

Report of Audit

on the

Financial Statements

of the

Borough of Tinton Falls

in the

County of Monmouth
New Jersey

for the

Year Ended
December 31, 2021

BOROUGH OF TINTON FALLS

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BOROUGH OF TINTON FALLS

PART I

INDEPENDENT AUDITOR'S REPORT ON
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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL
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SUPPLEMENTARY SCHEDULES - ALL FUNDS

YEAR ENDED DECEMBER 31, 2021 AND 2020



SUPLEE, CLOONEY & COMPANY
CERTIFIED PUBLIC ACCOUNTANTS

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

Telephone 908-789-9300

Fax 908-789-8535

E-mail info@scnco.com

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and Members
of the Borough Council
Borough of Tinton Falls
County of Monmouth
Tinton Falls, New Jersey 07724

Report on the Financial Statements

Adverse and Unmodified Opinions

We have audited the accompanying balance sheets - regulatory basis of the various individual funds and account group of the Borough of Tinton Falls (the "Borough"), as of and for the year ended December 31, 2021 and 2020, the related statements of operations and changes in fund balance - regulatory basis for the years then ended, and the related statement of revenues - regulatory basis and statement of expenditures - regulatory basis of the various individual funds for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the Borough's regulatory financial statements as listed in the table of contents.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the "Matter Giving Rise to Adverse Opinion" paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the various individual funds and account group of the Borough as of December 31, 2021 and 2020, or the results of its operations and changes in fund balance for the years then ended of the revenues or expenditures for the year ended December 31, 2021.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the regulatory financial statements referred to above present fairly, in all material respects, the regulatory basis balances sheets of the various individual funds and account group as of December 31, 2021 and 2020, the regulatory basis statement of operations and changes in fund balance for the years then ended and the regulatory basis statement of revenues and expenditures and changes in fund balance for the year ended December 31, 2021 in accordance with the basis of financial reporting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division") as described in Note 1.

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Basis for Adverse and Unmodified Opinions

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

Matter Giving Rise to Adverse Opinion

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

Responsibilities of Management for the Financial Statements

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Borough's regulatory financial statements. The supplementary information, and data listed in the table of contents as required by the Division are presented for purposes of additional analysis and are not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental information, and data listed in the table of contents, as required by the Division are fairly stated, in all material respects, in relation to the regulatory financial statements as a whole.

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Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated August 15, 2022 on our consideration of the Borough's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Borough's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Borough's internal control over financial reporting and compliance.



CERTIFIED PUBLIC ACCOUNTANTS



REGISTERED MUNICIPAL ACCOUNTANT NO. 439

August 15, 2022



SUPLEE, CLOONEY & COMPANY
CERTIFIED PUBLIC ACCOUNTANTS

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

Telephone 908-789-9300

Fax 908-789-8535

E-mail info@scnco.com

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

The Honorable Mayor and Members
of the Borough Council
Borough of Tinton Falls
County of Monmouth
Tinton Falls, New Jersey 07724

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the regulatory financial statements of the various individual funds and the account group of the Borough of Tinton Falls, as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the Borough's regulatory financial statements, and have issued our report thereon dated August 15, 2022. Our report disclosed that, as described in Note 1 to the financial statements, the Borough of Tinton Falls prepares its financial statements on a basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, that demonstrates compliance with a modified accrual basis and the budget laws of the State of New Jersey, which is a comprehensive basis of accounting other than U.S. generally accepted accounting principles.

Internal Control Over Financial Reporting

In planning and performing our audit of the regulatory financial statements, we considered the Borough's control over financial reporting (internal control) 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 Borough's internal control. Accordingly, we do not express an opinion on the effectiveness of Borough's internal control.

