

BOROUGH OF MEDFORD LAKES
County of Burlington

Report of Audit of Financial Statements

For the Year Ended December 31, 2023

BOROUGH OF MEDFORD LAKES
COUNTY OF BURLINGTON

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BOROUGH OF MEDFORD LAKES

PART I

Report of Audit of Financial Statements

For the Year Ended December 31, 2023

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INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and
Members of the Borough Council
Borough of Medford Lakes
County of Burlington
Medford Lakes, New Jersey 08055

Report on the Audit of the Financial Statements

Opinions

I have audited the accompanying statements of assets, liabilities, reserves and fund balance - regulatory basis of the various funds of the Borough of Medford Lakes, ("Borough"), County of Burlington, State of New Jersey, as of December 31, 2023 and 2022 and the related statements of operations and changes in fund balance - regulatory basis for the year then ended, and the related statement of revenues-regulatory basis, statement of expenditures - regulatory basis, and the statement of general fixed asset account group for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Borough's basic financial statements as listed in the table of contents.

Unmodified Opinions on Regulatory Basis of Accounting

In my opinion, the financial statements referred to previously present fairly, in all material respects, the assets, liabilities, reserves and fund balance - regulatory basis of the various funds of the Borough as of December 31, 2023 and 2022 and the results of its operations and changes in fund balance - regulatory basis of such funds for the years then ended, and the revenues - regulatory basis and expenditures - regulatory basis of the various funds, and general fixed asset group of accounts - regulatory basis, for the year ended December 31, 2023, in conformity with accounting principles and practices prescribed by the Division of Local Government Services ("Division"), Department of Community Affairs, State of New Jersey as described in Note 1.

Adverse Opinion on Accounting Principles Generally Accepted in the United States of America

In my opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on Accounting Principles Generally Accepted in the United States of America* section of my report, the accompanying financial statements referred to above do not present fairly the financial position of the Borough as of December 31, 2023 and 2022, or the results of its operations and the changes in fund balance for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions on Regulatory Basis of Accounting

I conducted my audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and in compliance with audit requirements prescribed by the Division. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statement* section of my report. I am required to be independent of the Borough and to meet my other ethical responsibilities, in accordance with the relevant ethical requirements relating to my audit. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

Basis for Adverse Opinion on Accounting Principles Generally Accepted in the United States of America

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibility for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements - regulatory basis as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore not a guarantee that an audit conducted in accordance with generally accepted auditing standards 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 judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, I:

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

I am 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 I identified during the audit.

Supplementary Information

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Borough's basic financial statements. The accompanying supplemental statements and schedules presented for the various funds, as listed in the table of contents, are presented for purposes of additional analysis as required by the Division and are not a part of the basic financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the accompanying supplemental statements and schedules, and schedules of expenditures of federal and state financial assistance is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, I have also issued my report dated September 30, 2024, on my consideration of the Borough's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Borough's internal control over financial reporting and compliance.

Respectfully submitted,

INVERSO & STEWART, LLC
Certified Public Accountants



Robert P. Inverso
Certified Public Accountant
Registered Municipal Accountant

Marlton, New Jersey
September 30, 2024

INVERSO & STEWART, LLC

Certified Public Accountants

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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*

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and
Members of the Borough Council
Borough of Medford Lakes
County of Burlington
Medford Lakes, New Jersey 08055

I 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 the audit requirements as prescribed by the Division of Local Government Services ("Division"), Department of Community Affairs, State of New Jersey, the financial statements prepared on a regulatory basis of accounting prescribed by the Division, of the Borough of Medford Lakes ("Borough"), in the County of Burlington, State of New Jersey, as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Borough's basic financial statements, and have issued my report thereon dated September 30, 2024. That report indicated that the Borough's financial statements were not prepared in accordance with accounting principles generally accepted in the United States of America, but were prepared on a regulatory basis of accounting prescribed by the Division.

Report on Internal Control Over Financial Reporting

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

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

My 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 my audit I did not identify any deficiencies in internal control that I consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Report on Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of my testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards and audit requirements as prescribed by the Division and federal and state awarding agencies and pass-through entities, in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully submitted,

INVERSO & STEWART, LLC
Certified Public Accountants



Robert P. Inverso
Certified Public Accountant
Registered Municipal Accountant

Marlton, New Jersey
September 30, 2024

BOROUGH OF MEDFORD LAKES

CURRENT FUND

**Statement of Assets, Liabilities, Reserves and Fund Balance -- Regulatory Basis
For the Years Ended December 31, 2023 and 2022**

	<u>Reference</u>	<u>2023</u>	<u>2022</u>
<u>ASSETS</u>			
Regular Fund:			
Cash - Treasurer	A-4	\$ 4,076,164.48	\$ 4,144,049.03
Cash - Tax Collector	A-5	84,158.29	143,815.90
Cash - Collector's Change Fund		500.00	500.00
Investment - Bond Anticipation Note	C-6	<u>2,068,771.50</u>	<u>1,919,862.00</u>
Total		<u>6,229,594.27</u>	<u>6,208,226.93</u>
Receivables and Other Assets with Full Reserves:			
Delinquent Property Taxes Receivable	A-6	183,196.68	171,521.44
Tax Title Lien Receivable	A-7		
Property Acquired for Taxes	A-8	151,200.00	151,200.00
Revenue Accounts Receivable	A-9	1,520.22	1,778.62
Other Receivable		3,539.50	44,216.38
Due from Other Trust Fund	B	11,082.51	11,013.23
Due from Capital Fund	C	171,985.68	107,948.11
Due from Sewer Utility Fund	D	65,411.88	69,451.74
Due from Sewer Capital Fund	D	<u>14,800.00</u>	<u>14,800.00</u>
Total		<u>602,736.47</u>	<u>571,929.52</u>
Total Regular Fund		<u>6,832,330.74</u>	<u>6,780,156.45</u>
Federal and State Grant Fund:			
Cash - Treasurer	A-4	197,688.43	313,373.75
Federal and State Grants Receivable	A-19	250,290.88	76,449.88
Due from Current Fund	A	<u>45,945.68</u>	<u>44,689.94</u>
Total Federal and State Grant Fund		<u>493,924.99</u>	<u>434,513.57</u>
Total		<u>\$ 7,326,255.73</u>	<u>\$ 7,214,670.02</u>

(Continued)

BOROUGH OF MEDFORD LAKES

CURRENT FUND

**Statement of Assets, Liabilities, Reserves and Fund Balance -- Regulatory Basis
For the Years Ended December 31, 2023 and 2022**

	<u>Reference</u>	<u>2023</u>	<u>2022</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Regular Fund:			
Liabilities:			
Appropriation Reserves	A-3	\$ 160,507.70	\$ 70,045.10
Reserve for Encumbrances	A-3/A-9	76,375.78	71,789.77
Accounts Payable		7,571.00	9,647.70
Reserve for Farmers Market	A-11		3,306.91
Reserve for Leon Todd Memorial Park	A-12		4,072.42
Tax Overpayments	A-14	3,096.37	6,983.35
Prepaid Taxes	A-4	103,598.20	135,603.15
Reserve for Tax Title Liens/Tax Sale Premiums	A-15	84,158.29	143,815.90
Reserve for Storm Damage		55,028.05	55,028.05
Reserve for Municipal Relief Aid		30,206.60	15,106.66
Due State of New Jersey:			
Construction Code Fees		2,277.00	1,255.00
Marriage License Fees		150.00	
Vets & SC Deductions	A-13	1,500.00	7,198.63
Due to Federal and State Grant Fund	A	45,945.68	44,689.94
Due to Trust Other Fund	B	7,982.33	303.00
Due to Sewer Operating	D	757.90	757.90
Due County for Added Taxes	A-16	3,574.02	1,840.47
Regional High School Tax Payable	A-17	1,989,947.89	2,019,815.89
Local District School Tax Payable	A-18	2,557,854.81	2,489,307.77
		<u>5,130,531.62</u>	<u>5,080,567.61</u>
Reserve for Receivables and Other Assets	A	602,736.47	571,929.52
Fund Balance	A-1	1,099,062.65	1,127,659.32
		<u>6,832,330.74</u>	<u>6,780,156.45</u>
Federal and State Grant Fund:			
Unappropriated Reserves	A-20	1,139.88	114,836.36
Reserve for Encumbrances	A-21	3,455.40	75,156.19
Appropriated Reserves	A-21	489,329.71	244,521.02
		<u>493,924.99</u>	<u>434,513.57</u>
Total		<u>\$ 7,326,255.73</u>	<u>\$ 7,214,670.02</u>

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

BOROUGH OF MEDFORD LAKES

CURRENT FUND

Statement of Operations and Changes in Fund Balance -- Regulatory Basis
For the Years Ended December 31, 2023 and 2022

	2023	2022
Revenue and Other Income Realized:		
Fund Balance Utilized	\$ 840,000.00	\$ 840,000.00
Miscellaneous Revenue Anticipated	1,308,019.26	976,661.72
Receipts from Delinquent Taxes	172,970.18	140,683.09
Receipts from Current Taxes	16,068,205.85	15,719,073.26
Nonbudget Revenues	232,303.03	200,900.05
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	60,975.58	70,438.77
Other Receivable Liquidated	40,676.88	9,059.95
Tax Overpayment Canceled	2,658.85	1,123.72
Cancellation of Accounts Payable	9,647.70	
Cancellation of Vets and Senior Citizens	7,991.83	
Total Revenue and Other Income Realized	<u>18,743,449.16</u>	<u>17,957,940.56</u>
Expenditures:		
Operations Within "CAPS":		
Salaries and Wages	1,848,742.00	1,784,739.00
Other Expenses	1,474,395.00	1,446,765.00
Deferred Charges and Statutory Expenditures Within "CAPS"	555,888.00	481,612.00
Operations Excluded from "CAPS":		
Salaries and Wages	274,953.60	31,706.00
Other Expenses	164,877.23	163,431.50
Capital Improvements Excluded from "CAPS"	30,000.00	30,000.00
Municipal Debt Service Excluded from "CAPS"	623,909.09	593,609.08
Deferred Charges Excluded from "CAPS"		13,754.30
Local District School Tax	6,816,386.00	6,679,292.00
Regional High School Tax	3,898,111.00	3,957,847.00
County Taxes	2,179,413.28	2,061,452.23
Due County for Added Taxes	3,574.02	1,840.47
Overpayment created	7,825.16	
Interfunds created	52,471.45	
Prior Year Senior Citizens Disallowed	1,500.00	500.00
Total	<u>17,932,045.83</u>	<u>17,246,548.58</u>
Excess	811,403.33	711,391.98
Fund Balance January 1	<u>1,127,659.32</u>	<u>1,256,267.34</u>
Total	1,939,062.65	1,967,659.32
Decreased by Utilization as Anticipated Revenue	<u>840,000.00</u>	<u>840,000.00</u>
Balance December 31,	<u>\$ 1,099,062.65</u>	<u>\$ 1,127,659.32</u>

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

BOROUGH OF MEDFORD LAKES

CURRENT FUND

Statement of Revenues -- Regulatory Basis
For the Year Ended December 31, 2023

	BUDGET	SPECIAL NJS 40A:4-87	REALIZED	EXCESS (DEFICIT)
Fund Balance Anticipated	\$ 840,000.00	\$ -	\$ 840,000.00	\$ -
Miscellaneous Revenues:				
Licenses:				
Alcohol	1,243.00		1,243.00	-
Fees and Permits - Other	24,000.00		81,838.29	57,838.29
Fines and Costs - Municipal Court	24,000.00		26,615.00	2,615.00
Interest and Costs on Taxes	35,000.00		46,067.25	11,067.25
Cellular Tower Rental	150,000.00		170,599.76	20,599.76
Energy Receipts Taxes	291,602.00		291,601.82	(0.18)
Municipal Relief Aid	15,106.66		15,106.66	-
Uniform Construction Code Fees	42,000.00		57,213.00	15,213.00
Shared Service:				
Municipal Court - Shamong Township	24,000.00		24,000.00	-
Municipal Court - Tabernacle Township	60,920.00		70,276.43	9,356.43
Construction Code - Shamong Township	18,035.00		32,410.05	14,375.05
Reserve for Payment of Debt Service Cost	165,000.00		165,000.00	-
Miscellaneous Revenues Offset with Appropriations:				
American Rescue Plan	114,836.36		114,836.36	-
Body Armor Replacement Grant	1,037.17		1,037.17	-
Clean Communities	12,836.99		12,836.99	-
Municipal Alliance Grant	3,317.00		3,317.00	-
Recycling Tonnage Grant	7,020.48		7,020.48	-
Stormwater Assistance Grant	15,000.00		15,000.00	-
FEMA Safer Grant	172,000.00		172,000.00	-
Total	1,176,954.66		1,308,019.26	131,064.60
Receipts from Delinquent Taxes	142,000.00		172,970.18	30,970.18
Amount to be Raised by Taxes for Support of Municipal Budget - Local Tax for Municipal Purposes	3,344,183.73		3,701,095.02	356,911.29
Budget Totals	5,503,138.39		6,022,084.46	\$ 518,946.07
Nonbudget Revenues			232,303.03	
Total	\$ 5,503,138.39	\$ -	\$ 6,254,387.49	

(Continued)

BOROUGH OF MEDFORD LAKES

CURRENT FUND

Statement of Revenues -- Regulatory Basis
For the Year Ended December 31, 2023Analysis of Realized Revenue**Allocation of Current Tax Collections:**

Revenue from Collections	\$ 16,068,205.85
Allocated to School and County Taxes	12,897,484.30
Balance for Support of Municipal Budget Appropriations	3,170,721.55
Add Appropriation - Reserve for Uncollected Taxes	530,373.47
Amount for Support of Municipal Budget Appropriations	<u>\$ 3,701,095.02</u>

Receipts from Delinquent Taxes:

Delinquent Tax Collections	<u>\$ 172,970.18</u>
----------------------------	----------------------

Fees and Permits - Other:

Historic Commission Permits	\$ 75.00
Street Opening Permits	59,500.00
Firearm Permits	5,285.00
Zoning Permits	4,650.00
Land Use Board Fees	500.00
Tree Removal Permits	3,000.00
Permits and Fees	2,083.00
Fire Official Permits and Fees	6,745.29
Total	<u>\$ 81,838.29</u>

Miscellaneous Revenue Not Anticipated:

Collected - Treasurer	
Cable TV Franchise Fee	\$ 55,625.62
Vet & Senior Citizen Admin Fee	565.00
Vacant Property Fee	8,464.00
Photocopies	598.70
Admin Fee - Off Duty Police	66,681.94
Interest on Bank Deposits	69,188.29
Assessor's List	70.00
Police Reports	329.84
Raffle License	240.00
Duplicate Bill	72.00
Miscellaneous	30,467.64
Total Treasurer	<u>\$ 232,303.03</u>

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

BOROUGH OF MEDFORD LAKES

CURRENT FUND

Statement of Expenditures -- Regulatory Basis
For the Year Ended December 31, 2023

	Appropriations		Expended			Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved	
GENERAL APPROPRIATIONS:						
Operations Within "CAPS":						
General Government						
General Administration:						
Salaries and Wages	\$ 139,250.00	\$ 135,750.00	\$ 129,855.92	\$ -	\$ 5,894.08	\$ -
Other Expenses	14,350.00	15,650.00	13,030.21	1,848.46	771.33	
Mayor and Council:						
Salaries and Wages	8,500.00	8,500.00	8,500.00			
Other Expenses	8,600.00	8,600.00	8,323.14	111.00	165.86	
Borough Clerk:						
Salaries and Wages	96,400.00	91,400.00	85,427.51		5,972.49	
Other Expenses	16,900.00	19,900.00	13,635.12	2,074.06	4,190.82	
Financial Administration:						
Salaries and Wages	33,000.00	33,000.00	32,177.57		822.43	
Other Expenses	4,200.00	4,200.00	1,688.08		2,511.92	
Audit Services:						
Other Expenses	18,500.00	18,500.00	18,000.00		500.00	
Computerized Data Processing:						
Other Expenses	22,000.00	22,600.00	22,508.93		91.07	
Collection of Taxes:						
Salaries and Wages	37,000.00	37,000.00	35,484.92		1,515.08	
Other Expenses	1,800.00	1,800.00	1,183.72	201.36	414.92	
Assessment of Taxes:						
Other Expenses	32,500.00	33,500.00	33,195.82		304.18	
Legal Services & Costs:						
Other Expenses	49,000.00	45,000.00	36,593.15	752.50	7,654.35	
Engineering Services:						
Other Expenses	25,000.00	25,000.00	10,646.68	10,652.50	3,700.82	

(Continued)

BOROUGH OF MEDFORD LAKES

CURRENT FUND

Statement of Expenditures -- Regulatory Basis
For the Year Ended December 31, 2023

	Appropriations		Expended			Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved	
Operations Within "CAPS" (Continued)						
General Government						
Historic Preservation Commission:						
Salaries and Wages	\$ 2,200.00	\$ 2,200.00	\$ 1,750.00	\$ -	\$ 450.00	\$ -
Land Use Administration:						
Planning Board:						
Salaries & Wages	5,500.00	5,600.00	5,329.22	64.78	206.00	
Other Expenses	3,500.00	16,500.00	11,169.64	5,200.00	130.36	
Insurance:						
Liability Insurance	131,000.00	133,620.00	133,620.00			
Employees Group Insurance	442,000.00	430,000.00	414,275.78	296.60	15,427.62	
Health Benefit Waiver	22,000.00	22,000.00	18,123.84		3,876.16	
Other Insurance	1,500.00	1,500.00	1,185.84	126.88	187.28	
Public Safety:						
Police:						
Salaries and Wages	1,010,592.00	1,030,592.00	1,018,488.98		12,103.02	
Other Expenses	66,400.00	66,400.00	58,191.17	8,045.52	163.31	
Office of Emergency Management:						
Salaries and Wages	2,300.00	2,300.00	2,263.23		36.77	
Other Expenses	750.00	850.00	531.04		318.96	
Fire Department:						
Other Expenses	78,000.00	78,000.00	61,211.92	15,626.35	1,161.73	
Fire Official:						
Salaries & Wages	24,000.00	24,000.00	20,102.58		3,897.42	
Other Expenses	1,000.00	1,000.00	-		1,000.00	
Borough Prosecutor:						
Salaries and Wages	10,000.00	10,000.00	9,851.50	148.50	-	-
Other Expenses	-	-	-		-	

(Continued)

BOROUGH OF MEDFORD LAKES

CURRENT FUND

Statement of Expenditures -- Regulatory Basis
For the Year Ended December 31, 2023

	Appropriations		Expended			Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved	
Operations Within "CAPS" (Continued)						
Public Works:						
Streets & Roads:						
Salaries and Wages	\$ 345,200.00	\$ 345,200.00	\$ 338,296.80	\$ -	\$ 6,903.20	\$ -
Other Expenses	73,475.00	60,475.00	50,529.08	3,194.78	6,751.14	
Solid Waste Collection:						
Salaries & Wages	54,000.00	49,000.00	40,510.31		8,489.69	
Other Expenses	39,200.00	39,200.00	34,550.06	4,162.10	487.84	
Public Buildings and Grounds:						
Other Expenses	34,500.00	30,500.00	25,332.65	2,068.76	3,098.59	
Vehicle Maintenance:						
Other Expenses	43,000.00	46,000.00	41,874.17	4,031.36	94.47	
Utility Expenses and Bulk Purchases:						
Electricity	27,000.00	27,000.00	22,782.90	2,229.43	1,987.67	
Street Lighting	10,500.00	13,500.00	8,794.93	876.33	3,828.74	
Telephone	18,000.00	18,000.00	17,005.42	229.28	765.30	
Natural Gas	16,500.00	16,500.00	10,741.81		5,758.19	
Gasoline	63,000.00	59,500.00	44,573.92		14,926.08	
Postage and Printing	6,500.00	9,000.00	9,000.00			
Landfill/Solid Waste Disposal Costs:						
Landfill Fees	180,000.00	181,000.00	164,071.50	12,833.25	4,095.25	
Uniform Construction Code:						
Construction Code Official:						
Salaries and Wages	35,000.00	35,000.00	34,127.09		872.91	
Other Expenses	3,600.00	4,600.00	4,213.11		386.89	
Zoning Code Enforcement Officer:						
Salaries and Wages	13,500.00	13,500.00	13,399.93		100.07	
Other Expenses	2,000.00	2,000.00	-		2,000.00	

