

*Report of Audit*

*on the*

*Financial Statements*

*of the*

*Borough of Dunellen*

*in the*

*County of Middlesex*  
*New Jersey*

*for the*

*Year Ended*  
*December 31, 2023*



BOROUGH OF DUNELLEN

I N D E X

	<u>PAGES</u>
<u>PART I</u>	
Independent Auditor's Report	1-4
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards	5-6
	<u>EXHIBITS</u>
<u>Financial Statements - Regulatory Basis</u>	
<u>Current Fund:</u>	
Balance Sheet - Regulatory Basis	"A"
Statement of Operations and Change in Fund Balance - Regulatory Basis	"A-1"
Statement of Revenues - Regulatory Basis for the Year Ended December 31, 2023	"A-2"
Statement of Expenditures - Regulatory Basis for the Year Ended December 31, 2023	"A-3"
<u>Trust Fund:</u>	
Balance Sheet - Regulatory Basis	"B"
<u>General Capital Fund:</u>	
Balance Sheet - Regulatory Basis	"C"
Statement of Change in Fund Balance - Regulatory Basis	"C-1"
<u>Sewer Utility Fund:</u>	
Balance Sheet - Regulatory Basis	"D"
Statement of Operations and Change in Operating Fund Balance - Regulatory Basis for the Years Ended December 31, 2023 and 2022	"D-1"
Statement of Revenues - Regulatory Basis for the Year Ended December 31, 2023	"D-2"
Statement of Expenditures - Regulatory Basis for the Year Ended December 31, 2023	"D-3"
<u>General Fixed Assets Account Group:</u>	
Balance Sheets - Regulatory Basis	"E"
	<u>PAGES</u>
Notes to Financial Statements	7-41

BOROUGH OF METUCHEN

I N D E X (CONTINUED)

Supplementary Schedules - All Funds

EXHIBITS

Current Fund:

Schedule of Cash and Investments - Treasurer	"A-4"
Schedule of Change Funds	"A-5"
Schedule of Due from State of New Jersey for Senior Citizens and Veterans Deductions per Chapter 73, P.L. 1976	"A-6"
Schedule of Property Taxes Receivable and Levy Analysis	"A-7"
Schedule of Revenue Accounts Receivable	"A-8"
Schedule of 2022 Appropriation Reserves	"A-9"
Schedule of Reserve for Encumbrances	"A-10"
Schedule of Changes in Various Accounts Payables & Reserves	"A-11"
Schedule of County Taxes Payable	"A-12"
Schedule of Interfunds (Due From/Due To) Current Fund	"A-13"
Schedule of State and Federal Grants Receivable - Grant Fund	"A-14"
Schedule of Due From/To Current Fund - Grant Fund	"A-15"
Schedule of State and Federal Grant Appropriated - Grant Fund	"A-16"
Schedule of State and Federal Grants Unappropriated - Grant Fund	"A-17"

Trust Fund:

Schedule of Cash and Reserve Activity	"B-1"
---------------------------------------	-------

General Capital Fund:

Analysis of General Capital Fund Cash and Investments	"C-2"
Schedule of Due from Various Grantor Agencies Grant Receivable	"C-3"
Schedule of Deferred Charges to Future Taxation-Funded	"C-4"
Schedule of Deferred Charges to Future Taxation-Unfunded	"C-5"
Schedule of Interfunds	"C-6"
Schedule of Capital Improvement Fund	"C-7"
Schedule of Improvement Authorizations	"C-8"
Schedule of Bond Anticipation Notes	"C-9"
Schedule of MCIA Lease Payable	"C-10"
Schedule of Reserve for Payment of Future Debt Service	"C-11"
Schedule of Deferred Charges	"C-12"
Schedule of Reserves for Grants Receivable	"C-13"
Schedule of Bonds and Notes Authorized But Not Issued	"C-14"

BOROUGH OF METUCHEN

I N D E X (CONTINUED)

	<u>EXHIBITS</u>
<u>Sewer Utility Fund</u>	
Schedule of Rents Receivable	"D-4"
Schedule of Accrued Interest on Bonds and Notes	"D-5"
Schedule of Rent Overpayments	"D-6"
Schedule of Interfunds Receivable/Payable	"D-7"
Schedule of 2022 Appropriation Reserves	"D-8"
Schedule of Liens Receivable	"D-9"
Schedule of Capital Improvement Fund - Capital Fund	"D-10"
Schedule of Interfunds Receivable - Capital Fund	"D-11"
Schedule of Fixed Capital - Capital Fund	"D-12"
Schedule of Fixed Capital Authorized and Uncompleted - Capital Fund	"D-13"
Schedule of MCIA Lease Payable - Capital Fund	"D-14"
Schedule of Bonds Authorized But Not Issued - Capital Fund	"D-15"
Schedule of Improvement Authorization - Capital Fund	"D-16"
Schedule of Reserve for Amortization - Capital Fund	"D-17"
Schedule of Deferred Reserve for Amortization	"D-18"
Schedule of Bonds and Notes Authorized But Not Issued - Capital Fund	"D-19"
	<u>PAGES</u>
<u>PART II</u>	
Statistical Data	42-46
Officials in Office and Surety Bonds	47
Comments and Recommendations	48-51



BOROUGH OF DUNELLEN

PART I

INDEPENDENT AUDITOR'S REPORT ON  
AUDIT OF FINANCIAL STATEMENTS  
AND SUPPLEMENTARY SCHEDULES AND DATA

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

FINANCIAL STATEMENTS – REGULATORY BASIS – ALL FUNDS

NOTES TO FINANCIAL STATEMENTS – REGULATORY BASIS

SUPPLEMENTARY SCHEDULES – ALL FUNDS

YEARS ENDED DECEMBER 31, 2023 AND 2022



# SUPLEE, CLOONEY & COMPANY LLC

CERTIFIED PUBLIC ACCOUNTANTS

308 East Broad Street, Westfield, New Jersey 07090-2122

Telephone 908-789-9300

Fax 908-789-8535

E-mail [info@scnco.com](mailto:info@scnco.com)

## **INDEPENDENT AUDITOR'S REPORT**

The Honorable Mayor and Members  
of the Borough Council  
Borough of Dunellen  
County of Middlesex  
Dunellen, New Jersey 08812

### ***Report on the Audit of the Financial Statements***

#### ***Adverse and Unmodified Opinions***

We have audited the accompanying balance sheets - regulatory basis of the various individual funds and account group of the Borough of Dunellen (the "Borough"), as of and for the year ended December 31, 2023 and 2022, 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 and statement of expenditures - regulatory basis of the various individual funds for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Borough's regulatory financial statements as listed in the table of contents.

#### ***Adverse Opinion on U.S. Generally Accepted Accounting Principles***

In our opinion, because of the significance of the matter discussed in the "Matter Giving Rise to Adverse Opinion" paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the various individual funds and account group of the Borough as of December 31, 2023 and 2022, or the results of its operations and changes in fund balance for the year then ended or the revenues or expenditures for the year ended December 31, 2023.

#### ***Unmodified Opinion on Regulatory Basis of Accounting***

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

# SUPLEE, CLOONEY & COMPANY LLC

## ***Basis for Adverse and Unmodified Opinions***

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

## ***Matter Giving Rise to Adverse Opinion***

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

## ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the regulatory financial statements in accordance with the regulatory basis of accounting prescribed by the Division, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of regulatory financial statements that are free from material misstatement, whether due to fraud or error. In preparing the regulatory financial statements, management is required to evaluate whether 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 twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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

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

## SUPLEE, CLOONEY & COMPANY LLC

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

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control 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 our 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.

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

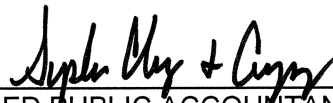
### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Borough's regulatory financial statements. The supplementary information, and data listed in the table of contents as required by the Division are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental information, and data listed in the table of contents, as required by the Division are fairly stated, in all material respects, in relation to the regulatory financial statements as a whole.

# SUPLEE, CLOONEY & COMPANY LLC

## ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 18, 2024 on our consideration of the Borough's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Borough's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Borough's internal control over financial reporting and compliance.



---

CERTIFIED PUBLIC ACCOUNTANTS



---

REGISTERED MUNICIPAL ACCOUNTANT NO. 439

June 18, 2024



# SUPLEE, CLOONEY & COMPANY LLC

CERTIFIED PUBLIC ACCOUNTANTS

308 East Broad Street, Westfield, New Jersey 07090-2122

Telephone 908-789-9300

Fax 908-789-8535

E-mail [info@scnco.com](mailto:info@scnco.com)

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

The Honorable Mayor and Members  
of the Borough Council  
Borough of Dunellen  
County of Middlesex  
Dunellen, New Jersey 08812

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the regulatory financial statements of the various individual funds and the account group of the Borough of Dunellen, as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Borough's regulatory financial statements, and have issued our report thereon dated June 18, 2024. Our report disclosed that, as described in Note 1 to the financial statements, the Borough of Dunellen prepares its financial statements on a basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, that demonstrates compliance with a modified accrual basis and the budget laws of the State of New Jersey, which is a comprehensive basis of accounting other than U.S. generally accepted accounting principles.

### ***Internal Control Over Financial Reporting***

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

## SUPLEE, CLOONEY & COMPANY LLC

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 Borough of Dunellen's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

### ***Compliance and Other Matters***

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

### ***Purpose of This Report***

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

  
\_\_\_\_\_  
CERTIFIED PUBLIC ACCOUNTANTS

  
\_\_\_\_\_  
REGISTERED MUNICIPAL ACCOUNTANT NO. 439

June 18, 2024

**THIS PAGE INTENTIONALLY LEFT BLANK**

CURRENT FUND

BOROUGH OF DUNELLEN  
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND  
COMPARATIVE BALANCE SHEET - REGULATORY BASIS  
DECEMBER 31, 2023 AND 2022

ASSETS	REF.	CURRENT FUND		LIABILITIES, RESERVES AND FUND BALANCE	REF.	CURRENT FUND	
		BALANCE DEC. 31, 2023	BALANCE DEC. 31, 2022			BALANCE DEC. 31, 2023	BALANCE DEC. 31, 2022
Current Fund:							
Cash - Treasurer	A-4	\$ 2,381,453.64	\$ 8,486,598.13		A-3-A-9	\$ 230,216.08	\$ 247,975.36
Cash - Change Fund - Collector	A-5	100.00	100.00		A-7	78,557.96	88,988.89
Due from State of New Jersey - Sr. Cit. and Vets. Ded. per Ch. 73, P.L. 1976	A-6	62,374.35	59,758.60		A-7	42,914.84	42,934.03
					A-10	179,527.68	72,695.90
					A-11	137,666.54	92,035.38
					A-11	209,639.45	184,744.61
					A-12	5,083.19	5,611.55
					A-13	1,011,230.76	6,517,557.03
Receivables With Full Reserves:							
Delinquent Property Taxes Receivable	A-7	284,772.08	226,727.25			1,894,836.50	7,252,542.75
Property Acquired for Taxes (at Assessed Valuation)	A-7	118,000.00	118,000.00				
Tax Title Liens Receivable	A-7	37,912.45	35,518.59				
Revenue Accounts Receivable	A-8	16,340.72	10,063.16				
Interfunds Receivable	A-13	1,073,068.43			Reserve	1,530,093.68	390,309.00
					A-1	549,091.49	1,293,913.98
Total Current Fund		3,974,021.67	8,936,765.73	Total Current Fund		3,974,021.67	8,936,765.73
Grant Fund:							
Federal and State Grants Receivable	A-14	722,866.95	368,505.41	Reserve for Encumbrances	A-10	7,475.50	7,810.73
Due from Current Fund	A-15	98,249.19	512,644.93	Reserve for State and Federal Grants Appropriated	A-16	808,060.70	442,748.77
				Unappropriated	A-17	5,579.94	430,590.84
Total Grant Fund		821,116.14	881,150.34	Total Grant Fund		821,116.14	881,150.34
		\$ 4,795,137.81	\$ 9,817,916.07			\$ 4,795,137.81	\$ 9,817,916.07

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

BOROUGH OF DUNELLEN  
MIDDLESEX COUNTY, NEW JERSEY

CURRENT FUND  
COMPARATIVE STATEMENT OF OPERATIONS AND  
CHANGE IN FUND BALANCE - REGULATORY BASIS  
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

	<u>REF.</u>	<u>2023</u>	<u>2022</u>
<u>REVENUE AND OTHER INCOME</u>			
Fund Balance Utilized	A-1,A-2 \$	755,000.00 \$	702,916.00
Miscellaneous Revenue Anticipated	A- 2	3,486,611.97	2,049,285.16
Receipts from Delinquent Taxes	A- 2	219,766.78	214,824.35
Receipts from Current Taxes	A- 2	22,527,125.83	21,814,593.25
Non-Budget Revenue	A- 2	245,819.09	339,027.66
Other Credits to Income:			
Unexpended Balance of Approp. Reserves	A-9	77,510.42	182,387.87
Grant Appropriations and Receivables Cancelled, net	A-13	6,791.55	16,010.00
Statutory Excess Due to Current Fund			
- Animal Control Fund	A-13	1,626.56	3,025.40
		<u>27,320,252.20</u>	<u>25,322,069.69</u>
Total Income			
<u>EXPENDITURES</u>			
Budget Appropriations:			
Operating	A-3	6,950,924.00	6,033,249.00
Deferred Charges and			
Statutory Expenditures	A-3	966,484.00	1,168,732.09
State and Federal Grants	A-3	461,889.33	281,423.91
Capital Improvements	A-3	330,000.00	170,700.00
Municipal Debt Service	A-3	879,945.67	740,435.96
Local District School Taxes	A-12	13,488,010.00	13,298,224.00
County Taxes	A-12	3,159,503.26	2,992,184.57
Senior Citizen Allowed/Disallowed (net)	A-6	250.00	1,500.00
Interfunds Advanced, (Net)	A-13	1,073,068.43	
		<u>27,310,074.69</u>	<u>24,686,449.53</u>
Total Expenditures			
Excess in Revenues		10,177.51	635,620.16
<u>FUND BALANCE</u>			
Balance - January. 1	A	1,293,913.98	1,361,209.82
Decreased by:			
Utilized as Anticipated Revenue	A-1	755,000.00	702,916.00
Balance - December. 31	A \$	<u>549,091.49</u> \$	<u>1,293,913.98</u>

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

BOROUGH OF DUNELLEN  
MIDDLESEX COUNTY, NEW JERSEY

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

	REF.	ANTICIPATED 2023 BUDGET	N.J.S.A. 40A:4-87	REALIZED	EXCESS OR (DEFICIT)
Surplus Anticipated		\$ 755,000.00	\$	\$ 755,000.00	\$
Total Surplus Anticipated	A- 1	755,000.00		755,000.00	
Miscellaneous Revenues:					
Licenses:					
Alcoholic Beverages	A-8	6,000.00		6,240.00	240.00
Other	A-8	10,500.00		24,736.00	14,236.00
Fees and Permits	A-8	6,900.00		20,690.05	13,790.05
Fines and Costs:					
Municipal Court	A-8	155,000.00		188,188.80	33,188.80
Interest and Costs on Taxes	A-8	55,000.00		58,208.54	3,208.54
Interest on Deposits	A-8	17,000.00		29,378.46	12,378.46
Energy Receipts Tax	A-8	607,122.00		607,121.82	(0.18)
Municipal Relief Funds	A-11	31,452.42		31,452.42	
Uniform Construction Code Fees	A-8	420,000.00		630,077.00	210,077.00
Public and Private Revenues Off-Set					
With Appropriations:					
Clean Communities Program	A-13,A-14		13,550.78	13,550.78	
Community Development Block Grant	A-13,A-14	47,665.00		47,665.00	
Distracted Driving Grant	A-13,A-14		7,000.00	7,000.00	
Drunk Driving Enforcement Fund	A-13,A-14		20,617.95	20,617.95	
Emergency Management Grant	A-13,A-14		10,000.00	10,000.00	
Municipal Alliance on Alcohol and Drug Abuse	A-13,A-14		10,914.00	10,914.00	
New Jersey American Water - Trash Trap PILOT Program	A-13,A-14	66,000.00		66,000.00	
Pedestrian Safety Fund - NJDL&PS - Div of Highway Traffic	A-13,A-14		20,000.00	20,000.00	
Solid Waste Admin - Recycling Tonnage Grant	A-13,A-14	9,301.60		9,301.60	
Transit Village NJ DOT FY22	A-13,A-14		255,000.00	255,000.00	
Other Special Items:					
Cable TV Franchise Fees	A-8	22,000.00		20,002.00	(1,998.00)
Redevelopment Agreement- Art Color	A-8	90,000.00		52,635.59	(37,364.41)
Anticipated General Capital Surplus	A-13	80,000.00		80,000.00	
Outside Duty Administrative Fees	A-13	61,000.00		61,000.00	
American Rescue Plan Act	A-13	430,590.84		430,590.84	
PILOT Agreement - Dunellen Station	A-8	450,000.00		786,241.12	336,241.12
Total Miscellaneous Revenues	A- 1	2,565,531.86	337,082.73	3,486,611.97	583,997.38
Receipts from Delinquent Taxes	A-1,A-8	220,000.00		219,766.78	(233.22)
Subtotal General Revenues		2,785,531.86	337,082.73	3,706,378.75	583,764.16
Amount to be Raised by Taxes for Support of Municipal Budget:					
Local Tax for Municipal Purposes	A-2,A-7	\$ 5,969,293.74		\$ 6,137,274.57	\$ 167,980.83
Minimum Library Tax	A-2,A-7	282,338.00		282,338.00	
Total Amount to be Raised by Taxes for Support of Municipal Budget		6,251,631.74		6,419,612.57	167,980.83
Total General Revenues		9,792,163.60	337,082.73	10,880,991.32	\$ 751,744.99
Non-Budget Revenues	A-1,A-8			245,819.09	245,819.09
		\$ 9,792,163.60	\$ 337,082.73	\$ 11,126,810.41	997,564.08
	Ref.	A- 3	A- 3	A- 1	
<u>Analysis of Realized Revenues</u>					
Allocation of Current Tax Collections:					
2022 Collections	A- 7	\$ 88,988.89			
2023 Collections	A- 7	22,410,134.89			
State Share of Sr. Cit. and Vets. Ded.	A- 7	28,002.05			
Allocated to:	A- 1	\$ 22,527,125.83			
School and County Taxes	A-12	16,647,513.26			
		5,879,612.57			
Add: Reserve for Uncollected Taxes	A- 3	540,000.00			
Amount for Support of Municipal Budget Appropriations	A- 2	\$ 6,419,612.57			

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

BOROUGH OF DUNELLEN  
MIDDLESEX COUNTY, NEW JERSEY

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

	2023 BUDGET	BUDGET AFTER MODIFICATION	EXPENDED		UNEXPENDED BALANCE CANCELLED
			PAID OR CHARGED	ENCUMBERED	
Operations Within "CAPS"					
Administrative and Executive Salaries and Wages	\$ 65,100.00	\$ 75,100.00	\$ 75,000.11	\$	\$ 99.89
Other Expenses	10,600.00	29,100.00	19,036.83	10,000.00	63.17
Miscellaneous Other Expenses					
Borough Clerk	65,000.00	65,000.00	64,999.98		0.02
Salaries and Wages	14,080.00	14,080.00	9,404.92	479.95	4,195.13
Other Expenses	9,200.00	9,200.00	7,208.12		1,991.88
Legal Advertising					
Elections	4,500.00	4,500.00	4,382.50		117.40
Other Expenses					
Financial Administration	103,500.00	103,500.00	103,500.00		
Salaries and Wages	21,650.00	22,156.26	15,156.26	6,631.25	362.49
Other Expenses	39,200.00	39,200.00	(5,000.00)	44,200.00	
Annual Audit					
Mayor and Council	20,800.00	20,800.00	20,299.80		500.20
Salaries and Wages	9,775.00	11,275.00	10,669.51		605.39
Other Expenses					
Assessment of Taxes	20,300.00	20,300.00	20,300.00		
Salaries and Wages	20,000.00	21,400.00	5,128.48	13,561.00	2,710.52
Other Expenses					
Collection of Taxes	50,500.00	50,500.00	50,500.00		
Salaries and Wages	15,600.00	17,100.00	16,458.59	446.66	194.75
Other Expenses					
Legal Services and Costs	72,000.00	72,000.00	71,999.98		0.02
Salaries and Wages	51,000.00	77,500.00	67,040.51	10,249.66	209.83
Other Expenses					
Municipal Prosecutor	40,000.00	40,700.00	40,692.48		7.52
Salaries and Wages					
Engineering Services	43,000.00	33,000.00	20,980.50	10,019.50	2,000.00
Other Expenses					
Postage					
Public Buildings and Grounds	13,600.00	13,600.00	9,546.96		4,053.04
Salaries and Wages	20,000.00	23,500.00	23,469.00		31.00
Other Expenses					
Miscellaneous Other Expenses	56,110.00	43,910.00	17,669.98	9,895.00	16,342.02
Municipal Land Use Law (N.J.S.A. 40:55D)					
Planning Board	15,000.00	22,000.00	16,413.99		5,586.01
Salaries and Wages	12,600.00	12,600.00	8,989.23		3,610.77
Other Expenses					
Municipal Court	161,200.00	161,400.00	161,342.65		57.35
Salaries and Wages	20,200.00	20,200.00	18,647.78	322.35	1,229.87
Other Expenses					
Public Defender	9,000.00	9,000.00			9,000.00
Salaries and Wages					
Information Technology	45,000.00	41,000.00	28,410.95	10,961.81	1,627.24
Other Expenses					
Municipal Planner	40,000.00	31,000.00	24,400.00	5,800.00	800.00
Other Expenses					
Grants Writer	100.00	100.00			100.00
Other Expenses					

BOROUGH OF DUNELLEN  
MIDDLESEX COUNTY, NEW JERSEY

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

	2023 BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	EXPENDED		UNEXPENDED BALANCE CANCELLED
				ENCUMBERED	RESERVED	
<b>PUBLIC SAFETY:</b>						
<b>Fire</b>						
Other Expenses:						
Fire Hydrant Service	92,965.00	92,965.00	85,217.00			7,748.00
Misc. Other Expenses	45,000.00	45,000.00	33,371.00	6,154.14		5,474.86
Police						
Salaries and Wages	1,927,509.16	1,831,709.16	1,820,718.95			10,990.21
Regular	100,590.84	100,590.84	100,590.84			
Regular - ARPA	35,000.00	56,241.13	54,241.13			1,758.87
Overtime						
Other Expenses	102,000.00	102,000.00	88,251.91	12,750.28		997.81
Misc. Other Expenses						
School Crossing Guards	99,905.00	94,005.00	88,743.90			5,261.10
Salaries and Wages	15,000.00	15,000.00	15,000.00			
Aid to Volunteer Ambulance Companies						
Other Expenses	4,700.00	4,700.00	4,750.08			49.92
Emergency Management Services	2,500.00	2,500.00	1,662.44			837.56
Salaries and Wages						
Other Expenses	61,000.00	61,000.00	53,556.16			7,443.84
Emergency Vehicle Leases						
Other Expenses						
<b>STREETS AND ROADS:</b>						
Road Repairs and Maintenance	536,320.00	536,320.00	514,699.89			21,620.11
Salaries and Wages	81,150.00	81,150.00	49,759.50	7,122.08		24,268.42
Misc. Other Expenses	18,000.00	18,000.00	17,820.00			180.00
Other Expenses-Leaf Bags						
Tree Maintenance	50,000.00	33,000.00	30,404.75			2,595.25
Other Expenses	2,000.00	2,000.00	1,799.09			200.91
Shade Tree						
Other Expenses	500.00	500.00	319.13			180.87
Transit Village						
Other Expenses						
<b>SANITATION:</b>						
Landfill/Solid Waste Disposal Costs	23,460.00	23,460.00	21,795.46			1,664.54
Other Expenses						
<b>HEALTH AND WELFARE:</b>						
Board of Health	50,800.00	50,800.00	50,800.00			
Salaries and Wages	19,000.00	22,400.00	21,973.17	426.00		0.83
Other Expenses						
Green Brook Flood Control Commission	500.00	500.00	427.00			73.00
(R.S. 40:14-16)						
Share of Cost						
Insurance	292,800.00	292,800.00	291,389.00			1,411.00
General Liability	809,163.00	813,163.00	789,728.00			23,435.00
Employee Group Health						
Reserve for Tax Appeals	10,000.00	6,000.00				6,000.00
<b>RECREATION AND EDUCATION:</b>						
Recreation Commission	98,955.00	103,365.00	99,330.06			4,024.94
Salaries and Wages	12,900.00	12,900.00	9,466.28	400.00		3,033.72
Other Expenses						
Sr. Citizens Activities	3,850.00	3,850.00	1,971.47			1,878.53
Misc. Other Expenses	1,000.00	1,000.00	1,000.00			
Arts Commission						
Other Expenses						