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

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

Compliance and Other Matters

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

Purpose of This Report

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



CERTIFIED PUBLIC ACCOUNTANTS



REGISTERED MUNICIPAL ACCOUNTANT NO. 439

August 15, 2022

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CURRENT FUND

BOROUGH OF TINTON FALLS

CURRENT FUND

BALANCE SHEETS - REGULATORY BASIS

<u>ASSETS</u>	<u>REF.</u>	<u>BALANCE DECEMBER 31, 2021</u>	<u>BALANCE DECEMBER 31, 2020</u>
Current Fund:			
Cash	A-4	\$ 22,145,905.84	\$ 19,969,224.93
Change Funds	A-6	625.00	625.00
Due State of New Jersey-Senior Citizens and Veterans Deductions	A-8	5,817.91	2,067.91
		<u>\$ 22,152,348.75</u>	<u>\$ 19,971,917.84</u>
Receivables with Full Reserves:			
Delinquent Property Taxes Receivable	A-9	\$ 519,816.06	\$ 726,593.61
Tax Title Liens Receivable	A-10	111,778.71	105,281.27
Debris Lien	A-11	420.88	
Revenue Accounts Receivable	A-12	12,655.45	8,143.33
	A	<u>\$ 644,671.10</u>	<u>\$ 840,018.21</u>
		<u>\$ 22,797,019.85</u>	<u>\$ 20,811,936.05</u>
Grant Fund:			
Cash	A-4	\$ 1,266,313.46	\$ 270,587.17
Grants Receivable	A-24	89,672.00	-
		<u>\$ 1,355,985.46</u>	<u>\$ 270,587.17</u>
		<u>\$ 24,153,005.31</u>	<u>\$ 21,082,523.22</u>

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

BOROUGH OF TINTON FALLS

CURRENT FUND

BALANCE SHEETS - REGULATORY BASIS

	<u>REF.</u>	<u>BALANCE DECEMBER 31, 2021</u>	<u>BALANCE DECEMBER 31, 2020</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Current Fund:			
Liabilities:			
Appropriation Reserves	A-3:A-13	\$ 1,565,452.25	\$ 1,885,767.95
Reserve for Miscellaneous Deposits	A-14	18,948.00	8,874.00
Tax Overpayments	A-15	11,106.10	11,674.74
Encumbrances Payable	A-16	1,287,496.32	605,572.52
Accounts Payable	A-17	116,775.24	14,106.00
Prepaid Taxes	A-18	558,808.64	619,990.39
County Taxes Payable	A-19	166,831.79	65,980.64
Regional School Taxes Payable	A-20	3,878,832.29	3,707,834.77
Regional High School Taxes Payable	A-21	5,107,000.97	4,959,709.45
Fire District Tax Payable	A-23	750.00	
		<u>\$ 12,712,001.60</u>	<u>\$ 11,879,510.46</u>
Reserve for Receivables	A	644,671.10	840,018.21
Fund Balance	A-1	<u>9,440,347.15</u>	<u>8,092,407.38</u>
		<u>\$ 22,797,019.85</u>	<u>\$ 20,811,936.05</u>
Grant Fund:			
Encumbrances Payable	A-16	\$ 123,354.02	\$ 20,660.63
Reserve for Grants-Appropriated	A-25	319,345.97	249,926.54
Reserve for Grants-Unappropriated	A-26	<u>913,285.47</u>	
		<u>\$ 1,355,985.46</u>	<u>\$ 270,587.17</u>
		<u>\$ 24,153,005.31</u>	<u>\$ 21,082,523.22</u>

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

"A-1"

