OF MILLSTONE
CURRENT FUND
SCHEDULE OF 2023 APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2024

Exhibit A-12
Sheet 2 of 2

| | Balance December 31, 2023 | | | Balance After Transfers | Paid or Charged | Transfer to Accounts Payable | Balance Lapsed |
|---|------------------------------|---------------|-------------|-------------------------------|--------------------|------------------------------------|-------------------|
| | Appropriation Reserves | Encumbered | Transfers | | | | |
| Employee Health Insurance | \$ 27,985.39 | \$ 30,682.72 | \$ - | \$ 58,668.11 | \$ 31,473.52 | | \$ 27,194.59 |
| Employee Group Insurance Waiver | 1,500.00 | | | 1,500.00 | | | 1,500.00 |
| Unemployment Insurance | 3,123.86 | | | 3,123.86 | | | 3,123.86 |
| Emergency Management Service | 6,200.00 | 3,800.00 | | 10,000.00 | 3,800.00 | | 6,200.00 |
| Streets & Roads | 7,699.76 | 17,026.83 | | 24,726.59 | 4,165.14 | | 20,561.45 |
| Shade Tree Commission | 0.74 | 6,108.25 | 7,000.00 | 13,108.99 | 13,094.95 | | 14.04 |
| Sanitation | 2,091.99 | 638.93 | | 2,730.92 | 474.13 | | 2,256.79 |
| Buildings & Grounds | 7,805.32 | 14,738.39 | (4,300.00) | 18,243.71 | 6,153.40 | | 12,090.31 |
| Vehicle Maintenance | 19,017.18 | 19,371.82 | (15,000.00) | 23,389.00 | 11,773.31 | | 11,615.69 |
| Senior Transportation | 1,106.42 | 2,015.00 | | 3,121.42 | 2,015.00 | | 1,106.42 |
| Environmental Commission | 2,890.82 | 81.36 | | 2,972.18 | 73.36 | | 2,898.82 |
| Recreation Commission | 1,008.47 | | | 1,008.47 | | | 1,008.47 |
| Maintenance of Parks | 295.95 | 17,552.00 | | 17,847.95 | 17,552.00 | | 295.95 |
| Municipal Court | 7,956.29 | 2,557.58 | | 10,513.87 | 1,343.58 | | 9,170.29 |
| Electricity | 13,603.26 | 6,246.38 | | 19,849.64 | 7,504.64 | | 12,345.00 |
| Street Lighting | 1,865.13 | 7,543.65 | | 9,408.78 | 7,543.65 | | 1,865.13 |
| Telephone | 1,589.96 | 1,578.70 | | 3,168.66 | 1,602.24 | | 1,566.42 |
| Natural Gas | 8,081.42 | 8,215.70 | | 16,297.12 | 8,728.77 | | 7,568.35 |
| Gasoline | 19,999.13 | 5,698.58 | | 25,697.71 | 5,248.58 | | 20,449.13 |
| Landfilling Tipping Fees | 2.30 | | | 2.30 | | | 2.30 |
| Construction | 36,002.62 | 4,823.54 | (10,000.00) | 30,826.16 | 2,808.25 | | 28,017.91 |
| Other Code Enforcement | 426.00 | 139.00 | | 565.00 | 139.00 | | 426.00 |
| PERS | 0.44 | | | 0.44 | | | 0.44 |
| Social Security System | 3,536.78 | | | 3,536.78 | 1,385.35 | | 2,151.43 |
| Defined Contribution Retirement Program | 3,679.48 | | | 3,679.48 | | | 3,679.48 |
| Operations Excluded from "CAPS": | | | | | | | |
| County of Monmouth 911 Service | 95.00 | | | 95.00 | | | 95.00 |
| Municipal Court | | 135.00 | | 135.00 | 135.00 | | |
| Animal Control Services | 80.00 | | | 80.00 | | | 80.00 |
| Vehicle Maintenance | 1,000.00 | 8,518.70 | | 9,518.70 | 6,235.31 | | 3,283.39 |
| Total Other Expenses | 233,348.56 | 242,573.93 | | 475,922.49 | 221,470.38 | 11,854.12 | 242,597.99 |
| Grand Total | \$ 372,465.85 | \$ 242,573.93 | \$ - | \$ 615,039.78 | \$ 221,470.38 | \$ 11,854.12 | \$ 381,715.28 |

Analysis:

| | |
|----------------|----------------------|
| Cash Disbursed | \$ 222,067.98 |
| Cash Receipts | (597.60) |
| Total | <u>\$ 221,470.38</u> |

**TOWNSHIP OF MILLSTONE
CURRENT FUND
SCHEDULE OF PREPAID TAXES
FOR THE YEAR ENDED DECEMBER 31, 2024**

| | | |
|---------------------------|--|---------------|
| Balance December 31, 2023 | | \$ 329,843.77 |
| Increased by: | | |
| Collection of 2025 Taxes | | 293,742.64 |
| Subtotal | | 623,586.41 |
| Decreased by: | | |
| Applied to 2024 Taxes | | 329,843.77 |
| Balance December 31, 2024 | | \$ 293,742.64 |

**SCHEDULE OF TAX OVERPAYMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

| | | |
|---------------------------|--------------|--------------|
| Balance December 31, 2023 | | \$ 2,479.97 |
| Increased by: | | |
| Overpayments | | 24,117.76 |
| Subtotal | | 26,597.73 |
| Decreased by: | | |
| Refunded | \$ 24,117.76 | |
| Transferred to MRNA | 2,479.97 | |
| | | \$ 26,597.73 |

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

| | | |
|---------------------------|-------------------|---------------------|
| Balance December 31, 2023 | | \$ - |
| Increased by: | | |
| 2024 Levy: | | |
| County Tax | \$ 5,385,128.50 | |
| County Library Tax | 366,332.18 | |
| County Health Tax | 101,176.58 | |
| County Open Space Tax | <u>792,440.31</u> | |
| | | <u>6,645,077.57</u> |
| Subtotal | | 6,645,077.57 |
| Decreased by: | | |
| Payments | | <u>6,645,077.57</u> |

**SCHEDULE OF DUE COUNTY FOR ADDED AND OMITTED TAXES
FOR THE YEAR ENDED DECEMBER 31, 2024**

| | | |
|--|------------------|-----------------------------|
| Balance December 31, 2023 | | \$ 207,323.21 |
| Increase by: | | |
| County Share of 2024 Levy (R.S.54:4-63.1 et seq.): | | |
| County Tax | \$ 112,115.45 | |
| County Library Tax | 7,673.40 | |
| County Health Tax | 2,256.88 | |
| County Open Tax | <u>16,476.52</u> | |
| | | <u>138,522.25</u> |
| Subtotal | | 345,845.46 |
| Decreased by: | | |
| Payments | | <u>207,323.21</u> |
| Balance December 31, 2024 | | <u><u>\$ 138,522.25</u></u> |