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

BOROUGH OF DUNELLEN  
MIDDLESEX COUNTY, NEW JERSEY

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

	2023 BUDGET	BUDGET AFTER MODIFICATION	EXPENDED		RESERVED	UNEXPENDED BALANCE CANCELLED
			PAID OR CHARGED	ENCUMBERED		
	\$	\$	\$	\$	\$	\$
Operations Within "CAPS" (Cont'd.)						
UNIFORM CONSTRUCTION CODE- APPROPS. OFFSET BY DEDICATED REVENUES (NJAC 5.23-4.17)	151,500.00	152,100.00	146,535.24	105.00	5,564.76	
Construction Code Official Salaries and Wages	18,000.00	8,000.00	3,232.41		4,662.59	
Other Expenses						
UNCLASSIFIED:						
Telephone	36,000.00	38,100.00	38,051.53		48.47	
Water	7,150.00	7,150.00	4,098.70		3,051.30	
Gasoline	52,000.00	53,000.00	52,974.89		25.11	
Natural Gas and Electricity	165,000.00	197,000.00	196,553.17		446.83	
Internet Service Provider	3,150.00	3,150.00	2,103.25		1,046.75	
Total Operations within "CAPS"	5,997,983.00	5,969,983.00	5,618,984.71	149,527.68	201,470.61	
Contingent	1,500.00	1,500.00	446.88		1,053.12	
Total Operations Including Contingent Within "CAPS"	5,999,483.00	5,971,483.00	5,619,431.59	149,527.68	202,523.73	
DETAIL:						
Salaries and Wages	3,647,680.00	3,593,480.00	3,528,928.08		64,551.92	
Other Expenses (Including Contingent)	2,351,803.00	2,378,003.00	2,090,503.51	149,527.68	137,971.81	
DEFERRED CHARGES AND STATUTORY EXPENDITURES MUNICIPAL WITHIN "CAPS"						
Statutory Expenditures						
Contribution to:						
Public Employees' Retirement System	160,073.00	160,073.00	160,073.00			
Social Security System (O.A.S.I.)	165,300.00	186,200.00	172,150.32		14,049.68	
Police and Firemen's Retirement System of N.J.	597,211.00	597,211.00	597,210.53		0.47	
Unemployment Compensation Ins.	1,000.00	1,000.00	1,000.00		1,000.00	
Defined Contribution Retirement Program	2,000.00	2,000.00			2,000.00	
Total Deferred Charges and Statutory Expend. Municipal Within "CAPS"	925,584.00	946,484.00	929,433.85		17,050.15	
Total General Appropriations for Municipal Purposes Within "CAPS"	6,925,067.00	6,917,967.00	6,548,865.44	149,527.68	219,573.88	
Operations Excluded from "CAPS"						
Maintenance of Free Public Library	282,338.00	282,338.00	281,848.85		489.15	
Health Insurance						
Other Expenses	120,967.00	120,967.00	120,967.00			
Pension Exclusion - PERS	18,002.00	18,002.00	18,002.00			
Pension Exclusion - PFRS	59,934.00	59,934.00	59,934.00			
Intergovernmental Services						
Recycling-Other Expenses	315,000.00	315,000.00	282,036.04	30,000.00	2,963.96	
Health Services-Other Expenses	39,600.00	46,700.00	39,524.38		7,175.62	
Intergovernmental-County of Somerset Dispatch Service - Other Expenses	136,500.00	136,500.00	136,486.53		13.47	
PUBLIC AND PRIVATE PROGRAMS OFFSET BY REVENUES:						
Matching Funds for Grants	360.00	360.00	360.00			
Clean Communities Program (N.J.S.A. 40A:4-87 \$13,550.78)	13,550.78	13,550.78	13,550.78			
Community Development Block Grant	47,665.00	47,665.00	47,665.00			
Distracted Driving Grant (N.J.S.A. 40A:4-87 \$7,000.00)	7,000.00	7,000.00	7,000.00			
Drunk Driving Enforcement Fund (N.J.S.A. 40A:4-87 \$20,617.95)	20,617.95	20,617.95	20,617.95			
Emergency Management - Preparedness (N.J.S.A. 40A:4-87 \$10,000.00)	10,000.00	10,000.00	10,000.00			



TRUST FUND

"B"

BOROUGH OF DUNELLEN  
MIDDLESEX COUNTY, NEW JERSEY

TRUST FUND  
COMPARATIVE BALANCE SHEET - REGULATORY BASIS  
DECEMBER 31, 2023 AND 2022

<u>ASSETS</u>	<u>REF.</u>	BALANCE DEC. 31, <u>2023</u>	BALANCE DEC. 31, <u>2022</u>
Animal Control Fund:			
Due from Current Fund	B- 1	\$ <u>4,724.00</u>	\$ <u>4,680.60</u>
Total Dog License Fund		<u>4,724.00</u>	<u>4,680.60</u>
Other Trust Fund:			
Cash	B- 1	504,524.09	737,543.67
Due from Current Fund	B- 1	58,578.43	659,974.14
Due from General Capital Fund	B- 1	<u>500,000.00</u>	<u>100,000.00</u>
Total Other Trust Fund		<u>1,063,102.52</u>	<u>1,497,517.81</u>
Public Assistance Trust Fund			
Cash	B- 1	<u>3,413.99</u>	<u>3,405.43</u>
		\$ <u><u>1,071,240.51</u></u>	\$ <u><u>1,505,603.84</u></u>
<u>LIABILITIES, RESERVES</u> <u>AND FUND BALANCE</u>			
Animal Control Fund:			
Res. for Animal Control Fund Expend.	B- 1	\$ <u>4,724.00</u>	\$ <u>4,680.60</u>
Total Animal Control Fund		<u>4,724.00</u>	<u>4,680.60</u>
Other Trust Fund:			
Various Reserves	B- 1	<u>1,063,102.52</u>	<u>1,497,517.81</u>
Total Other Trust Fund		<u>1,063,102.52</u>	<u>1,497,517.81</u>
Public Assistance Trust Fund			
Reserve for Expenditures	B- 1	<u>3,413.99</u>	<u>3,405.43</u>
		\$ <u><u>1,071,240.51</u></u>	\$ <u><u>1,505,603.84</u></u>

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

GENERAL CAPITAL FUND

"C"

BOROUGH OF DUNELLEN  
MIDDLESEX COUNTY, NEW JERSEY

GENERAL CAPITAL FUND  
COMPARATIVE BALANCE SHEET - REGULATORY BASIS  
DECEMBER 31, 2023 AND 2022

<u>ASSETS</u>	<u>REF.</u>	BALANCE DEC. 31, <u>2023</u>	BALANCE DEC. 31, <u>2022</u>
Due from Various Grantor Agencies	C-3	\$ 2,199,141.60	\$ 2,433,011.29
Due from Current Fund	C-6		4,700,754.35
Deferred Charges to Future Taxation:			
Funded	C-4	5,122,589.07	5,508,125.48
Unfunded	C-5	18,742,773.89	12,540,073.58
Deferred Charges:			
To be Raised in subsequent years' budget	C-12	<u>20,000.00</u>	<u>20,000.00</u>
		<u>\$ 26,084,504.56</u>	<u>\$ 25,201,964.70</u>
 <u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Due to Trust Other Fund	C-6	\$ 500,000.00	\$ 100,000.00
Bond Anticipation Notes	C-9	1,944,600.00	4,275,600.00
M.C.I.A. Lease Payable	C-10	5,122,589.07	5,508,125.48
Reserve for Encumbrances Payable	C-8	7,312,065.83	3,467,752.70
Improvement Authorizations:			
Funded	C-8	1,113,617.16	1,324,123.72
Unfunded	C-8	7,680,097.06	8,571,391.07
Due to Current Fund	C-6	1,071,933.40	
Capital Improvement Fund	C-7	34,083.05	5,583.05
Reserve for Payment of Future Debt Service	C-11	25,081.36	25,081.36
Reserve for Grants Receivable	C-13	904,394.40	1,468,264.09
Fund Balance	C-1	<u>376,043.23</u>	<u>456,043.23</u>
		<u>\$ 26,084,504.56</u>	<u>\$ 25,201,964.70</u>
 Bonds and Notes Authorized but not Issued	C-14	 <u>\$ 16,821,251.87</u>	 <u>\$ 10,260,980.45</u>

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

BOROUGH OF DUNELLEN  
MIDDLESEX COUNTY, NEW JERSEY

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

	<u>REF.</u>	
Balance - December 31, 2022	C	\$ 456,043.23
Appropriated to CY 2023 Budget Revenue	C-6	<u>80,000.00</u>
Balance - December 31, 2023	C	<u>\$ 376,043.23</u>

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

**THIS PAGE INTENTIONALLY LEFT BLANK**

SEWER UTILITY FUND

BOROUGH OF DUNELLEN  
MIDDLESEX COUNTY, NEW JERSEY

SEWER UTILITY FUND  
COMPARATIVE BALANCE SHEET - REGULATORY BASIS  
DECEMBER 31, 2023 AND 2022

<u>ASSETS</u>	<u>REF.</u>	<u>BALANCE</u> <u>DEC. 31,2023</u>	<u>BALANCE</u> <u>DEC. 31,2022</u>
Operating Fund:			
Due from Current Fund	D-7	\$ 849,679.14	\$ 635,742.31
Due from Sewer Utility Capital Fund	D-7	<u>177,350.00</u>	<u>232,350.00</u>
		<u>1,027,029.14</u>	<u>868,092.31</u>
Receivables with Offsetting Reserves:			
Sewer Rents Receivable	D-4	96,490.24	78,091.31
Sewer Liens Receivable	D-9	<u>2,060.00</u>	<u>2,060.00</u>
		<u>98,550.24</u>	<u>80,151.31</u>
Total Operating Fund		<u>1,125,579.38</u>	<u>948,243.62</u>
Capital Fund:			
Fixed Capital	D-12	24,199,865.25	24,199,865.25
Fixed Capital - Authorized and Uncompleted	D-13	3,173,500.00	2,173,500.00
Due from Current Fund	D-11	<u>3,760.70</u>	<u>3,760.70</u>
Total Capital Fund		<u>27,373,365.25</u>	<u>26,377,125.95</u>
		<u>\$ 28,498,944.63</u>	<u>\$ 27,325,369.57</u>

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

BOROUGH OF DUNELLEN  
MIDDLESEX COUNTY, NEW JERSEY

SEWER UTILITY FUND  
COMPARATIVE BALANCE SHEET - REGULATORY BASIS  
DECEMBER 31, 2023 AND 2022

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>REF.</u>	<u>BALANCE DEC. 31,2023</u>	<u>BALANCE DEC. 31,2022</u>
Operating Fund:			
Liabilities:			
Appropriation Reserves	D-3:D-8	\$ 121,293.13	\$ 152,614.40
Reserve for Encumbrances	D-3:D-8	29,491.00	82.50
Sewer Rent Overpayments	D-6	4,894.41	1,508.73
Accounts Payable	D-8	62,597.00	6,099.00
Accrued Interest Payable	D-5	25,922.67	10,846.32
		<u>244,198.21</u>	<u>171,150.95</u>
Reserve for Receivables	Reserve	98,550.24	80,151.31
Fund Balance	D-1	782,830.93	696,941.36
		<u>1,125,579.38</u>	<u>948,243.62</u>
Total Operating Fund			
Capital Fund:			
MCIA Capital Leases	D-14	135,361.40	167,370.20
Bond Anticipation Notes	D-15	619,200.00	670,000.00
Improvement Authorizations - Funded	D-16	92,628.97	92,628.97
Improvement Authorizations - Unfunded	D-16	1,018,110.15	556,286.73
Reserve for Encumbrances	D-16	559,275.85	25,995.00
Reserve for Amortization	D-17	24,420,303.85	24,337,495.05
Deferred Reserve for Amortization	D-18	147,525.00	147,525.00
Due to Current Fund	D-11	1,135.03	
Due to Sewer Utility Operating Fund	D-11	177,350.00	232,350.00
Capital Improvement Fund	D-10	202,475.00	147,475.00
		<u>27,373,365.25</u>	<u>26,377,125.95</u>
Total Capital Fund			
		<u>\$ 28,498,944.63</u>	<u>\$ 27,325,369.57</u>

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

"D-1"

BOROUGH OF DUNELLEN  
MIDDLESEX COUNTY, NEW JERSEY

SEWER UTILITY OPERATING FUND  
COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE IN FUND BALANCE  
REGULATORY BASIS  
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

<u>REVENUE AND OTHER INCOME</u>	<u>REF.</u>	<u>2023</u>	<u>2022</u>
Fund Balance Anticipated	D-2	\$ 227,096.00	\$ 148,640.00
Sewer User Fees	D-2	998,899.42	938,582.77
Miscellaneous Revenues Not Anticipated	D-2	137,962.43	131,700.30
Other Credits to Income:			
Accounts Payable Cancelled	D-8	3,800.00	
Unexpended Balance of Approp. Reserves	D-8	<u>72,607.49</u>	<u>34,415.25</u>
Total Revenue		<u>1,440,365.34</u>	<u>1,253,338.32</u>
<u>EXPENDITURES</u>			
Operating:			
Salaries and Wages	D-3	144,930.00	96,000.00
Other Expenses	D-3	735,800.00	981,510.00
Capital Improvements	D-3	120,000.00	100,000.00
Debt Service	D-3	113,849.77	52,817.76
Deferred Charges and Statutory Expenditures	D-3	<u>12,800.00</u>	<u>12,400.00</u>
Total Expenditures		<u>1,127,379.77</u>	<u>1,242,727.76</u>
Excess in Revenues		312,985.57	10,610.56
Add: Expenditures Included Above Which are by Statute Deferred Charges to Future Budgets			<u>232,350.00</u>
Statutory Excess to Fund Balance		312,985.57	242,960.56
<u>FUND BALANCE</u>			
Balance, January 1	D	<u>696,941.36</u>	<u>602,620.80</u>
Excess in Revenues		1,009,926.93	845,581.36
Decreased by:			
Fund Balance Utilized	D-1	<u>227,096.00</u>	<u>148,640.00</u>
Balance, December 31	D	<u>\$ 782,830.93</u>	<u>\$ 696,941.36</u>

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

BOROUGH OF DUNELLEN  
MIDDLESEX COUNTY, NEW JERSEY

SEWER UTILITY OPERATING FUND  
STATEMENT OF REVENUES - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>REF.</u>	<u>2023 BUDGET</u>	<u>REALIZED IN 2023</u>	<u>EXCESS OR (DEFICIT)</u>
Fund Balance Anticipated	D-1	\$ 227,096.00	\$ 227,096.00	\$
Sewer User Fees	D-1	901,600.00	998,899.42	97,299.42
Miscellaneous	D-1		<u>137,962.43</u>	<u>137,962.43</u>
		<u>\$ 1,128,696.00</u>	<u>\$ 1,363,957.85</u>	<u>\$ 235,261.85</u>
	<u>REF.</u>	D-3		

ANALYSIS OF REALIZED REVENUES

Sewer Rents:

Sewer Rents Receivable:

2023 Cash Collections:

Deposits in Current Fund  
Overpayments Applied

D-4:D-7	\$	997,390.69	
D-4:D-6		<u>1,508.73</u>	
D-2			\$ <u>998,899.42</u>

Miscellaneous Revenues:

Interest and Costs on Sewer Rents  
Sewer Connection Fees

D-7	\$	11,592.43	
D-7		<u>126,370.00</u>	
D-2			\$ <u>137,962.43</u>

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

BOROUGH OF DUNELLEN  
MIDDLESEX COUNTY, NEW JERSEY  
SEWER UTILITY OPERATING FUND  
STATEMENT OF EXPENDITURES - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2023

	2023 BUDGET	BUDGET AFTER MODIFICATION	PAID OR		EXPENDED		UNEXPENDED BALANCE CANCELLED
			CHARGED	RESERVED	ENCUMBERED	RESERVED	
Operating:							
Salaries and Wages	\$ 144,930.00	\$ 144,930.00	\$ 106,435.38	\$ 38,494.62	\$	\$	\$
Other Expenses	735,800.00	735,800.00	677,051.50	29,491.00			29,257.50
Capital Improvements:							
Capital Improvement Fund	55,000.00	55,000.00	55,000.00				
Capital Outlay	65,000.00	65,000.00	19,320.00	45,680.00			
Debt Service:							
Payment of Bond Anticipation Notes and Capital Notes	50,800.00	50,800.00	50,800.00				
Interest on Notes	25,656.00	25,656.00	24,346.17				1,309.83
MCIA Lease Purchase Payments							
Principal	32,010.00	32,010.00	32,008.80				1.20
Interest	6,700.00	6,700.00	6,694.80				5.20
Statutory Expenditures:							
Contribution to:							
Public Employees Retirement System	5,000.00	5,000.00		5,000.00			
Social Security System (O.A.S.I.)	7,800.00	7,800.00	4,938.99	2,861.01			
	<u>\$ 1,128,696.00</u>	<u>\$ 1,128,696.00</u>	<u>\$ 976,595.64</u>	<u>\$ 29,491.00</u>	<u>\$ 121,293.13</u>	<u>\$</u>	<u>1,316.23</u>
REF.	D-2	D-2	D-1	D-1	D-1	D-1	D-1
Disbursed							
Interfund - Capital Improvement Fund			\$ 890,554.67				
Accrued Interest			55,000.00				
			<u>31,040.97</u>				
			<u>\$ 976,595.64</u>				

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

GENERAL FIXED ASSETS ACCOUNT GROUP

"E"

BOROUGH OF DUNELLEN  
MIDDLESEX COUNTY, NEW JERSEY

STATEMENT OF GENERAL FIXED ASSETS  
BALANCE SHEETS - REGULATORY BASIS  
DECEMBER 31, 2023 AND 2022

	BALANCE DECEMBER 31, 2023	BALANCE DECEMBER 31, 2022
<u>FIXED ASSETS:</u>		
Land	\$ 829,500.00	\$ 829,500.00
Buildings and Improvements	1,142,300.00	1,142,300.00
Machinery and Equipment	<u>3,627,349.00</u>	<u>3,587,595.00</u>
<u>TOTAL FIXED ASSETS</u>	<u>\$ 5,599,149.00</u>	<u>\$ 5,559,395.00</u>
 <u>RESERVE:</u>		
Investments in General Fixed Assets	<u>\$ 5,599,149.00</u>	<u>\$ 5,559,395.00</u>

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

NOTES TO FINANCIAL STATEMENTS

BOROUGH OF DUNELLEN

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Borough of Dunellen is an instrumentality of the State of New Jersey, established to function as a municipality. The Borough council consists of elected officials and is responsible for the fiscal control of the Borough. A Mayor is elected to serve a term of four years. A Council consisting of six members is elected to serve staggered three-year terms.

As defined by GAAP established by the GASB, the financial reporting entity consists of the primary government, as well as component units, which are legally separate organizations for which elected officials of the primary government are financially accountable. The Borough is financially accountable for an organization if the Borough appoints a voting majority of the organization's governing board and (1) the Borough is able to significantly influence the programs or services performed or provided by the organizations; or (2) the Borough is legally entitled to or can otherwise access the organization's resources; the Borough is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the Borough is obligated for the debt of the organization.

Except as noted below, the financial statements of the Borough of Dunellen include every board, body, officer or commission supported and maintained wholly or in part by funds appropriated by the Borough of Dunellen, as required by N.J.S.A. 40A:5-5. Accordingly, the financial statements of the Borough of Dunellen do not include the operations of the free public library, volunteer rescue organizations or the local public school district, inasmuch as their activities are administered by separate boards.

B. Description of Funds

The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. GASB Codification establishes three fund types and two account groups to be used by general purpose governmental units when reporting financial position and results of operations in accordance with U.S. Generally Accepted Accounting Principles (GAAP).

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Description of Funds (Continued)

The accounting policies of the Borough of Dunellen conform to the accounting principles applicable to municipalities which have been prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Such principles and practices are designed primarily for determining compliance with legal provisions and budgetary restrictions and as a means of reporting on the stewardship of public officials with respect to public funds. Under this method of accounting, the financial transactions and accounts of the Borough of Dunellen are organized on the basis of funds and an account group which is different from the fund structure required by GAAP. A fund or account group is an accounting entity with a separate set of self-balancing accounts established to record the financial position and results of operation of a specific government activity. As required by the Division of Local Government Services the Borough accounts for its financial transactions through the following individual funds and account groups:

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

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

General Capital Fund - receipts 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 - account for the operations and acquisition of capital facilities of the municipally-owned sewer.

Public Assistance Fund - receipt and disbursement of funds that provide assistance to certain residents of the Borough pursuant to Title 44 of New Jersey statutes.

General Fixed Assets Account Group - utilized to account for property, land, buildings and equipment that have been acquired by other governmental funds.

C. Basis of Accounting

The accounting principles and practices prescribed for municipalities by the State of New Jersey differ in certain respects from generally accepted accounting principles applicable to local government units. The more significant accounting policies and differences in the State of New Jersey are as follows:

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

Revenues - are recorded when received in cash except for certain amounts which are due from other governmental units. Federal and State grants are realized as revenue when anticipated in the Borough's budget. Receivables for property taxes are recorded with offsetting reserves on the balance sheet of the Borough's Current Fund; accordingly, such amounts are not recorded as revenue until collected. Other amounts that are due the Borough, which are susceptible to accrual, are also recorded as receivables with offsetting reserves and recorded as revenue when received. GAAP requires revenues to be recognized in the accounting period when they become susceptible to accrual, reduced by an allowance for doubtful accounts.

Expenditures - are recorded on the "budgetary" basis of accounting. General expenditures are recorded when an amount is encumbered for goods or services through the issuances of a purchase order in conjunction with the Encumbrance Accounting System. Outstanding encumbrances, at December 31, are reported as a cash liability in the financial statements and constitute part of the Borough's regulatory Appropriation Reserve balance. Appropriation reserves covering unexpended appropriation balances are automatically created at December 31<sup>st</sup> of each year and recorded as liabilities, except for amounts which may be canceled by the governing body. Appropriation reserves are available, until lapsed at the close of the succeeding year, to meet specific claims, commitments or contracts incurred during the preceding fiscal year. Lapsed appropriation reserves are recorded as income. Appropriations for principal payments on outstanding general capital 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.