(Continued)

BOROUGH OF MEDFORD LAKES

CURRENT FUND

Statement of Expenditures -- Regulatory Basis
For the Year Ended December 31, 2023

	Appropriations		Expended			Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved	
Operations Within "CAPS" (Continued)						
Accumulate Sick Leave Compensaton						
Salaries and Wages	\$ 8,000.00	\$ 8,000.00	\$ 8,000.00	\$ -	\$ -	\$ -
Celebration of Public Eents						
Other Expenses	6,500.00	6,500.00			6,500.00	
Municipal Court:						
Salaries and Wages	21,000.00	21,000.00	21,000.00			
Other Expenses	6,000.00	6,000.00	5,112.85	384.48	502.67	
Public Defender						
Salaries and Wages	6,700.00	6,700.00	5,225.00	475.00	1,000.00	
Total Operations - Within "CAPS"	3,320,917.00	3,323,137.00	3,105,487.04	75,633.28	142,016.68	
Contingent						
Total Operations Including Contingent - within "CAPS"	3,320,917.00	3,323,137.00	3,105,487.04	75,633.28	142,016.68	
Detail:						
Salaries and Wages	1,842,142.00	1,848,742.00	1,799,939.06	539.78	48,263.16	
Other Expenses	1,478,775.00	1,474,395.00	1,305,547.98	75,093.50	93,753.52	
Deferred Charges and Statutory Expenditures -						
Municipal - Within "CAPS":						
STATUTORY EXPENDITURES:						
Contribution to:						
Public Employees Retirement System	79,263.00	79,263.00	79,263.00			
Social Security System (O.A.S.I.)	165,000.00	165,000.00	154,295.80		10,704.20	
Police and Firemen's Retirement System	300,245.00	300,245.00	300,245.00			
Unemployment Compensation Insurance	10,000.00	7,780.00	1,109.52		6,670.48	
Defined Contribution Retirement Fund	3,600.00	3,600.00	2,735.87		864.13	
Total Deferred Charges and Statutory Expenditures -						
Municipal Within "CAPS"	558,108.00	555,888.00	537,649.19		18,238.81	

BOROUGH OF MEDFORD LAKES

CURRENT FUND

Statement of Expenditures -- Regulatory Basis
For the Year Ended December 31, 2023

	Appropriations		Paid or Charged	Expended		Unexpended Balance Canceled
	Budget	Budget After Modification		Encumbered	Reserved	
Total General Appropriations - For Municipal Purposes Within "CAPS"	<u>\$ 3,879,025.00</u>	<u>\$ 3,879,025.00</u>	<u>\$ 3,643,136.23</u>	<u>\$ 75,633.28</u>	<u>\$ 160,255.49</u>	<u>\$ -</u>
Operations Excluded from "CAPS":						
Shared Service Agreements:						
Municipal Court-Shamong						
Salaries and Wages	24,000.00	24,000.00	24,000.00		-	-
Municipal Court- Tabernacle						
Salaries and Wages	60,920.00	60,920.00	59,925.29	742.50	252.21	
Construction Code- Shamong						
Salaries and Wages	18,033.60	18,033.60	18,033.60		-	
Emergency Medical Services - Medford Township	10,000.00	10,000.00	10,000.00		-	
Public and Private Programs Offset By Revenues:						
Matching Fund for Grants		-			-	
Recycling Tonnage	7,020.46	7,020.46	7,020.46		-	
Body Armor	1,037.17	1,037.17	1,037.17		-	
American Rescue Plan	114,836.36	114,836.36	114,836.36		-	
Clean Communities	12,836.99	12,836.99	12,836.99		-	
Municipal Alliance Against Alcoholism and Abuse						
State Share	3,317.00	3,317.00	3,317.00		-	
Borough Share	829.25	829.25	829.25		-	
Stormwater Assistance Grant	15,000.00	15,000.00	15,000.00		-	
Homeland Security - Firefighters Grant	172,000.00	172,000.00	172,000.00		-	
Total Operations - Excluded From "CAPS"	<u>439,830.83</u>	<u>439,830.83</u>	<u>438,836.12</u>	<u>742.50</u>	<u>252.21</u>	
Detail:						
Salaries and Wages	274,953.60	274,953.60	273,958.89	742.50	252.21	
Other Expenses	164,877.23	164,877.23	164,877.23			

(Continued)

BOROUGH OF MEDFORD LAKES

CURRENT FUND

Statement of Expenditures -- Regulatory Basis
For the Year Ended December 31, 2023

	Appropriations		Expended		Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Encumbered	
Capital Improvements - Excluded From "CAPS"					
Capital Improvement Fund	\$ 30,000.00	\$ 30,000.00	\$ 30,000.00	\$ -	\$ -
Total Capital Improvements - Excluded From "CAPS"	<u>30,000.00</u>	<u>30,000.00</u>	<u>30,000.00</u>		
Municipal Debt Service - Excluded From "CAPS"					
Payment of Bond Anticipation Notes & Capital Notes	75,300.00	75,300.00	75,300.00		
Loan Repayment - Principal	507,823.79	507,823.79	507,823.79		
Loan Repayment - Interest	40,785.30	40,785.30	40,785.30		
Total Municipal Debt Service - Excluded From "CAPS"	<u>623,909.09</u>	<u>623,909.09</u>	<u>623,909.09</u>		
Total General Appropriations for Municipal Purposes Excluded From "CAPS"	<u>1,093,739.92</u>	<u>1,093,739.92</u>	<u>1,092,745.21</u>	<u>742.50</u>	<u>252.21</u>
Subtotal General Appropriations	4,972,764.92	4,972,764.92	4,735,881.44	76,375.78	160,507.70
Reserve for Uncollected Taxes	<u>530,373.47</u>	<u>530,373.47</u>	<u>530,373.47</u>		
TOTAL GENERAL APPROPRIATIONS	<u>\$ 5,503,138.39</u>	<u>\$ 5,503,138.39</u>	<u>\$ 5,266,254.91</u>	<u>\$ 76,375.78</u>	<u>\$ 160,507.70</u>

(Continued)

BOROUGH OF MEDFORD LAKES

CURRENT FUND

Statement of Expenditures -- Regulatory Basis
For the Year Ended December 31, 2023

	<u>Appropriations</u>		<u>Expended</u>			<u>Unexpended Balance Canceled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>	
Analysis of Budget After Modification:						
Original Budget		\$ 5,503,138.39				
Appropriation by 40A: 4-87		-				
Total		<u>\$ 5,503,138.39</u>				
Analysis of Expended - Paid or Charged:						
Reserve for Federal and State Grants			\$ 326,047.98			
Due to Federal and State Grant Fund			829.25			
Payment Bond Anticipation Note			75,300.00			
Reserve for Uncollected Taxes			530,373.47			
Disbursed			<u>4,333,704.21</u>			
Total			<u>\$ 5,266,254.91</u>			

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

BOROUGH OF MEDFORD LAKES

TRUST FUND

Statement of Assets, Liabilities, Reserves, and Fund Balance - Regulatory Basis
December 31, 2023 and 2022

<u>ASSETS</u>	<u>Reference</u>	<u>2023</u>	<u>2022</u>
Animal Control Fund:			
Cash - Treasurer	B-1	\$ 6,424.81	\$ 6,385.21
Other Funds:			
Cash - Treasurer	B-1	109,853.01	120,819.63
Due from Current Fund	A	7,982.33	303.00
Total Other Funds		<u>117,835.34</u>	<u>121,122.63</u>
Total		<u>\$ 124,260.15</u>	<u>\$ 127,507.84</u>
 <u>LIABILITIES AND RESERVES</u>			
Animal Control Fund:			
Due to State Department of Health		\$ 180.00	\$ 2.40
Reserve for Animal Control Fund Expenditures	B-2	6,244.81	6,382.81
Total Animal Control Fund		<u>6,424.81</u>	<u>6,385.21</u>
Other Funds:			
Due to Current Fund	A	11,082.51	11,013.23
Due to Sewer Capital Fund	D	20,989.31	20,989.31
Payroll Deductions Payable	B-3	15,762.95	13,509.56
Reserve for Planning and Zoning Escrow Deposits	B-4	3,058.15	3,558.15
Reserve for Unemployment Compensation Trust	B-5	12,737.55	9,217.22
Reserve for Public Defender Fund	B-6	5,603.92	5,199.92
Reserve for Compensated Absences	B-7	285.00	285.00
Reserve for Special Law Enforcement Fund	B-8	197.64	197.64
Reserve for Street Opening Deposits	B-9	40,420.98	57,134.60
Reserve for POAA	B-10	18.00	18.00
Reserve for Farmers Market	B-11	3,306.91	-
Reserve for Leon Todd Memorial Park	B-12	4,372.42	-
Total Other Funds		<u>117,835.34</u>	<u>121,122.63</u>
Total		<u>\$ 124,260.15</u>	<u>\$ 127,507.84</u>

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

BOROUGH OF MEDFORD LAKES

GENERAL CAPITAL FUND

**Statement of Assets, Liabilities, Reserves and Fund Balance -- Regulatory Basis
For the Years Ended December 31, 2023 and 2022**

	<u>Reference</u>	<u>2023</u>	<u>2022</u>
<u>ASSETS</u>			
Cash	C-2	\$ -	\$ 69,457.43
State Aid Receivable		677,034.36	450,694.36
Deferred Charges to Future Taxation:			
Funded	C-4	1,657,765.18	2,165,588.97
Unfunded	C-5	<u>2,992,491.07</u>	<u>4,049,755.54</u>
 Total		<u>\$ 5,327,290.61</u>	<u>\$ 6,735,496.30</u>
 <u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Bond Anticipation Notes Payable	C-6	\$ 2,068,771.50	\$ 1,919,862.00
EDA Loan Payable	C-7	1,657,765.18	2,165,588.97
Improvement Authorizations:			
Funded	C-8	545,978.54	537,360.63
Unfunded	C-8	419,604.06	1,457,498.47
Encumbrances Payable	C-8	372,796.70	350,096.56
Due to Current Fund	A	171,985.68	107,948.11
Due to Sewer Utility Fund	D	2,450.33	2,450.33
Reserve for Payment of Debt Service Costs	C-3	22,238.72	171,405.58
Capital Improvement Fund	C-9	28,845.26	10,645.76
Fund Balance	C-1	<u>36,854.64</u>	<u>12,639.89</u>
 Total		<u>\$ 5,327,290.61</u>	<u>\$ 6,735,496.30</u>

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

BOROUGH OF MEDFORD LAKES

GENERAL CAPITAL FUND

Statement of Fund Balance - Regulatory Basis
For the Year Ended December 31, 2023

Balance December 31, 2022	\$ 12,639.89
Increased By:	
Funded Improvement Authorizations Funded	<u>59,214.75</u>
	71,854.64
Decreased by:	
Appropriated to Fund Improvement Authorizations	<u>35,000.00</u>
Balance December 31, 2023	<u><u>\$ 36,854.64</u></u>

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

BOROUGH OF MEDFORD LAKES

SEWER UTILITY OPERATING AND CAPITAL FUND

**Statement of Assets, Liabilities, Reserves and Fund Balance -- Regulatory Basis
For the Years Ended December 31, 2023 and 2022**

	<u>Reference</u>	<u>2023</u>	<u>2022</u>
<u>ASSETS</u>			
Operating Fund:			
Cash - Treasurer	D-5	\$ 1,603,062.20	\$ 1,824,448.48
Investment - Bond Anticipation Note	D-16	280,000.00	320,000.00
Due from Current Fund	A	757.90	757.90
Due from General Capital Fund	C	2,450.33	2,450.33
Due from Sewer Utility Capital Fund	D	15,036.63	12,599.56
Receivables with Full Reserves:			
Sewer Service Charges Receivable	D-7	99,661.15	114,312.18
Sewer Service Lien Receivable	D-8	-	-
		<u>2,000,968.21</u>	<u>2,274,568.45</u>
Total Operating Fund			
Capital Fund:			
Cash - Treasurer	D-5	753,310.15	78,012.55
Fixed Capital	D-9	5,533,651.24	5,533,651.24
Fixed Capital Authorized & Uncompleted	D-10	10,728,515.00	10,728,515.00
Due from Bank		12.00	12.00
Due from Trust Fund	B	20,989.31	20,989.31
Due from Sewer Utility Fund	D	-	17,044.53
		<u>17,036,477.70</u>	<u>16,378,224.63</u>
Total Capital Fund			
		<u>\$ 19,037,445.91</u>	<u>\$ 18,652,793.08</u>

(Continued)

BOROUGH OF MEDFORD LAKES

SEWER UTILITY OPERATING AND CAPITAL FUND

Statement of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis
For the Years Ended December 31, 2023 and 2022

	<u>Reference</u>	<u>2023</u>	<u>2022</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Operating Fund:			
Due to Current Fund	A	\$ 65,411.88	\$ 69,451.74
Due to Sewer Capital Fund	D	-	17,044.53
Appropriation Reserves	D-4	164,881.00	8,378.09
Encumbrances Payable	D-4	136,476.66	173,994.64
Accounts Payable	D-11	-	110,290.38
Prepaid Sewer Service Charges	D-5	90,213.37	85,998.81
Sewer Rent Overpayments		<u>2,723.34</u>	<u>3,222.62</u>
Total		459,706.25	468,380.81
Reserve for Receivables	D	99,661.15	114,312.18
Fund Balance	D-1	<u>1,441,600.81</u>	<u>1,691,875.46</u>
Total Operating Fund		<u>2,000,968.21</u>	<u>2,274,568.45</u>
Capital Fund:			
Encumbrances Payable	D-13	1,667,142.32	1,710,090.32
Accounts Payable		-	12,552.19
Bond Anticipation Notes Payable	D-16	280,000.00	320,000.00
NJ Environmental Infrastructure Loan Advance		4,699,883.00	3,892,759.00
Due to Current Fund	A	14,800.00	14,800.00
Due to Sewer Utility Operating Fund	D	15,036.63	12,599.56
Improvement Authorization			
Funded	D-13	42,063.43	29,511.24
Unfunded	D-13	3,772,713.80	3,881,073.80
Reserve for Amortization	D-14	5,533,651.24	5,533,651.24
Deferred Reserve for Amortization	D-15	993,004.57	953,004.57
Reserve for Debt		1,072.96	1,072.96
Capital Improvement Fund	D-12	3,458.25	3,458.25
Capital Fund Balance	D-2	<u>13,651.50</u>	<u>13,651.50</u>
Total Capital Fund		<u>17,036,477.70</u>	<u>16,378,224.63</u>
Total		<u>\$ 19,037,445.91</u>	<u>\$ 18,652,793.08</u>

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

BOROUGH OF MEDFORD LAKES

SEWER UTILITY OPERATING FUND

**Statement of Operations and Changes in Fund Balance -- Regulatory Basis
For the Years Ended December 31, 2023 and 2022**

	2023	2022
Revenue and Other Income Realized:		
Fund Balance Utilized	\$ 392,026.00	\$ 250,263.00
Sewer Service Charges	1,264,238.28	1,239,557.13
Miscellaneous	66,924.04	29,091.11
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	10,589.03	108,038.95
Total Revenues	1,733,777.35	1,626,950.19
Expenditures:		
Operating	1,363,135.00	1,324,691.00
Capital	-	-
Debt Service	40,000.00	40,000.00
Deferred Charges and Statutory Expenditures	188,891.00	85,572.00
Total Expenditures	1,592,026.00	1,450,263.00
Excess in Revenues	141,751.35	176,687.19
Adjustment to Income before Fund Balance:		
Expenditures included above which are by Statute Deferred Charges to Budget of Succeeding Year	-	-
Statutory Excess to Fund Balance	141,751.35	176,687.19
Fund Balance January 1	1,691,875.46	1,765,451.27
	1,833,626.81	1,942,138.46
Decreased by Utilization by Sewer Utility Operating Budget	392,026.00	250,263.00
Fund Balance Balance December 31	\$ 1,441,600.81	\$ 1,691,875.46

The accompanying Notes to the Financial Statements is an integral part of this statement.

BOROUGH OF MEDFORD LAKES

SEWER UTILITY CAPITAL FUND

**Statement of Fund Balance -- Regulatory Basis
For the Years Ended December 31, 2023 and 2022**

Balance December 31, 2023 and 2022

\$ 13,651.50

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

BOROUGH OF MEDFORD LAKES

SEWER UTILITY OPERATING FUND

Statement of Revenues -- Regulatory Basis
For the Year Ended December 31, 2023

	<u>Anticipated</u>	<u>Realized</u>	<u>Excess (Deficit)</u>
Fund Balance	\$ 392,026.00	\$ 392,026.00	\$ -
Sewer Service Charges	<u>1,200,000.00</u>	<u>1,264,238.28</u>	<u>64,238.28</u>
Total	1,592,026.00	1,656,264.28	64,238.28
Miscellaneous	<u>-</u>	<u>66,924.04</u>	<u>66,924.04</u>
Total	<u><u>\$ 1,592,026.00</u></u>	<u><u>\$ 1,723,188.32</u></u>	<u><u>\$ 131,162.32</u></u>

Analysis of Realized Revenues

Sewer Service Charges:

Consumer Accounts Receivable:

Collections - 2023

\$ 1,264,238.28

Lien Collections

-

Total

\$ 1,264,238.28

Miscellaneous:

Sewer Late Fee Charges

\$ 23,451.97

Interest Earned on Investments

39,560.00

Sewer Capital Interest Earned on Investments

2,437.07

Sump Pump Fees

1,475.00

Total

\$ 66,924.04

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

BOROUGH OF MEDFORD LAKES

SEWER UTILITY OPERATING FUND

Statement of Expenditures -- Regulatory Basis
For the Year Ended December 31, 2023

	Appropriations		Expended			Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Encumbrances Payable	Reserved	
Operating:						
Salaries and Wages	\$ 486,635.00	\$ 486,635.00	\$ 444,362.93	\$ -	\$ 42,272.07	\$ -
Other Expenses	876,500.00	876,500.00	621,815.91	136,476.66	118,207.43	
Statutory Expenditures:						
Public Employees Retirement System	149,391.00	149,391.00	149,390.31		0.69	
Social Security System	37,500.00	37,500.00	34,039.77		3,460.23	
Defined Contribution Retirement	1,000.00	1,000.00	780.85		219.15	
Unemployment Compensation						
Insurance (NJSA 43:21-3 et. seq.)	1,000.00	1,000.00	278.57		721.43	
Debt Service:						
Bond Anticipation Notes	40,000.00	40,000.00	40,000.00		-	
Total	\$ 1,592,026.00	\$ 1,592,026.00	\$ 1,290,668.34	\$ 136,476.66	\$ 164,881.00	\$ -
Original Budget		\$ 1,592,026.00				
		<u>\$ 1,592,026.00</u>				
Analysis of Paid or Charged:						
Cash Disbursed			\$ 1,250,668.34			
Bond Anticipation Note - Held as Investment			40,000.00			
Total			<u>\$ 1,290,668.34</u>			

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

BOROUGH OF MEDFORD LAKES

ACCOUNT GROUP

Statement of General Fixed Assets Group of Accounts
For the Year Ended December 31, 2023

	Balance December 31, 2022	Additions	Adjustments/ Retirements	Balance December 31, 2023
General Fixed Assets:				
Land	\$ 20,000.00	\$ -	\$ -	\$ 20,000.00
Buildings	6,680,000.26	-	-	6,680,000.26
Improvements Other Than to Buildings	203,580.15	-	-	203,580.15
Furniture and Equipment	22,502.12	-	-	22,502.12
Vehicles and Equipment	3,937,723.14	201,816.47	-	4,139,539.61
	<u>3,937,723.14</u>	<u>201,816.47</u>	<u>-</u>	<u>4,139,539.61</u>
Total General Fixed Assets	<u>\$ 10,863,805.67</u>	<u>\$ 201,816.47</u>	<u>\$ -</u>	<u>\$ 11,065,622.14</u>
Total Investment in General Fixed Assets	<u>\$ 10,863,805.67</u>	<u>\$ 201,816.47</u>	<u>\$ -</u>	<u>\$ 11,065,622.14</u>

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

Borough of Medford Lakes
Notes to Financial Statements
December 31, 2023

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of Financial Reporting Entity - The Borough of Medford Lakes (hereafter referred to as the “Borough”) is located in the western portion of the County of Burlington, State of New Jersey. The present population according to the 2020 census is 3,911.