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

| | | |
|--|---------------------|-------------------------|
| Balance December 31, 2023 | | |
| School Tax Payable | \$ 12,672,858.50 | |
| School Tax Deferred | <u>4,500,000.00</u> | |
| | | <u>\$ 17,172,858.50</u> |
| Increased by Local District School's Share of 2024 Levy: | | |
| School Year July 1, 2024 to June 30, 2025 | | <u>35,104,598.00</u> |
| Subtotal | | 52,277,456.50 |
| Decreased by Payments: | | |
| Payments | | <u>34,725,157.50</u> |
| Balance December 31, 2024 | | |
| School Tax Payable | \$ 13,052,299.00 | |
| School Tax Deferred | <u>4,500,000.00</u> | |
| | | <u>\$ 17,552,299.00</u> |
| 2024 Liability for Local District School Tax: | | |
| Tax Paid | | \$ 34,725,157.50 |
| Less: Tax Payable December 31, 2023 | | <u>12,672,858.50</u> |
| Subtotal | | 22,052,299.00 |
| Add: Tax Payable December 31, 2024 | | <u>13,052,299.00</u> |
| Amount Charged to 2024 Operations | | <u>\$ 35,104,598.00</u> |

**TOWNSHIP OF MILLSTONE
CURRENT FUND
SCHEDULE OF DUE TO MUNICIPAL OPEN SPACE TRUST FUND
FOR THE YEAR ENDED DECEMBER 31, 2024**

| | | |
|------------------------------|------------------|----------------------------|
| Balance December 31, 2023 | | \$ 9,870.63 |
| <u>Increased by:</u> | | |
| 2024 Levy | \$ 1,273,984.11 | |
| 2024 Added & Omitted | <u>27,082.64</u> | <u>1,301,066.75</u> |
| Subtotal | | 1,310,937.38 |
| <u>Decreased by:</u> | | |
| Cash Disbursed - Transferred | | <u>1,273,984.11</u> |
| Balance December 31, 2024 | | <u><u>\$ 36,953.27</u></u> |

**TOWNSHIP OF MILLSTONE
CURRENT FUND
DUE TO STATE OF NEW JERSEY - UCC FEES
FOR THE YEAR ENDED DECEMBER 31, 2024**

| | |
|---------------------------|---------------------------|
| Balance December 31, 2023 | \$ 23,887.00 |
| <u>Increased by:</u> | |
| Cash Receipts | <u>27,347.00</u> |
| Subtotal | 51,234.00 |
| <u>Decreased by:</u> | |
| Cash Disbursed | <u>44,918.00</u> |
| Balance December 31, 2024 | <u><u>\$ 6,316.00</u></u> |

**TOWNSHIP OF MILLSTONE
CURRENT FUND
ACCOUNTS PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2024**

| | | | |
|---|------|----------|-----------|
| Balance December 31, 2023 | | \$ | 13,738.32 |
| <u>Increased by:</u> | | | |
| Transfer from 2023 Appropriation Reserves | | | 11,854.12 |
| Subtotal | | | 25,592.44 |
| <u>Decreased by:</u> | | | |
| Cash Disbursed | \$ | 1,605.25 | |
| Cancelled | | 6,268.90 | 7,874.15 |
| Balance December 31, 2024 | | \$ | 17,718.29 |
| <u>Detail:</u> | | | |
| | 2022 | \$ | 5,864.17 |
| | 2023 | | 11,854.12 |
| | | \$ | 17,718.29 |

**TOWNSHIP OF MILLSTONE
CURRENT FUND
SCHEDULE OF SPECIAL FIRE DISTRICT TAXES PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2024**

Increased By:

Tax Levy \$ 2,739,793.00

Decreased by:

Tax Paid \$ 2,739,793.00

**TOWNSHIP OF MILLSTONE
GRANT FUND
SCHEDULE OF GRANTS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2024**

| PROGRAM | BALANCE DECEMBER 31, 2023 | 2024 REVENUE REALIZED | TRANSFER FROM UNAPPROPRIATED RESERVES | RECEIVED | CANCELLED | BALANCE DECEMBER 31, 2024 |
|--|---------------------------------|-----------------------------|---|----------------------|--------------------|---------------------------------|
| State Grants: | | | | | | |
| Municipal Alliance on Alcoholism & Drug Abuse - 2019-2020 FY | \$ 1,675.64 | \$ - | \$ - | \$ - | \$ 1,675.64 | \$ - |
| Municipal Alliance on Alcoholism & Drug Abuse - 2022-2023 FY | 2,905.20 | | | | | 2,905.20 |
| Municipal Alliance on Alcoholism & Drug Abuse - 2023-2024 FY | | 9,990.00 | | 3,525.00 | | 6,465.00 |
| Recycling Tonnage Grant - 2024 | | 3,978.25 | | 3,978.25 | | - |
| DMHAS - Youth Leadership Preservation Grant - 2024 | 5,672.96 | | | | | 5,672.96 |
| Heritage Tourism Grant | | 10,000.00 | | | | 10,000.00 |
| Clean Communities Grant - 2024 | | 71,250.00 | | 57,000.00 | | 14,250.00 |
| | | 51,871.90 | | 51,871.90 | | - |
| Total State Grants | 10,253.80 | 147,090.15 | - | 116,375.15 | 1,675.64 | 39,293.16 |
| Federal Grants: | | | | | | |
| CDBG ADA - Improvements to Muni & Court Buildings - 2018 | 5,586.00 | - | - | - | 5,586.00 | - |
| National Opioid Settlement Grant | | 6,846.48 | 163.90 | 6,682.58 | | - |
| Total Federal Grants | 5,586.00 | 6,846.48 | 163.90 | 6,682.58 | 5,586.00 | - |
| Total | \$ 15,839.80 | \$ 153,936.63 | \$ 163.90 | \$ 123,057.73 | \$ 7,261.64 | \$ 39,293.16 |

| | |
|------------------------|----------------------|
| Budget as Adopted | \$ 16,629.65 |
| Less: Municipal Match | (2,497.50) |
| Added by NJSA 40A:4.87 | 58,554.48 |
| Other | 81,250.00 |
| | <u>\$ 153,936.63</u> |

