

**TOWNSHIP OF BERKELEY
COUNTY OF OCEAN**

**AUDIT REPORT FOR THE YEAR
ENDED DECEMBER 31, 2022**

**TOWNSHIP OF BERKELEY
COUNTY OF OCEAN**

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**TOWNSHIP OF BERKELEY
COUNTY OF OCEAN**

PART I

**INDEPENDENT AUDITOR'S REPORT
AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

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Certified Public Accountants + Advisors

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INDEPENDENT AUDITOR'S REPORT

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

Opinions

We have audited the accompanying financial statements of the various funds and account group of the Township of Berkeley, which comprise the statements of assets, liabilities, reserves and fund balance – regulatory basis as of December 31, 2022 and 2021, and the related statements of operations and changes in fund balance – regulatory basis for the years then ended and the statement of revenues – regulatory basis and statement of expenditures – regulatory basis for the year ended December 31, 2022, and the related notes to the financial statements.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets, liabilities, reserves and fund balance – regulatory basis of the Township of Berkeley, as of December 31, 2022 and 2021, and the results of its operations and changes in fund balance – regulatory basis for the years then ended and the statement of revenues – regulatory basis, statement of expenditures – regulatory basis for the year ended December 31, 2022, in accordance with the financial reporting provisions of the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note 1.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles section of our report, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Township of Berkeley, as of December 31, 2022 and 2021, or the results of its operations and changes in fund balance for the years then ended.

Basis for Opinions

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

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

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

Responsibilities of Management for the Financial Statements

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Supplementary Information

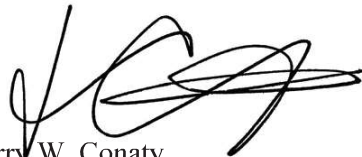
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Township of Berkeley's basic financial statements. The accompanying supplemental schedules presented for the various funds and letter of comments and recommendations section are presented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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 8, 2023, on our consideration of the Township of Berkeley's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Township of Berkeley's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Township of Berkeley's internal control over financial reporting and compliance.

Respectfully submitted,

HOLMAN FRENIA ALLISON, P.C.

A handwritten signature in black ink, appearing to read 'Jerry W. Conaty', with a stylized, overlapping flourish at the end.

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

Lakewood, New Jersey
December 8, 2023

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the financial statements - regulatory basis of the Township of Berkeley, as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements, and have issued our report thereon dated December 8, 2023. Our report indicated that the Township's financial statements were not prepared in accordance with accounting principles generally accepted in the United States of America but rather prepared in accordance with the regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the accompanying schedule of financial statement findings that we consider to be significant deficiencies as Finding Nos. 2022-001, 2022-002, 2022-003, 2022-004 and 2022-005.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Township's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and which are described in the accompanying schedule of financial statement findings as Finding Nos. 2022-001, 2022-002, 2022-003, 2022-004 and 2022-005.

Township of Berkeley's Response to Findings

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

Purpose of this Report

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

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.

A handwritten signature in black ink, appearing to read 'J. Conaty', with a stylized flourish extending to the right.

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

Lakewood, New Jersey
December 8, 2023

BASIC FINANCIAL STATEMENTS

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**TOWNSHIP OF BERKELEY
CURRENT FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES
AND FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2022 AND 2021**

	<u>Ref.</u>	<u>2022</u>	<u>2021</u>
<u>Assets</u>			
Cash	A-4	\$ 19,938,823.45	\$ 16,101,356.93
Cash - Change Fund	A	2,225.00	2,225.00
		<u>19,941,048.45</u>	<u>16,103,581.93</u>
Federal Emergency Management Receivable	A	-	91,152.50
		<u>19,941,048.45</u>	<u>16,194,734.43</u>
Receivables and Other Assets with Full Reserves:			
Delinquent Property Taxes Receivable	A-5	442,008.14	464,287.14
Tax Title Liens Receivable	A-6	193,725.75	537,674.40
Property Acquired for Taxes	A	9,529,240.32	9,209,500.00
Revenue Accounts Receivable	A-7	8,000.37	8,847.26
Due From Municipal Utility Authority	A	259.71	259.71
Trailer Fees Receivable	A	890.00	890.00
Interfunds:			
Trust Other Fund	A-15	17,144.50	52,967.86
		<u>10,191,268.79</u>	<u>10,274,426.37</u>
Deferred Charges:			
Overexpenditure of Appropriation Reserves	A	88,925.85	-
Special Emergency Authorizations (40A:4-55)	A-8	860,000.00	200,000.00
		<u>948,925.85</u>	<u>200,000.00</u>
		<u>31,081,243.09</u>	<u>26,669,160.80</u>
<u>Grant Fund</u>			
Interfund - Current Fund	A-16	2,533,213.46	2,021,102.55
Grants Receivable	A-17	1,766,839.58	3,175,061.34
		<u>4,300,053.04</u>	<u>5,196,163.89</u>
		<u>\$ 35,381,296.13</u>	<u>\$ 31,865,324.69</u>

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

**TOWNSHIP OF BERKELEY
CURRENT FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES
AND FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2022 AND 2021**

	<u>Ref.</u>	<u>2022</u>	<u>2021</u>
<u>Liabilities, Reserves and Fund Balance</u>			
Appropriation Reserves	A-3	\$ 1,996,095.64	\$ 1,920,579.84
Reserve for Encumbrances	A-3	506,412.87	509,382.60
Prepaid Taxes	A-4	1,679,666.37	1,763,172.98
Reserve for Garden State Trust Fund	A	42,590.00	42,590.00
Reserve for Police Found Money	A	1,816.28	1,816.28
Reserve for COVID-19	A	111,596.06	65,813.87
Accounts Payable	A	31,973.70	23,386.48
County Taxes Payable	A-12	193,681.45	109,405.98
Tax Overpayments	A	1,158.09	12,352.55
Reserve for Contractually Required Severance	A-14	-	144,432.96
Reserve for Municipal Relief Fund	A	219,812.09	-
Reserve for Special Emergency	A	500,000.00	-
Local District School Taxes Payable	A-10	206,760.00	206,760.00
Regional School Taxes Payable	A-11	394,810.78	394,810.78
State of New Jersey (P.L. 1971, Ch. 20)	A	36,502.23	36,502.23
Interfunds:			
Payroll Fund	A-15	53,720.08	53,720.08
General Capital	A-15	156,000.00	-
Grant Fund	A-16	2,533,213.46	2,021,102.55
		<u>8,665,809.10</u>	<u>7,305,829.18</u>
Reserve for Receivables and Other Assets	A	10,191,268.79	10,274,426.37
Fund Balance	A-1	<u>12,224,165.20</u>	<u>9,088,905.25</u>
		<u>31,081,243.09</u>	<u>26,669,160.80</u>
<u>Grant Fund</u>			
Reserve for Encumbrances	A-18	143,599.22	335,487.59
Appropriated Reserves	A-18	1,756,606.46	2,660,752.62
Unappropriated Reserves	A-19	2,399,847.36	2,199,923.68
		<u>4,300,053.04</u>	<u>5,196,163.89</u>
		<u>\$ 35,381,296.13</u>	<u>\$ 31,865,324.69</u>

There were deferred school taxes on December 31, 2022 and 2021 of \$26,990,770.85 and \$26,990,770.85, respectively (Exhibits A-10 and A-11).

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

**TOWNSHIP OF BERKELEY
CURRENT FUND
STATEMENTS OF OPERATIONS AND CHANGE IN
FUND BALANCE - REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021**

	<u>Year 2022</u>	<u>Year 2021</u>
<u>Revenue and Other Income Realized</u>		
Fund Balance Utilized	\$ 3,525,000.00	\$ -
Miscellaneous Revenue Anticipated	13,690,294.93	14,969,933.57
Receipts from Delinquent Taxes	537,900.65	641,930.89
Receipts from Current Taxes	120,965,209.12	117,304,747.53
Non-Budget Revenues	615,070.11	1,281,069.56
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	1,923,507.76	1,405,584.29
Prior Year Cancelled Checks	7,962.66	-
Interfunds Returned	-	197,200.43
	<u>141,264,945.23</u>	<u>135,800,466.27</u>
Total Income		
	<u>141,264,945.23</u>	<u>135,800,466.27</u>
<u>Expenditures</u>		
Budget Appropriations within Caps:		
Operations:		
Salaries and Wages	15,927,341.41	17,773,244.59
Other Expenses	19,574,004.00	16,052,800.51
Deferred Charges and Statutory Expenditures	5,305,106.00	4,958,167.00
Budget Appropriations excluded from Caps:		
Operations:		
Salaries and Wages	1,688,404.12	1,133,665.21
Other Expenses	1,090,887.75	1,232,382.57
Capital Improvements	575,000.00	500,000.00
Municipal Debt Service	7,253,276.46	7,200,341.99
Deferred Charges	40,000.00	52,144.03
	<u>51,454,019.74</u>	<u>48,902,745.90</u>
Local District School Taxes	32,433,594.00	32,073,515.00
Regional School Taxes	25,105,627.46	25,171,587.00
County Taxes	24,906,589.85	23,582,782.26
Local Open Space Tax	529,230.00	526,555.00
Cancellation of FEMA Receivable	91,152.50	-
Grant Fund Cancellation of Balances	537,393.91	-
Cancel Outstanding DIT	88,151.24	-
Tax Overpayments	158,926.58	-
	<u>135,304,685.28</u>	<u>130,257,185.16</u>
Total Expenditures		
	<u>135,304,685.28</u>	<u>130,257,185.16</u>

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

**TOWNSHIP OF BERKELEY
CURRENT FUND
STATEMENTS OF OPERATIONS AND CHANGE IN
FUND BALANCE - REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021**

	<u>Year 2022</u>	<u>Year 2021</u>
Excess/(Deficit) in Revenue	<u>5,960,259.95</u>	<u>5,543,281.11</u>
Adjustments to Income Before Fund Balance:		
Expenditures Included Above Which are by		
Statute Deferred Charges to Budgets of		
Succeeding Years	<u>700,000.00</u>	<u>200,000.00</u>
Statutory Excess to Fund Balance	<u>6,660,259.95</u>	<u>5,743,281.11</u>
Deficit in Operations to be Raised in Budget		
of Succeeding Year		
Fund Balance January 1	<u>9,088,905.25</u>	<u>3,345,624.14</u>
	15,749,165.20	9,088,905.25
Decreased by:		
Utilization as Anticipated Revenue	<u>3,525,000.00</u>	<u>-</u>
Fund Balance December 31	<u><u>\$ 12,224,165.20</u></u>	<u><u>\$ 9,088,905.25</u></u>

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

**TOWNSHIP OF BERKELEY
CURRENT FUND
STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Anticipated Budget	Special N.J.S.A. 40A:4-87	Realized	Excess or (Deficit)
Fund Balance Anticipated	\$ 3,525,000.00	\$ -	\$ 3,525,000.00	\$ -
<u>Miscellaneous Revenues</u>				
Licenses:				
Alcoholic Beverages	\$ 45,000.00	\$ -	\$ 45,876.00	\$ 876.00
Other	4,000.00	-	6,658.00	2,658.00
Fees and Permits	580,000.00	-	533,192.40	(46,807.60)
Fines and Costs:				
Municipal Court	94,000.00	-	118,632.97	24,632.97
Interest and Costs on Taxes	200,000.00	-	199,661.36	(338.64)
Interest on Investments and Deposits	90,000.00	-	160,455.29	70,455.29
Beach Admission Fees	140,000.00	-	147,890.00	7,890.00
Municipal Golf Course	128,000.00	-	334,984.76	206,984.76
State Aid:				
Energy Receipts Tax	4,213,875.00	-	4,213,875.00	-
Garden State Trust Fund	42,590.00	-	42,590.00	-
Special Items of Revenue:				
Interlocal Services Agreements:				
Animal Control Services	11,898.33	-	20,157.89	8,259.56
Ocean Gate Borough - Code Enforcement	6,200.00	-	5,560.00	(640.00)
Ocean Gate Borough - Public Works	1,000.00	-	168.78	(831.22)
Ocean Gate Borough - Finance Services	55,000.00	-	55,000.00	-
Ocean Gate Borough - Business Administrator	20,000.00	-	20,000.00	-
Ocean Gate Borough - Fuel Services	10,500.00	-	13,317.38	2,817.38
Seaside Park Borough - Code Enforcement	1,125.00	-	1,125.00	-
Berkeley Board of Education - Fuel Facilities	60,000.00	-	87,754.57	27,754.57
South Toms River - Fire Protection	27,000.00	-	27,000.00	-
Central Regional Board of Education - Fuel Facilities	100,000.00	-	426,831.00	326,831.00
Central Regional Board Trash	42,000.00	-	31,500.00	(10,500.00)
Public and Private Programs:				
Municipal Alliance on Alcohol and Drug Abuse	14,355.00	-	14,355.00	-
Body Armor Replacement Grant	3,405.05	-	3,405.05	-
Clean Communities	133,439.68	-	133,439.68	-
2019 Recycling Tonnage Grant	26,459.11	-	26,459.11	-
FY 2022 ROID Grant	10,028.00	-	10,028.00	-
DMHAS Youth Leadership Grant	5,732.13	-	5,732.13	-
2022 Distracted Driving	-	8,750.00	8,750.00	-
National Opioid Settlement Proceeds	-	26,313.37	26,313.37	-
2022 O/C Recycling Revenue Profit Share	-	62,999.28	62,999.28	-
2022 BPU Clean Energy Electric Vehicle	-	7,000.00	7,000.00	-
2022 O/C Summer Concert Program	-	1,000.00	1,000.00	-
2022 Homeland Security and Preparedness	-	74,000.00	74,000.00	-
2022 APR Firefighter Grant	-	34,000.00	34,000.00	-
Other Special Items:				
American Rescue Plan Act	2,000,000.00	-	2,000,000.00	-
Community Services Officer Program - Ambulance Service Fees	1,066,000.00	-	925,892.29	(140,107.71)
Hotel and Motel Occupancy Tax	20,000.00	-	25,647.38	5,647.38
Health Care Coverage - Employee Percentage	789,000.00	-	792,395.49	3,395.49
Reserve for Payment of Debt	769,595.30	-	769,595.30	-
Senior/Veteran Administration Fee	22,000.00	-	21,401.38	(598.62)
Surplus from the Berkeley Township Sewer Authority	410,000.00	-	410,000.00	-
Uniform Fire Safety Act	37,742.00	-	44,291.37	6,549.37
Sale of Land	300,000.00	-	1,436,384.69	1,136,384.69
Cable TV Franchise Fee	329,151.65	-	329,151.65	-
Interfund - Due from Trust Fund	52,967.86	-	35,823.36	(17,144.50)
Total Miscellaneous Revenues	11,862,064.11	214,062.65	13,690,294.93	1,614,168.17
Receipts from Delinquent Taxes	605,000.00	-	537,900.65	(67,099.35)
Subtotal General Revenues	15,992,064.11	214,062.65	17,753,195.58	1,547,068.82
Amount to be Raised by Taxes for Support of Municipal Budget	37,336,249.11	-	40,371,153.50	3,034,904.39
Total General Revenues	53,328,313.22	214,062.65	58,124,349.08	4,581,973.21
Non-Budget Revenues	-	-	615,070.11	615,070.11
	<u>\$ 53,328,313.22</u>	<u>\$ 214,062.65</u>	<u>\$ 58,739,419.19</u>	<u>\$ 5,197,043.32</u>

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

**TOWNSHIP OF BERKELEY
CURRENT FUND
STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2022**

Analysis of Realized Revenues

Allocation of Current Tax Collections:

Revenue from Collections	\$ 120,965,209.12
Allocated to:	
School, County Taxes and Municipal Open Space	<u>83,341,082.85</u>
Balance for Support of Municipal Budget	
Appropriations	37,624,126.27
Add: Appropriation "Reserve for Uncollected Taxes"	<u>2,747,027.23</u>

Amount for Support of Municipal Budget

Appropriations	<u><u>\$ 40,371,153.50</u></u>
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Receipts from Delinquent Taxes:

Delinquent Tax Collections	\$ 455,468.12
Tax Title Lien Collections	<u>82,432.53</u>
	<u><u>\$ 537,900.65</u></u>

Analysis of Non-Budget Revenue

MRNA	\$ 246,080.98
Foreclosure Premiums	148,800.00
Treasurer Misc	150,763.71
Recycling	18,718.40
Township Auction	17,146.69
Refund of Expenses - Prior Year	32,425.51
Restitution	<u>1,134.82</u>
	<u><u>\$ 615,070.11</u></u>

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

**TOWNSHIP OF BERKELEY
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Appropriated		Paid or Charged	Expended		Unexpended Balance Cancelled
	Budget	Budget After Modification		Encumbrance	Reserved	
<u>OPERATIONS WITHIN CAPS</u>						
<u>General Government Functions</u>						
General Administration						
Salaries and Wages	\$ 309,435.00	\$ 259,435.00	\$ 246,045.49	\$ -	\$ 13,389.51	-
Other Expenses	53,500.00	56,500.00	53,100.89	1,085.68	2,313.43	-
Human Resources						
Salaries and Wages	157,000.00	145,000.00	137,288.84	-	7,711.16	-
Other Expenses	7,200.00	7,200.00	6,149.11	-	1,050.89	-
Office of the Mayor						
Salaries and Wages	38,250.00	38,250.00	37,227.22	-	1,022.78	-
Other Expenses	2,325.00	2,325.00	1,592.74	111.19	621.07	-
Township Council						
Salaries and Wages	105,000.00	105,000.00	104,999.44	-	0.56	-
Other Expenses	4,500.00	4,500.00	535.00	-	3,965.00	-
Municipal Clerk						
Salaries and Wages	255,815.00	260,815.00	250,205.85	-	10,609.15	-
Other Expenses	29,450.00	29,450.00	17,747.91	8,591.86	3,110.23	-
Computerized Data Processing						
Salaries and Wages	76,991.00	76,991.00	73,773.80	-	3,217.20	-
Other Expenses	81,200.00	81,200.00	78,603.89	1,735.26	860.85	-
Financial Administration (Treasury)						
Salaries and Wages	502,293.00	483,443.00	450,841.34	-	32,601.66	-
Other Expenses	51,100.00	43,100.00	34,812.04	1,037.00	7,250.96	-
Contractually Required Severance Liabilities						
Other Expenses	-	200,000.00	200,000.00	-	-	-
Audit Services						
Other Expenses	75,000.00	52,500.00	50,925.00	-	1,575.00	-
Revenue Administration (Tax Collection)						
Salaries and Wages	306,658.00	306,658.00	305,486.65	-	1,171.35	-
Other Expenses	62,100.00	62,100.00	56,921.94	44.25	5,133.81	-
Tax Assessment Administration						
Salaries and Wages	434,599.00	441,599.00	440,739.08	-	859.92	-
Other Expenses	17,275.00	13,275.00	12,296.07	597.50	381.43	-
Division of Purchasing						
Salaries and Wages	40,500.00	40,500.00	32,955.75	-	7,544.25	-
Other Expenses	113,125.00	121,125.00	110,411.40	5,578.18	5,135.42	-
Legal Services						
Other Expenses	420,000.00	527,000.00	506,797.39	-	20,202.61	-