BOROUGH OF TINTON FALLS

CURRENT FUND

STATEMENTS OF OPERATIONS AND
CHANGE IN FUND BALANCE - REGULATORY BASIS

		YEAR ENDED DECEMBER 31, 2021	YEAR ENDED DECEMBER 31, 2020
<u>REVENUE AND OTHER INCOME</u>	<u>REF.</u>		
Fund Balance Utilized	A-1:A-2	\$ 3,950,000.00	\$ 3,625,000.00
Miscellaneous Revenues Anticipated	A-2	7,598,521.54	6,995,348.59
Receipts from Delinquent Taxes	A-2	736,211.45	655,155.62
Receipts from Current Taxes	A-2	71,399,520.79	69,172,353.08
Non-Budget Revenues	A-2	1,073,525.54	826,150.54
Other Credits to Income:			
Unexpended Balance of Appropriation Reserve	A-13	1,874,914.32	1,369,299.65
Tax Overpayments Cancelled	A-15	1,537.48	
Accounts Payable Cancelled	A-17	829.00	75,311.91
<u>Total Income</u>		<u>\$ 86,635,060.12</u>	<u>\$ 82,718,619.39</u>
<u>EXPENDITURES</u>			
Budget and Emergency Appropriations:			
Within "CAPS":			
Operations	A-3	\$ 18,794,127.00	\$ 18,747,292.00
Deferred Charges and Statutory			
Expenditures - Municipal	A-3	3,208,873.00	2,975,176.00
Excluded from "CAPS"			
Operations	A-3	913,389.62	834,172.97
Capital Improvement Fund	A-3	984,000.00	575,000.00
Municipal Debt Service	A-3	2,504,593.10	2,631,058.68
County Tax	A-19	10,542,483.90	9,990,371.43
County Tax for Added and Omitted Taxes	A-19	166,831.79	65,980.64
Regional District School Tax	A-20	26,355,873.00	25,932,434.00
Regional District High School Tax	A-21	14,754,465.00	14,459,882.00
Municipal Open Space Tax	A-22	839,316.27	787,041.75
Special District Taxes	A-23	2,185,150.00	2,142,730.00
Prior Year Senior Citizens Deductions, net	A-8	2,755.47	1,923.29
Refund of Prior Year Revenue - Tax Appeals	A-4	85,262.20	29,702.26
<u>Total Expenditures</u>		<u>\$ 81,337,120.35</u>	<u>\$ 79,172,765.02</u>
Excess in Revenue		\$ 5,297,939.77	\$ 3,545,854.37
<u>Fund Balance</u>			
Balance, January 1	A	8,092,407.38	8,171,553.01
		<u>\$ 13,390,347.15</u>	<u>\$ 11,717,407.38</u>
Decreased by:			
Utilization as Anticipated Revenue	A-1:A-2	<u>3,950,000.00</u>	<u>3,625,000.00</u>
Balance, December 31	A	<u>\$ 9,440,347.15</u>	<u>\$ 8,092,407.38</u>