**TOWNSHIP OF MILLSTONE
GRANT FUND
SCHEDULE OF RESERVE FOR GRANTS - APPROPRIATED
FOR THE YEAR ENDED DECEMBER 31, 2024**

| PROGRAM | BALANCE DECEMBER 31, 2023 | TRANSFERRED FROM 2024 BUDGET APPROPRIATION | PAID OR CHARGED | | | | BALANCE DECEMBER 31, 2024 |
|---|---------------------------------|---|----------------------------|---------------------|------------------------------|-----------------------------|---------------------------------|
| | | | PRIOR YEAR ENCUMBRANCES | CASH DISBURSED | CURRENT YEAR ENCUMBRANCES | CANCELLED APPROPRIATIONS | |
| State Grants: | | | | | | | |
| Alcohol Ed. & Rehab. Grant - 2013 | \$ 522.35 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 522.35 |
| Alcohol Ed. & Rehab. Grant - 2017 | 292.93 | | | | | | 292.93 |
| Alcohol Ed. & Rehab. Grant - 2018 | 80.37 | | | | | | 80.37 |
| Alcohol Ed. & Rehab. Grant - 2020 | 583.48 | | | | | | 583.48 |
| Alcohol Ed. & Rehab. Grant - 2022 | 1,421.39 | | | | | | 1,421.39 |
| Stormwater Management Grant | 15,000.00 | | | 15,000.00 | | | - |
| Recycling Tonage Grant - 2023 | 15,371.12 | | | | | | 15,371.12 |
| Recycling Tonage Grant - 2024 | | 3,978.25 | | | | | 3,978.25 |
| Clean Communities Grant - 2022 | 18,759.16 | | | 18,759.16 | | | - |
| Clean Communities Grant - 2023 | 45,670.19 | | | 17,321.91 | 839.52 | | 27,508.76 |
| Clean Communities Grant - 2024 | | 51,871.90 | | | | | 51,871.90 |
| Municipal Alliance on Alcoholism & Drug Abuse - 2022-2023 | 1,930.74 | | | 1,930.74 | | | - |
| Municipal Alliance on Alcoholism & Drug Abuse - 2023-2024 | | 9,990.00 | | 5,147.11 | | | 4,842.89 |
| DMHAS - Youth Leadership | 1,832.96 | | 1,500.00 | 2,250.00 | | | 1,082.96 |
| Sustainable Jersey Grant | 1,078.35 | | 466.65 | 616.65 | | | 928.35 |
| Preservation Grant - 2024 | | 10,000.00 | | 10,000.00 | | | - |
| Heritage Tourism Grant | | 71,250.00 | | 19,568.30 | 51,681.70 | | 0.00 |
| CFMP - 2017 | 513.00 | | | | | 513.00 | - |
| Total State Grants | 103,056.04 | 147,090.15 | 1,966.65 | 90,593.87 | 52,521.22 | 513.00 | 108,484.75 |
| Municipal Share/Local: | | | | | | | |
| Municipal Alliance on Alcoholism & Drug Abuse - 2019-2020 | 137.71 | - | - | 137.71 | - | - | - |
| Municipal Alliance on Alcoholism & Drug Abuse - 2020-2021 | 122.54 | | | 122.54 | | | - |
| Municipal Alliance on Alcoholism & Drug Abuse - 2022-2023 | 716.51 | | | 716.51 | | | - |
| Municipal Alliance on Alcoholism & Drug Abuse - 2023-2024 | | 2,497.50 | | 1,156.07 | 186.00 | | 1,155.43 |
| Total Local Grants | 976.76 | 2,497.50 | - | 2,132.83 | 186.00 | - | 1,155.43 |
| Federal Grant: | | | | | | | |
| National Opioid Settlement Grant | 3,422.70 | 6,846.48 | - | 1,986.40 | - | | 8,282.78 |
| CDBG ADA - Improvements to Muni & Court Buildings - 2018 | 5,586.00 | | | | | 5,586.00 | - |
| | 9,008.70 | 6,846.48 | - | 1,986.40 | - | 5,586.00 | 8,282.78 |
| Total All Grants | \$ 113,041.50 | \$ 156,434.13 | \$ 1,966.65 | \$ 94,713.10 | \$ 52,707.22 | \$ 6,099.00 | \$ 117,922.96 |
| Budget as Adopted | \$ | 16,629.65 | | | | | |
| Added by NJSA 40A:4.87 | | 58,554.48 | | | | | |
| Other | | 81,250.00 | | | | | |
| | | <u>\$ 156,434.13</u> | | | | | |

**TOWNSHIP OF MILLSTONE
GRANT FUND
SCHEDULE OF RESERVE FOR GRANTS - UNAPPROPRIATED
FOR THE YEAR ENDED DECEMBER 31, 2024**

| <u>PROGRAM</u> | BALANCE DECEMBER 31, <u>2023</u> | <u>CASH RECEIVED</u> | <u>TRANSFER</u> | BALANCE DECEMBER 31, <u>2024</u> |
|----------------------------------|--|----------------------|----------------------|--|
| American Rescue Plan | \$ 244,118.96 | \$ - | \$ 244,118.96 | \$ - |
| National Opioid Settlement Grant | 163.90 | 454.06 | 163.90 | 454.06 |
| | <u>\$ 244,282.86</u> | <u>\$ 454.06</u> | <u>\$ 244,282.86</u> | <u>\$ 454.06</u> |

Due From Current Fund \$ 454.06

Transferred to:

| | |
|--------------------------------|----------------------|
| Grant Fund - Grants Receivable | \$ 163.90 |
| General Capital Fund | 244,118.90 |
| Cancelled | <u>0.06</u> |
| | <u>\$ 244,282.86</u> |

TRUST FUND

**TOWNSHIP OF MILLSTONE
TRUST FUND
STATEMENT OF TRUST CASH
PER N.J.S.40A:5-5-TREASURER
FOR THE YEAR ENDED DECEMBER 31, 2024**

| | <u>AFFORDABLE HOUSING TRUST FUND</u> | <u>ANIMAL CONTROL TRUST FUND</u> | <u>MUNICIPAL OPEN SPACE TRUST FUND</u> | <u>PAYROLL TRUST FUND</u> | <u>OTHER FUNDS</u> | <u>BUILDER'S ESCROW</u> |
|--|--|--|--|-------------------------------|-----------------------|-----------------------------|
| Balance December 31, 2023 | \$3,516,538.39 | \$ 6,044.32 | \$3,081,096.01 | \$ - | \$1,489,509.58 | \$ 927,097.97 |
| Increased by Receipts: | | | | | | |
| Reserve for Animal Control Fund Expenditures | | 7,387.00 | | | | |
| Due to State of New Jersey | | 1,057.20 | | | | |
| Reserve for Builders Escrow | | | | | | 406,714.82 |
| Miscellaneous Reserves | | | | | 972,299.47 | |
| Interest Earned - Current Year | 82,513.38 | 154.40 | 72,370.84 | 270.58 | | |
| Interest Earned - Prior Year | 80,711.08 | | 127,578.07 | | 32,783.36 | |
| Municipal Open Space Levy | | | 1,273,984.11 | | | |
| Grants | | | 236,141.00 | | | |
| Miscellaneous | | | 13,906.40 | | | |
| Reserve for COAH | 342,014.30 | | | | | |
| Reserve for Payroll | | | | 2,592,589.94 | | |
| Total Receipts | <u>505,238.76</u> | <u>8,598.60</u> | <u>1,723,980.42</u> | <u>2,592,860.52</u> | <u>1,005,082.83</u> | <u>406,714.82</u> |
| | <u>4,021,777.15</u> | <u>14,642.92</u> | <u>4,805,076.43</u> | <u>2,592,860.52</u> | <u>2,494,592.41</u> | <u>1,333,812.79</u> |
| Decreased by Disbursements: | | | | | | |
| Reserve for Animal Control Fund Expenditures | | 10,897.34 | | | | |
| Due to State of New Jersey | | 1,053.60 | | | 1,319,016.38 | |
| Reserves for Builder's Escrow | | | | | | 427,126.48 |
| Reserve for Open Space | | | 1,807,470.42 | | | |
| Reserve for Payroll | | | | 2,592,589.94 | | |
| Due from Current Fund | | | | | 14.70 | |
| Transfer to Current Fund | | 154.40 | | 270.58 | 32,783.36 | |
| Total Disbursements | <u>929,321.62</u> | <u>12,105.34</u> | <u>1,807,470.42</u> | <u>2,592,860.52</u> | <u>1,351,814.44</u> | <u>427,126.48</u> |
| Balance December 31, 2024 | <u>\$3,092,455.53</u> | <u>\$ 2,537.58</u> | <u>\$2,997,606.01</u> | <u>\$ -</u> | <u>\$1,142,777.97</u> | <u>\$ 906,686.31</u> |