Encumbrances - Contractual orders, at December 31, are reported as expenditures through the establishment of encumbrances payable. Under GAAP, encumbrances outstanding at year end are reported as reservations of fund balance because they do not constitute expenditures or liabilities.

Foreclosed Property - is recorded in the Current Fund at the assessed valuation when such property was acquired and is fully reserved. GAAP requires such property to be recorded in the General Fixed Assets Account Group at its market value.

Sale of Municipal Assets - The proceeds from the sale of municipal assets can be held in a reserve until anticipated as a revenue in a future budget. GAAP requires such proceeds to be recorded as a revenue in the year of sale.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

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

General Fixed Assets - N.J.A.C. 5:30-5.6 Accounting for Governmental Fixed Assets, which differs in certain respects from generally accepted accounting principles, requires the inclusion of a statement of general fixed assets of the Borough as part of its basic financial statements. General fixed assets are defined as non-expendable personal property having a physical existence, a useful life of more than one year and an acquisition cost of \$500.00 or more per unit. Public domain ("infrastructure") general fixed assets consisting of certain improvements other than buildings, such as roads, bridges, curbs and gutters, streets and sidewalks and drainage system are not capitalized.

Property and equipment acquired by the Current and General Capital Funds are recorded as expenditures at the time of the purchase and are not capitalized in their own respective funds. The Borough has valued its land and buildings at assessed values. GAAP requires capital assets to be recorded at their historical cost or estimated historical cost. Additionally, GAAP requires depreciation to be calculated on capital assets, with the exception of land.

General Fixed Assets that have been acquired and that are utilized in the Current and General Capital Funds are instead accounted for in the General Fixed Asset Account Group. No depreciation has been provided on general fixed assets or reported in the financial statements.

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

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 balance sheets. GAAP requires the cost of inventories to be reported as a current asset and equally offset by a fund balance reserve.

Fixed Capital-Sewer Utility - Accounting for utility fund "fixed capital" remains uncharged under the requirements of NJAC 5:30-5.6.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

Fixed Capital – Sewer Utility (continued) - Property and equipment purchased by the Sewer Utility Fund are recorded in the capital account at cost and are adjusted for disposition and abandonment. The amounts shown do not purport to represent reproduction costs or current value. The fixed capital reported is as taken from the municipal records and does not necessarily reflect the true condition of such fixed capital. Contributions in aid of construction are not capitalized. The balances in 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. The utility does not record depreciation on fixed assets.

Accounting and Financial Reporting for Pensions

Governmental Accounting Standards Board (GASB) Statement No. 68 Accounting and financial reporting for pensions administered by state and local government employers improves accounting and financial reporting state and local governments for pensions. It also improves information provided by state and local government employers about financial support for pensions that is provided by other entities. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for pensions with regard to providing decision useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency.

Under GAAP, municipalities are required to recognize the pension liability in Statements of Revenues, Expenses, Changes in Net Position (balance sheets) and Notes to the Financial Statements in accordance with GASB 68. The liability required to be displayed by GASB 68 is displayed as a separate line item in the Unrestricted Net Position area of the balance sheet.

New Jersey's municipalities and counties do not follow GAAP accounting principles and, as such, do not follow GASB requirements with respect to recording the net pension liability as a liability on their balance sheets. However, N.J.A.C. 5:30 6.1(c) (2) requires municipalities to disclose GASB 68 information in the Notes to the Financial Statements. The disclosure must meet the requirements of GASB 68.

The New Jersey Division of Local Government Services issued Local Finance Notice 2023-10 which allows local units to disclose the most recently available information as it relates to the New Jersey Division of Pensions & Benefits' reporting on GASB 68. As of the date of this report the information for the period ended June 30, 2023 for PERS or PFRS was not available, therefore the information dated June 30, 2022 is disclosed.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions (OPEB) (Continued)

The Governmental Accounting Standards Board (GASB) has issued Statement No. 75, "*Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*". This statement establishes standards for measuring and recognizing liabilities, deferred outflows and inflows of resources, and expenses for postemployment benefits other than pensions.

It also requires the State of New Jersey to calculate and allocate to each participating member, for note disclosure purposes only, the OPEB net liability of New Jersey Health Benefits Local Government Retiree Plan (the Plan). The statement does not alter the amount of funds that must be budgeted for OPEB payment under existing state law.

Under GAAP, municipalities are required to recognize the OPEB liability in Statements of Revenues, Expenses, Changes in Net Position (balance sheets) and Notes to the Financial Statements in accordance with GASB 75. The liability required to be displayed by GASB 75 is displayed as a separate line item in the Unrestricted Net Position area of the balance sheet.

New Jersey's municipalities and counties do not follow GAAP accounting principles and, as such, do not follow GASB requirements with respect to recording the OPEB liability as a liability on their balance sheets. However, N.J.A.C. 5:30 6.1(c) (2) requires municipalities to disclose GASB 75 information in the Notes to the Financial Statements. The disclosure must meet the requirements of GASB 75.

The New Jersey Division of Local Government Services issued Local Finance Notice 2023-10 which allows local units to disclose the most recently available information as it relates to the New Jersey Division of Pensions & Benefits' reporting on GASB 75. As of the date of this report the information for the period ended June 30, 2023 was not available, therefore the information dated June 30, 2022 is disclosed.

D. Basic Financial Statements

The GASB codification also defines the financial statements of a governmental unit to be presented in the general purpose financial statements to be in accordance with GAAP. The Borough presents the financial statements listed in the table of contents of the "Requirements of Audit and Accounting Revision of 1987" as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and which differ from financial statements required by GAAP.

NOTE 2: CASH AND CASH EQUIVALENTS

The Borough considers petty cash, change funds, and cash in banks, deposits in the New Jersey Cash Management Fund and certificates of deposit as cash and cash equivalents.

A. Deposits

New Jersey statutes permit the deposit of public funds in institutions which are located in New Jersey and which meet the requirements of the Governmental Unit Deposit Protection Act (GUDPA) or the State of New Jersey Cash Management Fund. GUDPA requires a bank that accepts public funds to be a public depository. A public depository is defined as a state bank, a national bank, or a savings bank, which is located in the State of New Jersey, the deposits of which are insured by the Federal Deposit Insurance Corporation. The statutes also require public depositories to maintain collateral for deposits of public funds that exceed certain insurance limits. All collateral must be deposited with the Federal Reserve Bank or a banking institution that is a member of the Federal Reserve System and has capital funds of not less than \$25,000,000.00.

Under GUDPA, if a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the full amount of the deposits to the governmental unit.

The Borough of Dunellen had the following cash and cash equivalents at December 31, 2023:

<u>Fund</u>	<u>Change Fund</u>	<u>Cash on Deposit</u>	<u>Reconciling Items</u>	<u>Reconciled Total</u>
Current Fund	\$ 100.00	\$ 2,518,262.25	\$ (136,808.61)	\$ 2,381,553.64
Trust Fund		514,480.90	(9,956.81)	504,524.09
Public Assistance Trust Fund		3,413.99		3,413.99
<u>Total December 31, 2023</u>	<u>\$ 100.00</u>	<u>\$ 3,036,157.14</u>	<u>\$ (146,765.42)</u>	<u>\$ 2,889,491.72</u>

NOTE 2: CASH AND CASH EQUIVALENTS (CONTINUED)

A. Deposits (Continued)

Custodial Credit Risk - Deposits - Custodial credit risk is the risk that in the event of a bank failure, the deposits may not be returned. The Borough does not have a specific deposit policy for custodial credit risk other than those policies that adhere to the requirements of statute. As of December 31, 2023, based upon the coverage provided by FDIC and NJGUDPA, no amount of the bank balance in the bank was exposed to custodial credit risk. Of the cash balance in the bank, \$250,000.00 was covered by Federal Depository Insurance and \$2,786,157.14 was covered by NJGUDPA.

The Borough has no foreign currency risk exposure.

B. Investments

The purchase of investments by the Borough is strictly limited by the express authority of the New Jersey Local Fiscal Affairs Law, N.J.S.A. 40A:5-15.1. Permitted investments include any of the following type of securities:

1. Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;
2. Government money market mutual funds which are purchased from an investment company or investment trust which is registered with the Securities and Exchange Commission under the "Investment Company Act of 1940," 15 U.S.C. 80a-1 et seq., and operated in accordance with 17 C.F.R. § 270.2a-7 and which portfolio is limited to U.S. Government securities that meet the definition of an eligible security pursuant to 17 C.F.R. § 270.2a-7 and repurchase agreements that are collateralized by such U.S. Government securities in which direct investment may be made pursuant to paragraphs (1) and (3) of N.J.S.A. 5-15.1. These funds are also required to be rated by a nationally recognized statistical rating organization.
3. Any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligation bears a fixed rate of interest not dependent on any index or other external factor.
4. Bonds or other obligations of the Local Unit or bonds or other obligations of school districts of which the Local Unit is a part or within which the school district is located.

NOTE 2: CASH AND CASH EQUIVALENT (CONTINUED)

B. Investments (Continued)

5. Bonds or other obligations, having a maturity date not more than 397 days from date of purchase, approved by the Division of Local Government Services of the Department of Community Affairs for investment by local units.
6. Local government investment pools that are fully invested in U.S. Government securities that meet the definition of eligible security pursuant to 17 C.F.R. § 270a-7 and repurchase agreements that are collateralized by such U.S. Government securities in which direct investment may be made pursuant to paragraphs (1) and (3) of N.J.S.A. 5-15.1. This type of investment is also required to be rated in the highest category by a nationally recognized statistical rating organization.
7. Deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c. 281 (C. 52:18A-90.4); or
8. Agreements for the repurchase of fully collateralized securities if:
  - a. the underlying securities are permitted investments pursuant to paragraphs (1) and (3) of this subsection;
  - b. the custody of collateral is transferred to a third party;
  - c. the maturity of the agreement is not more than 30 days;
  - d. the underlying securities are purchased through a public depository as defined in section 1 of P.L. 1970, c. 236 (C. 17:19-41); and
  - e. a master repurchase agreement providing for the custody and security of collateral is executed.

The Borough of Dunellen's investment activities during the year were in accordance with the above New Jersey Statute.

NOTE 3: MUNICIPAL DEBT

The Local Bond Law, Chapter 40A:2, governs the issuance of bonds to finance general municipal capital expenditures. All bonds are retired in annual installments within the statutory period of usefulness. All bonds issued by the Borough are general obligation bonds, backed by the full faith and credit of the Borough. Bond Anticipation Notes, which are issued to temporarily finance capital projects, are included in the below Summary of Municipal Debt and Summary of Statutory Debt Condition Annual Debt Statement:

	<u>YEAR 2023</u>	<u>YEAR 2022</u>	<u>YEAR 2021</u>
Issued:			
General:			
Bonds and Notes	\$ 1,944,600.00	\$ 4,275,600.00	\$ 5,310,000.00
Loans Payable	5,122,589.07	5,508,125.48	1,031,236.50
Sewer Utility:			
Bonds and Notes	619,200.00	670,000.00	690,000.00
Loans Payable	<u>135,361.40</u>	<u>167,370.20</u>	<u>188,420.00</u>
Net Debt Issued	7,821,750.47	10,621,095.68	7,219,656.50
Less:			
Reserve for Payment of Debt Service	25,081.36	25,081.36	
Cash on Hand to Pay Notes		<u>1,996,506.87</u>	
Total Debt	<u>7,796,669.11</u>	<u>8,599,507.45</u>	<u>7,219,656.50</u>
<u>Authorized but not Issued</u>			
General:			
Bonds and Notes	16,821,251.87	10,260,980.45	5,729,928.58
Sewer Utility:			
Bonds and Notes	<u>2,050,975.00</u>	<u>1,050,975.00</u>	<u>367,975.00</u>
Total Authorized but not Issued	<u>18,872,226.87</u>	<u>11,311,955.45</u>	<u>6,097,903.58</u>
Net Bonds and Notes Issued and and Authorized but not issued	<u>\$ 26,668,895.98</u>	<u>\$ 19,911,462.90</u>	<u>\$ 13,317,560.08</u>

NOTE 3: MUNICIPAL DEBT (CONTINUED)

SUMMARY OF STATUTORY DEBT CONDITION (ANNUAL DEBT STATEMENT)

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicates a statutory net debt of 2.881%.

	<u>GROSS DEBT</u>	<u>DEDUCTIONS</u>	<u>NET DEBT</u>
Local School District Debt	\$25,025,000.00	\$25,025,000.00	-0-
Sewer Utility Debt	2,805,536.40	2,805,536.40	-0-
General Debt	<u>23,888,440.94</u>	<u>25,081.36</u>	<u>\$23,863,359.58</u>
	<u>\$51,718,977.34</u>	<u>\$27,855,617.76</u>	<u>\$23,863,359.58</u>

NET DEBT \$23,863,359.58 DIVIDED BY EQUALIZED VALUATION BASIS PER N.J.S.A. 40A:2-2, AS AMENDED, \$828,382,799.67, EQUALS 2.881%.

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

Equalized Valuation Basis* - December 31, 2023	\$828,382,799.67
3-1/2 of Equalized Valuation Basis	28,993,397.99
Net Debt	<u>23,863,359.58</u>
Remaining Borrowing Power	<u>\$5,130,038.41</u>

Equalized Valuation Basis is the average of the equalized valuation of real estate, including improvements and the assessed valuation of Class II railroad property of the Borough of Dunellen for the last three (3) preceding years.

BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

At December 31, 2023, the Borough has authorized but not issued bonds and notes as follows:

General Capital Fund	\$ 16,821,251.87
Sewer Utility Capital Fund	<u>2,050,975.00</u>
Total	<u>\$ 18,872,226.87</u>

NOTE 3: MUNICIPAL DEBT (CONTINUED)

CALACULATION OF "SELF-LIQUIDATING PURPOSE" SEWER UTILITY PER N.J.S.A. 40A:2-45

Surplus Anticipated and Total Cash Receipts from Fees, Rents, or Other Charges for the Year		\$	1,363,957.85
Deductions:			
Operating and Maintenance Cost	\$	893,530.00	
Debt Service		<u>113,849.77</u>	
		\$	<u>1,007,379.77</u>
Excess in Revenue		\$	<u><u>356,578.08</u></u>

Long-Term Debt:

SCHEDULE OF ANNUAL DEBT SERVICE FOR PRINCIPAL AND INTEREST FOR MCIA LOAN – GENERAL CAPITAL

<u>YEAR</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
2024	\$378,635.27	\$251,326.65	\$629,961.92
2025	390,907.75	233,554.17	624,461.92
2026	409,097.51	215,194.41	624,291.92
2027	423,948.54	195,963.40	619,911.94
2028	485,000.00	176,000.00	661,000.00
2029-2033	2,510,000.00	509,000.00	3,019,000.00
3034	<u>525,000.00</u>	<u>26,250.00</u>	<u>551,250.00</u>
	<u>\$5,122,589.07</u>	<u>\$1,607,288.63</u>	<u>\$6,729,877.70</u>

SCHEDULE OF ANNUAL DEBT SERVICE FOR PRINCIPAL AND INTEREST FOR MCIA LOAN – SEWER UTILITY CAPITAL

<u>YEAR</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
2024	\$33,289.20	\$5,414.46	\$38,703.66
2025	33,620.80	4,082.88	37,703.68
2026	34,005.60	2,738.06	36,743.66
2027	<u>34,445.80</u>	<u>1,377.84</u>	<u>35,823.64</u>
	<u>\$135,361.40</u>	<u>\$13,613.24</u>	<u>\$148,974.64</u>

NOTE 3: MUNICIPAL DEBT (CONTINUED)

Short-Term Debt

Bond Anticipation Notes

In accordance with NJSA 40A:2-8.1, a local unit may, in anticipation of the issuance of bonds, borrow money and issue notes if the bond ordinance or subsequent resolution so provides. Any such note shall be designated as a "bond anticipation note" and shall be subject to the following provisions:

- (1) every note shall contain a recital that it is issued for a period not exceeding one year and may be renewed from time to time for additional periods, none of which shall exceed one year;
- (2) all such notes, including renewals, shall mature and be paid not later than the first day of the fifth month following the close of the tenth fiscal year next following the date of the original notes; and
- (3) no such notes shall be renewed beyond the third anniversary date of the original notes unless an amount of such notes, at least equal to the first legally payable installment of the bonds in anticipation of which those notes are issued, is paid and retired on or before each subsequent anniversary date beyond which such notes are renewed from funds other than the proceeds of obligations.

The Borough had the following outstanding bond anticipation note(s) at year end:

	<u>Interest Rate</u>	<u>Maturity Dates</u>	<u>Amount</u>
General Capital Fund	4.10%	1/19/2024	\$1,944,600.00
Sewer Utility Capital Fund	4.10%	1/19/2024	<u>619,200.00</u>
			<u><u>\$2,563,800.00</u></u>

NOTE 4: FUND BALANCES APPROPRIATED

Fund balance, at December 31, 2023, which was appropriated and included as anticipated revenue in its own respective fund for the year ending December 31, 2024, was \$450,000.00\* for the Current Fund and \$522,469.00\* for the Sewer Utility Operating Fund.

\* As Introduced

NOTE 5: PROPERTY TAXES

Property Taxes attach as an enforceable lien on property as of January 1. Taxes are levied based on the final adoption of the current year municipal budget, and payable in four installments on February 1, May 1, August 1 and November 1. The Borough bills and collects its own property taxes and also the taxes for the County and the Local School District. The collections and remittance of county and school taxes are accounted for in the Current Fund. Borough property tax revenues are recognized when collected in cash and any receivables are recorded with offsetting reserves on the balance sheet of the Borough's Current Fund.

Taxes Collected in Advance - Taxes collected in advance and recorded as cash liabilities in the financial statements are as follows:

	BALANCE DECEMBER 31, <u>2023</u>	BALANCE DECEMBER 31, <u>2022</u>
Prepaid Taxes	<u>\$ 78,557.96</u>	<u>\$ 88,988.89</u>

NOTE 6: PENSION PLANS

Substantially all eligible employees participate in the Public Employees' Retirement System (PERS), or the Police, Firemen's Retirement System (PFRS) or the Defined Contribution Retirement System (DCRP), which have been established by state statute and are administered by the New Jersey Division of Pensions and Benefits. The Division issues a publicly available financial report that includes the financial statements and required supplementary information for the Public Employees Retirement System, Police and Firemen's Retirement System and Consolidated Police and Firemen's Pension Fund. These reports may be obtained by writing to the Division of Pensions and Benefits, P.O. Box 295, Trenton, New Jersey, 08625 or are available online at [www.nj.gov/treasury/pensions/annrprts.shtml](http://www.nj.gov/treasury/pensions/annrprts.shtml).

Public Employees' Retirement System (PERS) - The Public Employees' Retirement System (PERS) was established as of January 1, 1955, under the provisions of N.J.S.A. 43:15A, to provide retirement, death, disability and medical benefits to certain qualified members. The PERS is a cost-sharing multiple employer plan. Membership is mandatory for substantially, all full-time employees of the State of New Jersey or any county, municipality, school district or public agency, provided the employee is not required to be a member of another state-administered retirement system or other state pension fund or local jurisdiction's pension fund.

NOTE 6: PENSION PLANS

Police and Firemen's Retirement System (PFRS) - The Police and Firemen's Retirement System (PFRS) was established as of July 1, 1944, under the provisions of N.J.S.A. 43:16A. to provide retirement, death, and disability benefits to its members. The PFRS is a cost-sharing multiple-employer plan. Membership is mandatory for substantially, all full-time county and municipal police or firemen or officer employees with police powers appointed after June 30, 1944.

Defined Contribution Retirement Program (DCRP) - The Defined Contribution Retirement Program (DCRP) was established July 1, 2007, under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L 2007, and was expanded under the provisions of Chapter 89, P.L. 2009. The DCRP provides eligible employees and their beneficiaries with a tax-sheltered, defined contribution retirement benefit, along with life insurance coverage and disability coverage.

Vesting and Benefit Provisions

The vesting and benefit provisions for PERS are set by N.J.S.A. 43:15A and 43:36. All benefits vest after ten years of service, except for medical benefits, which vest after 25 years of service. Members may seek early retirement after achieving 25 years of service credit or they may elect deferred retirement after achieving ten years of service credit, in which case, benefits would begin the first day of the month after the member attains normal retirement age.

The vesting and benefit provisions for PFRS are set by N.J.S.A. 43:16A and 43:36. All benefits vest after ten years of service, except for disability benefits, which vest after four years of service. Retirement benefits for age and service are available at age 55. Members may seek special retirement after achieving 25 years of creditable service or they may elect deferred retirement after achieving ten years of service.

Newly elected or appointed officials that have an existing DCRP account, or are a member of another State-administered retirement system are immediately vested in the DCRP. For newly elected or appointed officials that do not qualify for immediate vesting in the DCRP, employee and employer contributions are held during the initial year of membership. Upon commencing the second year of DCRP membership, the member is fully vested. However, if a member is not eligible to continue in the DCRP for a second year of membership, the member may apply for a refund of the employee contributions from the DCRP, while the employer contributions will revert back to the employer. Employees are required to contribute 5.5% of their base salary and employers contribute 3.0%.

NOTE 6: PENSION PLANS

Funding Policy

The contribution policy for PERS is set by N.J.S.A. 43:15A and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount, which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group life insurance benefits is based on actual claims paid. For fiscal year 2023, the State's pension contribution was less than the actuarial determined amount. The local employers' contribution amounts are based on an actuarially determined rate, which includes the normal cost and unfunded accrued liability. During 2023, PERS provides for employee contributions of 7.50% of employees' base salary.

The contribution policy for PFRS is set by N.J.S.A. 43:16A and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's contribution amount is based on an actuarially determined rate, which includes the normal cost and unfunded accrued liability. The local employers' contribution amounts are based on an actuarially determined rate, which includes the normal cost and unfunded accrued liability. For the fiscal year 2023, the State contributed an amount less than the actuarially determined amount. During 2022, PFRS provides for employee contributions of 10.00% of employees' base salary.

The Borough's share of pension, which is based upon the annual billings received from the State, amounted to \$832,297.00 for 2023, \$731,675.00 for 2022 and \$661,386.00 for 2021.

Certain Borough employees are also covered by the Federal Insurance Contribution Act.

Accounting and Financial Reporting for Pensions – GASB 68

The Governmental Accounting Standards Board (GASB) has issued Statement No. 68 "Accounting and Financial Reporting for Public Employees Pensions" which requires the State of New Jersey to calculate and allocate, for note disclosure purposes only, the unfunded net pension liability of Public Employees Retirement System (PERS) and the Police and Firemen's Retirement System (PFRS) of the participating municipality as of December 31, 2022. The statement does not alter the amounts of funds that must be budgeted for pension payments under existing state law.

Under accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, any unfunded net pension liability of the municipality, allocated by the State of New Jersey, is not required to be reported in the financial statements as presented and any pension contributions required to be paid are raised in that year's budget and no liability is accrued at December 31, 2022.