The Borough was incorporated in 1939 and operates under the provisions of the Municipal Manager’s Act of Chapter 113 of the 1923 Laws of New Jersey, as amended. Under this act the Borough is governed by a five-member Borough Council. At least one councilmember is elected every two years to a four-year term. At its reorganization, the council selects a mayor and appoints a professionally qualified Manager. The Council is the legislative body of the Borough, while the Mayor acts as the Chief Executive Officer. The Borough Manager monitors the daily administrative and financial responsibilities, including but not limited to, staffing and personnel issues and budget preparation and implementation.

Component Units – GASB Statement No. 14, *The Financial Reporting Entity* and GASB Statement No. 39, *Determining Whether Certain Organizations are Component Unit*, provide guidance that all entities associated with a primary government are potential component units and should be evaluated for inclusion in the financial reporting entity. A primary government is financially accountable not only for the organizations that make up its legal entity, but also for legally separate organizations that meet the criteria established by GASB Statements No. 14 and No. 39. In addition, GASB Statement No. 61, provides additional guidance for organizations that do not meet the financial accountability criteria for inclusion as component units but that nevertheless should be included because the primary government’s management determines that it would be misleading to exclude them. GASB Statement No. 80, *Blending Requirements for Certain Component Units* - an Amendment of GASB Statement No. 14 amends the blending requirements for the financial statement presentation of component units of all state and local governments. The additional criteria requires the blending of a component unit incorporated as a not-for-profit corporation in which the primary government is the sole corporate member. There were no additional entities required to be included in the reporting entity under the criteria as described above. Furthermore, the Borough is not includable in any other reporting entity on the basis of such criteria.

Basis of Accounting, Measurement Focus and Basis of Presentation - The financial statements of the Borough 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” 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 States of America applicable to local government units. The more significant differences are explained in this Note.

In accordance with the “Requirements,” the Borough accounts for its financial transactions through the use of separate funds which are described as follows.

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

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

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

Sewer Utility Operating and Capital Funds - The Sewer Utility Operating and Capital Funds account for operations of the utility and the acquisition of capital facilities of the municipally owned sewer utility.

Borough of Medford Lakes
Notes to Financial Statements
December 31, 2023

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Budgets and Budgetary Accounting - The Borough must adopt an annual budget for its current and sewer utility funds 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 10 of each year. At introduction, the governing body shall 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 Borough. 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 the 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 the Division 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 Borough's financial statements.

Cash, Cash Equivalents and Investments - Cash and cash equivalents, for all funds, include petty cash, change funds, cash on deposit with public depositories. All certificates of deposit are recorded as cash regardless of the date of maturity. Investments are stated at cost. Consequently, unrealized gain or loss on investments has not been recorded in accordance with Governmental Accounting Standards Board Statement No. 31.

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 ("GUDPA"), a multiple financial institutional collateral pool, 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 Borough requires it to deposit funds in public depositories protected from loss under the provisions of the Act.

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

Inventories of Supplies - The costs 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 balances.

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 Borough has adopted a capitalization threshold of \$5,000, the maximum amount allowed by the Circular.

Borough of Medford Lakes
Notes to Financial Statements
December 31, 2023

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

General Fixed Assets (Continued) - 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. Donated general fixed assets are recorded at their estimated fair market value on the acquisition date. Donated general fixed assets are recorded at their estimated fair market value on the acquisition date. 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 Borough 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 Borough'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. Lastly, all fixed assets must be adequately controlled to safeguard against loss, damage or theft. No depreciation of general fixed assets is recorded.

Utility Fixed Assets - Property and equipment purchased by a utility fund are recorded in the utility capital account at cost and are adjusted for dispositions and abandonment. The amounts shown do not represent replacement cost or current value. The Reserve for Amortization and Deferred Reserve for Amortization accounts in the utility capital fund represent charges to operations for the cost of acquisition of property, equipment and improvements and contributed capital. Depreciation is not recorded on these fixed assets.

Foreclosed Property - Foreclosed property 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 municipality 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.

Liens Sold for Other Governmental Units - Liens sold on behalf of other governmental units are not recorded on the records of the Borough until such liens are collected. Upon their collection, such liens are recorded as a liability due to the governmental unit net of the costs of the initial sale. The related costs of sale are recognized as revenue when received.

Fund Balance - Fund Balance included in the Current Fund and Utility Operating Fund represent amounts available for anticipation as revenue in future years' budgets, with certain restrictions.

Appropriation Reserves - Appropriation reserves covering unexpended appropriation balances are automatically created at year end and recorded as liabilities, except for amounts which may be canceled by the governing body. Appropriation reserves are available, until lapsed at the close of the succeeding year, to meet specific claims, commitments or contracts incurred during the preceding fiscal year. Lapsed appropriation reserves are recorded as income.

Compensated Absences and Postemployment Benefits - Compensated absences for vacation and sick leave are recorded and provided for in the annual budget in the year in which they are paid, on a pay-as-you-go basis. Likewise, no accrual is made for postemployment benefits, if any, which are also funded on a pay-as-you-go basis.

Borough of Medford Lakes
Notes to Financial Statements
December 31, 2023

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenues - 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 Borough's budget. Receivables for property taxes are recorded with offsetting reserves on the statement of assets, liabilities, reserves and fund balance of the Borough's Current Fund; accordingly, such amounts are not recorded as revenue until collected. Other amounts that are due to the Borough which are susceptible to accrual are also recorded as receivables with offsetting reserves and recorded as revenue when received.

Property Tax Revenues - 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 Borough's annual budget, but also the amounts required in support of the budgets of the Medford Lakes Borough School District, the Lenape Regional High School and the County of Burlington. Unpaid property taxes are subject to tax sale in accordance with the statutes.

School Taxes - The Borough is responsible for levying, collecting and remitting school taxes for the Medford Lakes Borough School District and the Lenape Regional High School District. Operations is charged for the full amount required to be raised from taxation to operate the school district for the period from July 1 to June 30, increased by the amount deferred at December 31, 2022 and decreased by the amount deferred at December 31, 2023.

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

Reserve for Uncollected Taxes - The inclusion of the "Reserve for Uncollected Taxes" appropriation in the Borough's annual budget protects the Borough from taxes not paid currently. The Reserve, the minimum amount of which is determined on the percentage of collections experienced in the immediately 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 - Expenditures are recorded on the "budgetary" basis of accounting. Generally, expenditures are recorded when paid. However, for charges to amounts appropriated for "other expenses", an amount is encumbered through the issuance of a numerically controlled purchase order or when a contract is executed in accordance with N.J.A.C. 5:30-5.2. When encumbered charges are paid, the amount encumbered is simultaneously liquidated in its original amount. Outstanding 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 principal payments on outstanding general capital and utility bonds and notes are provided on the cash basis; interest on general capital indebtedness is on the cash basis; whereas interest on utility indebtedness is on the accrual basis.

Interest on Delinquent Taxes – It is the policy of the Borough to collect interest for the nonpayment of taxes or assessments on or before the date when they would become delinquent. The Tax Collector is authorized to charge eight percent (8%) per annum on the first \$1,500 of taxes becoming delinquent after due date and eighteen percent (18%) per annum on any amount of taxes in excess of \$1,500 becoming delinquent after the due date and if a delinquency is in excess of \$10,000 and remains in arrears beyond December 31st, an additional penalty of six percent (6%) shall be charged against the delinquency. There is a ten (10) day grace period.

Comparative Data – Comparative total data for the prior year have been presented in the accompanying statements of assets, liabilities, reserves and fund balance and statement of operations in order to provide an understanding of changes in the Borough's financial position. However, comparative (i.e., presentation of prior year totals by fund type) data have not been presented in the statement of revenues – regulatory basis and the statement of expenditures – regulatory basis since their inclusion would make the statements unduly complex and difficult to read.

**Borough of Medford Lakes
Notes to Financial Statements
December 31, 2023**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The Governmental Accounting Standards Board (GASB) has issued the following statements that have effective dates that may affect future financial presentations:

In June 2022 the GASB issued Statement 100, *Accounting Changes and Error Corrections- An Amendment of GASB Statement No. 62*. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The requirements of this Statement are effective for reporting periods beginning after June 15, 2023.

Statement No. 101, *Compensated Absences*. This statement, which is effective for periods beginning after June 15, 2023, and all reporting periods, thereafter, will not have any impact on the Borough's financial reporting, however it may have an impact on financial disclosures.

NOTE 2. CASH AND CASH EQUIVALENTS

Custodial Credit Risk Related to Deposits – Custodial credit risk refers to the risk that, in the event of a bank failure, the Municipality's deposits may not be recovered. Although the Municipality does not have a formal policy regarding custodial credit risk, N.J.S.A. 17:9-41 et seq. requires that governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Unit. Under the Act, the first \$250,000 of governmental deposits in each insured depository is protected by the Federal Deposit Insurance Corporation (FDIC). Public funds owned by the municipality in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings or funds that may pass to the Municipality relative to the happening of a future condition. Such funds are shown as uninsured and uncollateralized. Of the Municipality's amount on deposit of \$6,832,411 as of December 31, 2023, \$250,000 was insured under FDIC and the remaining balance of \$6,582,411 was collateralized under GUDPA.

NOTE 3. INVESTMENTS

New Jersey municipalities are limited as to the types of investments and types of financial institutions they may invest in. N.J.S.A. 40A:5-15.1 provides a list of permissible investments that may be purchased by New Jersey municipalities. These permissible investments generally include bonds or other obligations of the United States of America or obligations guaranteed by the United States of America, government money market funds, any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, bonds or other obligations of the local unit or other obligations approved by the Division of Investment in the Department of Treasury for investment by local units, local government investment pools, deposits with the State of New Jersey Cash Management Fund, and agreements for the repurchase of fully collateralized securities with certain provisions. The Borough has no investment policy that would further limit its investment choices.

Custodial Credit Risk Related to Investments – For an investment, custodial credit risk is the risk that, in the event of failure of the counterparty, the Borough will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the Borough, and are held by either the counterparty or the counterparty's trust department or agent but not in the Borough's name.

**Borough of Medford Lakes
Notes to Financial Statements
December 31, 2023**

NOTE 3. INVESTMENTS (CONTINUED)

As of December 31, 2023, the Borough held the following investments bearing a zero rate of interest:

<u>Investment</u>	<u>Maturities</u>	<u>Credit Rating</u>	<u>Fair Value</u>
<u>Current Fund:</u>			
Bond Anticipation Note	October 10, 2024	N/A	\$ 680,000
Bond Anticipation Note	August 8, 2024	N/A	333,200
Bond Anticipation Note	September 12, 2024	N/A	831,362
Bond Anticipation Note	September 25, 2024	N/A	224,210
			<u>\$ 2,068,772</u>
<u>Sewer Utility Fund:</u>			
Bond Anticipation Note	December 13, 2023	N/A	<u>\$ 280,000</u>

NOTE 4. PROPERTY TAXES

The following is a comparison of certain statistical information relative to property taxes and property tax collections for the current and previous four years ending December 31.

<u>Comparative Schedule of Tax Rates</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Total Tax Rate without Business					
Improvement District Tax Rate	<u>\$ 3.595</u>	<u>\$ 3.517</u>	<u>\$ 3.424</u>	<u>\$ 3.341</u>	<u>\$ 3.275</u>
Apportionment of Tax Rate:					
Municipal	\$ 0.740	\$ 0.705	\$ 0.685	\$ 0.671	\$ 0.651
County	0.483	0.457	0.439	0.435	0.426
Local School	1.509	1.479	1.507	1.483	1.495
Regional High School Tax	0.863	0.876	0.793	0.752	0.703

Assessed Valuation

2023	\$ 451,739,195
2022	451,614,809
2021	450,690,401
2020	450,375,072
2019	449,313,642

Comparison of Tax Levies and Collections

<u>Year</u>	<u>Tax Levy</u>	<u>Collections</u>	<u>Percentage of Collections</u>
2023	\$ 16,266,638	\$ 16,068,206	98.78%
2022	15,897,468	15,719,073	98.88%
2021	15,477,826	15,315,367	98.95%
2020	15,014,984	14,847,676	98.89%
2019	14,971,535	14,786,847	98.77%

**Borough of Medford Lakes
Notes to Financial Statements
December 31, 2023**

NOTE 4. PROPERTY TAXES (CONTINUED)

Delinquent Taxes and Tax Title Liens

<u>Year</u>	<u>Tax Title Liens</u>	<u>Delinquent Taxes</u>	<u>Total Delinquent</u>	<u>Percentage of Tax Levy</u>
2023	\$ -	\$ 183,197	\$ 183,197	1.15%
2022	-	171,521	171,521	1.08%
2021	45,255	140,484	185,739	1.20%
2020	40,078	174,649	214,727	1.43%
2019	35,043	207,514	242,557	1.62%

The following comparison is made of the number of tax title liens receivable on December 31, of the current year and previous four years.

<u>Year</u>	<u>Number</u>
2023	0
2022	0
2021	1
2020	1
2019	1

NOTE 5. SEWER UTILITY SERVICE CHARGE

The following is a five-year comparison of sewer utility service charges (rents) and collections for the current and previous four years.

<u>Year</u>	<u>Balance Beginning of Year</u>		<u>Levy</u>	<u>Total</u>	<u>Cash</u>	<u>Percentage</u>
	<u>Receivables</u>	<u>Liens</u>			<u>Collections</u>	
2023	\$ 114,312	\$ -	\$ 1,268,672	\$ 1,382,984	\$ 1,264,238	91.41%
2022	87,493	12,753	1,267,630	1,367,876	1,239,557	90.62%
2021	93,771	11,353	1,264,909	1,370,033	1,269,787	92.68%
2020	95,789	10,653	1,252,535	1,358,977	1,190,496	87.60%
2019	118,914	9,253	1,251,828	1,379,995	1,216,796	88.17%

**Borough of Medford Lakes
Notes to Financial Statements
December 31, 2023**

NOTE 6. FUND BALANCE APPROPRIATED

The following schedule details the amount of fund balances available at the end of the current year and four 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>
<u>Current Fund</u>			
2023	\$ 1,099,063	\$ 840,000	76.43%
2022	1,127,659	840,000	74.49%
2021	1,256,267	840,000	66.86%
2020	1,332,527	875,000	65.66%
2019	1,389,868	875,000	62.96%

<u>Year</u>	<u>Balance December 31,</u>	<u>Utilized in Budget of Succeeding Year</u>	<u>Percentage of Fund Balance Used</u>
<u>Sewer Utility Fund</u>			
2023	\$ 1,441,601	\$ 287,470	19.94%
2022	1,691,875	392,026	23.17%
2021	1,765,451	250,263	14.18%
2020	1,683,320	194,800	11.57%
2019	1,461,463	-	0.00%

NOTE 7. INTERFUND RECEIVABLES AND PAYABLES

The following interfund balances were recorded on the various statements of assets, liabilities, reserves and fund balances as of December 31, 2023. All interfund balances are expected to liquidated by December 31, 2024.

<u>Fund</u>	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
Current Fund	\$ 263,280	\$ 54,686
Federal & State Grant Fund	45,946	-
Trust Fund:		
Other Trust Funds	7,982	32,072
General Capital Fund	-	174,436
Sewer Utility Fund	18,245	65,412
Sewer Utililty Capital Fund	20,989	29,836
	<u>\$ 356,442</u>	<u>\$ 356,442</u>

Borough of Medford Lakes
Notes to Financial Statements
December 31, 2023

NOTE 8. PENSION PLANS

Substantially all of the Borough's employees participate in one of the following pension plans which have been established by State statute and are administered by the New Jersey Division of Pensions and Benefits (Division): the Police and Firemen's Retirement System (PFRS), the Public Employees' Retirement System (PERS) or the Defined Contribution Retirement Program (DCRP). Each plan has a Board of Trustees that is primarily responsible for its administration. The Division issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the following address or visiting the State's website: the State of New Jersey, Division of Pensions and Benefits, P.O. Box 295, Trenton, New Jersey, 08625-0295, <https://www.state.nj.us/treasury/pensions/financial-reports.shtml>

Police and Firemen's Retirement System (PFRS)

Plan Description - The Police and Firemen's Retirement System is a cost sharing multiple-employer defined benefit pension plan which was established as of July 1, 1944. The PFRS provides retirement, death and disability, and medical benefits to certain qualified members. Membership in the PFRS is mandatory for substantially all full-time police and firemen of the Borough.

Vesting and Benefit Provisions - The vesting and benefit provisions are set by N.J.S.A. 43:16A. PFRS provides retirement, death and disability benefits. All benefits vest after ten years of service, except disability benefits, which vest after four years of service.

The following represents the membership tiers for PFRS:

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

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

Contributions - The contribution requirements of plan members are determined by N.J.S.A. 43:16A and requires contributions by active members and contributing employers. Pursuant to the provisions of Chapter 78, P.L. 2011, the active member contribution rate is 10.0%. Employers' contributions are based on an actuarially determined amount, which includes the normal cost and unfunded accrued liability.

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

**Borough of Medford Lakes
Notes to Financial Statements
December 31, 2023**

NOTE 8. PENSION PLANS (CONTINUED)

Police and Firemen’s Retirement System (PFRS) (Continued)

The Borough’s contractually required contribution rate for the year ended December 31, 2023 was 38.43% of the Borough’s covered payroll. This amount was actuarially determined as the amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, including an additional amount to finance any unfunded accrued liability.

Based on the most recent PFRS measurement date of June 30, 2023, the Borough’s contractually required contribution to the pension plan for the year ended December 31, 2023 is \$316,817 and is payable by April 1, 2024. Due to the basis of accounting described in Note 1, no liability has been recorded in the financial statements for this amount.

The amount of contractually required contribution for the State of New Jersey’s proportionate share, associated with the Borough, for the year ended December 31, 2023 was 6.72% of the Borough’s covered payroll.