**TOWNSHIP OF MILLSTONE
ANIMAL CONTROL TRUST FUND
SCHEDULE OF RESERVE FOR ANIMAL CONTROL FUND EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2024**

| | | |
|--|--|-------------|
| Balance December 31, 2023 | | \$ 6,043.12 |
| Increased by: | | |
| Collections: | | |
| Dog License Fees | | 7,387.00 |
| Subtotal | | 13,430.12 |
| Decreased by: | | |
| Expenditures Under R.S.4:19-15.11 - Cash | | 10,897.34 |
| Balance December 31, 2024 | | \$ 2,532.78 |

LICENSE FEES COLLECTED

| Year | Amount |
|-----------|------------------|
| 2022 | \$ 8,823.80 |
| 2023 | 7,880.50 |
| Total | \$ 16,704.30 |

**SCHEDULE OF DUE TO STATE OF NEW JERSEY
FOR THE YEAR ENDED DECEMBER 31, 2024**

| | | |
|---------------------------|--|----------|
| Balance December 31, 2023 | | \$ 1.20 |
| Increased by: | | |
| 2024 Animal License Fees | | 1,057.20 |
| Subtotal | | 1,058.40 |
| Decreased by: | | |
| Fees Paid to State | | 1,053.60 |
| Balance December 31, 2024 | | \$ 4.80 |

**TOWNSHIP OF MILLSTONE
TRUST OTHER FUNDS
SCHEDULE OF MISCELLANEOUS RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2024**

| | Balance December 31, 2023 | Increased by Receipts | Decreased by Disbursements | Balance December 31, 2024 |
|-----------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|
| Self Insurance Trust | \$ 44,835.36 | \$ 36,563.58 | \$ 39,217.66 | \$ 42,181.28 |
| Storm Recovery Trust | 127,509.69 | - | - | 127,509.69 |
| Basin Maintenance Trust | 90,223.97 | - | 941.00 | 89,282.97 |
| Mt. Laurel Special | 3,705.96 | - | - | 3,705.96 |
| Public Defender Trust | 3,000.00 | 1,620.00 | - | 4,620.00 |
| POAA Trust | 81.00 | - | - | 81.00 |
| Stavola Asphalt | 4,393.95 | - | - | 4,393.95 |
| Municipal Alliance Trust | 3,553.65 | 100.00 | - | 3,653.65 |
| Recreation Trust | 582,781.99 | 471,278.38 | 501,650.40 | 552,409.97 |
| Tax Sale Premium | 599,003.40 | 486,875.87 | 797,990.68 | 287,888.59 |
| Veterans Memorial Trust | 3,797.61 | 425.00 | - | 4,222.61 |
| Shade Tree Trust | 26,623.00 | 8,220.00 | 12,000.00 | 22,843.00 |
| Total Reserves | <u>\$ 1,489,509.58</u> | <u>\$ 1,005,082.83</u> | <u>\$ 1,351,799.74</u> | <u>\$ 1,142,792.67</u> |
| Interest Earnings | | \$ 32,783.36 | \$ 32,783.36 | |
| Cash Receipt/Cash Disbursed | | <u>972,299.47</u> | <u>1,319,016.38</u> | |
| | | <u>\$ 1,005,082.83</u> | <u>\$ 1,351,799.74</u> | |

**TOWNSHIP OF MILLSTONE
 BUILDER'S ESCROW TRUST FUND
 SCHEDULE OF RESERVES FOR BUILDERS ESCROW
 FOR THE YEAR ENDED DECEMBER 31, 2024**

| | <u>Balance</u> <u>December 31, 2023</u> | <u>Increased by</u> <u>Cash Receipts</u> | <u>Decreased by</u> <u>Cash Disbursements</u> | <u>Balance</u> <u>December 31, 2024</u> |
|--------------------------------|--|---|--|--|
| Builder's Escrow over \$5,000 | \$ 799,652.22 | \$ 296,144.48 | \$ 349,581.22 | \$ 746,215.48 |
| Builder's Escrow under \$5,000 | <u>127,445.75</u> | <u>110,570.34</u> | <u>77,545.26</u> | <u>160,470.83</u> |
| Total Reserves | <u>\$ 927,097.97</u> | <u>\$ 406,714.82</u> | <u>\$ 427,126.48</u> | <u>\$ 906,686.31</u> |

**TOWNSHIP OF MILLSTONE
LENGTH OF SERVICE AWARDS PROGRAM FUND
SCHEDULE OF RESERVE FOR LENGTH OF
SERVICE AWARDS PROGRAM (LOSAP)
FOR THE YEAR ENDED DECEMBER 31, 2024
[UNAUDITED]**

| | | |
|---------------------------|-----------------|-----------------------------|
| Balance December 31, 2023 | | \$ 383,805.63 |
| Increased by: | | |
| Investment Earnings | | <u>58,692.83</u> |
| Subtotal | | 442,498.46 |
| Decreased by: | | |
| Withdrawals | \$ 69,950.43 | |
| Account Charge | <u>1,290.00</u> | <u>71,240.43</u> |
| Balance December 31, 2024 | | <u><u>\$ 371,258.03</u></u> |

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

| | Balance | Increased by | | Decreased by | Balance |
|--------------------------------------|-----------------------------|----------------------------|------------------------------|-----------------------|-----------------------------|
| | December 31, <u>2023</u> | Township's <u>Share</u> | Payroll <u>Deductions</u> | <u>Disbursements</u> | December 31, <u>2024</u> |
| Federal Withholding Tax | | | \$ 199,817.57 | \$ 199,817.57 | |
| FICA | | \$ 159,840.21 | 159,840.21 | 319,680.42 | |
| State of New Jersey Withholding Tax | | | 63,387.88 | 63,387.88 | |
| PERS- Normal Pension | | | 109,482.35 | 109,482.35 | |
| PERS- Loan | | | 23,705.88 | 23,705.88 | |
| PERS- Contributory Life Insurance | | | 7,115.96 | 7,115.96 | |
| DCRP Investment | | 10,652.13 | 14,465.81 | 25,117.94 | |
| TSA 457 | | | 41,140.00 | 41,140.00 | |
| Union Dues | | | 10,924.56 | 10,924.56 | |
| AFLAC | | | 1,093.68 | 1,093.68 | |
| NJUI | | 8,876.95 | 6,289.75 | 15,166.70 | |
| NJDI | | 1,479.68 | | 1,479.68 | |
| NJFLI | | | 1,915.11 | 1,915.11 | |
| Employee Health Benefit Contribution | | | 90,564.17 | 90,564.17 | |
| Garnishment | | | 100.00 | 100.00 | |
| PERS Annual Bill | | 236,868.00 | | 236,868.00 | |
| Net Pay | | 1,445,300.62 | | 1,445,300.62 | |
| | <u>\$ -</u> | <u>\$1,863,017.59</u> | <u>\$ 729,842.93</u> | <u>\$2,592,860.52</u> | <u>\$ -</u> |

EXHIBIT B-8

**TOWNSHIP OF MILLSTONE
MUNICIPAL OPEN SPACE TRUST FUND
SCHEDULE OF OPEN SPACE GRANTS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2024**