NOTE 6: PENSION PLANS

Accounting and Financial Reporting for Pensions – GASB 68 (Continued)

Public Employees Retirement System (PERS)

At June 30, 2022, the State reported a net pension liability of \$2,052,074.00 for the Borough's proportionate share of the total net pension liability. The total pension liability for the June 30, 2022 measurement date was determined by an actuarial valuation as of July 1, 2021, which was rolled forward to June 30, 2022. The Borough's proportion 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. At June 30, 2022, the Borough's proportion was 0.0135976582 percent, which was an increase of 0.0009773053 percent from its proportion measured as of June 30, 2021.

For the year ended June 30, 2022, the State recognized an actuarially determined pension benefit of \$155,645.00 for the Borough's proportionate share of the total pension expense. The pension expense recognized in the Borough's financial statements based on the April 1, 2022 billing was \$147,799.00.

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

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Differences between expected and actual experience	\$ 14,811.00	\$ 13,061.00
Changes of assumptions	6,358.00	307,277.00
Net difference between projected and actual earnings on pension plan investments	84,933.00	
Changes in proportion and differences between Borough contributions and proportionate share of contributions	<u>203,962.00</u>	<u>85,950.00</u>
	<u>\$ 310,064.00</u>	<u>\$ 406,288.00</u>

NOTE 6: PENSION PLANS (CONTINUED)

Accounting and Financial Reporting for Pensions - GASB 68 (Continued)

Public Employees Retirement System (PERS) (Continued)

Other local amounts reported by the State as the Borough's proportionate share of deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in the State's actuarially calculated pension expense as follows:

Year Ended June 30,	<u>Amount</u>
2023	(\$152,422.60)
2024	(66,076.60)
2025	(20,132.60)
2026	119,014.40
2027	23,393.40
	<u>(\$96,224.00)</u>

Actuarial Assumptions

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

Inflation	
Price	2.75%
Wage	3.25%
Salary Increases	
Through 2026	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.

NOTE 6: PENSION PLANS (CONTINUED)

Accounting and Financial Reporting for Pensions - GASB 68 (Continued)

Public Employees Retirement System (PERS) (Continued)

Actuarial Assumptions

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

Long-Term Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2022) is determined by the State Treasurer, after consultation with the Directors of the Division of 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 rates of return for each major assets class included in PERS's target assets allocation as of June 30, 2022 asset are summarized in the following table:

<u>Assets Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
US Equity	27.00%	8.12%
Non-U.S. Developed Market Equity	13.50%	8.38%
Emerging Market Equity	5.50%	10.33%
Private Equity	13.00%	11.80%
Real Estate	8.00%	11.19%
Real Assets	3.00%	7.60%
High Yield	4.00%	4.95%
Private Credit	8.00%	8.10%
Investment Grade Credit	7.00%	3.38%
Cash Equivalents	4.00%	1.75%
U.S. Treasury's	4.00%	1.75%
Risk Mitigation Strategies	3.00%	4.91%

NOTE 6: PENSION PLANS (CONTINUED)

Accounting and Financial Reporting for Pensions - GASB 68 (Continued)

Public Employees Retirement System (PERS) (Continued)

Discount Rate

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

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

The following presents the Borough's proportionate share of the collective net pension liability of the participating employers as of June 30, 2022 calculated using the discount rate as disclosed above as well as what the Borough's proportionate share of the collective net pension liability would be if it was calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	June 30, 2022		
	1% Decrease <u>6.00%</u>	At Current Discount Rate <u>7.00%</u>	1% Increase <u>8.00%</u>
Borough's proportionate share of the pension liability	\$2,636,314.00	\$2,052,074.00	\$1,554,862.00

Special Funding Situation

In accordance with 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. For PERS, the legislation which legally obligates the State is found in Chapter 133, P.L. 2001. This special funding situation is due to the State paying the additional normal cost related to benefit improvements from Chapter 133. Previously, this additional normal cost was paid from the Benefit Enhancement Fund (BEF). As of June 30, 2022, there is no net pension liability associated with this special funding situation as there was no accumulated difference between the annual additional normal cost under the special funding situation and the actual State contribution through the valuation date.

NOTE 6: PENSION PLANS (CONTINUED)

Accounting and Financial Reporting for Pensions - GASB 68 (Continued)

Public Employees Retirement System (PERS) (Continued)

Special Funding Situation (Continued)

The amounts contributed by the State on behalf of the Borough 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 Borough does 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 disclose in the notes to the financial statements of the Borough related to this legislation.

The non-employer contributing entities' total proportionate share of the non-employer contribution that is associated with the Borough as of December 31, 2022 was 0.0136519830%, The non-employer contributing entities' contribution and employer pension expense and related revenue for the year ended June 30, 2022 was \$4,318.00.

Police and Firemen's Retirement System (PFRS)

At June 30, 2022, the State reported a net pension liability of \$5,596,920.00 for the Borough's proportionate share of the total PFRS net pension liability. The total pension liability for the June 30, 2022 measurement date was determined by an actuarial valuation as of July 1, 2021, which was rolled forward to June 30, 2022. The Borough's proportion 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.

At June 30, 2022, the Borough's proportion was 0.04889696 percent, which was an increase of 0.0010185314 percent from its proportion measured as of June 30, 2021.

For the year ended June 30, 2022, the State recognized an actuarially determined pension expense of \$80,741.00. The pension expense recognized in the Borough's financial statements based on the April 1, 2022 billing was \$577,015.00.

NOTE 6: PENSION PLANS (CONTINUED)

Accounting and Financial Reporting for Pensions - GASB 68 (Continued)

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

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

	<u>Deferred Outflow Resources</u>	<u>Deferred Inflow of Resources</u>
Differences between expected and actual experience	\$ 253,332.00	\$ 342,887.00
Changes in assumptions	15,339.00	704,542.00
Net difference between projected and actual earnings on pension plan investments	512,513.00	
Changes in proportion and differences between Borough contributions and proportionate share of contributions	<u>599,464.00</u>	<u>144,089.00</u>
	<u>\$ 1,380,648.00</u>	<u>\$ 1,191,518.00</u>

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended	Amount
<u>June 30</u>	
2023	\$ (188,860.00)
2024	(87,821.00)
2025	(79,343.00)
2026	447,052.00
2027	94,506.00
Thereafter	<u>3,596.00</u>
	<u>\$ 189,130.00</u>

NOTE 6: PENSION PLANS (CONTINUED)

Accounting and Financial Reporting for Pensions - GASB 68 (Continued)

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

Actuarial Assumptions

The total pension liability for the June 30, 2022 measurement date was determined by an actuarial valuation as of July 1, 2021, which rolled forward to June 30, 2022. This actuarial valuation used the following 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 152.0% adjustment for males and 109.3% adjustment for females. Mortality improvement is based on scale MP-2021.

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

NOTE 6: PENSION PLANS (CONTINUED)

Accounting and Financial Reporting for Pensions - GASB 68 (Continued)

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

Long-Term Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7.00 percent at June 30, 2022) 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 rates of return for each major asset class included in PFRS's target asset allocation as of June 30, 2022 are summarized in the following table:

<u>Assets Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
US Equity	27.00%	8.12%
Non-U.S. Developed Market Equity	13.50%	8.38%
Emerging Market Equity	5.50%	10.33%
Private Equity	13.00%	11.80%
Real Estate	8.00%	11.19%
Real Assets	3.00%	7.60%
High Yield	4.00%	4.95%
Private Credit	8.00%	8.10%
Investment Grade Credit	7.00%	3.38%
Cash Equivalents	4.00%	1.75%
U.S. Treasury's	4.00%	1.75%
Risk Mitigation Strategies	3.00%	4.91%

NOTE 6: PENSION PLANS (CONTINUED)

Accounting and Financial Reporting for Pensions - GASB 68 (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, 2022. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be based on 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make 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 proportionate share of the net pension liability of the participating employers as of June 30, 2022 calculated using the discount rate as disclosed above as well as what the Borough's proportionate share of the net pension liability would be if it was calculated using a discount rate that is 1-percentage point lower or 1- percentage point higher than the current rate:

	June 30, 2022		
	1% Decrease <u>6.00%</u>	At Current Discount Rate <u>7.00%</u>	1% Increase <u>8.00%</u>
Borough's proportionate share of the PFRS pension liability	\$7,679,579.00	\$5,596,920.00	\$3,863,097.00

NOTE 6: PENSION PLANS (CONTINUED)

Accounting and Financial Reporting for Pensions - GASB 68 (Continued)

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

Special Funding Situation

In accordance with 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.c. 2001, Chapter 86, P.L. 2001, Chapter 511, P.L. 1991, Chapter 109, P.c. 1979, Chapter 247, P.L. 1993 and Chapter 201, P.L. 2001. The amounts contributed by the State on behalf of the Borough 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 Borough does 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 disclose in the notes to the financial statements of the Borough related to this legislation.

The non-employer contributing entities' total proportionate share of the collective net pension liability that is associated with the Borough as of December 31, 2022 and 2021 is 0.0488969300% and 0.0478785062% respectively, the non-employer contributing entities' contribution for the year ended June 30, 2022 and 2021 was \$124,008.00 and \$85,500.00, respectively and the employer pension expense and related revenue for the year ended June 30, 2022 and 2021 was \$114,922.00 and \$109,615.00, respectively.

At June 30, 2022 and 2021, the State's proportionate share of the net pension liability attributable to the Borough for the PFRS special funding situation is \$996,088.00 and \$984,236.00, respectively.

At June 30, 2022, the Borough's and State of New Jersey's proportionate share of the PFRS net pension liability were as follows:

Borough's Proportionate Share of Net Pension Liability	\$ 5,596,920.00
State of New Jersey Proportionate Share of Net Pension Liability Associated with the Borough	<u>996,088.00</u>
	<u>\$ 6,593,008.00</u>

NOTE 6: PENSION PLANS (CONTINUED)

Accounting and Financial Reporting for Pensions - GASB 68 (Continued)

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

Pension plan fiduciary net position

Detailed information about the pension plan's fiduciary net position is available in the separately issued Financial Report for the State of New Jersey Police and Firemen's Retirement System (PFRS). The report may be obtained at State of New Jersey Division of Pensions and Benefits P.O. Box 295 Trenton, New Jersey 08625-0295 <http://www.state.nj.us/treasury/pensions>.

NOTE 7: COMPENSATED ABSENCES

The Borough has established personnel policies via employee contracts and municipal ordinances, which set forth the terms under which an employee may accumulate unused benefits as follows:

Sick Leave - Sick leave shall accumulate at the rate of one (1) day per month up to a maximum of seven (7) days per year. Unused sick leave is forfeited upon separation from employment or retirement. The Borough police officers enrolled in the Police and Fire Retirement System (PFRS) are allotted an unlimited number of days up to one full year. Sick leave may not be accrued.

Vacations - Vacation pay for permanent employees accumulates in accordance with the approved schedules for one additional calendar year. Vacations days may be taken during the calendar year in which it is earned or in the first three (3) succeeding years. Unused vacation leave may be carried forward into the next succeeding year only with prior approval of the department head or appropriate committee. Any employee who has separated his/her employment may be paid the salary equivalent for vacation accrued.

Terminal Leave – Lieutenants hired as patrolmen prior to July 1, 2005 shall be entitled to 60 calendar days of terminal leave provided the employee has 20 years of service with the Borough of Dunellen and at least 25 years with the Police Fire Pension System. Sergeants hired as patrolmen prior to July 1, 2005 shall be eligible for 30 calendar day's terminal leave provided the employee has at least 20 years' service with the Borough of Dunellen and at least 25 years with the Police Fire Pension System. Patrolmen shall not be eligible for terminal leave. Sergeants and lieutenants hired as patrolmen after July 1, 2005 and promoted after July 1, 2005 must have at least 25 years with the Borough of Dunellen as well as 25 years in the Police Fire Pension System.

NOTE 7: COMPENSATED ABSENCES (CONTINUED)

The Borough has permitted certain employees to accrue unused sick and vacation pay, which may be taken as time off or paid at a later date at an agreed upon rate. It is estimated that the cost of such unpaid sick and vacation pay would approximate \$102,065.11 for December 31, 2023. In addition, based on the above criteria, there are no individuals that qualify for terminal leave and qualify as being hired prior to July 1, 2005 and having 20 years of service with the Borough of Dunellen and have at least 25 years with the Police Fire Pension System. The above amount represents the current value of all accumulations and is not intended to portray amounts that would be recorded under GAAP. Expenditures for payment of accrued sick, vacation and terminal leave benefits are recorded in the period in which payments are made as part of the current year's operating budget appropriations.

NOTE 8: DEFERRED COMPENSATION PLAN

The Borough offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all Borough employees, permits them to defer a portion of their salaries until future years. The Borough does not make any contribution to the plan. The deferred compensation is not available to employees until retirement, death, disability, termination or financial hardships.

In accordance with the requirements of the Small Business Job Protection Act of 1996 and the funding requirements of Internal Revenue Code Section 457(g), the Borough's Plan was amended to require that all amounts of compensation deferred under the Plan are held for the exclusive benefits of plan participants and beneficiaries. All assets and income under the Plan are held in trust, in annuity contracts or custodial accounts.

The accompanying financial statements do not include the Borough's Deferred Compensation Plan activities. The Borough's Deferred Compensation Plan is fully contributory and the Borough has no liabilities in conjunction with the plan.

NOTE 9: LITIGATION

The Borough's Attorney's letters did not indicate any litigation, claims or contingent liabilities which would materially affect the financial statements of the Borough.

NOTE 10: TAX APPEALS

There are tax appeals filed with the State Tax Court of New Jersey requesting a reduction of assessments for 2023. Any reduction in assessed valuation will result in a refund of prior year's taxes in the year of settlement, which may be funded from current tax revenues, through the establishment of a reserve, or by the issuance of refunding bonds per N.J.S.A. 40A:2-51. The Borough has a reserve of \$1,593.63 at December 31, 2023.

NOTE 11: CONTINGENT LIABILITIES

The Borough participated in several federal and state financial assistance grant programs. Entitlement to the funds is generally conditional upon compliance with terms and conditions of the grant agreements and applicable regulations, including the expenditure of funds for eligible purposes. These programs are also subject to compliance and financial audits by the grantors or their representatives.

As of December 31, 2023, the Borough does not believe that any material liabilities will result from such audits. In prior years the Borough was a member of the Middlesex County Joint Insurance Fund (JIF). In 2021 the JIF billed the Borough \$434,859.08 for what is their calculated pro rata share of an accumulated deficit of the JIF. The Fund will accept a financing plan approved by resolution or ordinance acknowledging the supplemental assessment, agreeing to pay an additional fifteen (15%) percent of the supplemental assessment on or before April 1, 2023, and agreeing to pay the remaining seventy-five (75%) percent in seven (7) equal payments no later than April 1 of each year beginning on or before April 1, 2024.

NOTE 12: RISK MANAGEMENT

The Borough is exposed to various risks of loss related to torts; theft of; damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Borough maintains insurance coverage through the Central Jersey Joint Insurance Fund (JIF) covering each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the Borough. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

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

<u>Year</u>	<u>Borough Contributions</u>	<u>Employee Contributions and Interest</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2023	\$ -0-	\$ 12,905.65	\$ 3,893.12	\$ 37,838.81
2022	-0-	6,133.84	1,032.00	28,826.28
2021	-0-	5,403.06	132.00	23,724.44

NOTE 13: ACCOUNTING AND FINANCIAL REPORTING FOR POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS – GASB 75

The Governmental Accounting Standards Board (GASB) has issued Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions". This statement establishes standards for measuring and recognizing liabilities, deferred outflows and inflows of resources, and expenses for postemployment benefits other than pensions. OPEB obligations are non-pension benefits that the municipality has contractually or otherwise agreed to provide employees once they have retired and, in most instances, will be for retirement health, prescription and dental insurance coverage.

Under current New Jersey budget and financial reporting requirements, the municipality is not required to fund any amounts in excess of their current costs on a pay-as-you-go basis or to accrue funds, create a trust or issue debt to finance their other post-employment benefit liability. Additionally, the Borough is not required to recognize any long-term obligations resulting from OPEB on their financial statements.

Plan Description and Benefits Provided

The State Health Benefit Local Government Retired Employees Plan (the Plan) is a cost-sharing multiple-employer defined benefit other postemployment benefit (OPEB) plan with a special funding situation. It covers employees of local government employers that have adopted a resolution to participate in the Plan. The Plan meets the definition of an equivalent arrangement as defined in paragraph 4 of GASB Statement No. 75, *Accounting and Financial Reporting for the Postemployment Benefits Other Than Pensions*; therefore, assets are accumulated to pay associated benefits.

The Plan provides medical and prescription drug coverage to retirees and their covered dependents of the employers. Under the provisions of Chapter 88, P.L. 1974 and Chapter 48, P.L. 1999, local government employers electing to provide postretirement medical coverage to their employees must file a resolution with the Division. Under Chapter 88, local employers elect to provide benefit coverage based on the eligibility rules and regulations promulgated by the State Health Benefits Commission. Chapter 48 allows local employers to establish their own age and service eligibility for employer paid health benefits coverage for retired employees.

Under Chapter 48, the employer may assume the cost of postretirement medical coverage for employees and their dependents who: 1) retired on a disability pension; or 2) retired with 25 or more years of service credit in a State or locally administered retirement system and a period of service of up to 25 years with the employer at the time of retirement as established by the employer; or 3) retired and reached the age of 65 with 25 or more years of service credit in a State or locally administered retirement system and a period of service of up to 25 years with the employer at the time of retirement as established by the employer; or 4) retired and reached age 62 with at least 15 years of service with the employer. Further, the law provides that the employer paid obligations for retiree coverage may be determined by means of a collective negotiations' agreement.

NOTE 13: ACCOUNTING AND FINANCIAL REPORTING FOR POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS – GASB 75 (CONTINUED)

Plan Description and Benefits Provided (Continued)

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

The State also provides funding for retiree health benefits to survivors of local police officers and firefighters who die in the line of duty under Chapter 271, P.L.1989.

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

Contributions

The Borough's contributions to SHBP for the years ended December 31, 2022, 2021 and 2020 were \$238,580.16, \$155,938.90, and \$161,027.76 respectively, which equaled the required contributions for each year.

Total Net OPEB Liability

At June 30, 2022, the Plan reported a Liability of \$8,663,450.00 for the Borough's proportionate share of the collective Net OPEB liability. The total Net OPEB Liability measured as of June 30, 2022 was determined by an actuarial valuation as of June 30, 2021, which was rolled forward to June 30, 2022.

The Borough's proportion of the Net OPEB Liability was based on the ratio of the plan members of an individual employer to the total members of the Plan's nonspecial funding situation during the measurement period July 1, 2021 through June 30, 2022.

At June 30, 2022, the Borough's proportion was 0.053645 percent, which was an increase of 0.000589 percent from its proportion measured as of June 30, 2021.

For the year ended June 30, 2022, the State reported OPEB benefit of \$150,354.00. This OPEB benefit was based on the OPEB plans June 30, 2022 measurement date.

NOTE 13: ACCOUNTING AND FINANCIAL REPORTING FOR POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS – GASB 75 (CONTINUED)

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

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Differences between expected and actual experience	\$447,390	\$1,605,835
Changes of assumptions	1,156,173	2,956,669
Net difference between projected and actual earnings on OPEB plan investments	2,281	
Changes in proportion	<u>523,374</u>	<u>942,813</u>
	<u><u>\$2,129,218</u></u>	<u><u>\$5,505,317</u></u>

Other local amounts reported by the State as the Borough's proportionate share of deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in the State's actuarially calculated pension (benefit)/expense as follows:

Year Ended	<u>Amount</u>
<u>June 30,</u>	
2023	(\$868,918)
2024	(869,612)
2025	(704,362)
2026	(360,995)
2027	(146,015)
Total Thereafter	<u>(426,197)</u>
	<u><u>(\$3,376,099)</u></u>

NOTE 13: ACCOUNTING AND FINANCIAL REPORTING FOR POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS – GASB 75 (CONTINUED)

Actuarial Assumptions and Other Inputs

The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

Salary Increases\*:

Public Employees Retirement System (PERS):	
Rate for all future years	2.75% to 6.55% Based on years of service
Police and Firemen’s Retirement System (PFRS):	
Rate for all future years	3.25% to 16.25% Based on years of service

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

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

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

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

Discount Rate

The discount rate for June 30, 2022 was 3.54%. This represents the municipal bond return rate as chosen by the State. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

NOTE 13: ACCOUNTING AND FINANCIAL REPORTING FOR POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS – GASB 75 (CONTINUED)

Sensitivity of the Borough's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate

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

	June 30, 2022		
	1.00% <u>Decrease (2.54%)</u>	At Discount Rate (3.54%)	1.00% <u>Increase (4.54%)</u>
Borough's proportionate share of the Net OPEB Liability	\$11,363,239	\$8,663,450	\$8,302,945

Sensitivity of the Borough's Proportionate Share of the Net OPEB Liability to Changes in Healthcare Trends

The following presents the total Net OPEB Liability associated with the Borough's as of June 30, 2022, calculated using the healthcare trend rate as disclosed above as well as what the Net OPEB Liability would be if it was calculated using a healthcare trend rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	June 30, 2022		
	1.00% <u>Decrease</u>	Healthcare Cost <u>Trend Rate</u>	1.00% <u>Increase</u>
Borough's proportionate share of the Net OPEB Liability	\$8,056,342	\$8,663,450	\$11,743,316

OPEB Plan Fiduciary Net Position

Detailed information about the OPEB plan's fiduciary net position is available in the separately issued Financial Report for the State of New Jersey State Health Benefits Local Government Retired Employees Plan. The report may be obtained at State of New Jersey Division of Pensions and Benefits P.O. Box 295 Trenton, New Jersey 08625-0295 <http://www.state.nj.us/treasury/pensions>.

NOTE 14: INTERFUND RECEIVABLES AND PAYABLES

The following interfund balances remained on the balance sheet at December 31, 2023:

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
Current Fund	\$ 1,073,068.43	\$ 1,011,230.76
Grant Fund	98,249.19	
Animal Control Fund	4,724.00	
Trust Other Fund	558,578.43	
General Capital Fund		1,571,933.40
Sewer Utility Operating Fund	1,027,029.14	
Sewer Utility Capital Fund		178,485.03
	<u>\$ 2,761,649.19</u>	<u>\$ 2,761,649.19</u>

All balances resulted from the time lag between the dates that short-term loans were disbursed and payments between funds were made.

NOTE 15: FIXED ASSETS

The Borough's governmental fixed assets are reported as follows:

	Balance December 31, <u>2022</u>	<u>Additions</u>	<u>Deletions</u>	Balance December 31, <u>2023</u>
Land	\$ 829,500.00	\$	\$	\$ 829,500.00
Buildings	1,142,300.00			1,142,300.00
Machinery and Equipment	<u>3,587,595.00</u>	<u>136,965.00</u>	<u>97,211.00</u>	<u>3,627,349.00</u>
	<u>\$ 5,559,395.00</u>	<u>\$ 136,965.00</u>	<u>\$ 97,211.00</u>	<u>\$ 5,599,149.00</u>

NOTE 16: SUBSEQUENT EVENTS

The Borough has evaluated subsequent events occurring after the financial statement date through June 18, 2024 which is the date the financial statements were available to be issued. Based upon this evaluation, the Borough has determined that the following subsequent event needed to be disclosed:

The Borough issued a Bond Anticipation Note ("BAN") dated January 18, 2024 with a maturity date of January 17, 2025. The BAN consisted of \$3,323,000.00 General Capital funds and \$550,000.00 Sewer Utility Capital funds. The interest rate was 4.25%.