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

**TOWNSHIP OF BERKELEY
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Appropriated		Paid or Charged	Expended		Unexpended Balance Cancelled
	Budget	Budget After Modification		Encumbrance	Reserved	
Engineering Services						
Other Expenses	368,100.00	290,100.00	237,962.64	49.08	52,088.28	-
Economic Development Agencies						
Salaries and Wages	2,000.00	2,000.00	-	-	2,000.00	-
Other Expenses	1,000.00	1,000.00	25.00	-	975.00	-
Municipal Court:						
Salaries and Wages	260,487.00	270,487.00	270,401.84	-	85.16	-
Other Expenses	11,500.00	13,200.00	10,371.33	2,757.10	71.57	-
Public Defender (P.L. 1997, c256)						
Other Expenses	30,000.00	46,000.00	42,216.50	-	3,783.50	-
<u>Land Use Administration</u>						
Planning Board						
Salaries and Wages	23,794.00	25,794.00	24,268.80	-	1,525.20	-
Other Expenses	56,050.00	56,050.00	22,473.38	883.00	32,693.62	-
Director of Planning						
Other Expenses	115,000.00	115,000.00	86,451.00	-	28,549.00	-
Division of Zoning						
Salaries and Wages	129,998.00	129,998.00	125,345.22	-	4,652.78	-
Other Expenses	5,010.00	13,010.00	10,390.59	1,179.64	1,439.77	-
Zoning Board of Adjustment						
Salaries and Wages	23,794.00	24,294.00	24,294.00	-	-	-
Other Expenses	28,350.00	28,350.00	25,831.63	-	2,518.37	-
<u>Insurances</u>						
General Liability	1,400,000.00	1,400,000.00	1,336,191.61	-	63,808.39	-
Workers Compensation	600,000.00	600,000.00	282,926.87	-	317,073.13	-
Employee Group Insurance	6,400,000.00	6,592,000.00	6,591,445.00	-	555.00	-
Unemployment Insurance	10,000.00	10,000.00	-	-	10,000.00	-
<u>Public Safety Functions</u>						
Police Department						
Salaries and Wages	7,656,743.41	7,322,971.73	7,176,586.92	-	146,384.81	-
Other Expenses	480,350.00	479,445.90	370,895.45	105,628.60	2,921.85	-
Office of Emergency Management (OEM)						
Salaries and Wages	18,000.00	18,000.00	17,000.00	-	1,000.00	-
Other Expenses	5,400.00	5,400.00	431.87	4,934.60	33.53	-

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

**TOWNSHIP OF BERKELEY
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Appropriated		Paid or Charged	Expended		Unexpended Balance Cancelled
	Budget	Budget After Modification		Encumbrance	Reserved	
Aid to Volunteer Fire Companies						
Salaries and Wages	15,000.00	15,000.00	14,999.92	-	0.08	-
Other Expenses	220,000.00	220,000.00	136,679.56	56,374.09	26,946.35	-
Aid to Volunteer Ambulance Companies						
Other Expenses	157,000.00	157,000.00	157,000.00	-	-	-
Fire Department						
Salaries and Wages	81,308.00	81,308.00	59,135.10	-	22,172.90	-
Other Expenses	5,850.00	5,850.00	2,110.62	3,301.93	437.45	-
Uniform Fire Safety Act (P.L. 1983, Ch. 383):						
Salaries and Wages	37,742.00	37,742.00	37,742.00	-	-	-
Emergency Medical Services						
Other Expenses	402,262.00	-	-	-	-	-
Police Department- ARP Funds						
Salaries and Wages	2,000,000.00	2,000,000.00	2,000,000.00	-	-	-
Municipal Prosecutor:						
Other Expenses	40,000.00	54,000.00	50,066.25	-	3,933.75	-
Public Works Functions						
Streets and Roads Maintenance:						
Salaries and Wages	577,745.00	683,745.00	681,181.97	-	2,563.03	-
Other Expenses	247,250.00	236,750.00	164,882.91	42,850.86	29,016.23	-
Contractual	140,000.00	140,000.00	140,000.00	-	-	-
Other Public Works Functions/Signs						
Salaries and Wages	118,020.00	68,020.00	57,614.63	-	10,405.37	-
Other Expenses	25,000.00	25,000.00	13,975.72	10,870.58	153.70	-
Other Public Works Functions/Demolition of Buildings						
Other Expenses	10,000.00	10,000.00	1,143.45	-	8,856.55	-
Solid Waste						
Salaries and Wages	2,340,124.00	2,310,124.00	2,289,352.38	-	20,771.62	-
Other Expenses	297,000.00	298,000.00	224,553.53	73,246.80	199.67	-
Division of Recycling						
Salaries and Wages	385,420.00	480,420.00	470,788.65	-	9,631.35	-
Other Expenses	35,500.00	35,500.00	29,352.93	6,085.48	61.59	-
Buildings and Grounds:						
Salaries and Wages	215,879.00	200,879.00	185,971.42	-	14,907.58	-
Other Expenses	129,000.00	140,000.00	113,642.44	18,812.85	7,544.71	-
Vehicle Maintenance (Includes Police Vehicles)						
Salaries and Wages	497,593.00	552,593.00	550,696.66	-	1,896.34	-
Other Expenses	33,850.00	33,850.00	25,875.52	7,191.24	783.24	-

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

**TOWNSHIP OF BERKELEY
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Appropriated		Expended		Unexpended Balance Cancelled
	Budget	Budget After Modification	Paid or Charged	Encumbrance	
<u>Health and Human Services</u>					
Veterans Advisory Council					
Salaries and Wages	300.00	300.00	-	-	300.00
Other Expenses	200.00	200.00	-	-	200.00
Senior Citizens Advisory Committee					
Salaries and Wages	300.00	300.00	-	-	300.00
Other Expenses	200.00	200.00	-	-	200.00
Waterways Advisory Committee					
Salaries and Wages	1,000.00	5,000.00	3,000.00	-	2,000.00
Other Expenses	500.00	500.00	-	-	500.00
Environmental Health Services					
Salaries and Wages	-	-	-	-	-
Other Expenses	100.00	100.00	-	-	100.00
Animal Control Services					
Salaries and Wages	161,141.00	161,141.00	153,172.53	-	7,968.47
Other Expenses	250.00	250.00	-	-	250.00
Contribution - Providence House (N.J.S.A. 40:23-8.17)	1,000.00	1,000.00	1,000.00	-	-
Contribution - Community Services Inc. (N.J.S.A. 40:48-9.4)	5,000.00	5,000.00	5,000.00	-	-
Contribution - S.T.E.P.S., Inc. (N.J.S.A. 40:48-9.4)	1,000.00	1,000.00	1,000.00	-	-
Fulfill (NJSA 40:23-8. 19)	25,000.00	25,000.00	25,000.00	-	-
Inspire-NJ (NJSA 40:23-8. 19)	25,000.00	25,000.00	25,000.00	-	-
<u>Parks and Recreation</u>					
Recreation Services and Programs					
Salaries and Wages	422,647.00	356,997.00	355,727.48	-	1,269.52
Other Expenses	40,000.00	47,500.00	41,044.45	6,117.13	338.42
Maintenance of Parks					
Salaries and Wages	639,872.00	639,872.00	635,560.45	-	4,311.55
Other Expenses	81,000.00	84,000.00	77,614.99	1,011.75	5,373.26
Beach and Boardwalk Operations					
Salaries and Wages	120,500.00	154,271.68	154,271.68	-	-
Other Expenses	10,000.00	17,204.10	15,403.26	1,800.84	-
<u>Utilities and Bulk Purchases</u>					
Utilities					
Electricity	225,000.00	245,000.00	227,741.09	-	17,258.91
Street Lighting	420,000.00	420,000.00	407,689.05	-	12,310.95
Telephone	165,000.00	165,000.00	164,349.35	650.65	-
Water	40,000.00	40,000.00	34,610.89	663.92	4,725.19
Natural Gas	70,000.00	70,000.00	63,525.29	-	6,474.71
Petroleum Products	1,200,000.00	1,200,000.00	1,051,817.98	99,602.98	48,579.04
Telecommunications (Cell Phone)	70,000.00	70,000.00	62,550.16	-	7,449.84
Sewerage Processing and Disposal	10,000.00	10,000.00	5,839.34	-	4,160.66
Fire Hydrants	210,000.00	200,000.00	162,723.12	4,223.74	33,053.14

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

**TOWNSHIP OF BERKELEY
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Appropriated		Expended		Unexpended Balance Cancelled
	Budget	Budget After Modification	Paid or Charged	Encumbrance Reserved	
<u>Recycling and Landfill</u>					
Landfill/Solid Waste Disposal Costs					
Other Expenses/Tipping	2,200,000.00	2,200,000.00	2,150,838.24	3,552.02	-
<u>Code Enforcement and Administration</u>					
Other Code Enforcement Functions:					
Salaries and Wages	259,487.00	259,487.00	236,837.05	-	-
Other Expenses	8,175.00	8,175.00	5,102.16	497.00	-
<u>Unclassified:</u>					
Tax Maps	-	500,000.00	500,000.00	-	-
Total Operations within Caps	35,193,107.41	35,499,345.41	33,838,150.71	471,066.80	-
Contingent	2,000.00	2,000.00	-	-	-
Total Operations within Caps including Contingent	35,195,107.41	35,501,345.41	33,838,150.71	471,066.80	-
Detail:					
Salaries and Wages	18,215,435.41	15,927,341.41	15,576,243.36	-	-
Other Expenses	16,979,672.00	19,574,004.00	18,261,907.35	471,066.80	-
<u>DEFERRED CHARGES AND STATUTORY EXPENDITURES</u>					
<u>WITHIN CAPS</u>					
<u>Statutory Expenditures</u>					
Contribution to:					
Social Security System	1,536,063.00	1,536,063.00	1,468,993.69	-	-
Police and Firemen's Retirement System of NJ	2,382,127.00	2,382,127.00	2,382,085.19	-	-
Defined Contribution Retirement Program	10,000.00	13,500.00	12,530.64	-	-
Public Employee Retirement System	1,373,416.00	1,373,416.00	1,373,416.00	-	-
Total Deferred Charges and Statutory Expenditures within Caps	5,301,606.00	5,305,106.00	5,237,025.52	-	-
Total Appropriations within Caps	40,496,713.41	40,806,451.41	39,075,176.23	471,066.80	-

**TOWNSHIP OF BERKELEY
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Appropriated		Paid or Charged	Expended		Unexpended Balance Cancelled
	Budget	Budget After Modification		Encumbrance	Reserved	
<u>OPERATIONS EXCLUDED FROM CAPS</u>						
Length of Service Awards Program (N.J.A.C. 5:30-14.25)	200,000.00	200,000.00	115,744.18	-	84,255.82	-
Stormwater and Water Pollution (N.J.S.A. 40A: 4-45.3(cc))	226,490.00	226,490.00	144,382.37	-	82,107.63	-
Salaries and Wages	60,000.00	60,000.00	31,640.96	-	28,359.04	-
Other Expenses						
Recycling Enhancement Act (P.L. 2007 c.311)	74,746.17	74,746.17	-	772.04	73,974.13	-
Other Expenses						
<u>Interlocal Municipal Service Agreements</u>						
Central Regional Board of Education - Fuel	100,000.00	100,000.00	100,000.00	-	-	-
Other Expenses						
Ocean County Social Services - Relocation Expenses	1,000.00	1,000.00	-	-	1,000.00	-
Other Expenses						
South Toms River - Fire Department	27,000.00	27,000.00	21,000.00	-	6,000.00	-
Other Expenses						
Ocean County Health Dept - Animal Control	15,000.00	15,000.00	3,298.00	-	11,702.00	-
Other Expenses						
Animal Control - Pine Beach, Seaside Park, Ocean Gate	11,898.33	11,898.33	11,898.33	-	-	-
Other Expenses						
Berkeley Board of Education - Fuel	60,000.00	60,000.00	60,000.00	-	-	-
Other Expenses						
Borough of Ocean Gate - Chief Financial Officer	55,000.00	55,000.00	43,150.00	-	11,850.00	-
Other Expenses						
Borough of Seaside Park	1,125.00	1,125.00	1,125.00	-	-	-
Other Expenses						
Central Regional Board of Education - Trash Removal	42,000.00	42,000.00	42,000.00	-	-	-
Other Expenses						
Emergency Medical Services (EMS)						
Salaries and Wages	931,000.00	1,333,262.00	974,518.25	-	358,743.75	-
Other Expenses	135,000.00	123,000.00	87,115.29	34,574.03	1,310.68	-
Borough of Ocean Gate - Public Works						
Other Expenses	1,000.00	1,000.00	-	-	1,000.00	-
Borough of Ocean Gate - Fuel						
Other Expenses	10,500.00	10,500.00	10,500.00	-	-	-
Borough of Ocean Gate- Business Administrator						
Other Expenses	20,000.00	20,000.00	20,000.00	-	-	-
Borough of Ocean Gate - Code Enforcement						
Other Expenses	6,200.00	6,200.00	6,200.00	-	-	-

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

**TOWNSHIP OF BERKELEY
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Appropriated		Paid or Charged	Expended		Unexpended Balance Cancelled
	Budget	Budget After Modification		Encumbrance	Reserved	
Public and Private Programs Offset by Revenues						
Clean Communities Program Grant						
Salaries and Wages	90,000.00	90,000.00	90,000.00	-	-	-
Other Expenses	43,439.68	43,439.68	43,439.68	-	-	-
Municipal Alliance Grant - State Share						
Other Expenses	14,355.00	14,355.00	14,355.00	-	-	-
Municipal Alliance Grant- Municipal Share						
Salaries and Wages	3,588.75	3,588.75	3,588.75	-	-	-
Recycling Tonnage Grant						
Other Expenses	26,459.11	26,459.11	26,459.11	-	-	-
FY 2022 ROID Grant						
Other Expenses	10,028.00	10,028.00	10,028.00	-	-	-
State of NJ - 2020 Body Armor Grant						
Other Expenses	3,405.05	3,405.05	3,405.05	-	-	-
DMHAS Youth Leadership Grant						
Other Expenses	5,732.13	5,732.13	5,732.13	-	-	-

**TOWNSHIP OF BERKELEY
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Appropriated		Expended		Unexpended Balance Cancelled
	Budget	Budget After Modification	Paid or Charged	Encumbrance Reserved	
2022 Distracted Driving Other Expenses	-	8,750.00	8,750.00	-	-
2022 O/C Recycling Revenue Profit Share Other Expenses	-	62,999.28	62,999.28	-	-
2022 BPU Clean Energy Electric Vehicle Other Expenses	-	7,000.00	7,000.00	-	-
2022 Homeland Security and Preparedness Other Expenses	-	74,000.00	74,000.00	-	-
2022 APR Firefighter Grant Other Expenses	-	34,000.00	34,000.00	-	-
2022 O/C Summer Concert Program Other Expenses	-	1,000.00	1,000.00	-	-
National Opioid Settlement Proceeds Other Expenses	-	26,313.37	26,313.37	-	-
Total Operations excluded from Caps	2,174,967.22	2,779,291.87	2,083,642.75	35,346.07	660,303.05
Detail:					
Salaries and Wages	1,353,078.75	1,688,404.12	1,247,552.74	440,851.38	-
Other Expenses	821,888.47	1,090,887.75	836,090.01	219,451.67	-
CAPITAL IMPROVEMENTS EXCLUDED FROM CAPS					
Capital Improvement Fund	575,000.00	575,000.00	575,000.00	-	-
Total Capital Improvements excluded from Caps	575,000.00	575,000.00	575,000.00	-	-
MUNICIPAL DEBT SERVICE EXCLUDED FROM CAPS					
Payment of Bond Principal	5,440,000.00	5,440,000.00	5,440,000.00	-	-
Interest on Bonds	1,507,876.26	1,507,876.26	1,467,141.26	-	40,735.00
Interest on Notes	213,800.00	213,800.00	213,206.10	-	593.90
NJEIT:					
Loan Repayments for Principal	121,516.60	121,516.60	52,425.41	69,091.19	-
Loan Repayments for Interest	11,412.50	11,412.50	4,919.48	6,493.02	-
Total Municipal Debt Service Excluded from Caps	7,294,605.36	7,294,605.36	7,177,692.25	75,584.21	41,328.90

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

**TOWNSHIP OF BERKELEY
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Appropriated Budget	Budget After Modification	Paid or Charged	Expended Encumbrance	Reserved	Unexpended Balance Cancelled
<u>DEFERRED CHARGES EXCLUDED FROM CAPS</u>						
Emergency Authorizations						
Special Emergency Authorizations - From 2021	40,000.00	40,000.00	40,000.00	-	-	-
Total Deferred Charges Excluded from Caps	40,000.00	40,000.00	40,000.00	-	-	-
Total General Appropriations Excluded from Caps	10,084,572.58	10,688,897.23	9,876,335.00	35,346.07	735,887.26	41,328.90
Subtotal General Appropriations	50,581,285.99	51,495,348.64	48,951,511.23	506,412.87	1,996,095.64	41,328.90
Reserve for Uncollected Taxes	2,747,027.23	2,747,027.23	2,747,027.23	-	-	-
Total General Appropriations	\$ 53,328,313.22	\$ 54,242,375.87	\$ 51,698,538.46	\$ 506,412.87	\$ 1,996,095.64	\$ 41,328.90
Adopted Budget		\$ 53,328,313.22				
Appropriations added by 40A:4-87		214,062.65				
Special Emergency Authorizations		700,000.00				
Reserve for:		\$ 54,242,375.87				
Uncollected Taxes		\$ 2,747,027.23				
Contractually Required Severance		200,000.00				
Tax Maps		500,000.00				
Disbursements		47,800,440.86				
Special Emergency Authorizations		40,000.00				
Interfunds:						
Grant Fund		411,070.37				
		\$ 51,698,538.46				

**TOWNSHIP OF BERKELEY
OTHER TRUST FUND
STATEMENTS OF ASSETS, LIABILITIES,
RESERVES AND FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2022 AND 2021**

	<u>Ref.</u>	<u>2022</u>	<u>2021</u>
<u>Assets</u>			
<u>Animal Control Trust Fund</u>			
Cash	B-1	\$ 5,681.05	\$ 41,544.63
<u>Other Trust Fund</u>			
Cash	B-1	6,771,618.07	6,360,657.41
Due From Payroll	B-4	544,236.06	544,236.06
Deferred Charge - Overexpenditure of Trust Fund	B-5	7,820.26	-
		<u>7,323,674.39</u>	<u>6,904,893.47</u>
Length of Service Awards Program Fund (LOSAP)			
Funds Held by Trustee	B-7	<u>2,027,410.92</u>	<u>2,464,457.42</u>
		<u>\$ 9,356,766.36</u>	<u>\$ 9,410,895.52</u>
<u>Liabilities and Reserves</u>			
<u>Animal Control Trust Fund</u>			
Reserve for Animal Control Trust Fund	B-2	\$ 5,672.05	\$ 41,535.63
Due to State of New Jersey	B-3	<u>9.00</u>	<u>9.00</u>
		<u>5,681.05</u>	<u>41,544.63</u>
<u>Other Trust Fund</u>			
Interfund:			
Current Fund	B-4	17,144.50	52,967.86
Due to State of New Jersey	B	20,073.00	18,895.00
Reserve for:			
Miscellaneous Reserves	B-5	7,014,852.12	6,529,782.85
Open Space	B-6	<u>271,604.77</u>	<u>303,247.76</u>
		<u>7,323,674.39</u>	<u>6,904,893.47</u>
Length of Service Awards Program Fund (LOSAP)			
Funds Held by Trustee	B-7	<u>2,027,410.92</u>	<u>2,464,457.42</u>
		<u>\$ 9,356,766.36</u>	<u>\$ 9,410,895.52</u>

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

**TOWNSHIP OF BERKELEY
GENERAL CAPITAL FUND
STATEMENTS OF ASSETS, LIABILITIES,
RESERVES AND FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2022 AND 2021**

	<u>Ref.</u>	<u>2022</u>	<u>2021</u>
<u>Assets</u>			
Cash	C-2	\$ 779,758.96	\$ 12,370,901.81
Deferred Charges to Future Taxation:			
Funded	C-4	40,980,011.97	46,064,765.60
Unfunded	C-5	32,063,360.00	21,470,795.00
Interfunds:			
Current Fund	A	156,000.00	-
Grants Receivable	C-7	998,550.82	1,325,675.82
		<u>\$ 74,977,681.75</u>	<u>\$ 81,232,138.23</u>
 <u>Liabilities, Reserves and Fund Balance</u>			
Capital Improvement Fund	C-6	\$ 101,102.97	\$ 88,342.97
Reserve for Debt Service	C-3	255,583.38	804,099.68
Improvement Authorizations:			
Funded	C-8	844,484.67	1,353,558.00
Unfunded	C-8	5,348,806.05	5,128,186.67
Reserve for Encumbrances	C-8	5,916,295.50	6,261,788.10
Bond Anticipation Notes	C-12	21,380,000.00	21,380,000.00
Environmental Infrastructure Trust Fund Loans	C-9	617,732.38	742,454.63
Serial Bonds	C-10	39,339,000.00	44,779,000.00
Green Trust Loan Payable	C-11	1,023,279.59	543,310.97
Fund Balance	C-1	151,397.21	151,397.21
		<u>\$ 74,977,681.75</u>	<u>\$ 81,232,138.23</u>

There were bonds and notes authorized but not issued on December 31, 2022 and 2021 of \$10,683,360 and \$90,795.00, respectively. (Exhibit C-13).