Balance December 31, 2023 \$ 1,194,056.57

Balance December 31, 2024 \$ 1,194,056.57

Analysis of Balance:

| | | |
|------------------|-------------------|------------------------|
| Waters | \$ 588,158.25 | |
| Perl Acres North | 418,376.62 | |
| Cady | 488.89 | |
| Burnt Tavern | <u>187,032.81</u> | |
| | | <u>\$ 1,194,056.57</u> |

EXHIBIT B-9

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

Balance December 31, 2023 \$ 3,218,544.71

Increased by:

| | | |
|--------------------------|------------------|---------------------|
| Municipal Open Space | | |
| 2024 Tax Levy | \$ 1,273,984.11 | |
| 2024 Added & Omitted Tax | 27,082.64 | |
| Interest Earned | 72,370.84 | |
| Grants | 236,141.00 | |
| Miscellaneous | <u>13,906.40</u> | <u>1,623,484.99</u> |

Decreased by:

Expenditures 1,807,470.42

Balance December 31, 2024 \$ 3,034,559.28

**TOWNSHIP OF MILLSTONE
AFFORDABLE HOUSING TRUST FUND
SCHEDULE OF RESERVE FOR
COUNCIL ON AFFORDABLE HOUSING (COAH)
FOR THE YEAR ENDED DECEMBER 31, 2024**

| | | |
|---------------------------|-------------------|-------------------------------|
| Balance December 31, 2023 | | \$ 3,597,249.47 |
| Increased by: | | |
| Interest Earned | \$ 82,513.38 | |
| Contribution | <u>342,014.30</u> | <u>424,527.68</u> |
| Subtotal | | 4,021,777.15 |
| Decreased by: | | |
| Expenditures | | <u>929,321.62</u> |
| Balance December 31, 2024 | | <u><u>\$ 3,092,455.53</u></u> |

GENERAL CAPITAL FUND

**TOWNSHIP OF MILLSTONE
GENERAL CAPITAL FUND
SCHEDULE OF GENERAL CAPITAL CASH -
TREASURER
FOR THE YEAR ENDED DECEMBER 31, 2024**

| | | |
|--|---------------------|-------------------------------|
| Balance December 31, 2023 | | \$ 2,407,827.50 |
| Increased by Receipts: | | |
| 2024 Budget Appropriation - Capital Improvement Fund | \$ 1,025,000.00 | |
| Grants Receivable | 408,683.90 | |
| Due from County of Monmouth | 34,755.00 | |
| Interest Earnings | 39,084.26 | |
| | <u>1,507,523.16</u> | |
| Subtotal | | 3,915,350.66 |
| Decreased by Disbursements: | | |
| Improvement Authorizations | \$ 1,673,105.61 | |
| Interfund Payable - Current Fund | 21,805.00 | |
| Fund Balance - Excess Charges | 21,116.04 | |
| Interest Earnings Transfer to Current Fund | 39,084.26 | |
| | <u>1,755,110.91</u> | |
| Balance December 31, 2024 | | <u><u>\$ 2,160,239.75</u></u> |

**TOWNSHIP OF MILLSTONE
GENERAL CAPITAL FUND
ANALYSIS OF GENERAL CAPITAL CASH
FOR THE YEAR ENDED DECEMBER 31, 2024**

| | BALANCE DECEMBER 31, 2024 |
|---------------------------------------|---------------------------------|
| Fund Balance | \$ 68,884.59 |
| Capital Improvement Fund | 163,506.08 |
| Intergovernmental Accounts Receivable | (327,358.00) |
| Reserve for Encumbrances | 433,059.08 |

IMPROVEMENT AUTHORIZATIONS:

| <u>ORDINANCE</u> <u>NUMBER</u> | <u>IMPROVEMENT DESCRIPTION</u> | |
|-----------------------------------|--|-----------------|
| 01-43 | Acquisition of Development Rights - Buono Property | 2,763.94 |
| 07-16 | Park Improvements - Phase II | 24,573.95 |
| 13-18 | Acquisition/Installation of Generators | 10,492.51 |
| 14-09 | 2014 Site Improvements | 24,460.71 |
| 18-02 | Improvements to Various Technology, Safety & Buildings | 3,207.47 |
| 18-05 | Park Improvements (Rocky Brook) | 101,932.54 |
| 19-06 | Various Technology and Safety Improvements | 2,794.81 |
| 19-10 | Acquisition of DPW Vehicles and Equipment | 632.07 |
| 20-17 | Acquisition of an Ambulance and Equipment | 16,028.99 |
| 20-18 | Construction of a Park Maintenance Building and Improvements | 6,277.65 |
| 20-19 | Acquisition of Public Works Vehicles & Equipment | 8,557.57 |
| 22-11 | Various Capital Improvements | 103,377.15 |
| 23-12 | Various Capital Improvements | 56,699.07 |
| 24-15 | Various Capital Improvements | 1,460,349.57 |
| | | 1,460,349.57 |
| Total | | \$ 2,160,239.75 |

**TOWNSHIP OF MILLSTONE
GENERAL CAPITAL FUND
STATEMENT OF INTERGOVERNMENTAL ACCOUNTS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2024**

| | <u>Total</u> | <u>New Jersey Department of Transportation</u> | | | <u>American</u> |
|---------------------------|----------------------|--|---|---|--|
| | | <u>Millstone Road Phase II Ord. #23-12</u> | <u>Backbone Hill Road Ord. #23-12</u> | <u>Various Capital Improvements Ord. #24-15</u> | <u>Rescue Plan Various Capita Improvements Ord. #24-15</u> |
| Balance December 31, 2023 | \$ 282,395.00 | \$ 62,975.00 | \$ 219,420.00 | \$ - | \$ - |
| INCREASED BY: | | | | | |
| Grants Awarded | 453,646.90 | | | 209,528.00 | 244,118.90 |
| | <u>736,041.90</u> | <u>62,975.00</u> | <u>219,420.00</u> | <u>209,528.00</u> | <u>244,118.90</u> |
| DECREASED BY: | | | | | |
| Cash Received | 408,683.90 | | 164,565.00 | | 244,118.90 |
| | <u>408,683.90</u> | <u>-</u> | <u>164,565.00</u> | <u>-</u> | <u>244,118.90</u> |
| Balance December 31, 2024 | <u>\$ 327,358.00</u> | <u>\$ 62,975.00</u> | <u>\$ 54,855.00</u> | <u>\$ 209,528.00</u> | <u>\$ -</u> |

**TOWNSHIP OF MILLSTONE
GENERAL CAPITAL FUND
SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - FUNDED
FOR THE YEAR ENDED DECEMBER 31, 2024**

| | |
|---|--------------------------------|
| Balance December 31, 2023 | \$ 17,985,000.00 |
| Decreased by: | |
| 2024 Budget Appropriation to Pay Debt - General Serial Bonds & Loans | <u>1,935,000.00</u> |
| Balance December 31, 2024 | <u><u>\$ 16,050,000.00</u></u> |