Based on the most recent PFRS measurement date of June 30, 2023, the State’s contractually required contribution, on-behalf of the Borough, to the pension plan for the year ended December 31, 2023 is \$55,411 and is payable by April 1, 2024. Based on the PFRS measurement date of June 30, 2022, the State’s contractually required contribution, on-behalf of the Borough, to the pension plan for the year ended December 31, 2022 was \$58,548, which was paid on April 1, 2023.

The Borough is billed annually for its normal contributions plus any accrued liability. These contributions, equal to the required contributions are detailed below.

Fiscal Year	Normal Contributions	Accrued Liability	Non Contributory Life	Employer Retro	Total Liability Paid by District
2023	\$ 95,020	\$ 196,267	\$ 8,958	\$ -	\$ 300,245
2022	75,568	166,001	8,235	-	249,804
2021	68,562	142,476	7,221	-	218,259

Pension Liabilities, Pension Expense, and Deferred Outflow of Resources and Deferred Inflows of Resources Related to Pensions – For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the PFRS and additions to/deductions from PFRS fiduciary net position have been determined on the same basis as they are reported by PFRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

For the year ended December 31, 2023, the Borough’s proportionate share of pension expense is \$55,113. This expense is not recognized by the Borough because of the regulatory basis of accounting as described in Note 1.

**Borough of Medford Lakes
Notes to Financial Statements
December 31, 2023**

NOTE 8. PENSION PLANS (CONTINUED)

Police and Firemen’s Retirement System (PFRS) (Continued)

At December 31, 2023, the Borough proportionate share of the net pension liability is \$2,629,537 and deferred outflows of resources related to PFRS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 112,592	\$ 125,406
Changes of assumptions	5,675	177,557
Net Difference between projected and actual earnings on pension plan investments	133,917	
Changes in proportion	411,450	
Borough contributions subsequent to the measurement date	316,817	
Total	\$ 980,451	\$ 302,963

\$316,817 included in deferred outflows of resources, will be included as a reduction of the net pension liability in the year ending 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 as follows:

For the year ended:	Net Deferred Outflows (Inflows) of Resources
2024	(35,539)
2025	(31,412)
2026	224,798
2027	53,204
2028	71,644
Thereafter	77,976
Total	\$ 360,671

**Borough of Medford Lakes
Notes to Financial Statements
December 31, 2023**

NOTE 8. PENSION PLANS (CONTINUED)

Police and Firemen’s Retirement System (PFRS) (Continued)

The amortization of the above other deferred outflows of resources and deferred inflows of resources related to pensions will be over the following number of

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience		
Year of Pension Plan Deferral:		
June 30, 2015	-	5.53
June 30, 2016	-	5.58
June 30, 2017	5.59	-
June 30, 2018	5.73	-
June 30, 2019	-	5.92
June 30, 2020	5.90	-
June 30, 2021	-	6.17
June 30, 2022	6.22	-
June 30, 2023	6.16	-
Changes of assumptions		
June 30, 2014	6.17	-
June 30, 2015	5.53	-
June 30, 2016	5.58	-
June 30, 2017	-	5.59
June 30, 2018	-	5.73
June 30, 2019	-	5.92
June 30, 2020	-	5.90
June 30, 2021	6.17	-
June 30, 2022	-	6.22
June 30, 2023	-	6.16
Differences between projected and actual investment earnings on pension plan investments		
June 30, 2016	5.00	-
June 30, 2017	5.00	-
June 30, 2018	5.00	-
June 30, 2019	5.00	-
June 30, 2020	5.00	-
June 30, 2021	5.00	-
June 30, 2022	5.00	-
June 30, 2023	5.00	-

Additional Information

Collective balances at June 30, 2023 and 2022 are as follows:

	<u>6/30/2023</u>	<u>6/30/2022</u>
Collective deferred outflows of resources	\$ 1,753,080,638	\$ 2,163,793,985
Collective deferred inflows of resources	\$ 1,966,439,601	\$ 2,805,919,493
Collective net pension liability	\$ 11,048,782,843	\$ 11,446,356,176
Borough’s Proportion	.0237994500%	.0230859400%

**Borough of Medford Lakes
Notes to Financial Statements
December 31, 2023**

NOTE 8. PENSION PLANS (CONTINUED)

Police and Firemen’s Retirement System (PFRS) (Continued)

Actuarial assumptions - The total pension liability for the June 30, 2023 measurement date was determined by an actuarial valuation as of July 1, 2022, which was rolled forward to June 30, 2023. This actuarial valuation used the following actuarial assumptions:

Inflation rate:	
Price	2.75%
Wage	3.25%
Salary Increases:	
Through all future years	3.25 – 16.25%
	based on years of service
Investment Rate of Return:	7.00%

Employee mortality rates were based on the PubS-2010 amount-weighted mortality table with a 105.6% adjustment for males and 102.5% adjustment for females. For healthy annuitants, mortality rates were based on the PubS-2010 amount-weighted mortality table with a 96.7% adjustment for males and 96.0% adjustment for females. Disability rates were based on the PubS-2010 amount-weighted mortality table with a 152% adjustment for males and 109.3% adjustment for females. Mortality improvement is based on Scale MP-2021.

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

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

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

**Borough of Medford Lakes
Notes to Financial Statements
December 31, 2023**

NOTE 8. PENSION PLANS (CONTINUED)

Police and Firemen’s Retirement System (PFRS) (Continued)

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

Sensitivity of the Borough’s proportionate share of the net pension liability to changes in the discount rate.

The following presents the Borough’s and State’s proportionate share of the net pension liability measured as of June 30, 2023, calculated using the discount rate of 7.00%, as well as what the Borough’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (6.00%) or 1-percentage point higher (8.00%) than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Borough's proportionate share of the net pension liability	\$ 3,663,799	\$ 2,629,537	\$ 1,768,244
State's proportionate share of the net pension liability associated with the Borough	565,485	484,523	417,074
	\$ 4,229,285	\$ 3,114,060	\$ 2,185,318

Public Employees' Retirement System (PERS)

Plan Description - The Public Employees’ Retirement System is a cost-sharing multiple-employer defined benefit pension plan which was established on January 1, 1955. The PERS provides retirement, death and disability, and medical benefits to certain qualified members. Vesting Membership in the PERS is mandatory for substantially all full-time employees of the Borough, provided the employee is not required to be a member of another state-administered retirement system or other state pension fund or local jurisdiction’s pension fund. The PERS’s Board of Trustees is primarily responsible for the administration of the PERS. For additional information about PERS, please refer to Division’s annual financial statements, which can be found at <http://www.state.nj.us/treasury/pensions/annual-reports.shtml>.

Vesting and Benefit Provisions - 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, except medical benefits, which vest after 25 years of service or under the disability provisions of PERS.

The following represents the membership tiers for PERS:

Tier	Definition
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

**Borough of Medford Lakes
Notes to Financial Statements
December 31, 2023**

NOTE 8. PENSION PLANS (CONTINUED)

Public Employees' Retirement System (PERS) (Continued)

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 their respective tier.

Contributions - The contribution requirements of plan members are determined by N.J.S.A 43:15A and requires contributions by active members and contributing employers. Members contribute at a uniform rate. The member contribution rate was 7.50% in State fiscal year 2023. Employers' contribution amounts are based on an actuarially determined rate. The Borough's contribution amounts are based on an actuarially determined rate which included the normal cost and unfunded accrued liability.

The Borough's contractually required contribution rate for the year ended December 31, 2023 was 15.80% of the Borough's covered payroll. This amount was actuarially determined as the amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, including an additional amount to finance any unfunded accrued liability.

Based on the most recent PERS measurement date of June 30, 2023, the Borough's contractually required contribution to the pension plan for the fiscal year ended December 31, 2023 was \$156,079 and is payable by April 1, 2024. Based on the PERS measurement date of June 30, 2022, the Borough's contractually required contribution to the pension plan for the year ended December 31, 2022 was \$132,104, which was paid by April 1, 2023. Employee contributions to the pension plan during the year ended December 31, 2023 were \$79,242.

The Borough is billed annually for its normal contributions plus any accrued liability. These contributions, equal to the required contributions are detailed below.

<u>Fiscal Year</u>	<u>Normal Contributions</u>	<u>Accrued Liability</u>	<u>Non Contributory Life</u>	<u>Long-Term Disability</u>	<u>Total Liability Paid by District</u>
2023	\$ 20,121	\$ 106,263	\$ 5,720	-	\$ 132,104
2022	13,947	95,924	5,309	-	115,180
2021	11,149	81,791	4,720	-	97,660

Pension Liabilities, Pension Expense, and Deferred Outflow of Resources and Deferred Inflows of Resources Related to Pensions – For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the PERS and additions to/deductions from PERS fiduciary net position have been determined on the same basis as they are reported by PERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

At December 31, 2023, the Borough's proportionate share of the PERS net pension liability was \$1,691,478. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2022. The Borough's proportion of the of the net pension liability was based on a projection of the Borough's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined.

**Borough of Medford Lakes
Notes to Financial Statements
December 31, 2023**

NOTE 8. PENSION PLANS (CONTINUED)

Public Employees' Retirement System (PERS) (Continued)

For the year ended December 31, 2023, the Borough's proportionate share of the PERS pension expense, calculated by the plan as of the June 30, 2023 measurement date is \$69,275. This expense is not recognized by the Borough because of the regulatory basis of accounting as described in note 1.

At December 31, 2023, the Borough proportionate share of the PERS net pension liability was \$1,691,478 and deferred outflows of resources related to PERS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 16,173	\$ 6,914
Changes of assumptions	3,716	102,511
Net Difference between projected and actual earnings on pension plan investments	7,789	
Changes in proportion	317,456	5,582
Borough contributions subsequent to the measurement date	156,079	
Total	\$ 501,213	\$ 115,007

\$156,079 included in deferred outflows of resources, will be included as a reduction of the net pension liability in the year ending 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 as follows:

For the year ended:	Net Deferred Outflows (Inflows) of Resources
2024	\$ (27,910)
2025	11,547
2026	131,049
2027	48,927
2028	66,514
Total	\$ 230,127

**Borough of Medford Lakes
Notes to Financial Statements
December 31, 2023**

NOTE 8. PENSION PLANS (CONTINUED)

Public Employees' Retirement System (PERS) (Continued)

The amortization of the above other deferred outflows of resources and deferred inflows of resources related to pensions will be over the following number of years:

	Deferred Outflows of <u>Resources</u>	Deferred Inflows of <u>Resources</u>
Differences between expected and actual experience		
Year of Pension Plan Deferral:		
June 30, 2015	5.72	-
June 30, 2016	5.57	-
June 30, 2017	5.48	-
June 30, 2018	-	5.63
June 30, 2019	5.21	-
June 30, 2020	5.16	-
June 30, 2021	-	5.13
June 30, 2022	-	5.04
June 30, 2023	5.08	-
Changes of assumptions		
June 30, 2014	6.44	-
June 30, 2015	5.72	-
June 30, 2016	5.57	-
June 30, 2017	-	5.48
June 30, 2018	-	5.63
June 30, 2019	-	5.21
June 30, 2020	-	5.16
June 30, 2021	5.13	-
June 30, 2022	-	5.04
June 30, 2023	-	5.08
Differences between projected and actual investment earnings on pension plan investments		
June 30, 2016	5.00	-
June 30, 2017	5.00	-
June 30, 2018	5.00	-
June 30, 2019	5.00	-
June 30, 2020	5.00	-
June 30, 2021	5.00	-
June 30, 2022	5.00	-
June 30, 2023	5.00	-

**Borough of Medford Lakes
Notes to Financial Statements
December 31, 2023**

NOTE 8. PENSION PLANS (CONTINUED)

Public Employees' Retirement System (PERS) (Continued)

Additional Information

Collective balances at June 30, 2023 and 2022 are as follows:

	<u>6/30/2023</u>	<u>6/30/2022</u>
Collective deferred outflows of resources	\$ 1,080,204,730	\$ 1,660,772,008
Collective deferred inflows of resources	\$ 1,780,216,457	\$ 3,236,303,935
Collective net pension liability	\$ 14,484,374,047	\$ 15,091,376,611
Borough's Proportion	.0116779511%	.0104757311%

Actuarial assumptions – The total pension liability for the June 30, 2023 measurement date was determined by an actuarial valuation as of July 1, 2022, which was rolled forward to June 30, 2023.

This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

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

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

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

Long-Term Expected Rate of Return - In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2023) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment 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.

**Borough of Medford Lakes
Notes to Financial Statements
December 31, 2023**

NOTE 8. PENSION PLANS (CONTINUED)

Public Employees' Retirement System (PERS) (Continued)

Best estimates of arithmetic rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2023 are summarized in the following table:

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

Discount rate. The discount rate used to measure the State's total pension liability was 7.00% as of June 30, 2023. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and nonemployer contributing entity will be made 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 all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied all projected benefit payments to determining the total pension liability.

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

The following presents the Borough's proportionate share of the net pension liability measured as of June 30, 2023, calculated using the discount rate of 7.00%, as well as what the Borough's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.00%) or 1 percentage point higher (8.00%) than the current rate:

	<u>1% Decrease (6.00%)</u>	<u>Current Discount Rate (7.00%)</u>	<u>1% Increase (8.00%)</u>
Borough's proportionate share of the net pension liability	\$ 2,201,944	\$ 1,691,478	\$ 1,257,004

Pension Plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued State of New Jersey Division of Pensions and Benefits financial report.

**Borough of Medford Lakes
Notes to Financial Statements
December 31, 2023**

NOTE 8. PENSION PLANS (CONTINUED)

Defined Contribution Retirement Program (DCRP)

The Defined Contribution Retirement Program was established in 2007, under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007 (N.J.S.A.43:15C-1 et. seq), and expanded under the provisions of Chapter 89, P.L. 2008 and Chapter 1, P.L. 2010. The Defined Contribution Retirement Program Board oversees the DCRP, which is administered by Empower on behalf of the Divisions of Pensions and Benefits. The DCRP provides eligible members, and their beneficiaries, with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Vesting and benefit provisions are established by N.J.S.A. 43:15C-1 et. seq.

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members are required to contribute 5.5% of their annual covered salary. Pursuant to the provisions of Chapter 78 P.L. 2011, the active member contribution rate was increased to 6.5% plus an additional 1.0% phased-in over seven years beginning in the first year. The phase-in of the additional incremental member contribution amount will take place in July of each subsequent year. The State Treasurer has the right under the current law to make temporary reductions in rates based on the existence of surplus pension assets in the retirement system; however, state statute also requires the return to the normal rate when such surplus pension assets no longer exist. The employee contributions along with the Borough's contribution for each pay period are transmitted to Empower not later than the fifth business day after the date on which the employee is paid for that pay period.

The Borough's contributions, equal to the required contribution for each fiscal year, were as follows:

<u>Fiscal Year</u>	<u>Total Liability</u>	<u>Paid by Borough</u>
2023	\$ 6,510	\$ 6,510
2022	6,831	6,831
2021	4,250	4,250

NOTE 9. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

The Borough does not provide postemployment health care benefits as part of the State Health Benefits Local Government Retired Employment Plan. However, benefits are provided as described below:

Special Funding Situation PFRS

Under N.J.S.A. 43:3C-24, the Borough is responsible for their own OPEB contributions based on actuarially determined amounts, except where legislation was passed which legally obligated the State to make contributions if certain circumstances occurred. The legislation which legally obligates the State is as follows: Chapter 330, P.L. 1997 and Chapter 271, P.L., 1989. Under Chapter 330, P.L. 1997, the State pays the premiums or periodic charges for the qualified local police and firefighter retirees and dependents equal to 80 percent of the premium or periodic charge for the category of coverage elected by the qualified retiree under the State managed care plan or a health maintenance organization participating in the program providing the lowest premium or periodic charge. The State also provides funding for retiree health benefits to survivors of local police officers and firefighters who die in the line of duty under Chapter 271, P.L. 1989.

The amounts contributed on behalf of the Borough by the State under this legislation is considered to be a special funding situation as defined by GASB Statement No. 75, and the State is treated as a nonemployer contributing entity. Accordingly, the Borough's proportionate share percentage of the net pension liability, deferred outflows and inflows determined under GASB Statement No. 75 is zero percent and the State's proportionate share is 100% of OPEB under this legislation.

Borough of Medford Lakes
Notes to Financial Statements
December 31, 2023

NOTE 9. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONTINUED)

At December 31, 2023 and 2022, the State's proportionate share of the net OPEB liability attributable to the Borough for the OPEB special funding situation is \$2,126,637 and \$2,667,840 respectively. For the years ended December 31, 2023 and 2022, the plan has determined the State's proportionate share of the OPEB expense attributable to the Borough for the OPEB special funding situation is (\$385,601) and (\$437,582) respectively. The State's proportionate share attributable to the Borough was developed based on eligible plan members subject to the special funding situation. This data takes into account active members from both participating and non-participating employer locations and retired members currently receiving OPEB benefits.

NOTE 10. COMPENSATED ABSENCES

Borough employees are entitled to sick leave, personal days and vacation days each year in varying amounts as outlined in the employee handbook. Unused sick leave may be accumulated and carried forward to the subsequent year. Personal days cannot be carried forward to the subsequent year. Vacation days are earned based on years of service. Unused vacation days may not be carried forward to the subsequent year unless specifically approved by Council. Vacations days carried forward must be used in the next succeeding year or be forfeited.

Police officers, regardless of the number of years serving the Borough and upon retirement from the Borough, will be compensated for any accumulated unused sick leave at 100% of their final pay. The maximum benefit payable under this provision shall be limited to a maximum of seventy-five thousand dollars (\$75,000).

All other Borough employees do not receive compensation for any accumulated unused sick leave.

The Borough does not record accrued expenses related to compensated absences. However, it is estimated that, at December 31, 2023, accrued benefits for compensated absences are valued at \$276,330.

The Borough has established a Compensated Absences Trust Fund to set aside funds for the future payments of compensated absences. At December 31, 2023, the balance of the fund is \$285.

NOTE 11. DEFERRED COMPENSATION SALARY ACCOUNT

The Borough offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457 and which have been approved by the Director of the Division of Local Government Services. The plan, available to all full-time employees at their option, permits them to defer a portion of their salary to future years. The deferred compensation is not available to the participants until termination, retirement, death, or an unforeseeable emergency occurs.

Amounts deferred under Section 457 plans must be held in trust for the exclusive benefit of participating employees and not be accessible by the Borough or its creditors. Since the Borough does not have a fiduciary relationship with the Plan, the balances and activities of the Plan are not reported in the Borough's financial statements.

**Borough of Medford Lakes
Notes to Financial Statements
December 31, 2023**

NOTE 12. JOINT INSURANCE POOL

The Borough is a member of the Camden County Municipal Joint Insurance Fund. The Fund provides its members with the following coverage:

- Public Employees Bond
- Public Official Bonds
- Business Automobile
- Workers' Compensation and Employer's Liability
- Environmental Liability
- Property Damage

Annual contributions to the Fund, including a reserve for contingencies, are payable in two installments and are based on actuarial assumptions determined by the Fund's actuary. The Commissioner of Insurance may order additional assessments to supplement the Fund's claim, loss retention or administrative accounts to assure the payment of the Fund's obligations.

The Fund publishes its own financial report which can be obtained by writing to: Camden County Municipal Joint Insurance Fund, 9 Campus Drive, Suite 16, Parsippany, New Jersey, 07054.

NOTE 13. NEW JERSEY UNEMPLOYMENT COMPENSATION INSURANCE

The Borough has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method." Under this plan, the Borough is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The Borough is billed quarterly for amounts due to the State.