**TOWNSHIP OF BERKELEY
GENERAL CAPITAL FUND
STATEMENT OF FUND BALANCE - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2022**

Balance December 31, 2022 and 2021	<u>\$ 151,397.21</u>
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The accompanying notes to the financial statements are an integral part of this statement.

**TOWNSHIP OF BERKELEY
PAYROLL FUND
STATEMENTS OF ASSETS AND LIABILITIES
REGULATORY BASIS
DECEMBER 31, 2022 AND 2021**

	<u>2022</u>	<u>2021</u>
<u>Assets</u>		
Cash	\$ 813,513.01	\$ 532,235.30
Interfund Receivable - Current	<u>53,720.08</u>	<u>53,720.08</u>
	<u><u>\$ 867,233.09</u></u>	<u><u>\$ 585,955.38</u></u>
<u>Liabilities</u>		
Interfund Payable - Special Trust	\$ 294,281.53	\$ 294,281.53
Interfund Payable - Outside Employment Trust	249,954.53	249,954.53
Payroll Deductions Payable	<u>322,997.03</u>	<u>41,719.32</u>
	<u><u>\$ 867,233.09</u></u>	<u><u>\$ 585,955.38</u></u>

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

TOWNSHIP OF BERKELEY
GENERAL FIXED ASSETS ACCOUNT GROUP
STATEMENTS OF ASSETS AND LIABILITIES
REGULATORY BASIS
DECEMBER 31, 2022 AND 2021

	<u>2022</u>	<u>2021</u>
General Fixed Assets:		
Land	\$ 8,056,770.07	\$ 8,056,770.07
Buildings and Improvements	10,711,431.70	10,711,431.70
Machinery and Equipment	<u>35,489,320.97</u>	<u>23,410,569.42</u>
	<u>\$ 54,257,522.74</u>	<u>\$ 42,178,771.19</u>
Investment in General Fixed Assets	<u>\$ 54,257,522.74</u>	<u>\$ 42,178,771.19</u>

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

**TOWNSHIP OF BERKELEY
COUNTY OF OCEAN**

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

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TOWNSHIP OF BERKELEY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

Note 1. Summary of Significant Accounting Policies

Description of Financial Reporting Entity

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

Component Units - GASB Statement 14, as amended by GASB Statements 39, 61, 80, 90 and 97, establishes criteria to be used in determining the component units, which should be included in the financial statements of a primary government. The financial statements of the Township are not presented in accordance with GAAP (as discussed below). If the provisions of these GASB statements had been complied with, the financial statements of the following components unit would have been either blended or discretely presented with the financial statements of the Township, the primary government:

Berkeley Municipal Utilities Authority
Berkeley Housing Authority

Berkeley Sewerage Authority

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

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

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

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

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

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

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

TOWNSHIP OF BERKELEY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

Note 1. Summary of Significant Accounting Policies (continued)

Budgets and Budgetary Accounting - The Township must adopt an annual budget for its Current Fund in accordance with *N.J.S.A.40A:4* et seq. *N.J.S.A.40A:4-5* requires the governing body to introduce and approve the annual municipal budget no later than February 10th of each year. At introduction, the governing body must fix the time and place for a public hearing on the budget and must advertise the time and place at least ten days prior to the hearing in a newspaper published and circulating in the municipality. The public hearing must not be held less than twenty-eight days after the date the budget was introduced. After the hearing has been held, the governing body may, by majority vote, adopt the budget or may amend the budget in accordance with *N.J.S.A.40A:4-9*. Amendments to adopted budgets, if any are detailed in the statements of revenues and expenditures.

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

Cash, Cash Equivalents and Investments - Cash and Cash equivalents include petty cash, change funds and cash on deposit with public depositories. All certificates of deposit are recorded as cash regardless of the date of maturity. Under GAAP, investments are reported at fair value but under regulatory basis of accounting, investments are stated at cost with the exception of LOSAP investments which are reported at fair value. Therefore, unrealized gains or losses on investments have not been recorded.

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

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

The cash management plan adopted by the Township requires it to deposit funds in public depositories protected from loss under the provisions of the Act.

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

TOWNSHIP OF BERKELEY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

Note 1. Summary of Significant Accounting Policies (continued)

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

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

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

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

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

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

TOWNSHIP OF BERKELEY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

Note 1. Summary of Significant Accounting Policies (continued)

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

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

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

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

Deferred School Taxes – School taxes raised in advance in the Current Fund for a school fiscal year (July 1 to June 30) which remain unpaid at December 31 of the calendar year levied may be deferred to fund balance to the extent of not more than 50% of the annual levy providing no requisition has been made by the school district for such amount.

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

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

TOWNSHIP OF BERKELEY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

Note 1. Summary of Significant Accounting Policies (continued)

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

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

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

Recent Accounting Pronouncements – The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. GASB adopts accounting statements to be used by governmental units when reporting financial position and results of operations in accordance with accounting principles generally accepted in the United States of America (GAAP). The municipalities in the State of New Jersey do not prepare their financial statements in accordance with GAAP and thus do not comply with all of the GASB pronouncements.

Accounting Pronouncements Adopted in Current Year

The following GASB Statements became effective for the fiscal year ended December 31, 2022:

- Statement No. 87, *Leases*.
- Statement No. 93, *Replacement of Interbank Offered Rates*.
- Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans – an amendment of GASB Statements No. 14 and No. 84 and a supersession of GASB Statement No. 32*. Requirements of this pronouncement related to paragraphs 4 and 5 were implemented in the prior year.

Management has determined that the implementation of these Statements did not have a significant impact on the Township’s financial statements.

Accounting Pronouncements Effective in Future Reporting Periods

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

- Statement No. 96, *Subscription-Based Information Technology Arrangements*. The requirements of this Statement are effective for fiscal years beginning after June 15, 2022.
- Statement No. 100, *Accounting Changes and Error Corrections – an amendment of GASB Statement No. 62*. The requirements of this Statement are effective for fiscal years beginning after June 15, 2023.

TOWNSHIP OF BERKELEY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

Note 1. Summary of Significant Accounting Policies (continued)

- Statement No. 101, *Compensated Absences*. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023.

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

Note 2. Deposits and Investments

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

Deposits

Custodial Credit Risk Related to Deposits - Custodial credit risk is the risk that, in the event of a bank failure, the Township's deposits may not be returned. Although the Township does not have a formal policy regarding custodial credit risk, NJSA 17:9-41 et seq. requires that the governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). GUDPA is a supplemental insurance program set forth by the

New Jersey Legislature to protect the deposits of local governmental agencies. The program is administered by the Commissioner of the New Jersey Department of Banking and Insurance. Under the Act, the first \$250,000 of governmental deposits in each insured depository is protected by FDIC. Public funds owned by the Township in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings, bail funds or funds that may pass to the Township relative to the happening of a future condition. Such funds are shown as Uninsured and Uncollateralized in the schedule below. As of December 31, 2022, the Township's bank balance of \$36,255,646.54 was insured or collateralized as follows:

Insured under FDIC and GUDPA	\$ 25,785,491.13
Uninsured and Uncollateralized	<u>10,470,155.41</u>
	<u><u>\$ 36,255,646.54</u></u>

Investments

Under the regulatory basis of accounting, investments are measured at cost in the Township's financial statements. However, had the financial statements been prepared in accordance with generally accepted accounting principles (GAAP), investments would be reported at fair value (except for fully benefit-responsive investment contracts, which would be reported at contract value). Contract value is the relevant measure for the portion of the Length of Service Awards Program (LOSAP) Plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants normally would receive if they were to initiate permitted transactions under the terms of the LOSAP Plan.

Investments at Fair Value – The fair value measurements of investments are required to be reported based on the hierarchy established by GAAP. Under GAAP, investments are required to be categorized based on the fair value of inputs of Levels 1, 2 and 3. Under Level 1 inputs, investments are required to be categorized based on quoted market prices in active markets for identical investments. Level 2 inputs are

TOWNSHIP OF BERKELEY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

Note 2. Deposits and Investments (continued)

Investments (continued)

based primarily on using observable measurement criteria, including quoted market prices of similar investments in active and inactive markets and other observable corroborated factors. Level 3 inputs are assets measured at fair value on a recurring basis using significant unobservable measurement criteria based on the best information available. As of December 31, 2022, the Township had no investments held at Level 2 or 3.

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

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

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

The Township's fair value, hierarchy level and maturities of its investments at December 31, 2022 was as followed:

	Carrying Value	Fair Value as of December 31, 2022		Investment Maturities (in Years)
		Level 1	Total	Less Than 1 Year
<u>Investment type</u>				
Money Markets	\$ 231,346.68	\$ 231,346.68	\$ 231,346.68	\$ 231,346.68
Mutual Funds	1,084,191.09	1,084,191.09	1,084,191.09	1,084,191.09
Fixed Account Investment Contract	711,873.15	711,873.15	711,873.15	711,873.15
	<u>\$ 2,027,410.92</u>	<u>\$ 2,027,410.92</u>	<u>\$ 2,027,410.92</u>	<u>\$ 2,027,410.92</u>

Investments at Contract Value - The Township held a fully benefit-responsive investment contract with the VALIC Financial Group (VALIC) totaling \$2,027,410.92 as of December 31, 2022. VALIC maintains the contributions in the group fixed annuity contract (fixed account). The account is credited with earnings on the underlying investments and charged for participant withdrawals and administrative expenses. The traditional investment contract held by the Township is a guaranteed investment contract.

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

No events are probable of occurring that might limit the ability of the LOSAP Plan to transact at contract value with the contract issuer and also limit the ability of the LOSAP Plan to transact at contract value with participants. This contract meets the fully benefit-responsive investment contract criteria and therefore is reported at contract value. The total Trust Fund LOSAP value held by the Township at December 31, 2022 was as follows:

TOWNSHIP OF BERKELEY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

Note 2. Deposits and Investments (continued)

Investments (continued)

<u>Fund</u>				
Trust Fund - LOSAP	\$ 2,027,410.92	\$ 2,027,410.92	\$ 2,027,410.92	\$ 2,027,410.92
	<u>\$ 2,027,410.92</u>	<u>\$ 2,027,410.92</u>	<u>\$ 2,027,410.92</u>	<u>\$ 2,027,410.92</u>

Custodial Credit Risk Related to Investments - This is the risk that in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, the Township will not be able to recover the value of its investment or collateral securities that are in the possession of another party. Other than the rules and regulations promulgated by N.J.S.A. 40A:5-15.BE1, the Township has no investment policy to limit exposure to custodial credit risk.

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

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

Concentration of Credit Risk – Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. Other than the rules and regulations promulgated by N.J.S.A. 40A: 5-15.1, the Township's investment policies place no limit in the amount the Township may invest in any one issuer. More than 5% of the Township's investments are in mutual funds and money markets and these investments represent 65.94% of the Township's total investments.

Note 3. Property Taxes

The following is a three-year comparison of certain statistical information relative to property taxes and property tax collections for the current and previous two years.

Comparison Schedule of Tax Rates

	<u>2022</u>	<u>2021</u>	<u>2020</u>
Tax Rate	<u>\$ 2.277</u>	<u>\$ 2.229</u>	<u>\$ 2.229</u>
Apportionment of Tax Rate:			
Municipal	0.705	0.686	0.686
Municipal Open Space	0.010	0.010	0.010
County	0.467	0.446	0.452
Local School	0.618	0.609	0.606
Regional School	0.477	0.478	0.475

**TOWNSHIP OF BERKELEY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

Note 3. Property Taxes (continued)

Assessed Valuation

<u>Year</u>	<u>Amount</u>
2022	\$ 5,292,304,213.00
2021	5,265,550,469.00
2020	5,217,766,200.00

Comparison of Tax Levies and Collections

<u>Year</u>	<u>Tax Levy</u>	<u>Cash Collections</u>	<u>Percentage Of Collection</u>
2022	\$ 121,519,506.51	\$ 120,965,209.12	99.54%
2021	117,873,918.63	117,304,747.53	99.51%
2020	117,116,843.33	116,276,023.51	99.28%

Delinquent Taxes and Tax Title Liens

<u>Year</u>	<u>Tax Title Liens</u>	<u>Delinquent Taxes</u>	<u>Total Delinquent</u>	<u>Percentage Of Tax Levy</u>
2022	\$ 184,964.68	\$ 442,008.14	\$ 626,972.82	0.52%
2021	537,674.40	464,287.14	1,001,961.54	0.85%
2020	408,795.06	631,309.75	1,040,104.81	0.89%

Number of Tax Title Liens

<u>Year</u>	<u>Number</u>
2022	187
2021	280
2020	285

Note: 4: Property Acquired By Tax Title Lien Liquidation

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

<u>Year</u>	<u>Amount</u>
2022	\$ 9,529,240.32
2021	9,209,500.00
2020	6,179,600.00

TOWNSHIP OF BERKELEY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

Note: 5: Fund Balances Appropriated

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

<u>Year</u>	<u>Balance December 31,</u>	<u>Utilized in Budget of Succeeding Year</u>	<u>Percentage of Fund Balance Used</u>
Current Fund:			
2022	\$ 12,224,165.20	\$ 6,650,000.00	54.40%
2021	9,088,905.25	3,525,000.00	38.78%
2020	3,345,624.14	-	0.00%

Note: 6: Interfund Receivables, Payables and Transfers

The following interfund balances were recorded in the various statements of assets liabilities, reserves and fund balances at December 31, 2022:

Fund	Interfund Receivable	Interfund Payable
Current Fund	\$ 17,144.50	\$ 2,742,933.54
State and Federal Grant Fund	2,533,213.46	-
Trust Other Fund	544,236.06	17,144.50
Capital Fund	156,000.00	-
Payroll Fund	53,720.08	544,236.06
	<u>\$ 3,304,314.10</u>	<u>\$ 3,304,314.10</u>

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

A summary of interfund transfers is as follows:

Fund	Transfers In	Transfers Out
Current Fund	\$ 2,729,684.86	\$ 1,297,733.25
State and Federal Grant Fund	722,733.25	2,693,861.50
Trust Other Fund	-	35,823.36
Capital Fund	575,000.00	-
	<u>\$ 4,027,418.11</u>	<u>\$ 4,027,418.11</u>

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

TOWNSHIP OF BERKELEY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

Note 7: Fixed Assets

The following is a summary of changes in the General Fixed Assets Account Group for the year ended December 31, 2022.

	Balance December 31, <u>2021</u>	<u>Additions</u>	Balance December 31, <u>2022</u>
Land	\$ 8,056,770.07	\$ -	\$ 8,056,770.07
Buildings and Improvements	10,711,431.70	-	10,711,431.70
Machinery & Equipment	23,410,569.42	12,078,751.55	35,489,320.97
	<u>\$ 42,178,771.19</u>	<u>\$ 12,078,751.55</u>	<u>\$ 54,257,522.74</u>

Note 8. Pension Obligations

A. Public Employees' Retirement System (PERS)

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

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

The following represents the membership tiers for PERS:

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

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

TOWNSHIP OF BERKELEY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

Note 8. Pension Obligations (continued):

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

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

Contributions - The contribution policy for PERS is set by *N.J.S.A. 43:15A* and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount, which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For the fiscal year 2022, 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. Chapter 19, P.L. 2009 provided an option for local employers of PERS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets. For the year ended December 31, 2022, the Township's contractually required contribution to PERS plan was \$1,477,393.00.

Components of Net Pension Liability - At December 31, 2022, the Township's proportionate share of the PERS net pension liability was \$17,680,448.00. The net pension liability was measured as of June 30, 2022. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of July 1, 2018, which was rolled forward to June 30, 2022. The Township's proportion of the net pension liability was based on the Township's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2022. The Township's proportion measured as of June 30, 2022, was 0.11716% which was an increase of 0.00361% from its proportion measured as of June 30, 2021.

Balances at December 31, 2022 and December 31, 2021

	<u>12/31/2022</u>	<u>12/30/2021</u>
Actuarial valuation date (including roll forward)	June 30, 2022	June 30, 2021
Deferred Outflows of Resources	\$ 2,330,428	\$ 1,717,004
Deferred Inflows of Resources	3,026,117	8,840,339
Net Pension Liability	17,680,448	13,451,311
Township's portion of the Plan's total Net Pension Liability	0.11716%	0.11355%

**TOWNSHIP OF BERKELEY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

Note 8. Pension Obligations (continued):

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

Pension Expense/(Credit) and Deferred Outflows/Inflows of Resources - At December 31, 2022, the Township's proportionate share of the PERS expense, calculated by the plan as of the June 30, 2022 measurement date is (\$708,187.00). This expense/(credit) is not recognized by the Township because of the regulatory basis of accounting as described in Note 1, but as previously mentioned the Township contributed \$1,477,393.00 to the plan in 2022.

At December 31, 2022, the Township reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between Expected and Actual Experience	\$ 127,609	\$ 112,533
Changes of Assumptions	54,780	2,647,463
Net Difference between Projected and Actual Earnings on Pension Plan Investments	731,778	-
Changes in Proportion and Differences between Township Contributions and Proportionate Share of Contributions	<u>1,416,261</u>	<u>266,121</u>
	<u>\$ 2,330,428</u>	<u>\$ 3,026,117</u>

**TOWNSHIP OF BERKELEY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

Note 8. Pension Obligations (continued):

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

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

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Differences between Expected and Actual Experience		
Year of Pension Plan Deferral:		
June 30, 2017	5.48	-
June 30, 2018	-	5.63
June 30, 2019	5.21	-
June 30, 2020	5.16	-
June 30, 2021	-	5.13
June 30, 2022	-	5.04
Changes of Assumptions		
Year of Pension Plan Deferral:		
June 30, 2017	-	5.48
June 30, 2018	-	5.63
June 30, 2019	-	5.21
June 30, 2020	-	5.16
June 30, 2021	5.13	-
June 30, 2022	-	5.04
Net Difference between Projected and Actual Earnings on Pension Plan Investments		
Year of Pension Plan Deferral:		
June 30, 2018	-	5.00
June 30, 2019	5.00	-
June 30, 2020	5.00	-
June 30, 2021	-	5.00
June 30, 2022	5.00	-
Changes in Proportion and Differences between Contributions and Proportionate Share of Contributions		
Year of Pension Plan Deferral:		
June 30, 2017	5.48	5.48
June 30, 2018	5.63	5.63
June 30, 2019	5.21	5.21
June 30, 2020	5.16	5.16
June 30, 2021	5.13	5.13
June 30, 2022	5.04	5.04

TOWNSHIP OF BERKELEY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

Note 8. Pension Obligations (continued):

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

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

<u>Year Ending December 31,</u>	<u>Amount</u>
2023	\$ (1,286,583.00)
2024	(542,634.00)
2025	(146,784.00)
2026	1,052,090.00
2027	<u>228,222.00</u>
	<u><u>\$ (695,689.00)</u></u>

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

Inflation:	
Price	2.75%
Wage	3.25%
Salary Increases:	
	2.75 - 6.55%
	Based on Years of Service
Investment Rate of Return	7.00%
Mortality Rate Table	
PERS	Pub-2010 General Below-Median Income Employee mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021
Period of Actuarial Experience	
Study upon which Actuarial	
Assumptions were Based	July 1, 2018 - June 30, 2021

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

TOWNSHIP OF BERKELEY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

Note 8. Pension Obligations (continued):

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

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equity	27.00%	8.12%
Non-U.S. Developed Markets Equity	13.50%	8.38%
Emerging Markets Equity	5.50%	10.33%
Private Equity	13.00%	11.80%
Real Estate	8.00%	11.19%
Real Assets	3.00%	7.60%
High Yield	4.00%	4.95%
Private Credit	8.00%	8.10%
Investment Grade Credit	7.00%	3.38%
Cash Equivalents	4.00%	1.75%
U.S. Treasuries	4.00%	1.75%
Risk Mitigation Strategies	3.00%	4.91%
	<u>100.00%</u>	

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

**TOWNSHIP OF BERKELEY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

Note 8. Pension Obligations (continued):

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

Sensitivity of the Township's proportionate share of the Net Pension Liability to Changes in the Discount Rate - The following presents the Township's proportionate share of the net pension liability calculated using the discount rate as disclosed above, as well as what the Township's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00%) or 1-percentage-point higher (8.00%) than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Township's Proportionate Share of the Net Pension Liability	\$ 22,906,562	\$ 17,680,448	\$ 13,509,980

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

Plan Description – The State of New Jersey, Police and Firemen's Retirement System (PFRS) is a cost-sharing multiple-employer defined benefit pension plan administered by the State of New Jersey, Division of Pensions and Benefits (the Division). For additional information about PFRS, please refer to the Division's Annual Comprehensive Financial Report (ACFR) which can be found at <http://www.state.nj.us/treasury/pensions/annual-reports.shtml>.