**TOWNSHIP OF MILLSTONE
GENERAL CAPITAL FUND
SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED
FOR THE YEAR ENDED DECEMBER 31, 2024**

| ORDINANCE NUMBER | IMPROVEMENT DESCRIPTION | BALANCE | DECREASED BY | BALANCE | ANALYSIS OF |
|---------------------|------------------------------|-----------------------------|--------------------------|-----------------------------|-------------------------------|
| | | DECEMBER 31, <u>2023</u> | BUDGET APPROPRIATIONS | DECEMBER 31, <u>2024</u> | BOND ANTICIPATION NOTES |
| 21-11 | Various Capital Improvements | \$ 825,550.00 | \$ 100,000.00 | \$ 725,550.00 | \$ 725,550.00 |
| | Total | <u>\$ 825,550.00</u> | <u>\$ 100,000.00</u> | <u>\$ 725,550.00</u> | <u>\$ 725,550.00</u> |

**TOWNSHIP OF MILLSTONE
GENERAL CAPITAL FUND
SCHEDULE OF CAPITAL IMPROVEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2024**

| | |
|--|-----------------------------|
| Balance December 31, 2023 | \$ 163,506.08 |
| Increased by: | |
| 2024 Budget Appropriation | <u>1,025,000.00</u> |
| Subtotal | 1,188,506.08 |
| Decreased by: | |
| Appropriated to Finance Improvement Authorizations | <u>1,025,000.00</u> |
| Balance December 31, 2024 | <u><u>\$ 163,506.08</u></u> |

**TOWNSHIP OF MILLSTONE
GENERAL CAPITAL FUND
SCHEDULE OF BOND ANTICIPATION NOTES
FOR THE YEAR ENDED DECEMBER 31, 2024**

| <u>ORDINANCE NUMBER</u> | <u>IMPROVEMENT DESCRIPTION</u> | <u>DATE OF ISSUE OF ORIGINAL NOTES</u> | <u>DATE OF ISSUE</u> | <u>DATE OF MATURITY</u> | <u>INTEREST RATE</u> | <u>BALANCE DECEMBER 31, 2023</u> | <u>DECREASED BY BUDGET APPROPRIATION</u> | <u>BALANCE DECEMBER 31, 2024</u> |
|-----------------------------|------------------------------------|--|--------------------------|-----------------------------|--------------------------|--|--|--|
| 21-11 | Various Capital Improvement | 12/31/22 | 12/28/2024 | 12/26/2025 | 2.50% | \$ 825,550.00 | \$ 100,000.00 | \$ 725,550.00 |
| Total | | | | | | <u>\$ 825,550.00</u> | <u>\$ 100,000.00</u> | <u>\$ 725,550.00</u> |

**TOWNSHIP OF MILLSTONE
GENERAL CAPITAL FUND
SCHEDULE OF SERIAL BONDS
FOR THE YEAR ENDED DECEMBER 31, 2024**

| PURPOSE | DATE OF ISSUE | ORIGINAL ISSUE | MATURITIES OF BONDS OUTSTANDING DEC. 31, 2024 | | INTEREST RATE | BALANCE DECEMBER 31, 2023 | DECREASED BY BUDGET APPROPRIATION | BALANCE DECEMBER 31, 2024 |
|--|---------------|-----------------|---|---------------|---------------|---------------------------|-----------------------------------|---------------------------|
| | | | DATE | AMOUNT | | | | |
| MCIA 2012 - General Improvements | 5/22/2012 | \$ 6,120,000.00 | 12/31/2025 | \$ 740,000.00 | 5.00% | \$ 1,450,000.00 | \$ 710,000.00 | \$ 740,000.00 |
| MCIA 2018 - General Improvements Bonds | 2/1/2018 | 2,690,000.00 | 1/15/2025 | 130,000.00 | 5.00% | 2,150,000.00 | 125,000.00 | 2,025,000.00 |
| | | | 1/15/2026 | 135,000.00 | 5.00% | | | |
| | | | 1/15/2027 | 145,000.00 | 5.00% | | | |
| | | | 1/15/2028 | 150,000.00 | 5.00% | | | |
| | | | 1/15/2029 | 160,000.00 | 5.00% | | | |
| | | | 1/15/2030 | 165,000.00 | 4.00% | | | |
| | | | 1/15/2031 | 175,000.00 | 4.00% | | | |
| | | | 1/15/2032 | 180,000.00 | 4.00% | | | |
| | | | 1/15/2033 | 190,000.00 | 4.00% | | | |
| | | | 1/15/2034 | 195,000.00 | 4.00% | | | |
| | | | 1/15/2035 | 200,000.00 | 4.00% | | | |
| | | | 1/15/2036 | 200,000.00 | 3.00% | | | |
| MCIA 2018 - Open Space Bonds | 2/1/2018 | 5,805,000.00 | 1/15/2025 | 245,000.00 | 5.00% | 4,795,000.00 | 235,000.00 | 4,560,000.00 |
| | | | 1/15/2026 | 255,000.00 | 5.00% | | | |
| | | | 1/15/2027 | 270,000.00 | 5.00% | | | |
| | | | 1/15/2028 | 285,000.00 | 5.00% | | | |
| | | | 1/15/2029 | 295,000.00 | 5.00% | | | |
| | | | 1/15/2030 | 310,000.00 | 4.00% | | | |
| | | | 1/15/2031 | 325,000.00 | 4.00% | | | |
| | | | 1/15/2032 | 340,000.00 | 4.00% | | | |
| | | | 1/15/2033 | 350,000.00 | 4.00% | | | |
| | | | 1/15/2034 | 365,000.00 | 4.00% | | | |
| | | | 1/15/2035 | 380,000.00 | 4.00% | | | |
| | | | 1/15/2036 | 380,000.00 | 3.00% | | | |
| | | | 1/15/2037 | 380,000.00 | 3.00% | | | |
| | | | 1/15/2038 | 380,000.00 | 3.00% | | | |
| MCIA 2020 - General Improvements Bonds | 12/23/2020 | 11,395,000.00 | 12/1/2025 | 910,000.00 | 5.00% | 9,590,000.00 | 865,000.00 | 8,725,000.00 |
| | | | 12/1/2026 | 955,000.00 | 5.00% | | | |
| | | | 12/1/2027 | 980,000.00 | 5.00% | | | |
| | | | 12/1/2028 | 980,000.00 | 5.00% | | | |
| | | | 12/1/2029 | 980,000.00 | 5.00% | | | |
| | | | 12/1/2030 | 980,000.00 | 5.00% | | | |
| | | | 12/1/2031 | 980,000.00 | 5.00% | | | |
| | | | 12/1/2032 | 980,000.00 | 4.00% | | | |
| | | | 12/1/2033 | 980,000.00 | 4.00% | | | |
| | | | | | | | | |

Detail:

| | |
|---------------------------|------------------------|
| Current Fund | \$ 1,700,000.00 |
| Municipal Open Space Fund | 235,000.00 |
| | <u>\$ 1,935,000.00</u> |