The following is a summary of Borough contributions, employee contributions, reimbursements to the State for benefits paid and the ending balance of the Borough's trust fund for the current and previous two years:

<u>Fiscal Year</u>	<u>Borough Contributions</u>	<u>Interest</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2023	\$ 5,345	\$ 153	\$ 4,460	\$ 6,437	\$ 12,738
2022	-	25	3,975	314	9,217
2021	4,716	3	3,665	8,090	5,531

**Borough of Medford Lakes
Notes to Financial Statements
December 31, 2023**

NOTE 14. CAPITAL DEBT

Summary of Municipal Debt

	<u>Year 2023</u>	<u>Year 2022</u>	<u>Year 2021</u>
<u>Issued:</u>			
General Bonds and Notes	\$ 2,068,772	\$ 1,919,862	\$ 1,693,262
Sewer Utility Bonds and Notes	280,000	320,000	360,000
Loans	1,657,765	2,165,589	2,663,406
Total Issued	<u>4,006,537</u>	<u>4,405,451</u>	<u>4,716,668</u>
<u>Authorized But Not Issued:</u>			
General Bonds and Notes	923,720	2,129,894	2,143,648
Sewer Utility Bonds and Notes	<u>9,455,510</u>	<u>9,455,510</u>	<u>9,455,510</u>
Net Debt	<u>\$ 14,385,767</u>	<u>\$ 15,990,855</u>	<u>\$ 16,315,826</u>

Summary of Statutory Debt Condition - Annual Debt Statement

The summarized statement of debt condition which follows is prepared in accordance with required method of setting up the Annual Debt Statement and indicates a statutory net debt of 0.489%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Local School District Debt	\$ 2,314,000	\$ 2,314,000	\$ -
Regional School District Debt	2,505,927	2,505,927	-
Sewer Utility Debt	9,735,510	9,735,510	-
General Debt	<u>4,650,256</u>	<u>1,657,765</u>	<u>2,992,491</u>
Total	<u>\$ 19,205,693</u>	<u>\$ 16,213,202</u>	<u>\$ 2,992,491</u>

Net Debt, \$2,992,491 divided by Equalized Valuation Basis per N.J.S.A. 40A:2-2, as amended, \$611,533,499 equals 0.489%.

Equalized Valuation Basis:

2021	\$ 546,519,354
2022	611,396,640
2023	<u>676,684,502</u>
Average	<u>\$ 611,533,499</u>

**Borough of Medford Lakes
Notes to Financial Statements
December 31, 2023**

NOTE 14. CAPITAL DEBT (CONTINUED)

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

3 1/2% of Equalized Valuation Basis (Municipal)	\$	21,403,672
Net Debt		2,992,491
Remaining Borrowing Power	\$	18,411,181

**Calculation of "Self-Liquidating Purpose"
Sewer Utility Per N.J.S.A. 40A:2-45**

Cash Receipts from Fees, Rents or Other Charges for the Year		\$	1,720,577
Deductions:			
Operating and Maintenance Costs	\$	1,552,026	
Debt Service Costs		40,000	
			1,592,026
Total Excess in Revenues	\$		128,551

The foregoing debt information is in agreement with the Annual Debt Statement filed by the Chief Financial Officer.

NJDEP Loan Payable

The Borough received three (3) loan proceeds totaling \$8,831,864 from the State of New Jersey Department of Environmental Protection Loan Program. The loans have a stated interest rate of 2.00% with a final maturity on December 15, 2033. As of December 31, 2023, the balance payable amounts to \$1,657,765.

Future principal and interest payments are as follows:

Year	Principal	Interest	Total
2024	\$ 518,031	\$ 30,578	\$ 548,609
2025	528,443	20,166	548,609
2026	539,065	9,544	548,609
2027	9,712	1,396	11,108
2028	9,907	1,201	11,108
2029-2033	52,607	2,936	55,543
Total	\$ 1,657,765	\$ 65,821	\$ 1,723,586

**Borough of Medford Lakes
Notes to Financial Statements
December 31, 2023**

NOTE 14. CAPITAL DEBT (CONTINUED)

Bond Anticipation Notes Payable

The Borough issues bond anticipation notes to temporarily fund various capital projects prior to the issuance of serial bonds. The term of the Notes cannot exceed one year from the date of issuance however, the Notes may be renewed from time to time for a period not to exceed one year. Generally, such Notes must be paid no later than the first day of the fifth month following the close of the tenth fiscal year following the date of the original Notes. The State of New Jersey also prescribes that on or before the third anniversary date of the original Note a payment of an amount at least equal to the first legally payable installment of the bonds in anticipation of which such Notes were issued be paid or retired. A second and third legal installment must be paid if the Notes are to be renewed beyond the fourth and fifth anniversary date of the original issuance.

As of December 31, 2023, the Borough had the following outstanding bond anticipation notes.

<u>Fund</u>	<u>Amount Outstanding</u>	<u>Interest Rate</u>	<u>Maturity Date</u>
General Capital	\$ 680,000	(1)	October 10, 2024
General Capital	224,210	(1)	September 25, 2024
General Capital	831,362	(1)	September 12, 2024
General Capital	333,200	(1)	August 8, 2024
Sewer Capital	<u>280,000</u>	(2)	December 12, 2024
Total	<u>\$ 2,348,772</u>		

- (1) There is no interest rate as the Current Fund of the Borough holds these notes as an investment. See Note 3.
- (2) There is no interest rate as the Sewer Utility Fund of the Borough holds this note as an investment. See Note 3.

NOTE 15. LEASES

The Borough, as lessor, has entered into the following lease agreements which meet the requirements of GASB 87:

Cell Tower Lease No. 1 – On July 24, 2003, the Borough entered into a ten-year lease agreement with T-Mobile for the lease of a cell tower. The agreement will be automatically extended for three (3) additional five (5) year terms. The agreement has an incremental borrowing rate of 3.50%. Under the terms of the lease, the Borough receives rent payments of \$1,950 per month. Rent is increased by 3% on each anniversary of the commencement date. The lessee paid the Borough \$32,829 for the year ended December 31, 2023.

Cell Tower Lease No. 2 – On February 10, 2004, the Borough entered into a ten-year lease agreement with AT&T for the lease of a cell tower. The agreement will be automatically extended for three (3) additional five (5) year terms. The agreement has an incremental borrowing rate of 3.50%. Under the terms of the lease, the Borough receives rent payments of \$1,950 per month. Rent is increased by 3% on each anniversary of the commencement date. The lessee paid the Borough \$41,418 for the year ended December 31, 2023.

Cell Tower Lease No. 3 – On April 10, 2013, the Borough entered into a ten-year lease agreement with Verizon for the lease of a cell tower. The agreement will be automatically extended for three (3) additional five (5) year terms. The agreement has an incremental borrowing rate of 3.50%. Under the terms of the lease, the Borough receives rent payments of \$2,500 per month. Rent is increased by 3% on each anniversary of the commencement date. The lessee paid the Borough \$40,024 for the year ended December 31, 2023.

**Borough of Medford Lakes
Notes to Financial Statements
December 31, 2023**

NOTE 15. LEASES (CONTINUED)

Cell Tower Lease No. 4 – On March 23, 2022, the Borough entered into a ten-year lease agreement with Dish Wireless for the lease of a cell tower. The lease formally commences in September 2023. The agreement will be automatically extended for three (3) additional five (5) year terms. The agreement has an incremental borrowing rate of 3.50%. Under the terms of the lease, the Borough will receive rent payments of \$3,000 per month. Rent will be increased by 3% on each anniversary of the commencement date. The lessee paid the Borough \$23,500 for the year ended December 31, 2023.

The future minimum lease payments to be received by the Borough are as follows:

Year	Cell Tower Lease No. 1	Cell Tower Lease No. 2	Cell Tower Lease No. 3	Cell Tower Lease No. 4	Total
2024	\$ 42,474	\$ 42,685	\$ 41,225	\$ 36,360	\$ 162,744
2025	43,748	43,966	42,461	37,451	167,626
2026	45,061	45,285	43,735	38,574	172,655
2027	46,413	46,643	45,047	39,732	177,835
2028	39,639	31,712	46,399	40,924	158,673
2029-2033	-	-	253,727	223,786	477,513
2034-2038	-	-	247,029	259,430	506,459
2039-2043	-	-	-	300,750	300,750
2044-2048	-	-	-	323,527	323,527

As discussed in Note 1, the financial statements are prepared by the Borough on a basis of accounting prescribed by the New Jersey Division of Local Government Services, Department of Community Affairs. This is a basis of accounting other than Generally Accepted Accounting Principles (GAAP). As a result, the Borough does not recognize GASB requirements for recognition of the lease receivable on the Statements of Assets, Liabilities, Reserves and Fund Balance – Regulatory Basis.

NOTE 16. SCHOOL TAXES

Local District School Tax has been raised and liabilities deferred by statute, resulting in the school taxes payable set forth in the Current Fund Liabilities as follows:

	Local District School Tax		Regional High School Tax	
	Balance December 31, 2023	2022	Balance December 31, 2023	2022
Balance of Tax	\$ 3,074,545	\$ 3,005,998	\$ 2,281,759	\$ 2,311,627
Deferred	516,690	516,690	291,811	291,811
School Tax Payable	<u>\$ 2,557,855</u>	<u>\$ 2,489,308</u>	<u>\$ 1,989,948</u>	<u>\$ 2,019,816</u>

NOTE 17. CONTINGENCIES

The Borough participates in a number of state and federally assisted grant programs. The programs are subject to compliance audits under the single audit approach. Such audits could lead to requests for reimbursement by the grantor agency for expenditures disallowed under terms of the grants. Management believes that the amount from future audits, if any, would not be material.

**Borough of Medford Lakes
Notes to Financial Statements
December 31, 2023**

NOTE 18. GUARANTOR OF DEBT

On November 2, 2006, the Borough of Medford Lakes (Borough) approved a loan agreement with the State of New Jersey, Department of Environmental Protection (State) whereby, the Borough acts as a co-borrower with the State for a loan in an amount not to exceed \$2,245,000 to be made to the Medford Lakes Colony (Colony) a not-for-profit corporation located in the Borough. The terms of the agreement are such that the Borough agrees to complete the dredging and lake restoration project and to reimburse the State in accordance with the terms and conditions set forth in the loan agreement, in the event of a default on the part of the Colony. The dredging and lake restoration project has been completed by the Colony. The final loan amount borrowed by the Colony was \$2,171,451.50 and has a 2% interest rate with a maturity date of January 13, 2027. As of the date of this report, the Colony has not defaulted on its loan obligation.

NOTE 19. SUBSEQUENT EVENTS

Subsequent to December 31, 2023, the Borough of Medford Lakes authorized additional Bonds and Notes as follows:

<u>Purpose</u>	<u>Date</u>	<u>Amount</u>
Various Capital Improvements	6/13/2024	\$ <u>1,159,950</u>
Purchase of a Vactor Truck	6/13/2024	\$ <u>625,000</u>

SUPPLEMENTAL EXHIBITS

CURRENT FUND

BOROUGH OF MEDFORD LAKES
CURRENT FUND
Statement of Cash - Treasurer
For the Year Ended December 31, 2023

	<u>CURRENT FUND</u>	<u>FEDERAL AND STATE GRANT FUND</u>
Balance December 31, 2022	\$ 4,144,049.03	\$ 313,373.75
Receipts:		
Taxes Receivable	\$ 16,077,008.48	\$ -
Tax Title Lien Receivable	-	
Prepaid 2024 Taxes	103,598.20	
Revenue Accounts Receivable	997,071.20	
Reserve for Leon Todd Memorial Park	300.00	
Reserve for Off Duty Police	155,426.88	
Reserve for Safety Award	4,834.68	
Tax Overpayments	31,678.33	
Due from State of New Jersey - Senior Citizens and Veterans Deductions	28,250.00	
Due to State of New Jersey:		
Marriage License Fees	150.00	
DCA Training Fees	5,677.00	
Federal and State Grants Receivable		37,370.64
Federal and State Grants Unappropriated Reserves		1,139.88
Due to Federal and State Grant Fund	426.51	
Miscellaneous Revenue Not Anticipated	232,303.03	
Petty Cash	220.00	
Budget Refunds	57,342.27	
Total Receipts	<u>17,694,286.58</u>	<u>38,510.52</u>
Total Funds Available	21,838,335.61	351,884.27
Disbursements:		
2023 Appropriations	4,333,704.21	
County Taxes Payable	2,181,253.75	
Due to State of New Jersey:		
Marriage License Fees		
DCA Training Fees	4,655.00	
Local District School Tax	6,747,838.96	
Regional High School Tax	3,927,979.00	
2022 Appropriation Reserves and		
Reserve for Encumbrances	73,288.29	
Investment - Bond Anticipation Note	224,209.50	
Tax Overpayment Refunds	39,624.02	
Due from General Capital Fund	52,471.45	
Reserve for Off Duty Police	114,750.00	
Reserve for Safety Award	4,834.68	
Petty Cash	220.00	
Budget Refunds	57,342.27	
Reserve for Federal and State Grant Funds:		
Appropriated	<u>-</u>	<u>154,195.84</u>
Total Disbursements	17,762,171.13	154,195.84
Balance December 31, 2023	<u>\$ 4,076,164.48</u>	<u>\$ 197,688.43</u>

BOROUGH OF MEDFORD LAKES

CURRENT FUND

Statement of Cash - Collector
For the Year Ended December 31, 2023

Balance December 31, 2022		\$ 143,815.90
Receipts:		
Third Party Tax Title Liens	\$ 66,304.08	
Tax Sale Premiums	43,400.00	
Interest Earned on Bank Deposits	4,495.22	114,199.30
Total Funds Available		258,015.20
Disbursements:		
Third Party Tax Title Liens	67,256.91	
Refund of Tax Premiums Redeemed	106,600.00	173,856.91
Balance December 31, 2023		\$ 84,158.29

BOROUGH OF MEDFORD LAKES

CURRENT FUND

Schedule of Taxes Receivable and Analysis of Property Tax Levy
For the Year Ended December 31, 2023

Year	Balance December 31, 2022	Added Taxes	2023 Levy	Collections by Cash		State Share of Senior Citizen and Veterans Deductions Allowed	Transfer to Tax Title Liens	Overpayments Applied	Canceled	Balance December 31, 2023
				2022	2023					
2013	\$ 1.44	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1.44	\$ -
2014	2.93								2.93	-
2015	3.00								3.00	-
2016	3.02								3.02	-
2017	2.30								2.30	-
2018	3.24								3.24	-
2019	3.32								3.32	-
2020	3.33								3.33	-
2021	253.42				250.00				3.42	-
2022	171,246.88	1,500.00			172,720.18				26.70	
	171,522.88	1,500.00	-	-	172,970.18	-	-	-	52.70	-
2023			16,266,638.05	135,603.15	15,904,038.30	27,456.80		1,107.60	15,235.52	183,196.68
Total	\$ 171,522.88	\$ 1,500.00	\$ 16,266,638.05	\$ 135,603.15	\$ 16,077,008.48	\$ 27,456.80	\$ -	\$ 1,107.60	\$ 15,288.22	\$ 183,196.68

ANALYSIS OF PROPERTY TAX LEVY

Tax Yield:	
General Purpose Tax	\$ 16,240,027.41
Added Taxes	26,610.64
Total	<u>\$ 16,266,638.05</u>

Tax Levy:

Local District School Tax (Abstract)	\$ 6,816,386.00
Regional High School District Tax (Abstract)	3,898,111.00
County Taxes:	
County Tax (Abstract)	\$ 1,854,831.65
County Library Tax (Abstract)	171,561.54
County Open Space Tax (Abstract)	153,020.09
Amount Due County for Added Taxes (54:4-63.1 et.seq.)	<u>3,574.02</u>
	2,182,987.30
Local Tax for Municipal Purposes	3,344,183.73
Additional Tax Levies	<u>24,970.02</u>
Total	<u>\$ 16,266,638.05</u>

BOROUGH OF MEDFORD LAKES

CURRENT FUND

**Schedule of Tax Title Liens
For the Year Ended December 31, 2023**

Balance December 31, 2023 and 2022	<u><u>\$ -</u></u>
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**Schedule of Property Acquired for Taxes
For the Year Ended December 31, 2023**

Balance December 31, 2023 and 2022	<u><u>\$ 151,200.00</u></u>
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BOROUGH OF MEDFORD LAKES

CURRENT FUND

**Schedule of Revenue Accounts Receivable
For the Year Ended December 31, 2023**

	Balance December 31, 2022	Accrued in 2023	Collected	Balance December 31, 2023
Borough Clerk:				
Alcohol Licenses	\$ -	\$ 1,243.00	\$ 1,243.00	\$ -
Fees and Permits		81,838.29	81,838.29	-
Interest and Costs on Taxes		46,067.25	46,067.25	-
Construction Official - Fees and Permits		57,213.00	57,213.00	-
Energy Receipt Taxes		291,601.82	291,601.82	-
Municipal Court - Fines and Costs	1,778.62	26,356.60	26,615.00	1,520.22
Shared Service Court		126,686.48	126,686.48	-
Cell Tower Rental		170,599.76	170,599.76	-
Reserve for Municipal Relief Fund		30,206.60	30,206.60	-
Reserve for Payment of Debt Service Cost		165,000.00	165,000.00	-
Total	\$ 1,778.62	\$ 996,812.80	\$ 997,071.20	\$ 1,520.22

BOROUGH OF MEDFORD LAKES

CURRENT FUND

Statement of 2022 Appropriation Reserves
For The Year Ended December 31, 2023

	Balance December 31, 2022		Transfers	Balance	Paid or Charged	Balance
	Reserved	Encumbered		After Transfers		Lapsed
Salaries and Wages:						
General Administration	\$ 2.76	\$ -		\$ 2.76	\$ -	\$ 2.76
Borough Clerk	256.84	-		256.84		256.84
Financial Administration	84.50	-		84.50		84.50
Collection of Taxes	548.52	-		548.52		548.52
Historic Preservation Commission	325.00	-		325.00		325.00
Planning Board	4.98	-		4.98		4.98
Office of Emergency Management	20.16	-		20.16	(250.00)	270.16
Fire Official	5.69	-		5.69		5.69
Depart. of Public Works - Streets & Roads	2,377.26	-		2,377.26		2,377.26
Solid Waste Collection	462.49	-		462.49		462.49
Construction Official	94.26	-		94.26		94.26
Zoning Code Enforcement	418.73	-		418.73		418.73
Public Defender	1,000.00	950.00		1,950.00	950.00	1,000.00
Shared Services:						
Municipal Court	7,448.14	5,581.25		13,029.39	6,884.75	6,144.64
Other Expenses:						
General Administration	1,783.88	1,058.67		2,842.55	820.45	2,022.10
Mayor and Council	1.74	-		1.74		1.74
Borough Clerk	3,796.25	6.00		3,802.25	6.00	3,796.25
Financial Administration	211.05	-		211.05		211.05
Computerized Data Processing	928.60	-		928.60		928.60
Collection of Taxes	2.99	-		2.99		2.99
Assessment of Taxes	2,690.00	0.08		2,690.08		2,690.08
Legal Services	3,596.82	-		3,596.82	2,875.00	721.82
Engineering Services	3,145.14	5,702.39		8,847.53	6,123.75	2,723.78
Planning Board	2,582.82	-		2,582.82	2,582.82	-
Insurance						
Employee Group Insurance	6,414.69	82.96		6,497.65	82.96	6,414.69
Liability Insurance	24.38	-		24.38		24.38
Health Benefit Waiver	2,948.54	-		2,948.54		2,948.54
Police	3,033.24	13,937.00		16,970.24	13,932.74	3,037.50
Office of Emergency Management	293.88	38.01		331.89	288.01	43.88
Fire Department	2,514.53	13,310.47		15,825.00	13,310.47	2,514.53
Fire Official	1,250.00	-		1,250.00	1,000.00	250.00
Depart. of Public Works - Streets & Roads	313.56	2,033.42		2,346.98	2,155.13	191.85
Solid Waste Collection	5,703.68	5,642.00		11,345.68	6,007.00	5,338.68
Public Buildings and Grounds	1,617.66	4,000.00		5,617.66	4,770.29	847.37
Vehicle Maintenance	5.69	3,944.51		3,950.20	3,744.51	205.69
Forward	55,908.47	56,286.76	-	112,195.23	65,283.88	46,911.35