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

The following represents the membership tiers for PFRS:

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

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

TOWNSHIP OF BERKELEY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

Note 8. Pension Obligations (continued):

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

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

Contributions - The contribution policy for PFRS is set by *N.J.S.A. 43:16A* and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's contribution amount is based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. For fiscal year 2022, the State contributed an amount more than the actuarially determined amount. The Local employers' contribution amounts are based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PFRS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets. For the year ended December 31, 2022, the Township's contractually required contributions to PFRS plan was \$2,715,573.00.

Net Pension Liability and Pension Expense - At December 31, 2022 the Township's proportionate share of the PFRS net pension liability was \$23,900,147.00. The net pension liability was measured as of June 30, 2022. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of July 1, 2021, to the measurement date of June 30, 2022. The Township's proportion of the net pension liability was based on the Township's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2022. The Township's proportion measured as of June 30, 2022, was 0.20880%, which was an increase of 0.01515% from its proportion measured as of June 30, 2021.

Balances at December 31, 2022 and December 31, 2021

	<u>12/31/2022</u>	<u>12/30/2021</u>
Actuarial valuation date (including roll forward)	June 30, 2022	June 30, 2021
Deferred Outflows of Resources	\$ 5,622,010	\$ 1,163,017
Deferred Inflows of Resources	4,472,765	12,024,867
Net Pension Liability	23,900,147	14,154,169
Township's portion of the Plan's total net pension Liability	0.20880%	0.19365%

**TOWNSHIP OF BERKELEY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

Note 8. Pension Obligations (continued):

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

Pension Expense/(Credit) and Deferred Outflows/Inflows of Resources – At December 31, 2022, the Township's proportionate share of the PFRS expense/(credit), calculated by the plan as of the June 30, 2022 measurement date was \$450,963.00. This expense/(credit) is not recognized by the Township because of the regulatory basis of accounting as described in Note 1, but as previously mentioned the Township contributed \$2,715,573.00 to the plan in 2022.

At December 31, 2022, the Township had deferred outflows of resources and deferred inflows of resources related to PFRS from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between Expected and Actual Experience	\$ 1,081,785	\$ 1,464,209
Changes of Assumptions	65,501	3,008,556
Net Difference between Projected and Actual Earnings on Pension Plan Investments	2,188,551	-
Changes in Proportion and Differences between Township Contributions and Proportionate Share of Contributions	<u>2,286,173</u>	<u>-</u>
	<u>\$ 5,622,010</u>	<u>\$ 4,472,765</u>

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

TOWNSHIP OF BERKELEY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

Note 8. Pension Obligations (continued):

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

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Differences between Expected and Actual Experience		
Year of Pension Plan Deferral:		
June 30, 2017	5.59	-
June 30, 2018	5.73	-
June 30, 2019	-	5.92
June 30, 2020	5.90	-
June 30, 2021	-	6.17
June 30, 2022	6.22	-
Changes of Assumptions		
Year of Pension Plan Deferral:		
June 30, 2017	-	5.59
June 30, 2018	-	5.73
June 30, 2019	-	5.92
June 30, 2020	-	5.90
June 30, 2022	-	6.22
Net Difference between Projected and Actual Earnings on Pension Plan Investments		
Year of Pension Plan Deferral:		
June 30, 2018	-	5.00
June 30, 2019	5.00	-
June 30, 2020	5.00	-
June 30, 2021	-	5.00
June 30, 2022	5.00	-
Changes in Proportion and Differences between Contributions and Proportionate Share of Contributions		
Year of Pension Plan Deferral:		
June 30, 2017	5.59	5.59
June 30, 2018	5.73	5.73
June 30, 2019	5.92	5.92
June 30, 2020	5.90	5.90
June 30, 2021	6.17	6.17
June 30, 2022	6.22	6.22

**TOWNSHIP OF BERKELEY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

Note 8. Pension Obligations (continued):

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

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

<u>Year Ending December 31,</u>	<u>Amount</u>
2023	\$ (738,154)
2024	(306,693)
2025	(270,491)
2026	1,977,341
2027	471,885
Thereafter	<u>15,357</u>
	<u>\$ 1,149,245</u>

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

Additionally, the State's proportionate share of the PFRS net pension liability attributable to the Township is \$4,253,526.00 as of December 31, 2022. The net pension liability was measured as of June 30, 2022. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of July 1, 2021, to the measurement date of June 30, 2022. The State's proportion of the net pension liability associated with the Township was based on a projection of the Township's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. The State's proportion measured as of June 30, 2022 was 0.20880%, which was an increase of 0.01515% from its proportion measured as of June 30, 2021, which is the same proportion as the Township's. At December 31, 2022, the Township's and the State of New Jersey's proportionate share of the PFRS net pension liability were as follows:

Township's Proportionate Share of Net Pension Liability	\$ 23,900,147
State of New Jersey's Proportionate Share of Net Pension Liability Associated with the Township	<u>4,253,526</u>
	<u>\$ 28,153,673</u>

**TOWNSHIP OF BERKELEY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

Note 8. Pension Obligations (continued):

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

At December 31, 2022, the State's proportionate share of the PFRS expense, associated with the Township, calculated by the plan as of the June 30, 2022 measurement date was \$490,744.00.

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

Inflation	
Price	2.75%
Wage	3.25%
Salary Increases:	
Through	All future years
	3.25 - 16.25%
	Based on Years of Service
Investment Rate of Return	7.00%
Mortality Rate Table	
	PubS-2010 amount-weighted mortality table
PFRS	using Scale MP-2021
Period of Actuarial Experience	
Study upon which Actuarial	
Assumptions were Based	July 1, 2018 - June 30, 2021

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.

TOWNSHIP OF BERKELEY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

Note 8. Pension Obligations (continued):

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

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equity	27.00%	8.12%
Non-U.S. Developed Markets Equity	13.50%	8.38%
Emerging Markets Equity	5.50%	10.33%
Private Equity	13.00%	11.80%
Real Estate	8.00%	11.19%
Real Assets	3.00%	7.60%
High Yield	4.00%	4.95%
Private Credit	8.00%	8.10%
Investment Grade Credit	7.00%	3.38%
Cash Equivalents	4.00%	1.75%
U.S. Treasuries	4.00%	1.75%
Risk Mitigation Strategies	3.00%	4.91%
	<u>100.00%</u>	

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 local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments to determine the total pension liability.

Sensitivity of the Township's proportionate share of the Net Pension Liability to Changes in the Discount Rate - The following presents the Township's proportionate share of the net pension liability calculated using the discount rate as disclosed above, as well as what the Township's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00%) or 1-percentage-point higher (8.00%) than the current rate:

**TOWNSHIP OF BERKELEY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

Note 8. Pension Obligations (continued):

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

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Township's Proportionate Share of the Net Pension Liability	\$ 32,793,583	\$ 23,900,147	\$ 16,496,318
State of New Jersey's Proportionate Share of Net Pension Liability associated with the Township	<u>5,836,297</u>	<u>4,253,526</u>	<u>2,935,861</u>
	<u>\$ 38,629,880</u>	<u>\$ 28,153,673</u>	<u>\$ 19,432,179</u>

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

Note 9. Postemployment Benefits Other Than Pensions

General Information about the OPEB Plan

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

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

TOWNSHIP OF BERKELEY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

Note 9. Postemployment Benefits Other Than Pensions (continued):

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

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

Basis of Presentation

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

Allocation Methodology

GASB Statement No. 75 requires participating employers in the Plan to recognize their proportionate share of the collective net OPEB liability, collective deferred outflows of resources, collective deferred inflows of resources, and collective OPEB (benefit) expense. The special funding situation's and nonspecial funding situation's net OPEB liability, deferred outflows of resources, deferred inflows of resources, and OPEB (benefit) expense are based on separately calculated total OPEB liabilities. For the special funding situation and the nonspecial funding situation, the total OPEB liabilities for the year ended June 30, 2020 were \$3,361,552,823.00 and \$12,729,372,321.00, respectively. The nonspecial funding situation's net OPEB liability, deferred outflows of resources, deferred inflows of resources, and OPEB (benefit) expense are further allocated to employers based on the ratio of the plan members of an individual employer to the total members of the Plan's nonspecial funding situation during the measurement period July 1, 2021 through June 30, 2022. Employer and nonemployer allocation percentages have been rounded for presentation purposes; therefore, amounts presented in the schedule of OPEB amounts by employer and nonemployer may result in immaterial differences.

Net OPEB Liability

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

**TOWNSHIP OF BERKELEY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

Note 9. Postemployment Benefits Other Than Pensions (continued):

Salary Increases*:

Public Employees' Retirement System (PERS)

Initial Fiscal Year Applied

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

Mortality:

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

PERS 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.

OPEB Obligation and OPEB (benefit) Expense - The State's proportionate share of the total Other Post-Employment Benefits Obligations, attributable to the Township's as of June 30, 2022 was \$61,403,830.00. The Township's proportionate share was \$0.

The OPEB Obligation was measured as of June 30, 2022, and the total OPEB Obligation used to calculate the OPEB Obligation was determined by an actuarial valuation as of July 1, 2021, which was rolled forward to June 30, 2022. The State's proportionate share of the OPEB Obligation associated with the Township was based on projection of the State's long-term contributions to the OPEB plan associated with the Township relative to the projected contributions by the State associated with all participating Municipalities, actuarially determined. At June 30, 2022, the State proportionate share of the OPEB Obligation attributable to the Township was 0.3802189973%, which was an increase of 0.0220899948% from its proportion measured as of June 30, 2021.

For the fiscal year ended June 30, 2022, the State of New Jersey recognized an OPEB (benefit) expense in the amount of \$279,839.00 for the State's proportionate share of the OPEB (benefit) expense attributable to the Township. This OPEB (benefit) expense was based on the OPEB plans June 30, 2022 measurement date.

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.

TOWNSHIP OF BERKELEY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

Note 9. Postemployment Benefits Other Than Pensions (continued):

Health Care Trend Assumptions

For pre-Medicare medical benefits, the trend rate is initially 5.6% and decreases to a 4.5% long-term trend rate after seven years. For post-65 medical benefits, the actual fully-insured Medicare Advantage trend rates for fiscal year 2021 through 2022 are reflected. The rates used for 2023 and 2024 are 21.83% and 18.53%, respectively, trending to 4.5% for all future years. For prescription drug benefits, the initial trend rate is 7.00% decreasing to a 4.5% long-term trend rate after seven years.

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.

Sensitivity of Net OPEB Liability to Changes in the Discount Rate

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

	At 1% Decrease (2.54%)	At Discount Rate (3.54%)	At 1% Increase (4.54%)
State of New Jersey's Proportionate Share of Total OPEB Obligation Associated with The Township	\$ 80,539,090.20	\$ 61,403,830.00	\$ 58,848,679.32
State of New Jersey's Total Nonemployer OPEB Liability	21,182,289,882.00	16,149,595,478.00	15,477,574,697.00

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

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

	1% Decrease	Healthcare Cost Trend Rate	1% Increase
State of New Jersey's Proportionate Share of Total OPEB Obligations Associated with The Township	\$ 57,100,831.57	\$ 61,403,830.00	\$ 83,232,955.66
State of New Jersey's Total Nonemployer OPEB Liability	15,017,879,689.00	16,149,595,478.00	21,890,793,528.00

**TOWNSHIP OF BERKELEY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

Note 9. Postemployment Benefits Other Than Pensions (continued):

Additional Information – The following is a summary of the collective balances of the local group at June 30, 2022:

Collective Balances at December 31, 2021 and December 31, 2020

	<u>12/31/2022</u>	<u>12/31/2021</u>
Actuarial valuation date (including roll forward)	June 30, 2021	June 30, 2020
Collective Deferred Outflows of Resources	\$ 2,993,464,316.00	\$3,001,822,350.00
Collective Deferred Inflows of Resources	8,504,994,107.00	6,947,492,748.00
Collective Net OPEB Liability	16,149,595,478.00	17,999,781,235.00
 Township's Portion	 0.380219%	 0.358129%

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

Year Ending June 30:	
2022	\$ (1,463,380,541.00)
2023	(1,464,672,406.00)
2024	(1,156,630,075.00)
2025	(516,557,746.00)
2026	(115,810,526.00)
Thereafter	<u>(794,478,497.00)</u>
	 <u>\$ (5,511,529,791.00)</u>

Changes in Proportion

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

**TOWNSHIP OF BERKELEY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

Note 9. Postemployment Benefits Other Than Pensions (continued):

Changes in the Total OPEB Liability

The change in the State's Total OPEB liability for the fiscal year ended June 30, 2022 (measurement date June 30, 2021) is as follows:

Service Cost	\$796,654,029.00
Interest on the Total OPEB Liability	401,372,615.00
Change of Benefit Terms	402,474,416.00
Differences Between Expected and Actual Experience	572,046,963.00
Changes of Assumptions	(3,599,550,175.00)
Contributions From the Employer	(389,490,003.00)
Contributions From Non-Employer Contributing Entity	(45,792,081.00)
Net Investment Income	(235,962.00)
Administrative Expense	<u>12,334,441.00</u>
 Net Change in Total OPEB Liability	 (1,850,185,757.00)
 Total OPEB Liability (Beginning)	 <u>17,999,781,235.00</u>
 Total OPEB Liability (Ending)	 <u><u>\$ 16,149,595,478.00</u></u>

Note 10: Disaggregated Receivable and Payable Balances

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

TOWNSHIP OF BERKELEY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

Note 11. Municipal Debt

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

	<u>2022</u>	<u>2021</u>	<u>2020</u>
Issued:			
General:			
Bonds, Notes and Loans	\$ 62,360,011.97	\$ 67,444,765.60	\$ 51,742,334.02
Total Debt Issued	<u>62,360,011.97</u>	<u>67,444,765.60</u>	<u>51,742,334.02</u>
Authorized but not issued:			
General:			
Bonds, Notes and Loans	10,773,360.00	90,795.00	10,773,060.00
Total Authorized But Not Issued	<u>10,773,360.00</u>	<u>90,795.00</u>	<u>10,773,060.00</u>
Total Gross Debt	<u>\$ 73,133,371.97</u>	<u>\$ 67,535,560.60</u>	<u>\$ 62,515,394.02</u>
Deductions:			
General:			
Funds on Hand For Payment of Bonds and Notes:			
Reserve for Debt Service	\$ 345,583.38	\$ 804,099.68	\$ -
Open Space Trust (N.J.S.A. 40A:244(h))	271,604.77	303,247.76	150,758.69
Total Deductions	<u>617,188.15</u>	<u>1,107,347.44</u>	<u>150,758.69</u>
Total Net Debt	<u>\$ 72,516,183.82</u>	<u>\$ 66,428,213.16</u>	<u>\$ 62,364,635.33</u>

Summary of Statutory Debt Condition - Annual Debt Statement

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

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
General Debt	\$ 73,133,371.97	\$ 617,188.15	\$ 72,516,183.82
General Debt	<u>\$ 73,133,371.97</u>	<u>\$ 617,188.15</u>	<u>\$ 72,516,183.82</u>

TOWNSHIP OF BERKELEY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

Note 11. Municipal Debt (continued)

Net Debt \$72,516,183.82 divided by the average Equalized Valuation Basis per N.J.S.A 40A:2-2 as amended, \$232,599,237.42, equals 1.091%. New Jersey statute 40A:2-6, as amended, limits the debt of a Municipality to 3.5% of the last three preceding year's average equalized valuations of real estate, including improvements and the assessed valuation of Class II Railroad Property. The remaining borrowing power in dollars at December 31, 2022 is calculated as follows:

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

3 1/2% of Equalized Valuation Basis (Municipal)	\$ 232,599,237.42
Net Debt	<u>72,516,183.82</u>
Remaining Borrowing Power	<u>\$ 160,083,053.60</u>

General Debt

A. Serial Bonds Payable

General Capital Fund

\$9,950,000 2012 Bonds in annual installments ranging from \$525,000 to \$1,050,000 through 2023 at interest rates ranging from 2.125% to 3.00%	\$ 1,050,000.00
\$11,409,000 2016 Bonds in annual installments ranging from \$575,000 to \$1,150,000 through 2028 at interest rates ranging from 2.00% to 3.00%	6,894,000.00
\$19,955,000 2018 Bonds in annual installments ranging from \$1,115,000 to \$12,300,000 through 2029 at interest rates ranging from 3.00% to 5.00%	14,885,000.00
\$9,715,000 2020 Bonds in annual installments ranging from \$550,000 to \$1,085,000 through 2030 at interest rates ranging from 2.125% to 4.00%	8,575,000.00
\$3,750,000 2020 Refunding Bonds in annual installments ranging from \$30,000 to \$920,000 through 2030 at 4.00% interest.	1,885,000.00
\$6,420,000 2021 Bonds in annual installments ranging from \$370,000 to \$740,000 through 2032 at interest rates ranging from 2.00% to 4.00%	6,050,000.00
	<u>\$ 39,339,000.00</u>

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

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 4,975,000.00	\$ 1,214,536.26	\$ 6,189,536.26
2024	4,540,000.00	1,014,136.26	5,554,136.26
2025	4,945,000.00	826,436.26	5,771,436.26
2026	5,155,000.00	640,136.26	5,795,136.26
2027	5,175,000.00	456,936.26	5,631,936.26
2028-2032	14,549,000.00	577,230.65	15,126,230.65
	<u>\$ 39,339,000.00</u>	<u>\$ 4,729,411.95</u>	<u>\$ 44,068,411.95</u>

TOWNSHIP OF BERKELEY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

Note 11. Municipal Debt (continued)

The following is a summary of bond anticipation notes payable accounted for in the General Capital Fund at December 31, 2022:

<u>Description</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Rate</u>	<u>Balance December 31, 2022</u>
Series 2022A	8/30/2022	8/30/2023	1.00%	\$ 21,380,000.00
				<u>\$ 21,380,000.00</u>

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

C. Bonds and Notes Authorized But Not Issued

As of December 31, 2022, the Township had \$10,773,360.00 in various General Capital bonds and notes authorized but not issued.

D. DEP Loans Payable

New Jersey Environmental Infrastructure Trust

During 2007, the Township entered into loan agreements funded by the New Jersey Environmental Trust in the amount of \$1,320,000 for Potters Creek. \$345,000 was funded by a trust loan with interest rates ranging from 3.40% to 5.00%. The remaining \$975,000 was funded by a fund loan with 0.00% interest. The loan matures in 2027.

During 2008, the Township entered into loan agreements funded by the New Jersey Environmental Trust in the amount of \$814,303 for storm water management, roadway and drainage improvements. \$405,000 was funded by a trust loan with interest rates ranging from 5.00% to 5.50%. The remaining \$409,303 was funded by a fund loan with 0.00% interest. The loan matured in 2021.

During 2010 the Township entered into a loan agreement funded by the New Jersey Environmental Trust in the amount of \$1,005,700 for storm water management. \$250,000 will be funded by a trust loan with interest rates ranging from 3.845% to 4.25%. The remaining \$755,700 will be funded by an interest free fund loan. The loan is payable in installments commencing August 1, 2011 and maturing on August 1, 2029.

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

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 119,687.17	\$ 9,653.75	\$ 129,340.92
2024	132,279.31	8,200.00	140,479.31
2025	130,221.20	6,846.25	137,067.45
2026	128,163.09	4,892.50	133,055.59
2027	93,587.27	3,201.25	96,788.52
2028-2029	146,163.35	2,280.00	148,443.35
Deobligated	<u>(132,369.01)</u>	<u>-</u>	<u>(132,369.01)</u>
	<u>\$ 617,732.38</u>	<u>\$ 35,073.75</u>	<u>\$ 652,806.13</u>

TOWNSHIP OF BERKELEY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

Note 11. Municipal Debt (continued)

Green Trust Loans

During 2001, the Township entered into a loan agreement funded by the Green Trust in the amount of \$409,630.28 for Veterans' Park Driving Range. The loan bears an interest rate of 2.00% and matured in April 2021.

During 2008, the Township entered into a loan agreement funded by the Green Trust in the amount of \$500,000.00 for Veterans' Park Driving Range. The loan bears an interest rate of 2.00% and matures in March 2027.