GENERAL FIXED ASSETS

**TOWNSHIP OF MILLSTONE
GENERAL CAPITAL (FIXED) ASSETS ACCOUNT GROUP
SCHEDULE OF GENERAL FIXED ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2024**

| | BALANCE DECEMBER 31, <u>2023</u> | ADDITIONS | BALANCE DECEMBER 31, <u>2024</u> |
|----------------------------------|--|------------------------|--|
| Land & Land Improvements | \$ 17,083,078.14 | \$ 1,233,924.85 | \$ 18,317,002.99 |
| Buildings | 6,313,081.27 | 570,129.64 | 6,883,210.91 |
| Improvement Other Than Buildings | 10,627,990.30 | | 10,627,990.30 |
| Machinery & Equipment | 2,998,720.39 | | 2,998,720.39 |
| | | | |
| Total | <u>\$ 37,022,870.10</u> | <u>\$ 1,804,054.49</u> | <u>\$ 38,826,924.59</u> |

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

SUPPLEMENTARY DATA

TOWNSHIP OF MILLSTONE
MONMOUTH COUNTY, NEW JERSEY
COMBINED BALANCE SHEET ALL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2024

| | <u>Current</u> <u>Fund</u> | <u>Trust</u> <u>Fund</u> | <u>General</u> <u>Capital Fund</u> | <u>Governmental</u> <u>Capital Assets</u> <u>Account</u> | <u>Totals</u> <u>(Memorandum Only)</u> | |
|---|-------------------------------|-----------------------------|---------------------------------------|--|---|-----------------------------|
| <u>ASSETS</u> | | | | | <u>2024</u> | <u>2023</u> |
| Cash | \$ 12,090,594.03 | \$ 8,142,063.40 | \$ 2,160,239.75 | | \$ 22,392,897.18 | \$ 29,861,183.01 |
| Cash Held by Plan Administrator (LOSAP) | | 371,258.03 | | | 371,258.03 | 383,805.63 |
| Investments: | | | | | | |
| Certificate of Deposit | 6,148,601.47 | | | | 6,148,601.47 | |
| General Capital BAN | 725,550.00 | | | | 725,550.00 | 825,550.00 |
| Accounts Receivable: | | | | | | |
| Intergovernmental Accounts | 39,293.16 | 1,194,056.57 | 327,358.00 | | 1,560,707.73 | 1,492,291.37 |
| Due from State of New Jersey | 1,000.00 | | | | 1,000.00 | 2,000.00 |
| Delinquent Property Taxes | 474,419.76 | | | | 474,419.76 | 554,149.63 |
| Tax Title Liens | 345,748.03 | | | | 345,748.03 | 330,625.93 |
| Interfund Loans | 7,536.84 | 36,967.97 | | | 44,504.81 | 246,048.88 |
| Revenue Accounts | 67,528.23 | | | | 67,528.23 | 37,615.42 |
| Deferred Charges to Future Taxation: | | | | | | |
| Funded | | | 16,050,000.00 | | 16,050,000.00 | 17,985,000.00 |
| Unfunded | | | 725,550.00 | | 725,550.00 | 825,550.00 |
| Capital Assets | | | | \$ 38,826,924.59 | 38,826,924.59 | 37,022,870.10 |
| Total Assets | <u>\$ 19,900,271.52</u> | <u>\$ 9,744,345.97</u> | <u>\$ 19,263,147.75</u> | <u>\$ 38,826,924.59</u> | <u>\$ 87,734,689.83</u> | <u>\$ 89,566,689.97</u> |

**TOWNSHIP OF MILLSTONE
MONMOUTH COUNTY, NEW JERSEY
COMBINED BALANCE SHEET ALL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2024**

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| | <u>Current Fund</u> | <u>Trust Fund</u> | <u>General Capital Fund</u> | <u>Governmental Capital Assets Account</u> | <u>Totals (Memorandum Only)</u> | |
|---|--------------------------------|-------------------------------|---------------------------------|--|-------------------------------------|--------------------------------|
| | | | | | <u>2024</u> | <u>2023</u> |
| <u>LIABILITIES, RESERVES AND FUND BALANCE</u> | | | | | | |
| Bonds and Notes Payable | | | \$ 16,775,550.00 | | \$ 16,775,550.00 | \$ 18,810,550.00 |
| Prepaid Taxes | \$ 293,742.64 | | | | 293,742.64 | 329,843.77 |
| Taxes Overpayment | | | | | | 2,479.97 |
| Due to County for Added and Omitted Taxes | 138,522.25 | | | | 138,522.25 | 207,323.21 |
| Accounts Payable | 17,718.29 | | | | 17,718.29 | 13,738.32 |
| Appropriation Reserves | 408,545.01 | | | | 408,545.01 | 372,465.85 |
| Local District School Tax Payable | 13,052,299.00 | | | | 13,052,299.00 | 12,672,858.50 |
| Reserve for Encumbrances | 342,606.80 | | 433,059.08 | | 775,665.88 | 2,100,960.31 |
| Amounts Pledged to Specific Purposes (LOSAP) | | \$ 371,258.03 | | | 371,258.03 | 383,805.63 |
| Developers Deposits and Escrow Funds | | 906,686.31 | | | 906,686.31 | 927,097.97 |
| Improvement Authorizations | | | 1,822,148.00 | | 1,822,148.00 | 593,246.06 |
| Capital Improvement Fund | | | 163,506.08 | | 163,506.08 | 163,506.08 |
| Interfund Loans | 44,504.81 | | | | 44,504.81 | 246,048.88 |
| Other Liabilities | 23,288.24 | 4.80 | | | 23,293.04 | 115,439.98 |
| Reserve for Certain Assets Receivable | 887,696.02 | 1,194,056.57 | | | 2,081,752.59 | 2,103,497.55 |
| Miscellaneous Reserves | | 7,272,340.26 | | | 7,272,340.26 | 8,311,346.88 |
| Reserve for Grants | 118,377.02 | | | | 118,377.02 | 357,324.36 |
| Investment in Governmental Capital Assets | | | | \$ 38,826,924.59 | 38,826,924.59 | 37,022,870.10 |
| Fund Balance | <u>4,572,971.44</u> | | <u>68,884.59</u> | | <u>4,641,856.03</u> | <u>4,832,286.55</u> |
| Total Liabilities, Reserves and Fund Balance | \$ <u>19,900,271.52</u> | \$ <u>9,744,345.97</u> | \$ <u>19,263,147.75</u> | \$ <u>38,826,924.59</u> | \$ <u>87,734,689.83</u> | \$ <u>89,566,689.97</u> |