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

BOROUGH OF TINTON FALLS

CURRENT FUND

STATEMENT OF REVENUES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2021

		ANTICIPATED			
			SPECIAL N.J.S. 40A:4-87		EXCESS OR (DEFICIT)
	REF.	BUDGET		REALIZED	
Fund Balance Anticipated	A-1	\$ 3,950,000.00		\$ 3,950,000.00	
Miscellaneous Revenues:					
Alcoholic Beverage Licenses	A-12	35,000.00		37,930.00	2,930.00
Other Licenses	A-12	20,000.00		25,365.00	5,365.00
Fees and Permits:					
Construction Code Official	A-12	400,000.00		850,057.00	450,057.00
Other	A-2	240,000.00		458,278.58	218,278.58
Fines and Costs - Municipal Court	A-12	124,000.00		128,227.52	4,227.52
Interest and Costs on Taxes	A-12	121,300.00		147,586.94	26,286.94
Interest on Investments and Deposits	A-12	200,000.00		339,031.17	139,031.17
Commercial Garbage Fees	A-12	71,000.00		81,952.50	10,952.50
Energy Receipts Tax	A-12	1,490,459.00		1,490,459.00	
Shared Services:					
Municipal Court (Eatontown and Monmouth Beach)	A-12	345,000.00		359,533.00	14,533.00
Finance (Keyport)	A-12	62,424.00		62,424.00	
Clean Communities Grant	A-24		44,352.20	44,352.20	
NJ Body Worn Camera Grant	A-24		89,672.00	89,672.00	
State Body Armor Replacement Fund	A-24	2,955.31		2,955.31	
Recycling Tonnage Grant	A-24		98,993.11	98,993.11	
Hotel Occupany Tax	A-12	260,000.00		369,258.54	109,258.54
Franchise Fees	A-12	289,000.00		289,678.33	678.33
Payment in Lieu of Taxes - CommVault	A-12	304,970.00		304,971.37	1.37
Host Benefit Fees	A-12	2,000,000.00		2,250,316.57	250,316.57
Open Space Trust - Principal on Bonds	A-12	85,000.00		85,000.00	
Open Space Trust - Interest on Bonds	A-12	31,842.00		31,842.00	
Open Space Trust - Interest on Notes	A-12	3,989.00		3,989.00	
General Capital Reserve for Sidewalks	A-12	46,648.40		46,648.40	
	A-1	\$ 6,133,587.71	\$ 233,017.31	\$ 7,598,521.54	\$ 1,231,916.52
Receipts From Delinquent Taxes	A-2	\$ 700,000.00	\$	\$ 736,211.45	\$ 36,211.45
Amount to be Raised by Taxes for Support of: Local Tax for Municipal Purposes	A-2	\$ 16,153,346.15		\$ 17,320,368.38	1,167,022.23
Budget Totals		\$ 26,936,933.86	\$ 233,017.31	\$ 29,605,101.37	\$ 2,435,150.20
Non-Budget Revenues	A-2			1,073,525.54	1,073,525.54
		\$ 26,936,933.86	\$ 233,017.31	\$ 30,678,626.91	\$ 3,508,675.74
REF.	A-3		A-3		

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

BOROUGH OF TINTON FALLS

CURRENT FUND

STATEMENT OF REVENUES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2021

<u>REF.</u>		
Allocations of Current Tax Collections:		
Revenues from Collections	A-1:A-9	\$ 71,399,520.79
Allocated to:		
School Taxes		\$ 41,110,338.00
County Taxes		10,709,315.69
Special District Tax		2,185,150.00
Municipal Open Space Tax		<u>839,316.27</u>
		<u>54,844,119.96</u>
Balance for Support of Municipal Appropriations		\$ 16,555,400.83
Add: Appropriation "Reserve for Uncollected Taxes"	A-3	<u>764,967.55</u>
Amount for Support of Municipal Budget Appropriations	A-2	<u>\$ 17,320,368.38</u>

ANALYSIS OF REALIZED REVENUES

Receipts from Delinquent Taxes:		
Delinquent Tax Collections	A-9	\$ 729,349.08
Tax Title Lien Collections	A-10	<u>6,862.37</u>
	A-1:A-2	<u>\$ 736,211.45</u>
Other Fees and Permits:		
Building Department	A-12	\$ 156,675.00
Police	A-12	27,557.30
Zoning	A-12	31,924.00
Planning	A-12	118,828.49
Recreation	A-12	116,506.29
Street Openings	A-12	6,127.50
Tax Assessor	A-12	<u>660.00</u>
	A-2	<u>\$ 458,278.58</u>

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

BOROUGH OF TINTON FALLS

CURRENT FUND

STATEMENT OF REVENUES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2021

Miscellaneous Revenue Not Anticipated:

Tinton Falls Senior Living	\$	39,055.00
Pines II Meadowbrook Apartments		60,795.00
Meadowbrook II		36,308.00
Pines I at Tinton Falls		52,229.00
Radar Properties Urban Renewal		34,965.71
Charles Wood Property Urban Renewal		55,449.92
Trinity Hall - Municipal Services Agreement		8,000.00
Ranney School - Municipal Services Agreement		38,466.30
Fire Safety - LEA		55,140.21
Fire Prevention Fees		130,844.00
NJ Inspection Fines		525.00
6% Tax Penalties		14,306.53
Garabage Can Fees		2,805.00
Street Opening Fees		8,000.00
Prior Year Reimbursements		1,404.00
Auction of Municipal Properties		21,174.47
NSF Fees		300.00
Off Duty Admin Fees		96,238.21
Miscellaneous		1,838.33
Municipal Court Reconciling Items		918.50
Senior Citizens & Veterans State Administrative Fees (2%)		2,829.89
AT&T Cell Site Lease		54,390.38
T-Mobile Cell Site Lease		43,230.06
Vending Commission		105.00
ATM Commission		10.50
JIF Dividend		40,136.00
Debris Lien		193.01
Monmouth Regional - Resource Officer		33,600.00
FEMA Reimbursements		62,206.75
Monmouth County Fed CARE Act		178,060.77

A-1:A-2;A-4

\$ 1,073,525.54

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

BOROUGH OF TINTON FALLS

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2021

	APPROPRIATIONS		PAID OR CHARGED	RESERVED	UNEXPENDED BALANCE CANCELLED
	BUDGET	BUDGET AFTER MODIFICATION			
OPERATIONS WITHIN "CAPS"					
GENERAL GOVERNMENT					
General Administration:					
Salaries and Wages	\$ 370,000.00	\$ 370,000.00	\$ 344,888.76	\$ 25,111.24	
Other Expenses - Miscellaneous	15,855.00	15,855.00	5,677.98	10,177.02	
Other Expenses - Information Technology	147,000.00	152,000.00	144,555.29	7,444.71	
Human Resources:					
Salaries and Wages	115,700.00	115,700.00	113,178.12	2,521.88	
Other Expenses	27,000.00	27,000.00	26,419.56	580.44	
Office of the Mayor:					
Salaries and Wages	6,001.00	6,001.00	6,000.02	0.98	
Other Expenses	1,500.00	1,500.00	25.00	1,475.00	
Borough Council:					
Salaries and Wages	23,001.00	23,001.00	23,000.38	0.62	
Other Expenses	5,900.00	5,900.00	565.96	5,334.04	
Municipal Clerk:					
Salaries and Wages	199,000.00	199,000.00	188,100.38	10,899.62	
Other Expenses - Miscellaneous	47,700.00	47,700.00	29,090.99	18,609.01	
Other Expenses - Rev. and Codification of Ordinances	35,000.00	35,000.00		35,000.00	
Finance:					
Salaries and Wages	227,000.00	227,000.00	222,668.16	4,331.84	
Other Expenses	11,200.00	11,200.00	9,031.14	2,168.86	
Annual Audit:					
Other Expenses	29,000.00	29,000.00	29,000.00		
Division of Revenue:					
Salaries and Wages	214,000.00	214,000.00	209,083.64	4,916.36	
Other Expenses	19,900.00	19,900.00	16,350.96	3,549.04	
Assessment of Taxes:					
Salaries and Wages	111,000.00	111,000.00	110,926.14	73.86	
Other Expenses	78,045.00	78,045.00	68,530.88	9,514.12	
Division of Central Services:					
Salaries and Wages	68,000.00	68,000.00	63,457.90	4,542.10	
Other Expenses	39,200.00	39,200.00	31,554.44	7,645.56	
Legal Services and Costs:					
Other Expenses	310,000.00	310,000.00	268,104.60	41,895.40	