During 2008, the Township entered into a loan agreement funded by the Green Trust in the amount of \$289,202.77 for Toms River Park Phase II. The loan bears an interest rate of 2.00% and matures in February 2028.

During 2018 the Township entered into a loan agreement funded by the Green Trust in the amount of \$309,753.80 for Manitou Park. The loan bears an interest rate of 2.00% and matures in May 2038.

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

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 83,155.39	\$ 20,051.88	\$ 69,006.51
2024	84,826.82	18,380.47	69,006.52
2025	86,531.83	16,675.43	69,006.53
2026	88,271.13	14,936.15	69,006.52
2027	74,164.62	13,004.67	87,169.29
2028-2032	226,065.27	50,237.66	276,302.93
2033-2037	239,882.55	27,428.62	267,311.17
2038-2041	140,381.98	6,051.80	146,433.78
	<u>\$ 1,023,279.59</u>	<u>\$ 166,766.68</u>	<u>\$ 1,053,243.25</u>

Summary of Principal Debt

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

	Balance December 31, <u>2021</u>	Accrued/ <u>Increases</u>	Retired/ <u>Decreases</u>	Balance December 31, <u>2022</u>	Balance Due Within <u>One Year</u>
General Capital:					
General Bonds	\$ 44,779,000.00	\$ -	\$ 5,440,000.00	\$ 39,339,000.00	\$ 4,975,000.00
Bond Anticipation Notes	21,380,000.00	21,380,000.00	21,380,000.00	21,380,000.00	21,380,000.00
Green Trust Loan	543,310.97	550,000.00	70,031.38	1,023,279.59	83,155.39
NJEIT Loans	742,454.63	-	124,722.25	617,732.38	119,687.17
Authorized But Not Issued	90,795.00	10,682,565.00	-	10,773,360.00	-
	<u>\$ 67,535,560.60</u>	<u>\$ 32,612,565.00</u>	<u>\$ 27,014,753.63</u>	<u>\$ 73,133,371.97</u>	<u>\$ 26,557,842.56</u>

TOWNSHIP OF BERKELEY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

Note 12: Deferred School Taxes

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

<u>Local Taxes</u>	Balance, December 31,	
	<u>2022</u>	<u>2021</u>
Total Balance of Local Tax	\$ 15,348,778.01	\$ 15,096,319.01
Deferred Taxes	<u>15,142,018.01</u>	<u>14,889,559.01</u>
Local Tax Payable	<u>\$ 206,760.00</u>	<u>\$ 206,760.00</u>

<u>Regional Tax</u>	Balance, December 31,	
	<u>2022</u>	<u>2021</u>
Total Balance of Regional Tax	\$ 12,609,605.16	\$ 12,496,022.62
Deferred Taxes	<u>12,214,794.38</u>	<u>12,101,211.84</u>
Regional Tax Payable	<u>\$ 394,810.78</u>	<u>\$ 394,810.78</u>

Note 13. Deferred Charges to be Raised in Succeeding Budgets

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2022 the following deferred charges are shown on the statement of assets, liabilities, reserves and fund balances of the following funds:

<u>Description</u>	Balance December 31, <u>2022</u>	2023 Budget <u>Appropriation</u>	Balance to Succeeding <u>Budgets</u>
Current Fund:			
Special Emergency Authorizations (40A:4-55)			
2021 Contractually Required Liabilities	\$ 160,000.00	\$ 40,000.00	\$ 120,000.00
2022 Contractually Required Liabilities	200,000.00	40,000.00	160,000.00
Tax Maps	500,000.00	100,000.00	400,000.00
Over-expenditure of Appropriation Reserve	88,925.85	88,925.85	-

Note 14. Accrued Sick, Vacation and Compensation Time

As discussed in Note 1 and in accordance with accounting principles prescribed by the State of New Jersey, the cash basis of accounting is followed for recording the Township's liability related to unused vacation, sick pay and compensation time. The Township permits certain employees within limits to accumulate unused vacation, sick pay and compensation time, which may be taken as time off or paid at a later date at an agreed upon rate. In accordance with New Jersey accounting principles, this unused accumulated absences amount is not reported as a liability in the accompanying financial statements. It is estimated that accrued benefits for compensated absences are valued at \$2,806,051.57 at December 31, 2022.

TOWNSHIP OF BERKELEY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

Note 17. Contingencies

Pending Litigation

It is the opinion of the Township officials that there is no litigation threatened or pending that would materially affect the financial position of the Township or adversely affect the Township's ability to levy, collect and enforce the collection of taxes or other revenue for the payment of its bonds or other obligations.

Note 18. Subsequent Events

Management has reviewed and evaluated all events and transactions that occurred between December 31, 2022 and **December 8, 2023**, the date that the financial statements were available for issuance, for possible disclosure and recognition in the financial statements.

On January 23, 2023, the Township adopted an Ordinance providing for the acquisition of various capital equipment, appropriating \$2,170,437.00 therefor and authorizing the issuance of \$2,061,914.00 bonds and notes to finance a portion of the costs thereof.

On January 23, 2023, the Township adopted an Ordinance providing for various engineering projects, appropriating \$10,659,791.00 therefor and authorizing the issuance of \$9,927,994.00 bonds and notes to finance a portion of the costs thereof.

On March 23, 2023, the Township adopted an ordinance providing for Various Capital Improvements and the Acquisition of Various Capital Equipment, appropriating \$2,634,830 therefor and authorizing the issuance of \$2,185,000 in bonds and notes to finance a portion of the costs thereof.

Note 19. Length of Service Awards Program

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

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

Contributions - If an active member meets the year of active service requirement, a length of service awards program must provide a benefit between the minimum contribution of \$100 and a maximum contribution of \$1,150.00 per year. While the maximum amount is established by statute, it is subject to periodic increases that are related to the consumer price index (N.J.S.A. 40A:14-185(f)). The Division of Local Government Services of the State of New Jersey will issue the permitted maximum annually. The Township elected to contribute \$1,150.00 for the year ended December 31, 2022 per eligible volunteer, into the Plan, depending on how many years the volunteer has served. During the year ended December 31, 2022, the Township contributed a total of \$106,950 to the plan. Participants direct the investment of the contributions into various investment options offered by the Plan. The Township has no authorization to direct investment contributions on behalf of eligible volunteers nor has the ability to purchase or sell investment options offered by the Plan. The types of investment options, and the administering of such investments, rests solely with the plan administrator.

TOWNSHIP OF BERKELEY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

Note 19. Length of Service Awards Program (continued)

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

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

Payment of Benefits - Upon retirement or disability, participants may select various payout options, which include lump sum, periodic, or annuity payments. In the case of death, with certain exceptions, any amount invested under the participant's account is paid to the beneficiary or the participant's estate. In the event of an unforeseeable emergency, as outlined in the Plan document, a participant or a beneficiary entitled to vested accumulated deferrals may request the local plan administrator to payout a portion of vested accumulated deferrals. During the year ended December 31, 2022 payouts of \$162,404.01 were made to vested participants.

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

SUPPLEMENTARY EXHIBITS

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CURRENT FUND

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**TOWNSHIP OF BERKELEY
CURRENT FUND
SCHEDULE OF CASH - TREASURER
FOR THE YEAR ENDED DECEMBER 31, 2022**

Balance December 31, 2021		\$ 16,101,356.93
Increased by Receipts:		
Taxes Receivable	\$ 118,434,119.25	
Revenue Accounts Receivable	11,270,184.84	
State of New Jersey (Ch. 20, P.L. 1971)	1,070,069.08	
Miscellaneous Revenue Not Anticipated	615,070.11	
Tax Title Liens Receivable	82,432.53	
Prepaid Taxes	1,679,666.37	
Municipal Relief Aid	219,812.09	
Cancelled Checks	7,962.66	
Reserve for COVID	47,222.19	
Interfunds:		
Grant Fund	2,693,861.50	
General Capital Fund	156,000.00	
Trust Other	35,823.36	
		<u>136,312,223.98</u>
		152,413,580.91
Decreased by Disbursements:		
Budget Appropriations	47,800,440.86	
County Taxes Payable	24,822,314.38	
Regional School Tax	25,105,627.46	
Local School District Tax	32,433,594.00	
Appropriation Reserves	564,812.96	
Accounts Payable	21,980.35	
Spending Reserves	384,432.96	
Open Space Tax	529,230.00	
Cancel Outstanding DIT	88,151.24	
Reserve for COVID	1,440.00	
Interfunds:		
Grant Fund	722,733.25	
		<u>132,474,757.46</u>
Balance December 31, 2022		<u>\$ 19,938,823.45</u>

TOWNSHIP OF BERKELEY
CURRENT FUND
SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY
FOR THE YEAR ENDED DECEMBER 31, 2022

Year	Balance Dec. 31, 2021	2022 Levy	Added/ Omitted	2021	2022	Due from State	Transferred to Tax Title Liens	Cancelled	Balance Dec. 31, 2022
2020	\$ 5,112.67	\$ -	\$ -	\$ -	\$ 1,044.13	\$ -	\$ -	\$ -	\$ 4,068.54
2021	459,174.47	-	-	-	480,417.17	(25,993.18)	-	-	4,750.48
	464,287.14	-	-	-	481,461.30	(25,993.18)	-	-	8,819.02
2022	-	120,112,746.88	1,406,759.63	1,763,172.98	117,952,657.95	1,249,378.19	58,224.20	62,884.07	433,189.12
	\$ 464,287.14	\$ 120,112,746.88	\$ 1,406,759.63	\$ 1,763,172.98	\$ 118,434,119.25	\$ 1,223,385.01	\$ 58,224.20	\$ 62,884.07	\$ 442,008.14

Analysis of 2022 Property Tax Yield and Tax Levy

Tax Yield:

General Purpose Tax
Added and Omitted Taxes

\$ 120,112,746.88
1,406,759.63

\$ 121,519,506.51

Tax Levy:

Local District School Tax (Abstract)
Regional School Tax (Abstract)
County Taxes:
County Tax (Abstract)
County Library Tax (Abstract)
County Health Tax (Abstract)
County Open Space Tax (Abstract)
Due County for Added and Omitted Taxes
Total County Taxes
Local Open Space Tax
Local Tax for Municipal Purposes
Add: Additional Tax Levied (Net)

\$ 32,686,053.00
25,219,210.00

\$ 20,808,195.58
2,047,876.44
1,081,389.19
775,447.19
193,681.45

24,906,589.85

529,230.00
37,336,249.11
842,174.55

38,707,653.66

\$ 121,519,506.51

**TOWNSHIP OF BERKELEY
CURRENT FUND
SCHEDULE OF TAX TITLE LIENS
FOR THE YEAR ENDED DECEMBER 31, 2022**

Balance December 31, 2021		\$ 537,674.40
Increased by:		
Transfers from Taxes Receivable		<u>58,224.20</u>
		595,898.60
Decreased by:		
Transferred to Foreclosed	319,740.32	
Receipts	<u>82,432.53</u>	<u>402,172.85</u>
Balance December 31, 2022		<u><u>\$ 193,725.75</u></u>

TOWNSHIP OF BERKELEY
CURRENT FUND
SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2022

	Balance Dec. 31, 2021	Accrued in 2022	Collections	Balance Dec. 31, 2022
Licenses:				
Alcoholic Beverages	\$ -	\$ 45,876.00	\$ 45,876.00	\$ -
Other	-	6,658.00	6,658.00	-
Fees and Permits	-	533,192.40	533,192.40	-
Fines and Costs:				
Municipal Court	8,847.26	117,786.08	118,632.97	8,000.37
Interest and Costs on Taxes	-	199,661.36	199,661.36	-
Interest on Investments and Deposits	-	160,455.29	160,455.29	-
Beach Admission Fees	-	147,890.00	147,890.00	-
Municipal Golf Course	-	334,984.76	334,984.76	-
Cable TV Franchise Fees	-	329,151.65	329,151.65	-
Hotel and Motel Occupancy Tax	-	25,647.38	25,647.38	-
State Aid:				
Energy Receipts Tax	-	4,213,875.00	4,213,875.00	-
Garden State Trust Fund	-	42,590.00	42,590.00	-
Special Items of Revenue:				
Interlocal Services Agreements:				
Animal Control Services	-	20,157.89	20,157.89	-
Ocean Gate Borough - Code Enforcement	-	5,560.00	5,560.00	-
Ocean Gate Borough - Public Works	-	168.78	168.78	-
Ocean Gate Borough - Finance Services	-	55,000.00	55,000.00	-
Ocean Gate Borough - Business Administrator	-	20,000.00	20,000.00	-
Ocean Gate Borough - Fuel Services	-	13,317.38	13,317.38	-
Seaside Park Borough - Code Enforcement	-	1,125.00	1,125.00	-
Berkeley Board of Education - Fuel Facilities	-	87,754.57	87,754.57	-
Fire Protection	-	27,000.00	27,000.00	-
Central Regional Board of Education - Fuel Facilities	-	426,831.00	426,831.00	-
Central Regional Board Trash	-	31,500.00	31,500.00	-
Other Special Items:				
Community Services Officer Program-Ambulance Service Fees	-	925,892.29	925,892.29	-
Health Care Coverage - Employee Percentage	-	792,395.49	792,395.49	-
Sale of Land	-	1,436,384.69	1,436,384.69	-
Capital Fund Reserve for Cash	-	769,595.30	769,595.30	-
Senior/Veteran Administration Fee	-	21,401.38	21,401.38	-
Surplus from the Berkeley Township Sewer Authority	-	410,000.00	410,000.00	-
Uniform Fire Safety Act	-	44,291.37	44,291.37	-
Interfund - Due from Trust Fund	-	35,823.36	35,823.36	-
	<u>\$ 8,847.26</u>	<u>\$ 11,281,966.42</u>	<u>\$ 11,282,813.31</u>	<u>\$ 8,000.37</u>

TOWNSHIP OF BERKELEY
CURRENT FUND
SCHEDULE OF DEFERRED CHARGES N.J.S. 40A:4-55
FOR THE YEAR ENDED DECEMBER 31, 2022

<u>Date Authorized</u>	<u>Improvement Description</u>	<u>1/5 of</u>		<u>Balance Dec. 31, 2021</u>	<u>2022 Authorization</u>	<u>2022 Budget Appropriation</u>	<u>Balance Dec. 31, 2022</u>
		<u>Net Amount Authorized</u>	<u>Net Amount Authorized</u>				
2022	Tax Maps	\$ 260,750.15	\$ 52,150.03	\$ -	\$ 500,000.00	\$ -	\$ 500,000.00
2022	Contractually Required Severance	200,000.00	40,000.00		200,000.00		200,000.00
5/24/2021	Contractually Required Severance	200,000.00	40,000.00	200,000.00	-	40,000.00	160,000.00
				<u>\$ 200,000.00</u>	<u>\$ 700,000.00</u>	<u>\$ 40,000.00</u>	<u>\$ 860,000.00</u>

**TOWNSHIP OF BERKELEY
CURRENT FUND
SCHEDULE OF APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Balance Dec. 31, 2021	Reserve for Encumbrances	Transfers	Balance After Transfers	Paid or Charged	Over- Expenditures	Balance Lapsed
OPERATIONS WITHIN CAPS							
<u>General Government Functions</u>							
General Administration:							
Other Expenses	\$ 255.83	\$ 9,860.32	\$ -	\$ 10,116.15	\$ 8,410.32	\$ -	\$ 1,705.83
Human Resources:							
Other Expenses	518.03	340.41	-	858.44	285.42	-	573.02
Office of the Mayor:							
Salaries and Wages	206.32	-	-	206.32	-	-	206.32
Other Expenses	43.89	20.00	-	63.89	20.00	-	43.89
Township Council:							
Salaries and Wages	0.56	-	-	0.56	-	-	0.56
Other Expenses	410.00	-	-	410.00	-	-	410.00
Municipal Clerk:							
Other Expenses	97.32	572.00	854.00	1,523.32	1,426.00	-	97.32
Division of Information Technology							
Salaries and Wages	2,375.13	-	-	2,375.13	-	-	2,375.13
Other Expenses	12,527.07	-	-	12,527.07	203.00	-	12,324.07
Office of the Treasurer							
Other Expenses	8,647.61	54.45	-	8,702.06	142.43	-	8,559.63
Audit Services:							
Other Expenses	6,806.70	-	-	6,806.70	-	-	6,806.70
Revenue Administration (Tax Collection):							
Other Expenses	3,827.05	1,470.16	-	5,297.21	844.28	-	4,452.93
Tax Assessment Administration:							
Other Expenses	1,580.78	313.50	-	1,894.28	313.50	-	1,580.78
Division of Purchasing							
Other Expenses	433.34	3,712.11	-	4,145.45	2,684.05	-	1,461.40
Legal Services:							
Other Expenses	15,369.06	-	-	15,369.06	540.00	-	14,829.06

**TOWNSHIP OF BERKELEY
CURRENT FUND
SCHEDULE OF APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Balance Dec. 31, 2021	Reserve for Encumbrances	Transfers	Balance After Transfers	Paid or Charged	Over- Expenditures	Balance Lapsed
Engineering Services:							
Other Expenses	16,675.33	-	23,428.64	40,103.97	40,103.97	-	-
Senior Citizens Advisory Committee:							
Salaries and Wages	300.00	-	-	300.00	-	-	300.00
Other Expenses	200.00	-	-	200.00	-	-	200.00
Municipal Court:							
Salaries and Wages	13,138.92	-	-	13,138.92	-	-	13,138.92
Other Expenses	159.23	2,669.64	170.20	2,999.07	2,870.27	-	128.80
Public Defender (P.L. 1997, c256):							
Other Expenses	1,477.14	-	-	1,477.14	-	-	1,477.14
<u>Land Use Administration</u>							
Planning Board / Director of Planning:							
Other Expenses	12,533.05	-	4,712.45	17,245.50	17,245.50	-	-
Planning Board:							
Other Expenses	2,030.54	-	-	2,030.54	51.20	-	1,979.34
Division of Zoning:							
Other Expenses	1,251.09	375.02	-	1,626.11	241.04	-	1,385.07
Zoning Board of Adjustment:							
Salaries and Wages	3,761.54	-	-	3,761.54	2,578.49	-	1,183.05
<u>Insurance</u>							
General Liability	108,671.93	-	(45,419.19)	63,252.74	-	-	63,252.74
Workers Compensation	32,073.91	-	-	32,073.91	(13,091.40)	-	45,165.31
Employee Group Insurance	114,243.38	-	-	114,243.38	2,033.23	-	112,210.15
Unemployment Insurance	10,000.00	-	-	10,000.00	-	-	10,000.00
<u>Public Safety Functions</u>							
Police Department:							
Salaries and Wages	318,141.37	-	-	318,141.37	-	-	318,141.37
Other Expenses	6,696.75	80,351.68	-	87,048.43	69,544.81	-	17,503.62
Emergency Management:							
Salaries and Wages	6,700.01	-	-	6,700.01	-	-	6,700.01
Other Expenses	18.64	2,919.83	-	2,938.47	2,915.05	-	23.42

**TOWNSHIP OF BERKELEY
CURRENT FUND
SCHEDULE OF APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Balance Dec. 31, 2021	Reserve for Encumbrances	Transfers	Balance After Transfers	Paid or Charged	Over- Expenditures	Balance Lapsed
Aid to Volunteer Fire Companies:							
Salaries and Wages	0.08	-	-	0.08	-	-	0.08
Other Expenses	644.79	64,194.93	-	64,839.72	63,578.55	-	1,261.17
Fire Department:							
Salaries and Wages	22,154.93	-	-	22,154.93	-	-	22,154.93
Other Expenses	2,486.14	1,115.61	-	3,601.75	1,115.61	-	2,486.14
Emergency Medical Services							
Other Expenses	1,946.03	54,683.88	-	56,629.91	-	-	56,629.91
Municipal Prosecutor:							
Other Expenses	199.90	-	15,730.10	15,930.00	15,930.00	-	-
Public Works Functions							
Streets and Roads Maintenance:							
Salaries and Wages	12,249.61	-	-	12,249.61	-	-	12,249.61
Other Expenses	106,575.73	46,027.22	-	152,602.95	41,968.35	-	110,634.60
Other Public Works Functions/ Signs, Maintenance:							
Salaries and Wages	52,860.49	-	-	52,860.49	-	-	52,860.49
Other Expenses	1,875.22	12,060.67	-	13,935.89	11,665.95	-	2,269.94
Other Public Works Functions/ Building Demolition:							
Other Expenses	10,000.00	-	-	10,000.00	-	-	10,000.00
Sanitation/Solid Waste Collection:							
Salaries and Wages	40,696.99	-	-	40,696.99	-	-	40,696.99
Other Expenses	994.07	30,023.85	523.80	31,541.72	18,125.50	-	13,416.22
Solid Waste Collection/Recycling:							
Other Expenses	5,416.85	3,832.00	-	9,248.85	2,776.00	-	6,472.85
Buildings and Grounds:							
Salaries and Wages	33,174.34	-	-	33,174.34	-	-	33,174.34
Other Expenses	2,870.96	18,996.91	-	21,867.87	18,941.77	-	2,926.10
Equipment Maintenance:							
Other Expenses	1,092.52	6,860.18	-	7,952.70	2,661.97	-	5,290.73
Health and Human Services							