(Continued)

BOROUGH OF MEDFORD LAKES

CURRENT FUND

Statement of 2022 Appropriation Reserves
For The Year Ended December 31, 2023

	Balance December 31, 2022		Transfers	Balance After Transfers	Paid or Charged	Balance Lapsed
	Reserved	Encumbered				
Forward	\$ 55,908.47	\$ 56,286.76	\$ -	\$ 112,195.23	\$ 65,283.88	\$ 46,911.35
Other Expenses (Cont'd):						
Electricity	2,653.61	1,902.30		4,555.91	1,902.30	2,653.61
Street Lighting	171.67	812.76		984.43	812.76	171.67
Telephone	2,667.03	-		2,667.03		2,667.03
Natural Gas	221.64	-		221.64		221.64
Landfill Fees	5,822.96	12,751.98		18,574.94	12,751.98	5,822.96
Construction Code Official	488.66	-		488.66	91.88	396.78
Zoning Code Enforcement	200.00	-		200.00		200.00
Municipal Court	25.35	35.97		61.32	16.49	44.83
Social Security System	22.04	-		22.04		22.04
Unemployment Compensation	900.39	-		900.39		900.39
Defined Contribution Retirement Fund	663.28	-		663.28		663.28
Matching Funds for Grants	300.00	-		300.00		300.00
Total	<u>\$ 70,045.10</u>	<u>\$ 71,789.77</u>	<u>\$ -</u>	<u>\$ 141,834.87</u>	<u>\$ 80,859.29</u>	<u>\$ 60,975.58</u>
					Cash Disbursed	\$ 73,288.29
					Accounts Payable	7,571.00
						<u>\$ 80,859.29</u>

BOROUGH OF MEDFORD LAKES

CURRENT FUND

**Schedule of Reserve for Farmers' Market
For the Year Ended December 31, 2023**

Balance December 31, 2022	\$ 3,306.91
Decreased by:	
Transferred to Other Trust Fund	<u>3,306.91</u>
Balance December 31, 2023	<u><u>-</u></u>

EXHIBIT A-12

**Schedule of Reserve for Leon Todd Memorial Park
For the Year Ended December 31, 2023**

Balance December 31, 2022	\$ 4,072.42
Increased by:	
Collected	<u>300.00</u>
Subtotal	4,372.42
Decreased by:	
Transferred to Other Trust Fund	<u>4,372.42</u>
Balance December 31, 2023	<u><u>\$ -</u></u>

BOROUGH OF MEDFORD LAKES

CURRENT FUND

Schedule of Due State of New Jersey-
Senior Citizen and Veterans' Deductions
For the Year Ended December 31, 2023

Balance due to (from) December 31, 2022		\$ 7,198.63
Increased by:		
Cash Received	\$ 28,250.00	
Senior Citizens Deductions Disallowed for 2022	<u>1,500.00</u>	<u>29,750.00</u>
Total		36,948.63
Decreased by:		
Accrued in 2023:		
Senior Citizens Deductions Per Billings	3,750.00	
Veterans Deductions Per Billings	25,000.00	
Senior Citizens and Veteran Deductions Allowed by Collector	<u>250.00</u>	
	29,000.00	
Less - Senior Citizen Deductions Disallowed by Collector	1,543.20	
Canceled	<u>7,991.83</u>	
Total	.	<u>35,448.63</u>
Balance due to (from) December 31, 2023		<u><u>\$ 1,500.00</u></u>

BOROUGH OF MEDFORD LAKES

CURRENT FUND

**Schedule of Tax Overpayments
For the Year Ended December 31, 2023**

Balance December 31, 2022		\$ 6,983.35
Increased by:		
Collected	\$ 31,678.33	
Prior Year Created	<u>7,825.16</u>	<u>39,503.49</u>
Subtotal		46,486.84
Decreased by:		
Applied to 2023 Taxes	\$ 1,107.60	
Refunded	39,624.02	
Cancelled	<u>2,658.85</u>	<u>43,390.47</u>
Balance December 31, 2023		<u><u>\$ 3,096.37</u></u>

**Schedule of 3rd Party Tax Tile Liens/Tax Sale Premiums
For the Year Ended December 31, 2023**

Balance December 31, 2022		\$ 143,815.90
Increased by:		
Collected		<u>114,199.30</u>
Subtotal		258,015.20
Decreased by:		
Disbursed		<u>173,856.91</u>
Balance December 31, 2023		<u><u>\$ 84,158.29</u></u>

BOROUGH OF MEDFORD LAKES

CURRENT FUND

Schedule of County Tax Payable
For the Year Ended December 31, 2023

Balance December 31, 2022		\$	1,840.47
Increased by:			
County Tax	\$	1,854,831.65	
County Library Tax		171,561.54	
County Open Space Tax		153,020.09	
County Added and Omitted		<u>3,574.02</u>	<u>2,182,987.30</u>
Total			2,184,827.77
Decreased by:			
Payments			<u>2,181,253.75</u>
Balance December 31, 2023		\$	<u><u>3,574.02</u></u>

BOROUGH OF MEDFORD LAKES

CURRENT FUND

**Schedule of Regional School Tax Payable
For the Year Ended December 31, 2023**

<hr/>		
Balance December 31, 2022:		
School Tax Payable	\$ 2,019,815.89	
School Tax Deferred	<u>291,811.49</u>	
		\$ 2,311,627.38
Increased by:		
Levy - School Year July 1, 2022 to June 30, 2023		<u>3,898,111.00</u>
Total		6,209,738.38
Decreased by:		
Payments		<u>3,927,979.00</u>
Balance December 31, 2023:		
School Tax Payable	1,989,947.89	
School Tax Deferred	<u>291,811.49</u>	
		<u>\$ 2,281,759.38</u>
2023 Liability for Regional District School Tax:		
Tax Paid		\$ 3,927,979.00
Tax Payable December 31, 2023		<u>1,989,947.89</u>
Total		5,917,926.89
Less:		
Tax Payable December 31, 2022		<u>2,019,815.89</u>
Amount Charged to 2023 Operations		<u>\$ 3,898,111.00</u>

BOROUGH OF MEDFORD LAKES

CURRENT FUND

**Schedule of Local District School Tax Payable
For the Year Ended December 31, 2023**

<hr/>		
Balance December 31, 2022:		
School Tax Payable	\$ 2,489,307.77	
School Tax Deferred	<u>516,689.81</u>	
		\$ 3,005,997.58
Increased by:		
Levy - School Year July 1, 2023 to June 30, 2024		<u>6,816,386.00</u>
Total		9,822,383.58
Decreased by:		
Payments		<u>6,747,838.96</u>
Balance December 31, 2023:		
School Tax Payable	2,557,854.81	
School Tax Deferred	<u>516,689.81</u>	
		<u>\$ 3,074,544.62</u>
2023 Liability for Local District School Tax:		
Tax Paid		\$ 6,747,838.96
Tax Payable December 31, 2023		<u>2,557,854.81</u>
Total		9,305,693.77
Less:		
Tax Payable December 31, 2022		<u>2,489,307.77</u>
Amount Charged to 2023 Operations		<u>\$ 6,816,386.00</u>

BOROUGH OF MEDFORD LAKES

FEDERAL AND STATE GRANT FUND

Schedule of Federal and State Grants Receivable
For the Year Ended December 31, 2023

	Balance December 31, 2022	Accrued	Received	Transferred from Unappropriated Reserves	Canceled	Transferred to Unappropriated Reserves	Balance December 31, 2023
Federal Grants:							
Safer Grant	\$ 4,143.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,143.00
NJ Transportation Trust Fund	57,618.25						57,618.25
FEMA - Firefighters Grant		172,000.00					172,000.00
American Rescue Plan	-	114,836.36		114,836.36			-
Total Federal	61,761.25	286,836.36	-	114,836.36	-	-	233,761.25
State Grants:							
Clean Communities Grant	-	12,836.99	12,836.99				-
Drive Sober or Get Pulled Over	5,500.00						5,500.00
Body Armor Grant	-	1,037.17	1,037.17				-
Municipal Alliance Grant		3,317.00	1,476.00				1,841.00
Stormwater Assistance Grant		15,000.00	15,000.00				-
Recycling Tonnage Grant	-	7,020.48	7,020.48				-
Total State	5,500.00	39,211.64	37,370.64	-	-	-	7,341.00
County Grants:							
Burlington County Park Development	2,251.13						2,251.13
Burlington County Park Development	6,937.50						6,937.50
Total County	9,188.63	-	-	-	-	-	9,188.63
Total Grants	\$ 76,449.88	\$ 326,048.00	\$ 37,370.64	\$ 114,836.36	\$ -	\$ -	\$ 250,290.88

BOROUGH OF MEDFORD LAKES

FEDERAL AND STATE GRANT FUND

**Schedule of Reserve for Federal and State Grants - Unappropriated
For the Year Ended December 31, 2023**

	Balance December 31, 2022	Cash Received	Appropriated in 2023 Budget Appropriation	Balance December 31, 2023
Federal Grants:				
American Rescue Plan	\$ 114,836.36	\$ -	\$ 114,836.36	\$ -
Total Federal Grants	114,836.36	-	114,836.36	-
State Grants:				
NONE	-	1,139.88	-	1,139.88
Total State Grants	-	1,139.88	-	1,139.88
Total Federal and State Grants	\$ 114,836.36	\$ 1,139.88	\$ 114,836.36	\$ 1,139.88

BOROUGH OF MEDFORD LAKES

FEDERAL AND STATE GRANT FUND

Schedule of Reserve for Federal and State Grants - Appropriated
For the Year ended December 31, 2023

	Balance December 31, 2022	Transferred from 2023 Budget Appropriation	Appropriated by NJ 40A:4-87	Prior Year Encumbrances	Paid or Charged	Canceled	Balance December 31, 2023
Federal Grants:							
NJ Transportation Trust Fund	\$ 1,414.55	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,414.55
NJ Transportation Trust Fund	57,618.25						57,618.25
FEMA - Safer Grant		172,000.00			9,999.98		162,000.02
Safer Grant	7,521.53						7,521.53
Over the Limit	4,400.00						4,400.00
American Resxcue Plan		114,836.36					114,836.36
American Resxcue Plan	58,066.74			74,827.19	132,893.93		-
Total Federal	129,021.07	286,836.36	-	74,827.19	142,893.91	-	347,790.71
State Grants:							
Alcoholic Ed. Rehab Fund	588.17						588.17
Body Armor Replacement Fund	1,432.70	1,037.17					2,469.87
Clean Communities Grant	37,222.63	12,836.99		150.00	11,092.81		39,116.81
Click It or Ticket	1,174.81						1,174.81
Drunk Driving Enforcement Grant	7,930.21			179.00	1,222.61		6,886.60
Drive Sober or Get Pulled Over	346.99						346.99
Municipal Alliance Grant	16,563.57	3,317.00					19,880.57
Municipal Alliance Grant		829.23					829.23
Recycling Tonnage Grant	39,600.37	7,020.48			2,015.40		44,605.45
Stormwater Assistance Grant		15,000.00					15,000.00
Green Communities	3,000.00						3,000.00
Total State	107,859.45	40,040.87	-	329.00	14,330.82	-	133,898.50
County Grants:							
Burlington County Park Development Prog.	481.80						481.80
Burlington County Park Development Prog.	7,158.70						7,158.70
Total County	7,640.50	-	-	-	-	-	7,640.50
Total Grants	\$ 244,521.02	\$ 326,877.23	\$ -	\$ 75,156.19	\$ 157,224.73	\$ -	\$ 489,329.71

Analysis of Paid or Charged:

Cash Disbursed	\$ 154,195.84
Due from Current Fund	(426.51)
Encumbrances	3,455.40
	<u>\$ 157,224.73</u>

TRUST FUND

BOROUGH OF MEDFORD LAKES

Trust Fund

Schedule of Cash - Treasurer
For the Year Ended December 31, 2023

	Animal Control	Total Other Trust Funds	Payroll	Planning and Zoning	Unemployment	Public Defender	Special Law Enforcement	Street Opening
Balance December 31, 2022	\$ 6,385.21	\$ 120,819.63	\$ 46,891.20	\$ 3,716.84	\$ 5,218.40	\$ 5,426.40	\$ 224.52	\$ 59,342.27
Receipts:								
Dog License Fees:								
Municipal Licenses	5,475.60	-						
State Registration Fees	670.20	-						
Late Fees/Miscellaneous	422.00	-						
Net Payroll		1,753,907.72	1,753,907.72					
Payroll Deductions Payable		938,811.13	938,811.13					
Annual Pension Bills Payable		528,895.31	528,895.31					
Planning and Zoning Escrows		2,694.00		2,694.00				
Employee Withholdings		9,417.12			9,417.12			
Street Openings		46,355.23						46,355.23
Public Defender Fees		404.00				404.00		
Contra		-						
Interest Earned	163.11	2,886.07	1,080.70	72.10	153.48	116.08	4.58	1,459.13
Total Receipts	<u>6,730.91</u>	<u>3,283,370.58</u>	<u>3,222,694.86</u>	<u>2,766.10</u>	<u>9,570.60</u>	<u>520.08</u>	<u>4.58</u>	<u>47,814.36</u>
Disbursements:								
Expenditures Under RS4:19-15.11	6,198.71	-						
State Registration Fees	492.60	-						
Net Payroll		1,753,907.72	1,753,907.72					
Payroll Deductions Payable		938,833.62	938,833.62					
Annual Pension Bills Payable		528,895.31	528,895.31					
Planning and Zoning Escrows		3,194.00		3,194.00				
Escrow Refunds		-						
Unemployment Claims		6,437.70			6,437.70			
Street Openings		63,068.85						63,068.85
Contra		-						
Due to Current Fund		-						
Total Disbursements	<u>6,691.31</u>	<u>3,294,337.20</u>	<u>3,221,636.65</u>	<u>3,194.00</u>	<u>6,437.70</u>	<u>-</u>	<u>-</u>	<u>63,068.85</u>
Balance December 31, 2023	<u>\$ 6,424.81</u>	<u>\$ 109,853.01</u>	<u>\$ 47,949.41</u>	<u>\$ 3,288.94</u>	<u>\$ 8,351.30</u>	<u>\$ 5,946.48</u>	<u>\$ 229.10</u>	<u>\$ 44,087.78</u>

BOROUGH OF MEDFORD LAKES

ANIMAL CONTROL FUND

Schedule of Reserve for Animal Control Fund Expenditures
For the Year Ended December 31, 2023

<hr/>		
Balance December 31, 2022		\$ 6,382.81
Increased by:		
2023 Dog License Fees Collected	\$ 4,374.00	
2023 Cat Licenses Collected	1,101.60	
Late Fees/Miscellaneous	422.00	
Interest Earned	<u>163.11</u>	
		<u>6,060.71</u>
Total		12,443.52
Decreased by:		
Expenditures Under R.S. 4:19-15.11:		<u>6,198.71</u>
Balance December 31, 2023		<u><u>\$ 6,244.81</u></u>

License Fees Collected

<u>Year:</u>	
2021	6,255.60
2022	<u>6,291.00</u>
Total	<u><u>\$ 12,546.60</u></u>

BOROUGH OF MEDFORD LAKES

TRUST - OTHER FUNDS

Schedule of Payroll Deductions Payable
For the Year Ended December 31, 2023

Balance December 31, 2022		\$ 13,509.56
Increased by:		
Payroll Deductions Received	\$ 941,087.01	
Net Pay	<u>1,753,907.72</u>	
		<u>2,694,994.73</u>
Subtotal		2,708,504.29
Decreased by:		
Payroll Deductions Disbursed	938,833.62	
Net Pay	<u>1,753,907.72</u>	
		<u>2,692,741.34</u>
Balance December 31, 2023		<u>\$ 15,762.95</u>

Schedule of Reserve For Planning and Zoning Escrow Deposits
For the Year Ended December 31, 2023

Balance December 31, 2022		\$ 3,558.15
Increased by:		
Deposits		<u>2,694.00</u>
Subtotal		6,252.15
Decreased by:		
Disbursed		<u>3,194.00</u>
Balance December 31, 2023		<u>\$ 3,058.15</u>

A permanent list of individual account balances is on file in the Treasurer's office.