BOROUGH OF DUNELLEN  
SUPPLEMENTARY SCHEDULES – ALL FUNDS  
YEAR ENDED DECEMBER 31, 2023

BOROUGH OF DUNELLEN  
MIDDLESEX COUNTY, NEW JERSEY

SCHEDULE OF CURRENT FUND CASH  
AND INVESTMENTS - TREASURER

	<u>REF.</u>		
Balance - December 31, 2022	A		\$ 8,486,598.13
Increased by Receipts:			
Due from State of N.J. - Ch. 73 P.L. 1976	A- 6	25,136.30	
Taxes Receivable	A- 7	22,629,882.48	
Prepaid Taxes	A- 7	78,557.96	
Revenue Accounts Receivable	A- 8	2,669,338.47	
Various Payables	A-11	154,330.53	
Various Reserves	A-11	271,568.48	
Interfunds Payable Received	A-13	<u>5,176,267.82</u>	
			<u>31,005,082.04</u>
			39,491,680.17
Decreased by Disbursements:			
Budget Appropriations	A-3	8,192,209.91	
Appropriation Reserves	A-9	225,869.08	
Various Payables	A-11	125,991.13	
Various Reserves	A-11	215,221.22	
Local District School Tax	A-12	13,488,010.00	
County Taxes	A-12	2,898,422.49	
County Open Space Taxes	A-12	255,997.58	
County Added Taxes	A-12	5,611.55	
Interfunds Payable Disbursed	A-13	<u>11,702,893.57</u>	
			<u>37,110,226.53</u>
Balance - December 31, 2023	A		<u>\$ 2,381,453.64</u>

BOROUGH OF DUNELLEN  
MIDDLESEX COUNTY, NEW JERSEY

SCHEDULE OF CHANGE FUNDS - COLLECTOR  
CURRENT FUND

	<u>REF.</u>		
Balance - December 31, 2022	A	\$	100.00
Balance - December 31, 2023	A	\$	<u>100.00</u>

BOROUGH OF DUNELLEN  
MIDDLESEX COUNTY, NEW JERSEY

SCHEDULE OF DUE FROM STATE OF NEW JERSEY  
FOR SENIOR CITIZENS AND VETERANS DEDUCTIONS  
PER CHAPTER 73, P.L. 1976  
CURRENT FUND

	<u>REF.</u>		
Balance - December 31, 2022	A		\$ 59,758.60
Increased by:			
Sr. Cit. & Veteran's Deds. Allowed per			
Tax Billings - 2023	A-6	\$ 27,500.00	
2023 Sr. Citizen & Vet. Deduct. Allowed	A-6	<u>750.00</u>	
			<u>28,250.00</u>
			88,008.60
Decreased by:			
Collection	A-4	25,136.30	
2023 Sr. Citizen & Vet. Deduct. Disallowed	A-6	247.95	
2022 Sr. Citizen & Vet. Deduct. Disallowed	A-1	<u>250.00</u>	
			<u>25,634.25</u>
Balance - December 31, 2023	A		<u>\$ 62,374.35</u>
<u>Analysis of Realized Revenues for 2023</u>			
Sr. Cit. & Veterans Deds. Allowed by:			
Per Tax Billings - 2023			\$ 27,500.00
2023 Sr. Citizen & Vet. Deduct. Disallowed			<u>(247.95)</u>
Amount Realized as Revenue - 2023	A-7		<u>\$ 28,002.05</u>

BOROUGH OF DUNELLEN  
MIDDLESEX COUNTY, NEW JERSEY

SCHEDULE OF PROPERTY TAXES RECEIVABLE AND LEVY ANALYSIS  
CURRENT FUND

REF.	Total	2024 Prepaid	2023 Current	2022 Delinquent	Tax Overpayments	Tax Liens	Property Acquired for Taxes
A	\$ 248,322.92	\$	\$ (88,988.89)	\$ 226,727.25	\$ (42,934.03)	\$ 35,518.59	\$ 118,000.00
<b>Billings / Levy:</b>							
A-7	22,900,554.00		22,900,554.00				
A-7	36,936.51		36,936.51				
A-7	1,619.77			1,619.77			
A-7	9,144.00		9,035.69			108.31	
A-7	(141,172.98)		(132,342.74)	(8,830.24)			
A-7			(2,285.55)			2,285.55	
<b>Revenue</b>							
A-6	(27,500.00)		(27,500.00)				
A-6	(252.05)		(502.05)	250.00			
A-4	(22,708,440.44)	(78,557.96)	(22,410,134.89)	(219,747.59)	19.19		
A-8				(19.19)			
A	\$ 319,211.73	\$ (78,557.96)	\$ 284,772.08	\$ 0.00	\$ (42,914.84)	\$ 37,912.45	\$ 118,000.00
REF.		A	A, A-7	A	A	A	A
<b>Analysis of 2023 Property Tax Levy:</b>							
<b>Tax Yield:</b>							
General Purpose Tax	\$ 22,900,554.00		Current Taxes Realized:	REF.			
Added Taxes	36,936.51		Sr. Citizens & Vets	A-6, A-7	28,002.05		
	\$ 22,937,490.51		Cash Receipts	A-7	22,410,134.89		
			Prepayments	A-7	88,988.89		
			Res. For Uncoil. Tax	A-1	22,527,125.83		
			Allocated to School and County	A-3	540,000.00		
Local School District Tax	\$ 13,488,010.00				23,067,125.83		
County Tax	2,898,422.49				(16,647,513.26)		
County Open Space	255,997.58						
Due County - Added & Omitted	5,083.19				6,419,612.57		
Local Tax for Municipal Purposes	16,647,513.26						
Minimum Library Tax	5,969,293.74						
Add: Additional Tax Levied	282,338.00						
	38,345.51						
	\$ 22,937,490.51						

BOROUGH OF DUNELLEN  
MIDDLESEX COUNTY, NEW JERSEY

SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE  
CURRENT FUND

REF.	BALANCE DECEMBER 31, 2022	ACCRUED 2023	COLLECTED	BALANCE DECEMBER 31, 2023
By Revenue Type:				
Miscellaneous Revenues:				
A-2	\$	\$ 6,240.00	\$ 6,240.00	\$
A-2		24,736.00	24,736.00	
A-2		20,690.05	20,690.05	
Municipal Court:				
A-2	10,063.16	194,466.36	188,188.80	16,340.72
A-2		58,208.54	58,208.54	
A-2		29,378.46	29,378.46	
A-2		607,121.82	607,121.82	
A-2		630,077.00	630,077.00	
A-2		20,002.00	20,002.00	
A-2		52,635.59	52,635.59	
A-2		786,241.12	786,241.12	
Miscellaneous Revenue Not Anticipated:				
A-2		3,043.54	3,043.54	
A-2		192,387.07	192,387.07	
A-2		2,500.00	2,500.00	
A-2		14,773.29	14,773.29	
A-2		11,734.72	11,734.72	
A-2		100.00	100.00	
A-2		527.73	527.73	
A-2		2,421.00	2,421.00	
A-2		2,400.00	2,400.00	
A-2		15,931.74	15,931.74	
	\$ 10,063.16	\$ 2,675,616.03	\$ 2,669,338.47	\$ 16,340.72
REF.	A	Reserve	A-4	A

BOROUGH OF DUNELLEN  
MIDDLESEX COUNTY, NEW JERSEY

SCHEDULE OF 2022 APPROPRIATION RESERVES

	BALANCE DEC. 31, 2022	ENCUMBRANCES DEC. 31, 2022	BALANCE AFTER MODIFICATION	PAID OR CHARGED	BALANCE LAPSED
	\$	\$	\$	\$	\$
<u>Operations Within "CAPS"</u>					
Administrative and Executive	53.08		53.08		53.08
Salaries and Wages	20.84	23.95	44.79	23.95	20.84
Miscellaneous Other Expenses					
Borough Clerk	3.34		3.34		3.34
Salaries and Wages	1,397.09	1,182.50	2,579.59	641.50	1,938.09
Other Expenses	1,129.69	767.00	1,896.69	767.00	1,129.69
Legal Advertising					
Elections					
Other Expenses	34.09		34.09		34.09
Financial Administration					
Other Expenses	187.23	1,277.00	1,464.23	1,277.00	187.23
Annual Audit	40,200.00		40,200.00	40,200.00	
Mayor and Council					
Salaries and Wages	0.16		0.16		0.16
Other Expenses	269.27		269.27		269.27
Assessment of Taxes					
Salaries and Wages	11.88		11.88		11.88
Other Expenses	475.53	1,735.80	3,111.33	3,025.34	85.99
Collection of Taxes					
Other Expenses	50.88	95.00	145.88	95.00	50.88
Legal Services and Costs					
Salaries and Wages	1.78		1.78		1.78
Other Expenses	3,858.05	1,675.00	5,533.05	1,908.50	3,624.55
Municipal Prosecutor					
Salaries and Wages	53.75		53.75		53.75
Engineering Services and Costs					
Other Expenses	11,383.13		11,383.13	966.00	10,417.13
Postage	1,678.38		1,678.38		1,678.38
Public Buildings and Grounds					
Salaries and Wages	294.00		294.00		294.00
Miscellaneous Other Expenses	5,816.90	7,447.00	13,263.90	12,518.14	745.76

BOROUGH OF DUNELLEN  
MIDDLESEX COUNTY, NEW JERSEY

SCHEDULE OF 2022 APPROPRIATION RESERVES

	BALANCE <u>DEC. 31, 2022</u>	RESERVE FOR ENCUMBRANCES <u>DEC. 31, 2022</u>	BALANCE AFTER MODIFICATION	PAID OR CHARGED	BALANCE <u>LAPSED</u>
Municipal Land Use Law (NJSA 40:55D)					
Planning Board	\$	\$	\$	\$	\$
Salaries and Wages	88.98		88.98		88.98
Other Expenses	11,833.62	84.56	11,918.18	3,513.31	8,404.87
Municipal Court					
Salaries and Wages	621.15		621.15		621.15
Other Expenses	81.74	2,732.50	3,264.24	3,232.50	31.74
Information Technology					
Other Expenses	7,744.99	5,177.71	12,922.70	12,922.70	
Municipal Planner					
Other Expenses	1,000.00	4,691.58	5,691.58	5,061.58	630.00
Climate Resiliency Study - ARP		250.00	250.00	250.00	
Grant Writer					
Other Expenses	100.00		100.00		100.00
<u>PUBLIC SAFETY:</u>					
Fire					
Other Expenses:					
Fire Hydrant Service	7,790.09		7,790.09	7,747.00	43.09
Miscellaneous Other Expenses	3.76	5,323.10	5,626.86	5,600.07	26.79
Police					
Salaries and Wages:					
Regular	201.51		201.51		201.51
Overtime	2,244.49		2,244.49		2,244.49
Other Expenses:					
Misc. Other Expenses	3,699.97	18,254.30	23,454.27	22,194.05	1,260.22
School Crossing Guards					
Salaries and Wages	6,670.79		6,670.79		6,670.79
Emergency Management Services					
Salaries and Wages	20.77		20.77		20.77
Other Expenses	43.07	180.95	274.02	253.88	20.14
Emergency Vehicle Leases					
Other Expenses	443.84		443.84		443.84

BOROUGH OF DUNELLEN  
MIDDLESEX COUNTY, NEW JERSEY

SCHEDULE OF 2022 APPROPRIATION RESERVES

	BALANCE DEC. 31, 2022	RESERVE FOR ENCUMBRANCES DEC. 31, 2022	BALANCE AFTER MODIFICATION	PAID OR CHARGED	BALANCE LAPSED
<u>STREETS AND ROADS:</u>					
Road Repairs and Maintenance					
Salaries and Wages	\$ 5,685.67	\$	12,385.67	\$ 12,326.05	\$ 59.62
Other Expenses	13,569.71	1,839.21	12,308.92	12,308.92	607.20
Misc. Other Expenses	607.20		607.20		
Leaf Bags					
Tree Maintenance	11,897.46	2,500.00	7,697.46	7,697.46	
Other Expenses					
Shade Trees	103.34		103.34		103.34
Other Expenses					
Transit Village	208.08		208.08		208.08
Other Expenses					
<u>SANITATION:</u>					
Landfill/Solid Waste Disposal Costs	3,118.80	2,286.43	5,405.23	3,668.36	1,736.87
Other Expenses					
<u>HEALTH AND WELFARE:</u>					
Board of Health					
Salaries and Wages	27.81		27.81		27.81
Other Expenses	1,306.11		1,306.11	1,246.46	59.65
Green Brook Flood Control Commission					
Share of Cost	80.00		80.00		80.00
Insurance					
General Liability	41.00		41.00		41.00
Employee Group Health	62.29		62.29		62.29
<u>RECREATION AND EDUCATION:</u>					
Recreation Commission					
Salaries and Wages	195.74		195.74		195.74
Other Expenses	883.55	65.00	948.55	575.62	372.93
Senior Citizens Activities					
Other Expenses:					
Misc. Other Expenses	966.73		966.73	563.31	403.42

BOROUGH OF DUNELLEN  
MIDDLESEX COUNTY, NEW JERSEY

SCHEDULE OF 2022 APPROPRIATION RESERVES

	BALANCE DEC. 31, 2022	RESERVE FOR ENCUMBRANCES DEC. 31, 2022	BALANCE AFTER MODIFICATION	PAID OR CHARGED	BALANCE LAPSED
Construction Code Official	\$ 16.90	\$	16.90	\$	16.90
Salaries and Wages	4,955.55	862.33	3,817.88	114.33	3,703.55
Other Expenses					
UNCLASSIFIED					
Telephone	259.80		259.80	165.88	93.92
Water	2,826.25		1,226.25	853.23	373.02
Gasoline	492.46	11,512.85	12,005.31	11,512.85	492.46
Natural Gas and Electricity	19,609.03		19,609.03	19,476.73	132.30
Internet Service Provider	868.85		868.85		868.85
Total Operations Within "CAPS"	177,290.17	69,963.77	243,753.94	185,009.26	58,744.68
Contingent	1,500.00		1,500.00		1,500.00
Total Operations Including Contingent Within "CAPS"	178,790.17	69,963.77	245,253.94	185,009.26	60,244.68
Statutory Expenditures: Contribution to:					
Social Security System (O.A.S.I.)	12,073.92		12,073.92	11,226.60	847.32
Defined Contribution Retirement Plan	99.95		99.95		99.95
Unemployment Compensation Ins.	1,000.00		1,000.00		1,000.00
Total Deferred Charges and Statutory Expenditures Municipal Within "CAPS"	13,173.87		13,173.87	11,226.60	1,947.27
Total General Appropriations for Municipal Purposes Within "CAPS"	191,964.04	69,963.77	258,427.81	196,235.86	62,191.95

BOROUGH OF DUNELLEN  
MIDDLESEX COUNTY, NEW JERSEY

SCHEDULE OF 2022 APPROPRIATION RESERVES

	BALANCE DEC. 31, 2022	RESERVE FOR ENCUMBRANCES DEC. 31, 2022	BALANCE AFTER MODIFICATION	PAID OR CHARGED	BALANCE LAPSED
Operations Excluded from "CAPS"					
Maintenance of Free Public Library	\$ 31,610.61	\$	31,610.61	31,610.61	\$
Intergovernmental - County of Middlesex	9,120.73	812.91	13,433.64	13,395.15	38.49
Recycling - Other Expenses	1,610.60		1,610.60		1,610.60
Health Services - Other Expenses	89.38		89.38		89.38
Intergovernmental - County of Somerset					
Dispatch Services - Other Expenses					
Capital Improvements - Excluded from "CAPS"					
Stormwater Infrastructure Improvements - ARPA	13,580.00	1,919.22	13,580.00	1,919.22	13,580.00
Building Assessment - ARPA					
Total Operations - Excluded from "CAPS"	56,011.32	2,732.13	62,243.45	46,924.98	15,318.47
Total General Appropriations	\$ 247,975.36	\$ 72,695.90	\$ 320,671.26	\$ 243,160.84	\$ 77,510.42
REF.	A	A-10			A-1
Accounts Payable			\$	17,291.76	
Disbursed				225,869.08	
			\$	243,160.84	

BOROUGH OF DUNELLEN  
MIDDLESEX COUNTY, NEW JERSEY

SCHEDULE OF RESERVE FOR ENCUMBRANCES  
CURRENT FUND AND GRANT FUND

	<u>REF.</u>	<u>CURRENT FUND</u>	<u>GRANT FUND</u>
Balance - December 31, 2022	A	\$ 72,695.90	\$ 7,810.73
Increased by:			
Transferred from Budget Appropriations	A-3:A-16	<u>179,527.68</u>	<u>7,475.50</u>
		252,223.58	15,286.23
Decreased by:			
Transferred to Approp. Reserves	A-9:A-16	<u>72,695.90</u>	<u>7,810.73</u>
Balance - December 31, 2023	A	<u>\$ 179,527.68</u>	<u>\$ 7,475.50</u>

BOROUGH OF DUNELLEN  
MIDDLESEX COUNTY, NEW JERSEY

SCHEDULE OF CHANGES IN VARIOUS ACCOUNTS PAYABLES & RESERVES  
CURRENT FUND

	BALANCE DECEMBER 31, 2022	CASH RECEIPTS	CASH DISBURSEMENTS	TRANSFERS FROM/(TO) BUDGET REVENUES	TRANSFER FROM APPROPRIATION RESERVES	BALANCE DECEMBER 31, 2023
<b>Accounts Payable:</b>						
Due to State of NJ - Building Code Fees	\$ 615.00	\$ 17,743.00	\$ 18,358.00	\$	\$	50.00
Due to State of NJ - Marriage License Fees	50.00	800.00	800.00			49,758.10
Due to County - PILOT Fees		49,758.10				5,238.38
Prepaid PILOT Fees	64,915.82	5,238.38	97,404.65			48,302.22
Payroll Deductions Payable	26,454.56	80,791.05	9,428.48		17,291.76	34,317.84
Vendor Accounts Payable						
Subtotal	92,035.38	154,330.53	125,991.13		17,291.76	137,666.54
<b>Reserve for:</b>						
Preparation of Tax Map	9,061.88					9,061.88
Fire Prevention Fees	5,312.10					5,312.10
Insurance Proceeds	129,966.57		7,500.00			122,466.57
Sale of Municipal Assets	3,790.07					3,790.07
Tax Appeals	1,593.63					1,593.63
Third Party Lien Redemptions	3,525.44	208,676.81	207,721.22			4,481.03
Revaluation	42.50					42.50
Municipal Relief Fund	31,452.42	62,891.67		31,452.42		62,891.67
Subtotal	184,744.61	271,568.48	215,221.22	31,452.42		209,639.45
<b>Total</b>	\$ 276,779.99	\$ 425,899.01	\$ 341,212.35	\$ 31,452.42	\$ 17,291.76	\$ 347,305.99

REF.

A A-4 A-4 A-2 A-9 A

BOROUGH OF DUNELLEN  
MIDDLESEX COUNTY, NEW JERSEY

SCHEDULE OF TAXES PAYABLE  
CURRENT FUND

		BALANCE DECEMBER 31, <u>2022</u>		2023 <u>LEVY</u>		CASH <u>DISBURSEMENTS</u>		BALANCE DECEMBER 31, <u>2023</u>
County - General	\$		\$	2,898,422.49	\$	2,898,422.49	\$	
County - Open Space				255,997.58		255,997.58		
County - Added & Omitted		5,611.55		5,083.19		5,611.55		5,083.19
Local District School Tax		<u>                    </u>		<u>13,488,010.00</u>		<u>13,488,010.00</u>		<u>                    </u>
	\$	<u>5,611.55</u>	\$	<u>16,647,513.26</u>	\$	<u>16,648,041.62</u>	\$	<u>5,083.19</u>
	<u>REF.</u>	A				A-4		A
County			\$	3,159,503.26				
Local District School Tax	A-1:A-2:A-7 A-1:A-2:A-7			<u>13,488,010.00</u>				
			\$	<u>16,647,513.26</u>				

BOROUGH OF DUNELLEN  
MIDDLESEX COUNTY, NEW JERSEY

SCHEDULE OF INTERFUNDS (DUE FROM)/DUE TO  
CURRENT FUND

REF.	TOTAL	GRANT FUND	ANIMAL CONTROL FUND	OTHER TRUST FUND	GENERAL CAPITAL FUND	SEWER UTILITY OPERATING FUND	SEWER UTILITY CAPITAL FUND
A	\$ 6,517,557.03	\$ 512,644.93	\$ 4,680.60	\$ 659,974.14	\$ 4,700,754.35	\$ 635,742.31	\$ 3,760.70
Increased by:							
A-4	4,405,868.13	104,418.73	2,018.56	595,383.31	1,944,600.00	1,140,247.53	619,200.00
A-4	770,399.69				770,399.69		
A-1	6,849.00	6,849.00					
A-3	461,889.33	461,889.33					
A-3	175,400.00				175,400.00		
A-3	330,000.00				330,000.00		
A-3	20,000.00				20,000.00		
	12,887,963.18	1,085,801.99	6,699.16	1,255,357.45	7,941,154.04	1,775,989.84	622,960.70
Decreased by:							
A-4	7,045,406.13	83,272.08	348.60	1,135,779.02	4,275,600.00	926,310.70	624,095.73
A-4	4,657,487.44				4,657,487.44		
A-1	13,640.55	13,640.55					
A-1	1,626.56		1,626.56				
A-2	460,049.33	460,049.33					
A-2	61,000.00			61,000.00			
A-2	80,000.00				80,000.00		
A-2	430,590.84	430,590.84					
	12,749,800.85	987,552.80	1,975.16	1,196,779.02	9,013,087.44	926,310.70	624,095.73
A	1,073,068.43				1,071,933.40		1,135.03
A	\$ 1,011,230.76	\$ 98,249.19	\$ 4,724.00	\$ 58,578.43	\$ 1,071,933.40	\$ 849,679.14	\$ 1,135.03

Balance - December 31, 2022  
Interfund Payable - Due to

Interfund Loans Received

General Capital Fund Grants received in Current Fund  
State & Federal Grants Receivable, Cancelled  
2023 State & Fed. Grants Budget Appropriations  
Payment of Bond Anticipation Notes and Capital Notes  
2023 Budget Appropriations - Cap. Improv. Fund  
Deferred Charges to Future Taxation-Unfunded

Interfund Loans Disbursed

Improvement Authorizations paid by Current Fund  
2023 State & Fed. Grants Appropriations Cancelled  
Statutory Excess Due to Current Fund - Animal Control Fund  
State & Fed. Grants Realized as 2023 Budget Revenue  
Outside Duty Administrative Fees  
Anticipated General Capital Surplus  
Unappropriated Grant Realized as 2023 Budgeted Revenue

Balance - December 31, 2023  
Interfund Payable - Due from  
Interfund Payable - Due to