**TOWNSHIP OF BERKELEY
CURRENT FUND
SCHEDULE OF APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Balance Dec. 31, 2021	Reserve for Encumbrances	Transfers	Balance After Transfers	Paid or Charged	Over- Expenditures	Balance Lapsed
Animal Control Services:							
Salaries and Wages	471.96	-	-	471.96	-	-	471.96
Other Expenses	195.59	-	-	195.59	-	-	195.59
Contribution - Community Services Inc. (N.J.S.A. 40:48-9.4)	1,000.00	-	-	1,000.00	-	-	1,000.00
<u>Parks and Recreation</u>							
Recreation Services and Programs:							
Other Expenses	6,442.91	2,485.82	-	8,928.73	2,329.12	-	6,599.61
Maintenance of Parks:							
Other Expenses	3,497.56	957.02	-	4,454.58	690.59	-	3,763.99
Beach and Boardwalk Operations:							
Other Expenses	6.63	-	-	6.63	-	-	6.63
<u>Utilities and Bulk Purchases</u>							
Utilities:							
Electricity	12,200.00	-	-	12,200.00	10,520.23	-	1,679.77
Telephone	-	-	-	-	10,321.68	(10,321.68)	-
Water	17,949.04	-	-	17,949.04	3,107.93	-	14,841.11
Natural Gas	-	-	-	-	8,806.76	(8,806.76)	-
Petroleum Products	115,156.54	61,804.21	-	176,960.75	80,581.84	-	96,378.91
Telecommunications (Cell Phone)	7,298.60	54,701.40	-	62,000.00	2,389.98	-	59,610.02
Sewerage Processing and Disposal	15,000.00	-	-	15,000.00	1,204.00	-	13,796.00
Fire Hydrants	-	-	-	-	15,098.84	(15,098.84)	-
Street Lighting:							
Other Expenses	51,705.43	40,298.33	-	92,003.76	40,298.33	-	51,705.43
<u>Landfill/Solid Waste</u>							
Landfill/Solid Waste Disposal Costs:							
Other Expenses/Tipping	435,843.14	6,492.77	-	442,335.91	6,492.77	-	435,843.14
<u>Code Enforcement and Administration</u>							
Other Code Enforcement Functions:							
Other Expenses	1,000.01	861.49	-	1,861.50	1,280.27	-	581.23
Total Operations within Caps	1,664,177.58	508,055.41	(0.00)	2,172,232.99	499,247.20	(34,227.28)	1,707,213.07
Contingent	2,000.00	-	-	2,000.00	-	-	2,000.00
Total Operations within Caps including Contingent	1,666,177.58	508,055.41	(0.00)	2,174,232.99	499,247.20	(34,227.28)	1,709,213.07

**TOWNSHIP OF BERKELEY
CURRENT FUND
SCHEDULE OF APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Balance Dec. 31, 2021	Reserve for Encumbrances	Transfers	Balance After Transfers	Paid or Charged	Over- Expenditures	Balance Lapsed
	18,641.60	-	-	18,641.60	483.36	-	18,158.24
	18,641.60	-	-	18,641.60	483.36	-	18,158.24
	1,684,819.18	508,055.41	(0.00)	2,192,874.59	499,730.56	(34,227.28)	1,727,371.31
	56,312.00	-	-	56,312.00	39,378.00	-	16,934.00
	28,424.14	1,327.19	-	29,751.33	819.40	-	28,931.93
	85,000.00	-	-	85,000.00	-	-	85,000.00
	1,000.00	-	-	1,000.00	-	-	1,000.00
	6,000.00	-	-	6,000.00	-	-	6,000.00
	14,968.00	-	-	14,968.00	754.00	-	14,214.00

DEFERRED CHARGES AND STATUTORY EXPENDITURES**WITHIN CAPS****Statutory Expenditures**

Contribution to:

Defined Contribution Retirement Program

Total Deferred Charges and Statutory Expenditures within Caps

Total Appropriations within Caps

OPERATIONS EXCLUDED FROM CAPS

Length of Service Awards Program (N.J.A.C. 5:30-14.25):

Other Expenses

Stormwater and Water Pollution (N.J.S.A. 40A: 4-45.3(cc)):

Other Expenses

Recycling Enhancement Act (P.L. 2007 c.311):

Other Expenses

Interlocal Municipal Service Agreements

Ocean County Social Services - Relocation Expenses:

Other Expenses

Fire Protection - South Toms River:

Other Expenses

Ocean County- Animal Control

Salaries and Wages

**TOWNSHIP OF BERKELEY
CURRENT FUND
SCHEDULE OF APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Balance Dec. 31, 2021	Reserve for Encumbrances	Transfers	Balance After Transfers	Paid or Charged	Over- Expenditures	Balance Lapsed
Animal Control - Pine Beach South Seaside Park, Ocean Gate	7,881.52	-	-	7,881.52	-	-	7,881.52
Salaries and Wages							
Central Regional Board of Education - Trash Removal	21,000.00	-	-	21,000.00	-	-	21,000.00
Other Expenses							
Community Service Officer Program (Ambulance);							
Other Expenses	-	-	-	-	42,199.25	(42,199.25)	-
Ocean Gate Borough - Finance Office							
Other Expenses	-	-	-	-	12,499.32	(12,499.32)	-
Ocean Gate Borough - Fuel	8,975.00	-	-	8,975.00	-	-	8,975.00
Other Expenses							
Ocean Gate Borough - Code Enforcement							
Salaries and Wages	6,200.00	-	-	6,200.00	-	-	6,200.00
Total Operations Excluded from Caps	235,760.66	1,327.19	-	237,087.85	95,649.97	(54,698.57)	196,136.45
Total General Appropriations	\$ 1,920,579.84	\$ 509,382.60	\$ -	\$ 2,429,962.44	\$ 595,380.53	\$ (88,925.85)	\$ 1,923,507.76
Disbursed					\$ 564,812.96		
Accounts Payable					30,567.57		
					\$ 595,380.53		

**TOWNSHIP OF BERKELEY
CURRENT FUND
SCHEDULE OF LOCAL DISTRICT SCHOOL TAX
FOR THE YEAR ENDED DECEMBER 31, 2022**

Balance December 31, 2021:		
School Tax Payable	\$ 206,760.00	
School Tax Deferred	<u>14,889,559.01</u>	
		<u>\$ 15,096,319.01</u>
Increased by:		
Levy for School Year July 1, 2022 to June 30, 2023		<u>32,686,053.00</u>
		47,782,372.01
Decreased by:		
Disbursements		<u>32,433,594.00</u>
Balance December 31, 2022:		
School Tax Payable	206,760.00	
School Tax Deferred	<u>15,142,018.01</u>	
		<u>\$ 15,348,778.01</u>
<u>2022 Charge to Operations for Local School Tax</u>		
Balance December 31, 2021 - School Tax Deferred		\$ 14,889,559.01
Add: 2022-2023 School Tax Levy		32,686,053.00
Less: Ending Balance December 31, 2022 - School Tax Deferred		<u>(15,142,018.01)</u>
Amount Charged to 2022 Operations		<u>\$ 32,433,594.00</u>

**TOWNSHIP OF BERKELEY
CURRENT FUND
SCHEDULE OF REGIONAL SCHOOL TAX
FOR THE YEAR ENDED DECEMBER 31, 2022**

Balance December 31, 2021:			
School Tax Payable	\$	394,810.78	
School Tax Deferred		<u>12,101,211.84</u>	
	\$		<u>12,496,022.62</u>
Increased by:			
Levy for School Year July 1, 2022 to June 30, 2022			<u>25,219,210.00</u>
			37,715,232.62
Decreased by:			
Disbursements			<u>25,105,627.46</u>
Balance December 31, 2022:			
School Tax Payable		394,810.78	
School Tax Deferred		<u>12,214,794.38</u>	
	\$		<u>12,609,605.16</u>
<u>2022 Charge to Operations for Regional School Tax</u>			
Balance December 31, 2021 - School Tax Deferred	\$		12,101,211.84
Add: 2022-2022 School Tax Levy			25,219,210.00
Less: Ending Balance December 31, 2022 - School Tax Deferred			<u>(12,214,794.38)</u>
Amount Charged to 2022 Operations	\$		<u>25,105,627.46</u>

**TOWNSHIP OF BERKELEY
CURRENT FUND
SCHEDULE OF COUNTY TAXES PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2022**

Balance December 31, 2021		\$ 109,405.98
2022 Tax Levy:		
County Tax (Abstract)	\$ 20,808,195.58	
County Library Tax (Abstract)	2,047,876.44	
County Health Tax (Abstract)	1,081,389.19	
County Open Space Tax (Abstract)	775,447.19	
Due County for Added and Omitted Taxes	<u>193,681.45</u>	
		<u>24,906,589.85</u>
		25,015,995.83
Decreased by:		
Disbursements		<u>24,822,314.38</u>
Balance December 31, 2022		<u><u>\$ 193,681.45</u></u>

**SCHEDULE OF MUNICIPAL OPEN SPACE TAX
FOR THE YEAR ENDED DECEMBER 31, 2022**

Balance December 31, 2021		\$ -
Increased by:		
Levy Calendar Year 2022		<u>529,230.00</u>
		529,230.00
Decreased by:		
Disbursements		<u>529,230.00</u>
Balance December 31, 2022		<u><u>\$ -</u></u>

**TOWNSHIP OF BERKELEY
CURRENT FUND
SCHEDULE OF SPENDING RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2022**

<u>Improvement Description</u>	<u>Balance Dec. 31, 2021</u>	<u>Received</u>	<u>Expended</u>	<u>Balance Dec. 31, 2022</u>
Tax Maps	\$ -	\$ 500,000.00	\$ -	\$ 500,000.00
Contractually Required Severance	144,432.96	240,000.00	384,432.96	-
	<u>\$ 144,432.96</u>	<u>\$ 740,000.00</u>	<u>\$ 384,432.96</u>	<u>\$ 500,000.00</u>

**TOWNSHIP OF BERKELEY
CURRENT FUND
SCHEDULE OF INTERFUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Total (Memo Only)	Other Trust Fund	General Capital Fund	Payroll Fund
Balance December 31, 2021 - (Due From)/Due To	\$ 752.22	\$ (52,967.86)	\$ -	\$ 53,720.08
Decreased by:				
Receipts	191,823.36	35,823.36	156,000.00	-
Total Decreases	191,823.36	35,823.36	156,000.00	-
Balance December 31, 2022 - (Due From)/Due To	\$ 192,575.58	\$ (17,144.50)	\$ 156,000.00	\$ 53,720.08

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

Balance December 31, 2021 - Due To/(From)		\$ 2,021,102.55
Increased by:		
Grant Accounts Receivable Deposits	\$ 493,937.82	
Unappropriated Funds Received	2,199,923.68	
Cancellation of Grants Receivable	1,321,765.56	
Transferred from 2022 Budget Appropriations	<u>411,070.37</u>	
		<u>4,426,697.43</u>
Decreased by:		6,447,799.98
Grant Fund Disbursements	722,733.25	
Transferred from Unappropriated Reserves	2,000,000.00	
Cancellation of Appropriation Reserves	784,371.65	
Transferred from 2022 Anticipated Revenue	<u>407,481.62</u>	
		<u>3,914,586.52</u>
Balance December 31, 2022 - Due To/(From)		<u><u>\$ 2,533,213.46</u></u>

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

<u>Grant</u>	Balance Dec. 31, 2021	2022 Budget Revenue	Received	Cancelled	Balance Dec. 31, 2022
DOJ - Bulletproof Vest Partnership	\$ 1,069.99	\$ -	\$ -	\$ 1,069.99	\$ -
Municipal Alliance Grant - 2017	23,334.16	-	-	23,334.16	-
Post Sandy Planning - South Seaside Park	620.46	-	-	620.46	-
Post Sandy Planning - Master Plan	1,718.83	-	-	1,718.83	-
Post Sandy Planning - Coastal Neighborhood	1,733.63	-	-	1,733.63	-
Post Sandy Planning - Community Rating System	8,241.96	-	-	8,241.96	-
Post Sandy Planning - Floodplain Management	2,640.50	-	-	2,640.50	-
Ocean - Municipal Recycling Grant Program	7,213.00	-	-	-	7,213.00
Post Sandy Planning Assistance Grant	68,106.03	-	-	68,106.03	-
Hazard Discharge Site - AT&T Property	30,708.00	-	-	30,708.00	-
Hazard Mitigation Grant - Federal Portion - Municipal Building	110,926.00	-	-	110,926.00	-
Hazard Mitigation Grant - Federal Portion - Recreation Building	63,500.00	-	-	63,500.00	-
Hazard Mitigation Grant - Federal Portion - Police Building	83,976.00	-	-	83,976.00	-
Bulletproof Vest Program 2015	4,023.74	-	-	4,023.74	-
FY2015 Homeland Security Grant	432.20	-	-	432.20	-
FY2019 Homeland Security Grant	54,808.00	-	54,752.15	55.85	-
FY2020 Homeland Security Grant	26,410.00	-	-	-	26,410.00
FY2021 Homeland Security Grant	26,000.00	-	-	-	26,000.00
U.S. Department of Homeland Security FY 2016 - Elevation Grant	266,744.66	-	-	266,744.66	-
NJOEM FY 2018-966 Grant	3,350.72	-	-	3,350.72	-
Bulletproof Vest Partnership Grant	4,461.18	-	-	4,461.18	-
FY16 Child Restraint Grant Program	270.00	-	-	270.00	-
Cops in Crosswalks Grant	150.00	-	-	150.00	-
2016 Bulletproof Vest Partnership	4,715.00	-	-	4,715.00	-
FY16 Homeland Security Grant	195.85	-	-	195.85	-
Municipal Alliance on Alcohol and Drug Abuse - 2018	31,388.00	-	-	31,388.00	-
Municipal Alliance on Alcohol and Drug Abuse - 2019	26,598.58	-	-	26,598.58	-
Municipal Alliance on Alcohol and Drug Abuse - 2020	10,518.45	-	-	10,518.45	-
Municipal Alliance on Alcohol and Drug Abuse - 2021	10,808.64	-	-	10,808.64	-
Municipal Alliance on Alcohol and Drug Abuse - 2022	-	14,355.00	2,921.68	-	11,433.32
FEMA Emergency Generator Project - Police Building	187,328.00	-	-	187,328.00	-
FEMA Emergency Generator Project - Administration Building	119,769.00	-	-	119,769.00	-
DOT Grant FY 2018 - Various Road Improvements	1,840.70	-	-	-	1,840.70
CDBG - Road and Drainage Improvements - Jamaica Blvd 2018	34,000.00	-	-	-	34,000.00
CDBG 2020	34,000.00	-	-	-	34,000.00
2018 Society of Fire Protection Engineers Grant	1,000.00	-	-	-	1,000.00
NJ OEM Grant - 2018	4.80	-	-	4.80	-
NJ OEM Grant - 2019	6,364.80	-	-	6,364.80	-
FY18 Homeland Security Grant	425.00	-	-	425.00	-
FY17 Homeland Security Grant	4.51	-	-	4.51	-
FY 2022 ROID Grant	-	10,028.00	-	10,028.00	-
Flood Mitigation	352,049.33	-	137,302.55	214,746.78	-
Clean Communities - 2021	-	133,439.68	133,439.68	-	-
COPS FAST	1,250,000.00	-	-	-	1,250,000.00
State Body Armor Replacement Fund	5,909.25	-	-	3,006.61	2,902.64
Body Armor Replacement Grant - 2018	7,415.90	-	-	-	7,415.90
Body Armor Replacement Grant - 2019	6,711.15	-	-	-	6,711.15
Body Armor Replacement Grant - 2022	-	3,405.05	-	-	3,405.05
2020 Drive Sober or Get Pulled Over Year	-	-	-	-	-
End Holiday Crackdown Grant	6,000.00	-	-	6,000.00	-
DMHAS Youth Leadership Grant	-	5,732.13	-	5,732.13	-
2022 Distracted Driving	-	8,750.00	8,750.00	-	-
Recycling Tonnage Grant	-	26,459.11	26,459.11	-	-
Firehouse Subs Public Safety Foundation Grant	14,567.82	-	-	-	14,567.82
FY 2021 NJOEM 966 Grant	567.50	-	-	567.50	-
National Opioid Settlement Proceeds	-	26,313.37	26,313.37	-	-
2021 Distracted Driving Crackdown U Drive. U Text.	7,500.00	-	-	7,500.00	-
2022 O/C Recycling Revenue Profit Share	-	62,999.28	62,999.28	-	-
SFY21 Body Worn Camera Grant	264,940.00	-	-	-	264,940.00
2022 O/C Summer Concert Program	-	1,000.00	-	-	1,000.00
2022 Homeland Security and Preparedness	-	74,000.00	-	-	74,000.00
2022 ARP Firefighter Grant	-	34,000.00	34,000.00	-	-
2022 BPU Clean Energy Electric Vehicle	-	7,000.00	7,000.00	-	-
	<u>\$ 3,175,061.34</u>	<u>\$ 407,481.62</u>	<u>\$ 493,937.82</u>	<u>\$ 1,321,765.56</u>	<u>\$ 1,766,839.58</u>