BOROUGH OF MEDFORD LAKES

TRUST - OTHER FUNDS

**Schedule of Reserve For Unemployment Compensation Insurance Trust
For the Year Ended December 31, 2023**

Balance December 31, 2022		\$ 9,217.22
Increased by:		
Interest Earned	\$ 153.48	
Transfer from Current Fund - Prior Year Claims Bills	5,344.54	
Employee Withholdings	4,460.01	
		9,958.03
Subtotal		19,175.25
Decreased by:		
Disbursed to State Department of Labor		6,437.70
Balance December 31, 2023		\$ 12,737.55

**Schedule of Reserve For Public Defender Trust Fund
For the Year Ended December 31, 2023**

Balance December 31, 2022		\$ 5,199.92
Increased by:		
Receipts		404.00
Balance December 31, 2023		\$ 5,603.92

BOROUGH OF MEDFORD LAKES

TRUST - OTHER FUNDS

**Schedule of Reserve For Compensated Absences
For the Year Ended December 31, 2023**

Balance December 31, 2023 and 2022	<u>\$ 285.00</u>
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**Schedule of Reserve For Special Law Enforcement Fund
For the Year Ended December 31, 2023**

Balance December 31, 2023 and 2022	<u>\$ 197.64</u>
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BOROUGH OF MEDFORD LAKES

TRUST - OTHER FUNDS

Schedule of Reserve For Street Openings
For the Year Ended December 31, 2023

Balance December 31, 2022	\$ 57,134.60
Increased by:	
Escrow Deposits	46,355.23
	<u>103,489.83</u>
Decreased by:	
Disbursed	63,068.85
	<u>63,068.85</u>
Balance December 31, 2023	<u><u>\$ 40,420.98</u></u>

Schedule of Reserve For POAA
For the Year Ended December 31, 2023

Balance December 31, 2023 and 2022	<u><u>\$ 18.00</u></u>
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BOROUGH OF MEDFORD LAKES

TRUST - OTHER FUNDS

Schedule of Reserve For Farmers Market
For the Year Ended December 31, 2023

Balance December 31, 2022	\$ -
Increased by:	
Transfer from Current Fund	<u>3,306.91</u>
Balance December 31, 2023	<u>\$ 3,306.91</u>

Schedule of Reserve For Leon Todd Memorial Park
For the Year Ended December 31, 2023

Balance December 31, 2022	\$ -
Increased by:	
Transfer from Current Fund	<u>4,372.42</u>
Balance December 31, 2023	<u>\$ 4,372.42</u>

GENERAL CAPITAL FUND

BOROUGH OF MEDFORD LAKES

GENERAL CAPITAL FUND

Schedule of Cash - Treasurer
For the Year Ended December 31, 2023

Balance December 31, 2022		\$	69,457.43
Receipts:			
Interest Earned on Investments	\$	11,566.12	
Bond Anticipation Notes		224,209.50	
Budget Appropriation - Capital Improvement Fund		30,000.00	
Due to Current Fund		52,471.45	
			<u>318,247.07</u>
Total			387,704.50
Disbursements:			
Reserve for Debt Service		165,000.00	
Improvement Authorizations		222,704.50	
			<u>387,704.50</u>
Balance December 31, 2023		\$	<u><u>-</u></u>

BOROUGH OF MEDFORD LAKES

GENERAL CAPITAL FUND

Analysis of General Capital Cash and Investments
For the Year Ended December 31, 2023

Capital Improvement Fund		\$ 28,845.26
Fund Balance		36,854.64
Reserve for Payment of Debt Service Costs		22,238.72
Due to Current Fund		171,985.68
Due to Sewer Utility Fund		2,450.33
Improvement Authorizations:		
Ordinance		
<u>Number</u>		
636/667	Multi-Purpose:	
	Public Works Equipment	(17,933.15)
	Public Works Equipment	(42,612.85)
640	Multi-Purpose	
	Construction of Improvements to Mishemokwa Dam	(500.00)
646	Multi-Purpose	
	Construction of Improvements to Oak Hall Municipal Bldg	(45,150.00)
647	Purchase of Police Vehicle	-
654	Multi-Purpose	
	Lenape and Other Road/Trail Improvements	(6,987.24)
664	Multi-Purpose	
	Road Improvements	(200,864.00)
	Acquisition of Police Car	(70,490.00)
	Acquisition of Emergency Generator	(20,331.61)
671/675	Multi-Purpose	
	Construction of Road Improvements to Tabernacle Road	(231,650.00)
	Acquisition of Dump Truck	(80,371.00)
	Acquisition of Police Vehicle	(58,001.40)
	Improvements to Administrative Building	(11,564.06)
	Acquisition of PPE for the Fire Department	(1,030.00)
	Acquisition of Ipads/Computers for the Fire Department	(3,152.50)
681/684/	Multi-Purpose	
704	Road Improvements to Tabernacle Road - Phase III	(118,776.12)
	Acquisition of Fire Equipment	19,193.36
	Acquisition of Police Equipment	2,960.60
686	Multi-Purpose	
	Renovations of Public Works Building	45,288.04
	Purchase of Trash Truck	97,046.07
689	Multi-Purpose	
	2022 Road Program	78,654.76
	Acquisition of Police Equipment	57,039.97
	Acquisition of Police Vehicle	60,000.00
	Acquisition of Utility Body Lift Gate	9,773.30
	Acquisition of Fire Equipment	12,273.20
694	Lower Aetna Dam Improvements	30,000.00
701	Multi-Purpose	
	2023 Road Program	77,010.00
	Improvements to Firehouse	98,800.00
	Acquisition of Public Works Truck Equipment	24,000.00
	Acquisition of Fire Equipment	20,000.00
	Acquisition of Police Equipment	15,000.00
Total		\$ -

BOROUGH OF MEDFORD LAKES
General Capital Fund
Statement of Deferred Charges to Future Taxation - Funded
For the Year Ended December 31, 2023

Balance December 31, 2022	\$ 2,165,588.97
Decreased By:	
Budget Appropriations:	
NJDEP Loan Payable	<u>507,823.79</u>
Balance December 31, 2023	<u><u>\$ 1,657,765.18</u></u>

BOROUGH OF MEDFORD LAKES

GENERAL CAPITAL FUND

Schedule of Deferred Charges to Future Taxation - Unfunded
For the Year Ended December 31, 2023

Ordinance Number	Improvement Description	Balance December 31, 2022	2023 Authorizations	Funded by: Budget Appropriation	Canceled	Balance December 31, 2023	Analysis of Balance - December 31, 2023		
							Funded by Bond Anticipation Note	Expenditures	Unexpended Improvement Authorizations
564	Multi-purpose: Construction of New Improvements to Quoque Dam	\$ 326,578.25	\$ -	\$ -	\$ 326,578.25	\$ -	\$ -	\$ -	\$ -
620/666	Multi-Purpose: Various Paving and Storm Water Drainage	13,077.29			13,077.29	-	-	-	-
627	Multi-Purpose: Public Works Flatbread Truck	128,600.00		13,900.00		114,700.00	114,700.00	-	-
	Fire Equipment - SCBA	85,500.00			9,215.00	76,285.00	76,285.00	-	-
	Public Works Leaf Machine	38,000.00				38,000.00	38,000.00	-	-
	Police Equipment	9,215.00				9,215.00	9,215.00	-	-
636/667	Multi-Purpose: Public Works Equipment	89,237.15		7,300.00		81,937.15	64,004.00	17,933.15	
	Road Improvements	2,500.00				2,500.00	2,500.00		
	Public Works (2) Ford 450 Dump Trucks	104,500.00				104,500.00	104,500.00		
	Police Equipment	36,100.00				36,100.00	36,100.00		
	Construction of Building Improvements	33,200.00			9,904.00	23,296.00	23,296.00		
	Public Works Equipment	42,612.85				42,612.85		42,612.85	
640	Multi-Purpose: Acquisition of Tanker Truck for Fire Dept	69,900.00		6,100.00		63,800.00	63,800.00		-
	Construction of Improvements to Mishemokwa Dam	66,500.00				66,500.00	66,000.00	500.00	
646	Multi-Purpose: Construction of Improvements to Oak Hall Municipal Building	54,150.00		1,700.00		52,450.00	7,300.00	45,150.00	
	Acquisition of Police Vehicle	32,300.00				32,300.00	32,300.00		
	Installation of Flashing Cross Walk Signs	4,000.00				4,000.00	4,000.00		
647	Purchase of Police Vehicle	38,000.00				38,000.00	38,000.00		
654	Multi-Purpose: Lenape and Other Road/Trail Improvements	125,806.69		8,329.69		117,477.00	117,477.00	-	
	One Man Leaf Truck	185,250.00				185,250.00	185,250.00	-	
	Asphalt Machine	77,900.00				77,900.00	77,900.00	-	
	Pick-up Truck and Plow	42,750.00				42,750.00	42,750.00	-	
	Pick-up Truck and Plow	42,750.00				42,750.00	42,750.00	-	
	Police Vehicle	32,300.00				32,300.00	32,300.00	-	
	Tabernacle Bike Path	23,750.00				23,750.00	23,750.00	-	
	Balance Forward	1,704,477.23	-	37,329.69	358,774.54	1,308,373.00	1,202,177.00	106,196.00	-

BOROUGH OF MEDFORD LAKES

GENERAL CAPITAL FUND

Schedule of Bond Anticipation Notes
For the Year Ended December 31, 2023

Ordinance Number	Improvement Description	Date of Issue of Original Note	Amount of Original Issue	Date of Issue	Date of Maturity	Interest Rate	Balance December 31, 2022	Increased	Decreased	Balance December 31, 2023
627	Multi-Purpose	10/23/19	266,000.00	10/12/2022	10/11/2023	0.00%	252,100.00		252,100.00	-
627	Multi-Purpose	10/23/19	266,000.00	10/11/2023	10/10/2024	0.00%		238,200.00		238,200.00
636	Multi-Purpose	10/23/19	245,000.00	10/12/2022	10/11/2023	0.00%	237,700.00		237,700.00	-
636	Multi-Purpose	10/23/19	245,000.00	10/11/2023	10/10/2024	0.00%		230,400.00		230,400.00
640	Multi-Purpose	10/23/19	142,000.00	10/12/2022	10/11/2023	0.00%	135,900.00		135,900.00	-
640	Multi-Purpose	10/23/19	142,000.00	10/11/2023	10/10/2024	0.00%		129,800.00		129,800.00
646	Multi-Purpose	10/23/19	47,000.00	10/12/2022	10/11/2023	0.00%	45,300.00		45,300.00	-
646	Multi-Purpose	10/23/19	47,000.00	10/11/2023	10/10/2024	0.00%		43,600.00		43,600.00
647	Purchase of Police Vehicle	10/23/19	38,000.00	10/12/2022	10/11/2023	0.00%	38,000.00		38,000.00	-
647	Purchase of Police Vehicle	10/23/19	38,000.00	10/11/2023	10/10/2024	0.00%		38,000.00		38,000.00
654	Multi-Purpose	09/23/20	568,477.00	9/14/2022	9/13/2023	0.00%	568,477.00		568,477.00	-
654	Multi-Purpose	09/23/20	568,477.00	9/13/2023	9/12/2024	0.00%		522,177.00		522,177.00
681	Multi-Purpose	08/11/21	304,047.50	8/10/2022	8/9/2023	0.00%	304,047.50		304,047.50	-
681	Multi-Purpose	08/11/21	304,047.50	8/9/2023	8/8/2024	0.00%		266,462.74		266,462.74
684	Multi-Purpose	09/22/21	66,737.50	8/10/2022	8/9/2023	0.00%	66,737.50		66,737.50	-
684	Multi-Purpose	09/22/21	66,737.50	8/9/2023	8/8/2024	0.00%		66,737.50		66,737.50
689	Multi-Purpose	09/14/22	271,600.00	9/14/2022	9/13/2023	0.00%	271,600.00		271,600.00	-
689	Multi-Purpose	09/14/22	271,600.00	9/13/2023	9/12/2024	0.00%		309,184.76		309,184.76
701	Multi-Purpose	09/27/23	224,209.50	9/27/2023	9/25/2024	0.00%		224,209.50		224,209.50
Note:							<u>\$ 1,919,862.00</u>	<u>\$ 2,068,771.50</u>	<u>\$ 1,919,862.00</u>	<u>\$ 2,068,771.50</u>
Above Notes held as Investments in the Current Fund.										
								\$ 1,844,562.00	\$ 1,844,562.00	
								224,209.50		
									75,300.00	
Total							<u>\$ 2,068,771.50</u>	<u>\$ 1,919,862.00</u>		

BOROUGH OF MEDFORD LAKES

GENERAL CAPITAL FUND

Schedule of Environmental Protection Loan Payable
For the Year Ended December 31, 2023

Balance December 31, 2022	\$ 2,165,588.97
Decreased by:	
Paid by Budget Appropriation	<u>507,823.79</u>
Balance December 31, 2023	<u><u>\$ 1,657,765.18</u></u>

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 518,031.05	\$ 30,578.05	\$ 548,609.10
2025	528,443.49	20,165.62	548,609.11
2026	539,065.18	9,543.89	548,609.07
2027	9,712.26	1,396.18	11,108.44
2028	9,907.47	1,200.97	11,108.44
2029	10,106.61	1,001.84	11,108.45
2030	10,309.75	798.69	11,108.44
2031	10,516.98	591.46	11,108.44
2032	10,728.37	380.07	11,108.44
2033	<u>10,944.02</u>	<u>164.45</u>	<u>11,108.47</u>
	<u><u>\$ 1,657,765.18</u></u>	<u><u>\$ 65,821.22</u></u>	<u><u>\$ 1,723,586.40</u></u>

BOROUGH OF MEDFORD LAKES

GENERAL CAPITAL FUND

Schedule of Improvement Authorizations
For the Year Ended December 31, 2023

Ordinance Number	Improvement Description	Date	Ordinance Amount	Balance December 31, 2022		2023 Authorizations			Reappropriated	Prior Year Encumbrances	Paid or Charged	Current Year Encumbrances	Canceled	Balance December 31, 2023	
				Funded	Unfunded	Deferred Charge Unfunded	Capital Improvement Fund	State Grant						Funded	Unfunded
468	Multi-Purpose:	06/12/01	\$ 2,100,000												
	Improvements to Municipal Building			\$ 1,172.79	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,172.79	\$ -	\$ -
512	Construction of Dams	09/08/05	8,846,561.00	1,275.00	-								1,275.00	-	-
518	Multi-Purpose:	05/25/06													
	Various Road Improvements		150,000.00	189.22	-								189.22	-	-
534	Purchase of PWD Equipment	10/11/07	8,405.00	5,000.00	-								5,000.00	-	-
550	Multi-Purpose:	05/08/08													
	Construction of Drainage Improvements to Mudjekeewis and Tontonava Trails		70,000.00	25.40	-								25.40	-	-
564	Multi-Purpose:	05/27/09													
	Construction of Maintenance Improvements to Mishemokwa Dam		280,000.00	12,554.45									12,554.45	-	-
	Construction of New Improvements to Quoique Dam		600,000.00	31.17	326,578.25								326,609.42	-	-
598	Multi-Purpose:	08/15/12													
	Acquisition of Public Works Department Equipment		33,595.00	1,710.00									1,710.00	-	-
605	Multi-Purpose:														
	Acquisition of Public Works Department Equipment		50,000.00	352.00	-								352.00	-	-
	Acquisition of Police Department Equipment		32,000.00	-	-								-	-	-
	Emergency Management Communication Equipment		30,000.00	202.72	-								202.72	-	-
620/666	Multi-Purpose	10/22/14													
	New Truck and Tractor		180,000.00	-	-								-	-	-
	Various Paving and Storm Water Drainage		75,000.00	-	13,077.26								13,077.26	-	-
	Refurbishment of Existing Fire Apparatus and Equipment		45,000.00	-	-								-	-	-
	Acquisition of New Telephone System		35,000.00	-	0.51								0.51	-	-
	Acquisition of New Weapons/Guns		13,000.00	-	34.19								34.19	-	-
627	Multi-Purpose	08/13/15													
	Public Works Flatbread Truck		150,000.00	-	-								-	-	-
	Fire Equipment - SCBA		90,000.00	-	9,615.42								9,615.42	-	-
	Public Works Leaf Machine		40,000.00	-	-								-	-	-
	Police Equipment		9,700.00	-	26.00								26.00	-	-
636/667	Multi-Purpose	06/23/16													
	Public Works Equipment		157,000.00	-	-								-	-	-
	Road Improvements		150,000.00	-	1.31								1.31	-	-
	Public Works (2) Ford 450 Dump Trucks		110,000.00	-	624.00								624.00	-	-
	Police Equipment		38,000.00	-	-								-	-	-
	Construction of Building Improvements		35,000.00	-	9,904.00								9,904.00	-	-
	Public Works Equipment	10/09/19	42,612.85	-	740.65								740.65	-	-
Balance Forward				\$ 22,512.75	\$ 360,601.59	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 383,114.34	\$ -	\$ -

BOROUGH OF MEDFORD LAKES

GENERAL CAPITAL FUND

Schedule of Improvement Authorizations
For the Year Ended December 31, 2023

Ordinance Number	Improvement Description	Ordinance Date	Balance December 31, 2022		2023 Authorizations			Reappropriated	Prior Year Encumbrances	Paid or Charged	Current Year Encumbrances	Canceled	Balance December 31, 2023	
			Funded	Unfunded	Deferred Charge Unfunded	Capital Improvement Fund	State Grant						Funded	Unfunded
	Balance Brought Forward		\$ 22,512.75	\$ 360,601.59	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 383,114.34	\$ -	\$ -
640	Multi-Purpose	02/09/17												
	Acquisition of Tanker Truck for Fire Department		327,620.00	-										
	Construction of Improvements to Mishemokwa Dam		70,000.00	8,543.00								8,543.00		
646	Multi-Purpose	05/11/17												
	Construction of Improvements to Oak Hall Municipal Bldg		57,000.00	-										
	Acquisition of Police Vehicle		34,000.00	-										
	Installation of Flashing Cross Walk Signs		6,000.00	208.23								208.23		
647	Purchase of Police Vehicle	08/10/17	42,000.00	-	637.50							637.50		
654	Multi-Purpose	07/01/18												
	Lenape and Other Road/Trail Improvements		415,000.00											
	One Man Leaf Truck		195,000.00	-										
	Asphalt Machine		82,000.00	287.90								287.90		
	Pick-up Truck and Plow		45,000.00	-										
	Pick-up Truck and Plow		45,000.00	-										
	Police Vehicle		34,000.00	-										
	Tabernacle Bike Path		25,000.00	71.15								71.15		
664	Multi-Purpose	07/01/19												
	Construction of Fire House		1,000,000.00	34,952.00	950,000.00							984,952.00		
	Road Improvements		462,035.00											
	Acquisition of Police Car		74,200.00											
	Acquisition of Emergency Generator		21,500.00	93.39								93.39		
669	Road Construction of Lenape Trail	05/27/20	37,970.31	4,258.31								4,258.31		
671/675	Multi-Purpose	08/12/20												
	Construction of Road Improvements to Tabernacle Road		507,000.00											
	Acquisition of Dump Truck		85,000.00	379.00								379.00		
	Acquisition of Police Vehicle		62,500.00	1,373.60								1,373.60		
	Improvements to Administrative Building		35,000.00	1,750.00	21,685.94							23,435.94		
674	Multi-Purpose	10/14/20												
	Renovations of Public Works Building		276,696.50						1,915.25	1,915.25				
	Purchase of Trash Truck		286,724.00											
	Balance Forward		\$ 59,214.75	\$ 1,348,139.61	\$ -	\$ -	\$ -	\$ -	\$ 1,915.25	\$ 1,915.25	\$ -	\$ 1,407,354.36	\$ -	\$ -

BOROUGH OF MEDFORD LAKES

GENERAL CAPITAL FUND

Schedule of Improvement Authorizations
For the Year Ended December 31, 2023

Ordinance Number	Improvement Description	Date	Ordinance Amount	Balance December 31, 2022		2023 Authorizations					Prior Year Encumbrances	Paid or Charged	Current Year Encumbrances	Canceled	Balance December 31, 2023			
				Funded	Unfunded	Deferred Charge Unfunded	Capital Improvement Fund	Grants	Capital Fund Balance	Reappropriated					Funded	Unfunded		
	Balance Brought Forward			\$ 59,214.75	\$ 1,348,139.61	\$ -	\$ -				\$ -	\$ -	\$ 1,915.25	\$ 1,915.25	\$ -	\$ 1,407,354.36	\$ -	\$ -
675	Multi-Purpose	01/13/21																
	Acquisition of PPE for the Fire Department				13,220.00											13,220.00		-
	Acquisition of Ipads/Computers for the Fire Department				647.50											647.50		-
681/684	Multi-Purpose	06/09/21																
704	Multi-Purpose - Reallocation to Ord 689	08/11/21																
	Road Improvements to Tabernacle Road - Phase III	12/27/23		577,250.00	37,584.76					(37,584.76)								-
	Acquisition of Fire Equipment			120,000.00	16,817.50						83,918.23	81,542.37	2,375.86					16,817.50
	Acquisition of Police Equipment			36,550.00	2,960.60													2,960.60
	Acquisition of 30 Yard Dumpster			6,500.00														-
686	Multi-Purpose	12/01/21																
	Renovations of Public Works Building			47,340.04	45,375.04							465.00	552.00					45,288.04
	Purchase of Trash Truck			168,345.16	107,770.84							60,574.62	71,299.39	97,046.07				-
689	Multi-Purpose	08/10/22																
705	Multi-Purpose	12/27/13																
	2022 Road Program			413,000.00	325,000.00	140,000.00				37,584.76	57,300.00	16,230.00	41,070.00			325,000.00		177,584.76
	Acquisition of Police Equipment			75,000.00	14,670.00						51,349.96	8,979.99	42,369.97					14,670.00
	Acquisition of Police Vehicle			60,000.00							60,000.00		60,000.00					-
	Acquisition of Utility Body Lift Gate			30,000.00	9,773.30						20,226.70	20,226.70						9,773.30
	Acquisition of Fire Equipment			30,000.00	13,685.20						14,346.80	15,758.80						12,273.20
	Acquisition of Real Property			20,000.00														-
694	Lower Aetna Dam Improvements	03/22/23		35,000.00									5,000.00	30,000.00				-
701	Multi-Purpose																	
	2023 Road Program	09/13/23		303,350.00		73,159.50	3,850.50	226,340.00						54,500.00		175,690.50		73,159.50
	Improvements to Firehouse			100,000.00		95,000.00	5,000.00					1,200.00	7,205.97					91,594.03
	Acquisition of Public Works Truck Equipment			24,000.00		22,800.00	1,200.00						23,925.17					74.83
	Acquisition of Fire Equipment			20,000.00		19,000.00	1,000.00						3,504.71					16,495.29
	Acquisition of Police Equipment			15,000.00		14,250.00	750.00						10,798.95					4,201.05
	Total			<u>\$ 537,360.63</u>	<u>\$ 1,457,498.47</u>	<u>\$ 364,209.50</u>	<u>\$ 11,800.50</u>	<u>\$ 226,340.00</u>	<u>\$ 35,000.00</u>	<u>\$ -</u>	<u>\$ 350,096.56</u>	<u>\$ 222,704.50</u>	<u>\$ 372,796.70</u>	<u>\$ 1,421,221.86</u>	<u>\$ 545,978.54</u>	<u>\$ 419,604.06</u>		