BOROUGH OF DUNELLEN  
MIDDLESEX COUNTY, NEW JERSEY

SCHEDULE OF STATE AND FEDERAL GRANTS RECEIVABLE  
GRANT FUND

GRANTS	BALANCE DECEMBER 31, 2022	2023		BALANCE DECEMBER 31, 2023	
		BUDGET REVENUE REALIZED	COLLECTED 2023		TRANSFERRED/ CANCELLED
County of Middlesex- CDBG (19-20)	\$ 16,372.41	\$	\$ 16,372.41	\$	
County of Middlesex- CDBG (20-21)	12,665.00		12,665.00		
County of Middlesex- CDBG (21-22)	12,665.00		12,665.00		
County of Middlesex- CDBG (22-23)		47,665.00		47,665.00	
Clean Communities Program		13,550.78			
Cool Cities Community Stewardship Incentive Program	10,899.00			6,499.00	
Distracted Driving Grant	350.00		7,000.00	350.00	
Drunk Driving Enforcement Fund		7,000.00			
Emergency Management Grant		20,617.95		20,617.95	
Municipal Alliance on Alcohol and Drug Abuse - 23		10,000.00			
Municipal Alliance on Alcohol and Drug Abuse - 24	10,914.00		10,914.00		
New Jersey American Water - Trash Trap PILOT Program	300,000.00			10,914.00	
NJ DOT Washington Avenue Streetscape Enhancements	4,640.00			66,000.00	
Pedestrian Safety Fund		20,000.00		300,000.00	
Solid Waste Admin - Recycling Tonnage Grant		9,301.60	6,370.00	18,270.00	
Transit Village NJ DOT FY22		255,000.00	9,301.60		
	\$ 368,505.41	\$ 460,049.33	\$ 98,838.79	\$ 6,849.00	
				\$ 722,866.95	
REF.	A	A-15	A-15	A-15	A

BOROUGH OF DUNELLEN  
MIDDLESEX COUNTY, NEW JERSEY

SCHEDULE OF DUE FROM/TO CURRENT FUND  
GRANT FUND

	<u>REF.</u>		
Balance - December 31, 2022 (Due from)	A	\$	512,644.93
Increased by:			
State & Federal Grants Approp. - Transferred from 2023 Budget	A-16	\$	461,889.33
State & Federal Grants Receivable. Cancelled	A-14		6,849.00
Current Fund Collections:			
State & Federal Grants Received	A-14		98,838.79
State & Federal Grants Unapprop.	A-17		<u>5,579.94</u>
			<u>573,157.06</u>
			1,085,801.99
Decreased by:			
State & Federal Grants Realized as 2023 Budget Revenue	A-14		460,049.33
State & Federal Grants Appr. Cancelled	A-16		13,640.55
State & Federal Grants Approp. & Unapprop. Expend. Paid by Current Fund	A-16		83,272.08
State & Federal Grants Unapprop. as 2023 Budget Revenue	A-17		<u>430,590.84</u>
			<u>987,552.80</u>
Balance - December 31, 2023	A	\$	<u><u>98,249.19</u></u>

BOROUGH OF DUNELLEN  
MIDDLESEX COUNTY, NEW JERSEY

SCHEDULE OF STATE AND FEDERAL GRANT APPROPRIATED  
GRANT FUND

Grant	Balance December 31, 2022	Transferred from 2023 Budget Appropriations	Appropriation by 40A:4-87	Reserve for Encumbrances 2022	Paid or Charged	Reserve for Encumbrances 2023	Transferred/ Cancelled	Balance December 31, 2023
CY 2011	\$ 1,303.09	\$	\$	\$	1,303.09	\$	\$	\$
Alcohol Education Rehabilitation Fund								
CY 2012	3,129.86							3,129.86
Alcohol Education Rehabilitation Fund								
CY 2013	738.85		317.11					421.74
Alcohol Education and Rehabilitation Fund								
CY 2014	1,949.64							1,949.64
Alcohol Education and Rehabilitation Fund								
NJ DOT Washington Avenue Streetscape Enhancements	299,969.47							299,969.47
CY 2015	1,355.46							1,355.46
Alcohol Education and Rehabilitation Fund								
CY 2016	1,933.81							1,933.81
Alcohol Education and Rehabilitation Fund								
CY 2017	1,222.46			1,360.00				1,222.46
Alcohol Education and Rehabilitation Fund								
Clean Communities Program								
Drunk Driving Enforcement Fund	1.80							1.80
CY 2019	321.55							321.55
Drunk Driving Enforcement Fund								
Solid Waste Administration - Recycling Tonnage Grant				28.50				28.50
CY 2020	2,583.97							2,583.97
Alcohol Education and Rehabilitation Fund								
Body Armor Grant	1,346.31							1,346.31
Bullet Proof Vest Partnership	1,197.96						1,197.96	
CY 2021	38,722.00							38,722.00
Body Worn Camera	1,666.27							1,666.27
Bullet Proof Vest Partnership	6,499.00							6,499.00
Cool Cities Community Stewardship Incentive Program	1,358.00							1,358.00
Drunk Driving Enforcement Fund	2.09							2.09
Municipal Alliance on Alcohol and Drug Abuse 3 Qtrs				264.75				264.75
Solid Waste Administration - Recycling Tonnage Grant						253.50		11.25

BOROUGH OF DUNELLEN  
MIDDLESEX COUNTY, NEW JERSEY

SCHEDULE OF STATE AND FEDERAL GRANT APPROPRIATED  
GRANT FUND

Grant	Balance December 31, 2022	Transferred from 2023 Budget Appropriations	Appropriation by 40A:4-87	Reserve for Encumbrances 2022	Paid or Charged	Reserve for Encumbrances 2023	Transferred/ Cancelled	Balance December 31, 2023
CY 2022								
Alcohol Education and Rehabilitation Grant	11,562.27							11,562.27
Body Armor Grant	2,710.58				3,647.09			2,710.58
Clean Communities Program	350.00						350.00	
Distracted Driving Grant	7,628.82			264.00	7,593.70	224.65		74.47
Drunk Driving Enforcement Fund	2,961.95			5,893.48	8,642.08	213.35		
Emergency Management Preparedness	10,489.00				10,489.00			
Municipal Alliance on Alcohol and Drug Abuse	2,055.00				1,103.50		951.50	
Municipal Alliance - Matching Funds	4,640.00				1,594.64		4,640.00	
Pedestrian Safety Grant	2,125.36							
Recycling Tonnage Grant						530.72		
CY 2023								
Clean Communities Program			13,550.78		13,550.78			
Distracted Driving Grant			7,000.00		7,000.00			
Drunk Driving Enforcement Fund			20,617.95		1,812.68			18,805.27
Emergency Management Preparedness			10,000.00			2,650.00		7,350.00
Municipal Alliance on Alcohol and Drug Abuse			10,914.00		425.00	3,550.00		6,939.00
Municipal Alliance - Matching Funds		1,840.00			735.00			1,105.00
New Jersey American Water - Trash Trap PILOT Program		66,000.00			20,000.00			66,000.00
Pedestrian Safety Grant					12,310.00			7,690.00
Transit Village NJ DOT FY 22			255,000.00					255,000.00
Solid Waste Administration - Recycling Tonnage Grant		9,301.60			1,571.36	53.28		7,676.96
CDBG								
2019/2020	1,982.59							1,982.59
CDBG								
2021/2022	27,294.52				2,047.50			25,247.02
CDBG								
2021/2022		47,665.00			7,450.00			40,215.00
CDBG								
	\$ 442,748.77	\$ 124,806.60	\$ 337,082.73	\$ 7,810.73	\$ 83,272.08	\$ 7,475.50	\$ 13,640.55	\$ 808,060.70

REF.

A

A-15

A-10

A-15

A-10

A-15

A

BOROUGH OF DUNELLEN  
MIDDLESEX COUNTY, NEW JERSEY

SCHEDULE OF STATE AND FEDERAL GRANTS  
UNAPPROPRIATED  
GRANT FUND

	BALANCE DECEMBER 31, 2022	RECEIVED IN CASH	TRANSFERRED TO 2023 CURRENT FUND BUDGET AS REVENUE	BALANCE DECEMBER 31, 2023
<u>GRANT</u>				
Alcohol Education & Rehabilitation	\$	2,595.89	\$	2,595.89
Bulletproof Vest Partnership		1,268.28		1,268.28
Body Armor		1,715.77		1,715.77
American Rescue Plan Act	430,590.84		430,590.84	
	<u>\$ 430,590.84</u>	<u>\$ 5,579.94</u>	<u>\$ 430,590.84</u>	<u>\$ 5,579.94</u>
<u>REF.</u>	A	A-15	A-15	A

BOROUGH OF DUNELLEN  
MIDDLESEX COUNTY, NEW JERSEY

TRUST FUNDS  
SCHEDULE OF CASH AND RESERVE ACTIVITY

	Balance 12/31/22	Receipts	Cash Disbursements	Statutory Excess Due to Current	Balance 12/31/23
Animal Control:					
Due from Current Fund	\$ (4,680.60)	\$ 348.60	\$ 2,018.56	\$ (1,626.56)	\$ (4,724.00)
Due to NJ - State License Fees		348.60	348.60		
Animal Control Reserves	4,680.60	1,669.96		1,626.56	4,724.00
<b>Total</b>		<b>2,367.16</b>	<b>2,367.16</b>		
Other Trust Fund:					
Due from General Capital Fund	(100,000.00)		400,000.00		(500,000.00)
Due from Current Fund	(659,974.14)	1,196,779.02	595,383.31		(58,578.43)
Various Reserves:					
Affordable Housing	2,106.81	5.27			2,112.08
D.A.R.E..	2,109.42				2,109.42
Downtown Management Organization	5,426.71	7,085.00	3,896.19		8,615.52
Dunellen Arts & Cultural Commission	9,409.90	6,321.00	9,024.60		6,706.30
Dunellen Reporter	264.29				264.29
F.E.M.A.	361.33				361.33
Fire Dedicated Penalties Account	925.92				925.92
Fire Prevention Fees	4,361.03				4,361.03
Hometown Heroes Program	2,108.14	1,650.00	1,340.05		2,418.09
Law Enforcement Trust Fund	42,310.28	93.06	19,740.00		22,663.34
Maurer House	29,262.32	22,359.95	20,900.27		30,722.00
Municipal Alliance Donation	2,325.04	4,193.16	4,769.73		1,748.47
Off Duty Police	120,476.17	346,867.75	363,388.70		103,955.22
OEM Donations	200.00	200.00			400.00
Performance Bonds	1,000.00				1,000.00
Planning Board Escrow					
Engineering Inspection (0820)	324,635.50	189,525.57	350,648.84		163,512.23
Planning Board Escrow (9681)	54,923.36	112,932.54	122,405.85		45,450.05
Planning Board Escrow (7133)	171,546.32	149,610.73	95,981.94		225,175.11
Planning Board Escrow (3105)	112,676.38	92.49	104,996.40		7,772.47
POAA	4,425.14	308.00	500.00		4,233.14
Pop-Up Park Donations	420.79				420.79
Premium on Third Party Tax Sale	501,800.00	98,900.00	306,500.00		294,200.00
Public Defender	8,760.41	2,305.00	9,850.00		1,215.41
Recreation Trust	23,876.87	99,593.45	77,128.22		46,342.10
Recreation Assistance Program	4,650.00				4,650.00
Recycling Funds	1,238.70				1,238.70
Road Opening Deposits	200.00	2,000.00			2,200.00
Shade Tree Escrow	4,003.51	3,600.00			7,603.51
Storm/Snow Emergency	8,997.39				8,997.39
State Firearms Registration Fees	427.00				427.00
Street Lighting	23,462.80				23,462.80
Unemployment compensation insurance fund	28,826.28	12,905.65	3,893.12		37,838.81
<b>Total</b>	<b>737,543.67</b>	<b>2,257,327.64</b>	<b>2,490,347.22</b>		<b>504,524.09</b>
Public Assistance:					
Reserves for Expenditures	3,405.43	8.56			3,413.99
<b>Total</b>	<b>3,405.43</b>	<b>8.56</b>			<b>3,413.99</b>
<b>Total</b>	<b>\$ 740,949.10</b>	<b>\$ 2,259,703.36</b>	<b>\$ 2,492,714.38</b>	<b>\$ -</b>	<b>\$ 507,938.08</b>

REF.

B

B

DOG LICENSE FEES COLLECTED

YEAR	AMOUNT
2021	\$2,104.40
2022	2,619.60
	<u>\$4,724.00</u>

Note: R.S. 4:19.11

" . . . . there shall be transferred from such special account to the general funds of the municipality any amount then in such special account which is in excess of the total amount paid into such special account during the last two fiscal years next preceding."

BOROUGH OF DUNELLEN  
MIDDLESEX COUNTY, NEW JERSEY

ANALYSIS OF GENERAL CAPITAL FUND  
CASH AND INVESTMENTS

	BALANCE DEC. 31, 2022	BALANCE DEC. 31, 2023
Fund Balance	\$ 456,043.23	\$ 376,043.23
Capital Improvement Fund	5,583.05	34,083.05
Reserve for Payment of Future Debt Service	25,081.36	25,081.36
Reserve for Encumbrances Payable	3,467,752.70	7,312,065.83
N.J. D.O.T. Grants Receivable/Reserve	(964,747.20)	(1,294,747.20)
Due to Trust Fund	100,000.00	500,000.00
Due to/(from) Current Fund	(4,700,754.35)	1,071,933.40
Deferred Charges	(20,000.00)	(20,000.00)
Excess BAN Proceeds	1,996,506.87	23,077.98

Improvement Authorizations:

ORD. NO. IMPROVEMENT DESCRIPTION

01-09/	Sanitary Sewer/ Pump Station		
02-01	Improvements (Amended)	(2,592.84)	
04-07	Improvement to Streetscape	19,709.82	705.78
05-10	Dunellen Redevelopment Project	(3,810.07)	(3,640.19)
05-12	Resurfacing of Whittier Avenue	(4,897.05)	(4,897.05)
05-20	Emergency equipment	(264.80)	
05-21	Supplemental Appropriation - Columbia Park		
06-12/	Construct Culvert under Railroad	818,902.42	788,793.42
17-04	Supplement Construct Culvert under Railroad	(1,200.00)	(9,200.00)
06-18	Supplemental Appropriation - Sanitary Sewer		
06-25	Acquisition of Equipment	(585.43)	
07-02	Various Capital Improvements	(2,116.59)	
07-15	McCoy Park Improvements	(313.29)	
07-18	West 4th Street Improvements	(1,106.06)	
07-21	Boiler Replacement in Municipal Building	(798.81)	
08-07	First Street Phase II Improvements	(612.72)	
08-08B	Manhole Covers	(548.07)	
08-17	McCoy Park Improvements - Amended	(427.25)	
08-22C	Diesel Mason Dump Truck	(540.03)	
09-10	Acquisition of Property	(2,091.00)	(2,091.00)
09-14	Streetscape Improvements	94,331.26	83,831.26
10-05			
11-11	Improvements to Dunellen Avenue	(6,511.90)	(6,511.90)
12-11	Various Capital Improvements	8,900.80	8,828.85
12-16	Improvements to Dunellen Avenue - Phase II	(7,646.75)	(7,646.75)
13-07	Various Capital Improvements	43,725.33	43,588.34
14-03	Various General Improvements	(1,848.09)	(1,848.09)
15-05	Improvements to Madison Avenue	(4,504.96)	(4,504.96)
15-06	Streetscape Improvements - Washington Ave and North Ave	83,700.00	79,652.22
15-07	Acquisition of a Fire Pumper	(24.23)	
15-08	Various Capital Improvements	8,482.11	8,482.11
15-10	Acquisition of Dispatch Equipment		2,430.00
16-11	Various Capital Improvements	24,419.98	24,419.98
16-12	Parking Lot Improvements	10,000.00	(89,194.13)
18-02	Prospect Avenue Roadway Improvements	10,000.00	9,852.14
18-06	Various Capital Improvements	326,416.84	(303,770.80)
18-10	Repaving Madison & Prospect Avenues		
18-16	Engineering Services for Columbia Park	7,781.78	39,067.98
19-07	Columbia Park Improvements	(100,000.00)	(100,000.00)
19-12	Grove Street Roadway Improvements		70,523.91
19-14	Acquisition of Police Equipment	7,701.01	(38,316.35)
20-02	Various Capital Improvements	(27,543.67)	(246,136.55)
20-03	South Madison Avenue Improvements (DOT \$583,316)	10,573.60	13,357.27
20-12	Stormwater Jackson & Third/Madison and Mountainview		
21-02	Improvements to Lincoln Avenue (DOT \$525,000 and \$504,550)	(609,671.04)	7,862.17
21-05	Various Roadways - Mill and Pave	(18,288.34)	(54,484.50)
21-06	Embankment & Retaining Wall at Fire House	(48,290.78)	(55,264.10)
21-16	Various Improvements	(153,626.04)	(154,906.04)
21-22	ADA Ramps & Related Improvements	(165,000.00)	(165,000.00)
22-06	Fire Department Buildings and Equipment	(767,163.80)	(3,028,121.87)
22-08	Various Roadways - Mill and Pave	(84,164.00)	(106,969.80)
22-09	Municipal Building Roof Repair	(161,575.00)	2,569.14
22-17	Supplemental Railroad Avenue Culvert	66,400.00	66,400.00
22-25	Stream Cleaning Ordinance	21,400.00	(305,219.49)
22-28	Reappropriating for Various Capital Improvements	249,852.00	43,217.30
23-04	Supplemental Appropriation for Renovation of the Borough Fire Station		(3,003,592.20)
23-06	Acquisition of Property		(877,662.50)
23-14	Various Road Improvements		(373,109.50)
23-18	Road Improvements to Kline Place		(378,431.75)
23-24	Various Improvements		(600.00)
		\$	\$
		REF.	C

BOROUGH OF DUNELLEN  
MIDDLESEX COUNTY, NEW JERSEY

SCHEDULE OF DUE FROM VARIOUS GRANTOR AGENCIES  
GRANTS RECEIVABLE  
GENERAL CAPITAL FUND

	Ordinance Number	Balance December 31, 2022	Increases	Decreases	Balance December 31, 2023
Receivables:					
Resurfacing of Whittier Ave	05-12	\$ 15,755.08		\$ 15,755.08	
Construct Culvert under Railroad	06-12	759,480.23		4,244.92	755,235.31
First Street Phase II Improvements	08-07	51,948.12			51,948.12
Front Street - NJ DOT	09-04	24,261.55			24,261.55
Fairview Avenue - NJ DOT	10-10	50,388.78			50,388.78
Improvements to Dunellen Avenue	11-11	48,748.12			48,748.12
Improvements to Madison Avenue	15-05	148,904.96			148,904.96
Streetscape Improvements - Washington Ave - NJ DOT	15-06	50,571.11			50,571.11
Grove Street Roadway Improvements	19-12	92,922.02			92,922.02
S. Madison Avenue Roadway Improvements	20-03	159,457.44			159,457.44
Lincoln Avenue Roadway Improvements - NJ DOT Year 2020	21-02	525,000.00		393,750.00	131,250.00
Lincoln Avenue Roadway Improvements - NJ DOT Year 2021	21-02	504,550.00		376,649.69	127,900.31
Kline Place - NJ DOT Year 2023	23-18		556,530.00		556,530.00
Middlesex County Improvement Authority		1,023.88			1,023.88
		<u>\$ 2,433,011.29</u>	<u>\$ 556,530.00</u>	<u>\$ 790,399.69</u>	<u>\$ 2,199,141.60</u>
	REF.	C	C-8		C
Improvement Authorizations					
Reserve for Grants Receivable	C-8		350,000.00		
	C-13		<u>206,530.00</u>		
			<u>556,530.00</u>		
Deferred Charges					
Interfund - Due from Current Fund	C-12			\$ 20,000.00	
	C-6			<u>770,399.69</u>	
				<u>\$ 790,399.69</u>	

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

Balance - December 31, 2022	C	\$ 5,508,125.48
Decreased by:		
MCIA Lease Payable	C-10	<u>385,536.41</u>
Balance - December 31, 2023	C	<u>\$ 5,122,589.07</u>



BOROUGH OF DUNELLEN  
MIDDLESEX COUNTY, NEW JERSEY

SCHEDULE OF INTERFUNDS  
GENERAL CAPITAL FUND

	REF.	TOTAL	CURRENT FUND	TRUST FUND
Balance - December 31, 2022	C	\$ 4,600,754.35	\$ 4,700,754.35	\$ (100,000.00)
Due from/(to)				
Increased by:				
Bond Anticipation Notes Sold	C-9	1,944,600.00	1,944,600.00	
Funded by Grants	C-3	770,399.69	770,399.69	
2023 Budget Appropriations:				
Payment of BAN Principal	C-5	175,400.00	175,400.00	
Capital Improvement Fund	C-7	330,000.00	330,000.00	
Deferred Charges-Amount to be Raised in Subsequent Year	C-12	20,000.00	20,000.00	
		<u>7,841,154.04</u>	<u>7,941,154.04</u>	<u>(100,000.00)</u>
Decreased by:				
Improvement Authorization Expenditures				
Paid by Current Fund	C-8	5,057,487.44	4,657,487.44	400,000.00
Bond Anticipation Notes Redeemed	C-9	4,275,600.00	4,275,600.00	
2023 Current Fund Budget Revenue	C-1	80,000.00	80,000.00	
		<u>9,413,087.44</u>	<u>9,013,087.44</u>	<u>400,000.00</u>
Balance - December 31, 2023	C	<u>\$ (1,571,933.40)</u>	<u>\$ (1,071,933.40)</u>	<u>\$ (500,000.00)</u>
Due from/(to)				

BOROUGH OF DUNELLEN  
MIDDLESEX COUNTY, NEW JERSEY

SCHEDULE OF CAPITAL IMPROVEMENT FUND  
GENERAL CAPITAL FUND

	<u>REF.</u>	
Balance - December 31, 2022	C	\$ 5,583.05
Increased by:		
2023 Budget Appropriation	C-6	<u>330,000.00</u>
		335,583.05
Decreased by:		
Improvement Authorizations Funded	C-8	<u>301,500.00</u>
Balance - December 31, 2023	C	<u>\$ 34,083.05</u>

BOROUGH OF DUNELLEN  
MIDDLESEX COUNTY, NEW JERSEY  
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS  
GENERAL CAPITAL FUND