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

Grant	Balance		Transfer from		Transfer		Paid or		Transfer		Cancelled		Balance	
	Dec. 31, 2021	\$	2022 Budget	Appropriation	From	Encumbrances	Charged	Encumbrances	To	Encumbrances			Dec. 31, 2022	\$
Clean Communities Program - 2014	\$ 103.34	\$	-	-	-	-	103.34	-	-	-	-	-	-	-
Municipal Recycling Grant Program - 2014	4,101.66	-	-	-	-	-	3,620.17	-	-	-	-	-	-	-
Post Sandy Planning Assistance Grant	59,394.56	-	-	-	-	-	-	-	-	-	-	481.49	-	-
Alcohol Education & Rehabilitation Grant	235.73	-	-	-	-	-	-	-	-	-	-	59,394.56	-	-
Hazardous Discharge Remediation Grant - AT&T Building	1,192.34	-	-	-	-	-	-	-	-	-	-	235.73	-	-
Hazard Mitigation Grant Program - Police - Local Share	240.80	-	-	-	-	-	-	-	-	-	-	1,192.34	-	-
Homeland Security Grant - FY 2018	23,800.00	-	-	-	-	-	-	-	-	-	-	240.80	-	-
Homeland Security Grant - FY 2017	4.51	-	-	-	-	-	-	-	-	-	-	23,800.00	-	-
Homeland Security Grant - FY 2015	432.20	-	-	-	-	-	-	-	-	-	-	4.51	-	-
Homeland Security Grant - FY 2016	195.85	-	-	-	-	-	-	-	-	-	-	432.20	-	-
Homeland Security Grant - FY 2020	50,854.00	-	-	-	-	-	-	-	-	-	-	195.85	-	-
Homeland Security Grant - FY 2021	52,410.00	-	-	-	-	-	3,974.55	-	22,105.00	-	-	-	24,774.45	-
Clean Communities Grant - 2015	147.82	-	-	-	-	-	-	-	-	-	-	-	52,410.00	-
Clean Communities Program - 2016	68.40	-	-	-	-	-	147.82	-	-	-	-	-	-	-
Municipal Alliance on Alcohol and Drug Abuse - 2018	28,546.71	-	-	-	-	-	-	-	-	-	-	68.40	-	-
Municipal Alliance on Alcohol and Drug Abuse-Local Match - 2018	7,847.00	-	-	-	-	-	-	-	-	-	-	28,546.71	-	-
Municipal Alliance on Alcohol and Drug Abuse - 2019	25,059.66	-	-	-	-	-	-	-	-	-	-	7,847.00	-	-
Municipal Alliance on Alcohol and Drug Abuse - Local Match - 2019	7,847.00	-	-	-	-	-	-	-	-	-	-	25,059.66	-	-
Municipal Alliance on Alcohol and Drug Abuse - 2020	6,972.99	-	-	-	-	-	-	-	-	-	-	7,847.00	-	-
Municipal Alliance on Alcohol and Drug Abuse - Local Match - 2020	1,642.66	-	-	-	1.00	-	-	-	-	-	-	6,972.99	-	-
Municipal Alliance on Alcohol and Drug Abuse - 2021	11,508.32	-	-	-	-	-	222.43	-	-	-	-	1,643.66	-	-
Municipal Alliance on Alcohol and Drug Abuse - Local Match - 2021	2,588.79	-	-	-	-	-	-	-	-	-	-	11,285.89	-	-
Municipal Alliance on Alcohol and Drug Abuse - 2022	-	-	14,355.00	-	-	-	75.00	-	-	-	-	2,513.79	-	-
Municipal Alliance on Alcohol and Drug Abuse - Local Match - 2022	-	-	3,588.75	-	-	-	-	-	-	-	-	-	12,917.00	-
DDEF FY2015 Grant	-	-	-	-	-	-	724.00	-	-	-	-	-	2,864.75	-
FY 15 EMPG EMMA Grant	14,360.39	-	-	-	3,481.09	-	7,322.50	-	-	-	-	-	10,518.98	-
FY 15 EMPG EMMA Grant - Local Match	5,120.00	-	-	-	-	-	-	-	-	-	-	-	5,120.00	-
Cops in Crosswalks Grant - 2018	35,200.00	-	-	-	-	-	-	-	-	-	-	-	7,000.00	-
Cops in Crosswalks Grant - PY's	150.00	-	-	-	-	-	-	-	-	-	-	-	35,200.00	-
2016 Bulletproof Vest Partnership	253.82	-	-	-	-	-	-	-	-	-	-	150.00	-	-
Municipal Alliance on Alcohol and Drug Abuse - 2017	15,740.68	-	-	-	-	-	-	-	-	-	-	253.82	-	-
Municipal Alliance on Alcohol and Drug Abuse - Local Match - 2017	3,634.79	-	-	-	-	-	-	-	-	-	-	15,740.68	-	-
HDSRF, Public Entity Grant Program	6,774.71	-	-	-	-	-	-	-	-	-	-	3,634.79	-	-
Hazardous Discharge Site Remediation Municipal Grant Program	3,201.50	-	-	-	-	-	-	-	-	-	-	6,774.71	-	-
NJ Sandy Recovery-Post Sandy Planning Grant - S. Seaside Pk Neighborhood	2,352.43	-	-	-	-	-	-	-	-	-	-	3,201.50	-	-
NJ Sandy Recovery - Post Sandy Planning Grant - Master Plan	2,502.29	-	-	-	-	-	-	-	-	-	-	620.46	-	-
Post Sandy Planning - Coastal Neighborhood	4,318.10	-	-	-	-	-	-	-	-	-	-	2,502.29	-	-
												4,318.10	-	-

TOWNSHIP OF BERKELEY
CURRENT FUND
SCHEDULE OF APPROPRIATED RESERVES
GRANT FUND

	Balance Dec. 31, 2021	Transfer from 2022 Budget Appropriation	Transfer From Encumbrances	Paid or Charged	Transfer To Encumbrances	Cancelled	Balance Dec. 31, 2022
Post Sandy Planning - Community Rating System	13,133.50	-	-	-	-	13,133.50	-
State of New Jersey 2019 Recycling Tonnage Grant	19,784.94	-	6,855.61	26,640.55	-	-	-
State of New Jersey 2014 Recycling Tonnage Grant	998.18	-	-	998.18	-	-	-
Ocean County Tourism Grant	833.00	-	-	-	-	833.00	-
U.S. Department of Homeland Security FY 2016 - Elevation Grant	264,104.20	-	-	-	-	264,104.20	-
NJ Drunk Driving Enforcement Grant - 2017	2,585.92	-	-	-	-	2,585.92	-
CDBG Grant-Roadway & Drainage Imp - Jamaica - 2018	6,470.46	-	-	-	-	3,687.02	2,783.44
CDBG Grant-Roadway & Drainage Improvements for Various Locations	31,000.00	-	-	-	-	-	31,000.00
NJOEM FY 2018-966 Grant	3,350.72	-	-	-	-	3,350.72	-
NJOEM FY 2019-966 Grant	865.80	-	-	-	-	865.80	-
NJOEM FY 2020-996 Grant	4.80	-	-	-	-	4.80	-
NJOEM FY 2021-966 Grant	567.50	-	-	-	-	567.50	-
NJ Body Armor - 2015	1,900.00	-	-	-	-	-	1,900.00
NJ Body Armor - 2016	3,893.11	-	-	-	-	-	3,893.11
NJ Body Armor - 2018	2,039.54	-	-	-	-	-	2,039.54
NJ Body Armor - 2019	1,105.27	-	-	-	-	-	-
NJ Body Armor - 2020	5,103.71	-	670.57	1,775.84	-	-	-
NJ Body Armor - 2021	-	3,405.05	-	-	5,103.71	-	-
State Body Armor Replacement Fund	5,909.25	-	-	-	3,405.05	-	-
Clean Communities Grant - 2017	491.08	-	-	536.36	5,372.89	-	-
Clean Communities Grant - 2019	-	-	-	-	-	-	491.08
Clean Communities Grant - 2020	-	-	500.00	-	-	-	500.00
Clean Communities Grant - 2022	0.46	-	73,694.12	73,694.12	-	0.46	-
Society of Fire Protection Engineers - 2018	-	133,439.68	-	113,184.53	18,479.28	-	1,775.87
DOT - Various Road Improvements - 2018	1,000.00	-	-	-	-	-	1,000.00
DOT - Jamaica Blvd Phase 3 - 2019	797.87	-	-	-	-	-	797.87
COPS FAST	365,000.00	-	-	-	-	-	365,000.00
Flood Mitigation	1,085,393.90	-	-	99,361.55	-	-	986,032.35
Hazard Mitigation Grant Program - Police - Federal Share	305,477.49	-	50,797.15	133,894.84	-	222,379.80	-
Drive Sober or Get Pulled Over - 2019	11,082.19	-	-	-	-	-	11,082.19
Drive Sober Or Get Pulled Over - 2020	4,592.50	-	907.50	-	-	5,500.00	-
2022 Distracted Driving	5,500.00	-	-	-	-	5,500.00	-
Body-Worn Camera Grant - SFY21	-	8,750.00	-	-	-	-	8,750.00
	-	-	104,051.90	104,051.90	-	-	-

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

	Balance Dec. 31, 2021	Transfer from 2022 Budget Appropriation	Transfer From Encumbrances	Paid or Charged	Transfer To Encumbrances	Cancelled	Balance Dec. 31, 2022
Drive Sober or Get Pulled Over Holiday Crackdown Grant - 2020	6,000.00	-	-	-	-	6,000.00	-
Drive Sober or Get Pulled Over Holiday Crackdown Grant - 2021	5,700.00	-	-	-	-	5,700.00	-
Recycling Tonnage Grant - 2018	-	-	62,293.23	60,043.23	-	-	2,250.00
Recycling Tonnage Grant - 2019	9,830.02	-	1,578.75	-	11,408.77	-	-
Recycling Tonnage Grant - 2021	42,366.34	-	27,136.67	25,685.10	43,767.91	-	50.00
Recycling Tonnage Grant - 2022	-	26,459.11	-	26,459.11	-	-	-
Firehouse Subs Public Safety Foundation Grant	14,567.82	-	-	-	-	-	14,567.82
NJ Clean Fleet Electric Vehicle	4,000.00	-	-	4,000.00	-	-	-
Distracted Driving Crackdown - 2021	7,500.00	-	-	7,500.00	-	-	-
NJ Electric Vehicle Charging Grant	8,000.00	-	-	8,000.00	-	-	-
FY 2022 ROID Grant	-	10,028.00	-	10,028.00	-	-	-
2022 O/C Summer Concert Program	-	1,000.00	-	-	-	-	1,000.00
2022 Homeland Security and Preparedness	-	74,000.00	-	-	-	-	74,000.00
2022 ARP Firefighter Grant	-	34,000.00	-	-	33,956.61	-	43.39
2022 BPU Clean Energy Electric Vehicle	-	7,000.00	-	-	-	-	7,000.00
DMHAS Youth Leadership Grant	-	5,732.13	-	5,732.13	-	-	-
National Opioid Settlement Proceeds	-	26,313.37	-	-	-	-	26,313.37
2022 O/C Recycling Revenue Profit Share	-	62,999.28	-	-	-	-	62,999.28
Cops in Shops - 2021	-	-	3,520.00	3,520.00	-	-	-
	<u>\$ 2,660,752.62</u>	<u>\$ 411,070.37</u>	<u>\$ 335,487.59</u>	<u>\$ 722,733.25</u>	<u>\$ 143,599.22</u>	<u>\$ 784,371.65</u>	<u>\$ 1,756,606.46</u>
Adopted Budget	\$ 197,007.72						
Added by 40A:4-87	<u>214,062.65</u>						
	<u>\$ 411,070.37</u>						

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

<u>Grant</u>	<u>Balance Dec. 31, 2021</u>	<u>Receipts</u>	<u>Transferred from Unappropriated</u>	<u>Balance Dec. 31, 2022</u>
American Rescue Plan Act	\$ 2,199,923.68	\$ 2,199,923.68	\$ 2,000,000.00	\$ 2,399,847.36
	<u>\$ 2,199,923.68</u>	<u>\$ 2,199,923.68</u>	<u>\$ 2,000,000.00</u>	<u>\$ 2,399,847.36</u>

TRUST FUND

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

	Animal Control Trust Fund	Other Trust Fund
Balance December 31, 2021	\$ 41,544.63	\$ 6,360,657.41
Increased by Receipts:		
Animal Control License Fees	\$ 38,372.13	\$ -
Miscellaneous Reserves	-	7,804,024.35
Reserve For Open Space	-	803,561.67
Due to State of New Jersey	4,563.60	1,178.00
	<u>42,935.73</u>	<u>8,608,764.02</u>
	84,480.36	14,969,421.43
Decreased by Disbursements:		
Expenditures Under R.S. 4:19-15.11	74,235.71	-
Miscellaneous Reserves	-	7,326,775.34
Reserve for Open Space	-	835,204.66
Due to State of New Jersey	4,563.60	-
Interfund:		
Current Fund	-	35,823.36
	<u>78,799.31</u>	<u>8,197,803.36</u>
Balance December 31, 2022	<u><u>\$ 5,681.05</u></u>	<u><u>\$ 6,771,618.07</u></u>

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

Balance December 31, 2021		\$ 41,535.63
Increased by:		
Animal Control License Fees Collected	\$ 29,778.40	
Other Fees	<u>8,593.73</u>	
		<u>38,372.13</u>
		79,907.76
Decreased by:		
Expenditures Under R.S. 4:19-15.11		<u>74,235.71</u>
Balance December 31, 2022		<u><u>\$ 5,672.05</u></u>

License and Penalty Fees Collected

<u>Year</u>	<u>Amount</u>
2021	\$ 30,104.20
2020	<u>36,467.83</u>
	<u><u>\$ 66,572.03</u></u>

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

	\$ 9.00
Increased by:	
2022 Animal License Fees	<u>4,563.60</u>
	4,572.60
Decreased by:	
Fees Paid to State	<u>4,563.60</u>
Balance December 31, 2022	<u><u>\$ 9.00</u></u>

Exhibit B-4

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

	Total (Memo Only)	Current Fund	Payroll Special Trust	Payroll Fund
Balance December 31, 2021 - Due To (From)	\$ (491,268.20)	\$ 52,967.86	\$ (294,281.53)	\$ (249,954.53)
Decreased by:				
Disbursements	<u>35,823.36</u>	<u>35,823.36</u>	<u>-</u>	<u>-</u>
Balance December 31, 2022 - Due To (From)	<u><u>\$ (527,091.56)</u></u>	<u><u>\$ 17,144.50</u></u>	<u><u>\$ (294,281.53)</u></u>	<u><u>\$ (249,954.53)</u></u>

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

Balance December 31, 2021		\$ 6,529,782.85
Increased by:		
Deferred Charge Overexpenditure of Founders Day Trust	7,820.26	
Receipts	<u>7,804,024.35</u>	
		<u>7,811,844.61</u>
		14,341,627.46
Decreased by:		
Disbursements		<u>7,326,775.34</u>
Balance December 31, 2022		<u>\$ 7,014,852.12</u>

Analysis of Balance

Reserve for:		
Law Enforcement	\$ 106,319.56	
Sanitary Landfill	13,181.87	
Unemployment Compensation	29,753.95	
Construction Code	120,470.70	
Tree Inspection Fees	13,192.03	
Tax Map Maintenance	142.80	
Drainage Improvements	147,831.62	
Affordable Housing	1,343,554.04	
Uniform Fire Safety Act - Penalty Monies	865.11	
Fire Prevention Donations	3,524.98	
Street Opening	56,010.50	
DARE	12,477.28	
Developers Road Impact	181,616.50	
Public Defender	3,641.42	
Tax Sale Premium	1,007,450.00	
POAA	288.89	
Third Party Liens	48,985.06	
Foreclosures	11,112.88	
Developers Escrow	2,875,698.30	
Inspection Fees - Grading	2,026.11	
Security Deposit	7,200.00	
Planning/Zoning Board Escrow	194,311.48	
Reserve for ABC	172.00	
Tree Planting	1,017.02	
Municipal Alliance Donations	5,961.14	
Disposal of Forfeited Property	4,082.39	
Inspection Holly Park	3,141.84	
Outside Employment	321,110.72	
Reserve for Snow Removal	441,890.60	
Recreations - Open Space	<u>57,821.33</u>	
		<u>\$ 7,014,852.12</u>

Exhibit B-6

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

Balance December 31, 2021		\$ 303,247.76
Increased by:		
Cash Receipts		<u>803,561.67</u>
		1,106,809.43
Decreased by:		
Other Expenses		<u>835,204.66</u>
Balance December 31, 2022		<u><u>\$ 271,604.77</u></u>

Exhibit B-7

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

Balance December 31, 2021			\$ 2,464,457.42
Increased by:			
Contributions	156,663.00		
Interest Earned	<u>11,273.67</u>		
			<u>167,936.67</u>
			2,632,394.09
Decreased by:			
Gain/Loss	379,940.94		
Distributions	<u>225,042.23</u>		
			<u>604,983.17</u>
Balance December 31, 2022			<u><u>\$ 2,027,410.92</u></u>

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GENERAL CAPITAL FUND

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

Balance December 31, 2021		\$ 12,370,901.81
Increased by:		
Debt Sale Proceeds:		
Bond Anticipation Notes	\$ 21,380,000.00	
Bond Anticipation Notes Premium	311,079.00	
Grant Receipts	371,125.00	
Budget Appropriation:		
Capital Improvement Fund	<u>575,000.00</u>	
		<u>22,637,204.00</u>
		35,008,105.81
Decreased by:		
Improvement Authorizations	12,078,751.55	
Bond Anticipation Notes	21,380,000.00	
Utilized as Current Fund Anticipated Revenue:		
Reserve for Payment of Debt	<u>769,595.30</u>	
		<u>34,228,346.85</u>
Balance December 31, 2022		<u><u>\$ 779,758.96</u></u>

Exhibit C-3

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

		Balance Dec. 31, 2022
		<hr/>
Fund Balance		\$ 151,397.21
Capital Improvement Fund		101,102.97
Grants Receivable		(998,550.82)
Interfund - Current Fund		(156,000.00)
Reserve for Encumbrances		5,916,295.50
Reserve for Debt Service		255,583.38
Improvement Authorizations:		
Ordinance	Improvement Description	
Number		
<hr/>		
12-14	Various Capital Improvements	(116.00)
13-26	Various Capital Improvements	(27.00)
14-03	Various Capital Improvements	10,131.50
15-01	Various Capital Improvements	6,175.91
16-01	Various Capital Improvements	43,471.93
17-09	Various Capital Improvements	62,379.10
17-21	Various Capital Improvements	-
18-01	Various Capital Improvements	529,654.98
19-01	Various Capital Improvements	111,845.25
20-01	Various Capital Improvements	110,097.83
20-09	Improvements to Manitou Park School House	1,122,219.00
20-10	Acquisition of Real Property	395,190.32
21-01	Various Capital Improvements	(10,658,438.75)
22-01	Various Capital Improvements	3,777,346.65
		<hr/>
		\$ 779,758.96
		<hr/>

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

Balance December 31, 2021			\$ 46,064,765.60
Increased by:			
Green Trust Loan Received			<u>550,000.00</u>
			46,614,765.60
Decreased by:			
Budgeted Principal Reductions:			
Serial Bonds	\$ 5,440,000.00		
NJEIT Loans	124,722.25		
Green Trust Loans	<u>70,031.38</u>		
			<u>5,634,753.63</u>
Balance December 31, 2022			<u><u>\$ 40,980,011.97</u></u>

Improvement Authorizations - Unfunded

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

Balance December 31, 2021	\$ 88,342.97
Increased by:	
Budget Appropriation	<u>575,000.00</u>
	663,342.97
Decreased by:	
Appropriations to Finance Improvement Authorizations	<u>562,240.00</u>
Balance December 31, 2022	<u><u>\$ 101,102.97</u></u>

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

Ordinance Number	Description	Balance Dec. 31, 2021	Grants Awarded	Received	Balance Dec. 31, 2022
09-29, 09-11	NJ DEP Green Acres - Manitou Park	\$ 12,998.74	\$ -	\$ -	\$ 12,998.74
11-18	US Department of Homeland Security - FEMA	41,418.00	-	-	41,418.00
17-09	NJ DOT - LAIF - John F. Kennedy Blvd	135,222.08	-	-	135,222.08
20-01	NJ DOT - Fort de France Avenue	70,000.00	-	70,000.00	-
20-09	NJ Historic Trust - Manitou Park School House	656,537.00	-	-	656,537.00
21-01	Various Capital Improvements	409,500.00	-	301,125.00	108,375.00
22-01	Various Capital Improvements	-	200,000.00	156,000.00	44,000.00
		<u>\$ 1,325,675.82</u>	<u>\$ 200,000.00</u>	<u>\$ 527,125.00</u>	<u>\$ 998,550.82</u>
Receipts				\$ 371,125.00	
Interfund-Current Fund				<u>156,000.00</u>	
				<u>\$ 527,125.00</u>	

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

Ordinance Number	Improvement Description	Ordinance		Balance Dec. 31, 2021		2022 Authorizations	Transfer from Encumbrances	Paid or Charged	Transfer to Encumbrances	Balance Dec. 31, 2022	
		Date	Amount	Funded	Unfunded					Funded	Unfunded
06-31	Various Capital Improvements	05/23/06	\$ 5,849,102.00	\$ -	\$ -	\$ -	\$ 58,791.91	\$ 25,480.00	\$ 33,311.91	\$ -	\$ -
14-03	Various Capital Improvements	02/24/14	6,421,430.00	10,131.50	0.50	-	-	-	-	10,131.50	0.50
15-01	Various Capital Improvements	01/26/15	6,569,450.00	6,175.91	0.50	-	12,490.00	12,490.00	-	6,175.91	0.50
16-01	Various Capital Improvements	01/25/16	7,821,000.00	43,471.93	-	-	-	-	-	43,471.93	-
17-09	Various Capital Improvements	02/27/17	8,650,000.00	114,902.18	-	-	58,512.69	44,988.08	66,047.69	62,379.10	-
18-01	Various Capital Improvements	02/26/18	9,019,355.00	611,706.74	387.00	-	53,445.73	132,217.49	3,280.00	529,654.98	387.00
19-01	Various Capital Improvements	01/28/19	6,845,500.00	68,250.64	225.00	-	75,598.91	23,862.05	8,142.25	111,845.25	225.00
20-01	Various Capital Improvements	01/27/20	8,675,700.00	-	793,597.04	-	381,017.11	825,231.84	239,245.48	-	110,136.83
20-09	Improvements to Manitou Park School Hous	03/23/20	1,750,000.00	498,919.10	1,041,393.00	-	172,846.63	412,889.59	178,050.14	80,826.00	1,041,393.00
20-10	Acquisition of Real Property	03/23/20	1,750,000.00	-	1,052,275.08	-	19,926.92	668,638.58	8,373.10	-	395,190.32
21-01	Various Capital Improvements	01/01/21	11,670,274.00	-	2,240,308.55	-	5,429,158.20	6,163,702.78	1,481,637.72	-	24,126.25
22-01	Various Capital Improvements	01/24/22	11,444,805.00	-	-	11,444,805.00	-	3,769,251.14	3,898,207.21	-	3,777,346.65
				<u>\$ 1,353,558.00</u>	<u>\$ 5,128,186.67</u>	<u>\$ 11,444,805.00</u>	<u>\$ 6,261,788.10</u>	<u>\$ 12,078,751.55</u>	<u>\$ 5,916,295.50</u>	<u>\$ 844,484.67</u>	<u>\$ 5,348,806.05</u>
Deferred Charges - Unfunded						\$ 10,682,565.00					
Grants Receivable						200,000.00					
Capital Improvement Fund						<u>562,240.00</u>					
						<u>\$ 11,444,805.00</u>					