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

| | Balance December 31, <u>2024</u> | <u>Percent</u> | Balance December 31, <u>2023</u> | <u>Percent</u> |
|---|--|----------------|--|----------------|
| <u>Revenue and Other Income Realized</u> | | | | |
| Fund Balance Utilized | \$ 2,600,000.00 | 4.49% | \$ 3,000,000.00 | 5.38% |
| Miscellaneous - from other than Local | | | | |
| Property Tax Levies | 2,842,241.08 | 4.91% | 2,880,424.50 | 5.16% |
| Other Credits to Income | 409,789.18 | 0.71% | 276,850.84 | 0.50% |
| Nonbudget Revenue | 79,514.67 | 0.14% | 29,833.00 | 0.05% |
| Collection of Delinquent Taxes and Tax Title Liens | 542,230.03 | 0.94% | 507,465.45 | 0.91% |
| Collection of Current Tax Levy | <u>51,390,451.64</u> | <u>88.82%</u> | <u>49,101,850.85</u> | <u>88.00%</u> |
| Total Income | <u>\$ 57,864,226.60</u> | <u>100.00%</u> | <u>\$ 55,796,424.64</u> | <u>100.00%</u> |
| <u>Expenditures</u> | | | | |
| Budget Expenditures - Municipal Purposes | \$ 9,503,320.87 | 17.12% | \$ 9,298,724.38 | 17.46% |
| County Taxes | 6,783,599.82 | 12.24% | 5,894,644.18 | 11.07% |
| Local School Taxes | 35,104,598.00 | 63.33% | 34,345,717.00 | 64.52% |
| Open Space Tax | 1,301,066.75 | 2.35% | 1,200,306.59 | 2.25% |
| Fire District Taxes | 2,739,793.00 | 4.94% | 2,433,070.00 | 4.57% |
| Other Expenditures | <u>1,162.64</u> | <u>0.01%</u> | <u>61,135.23</u> | <u>0.11%</u> |
| Total Expenditures | <u>\$ 55,433,541.08</u> | <u>100.00%</u> | <u>\$ 53,233,597.38</u> | <u>100.00%</u> |
| Excess of Revenue over Expenditures | \$ 2,430,685.52 | | \$ 2,562,827.26 | |
| Fund Balance, January 1 | <u>4,742,285.92</u> | | <u>5,179,458.66</u> | |
| | 7,172,971.44 | | 7,742,285.92 | |
| Less: Utilized as Anticipated Revenue | <u>2,600,000.00</u> | | <u>3,000,000.00</u> | |
| Fund Balance, December 31 | <u>\$ 4,572,971.44</u> | | <u>\$ 4,742,285.92</u> | |

PART II

TOWNSHIP OF MILLSTONE
OFFICIALS IN OFFICE
FOR THE YEAR ENDED DECEMBER 31, 2024

| <u>Name</u> | <u>Title</u> |
|--------------------|--|
| Al Ferro | Mayor |
| Chris Morris | Deputy Mayor |
| Jeff Ziner | Committeeperson |
| Eric Davis | Committeeperson |
| Tara Zabrosky | Committeeperson |
| Kevin Abernethy | Township Administrator |
| Lori Majeski | Chief Financial Officer [<i>effective 1/1/2024</i>] |
| Melissa Peerboom | Chief Financial Officer [<i>effective 10/1/2024</i>] |
| Kathleen Hart | Municipal Clerk |
| Andrew DeFelice | Tax Collector [<i>effective 1/1/2024</i>] |
| Christopher Anthes | Tax Assessor |
| Nicole Sonnenblick | Magistrate |
| Sonia Fernandez | Court Administrator |

COMMENTS AND RECOMMENDATIONS

GENERAL COMMENTS
DECEMBER 31, 2024

An audit of the financial accounts and transactions of the Township of Millstone, County of Monmouth, New Jersey for the year ended December 31, 2024 has been completed. The General Comments are herewith set forth:

Scope of Audit

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

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

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

N.J.S. 40A:11-4 states "every contract or agreement, for the performance of any work or the furnishing or hiring of any materials or supplies, the cost or the contract price whereof is to be paid with or out of public funds not included within the terms of Section 3 of this act, shall be made or awarded only after public advertising for bids and bidding therefore, except as is provided otherwise in this act or specifically by any other law. No work, materials or supplies shall be undertaken, acquired or furnished for a sum exceeding in the aggregate of \$17,500.00, due to the absence of a Qualified Purchasing Agent (QPA), except by contract or agreement."

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

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

Curbside Spring Cleanup
Project Remediation Spring

Curbside Recycling

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

Unleaded Gasoline & Diesel Fuel
Municipal Management Software
John Deere Diesel Commercial Z-Tracker

Sodium Chloride (Rock Salt)
Ford Escape

GENERAL COMMENTS (CONTINUED)
DECEMBER 31, 2024

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

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

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

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

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

Collection of Interest on Delinquent Taxes and Assessments

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

The Township, on January 3, 2024, adopted the following resolution authorizing interest to be charged on delinquent taxes and assessments:

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

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

WHEREAS, the Township Committee has decided that such stated interest rate shall prevail for the year 2024, as set forth in said Statute, be charged on any such delinquent taxes and/or assessments; and

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

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

GENERAL COMMENTS (CONTINUED)
DECEMBER 31, 2024

Collection of Interest on Delinquent Taxes and Assessments (Continued)

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

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

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

Delinquent Taxes and Tax Title Liens

The detail of all unpaid taxes for 2024 is being properly carried in the Tax Collector's records. An abstract taken from these records as at December 31, 2024, covering all unpaid charges on that date, was verified with the accounting control figures shown in this report. The detail of unpaid prior year's taxes and tax title liens is being properly carried in the Tax Collector's records.

The last tax sale was held on December 4, 2024 and was complete with respect to taxes.

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

Cash Balances

The cash balances in all funds were verified by independent certifications obtained from the depositories as of December 31, 2024.

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

Revenues

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

GENERAL COMMENTS (CONTINUED)
DECEMBER 31, 2024

Expenditures

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

Payroll

An examination was made of the employees' compensation records for the year 2024 to determine that salaries were paid in conformity with the amounts of salaries and wages authorized by ordinance, collective bargaining agreement and/or individual employment contract.

Vacation payout practices need to be reviewed for conformity with the Township's Personnel Policies and Procedures Manual.

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

Miscellaneous Comments

Interfunds Receivable/Payable

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

Aged or Inactive Accounts

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

Surety Bonds

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

OTHER COMMENTS
DECEMBER 31, 2024

Miscellaneous Comments (Continued)

Technical Directives – State of New Jersey

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

A general ledger was maintained except however for adjustments via adjusting audit journal entries that were required in the Current Fund and General Capital Fund in order to bring them into agreement with the detail records. Considering it was the first full year of a new Chief Financial Officer, the records were presented adequately.

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

A complete encumbrance system for budgetary purposes was maintained during 2024.

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

A fixed assets detail was maintained in 2024.

Construction Code Official

Our examination of the Uniform Construction Code Annual Report revealed the revenues for 2024 in accordance with the report were \$471,273.00 and expenditures were \$558,996.00. The revenue and expenditures should be reviewed annually for sufficiency.

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

Local School District Taxes

The payment made and amount due to the Local School District as of December 31, 2024 was verified by the School Board Secretary.

Internal Control Documentation

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

OTHER COMMENTS (CONTINUED)
DECEMBER 31, 2024

Miscellaneous Comments (Continued)

Administration and Accounting of Grants

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

Cybersecurity

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

Condition of Records - Other Officials Collecting Fees

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

Length of Service Awards Program

The Township by referendum authorized a Length of Service Awards Program (LOSAP) which is accounted for in a separate and distinct fund from the Township. A separate Accountant's Review Report has been prepared for its operations as of December 31, 2024.

Appreciation

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

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

Corrective Action Plan

A corrective action plan was not required for the 2023 audit since there were no recommendations and no plan of action is required for 2024 as a similar condition exists.

RECOMMENDATIONS
DECEMBER 31, 2024

None.

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

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

Very truly yours,

A handwritten signature in black ink, appearing to read "G. Stankiewicz". The signature is fluid and cursive, written over a light gray background.

Gerard Stankiewicz
Certified Public Accountant
Registered Municipal Accountant #431

For the Firm
SAMUEL KLEIN AND COMPANY, LLP