ORD. NO.	IMPROVEMENT DESCRIPTION	ORDINANCE DATE	BALANCE - DEC. 31, 2022		2023 AUTHORIZATIONS	2022 ENCUMBRANCES	PAID OR CHARGED	2023 ENCUMBRANCES	BALANCE - DEC. 31, 2023	
			FUNDED	UNFUNDED					FUNDED	UNFUNDED
04-07	Improvement to Streetscape (NJ DOT \$200,000)	04/19/04	\$ 275,000.00	\$ 5,500.00	\$	\$	\$ 16,418.54	\$ 2,585.50	\$ 705.78	\$ 200,000.00
06-12	Construct Culvert under Railroad	08/07/06	1,300,000.00	200,000.00			24,672.25	5,436.75	788,793.42	2,190,800.00
17-04	Supplement Construct Culvert under Railroad	08/03/09	2,200,000.00	2,198,800.00			8,000.00			53,159.00
09-10	Acquisition of Property	12/07/09	2,175,000.00	53,159.00			10,500.00		83,831.26	250.00
09-14	Streetscape Improvements	06/18/12	95,000.00	250.00			71.95		8,828.85	3,733.76
12-11	Various Capital Improvements	08/13/13	770,000.00	7,333.76			136.99		43,588.34	1,497.75
13-07	Various Capital Improvements		270,000.00	34,397.75						
15-06	Streetscape Improvements - Washington Ave and North Ave (\$700,000 NJDOT)	08/03/15	900,000.00	83,700.00			476.67		83,223.33	
15-08	Various Capital Improvements	10/05/15	180,000.00	8,482.11					8,482.11	
15-10	Acquisition of Dispatch Equipment	12/07/15	185,000.00	24,419.98		2,430.00			2,430.00	
16-11	Various Capital Improvements	06/06/16	116,250.00						24,419.98	
16-12	Parking Lot Improvements	06/06/16	415,000.00							
18-02	Prospect Avenue Roadway Improvements (\$262,000 NJ DOT)	04/02/18	750,000.00	10,000.00			1,607.50		9,852.14	319,929.20
18-06	Various Capital Improvements	06/18/18	1,800,000.00	326,416.84			33,253.74		33,067.98	5,000.00
18-16	Engineering Services for Columbia Park	12/17/18	250,000.00	7,781.78			1,967.54			
22-22	Amending Description of 2018-16	09/19/22								
19-12	Grove Street Roadway Improvements (DOT \$225,000)	10/21/19	286,000.00				1,412.26			70,523.91
19-14	Acquisition of Police Equipment	11/04/19	200,000.00	7,701.01			6,017.36			1,683.65
20-02	Various Capital Improvements	02/03/20	640,000.00	188,456.33			24,878.58		11,427.25	165,663.45
20-03	South Madison Avenue Improvements (DOT \$583,316)	02/03/20	800,000.00	10,573.60			246.83			13,357.27
21-02	Improvements to Lincoln Avenue (DOT \$525,000 and \$504,550)	02/16/21	1,400,000.00	728.96			484.50		98,354.24	12,862.48
21-05	Various Roadways - Mill and Pave	03/15/21	540,000.00	55,711.66			76,470.76			1,515.50
21-06	Embankment & Retaining Wall at Fire House	03/15/21	420,000.00	351,709.22			6,973.32		19,733.75	344,735.90
21-16	Various Capital Improvements	05/17/21	195,000.00	32,073.96			1,280.00			30,793.96
21-22	ADA Ramps & Related Improvements	10/01/21	165,000.00						21,227.20	
22-06	Reconstruction of Fire Station and Acquisition of Fire Trucks and Equipment	02/22/22	7,600,000.00	2,932,836.20			3,184,221.97		2,704,204.11	1,878.13
22-08	Various Roadways - Mill and Pave	03/07/22	600,000.00	216,836.00			171,200.35		18,659.20	109,030.20
22-09	Municipal Building Roof Repair	03/21/22	250,000.00	76,425.00			41,970.13		1,890.00	78,569.14
22-17	Supplemental Railroad Avenue Culvert	07/05/22	1,400,000.00	1,333,000.00			600.00			1,333,000.00
22-25	Stream Cleaning Ordinance	10/03/22	460,000.00	438,000.00			286,669.99		30,549.50	132,780.51
22-28	Reappropriating for Various Capital Improvements	11/21/22	330,700.00	249,852.00			162,533.68		124,949.02	1,271,407.80
23-04	Supplemental Appropriation for Renovation of the Borough Fire Station (Ord 22-06)	02/21/23	4,500,000.00	4,500,000.00			98,349.64		3,130,242.56	26,837.50
23-06	Acquisition of Property	03/06/23	950,000.00	950,000.00			908,167.50		4,109.50	245,890.50
23-14	Various Road Improvements	06/19/23	650,000.00	650,000.00			600.00		400,000.00	
23-18	Road Improvements to Kline Place	07/03/23	800,000.00	800,000.00			600.00		727,831.75	
23-24	Remediation of 635 Bound Brook Road	09/05/23	900,000.00	900,000.00			600.00			899,400.00
			\$ 1,324,123.72	\$ 8,571,391.07	\$ 7,800,000.00	\$ 3,467,752.70	\$ 5,057,487.44	\$ 7,312,065.83	\$ 1,113,617.16	\$ 7,680,097.06
		REF.			C-3	C	C-6	C	C	C
	Grants Receivable	C-3			\$ 350,000.00					
	Deferred Charges to Future Taxation Unfunded	C-5			7,148,500.00					
	Capital Improvement Fund	C-7			301,500.00					
					\$ 7,800,000.00					

BOROUGH OF DUNELLEN  
MIDDLESEX COUNTY, NEW JERSEY

SCHEDULE OF BOND ANTICIPATION NOTES

ORD. NO.	IMPROVEMENT DESCRIPTION	ORIGINAL DATE OF ISSUE	DATE OF ISSUE	DATE OF MATURITY	INTEREST RATE	BALANCE DEC. 31, 2022	INCREASED	DECREASED	BALANCE DEC. 31, 2023
01-09/02-01	Sanitary Sewer Pump System Improvements	09/11/13	04/07/22	01/20/23	1.76%	5,000.00	\$	5,000.00	\$
04-01	Columbia Park Improvements	09/11/13	04/07/22	01/20/23	1.76%	3,500.00		3,500.00	
04-07	Streetscape Improvements	09/11/13	04/07/22	01/20/23	1.76%	5,500.00		5,500.00	
10-05	Sewer System Improvements	06/16/16	04/07/22	01/20/23	1.76%	145,500.00		145,500.00	
12-11	Various Capital Improvements	09/11/13	04/07/22	01/20/23	1.76%	3,600.00		3,600.00	
12-16	Improvements to Dunellen Avenue - Phase II	09/11/13	04/07/22	01/20/23	1.76%	11,000.00		11,000.00	
13-07	Various General Improvements	09/11/13	04/07/22	01/20/23	1.76%	33,000.00		33,000.00	
14-03	Various General Improvements	06/17/15	04/07/22	01/20/23	1.76%	69,000.00		69,000.00	
15-05	Improvements to Madison Avenue [\$296,000 MC 2017B Series]	06/17/15	01/19/23	01/19/24	4.10%		50,000.00		50,000.00
15-06	Streetscape Improvements - Washington Ave and North Ave	11/14/16	04/07/22	01/20/23	1.76%	2,900.00		2,900.00	
15-06	Streetscape Improvements - Washington Ave	11/14/17	04/07/22	01/20/23	1.76%	287,000.00		287,000.00	
15-06	Streetscape Improvements - Washington Ave and North Ave	11/14/17	01/19/23	01/19/24	4.10%		197,000.00		197,000.00
16-12	Parking Lot Improvements	11/14/16	04/07/22	01/20/23	1.76%	184,000.00		184,000.00	
18-02	Prospect Avenue Roadway Improvements	06/05/18	04/07/22	01/20/23	1.76%	478,200.00		478,200.00	
18-06	Various Capital Improvements	06/13/19	04/07/22	01/20/23	1.76%	1,107,000.00		1,107,000.00	
18-10	Repaving Madison & Prospect Avenues	06/13/19	04/07/22	01/20/23	1.76%	107,000.00		107,000.00	
18-16	Engineering Services for Columbia Park	06/13/19	04/07/22	01/20/23	1.76%	213,800.00		213,800.00	
18-16	Engineering Services for Columbia Park	06/13/19	01/19/23	01/19/24	4.10%		6,000.00		6,000.00
19-12	Grove Street Roadway Improvements	04/24/20	04/07/22	01/20/23	1.76%	286,000.00		286,000.00	
19-12	Grove Street Roadway Improvements	04/24/20	01/19/23	01/19/24	4.10%		93,000.00		93,000.00
19-14	Acquisition of Police Equipment	04/24/20	04/07/22	01/20/23	1.76%	150,000.00		150,000.00	
20-02	Various General Improvements	04/24/20	04/07/22	01/20/23	1.76%	196,000.00		196,000.00	
20-03	Improvements to South Madison Avenue	04/24/20	04/07/22	01/20/23	1.76%	363,000.00		363,000.00	
20-03	Improvements to South Madison Avenue	04/24/20	01/19/23	01/19/24	4.10%		39,000.00		39,000.00
21-02	Improvements to Lincoln Avenue	02/15/21	04/07/22	01/20/23	1.76%	624,600.00		624,600.00	
21-02	Improvements to Lincoln Avenue	02/15/21	01/19/23	01/19/24	4.10%		624,600.00		624,600.00
21-05	Various Roadways - Mill and Pave	01/19/23	01/19/23	01/19/24	4.10%	18,000.00		18,000.00	
22-06	Fire Department Buildings and Equipment	01/19/23	01/19/23	01/19/24	4.10%	670,000.00		670,000.00	
22-08	Various Roadways - Mill and Pave	01/19/23	01/19/23	01/19/24	4.10%	85,000.00		85,000.00	
22-09	Municipal Building Roof Repair	01/19/23	01/19/23	01/19/24	4.10%	162,000.00		162,000.00	
						\$ 4,275,600.00	\$ 1,944,600.00	\$ 4,275,600.00	\$ 1,944,600.00

REF. C C-6 C-C-5



BOROUGH OF DUNELLEN  
MIDDLESEX COUNTY, NEW JERSEY

SCHEDULE OF RESERVE FOR PAYMENT OF  
FUTURE DEBT SERVICE

	<u>REF.</u>	
Balance - December 31, 2022	C	\$ 25,081.36
Balance - December 31, 2023	C	<u>\$ 25,081.36</u>

BOROUGH OF DUNELLEN  
MIDDLESEX COUNTY, NEW JERSEY

GENERAL CAPITAL FUND  
SCHEDULE OF DEFERRED CHARGES

	<u>Balance December 31, 2022</u>	<u>Amount in 2023 Budget</u>	<u>Resulting from CY 2023</u>	<u>Balance December 31, 2023</u>
Unfunded General Capital Cancellation of Grants Receivable	<u>\$ 20,000.00</u>	<u>\$ 20,000.00</u>	<u>\$ 20,000.00</u>	<u>\$ 20,000.00</u>
Total	<u><u>\$ 20,000.00</u></u>	<u><u>\$ 20,000.00</u></u>	<u><u>\$ 20,000.00</u></u>	<u><u>\$ 20,000.00</u></u>
REF.	C	C-6	C-3	C

BOROUGH OF DUNELLEN  
MIDDLESEX COUNTY, NEW JERSEY

GENERAL CAPITAL FUND  
SCHEDULE OF RESERVES FOR GRANTS RECEIVABLE

	December 31, 2022	Grants Awarded	Applied	December 31, 2023
Reserve for:				
Ordinance				
15-05	\$ 148,904.96	\$ -	-	\$ 148,904.96
15-06	50,571.11			50,571.11
19-12	92,922.02			92,922.02
20-03	146,316.00			146,316.00
21-02	525,000.00		393,750.00	131,250.00
21-02	504,550.00	206,530.00	376,649.69	127,900.31
23-18				206,530.00
Total	\$ 1,468,264.09	\$ 206,530.00	\$ 770,399.69	\$ 904,394.40

REF.

C

C-3

C-5

C

BOROUGH OF DUNELLEN  
MIDDLESEX COUNTY, NEW JERSEY  
SCHEDULE OF BONDS AND NOTES  
AUTHORIZED BUT NOT ISSUED  
GENERAL CAPITAL FUND

ORD. NO.	IMPROVEMENT DESCRIPTION	BALANCE DEC. 31, 2022	2023 AUTHORIZATIONS	BANS REDEEMED	EXCESS BANS	PAID BY BUDGET APPROP.	CASH RECEIVED	BANS ISSUED	EXCESS BANS	BALANCE DEC. 31, 2023
	<b>General Improvements</b>									
01-09/02-01	Sanitary Sewer Pump Station Improvs. (Amended)	\$ 2,592.84	\$	\$ 5,000.00	\$	\$ 7,592.84	\$	\$	\$	\$ -
04-01	Columbia Park Improvements			3,500.00		3,500.00				
04-07	Streetscape Improvements	3,810.07		5,500.00		5,500.00				3,640.19
05-10	Dunellen Redevelopment Project	4,897.05				169.88				4,897.05
05-12	Resurfacing of Whittier Avenue	264.80				264.80				200,000.00
05-20	Emergency equipment	200,000.00								2,200,000.00
06-12/17-04	Construct Culvert under Railroad	2,200,000.00								
06-25	Supplement Construct Culvert under Railroad	585.43				585.43				
07-02	Acquisition of Equipment	2,115.59				2,115.59				
07-15	Various Capital Improvements	313.29				313.29				
07-16	McCoy Park Improvements	1,106.06				1,106.06				
07-21	West 4th Street Improvements	798.81				798.81				
08-07	Boiler Replacement in Municipal Building	612.72				612.72				
08-07	First Street Phase II Improvements	548.07				548.07				
08-08B	Manhole Covers	427.25				427.25				
08-17	McCoy Park Improvements - Amended	540.03				540.03				
08-22C	Diesel Mason Dump Truck	55,250.00				540.03				
09-10	Acquisition of Property	250.00								55,250.00
09-14	Streetscape Improvements			145,500.00						250.00
10-05	Sewer System Improvements	6,511.90								6,511.90
11-11	Improvements to Dunellen Avenue	3,733.76				3,600.00				3,733.76
12-11	Various Capital Improvements	7,646.75				11,000.00				7,646.75
12-16	Improvements to Dunellen Avenue - Phase II	1,497.75				33,000.00				1,497.75
13-07	Various Capital Improvements	1,848.09				19,000.00				1,848.09
14-03	Various General Improvements	4,504.96				2,900.00		50,000.00		1,848.09
15-05	Improvements to Madison Avenue	24.23				17,000.00		197,000.00		4,504.96
15-06	Streetscape Improvements - Washington Ave and North Ave			287,000.00	69,428.89	17,000.00				3,571.11
15-07	Acquisition of a Fire Pump			184,000.00	66,000.00	17,000.00				99,000.00
16-12	Parking Lot Improvements			478,200.00	478,200.00	17,000.00				623,700.00
18-02	Prospect Avenue Roadway Improvements			1,107,000.00	466,300.00	17,000.00				
18-06	Various Capital Improvements			107,000.00	107,000.00					
18-10	Repaving Madison & Prospect Avenues			213,800.00	200,000.00	7,800.00		6,000.00		
18-16	Engineering Services for Columbia Park									100,000.00
19-07	Columbia Park Improvements	100,000.00				7,800.00				
19-12	Grove Street Roadway Improvements			286,000.00	193,077.98	12,000.00		93,000.00	12,077.98	
19-14	Acquisition of Police Equipment			150,000.00	110,000.00					40,000.00
20-02	Various Capital Improvements	216,000.00		196,000.00	159,000.00	11,000.00		39,000.00	11,000.00	40,000.00
20-03	South Madison Avenue Improvements	610,400.00	(165,000.00)	363,000.00	624,600.00		770,399.69	624,600.00		5,000.31
21-02	Improvements to Lincoln Avenue	74,000.00	165,000.00	624,600.00				18,000.00		56,000.00
21-05	Various Roadways - Mill and Pave	400,000.00								400,000.00
21-06	Embankment & Retaining Wall at Fire House									185,700.00
21-16	Various Capital Improvements	165,000.00								165,000.00
21-22	ADA Ramps & Related Improvements	3,700,000.00								3,030,000.00
22-06	Fire Department Buildings and Equipment	301,000.00						670,000.00		216,000.00
22-08	Various Roadways - Mill and Pave	238,000.00						85,000.00		216,000.00
22-09	Municipal Building Roof Repair	1,333,000.00						162,000.00		76,000.00
22-17	Supplemental Railroad Avenue Culvert	438,000.00								1,333,000.00
22-25	Stream Cleaning Ordinance									438,000.00
23-04	Supplemental Appropriation for Renovation of the Borough Fire Station (Ord 22-06)		4,275,000.00							4,275,000.00
23-06	Acquisition of Property		904,500.00							904,500.00
23-14	Various Road Improvements		619,000.00							619,000.00
23-18	Road Improvements to Kline Place		450,000.00							450,000.00
23-24	Remediation of 635 Bound Brook Road		900,000.00							900,000.00
		10,260,980.45	7,148,500.00	4,275,600.00	1,996,506.87	175,400.00	770,399.69	1,944,600.00	23,077.98	16,821,251.87

C

C

REF.

BOROUGH OF DUNELLEN  
MIDDLESEX COUNTY, NEW JERSEY

SCHEDULE OF SEWER RENTS RECEIVABLE  
SEWER UTILITY OPERATING FUND

	<u>REF.</u>		
Balance - December 31, 2022	D		\$ 78,091.31
Increased by:			
2023 Sewer Service Charges	Reserve		<u>1,017,815.70</u>
			1,095,907.01
Decreased by:			
2023 Collections:			
Collector	D-2	\$ 997,390.69	
Overpayments Applied	D-2:D-6	1,508.73	
Cancelled Sewer Rents	Reserve	<u>517.35</u>	
			<u>999,416.77</u>
Balance - December 31, 2023	D		<u>\$ 96,490.24</u>

BOROUGH OF DUNELLEN  
MIDDLESEX COUNTY, NEW JERSEY

SCHEDULE OF ACCRUED INTEREST ON BONDS AND NOTES  
SEWER UTILITY OPERATING FUND

	<u>REF.</u>	
Balance - December 31, 2022	D	\$ 10,846.32
Increased by:		
Accrued Interest Charged to: 2023 Budget Appropriations	D-3	31,040.97
		41,887.29
Decreased by:		
Cash Disbursements	D-7	15,964.62
Balance - December 31, 2023	D	\$ 25,922.67

Analysis of Balance - December 31, 2023:

Principal Outstanding <u>12/31/23</u>	<u>Interest Rate</u>	<u>From</u>	<u>To</u>	<u>Period</u>	<u>Amount</u>
MCIA Loans					
\$ 33,289.20	4.000%	09/01/23	12/31/23	4 Months	\$ 443.86
33,620.80	4.000%	09/01/23	12/31/23	4 Months	448.28
34,005.60	4.000%	09/01/23	12/31/23	4 Months	453.41
34,445.80	4.000%	09/01/23	12/31/23	4 Months	459.28
BAN's					
619,200.00	4.100%	01/19/23	12/31/23	342 days	\$ 24,117.84
					\$ 25,922.67

BOROUGH OF DUNELLEN  
MIDDLESEX COUNTY, NEW JERSEY

SCHEDULE OF SEWER RENT OVERPAYMENTS  
SEWER UTILITY OPERATING FUND

	<u>REF.</u>	
Balance - December 31, 2022	D	\$ 1,508.73
Increased by:		
Cash Overpayments Collected - Collector	D-7	<u>4,894.41</u>
		6,403.14
Decreased by:		
Applied to Sewer Rents Receivable	D-2:D-5	<u>1,508.73</u>
		1,508.73
Balance - December 31, 2023	D	<u>\$ 4,894.41</u>

BOROUGH OF DUNELLEN  
MIDDLESEX COUNTY, NEW JERSEY

SCHEDULE OF INTERFUNDS RECEIVABLE/PAYABLE  
SEWER UTILITY OPERATING FUND

	REF.	Total	Current Fund	Sewer Capital Fund
Balance - December 31, 2022 (Due From)	D	\$ 868,092.31	\$ 635,742.31	\$ 232,350.00
Increased by:				
Receipts deposited in Current Fund	D-2	997,390.69	997,390.69	
Interest and Costs on Sewer Rents	D-2	11,592.43	11,592.43	
Sewer Connection Fees	D-2	126,370.00	126,370.00	
Tax Overpayment Collected	D-6	4,894.41	4,894.41	
		1,140,247.53	1,140,247.53	
Decreased by:				
Disbursements paid by Current Fund	D-3	890,554.67	890,554.67	
Capital Improvement Fund/Capital Outlay	D-3	55,000.00		55,000.00
Disbursements paid by Current Fund	D-8	19,791.41	19,791.41	
Accrued Interest On MCIA Loan	D-5	15,964.62	15,964.62	
		981,310.70	926,310.70	55,000.00
Balance - December 31, 2023 (Due From)	D	<u>\$ 1,027,029.14</u>	<u>\$ 849,679.14</u>	<u>\$ 177,350.00</u>

BOROUGH OF DUNELLEN  
MIDDLESEX COUNTY, NEW JERSEY

SCHEDULE OF 2022 APPROPRIATION RESERVES  
SEWER UTILITY OPERATING FUND

	APPROPRIATION RESERVES	BALANCE DECEMBER 31, 2022 RESERVE FOR ENCUMBRANCES	BALANCE AFTER TRANSFERS	PAID OR CHARGED	BALANCED LAPSED
Operations:					
Salaries and Wages	\$ 13,000.68	\$ 82.50	\$ 13,000.68	\$ 11,765.00	\$ 1,235.68
Other Expenses	73,363.50	82.50	73,446.00	8,026.41	65,419.59
Total Operations	86,364.18	82.50	86,446.68	19,791.41	66,655.27
Capital Improvements:					
Capital Outlay	61,053.50		61,053.50	60,298.00	755.50
Deferred Charges and Statutory Expenditures					
Contribution to:					
Public Employees Retirement System	5,000.00		5,000.00		5,000.00
Social Security System (O.A.S.I.)	196.72		196.72		196.72
Total Deferred Charges and Statutory Expenditures	5,196.72		5,196.72		5,196.72
	\$ 152,614.40	\$ 82.50	\$ 152,696.90	\$ 80,089.41	\$ 72,607.49
REF.	D	D			D-1
Cash Disbursements				\$ 19,791.41	
Accounts Payable				60,298.00	
Accounts Payable Balance 12/31/22	D			\$ 80,089.41	
Increased by:				\$ 6,099.00	
Transfer from Appropriation Reserves	D-8			60,298.00	
Decreased by:				66,397.00	
Cancelled	D-1			3,800.00	
Balance 12/31/23	D			\$ 62,597.00	

"D-9"

BOROUGH OF DUNELLEN  
MIDDLESEX COUNTY, NEW JERSEY

SCHEDULE OF SEWER LIENS RECEIVABLE  
SEWER UTILITY OPERATING FUND

	<u>REF.</u>	
Balance - December 31, 2022	D	\$ 2,060.00
Balance - December 31, 2023	D	<u>\$ 2,060.00</u>

"D-10"

SCHEDULE OF CAPITAL IMPROVEMENT FUND  
SEWER UTILITY CAPITAL FUND

Balance - December 31, 2022	D	\$ 147,475.00
Increased by:		
Due from Sewer Utility Operating Fund	D-11	<u>55,000.00</u>
Balance - December 31, 2023	D	<u>\$ 202,475.00</u>

BOROUGH OF DUNELLEN  
MIDDLESEX COUNTY, NEW JERSEY

SCHEDULE OF INTERFUNDS RECEIVABLE  
SEWER UTILITY CAPITAL FUND

	<u>REF.</u>	<u>Total</u>	<u>Due from Sewer Operating Fund</u>	<u>Due from/(to) Current Fund</u>
Balance - December 31, 2022				
(Due From)	D	\$ 3,760.70		\$ 3,760.70
(Due To)	D	232,350.00	\$ 232,350.00	
Increased by:				
Bond Anticipation Notes	D-15	<u>619,200.00</u>		<u>619,200.00</u>
		855,310.70	232,350.00	622,960.70
Decreased by:				
Capital Improvement Fund	D-10	55,000.00	55,000.00	
Disbursed by Current Fund	D-16	4,895.73		4,895.73
Bond Anticipation Notes	D-15	<u>619,200.00</u>		<u>619,200.00</u>
		<u>679,095.73</u>	<u>55,000.00</u>	<u>624,095.73</u>
Balance - December 31, 2023				
(Due To)	D	<u>\$ 178,485.03</u>	<u>\$ 177,350.00</u>	<u>\$ 1,135.03</u>

"D-12"

BOROUGH OF DUNELLEN  
MIDDLESEX COUNTY, NEW JERSEY

SCHEDULE OF FIXED CAPITAL  
SEWER UTILITY CAPITAL FUND

BALANCE DEC. 31, 2022	BALANCE DEC. 31, 2023
\$ 24,199,865.25	\$ 24,199,865.25

Various Infrastructure - Adjustment

REF.