BOROUGH OF MEDFORD LAKES

GENERAL CAPITAL FUND

Statement of Capital Improvement Fund
For the Year Ended December 31, 2023

Balance December 31, 2022	\$ 10,645.76
Increased by:	
2023 Budget Appropriation	<u>30,000.00</u>
Subtotal	40,645.76
Decreased by:	
Appropriated to Finance Improvement Authorizations	<u>11,800.50</u>
Balance December 31, 2023	<u><u>\$ 28,845.26</u></u>

BOROUGH OF MEDFORD LAKES

GENERAL CAPITAL FUND

Statement of Bonds and Notes Authorized but not Issued
For the Year Ended December 31, 2023

Ordinance Number	Improvement Description	Balance December 31, 2022	2023 Authorization	Bond Anticipation Note Issued	Canceled	Balance December 31, 2023
564	Multi-Purpose Construction of New Improvements to Quoque Dam	\$ 326,578.25	\$ -	\$ -	\$ 326,578.25	\$ -
620/666	Multi-Purpose: Various Paving and Storm Water Drainage	13,077.29			13,077.29	-
627	Multi-Purpose: Fire Equipment - SCBA	9,215.00			9,215.00	-
636/667	Multi-Purpose: Public Works Equipment	17,933.15				17,933.15
	Building Improvements	9,904.00			9,904.00	-
	Public Works Equipment	42,612.85				42,612.85
640	Multi-Purpose: Construction of Improvements to Mishemokwa Dam	500.00				500.00
646	Multi-Purpose Construction of Improvements to Oak Hall Municipal Building	45,150.00				45,150.00
664	Multi-Purpose Construction of Fire House	950,000.00			950,000.00	-
	Road Improvements	200,933.00				200,933.00
	Acquisition of Police Car	70,490.00				70,490.00
	Acquisition of Emergency Generator	20,425.00			93.39	20,331.61
671/675	Multi-Purpose Construction of Road Improvements to Tabernacle Road	231,650.00				231,650.00
	Acquisition of Dump Truck	80,750.00			379.00	80,371.00
	Acquisition of Police Vehicle	59,375.00			1,373.60	58,001.40
	Improvements to Administrative Building	33,250.00			21,685.94	11,564.06
	Acquisition of Fire Protective Equipment	14,250.00			13,220.00	1,030.00
	Acquisition of Fire Computer Equipment	3,800.00			647.50	3,152.50
701	Multi-Purpose 2023 Road Program		73,159.50	73,159.50		-
	Acquisition of Police Equipment		95,000.00	95,000.00		-
	Acquisition of Police Vehicle		22,800.00	22,800.00		-
	Acquisition of Utility Body Lift Gate		19,000.00	19,000.00		-
	Acquisition of Fire Equipment		14,250.00	14,250.00		-
704	Multi-Purpose 2023 Road Program		140,000.00			140,000.00
	Total	<u>\$ 2,129,893.54</u>	<u>\$ 364,209.50</u>	<u>\$ 224,209.50</u>	<u>\$ 1,346,173.97</u>	<u>\$ 923,719.57</u>

SEWER UTILITY FUND

BOROUGH OF MEDFORD LAKES

SEWER UTILITY OPERATING FUND

Statement of Cash - Collector/Treasurer
For the Year Ended December 31, 2023

	<u>Operating</u>	<u>Capital</u>
Balance December 31, 2022	\$ 1,824,448.48	\$ 78,012.55
Receipts:		
Sewer Service Charges Receivable	\$ 1,175,341.85	
Prepaid Sewer Rent	90,213.37	
Sewer Rent Overpayments	2,723.34	
Due to Sewer Operating Fund	-	\$ 19,481.60
Due to Sewer Capital Fund	-	
NJ Infrastructure Loan	-	807,124.00
Miscellaneous Revenue	<u>64,486.97</u>	
Total Receipts	<u>1,332,765.53</u>	<u>826,605.60</u>
Total	3,157,214.01	904,618.15
Disbursements:		
2023 Appropriations	1,250,668.34	
Appropriation Reserves and Encumbrances Payable	171,783.70	
Accounts Payable	110,290.38	
Refund of Overpayments	325.00	
Due to Current Fund	4,039.86	
Improvement Authorizations	-	151,308.00
Due from Sewer Capital Fund	<u>17,044.53</u>	
Total Disbursements	<u>1,554,151.81</u>	<u>151,308.00</u>
Balance December 31, 2023	<u>\$ 1,603,062.20</u>	<u>\$ 753,310.15</u>

BOROUGH OF MEDFORD LAKES

SEWER UTILITY CAPITAL FUND

Analysis of Capital Cash
At December 31, 2023

Fund Balance	\$	13,651.50
Capital Improvement Fund		3,458.25
Reserve for Debt Service		1,072.96
Due from Other Trust Fund		(20,989.31)
Due from Bank		(12.00)
Due from Sewer Utility Operating Fund		-
Due to Sewer Utility Operating Fund		15,036.63
Due to Current Fund		14,800.00
Improvement Authorization		
Ord. 515 Acquisition of Sewer Collection Line Cleaning Equipment		-
Ord. 588 Various Capital Improvements		16,887.85
Ord. 588 Acquisition of Computer Equipment		24,275.58
Ord. 620 Various Capital Improvements to Treatment and Collection Building		(70,895.43)
Ord. 620 Various Capital Improvements to Treatment and Collection System		144,500.00
Ord. 620 Acquisition of SCADA Computer		10,857.50
Ord. 620 Upgrades to Cochise Circle Pump Station		5,808.75
Ord. 627 New Circulation Pump		900.00
Ord. 646 Construction of New Administrative Building		(88,428.15)
Ord. 662 Sewer Lining Project		672,762.32
Ord. 664 Acquisition of a Sludge Press		9,623.70
		<hr/>
Total	\$	<u><u>753,310.15</u></u>

BOROUGH OF MEDFORD LAKES

SEWER UTILITY OPERATING FUND

**Schedule of Sewer Service Charges Receivable
For the Year Ended December 31, 2023**

Balance December 31, 2022		\$ 114,312.18
Increased by:		
Sewer Billings		<u>1,268,672.21</u>
Total		1,382,984.39
Decreased by:		
2023 Collections	\$ 1,175,341.85	
Prepayments Applied	85,998.81	
Overpayments Applied	2,897.62	
Cancelled	<u>19,084.96</u>	
		<u>1,283,323.24</u>
Balance December 31, 2023		<u><u>\$ 99,661.15</u></u>

**Schedule of Sewer Service Liens Receivable
For the Year Ended December 31, 2023**

Balance December 31, 2023 and 2022		<u><u>\$ -</u></u>
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BOROUGH OF MEDFORD LAKES

SEWER UTILITY CAPITAL FUND

Schedule of Fixed Capital
For the Year Ended December 31, 2023

	Balance December 31, 2022	Increase By Additions	Less Retirements	Balance December 31, 2023
Sewer Plant	\$ 5,194,990.12	\$ -	\$ -	\$ 5,194,990.12
Pumping Station and Structures	64,031.95			64,031.95
General Equipment	274,629.17			274,629.17
Total	<u>\$ 5,533,651.24</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,533,651.24</u>

NOTE - The Fixed Capital reported above is taken from the Municipal Records and does not necessarily show the true value.

BOROUGH OF MEDFORD LAKES

SEWER UTILITY CAPITAL FUND

Schedule of Fixed Capital Authorized and Uncompleted
For the Year Ended December 31, 2023

Improvement Description	Date	Ordinance Amount	Balance December 31, 2022	Deferred Charges To Future Revenue	Transfer To Fixed Capital	Canceled	Balance December 31, 2023
Ord. 588: Multipurpose Construction of Various Capital Improvements	9/14/11	\$ 83,000.00	\$ 83,000.00	\$ -	\$ -	\$ -	\$ 83,000.00
Acquisition of Computer		58,900.00	58,900.00				58,900.00
Ord. 620: Multipurpose Various Capital Improvements to treatment and collections buildings	10/22/14	200,000.00	200,000.00				200,000.00
Various Capital Improvements to treatment and collections system		175,000.00	175,000.00				175,000.00
Acquisition of SCADA Computer for Plant		142,000.00	142,000.00				142,000.00
Upgrades to Cochise Circle Pump Station		125,000.00	125,000.00				125,000.00
Ord. 627: Acquisition of New Circulation Pump	8/13/15	30,000.00	30,000.00				30,000.00
Ord. 636: Cochise Circle Pump Station	6/23/16	130,000.00	130,000.00				130,000.00
Ord. 646: New Administrative Building	5/15/17	350,000.00	350,000.00				350,000.00
Ord 662: Sanitary Sewer Collection System Lining Project	4/24/19	9,034,615.00	9,034,615.00				9,034,615.00
Ord 664: Construction/Acquisition of a Sludge Pres	7/1/19	400,000.00	400,000.00				400,000.00
Total			\$ 10,728,515.00	\$ -	\$ -	\$ -	\$ 10,728,515.00

BOROUGH OF MEDFORD LAKES

SEWER UTILITY OPERATING FUND

Statement of 2022 Appropriation Reserves
For the Year Ended December 31, 2023

	Balance December 31, 2022		Balance After Transfers	Paid or Charged	Balance Lapsed
	Encumbrances Payable	Reserves			
Operating:					
Salaries and Wages	\$ -	\$ 80.66	\$ 80.66	\$ -	\$ 80.66
Other Expenses	173,994.64	5,816.19	179,810.83	171,783.70	8,027.13
Social Security System	-	1,494.59	1,494.59	-	1,494.59
Defined Contribution Retirement	-	210.95	210.95	-	210.95
Unemployment Compensation	-	775.70	775.70	-	775.70
Total	\$ 173,994.64	\$ 8,378.09	\$ 182,372.73	\$ 171,783.70	\$ 10,589.03
		Accounts Payable		\$ -	
		Cash Disbursed		171,783.70	
				<u>\$ 171,783.70</u>	

BOROUGH OF MEDFORD LAKES

SEWER UTILITY CAPITAL FUND

**Schedule of Capital Improvement Fund
For the Year Ended December 31, 2023**

Balance December 31, 2023 and 2022

\$ 3,458.25

BOROUGH OF MEDFORD LAKES

SEWER UTILITY CAPITAL FUND

Schedule of Improvement Authorizations
For the Year Ended December 31, 2023

Ordinance Number	Improvement Description	Date	Ordinance Amount	Balance December 31, 2022		2023 Authorizations	Reappropriated	Prior Year Encumbrances Canceled	Paid or Charged	Current Year Encumbrances Payable	Balance December 31, 2023	
				Funded	Unfunded						Funded	Unfunded
518	Sewer Collection System Repair	05/11/06	\$ 400,000.00	\$ -	\$ -	\$ -	\$ -	\$ 12,552.19	\$ -	\$ -	\$ 12,552.19	\$ -
588	Multipurpose	09/14/11										
	Various Capital Improvements		83,000.00	4,335.66	-	-	-	-	-	-	4,335.66	-
	Acquisition of Computer Equipment		58,900.00	24,275.58							24,275.58	
620	Multipurpose	10/22/14										
	Various Capital Improvements to Treatment and Collections Buildings		200,000.00		-							-
	Various Capital Improvements to Treatment and Collections System		175,000.00		144,500.00							144,500.00
	Acquisition of SCADA Computer for Plant		142,000.00		10,857.50							10,857.50
	Upgrades to Cochise Circle Pump Station		125,000.00		5,808.75							5,808.75
627	Acquisition of New Circulation Pump	08/13/15	30,000.00	900.00	-						900.00	-
636	Cochise Circle Pump Station	06/23/16	130,000.00		-							-
646	Construction of Administration Building for Sewer Utility	05/15/17	350,000.00		261,571.85							261,571.85
662	Sanitary Sewer Collection System Lining Project	04/24/19	9,034,615.00		3,448,712.00			1,710,090.32	151,308.00	1,667,142.32		3,340,352.00
664	Construction/ Acquisition of a Sludge Press	07/01/19	400,000.00		9,623.70							9,623.70
				<u>\$ 29,511.24</u>	<u>\$ 3,881,073.80</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,722,642.51</u>	<u>\$ 151,308.00</u>	<u>\$ 1,667,142.32</u>	<u>\$ 42,063.43</u>	<u>\$ 3,772,713.80</u>

BOROUGH OF MEDFORD LAKES

SEWER UTILITY CAPITAL FUND

**Schedule of Reserve for Amortization
For the Year Ended December 31, 2023**

Balance December 31, 2023 and 2022

\$ 5,533,651.24

BOROUGH OF MEDFORD LAKES

SEWER UTILITY CAPITAL FUND

Schedule of Deferred Reserve for Amortization
For the Year Ended December 31, 2023

Ordinance Number	Improvement Description	Date of Ordinance	Balance December 31, 2022	Paid From Operating Budget - Notes	Balance December 31, 2023
588	Multipurpose Construction of Various Capital Improvements Acquisition of Computer	9/14/11	\$ 83,000.00 58,900.00	\$ - -	\$ 83,000.00 58,900.00
620	Multipurpose Upgrades to Cochise Circle Pump Station	10/22/14	571,104.57	-	571,104.57
627	Acquisition of New Circulation Pump	8/13/15	30,000.00	-	30,000.00
636	Cochise Circle Pump	6/23/16	130,000.00	-	130,000.00
664	Construction/Acquisition of Sludge Press	7/1/19	80,000.00	40,000.00	120,000.00
			<u>\$ 953,004.57</u>	<u>\$ 40,000.00</u>	<u>\$ 993,004.57</u>

BOROUGH OF MEDFORD LAKES

SEWER UTILITY CAPITAL FUND

Schedule of Bond Anticipation Notes
For the Year Ended December 31, 2023

Ordinance Number	Improvement Description	Date of Issue of Original Note	Date of Issue	Date of Maturity	Interest Rate	Balance December 31, 2022	Increased	Decreased	Balance December 31, 2023
664	Construction/Acquisition of Sludge Press	12/16/20	12/14/22	12/13/23	0.00%	\$ 320,000.00	\$ -	\$ 320,000.00	\$ -
664	Construction/Acquisition of Sludge Press	12/16/20	12/13/23	12/12/24	0.00%		280,000.00		280,000.00
Total						<u>\$ 320,000.00</u>	<u>\$ 280,000.00</u>	<u>\$ 320,000.00</u>	<u>\$ 280,000.00</u>
							Issued for Cash	\$ -	\$ -
							Renewals	280,000.00	280,000.00
							Paid by Budget Appropriation	-	40,000.00
							<u>\$ 280,000.00</u>	<u>\$ 320,000.00</u>	

BOROUGH OF MEDFORD LAKES

SEWER UTILITY CAPITAL FUND

Schedule of Bond Anticipation Notes Authorized But Not Issued
For the Year Ended December 31, 2023

Ordinance Number	Improvement Description	Balance December 31, 2022	2023 Authorizations	Bond Anticipation Notes Issued	Balance December 31, 2023
620	Multipurpose Construction of Various Capital Improvements to Treatment Buildings	\$ 70,895.43	\$ -	\$ -	\$ 70,895.43
646	New Administration Building	350,000.00			350,000.00
662	Sanitary Sewer Collection System Lining Project	9,034,615.00			9,034,615.00
		<u>\$ 9,455,510.43</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,455,510.43</u>

BOROUGH OF MEDFORD LAKES

PART II

Schedule of Findings and Recommendations

For the Year Ended December 31, 2023

**BOROUGH OF MEDFORD LAKES
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

Section I --Summary of Auditor's Results

Financial Statements

Type of auditor's report issued:

Regulatory Basis

Unmodified

Internal control over financial reporting:

1) Material weaknesses identified?

_____ yes X no

2) Significant deficiencies identified?

_____ yes X none reported

Noncompliance material to basic financial statements noted?

_____ yes X no

Federal Awards

A Federal Single Audit was not required

State Awards Section

A State Single Audit was not required

BOROUGH OF MEDFORD LAKES
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2023

Schedule of Financial Statement Findings

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

No findings identified.

BOROUGH OF MEDFORD LAKES
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2023

Schedule of Federal Awards and State Financial Assistance
Findings and Questioned Costs

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

FEDERAL AWARDS

A federal single audit was not required.

STATE AWARDS

A state single audit was not required.

BOROUGH OF MEDFORD LAKES
Summary Schedule of Prior Year Audit Findings
And Recommendations as Prepared by Management

This section identifies the status of prior year findings related to the financial statements and federal and state grant awards that are required to be reported in accordance with *Government Auditing Standards* and New Jersey OMB's Circular 15-08.

FINANCIAL STATEMENT FINDINGS

There were no prior year findings.

FEDERAL AWARDS

A Federal Single Audit was not required.

STATE AWARDS

There were no prior year findings.

**BOROUGH OF MEDFORD LAKES
OFFICIALS IN OFFICE AND SURETY BONDS**

The following officials were in office at December 31, 2023:

<u>Name</u>	<u>Title</u>	<u>Term Expires</u>	<u>Amount of Bond</u>	<u>Name of Corporate Surety</u>
Gary A. Miller	Mayor	6/30/2024		
William R. Fields	Deputy Mayor	6/30/2024		
Thomas J. Cranston	Councilman	6/30/2026		
Gail Caputo	Councilwoman	6/30/2024		
Dennis O'Neil	Councilman	6/30/2026		
Robert Burton	Borough Manager		\$ 1,000,000	(A)
Lisa Hess	Chief Financial Officer		1,000,000	(A)
Mark J. McIntosh	Borough Clerk		1,000,000	(A)
Sherry Rockhill-Smith	Tax Collector, Administrative Clerk, and Utility Rent Collector		1,000,000	(A)
Peter Lange Jr.	Municipal Magistrate		1,000,000	(A)
Lena Creer	Court Administrator		1,000,000	(A)
Stacy McBride	Acting Deputy Court Administrator		1,000,000	(A)
Tom Boyd	Construction Code Official			
Douglas L. Heinold, Esq.	Solicitor			
Joseph Rahman	Assessor			

All Bonds were examined and properly executed.

(A) The Borough has a Crime Policy - Excess Public Officials Bond in the amount of \$1,000,000 subject to a \$1,000 deductible with the Camden County Municipal Joint Insurance Fund. This policy covers all employees.

ACKNOWLEDGEMENT

We express our appreciation for the assistance and courtesies extended to us by the Borough Officials during the course of our audit.

Respectfully submitted,

INVERSO & STEWART, LLC
Certified Public Accountant



Robert P. Inverso
Certified Public Accountant
Registered Municipal Accountant