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

<u>Purpose</u>	<u>Year Issued</u>	<u>Original Issue</u>	<u>Interest Rate</u>	<u>Balance Dec. 31, 2021</u>	<u>Decreases</u>	<u>Balance Dec. 31, 2022</u>
NJ Fund Loan	2007	\$ 975,000.00	0.00%	\$ 297,420.09	\$ 54,296.84	\$ 243,123.25
NJ Trust Loan	2007	345,000.00	3.40% to 5.00%	124,000.00	18,000.00	106,000.00
NJ Trust Loan	2010	250,000.00	3.845% to 4.260%	123,000.00	14,000.00	109,000.00
NJ Fund Loan	2010	755,700.00	0.00%	198,034.54	38,425.41	159,609.13
				<u>\$ 742,454.63</u>	<u>\$ 124,722.25</u>	<u>\$ 617,732.38</u>

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

Purpose	Date of Issue	Original Issue	Maturities of Bonds		Interest Rate	Balance Dec. 31, 2021	Paid by Budget Appropriation	Balance Dec. 31, 2022
			Outstanding Dec. 31, 2022	Amount				
General Obligation Bonds	10/11/2012	\$ 9,950,000.00	10/15/2023	\$ 1,050,000.00	3.000%	\$ 2,100,000.00	\$ 1,050,000.00	\$ 1,050,000.00
General Obligation Bonds	5/24/2016	11,409,000.00	5/15/2023	1,145,000.00	3.000%	8,014,000.00	1,120,000.00	6,894,000.00
			5/15/2024	1,150,000.00	2.000%			
			5/15/2025	1,150,000.00	2.000%			
			5/15/2026	1,150,000.00	2.000%			
			5/15/2027	1,150,000.00	2.000%			
General Obligation Bonds	5/16/18	19,955,000.00	5/15/2023	1,485,000.00	5.000%	16,275,000.00	1,390,000.00	14,885,000.00
			5/15/2024	1,900,000.00	5.000%			
			5/15/2025	2,300,000.00	5.000%			
			5/15/2026	2,300,000.00	4.000%			
			5/15/2027	2,300,000.00	4.000%			
General Obligation Bonds	5/15/2028	2,300,000.00	5/15/2028	2,300,000.00	4.000%	9,165,000.00	590,000.00	8,575,000.00
			5/15/2029	2,300,000.00	3.000%			
			5/01/2023	905,000.00	4.000%			
			5/01/2024	1,095,000.00	4.000%			
			5/01/2025	1,100,000.00	4.000%			
Refunding Bonds	1/1/2020	3,750,000.00	5/01/2026	1,100,000.00	4.000%	2,805,000.00	920,000.00	1,885,000.00
			5/01/2027	1,100,000.00	4.000%			
			5/01/2028	1,100,000.00	4.000%			
			5/01/2029	1,090,000.00	2.000%			
			5/01/2030	1,085,000.00	2.125%			
General Obligation Bonds	8/19/21	6,420,000.00	1/15/2023	920,000.00	4.000%	6,420,000.00	370,000.00	6,050,000.00
			1/15/2024	965,000.00	4.000%			
			8/01/2023	390,000.00	4.000%			
			8/01/2024	395,000.00	4.000%			
			8/01/2025	395,000.00	4.000%			
General Obligation Bonds	8/01/2026	605,000.00	8/01/2026	605,000.00	4.000%	44,779,000.00	5,440,000.00	39,339,000.00
			8/01/2027	625,000.00	4.000%			
			8/01/2028	680,000.00	3.000%			
			8/01/2029	740,000.00	2.000%			
			8/01/2030	740,000.00	2.000%			
General Obligation Bonds	8/01/2031	740,000.00	8/01/2031	740,000.00	2.000%	44,779,000.00	5,440,000.00	39,339,000.00
			8/01/2032	740,000.00	2.000%			

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

Purpose	Year	Original Issue	Maturities of Loans		Interest Rate	Balance Dec. 31, 2021	Loan Proceeds	Paid by Budget Appropriation	Balance Dec. 31, 2022
			Date	Amount					
Veterans' Park Improvements	2021/2022	\$ 550,000.00	1/12/2022 to 1/12/2041 Level Debt Payments	\$ 17,100.38	2.00%	\$ -	\$ 550,000.00	\$ 11,600.38	\$ 538,399.62
Toms River Park	2008	500,000.00	3/21/2015 to 3/21/2027 Level Debt Payments	15,880.75	2.00%	164,645.68	-	28,610.92	136,034.76
Toms River Park Phase II	2008	289,202.77	2/19/2015 to 2/19/2028 Level Debt Payments	8,991.78	2.00%	109,103.87	-	15,880.48	93,223.39
Manitou Park	2018	309,753.77	5/01/2019 to 5/01/2038 Level Debt Payments	9,630.74	2.00%	269,561.42	-	13,939.60	255,621.82
						<u>\$ 543,310.97</u>	<u>\$ 550,000.00</u>	<u>\$ 70,031.38</u>	<u>\$ 1,023,279.59</u>

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

Ordinance Number	Improvement Description	Date of Original Issue	Date of Maturity	Interest Rate	Balance Dec. 31, 2021	Issued for Cash	Decreases	Balance Dec. 31, 2022
20-01	Various Capital Improvements	8/31/2021	8/30/2023	1.00%	\$ 7,975,872.00	\$ 7,975,872.00	\$ 7,975,872.00	\$ 7,975,872.00
20-09	Improvements to Manitou Park School House	8/31/2021	8/30/2023	1.00%	1,041,393.00	1,041,393.00	1,041,393.00	1,041,393.00
20-10	Acquisition of Real Property	8/31/2021	8/30/2023	1.00%	1,665,000.00	1,665,000.00	1,665,000.00	1,665,000.00
21-01	Various Capital Improvements	8/31/2021	8/30/2023	1.00%	10,697,735.00	10,697,735.00	10,697,735.00	10,697,735.00
					<u>\$ 21,380,000.00</u>	<u>\$ 21,380,000.00</u>	<u>\$ 21,380,000.00</u>	<u>\$ 21,380,000.00</u>

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

Ordinance Number	Improvement Description	Balance Dec. 31, 2021	2022 Authorizations	Loans Issued	Balance Dec. 31, 2022
12-14	Various Capital Improvements	\$ 116.00	\$ -	\$ -	\$ 116.00
13-26	Various Capital Improvements	27.00	-	-	27.00
14-03	Various Capital Improvements	0.50	-	-	0.50
15-01	Acquisition of Real Property for Open Space	0.50	-	-	0.50
17-21	Various Capital Improvements	90,000.00	-	90,000.00	-
18-01	Various Capital Improvements	387.00	-	-	387.00
19-01	Various Capital Improvements	225.00	-	-	225.00
20-01	Various Capital Improvements	39.00	-	-	39.00
22-01	Various Capital Improvements	-	10,682,565.00	-	10,682,565.00
		<u>\$ 90,795.00</u>	<u>\$ 10,682,565.00</u>	<u>\$ 90,000.00</u>	<u>\$ 10,683,360.00</u>

TOWNSHIP OF BERKELEY

PART II

SINGLE AUDIT SECTION

FOR THE YEAR ENDED DECEMBER 31, 2022

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Certified Public Accountants + Advisors

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

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

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Township of Berkeley's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the Township of Berkeley's major federal programs for the year ended December 31, 2022. The Township of Berkeley's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Township of Berkeley complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2022.

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control over Compliance

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

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as Finding 2022-001, to be a significant deficiency.

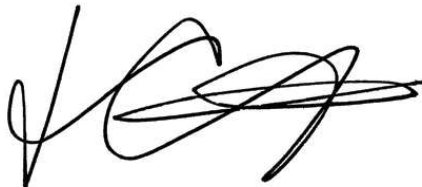
Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

Government Auditing Standards requires the auditor to perform limited procedures on the Township of Berkeley's response to the internal control over compliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The Township of Berkeley's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.

A handwritten signature in black ink, appearing to read 'J. Conaty', with a stylized, overlapping flourish extending to the right.

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

Lakewood, New Jersey
December 8, 2023

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TOWNSHIP OF BERKELEY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2022

FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE	FEDERAL ASSISTANCE LISTING		PASS-THROUGH GRANTOR'S #/ FEDERAL GRANT #		AWARD AMOUNT	PROGRAM EXPENDITURES	TOTAL * EXPENDITURES
	NUMBER						
Department of Transportation:							
Pass-Through Program From:							
State of NJ Department of Law & Public Safety:							
Highway Safety Cluster:							
Cops in Shops	20.616		66-1400-100-025	\$	3,520.00	\$ 3,520.00	\$ 3,520.00
Total Highway Safety Cluster						3,520.00	3,520.00
Total Department of Transportation						3,520.00	3,520.00
Department of Justice							
Direct Programs:							
COPS FAST	16.710		Not Available		99,361.55	99,361.55	99,361.55
Total Department of Justice						99,361.55	99,361.55

* The Township did not pass grant funds to sub-recipients.

TOWNSHIP OF BERKELEY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2022

FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE	FEDERAL ASSISTANCE LISTING NUMBER	PASS-THROUGH GRANTOR'S #/ FEDERAL GRANT #	AWARD AMOUNT	PROGRAM EXPENDITURES	TOTAL * EXPENDITURES
Department of Homeland Security					
Direct Programs:					
Flood Mitigation Assistance Grant - 2018	97.039	Not Available	352,049.33	133,894.84	133,894.84
Homeland Security Grant Program	97.067	Not Available	23,800.00	3,974.55	3,974.55
Total Department of Homeland Security				137,869.39	137,869.39
Department of Community Affairs					
Direct Programs:					
Coronavirus State and Local Fiscal Recovery Funds	21.027	100-022-8030-687	2,000,000.00	2,000,000.00	2,000,000.00
Total Department of Treasury				2,000,000.00	2,000,000.00
Total Federal Awards				\$ 2,240,750.94	\$ 2,240,750.94

* The Township did not pass grant funds to sub-recipients.

TOWNSHIP OF BERKELEY
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2022

Note 1. Basis of Presentation

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

Note 2. Summary of Significant Accounting Policies

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

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

The Township did not elect the 10-percent de minimis indirect cost rate as discussed in 2 CFR 200.414.

Note 3. Relationship to Basic Financial Statements

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

	Federal
Current Fund	\$ 2,000,000.00
State & Federal Grant Fund	<u>249,243.79</u>
Total	<u><u>\$ 2,249,243.79</u></u>

TOWNSHIP OF BERKELEY
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2022

Note 4. Relationship to Federal Financial Reports

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

Note 5. Federal Loans Outstanding

The Township had no loan balances outstanding at December 31, 2022.

Note 6. Contingencies

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

Note 7. Major Programs

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

TOWNSHIP OF BERKELEY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2022

Section I - Summary of Auditor's Results

Financial Statements

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

Federal Awards

Internal control over major programs:		
1) Material weakness(es) identified?	<u> </u> yes	<u> X </u> none reported
2) Significant deficiency(ies) identified?	<u> X </u> yes	<u> </u> none reported
Type of auditor's report issued on compliance for major programs	<u>Unmodified</u>	
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200 section .516(a) of Uniform Guidance?		
	<u> X </u> yes	<u> </u> none reported

Identification of major programs:

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

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

**TOWNSHIP OF BERKELEY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

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

State Financial Assistance - SECTION NOT APPLICABLE

Dollar threshold used to determine Type A programs _____

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

Internal control over major programs:

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

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

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

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

Identification of major programs:

State Grant/Project Number(s)

Name of State Program

_____	_____
_____	_____
_____	_____
_____	_____

**TOWNSHIP OF BERKELEY
SCHEDULE OF FINDINGS & QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

Section II – Financial Statement Findings

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

FINANCIAL STATEMENT FINDINGS

Finding No. 2022-001

Criteria or specific requirement:

In accordance with maintaining an internal control environment that is effective in prevention and/or identification of potential financial statement misstatement and/or misclassification, the Township should maintain a complete and accurate general ledger system.

Condition:

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

Cause:

The Township did not timely maintain accurate subsidiary records.

Effect or potential effect:

The Township did not have timely support for general ledger balances and transactions.

Recommendation:

That internal control policies and procedures should be developed to properly maintain a timely and accurate general ledger system

View of responsible official:

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

Finding No. 2022-002

Criteria or specific requirement:

In accordance with requirements promulgated by the State of New Jersey, Division of Local Government Services, interfunds should be paid and closed out by the end of the current year.

Condition:

Interfunds receivable and payable are reflected on the various balance sheets of the funds at December 31, 2022.

Cause:

The Township has not transferred the required funds to close out the interfunds by year end.

**TOWNSHIP OF BERKELEY
SCHEDULE OF FINDINGS & QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

FINANCIAL STATEMENT FINDINGS (continued)

Effect or potential effect:

By not clearing interfunds within a timely manner, the Township could experience difficulties with cash flow as a result of cash being utilized from other sources to pay expenditures.

Recommendation:

That the Township transfer the required funds to close out the interfunds.

View of responsible official:

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

Finding No. 2022-003

Criteria or specific requirement:

N.J.S.A. 40A:4-57 states that no officer, board, body or commission shall, during any fiscal year, expend any money, incur any liability, or enter into any contract which by its terms involves the expenditure of money for any purpose for which no appropriation is provided, or in excess of the amount appropriated for such service.

Condition:

The Township's Current and Trust Funds reflect over expenditures.

Cause:

Management oversight.

Effect or potential effect:

Non-compliance with N.J.S.A. 40:4-57.

Recommendation:

That the Township raise the deferred charges in the respective funds.

View of responsible official:

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

Finding No. 2022-004

Criteria or specific requirement:

For sound financial reporting, the Bank Accounts need to be accurately reconciled and the balance in the payroll account itemized by agency liabilities.

Condition:

At December 31, 2022, the Bank Accounts were not accurately reconciled, additionally the Township was unable to provide a breakdown of Payroll Agency Liabilities.

**TOWNSHIP OF BERKELEY
SCHEDULE OF FINDINGS & QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

FINANCIAL STATEMENT FINDINGS (continued)

Cause:

Internal control policies and procedures are not in place to properly reconcile accounts.

Effect or potential effect:

Weakening of internal control over financial reporting.

Recommendation:

That the Township will reconcile the bank accounts and additionally begin to track agency liabilities.

View of responsible official:

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

Finding No. 2022-005

Criteria or specific requirement:

Effective internal controls consists of timely collection of grant receipts and expenditures of grants appropriated.

Condition:

The Township cancelled stale grant receivables and reserves.

Cause:

The Township did not properly monitor grant balances.

Effect or potential effect:

The Township cancelled stale receivables vs. appropriations in the grant fund resulting in a decrease of \$537,393.91 of fund balance in the current fund.

Recommendation:

That the Township monitor grant receivables and grant appropriation balances, in order to spend and collect outstanding grants.

View of responsible official:

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

**TOWNSHIP OF BERKELEY
SCHEDULE OF FINDINGS & QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

Section III – Federal Award Findings & Questioned Costs

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

FEDERAL AWARDS

Finding 2022-001

Information on the State Program:

- Coronavirus State and Local Fiscal Recovery Funds

Criteria or Specific Requirement:

In accordance with maintaining an internal control environment that is effective in prevention and/or identification of potential financial statement misstatement and/or misclassification, the Township should maintain a complete and accurate general ledger system.

Condition:

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

Questioned Costs:

None Noted.

Context:

During our testing we noted several material journal entries were required to bring the accounts into compliance with the regulatory basis of accounting.

Effect:

The Township did not have timely support for general ledger balances and transactions.

Cause:

The Township did not timely maintain accurate subsidiary records.

Recommendation:

That internal control policies and procedures should be developed to properly maintain a timely and accurate general ledger system.

View of Responsible Officials and Planned Corrective Action:

The responsible officials will address the matter as part of their corrective action plan.

STATE FINANCIAL ASSISTANCE

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

**TOWNSHIP OF BERKELEY
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT
FOR THE YEAR ENDED DECEMBER 31, 2022**

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

FINANCIAL STATEMENT FINDINGS

Finding 2021-001:

Condition:

The Township has deposits in transit recorded on its Current Fund bank reconciliation at December 31, 2021 which the Township has no support.

Current Status:

The finding has been corrected.

FEDERAL AWARDS

No Prior Year Findings.

STATE FINANCIAL ASSISTANCE

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

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**TOWNSHIP OF BERKELEY
COUNTY OF OCEAN**

PART III

**LETTER OF COMMENTS AND RECOMMENDATIONS – REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2022**

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

In accordance with requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the following are the *General Comments* and *Recommendations* for the year ended December 31, 2022.

GENERAL COMMENTS:

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

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

The bid threshold in accordance with *N.J.S.A. 40A:11-4* was \$44,000 for the year ended December 31, 2022.

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

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

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

Collection of Interest on Delinquent Taxes and Assessments

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

The governing body on January 3, 2022 adopted the following resolution authorizing interest to be charged on delinquent taxes:

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

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

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

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

OTHER COMMENTS (FINDINGS):

Finding No. 2022-001

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

Finding No. 2022-002

Interfunds receivable and payable are reflected on the various balance sheets of the funds at December 31, 2022.

Finding No. 2022-003

The Township's Current and Trust Funds reflect over expenditures.

Finding No. 2022-004

At December 31, 2022, the Bank Accounts were not accurately reconciled, additionally the Township was unable to provide a breakdown of Payroll Agency Liabilities.

Finding No. 2022-005

The Township cancelled stale receivables vs. appropriations in the grant fund resulting in a decrease of \$537,393.91 of fund balance in the current fund.

RECOMMENDATIONS:

Finding No. 2022-001

That internal control policies and procedures should be developed to properly maintain a timely and accurate general ledger system

Finding No. 2022-002

That the Township transfer the required funds to close out the interfunds.

Finding No. 2022-003

That the Township raise the deferred charges in the respective funds.

Finding No. 2022-004

That the Township will reconcile the bank accounts and additionally, begin to track agency liabilities.

Finding No. 2022-005

That the Township monitor grant receivables and grant appropriation balances, in order to spend and collect outstanding grants.

OFFICIALS IN OFFICE

The following officials were in office at December 31, 2022:

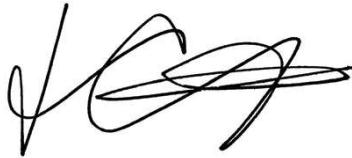
<u>Name</u>	<u>Title</u>
Carmen F. Amato, Jr.	Mayor
Sophia Gingrich	Council President
John Bacchione	Council Vice President
Keith Buscio	Council Member
James J. Byrnes	Council Member
L. Thomas Grosse, Jr.	Council Member
Angelo Guadagno	Council Member
Michael Signorile	Council Member
John Camera	Township Administrator
Frederick Ebenau	Chief Financial Officer
Katherine Larson	Assistant Treasurer
Beverly M. Clark	Township Clerk
Maureen Cosgrove	Tax Collector
James J. Gluck	Municipal Court Judge
Jessica L. Jenkins	Municipal Court Administrator

Appreciation

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

Respectfully submitted,

HOLMAN FRENIA ALLISON, P. C.

A handwritten signature in black ink, appearing to read 'J. Conaty', with a stylized, sweeping flourish extending to the right.

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

Lakewood, New Jersey
December 8, 2023