D

D

"D-13"

SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED  
SEWER UTILITY CAPITAL FUND

ORD. NO.	Improvement Description	BALANCE DEC. 31, 2022	FIXED CAPITAL AUTHORIZED	BALANCE DEC. 31, 2023
16-16	Emergency Sewer Break	\$ 300,000.00	\$ -	\$ 300,000.00
18-07	Sewer Capital Repairs	250,000.00		250,000.00
19-01	Sewer Main - Orange Street	200,000.00		200,000.00
19-11	Repairs to Sewer Main Break	65,000.00		65,000.00
19-13	Grove Street Sanitary Improvements	163,000.00		163,000.00
20-09	Railroad Ave/4th Street Sewer Main	325,000.00		325,000.00
20-11	Madison Avenue Sewer Improvements	25,000.00		25,000.00
20-13	Penfield Place Sewer Improvements	12,500.00		12,500.00
21-21	Gertrude Terrace Manhole & Gravity Feed	150,000.00		150,000.00
22-07	Repairs to Railroad Avenue	400,000.00		400,000.00
22-13	Pulaski Street Sewer Replacement and Grove Street Manhole and Sewer Repair	283,000.00		283,000.00
23-19	Sewer Improvements to Kline Place		700,000.00	700,000.00
23-22	Acquisition of Sewer Jet Vac Truck		300,000.00	300,000.00
		\$ 2,173,500.00	\$ 1,000,000.00	\$ 3,173,500.00

REF.

D

D-16

D

BOROUGH OF DUNELLEN  
MIDDLESEX COUNTY, NEW JERSEY

SCHEDULE OF MCIA LEASE PAYABLE  
SEWER UTILITY CAPITAL FUND

<u>DESCRIPTION</u>	<u>DATE OF ISSUE</u>	<u>AMOUNT OF ISSUE</u>	<u>INTEREST RATE</u>	<u>MATURITIES OF LOANS DATE</u>	<u>AMOUNT</u>	<u>BALANCE DEC. 31, 2022</u>	<u>DECREASED</u>	<u>BALANCE DEC. 31, 2023</u>
MCIA Lease Payable	2017	\$ 262,371.30	4.000%	09/01/24	\$ 33,289.20	\$ 167,370.20	\$ 32,008.80	\$ 135,361.40
			4.000%	09/01/25	33,620.80			
			4.000%	09/01/26	34,005.60			
			4.000%	09/01/27	34,445.80			
						<u>\$ 167,370.20</u>	<u>\$ 32,008.80</u>	<u>\$ 135,361.40</u>

REF.

D D-17 D

BOROUGH OF DUNELLEN  
MIDDLESEX COUNTY, NEW JERSEY

SCHEDULE OF BOND ANTICIPATION NOTES  
SEWER UTILITY CAPITAL FUND

ORD. NO.	IMPROVEMENT DESCRIPTION	ORIGINAL DATE OF ISSUE	DATE OF ISSUE	DATE OF MATURITY	INTEREST RATE	BALANCE DEC. 31, 2022	INCREASED	DECREASED	BALANCE DEC. 31, 2023
18-07	Sewer Capital Repairs	06/13/19	04/07/22	01/20/23	1.76%	\$ 177,500.00	\$	\$ 177,500.00	\$ 159,000.00
18-07	Sewer Capital Repairs	06/13/19	01/19/23	01/19/24	4.10%	160,800.00	159,000.00		159,000.00
19-01	Sewer Main - Orange Street	06/13/19	04/07/22	01/20/23	1.76%	148,000.00		160,800.00	144,000.00
19-01	Sewer Main - Orange Street	06/13/19	01/19/23	01/19/24	4.10%	148,000.00	144,000.00		144,000.00
19-13	Grove Street sanitary sewer improvements	04/28/20	04/07/22	01/20/23	1.76%	148,000.00		148,000.00	132,500.00
19-13	Grove Street sanitary sewer improvements	04/28/20	01/19/23	01/19/24	4.10%	183,700.00	132,500.00		132,500.00
20-09	Railroad Ave/4th Street Sewer Main	04/28/21	04/07/22	01/20/23	1.76%			183,700.00	
20-09	Railroad Ave/4th Street Sewer Main	04/28/21	01/19/23	01/19/24	4.10%		183,700.00		183,700.00
						\$ 670,000.00	\$ 619,200.00	\$ 670,000.00	\$ 619,200.00

REF.

D-11

D

D-11

\$ 619,200.00

D-17

\$ 50,800.00

\$ 670,000.00

BOROUGH OF DUNELLEN  
MIDDLESEX COUNTY, NEW JERSEY

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS  
SEWER UTILITY CAPITAL FUND

ORD. NO.	IMPROVEMENT DESCRIPTION	ORDINANCE DATE	AMOUNT	BALANCE DEC. 31, 2022		2023 AUTHORIZATIONS	2022 ENCUMBRANCES	PAID OR CHARGED	2023 ENCUMBRANCES	BALANCE DEC. 31, 2023	
				FUNDED	UNFUNDED					FUNDED	UNFUNDED
16-16	Emergency Sewer Break	09/19/16	\$ 300,000.00	\$	\$	\$	\$	\$	\$	\$ 87,806.15	\$
18-07	Sewer Capital Repairs	07/02/18	250,000.00	67,850.50				405.93			67,444.57
19-01	Sewer Main - Orange Street	02/19/19	200,000.00	29,516.47				387.74			29,148.73
19-11	Repairs to Sewer Main Break	10/07/19	65,000.00	253.32						253.32	
19-13	Grove Street Sanitary Improvements	10/21/19	163,000.00	134,020.47				338.46			133,682.01
20-09	Railroad Ave/4th Street Sewer Main	08/03/20	325,000.00	119,123.04				420.10	44,000.00		74,702.94
20-11	Madison Avenue Sewer Improvements	09/21/20	25,000.00	4,169.50						4,169.50	
20-13	Penfield Place Sewer Improvements	10/05/20	12,500.00	400.00						400.00	
21-21	Gertrude Terrace Main & Manhole Repair	07/06/21	150,000.00	54,221.00				963.50	125,900.75		54,221.00
22-07	Repairs to Railroad Avenue	02/22/22	400,000.00	102,105.25							36.00
22-13	Pulaski Street Sewer Replacement and Grove Street Manhole and Sewer Repair	06/06/22	283,000.00	49,450.00				1,200.00			49,450.00
23-19	Sewer Improvements to Kline Place	07/03/23	700,000.00	700,000.00				600.00	389,375.10		310,024.90
23-22	Acquisition of Sewer Jet Vac Truck	09/05/23	300,000.00	300,000.00				600.00			299,400.00
				\$ 92,628.97	\$ 556,286.73	\$ 1,000,000.00	\$ 25,995.00	\$ 4,895.73	\$ 559,275.85	\$ 92,628.97	\$ 1,018,110.15
				D	D	D-13	D	D-11	D	D	D
				REF.							

"D-17"

BOROUGH OF DUNELLEN  
MIDDLESEX COUNTY, NEW JERSEY

SCHEDULE OF RESERVE FOR AMORTIZATION  
SEWER UTILITY CAPITAL FUND

	<u>REF.</u>	
Balance - December 31, 2022	D	\$ 24,337,495.05
Increased by:		
MCIA Loan	D-14	\$ 32,008.80
Paydown of BAN's	D-15	<u>50,800.00</u>
		<u>82,808.80</u>
Balance - December 31, 2023	D	<u>\$ 24,420,303.85</u>

"D-18"

SCHEDULE OF DEFERRED RESERVE FOR AMORTIZATION

<u>Ordinance</u>	<u>Improvement Description</u>	<u>BALANCE</u> <u>DEC. 31,2022</u>	<u>BALANCE</u> <u>DEC. 31,2023</u>
16-16	Emergency Sewer Break	\$ 15,000.00	\$ 15,000.00
18-07	Sewer Capital Repairs	12,500.00	12,500.00
19-01	Sewer Main - Orange Street	9,525.00	9,525.00
19-11	Repairs to Sewer Main Break	65,000.00	65,000.00
19-13	Grove Street Sanitary Improvements	8,000.00	8,000.00
20-11	Madison Avenue Sewer Improvements	25,000.00	25,000.00
20-13	Penfield Place Sewer Improvements	<u>12,500.00</u>	<u>12,500.00</u>
		<u>\$ 147,525.00</u>	<u>\$ 147,525.00</u>
	<u>REF.</u>	D	D

BOROUGH OF DUNELLEN  
MIDDLESEX COUNTY, NEW JERSEY

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

ORD. NO.	IMPROVEMENT DESCRIPTION	BALANCE DEC. 31, 2022	2023 AUTHORI- ZATIONS	PAID BY BUDGET APPROPS	BAN's ISSUED	BAN's REDEEMED	BALANCE DEC. 31, 2023
	<u>General Improvements</u>						
18-07	Sewer Capital Repairs	\$ 55,000.00	\$	\$ 18,500.00	\$ 159,000.00	\$ 177,500.00	\$ 55,000.00
19-01	Sewer Main - Orange Street	24,675.00		16,800.00	144,000.00	160,800.00	24,675.00
19-13	Grove Street Sanitary Improvements	2,000.00		15,500.00	132,500.00	148,000.00	2,000.00
20-09	Railroad Ave/4th Street Sewer Main	136,300.00			183,700.00	183,700.00	136,300.00
21-21	Gertrude Terrace Main & Manhole Repairs	150,000.00					150,000.00
22-07	Repairs to Railroad Avenue	400,000.00					400,000.00
22-13	Pulaski Street Sewer Replacement and Grove Street Manhole and Sewer Repair	283,000.00	700,000.00				283,000.00
23-19	Sewer Improvements to Kline Place		300,000.00				700,000.00
23-22	Acquisition of Sewer Jet Vac Truck						300,000.00
		<u>\$ 1,050,975.00</u>	<u>\$ 1,000,000.00</u>	<u>\$ 50,800.00</u>	<u>\$ 619,200.00</u>	<u>\$ 670,000.00</u>	<u>\$ 2,050,975.00</u>

PART II

BOROUGH OF DUNELLEN

STATISTICAL DATA

LIST OF OFFICIALS

COMMENTS AND RECOMMENDATIONS

YEAR ENDED DECEMBER 31, 2023

COMPARATIVE STATEMENT OF OPERATIONS AND  
CHANGE IN FUND BALANCE - CURRENT FUND

	<u>YEAR ENDED</u> <u>DECEMBER 31, 2023</u>		<u>YEAR ENDED</u> <u>DECEMBER 31, 2022</u>	
	<u>AMOUNT</u>	<u>%</u>	<u>AMOUNT</u>	<u>%</u>
<u>REVENUE AND OTHER INCOME REALIZED</u>				
Fund Balance Utilized	\$ 755,000.00	2.76%	\$ 702,916.00	2.77%
Miscellaneous - From Other Than Local				
Property Tax Levies	3,818,359.59	13.98%	2,589,736.09	10.23%
Collection of Delinquent Taxes and Tax Title Liens	219,766.78	0.80%	214,824.35	0.85%
Collection of Current Tax Levy	<u>22,527,125.83</u>	<u>82.46%</u>	<u>21,814,593.25</u>	<u>86.15%</u>
<u>TOTAL INCOME</u>	<u>27,320,252.20</u>	<u>100.00%</u>	<u>25,322,069.69</u>	<u>100.00%</u>
<u>EXPENDITURES</u>				
Budget Expenditures:				
Municipal Purposes	9,589,243.00	35.11%	8,394,540.96	34.00%
County Taxes	3,159,503.26	11.57%	2,992,184.57	12.12%
Local School Taxes	13,488,010.00	49.39%	13,298,224.00	53.87%
Other Expenditures	<u>1,073,318.43</u>	<u>3.93%</u>	<u>1,500.00</u>	<u>0.01%</u>
<u>TOTAL EXPENDITURES</u>	<u>27,310,074.69</u>	<u>100.00%</u>	<u>24,686,449.53</u>	<u>100.00%</u>
Excess in Revenue	10,177.51		635,620.16	
Fund Balance, January 1	<u>1,293,913.98</u>		<u>1,361,209.82</u>	
	1,304,091.49		1,996,829.98	
Less: Utilization as Anticipated Revenue	<u>755,000.00</u>		<u>702,916.00</u>	
Fund Balance, December 31	<u>\$ 549,091.49</u>		<u>\$ 1,293,913.98</u>	

COMPARATIVE STATEMENT OF OPERATIONS AND  
CHANGE IN FUND BALANCE-SEWER UTILITY FUND

	YEAR ENDED DECEMBER 31, 2023		YEAR ENDED DECEMBER 31, 2022	
	AMOUNT	%	AMOUNT	%
<u>REVENUE AND OTHER INCOME REALIZED</u>				
Fund Balance Utilized	\$ 227,096.00	15.77%	\$ 148,640.00	11.86%
Collection of Sewer Rents	998,899.42	69.35%	938,582.77	74.89%
Miscellaneous - Other Than Sewer Rents	<u>214,369.92</u>	<u>14.88%</u>	<u>166,115.55</u>	<u>13.25%</u>
<u>TOTAL INCOME</u>	<u>1,440,365.34</u>	<u>100.00%</u>	<u>1,253,338.32</u>	<u>100.00%</u>
<u>EXPENDITURES</u>				
Budget Expenditures:				
Operating	880,730.00	78.12%	1,077,510.00	86.70%
Debt Service	113,849.77	10.10%	52,817.76	4.25%
Deferred Charges and Statutory Expenditures	12,800.00	1.14%	12,400.00	1.00%
Capital Improvements	<u>120,000.00</u>	<u>10.64%</u>	<u>100,000.00</u>	<u>8.05%</u>
<u>TOTAL EXPENDITURES</u>	<u>1,127,379.77</u>	<u>100.00%</u>	<u>1,242,727.76</u>	<u>100.00%</u>
Excess in Revenue	312,985.57		10,610.56	
Adjustment to Income before Surplus:				
Expenditures included above which are by statute				
Deferred Charges to Budget of Succeeding Years			<u>232,350.00</u>	
Statutory Excess to Surplus	<u>312,985.57</u>		<u>242,960.56</u>	
Fund Balance, January 1	<u>696,941.36</u>		<u>602,620.80</u>	
	1,009,926.93		845,581.36	
Decreased by:				
Utilized as Anticipated Revenue	<u>227,096.00</u>		<u>148,640.00</u>	
Fund Balance, December 31	\$ <u>782,830.93</u>		\$ <u>696,941.36</u>	

COMPARATIVE SCHEDULE OF TAX RATE INFORMATION

	<u>2023</u>	<u>2022</u>	<u>2021</u>
Tax Rate	<u>\$2.708</u>	<u>\$2.761</u>	<u>\$3.108</u>
Apportionment of Tax Rate:			
Municipal	0.706	0.690	0.792
Library	0.034	0.031	0.032
County	0.373	0.374	0.393
Local School	1.595	1.666	1.891

ASSESSED VALUATION

Year 2023	\$845,663,000.00	
Year 2022		\$798,480,700.00
Year 2021		\$695,204,401.00

COMPARISON OF TAX LEVIES AND COLLECTION CURRENTLY

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

<u>YEAR</u>	<u>TAX LEVY</u>	<u>CASH COLLECTION</u>	<u>PERCENTAGE OF COLLECTIONS</u>
2023	\$ 22,937,490.51	\$ 22,527,125.83	98.21%
2022	22,098,567.68	21,814,593.25	98.71%
2021	21,627,308.63	21,405,782.95	98.97%

COMPARISON OF SEWER UTILITY LEVIES

<u>YEAR</u>	<u>TAX LEVY</u>	<u>CASH COLLECTIONS</u>
2023	\$ 1,017,815.70	\$ 998,899.42
2022	943,798.50	938,582.77
2021	942,899.30	946,402.28

DELINQUENT TAXES AND TAX TITLE LIENS

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

<u>YEAR</u>	<u>AMOUNT OF TAX TITLE LIENS</u>	<u>AMOUNT OF DELINQUENT TAXES</u>	<u>TOTAL DELINQUENT</u>	<u>PERCENTAGE OF TAX LEVY</u>
2023	\$ 37,912.45	\$ 284,772.08	\$ 322,684.53	1.41%
2022	35,518.59	226,727.25	262,245.84	1.19%
2021	33,188.31	227,193.05	260,381.36	1.20%

PROPERTY ACQUIRED BY TAX TITLE LIEN LIQUIDATION

No properties have been acquired in 2023 by foreclosure or deed, as a result of liquidation of tax title liens.

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

<u>YEAR</u>	<u>AMOUNT</u>
2023	\$118,000.00
2022	118,000.00
2021	118,000.00

COMPARATIVE SCHEDULE OF FUND BALANCES

	<u>YEAR</u>	<u>BALANCE</u> <u>DECEMBER 31,</u>	<u>UTILIZED IN</u> <u>BUDGET OF</u> <u>SUCCEEDING YEAR</u>
Current Fund	2023	\$ 549,091.49	\$ 450,000.00 *
	2022	1,293,913.98	755,000.00
	2021	1,361,209.82	800,000.00
	2020	530,366.47	468,000.00
	2019	452,246.16	387,000.00
	<u>YEAR</u>	<u>BALANCE</u> <u>DECEMBER 31,</u>	<u>UTILIZED IN</u> <u>BUDGET OF</u> <u>SUCCEEDING YEAR</u>
Sewer Utility Fund	2023	\$ 782,830.93	\$ 522,469.00 *
	2022	696,941.36	227,096.00
	2021	602,620.80	148,640.00
	2020	395,837.48	133,195.00
	2019	313,478.88	100,198.00

\* As Introduced

OFFICIALS IN OFFICE AND SURETY BONDS

The following officials were in office during the period under audit:

<u>NAME</u>	<u>TITLE</u>	<u>AMOUNT OF BOND</u>
Jason Cilento	Mayor	*
Trina Rios	Councilperson - President	*
Teresa Albertson	Councilperson	*
Jessica Dunne	Councilperson	*
Joseph Paltjon	Councilperson	*
Daniel Cole Sigmon	Councilperson	*
Harold VanDermark	Councilperson	*
William Robins	Borough Clerk/Administrator (to 8/2023)	*
Alex Miller	Interim Business Administrator (from 8/2023)	*
Scott Olsen	CFO	*
Dawn Hutchison	Tax Collector	*
Dawn Guttschall	Tax Assessor	*
John Bruder	Attorney	
Kathleen Howes	Magistrate	*
Theresa Crisafulli	Court Administrator	\$45,000.00
Daniel Smith	Police Chief	*

\* - All Borough employees not having their own bond are covered for \$50,000.00 under the Central Jersey Joint Insurance Fund and \$950,000.00 under the Municipal Excess Liability Joint Insurance Fund

**THIS PAGE INTENTIONALLY LEFT BLANK**

COMMENTS AND RECOMMENDATIONS

GENERAL COMMENTS

CONTRACTS AND AGREEMENTS REQUIRED TO BE ADVERTISED FOR (N.J.S.A. 40A:11-4)

“Every contract or agreement, for the performance of any work or the furnishing or hiring of any materials or supplies, the cost or the contract price whereof is to be paid with or out of public funds not included within the terms of Section 3 of this act, shall be made or awarded only by the governing body of the contracting unit after public advertising for bids and bidding therefore, except as is provided otherwise in this act or specifically by any other law. No work, materials or supplies shall be undertaken, acquired or furnished for a sum exceeding in the aggregate the amount set forth in, or the amount calculated by the Governor pursuant to Section 3 of P.L. 1971, c. 198 (C.40A:11-3), except by contract or agreement.”

Effective July 1, 2020, the bid threshold in accordance with N.J.S.A. 40A:11-4 is \$17,500.00 or up to \$44,000.00 if the entity has a Qualified Purchasing Agent. The Borough appointed a Qualified Purchasing Agent and has elected to increase its bid threshold to \$44,000.00.

The governing body of the Municipality has the responsibility of determining whether the expenditures in any category will exceed \$44,000.00 within the fiscal year. Where question arises as to whether any contract or agreement might result in violation of the statute, the Borough Counsel's opinion should be sought before a commitment is made.

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

Rebuild of the Dunellen Firehouse  
Improvements to Kline Place

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

Our audit of expenditures did not reveal any individual payments, contracts or agreements in excess of \$44,000.00 “for the performance of any work or the furnishing or hiring of any material or supplies,” other than those where bids had been previously sought by public advertisement or where resolution had been previously adopted under the provisions of N.J.S.A. 40A:11-6.

The minutes indicate that resolutions authorizing contracts or agreements for “Professional Services” per N.J.S.A. 40A:11-5 were advertised during 2023 for the following professional services:

Engineering Services	Borough Auditor
Legal Services	Bonding Attorney
Planner	

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

The governing body on January 1, 2023 adopted the following resolution authorizing interest to be charged on delinquent taxes and assessments:

"BE IT RESOLVED by the Governing Body of the Borough of Dunellen that the rate of interest on delinquent taxes and assessments owed to the said Borough of Dunellen, be and it hereby is set at eight percent (8%) on the first One Thousand Five Hundred Dollars (\$1,500.00) of taxes due and eighteen percent (18%) of any amount in excess of One Thousand Five Hundred Dollars (\$1,500.00). Such interest shall not be charged, however, on payments made within ten (10) days from the due date."

"BE IT FURTHER RESOLVED there will be a six percent (6%) penalty on delinquency of Ten Thousand Dollars (\$10,000.00) or more at the end of the calendar year."

It appears from an examination of the Collector's records that interest and penalty were collected in accordance with the foregoing resolutions.

DELINQUENT TAXES AND TAX TITLE LIENS

The last tax sale was held on November 21, 2023 and was complete.

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

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

<u>YEAR</u>	<u>NUMBER OF LIENS</u>
2023	2
2022	1
2021	1

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

VERIFICATION OF DELINQUENT TAXES AND OTHER CHARGES

A confirmation of delinquent charges and current payments was made in accordance with the regulations of the Division of Local Government Services, consisting of verification notices as follows:

<u>TYPE</u>	
Payment of 2024 Taxes	25
Payment of 2023 Taxes	25
Delinquent Taxes	10

OTHER COMMENTS

Interfund Balances

Transactions invariably occur in one fund which results in a corresponding entry to be made in another fund, thus creating interfund balances. Reference to the various balance sheets show the interfund balances remaining at year end. As a general rule all interfund balances should be closed out before the end of the year.

It is the Borough's policy to review and liquidate all interfund balances on a periodic basis.

Purchasing

We noted that several purchase orders were processed as confirming orders. This is where goods have been received or services have been rendered prior to the issuance of a purchase order.

Court

We noted that disbursements were not always made to the appropriate agencies on a timely basis as required by Administrative Office of the Courts. We also noted that the General and Bail accounts contained errors within the reconciliation process.

Departments

Police Department receipts collected were not always turned over to the Treasurer within 48 hours per N.J.S.A. 40A:5-15.

## RECOMMENDATIONS

\*That the practice of issuing confirming purchase orders be discontinued.

\*That all court disbursements be made to the appropriate agencies on a timely basis as required by the Administrative Office of the Courts.

That better care be taken when preparing the Municipal Court General and Bail account bank reconciliations.

That the Borough's Police Department remit all receipts collected to the Treasurer within 48 hours per N.J.S.A. 40A:5-15.

\*Prior Year Recommendation