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

BOROUGH OF TINTON FALLS

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2021

	APPROPRIATIONS		PAID OR CHARGED	RESERVED	UNEXPENDED BALANCE CANCELLED
	BUDGET	BUDGET AFTER MODIFICATION			
OPERATIONS WITHIN "CAPS" (CONTINUED)					
<u>GENERAL GOVERNMENT</u>					
Engineering Services:					
Other Expenses					
Historic Sites Office:					
Other Expenses	5,000.00	5,000.00	3,352.40	1,647.60	
Planning Board:					
Salaries and Wages	28,100.00	28,100.00	23,889.91	4,210.09	
Other Expenses	50,570.00	50,570.00	48,945.07	1,624.93	
Zoning Board:					
Salaries and Wages	28,100.00	28,100.00	23,273.40	4,826.60	
Other Expenses	34,400.00	34,400.00	32,322.02	2,077.98	
Division of Housing					
Other Expenses	26,000.00	26,000.00	25,000.00	1,000.00	
Insurance:					
General Liability Insurance	400,000.00	400,000.00	400,000.00		
Worker's Compensation Insurance	207,000.00	207,000.00	207,000.00		
Group Health Insurance	2,827,000.00	2,571,900.00	2,478,258.86	93,641.14	
Unemployment Insurance	25,000.00	25,000.00	25,000.00		
<u>PUBLIC SAFETY</u>					
Police:					
Salaries and Wages	5,500,000.00	5,500,000.00	5,298,878.79	201,121.21	
Other Expenses	291,440.00	291,440.00	262,797.98	28,642.02	
Emergency Management Services:					
Salaries and Wages	65,000.00	65,000.00	49,646.41	15,353.59	
Other Expenses	40,000.00	40,000.00	26,652.18	13,347.82	
Aid to Volunteer Emergency Medical Services:					
Other Expenses	100,000.00	100,000.00	100,000.00		
Fire Prevention:					
Salaries and Wages	146,000.00	146,000.00	127,489.60	18,510.40	
Other Expenses	7,230.00	7,230.00	6,051.26	1,178.74	
Municipal Prosecutor:					
Salaries and Wages	38,005.00	38,005.00	38,000.04	4.96	
Other Expenses	4,000.00	4,000.00		4,000.00	

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

BOROUGH OF TINTON FALLS

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2021

	APPROPRIATIONS		PAID OR CHARGED	RESERVED	UNEXPENDED BALANCE CANCELLED
	BUDGET	BUDGET AFTER MODIFICATION			
\$	\$	\$			
<u>OPERATIONS WITHIN "CAPS" (CONTINUED)</u>					
<u>PUBLIC WORKS</u>					
Division of Streets:					
Salaries and Wages	568,000.00	573,000.00	555,405.55	17,594.45	
Other Expenses	216,000.00	216,000.00	206,489.06	9,510.94	
Division of Sanitation:					
Salaries and Wages	1,280,000.00	1,250,000.00	1,127,405.77	122,594.23	
Other Expenses	24,200.00	24,200.00	23,970.37	229.63	
Division of Buildings and Grounds:					
Salaries and Wages	375,000.00	375,000.00	341,611.33	33,388.67	
Other Expenses	142,700.00	142,700.00	138,195.50	4,504.50	
Division of Central Maintenance:					
Salaries and Wages	542,000.00	552,000.00	531,209.80	20,790.20	
Other Expenses	486,000.00	506,000.00	478,295.67	27,704.33	
Community Services Act:					
Other Expenses	130,000.00	130,000.00	41,705.00	88,295.00	
Shade Tree Commission:					
Other Expenses	1,400.00	1,400.00	565.50	834.50	
<u>HEALTH AND WELFARE</u>					
Division of Health:					
Other Expenses	180,100.00	180,100.00	180,007.52	92.48	
NJ Public Employees Occupational Safety and Health:					
Other Expenses	3,500.00	3,500.00		3,500.00	
Environmental Health Services:					
Other Expenses	33,100.00	33,100.00	30,140.00	2,960.00	
Animal Control Services:					
Other Expenses	27,000.00	27,000.00	27,000.00		
Contributions to Social Service Agencies					
Other Expenses	19,450.00	19,450.00	15,840.00	3,610.00	
<u>PARKS AND RECREATION:</u>					
Division of Recreation:					
Salaries and Wages	290,000.00	290,000.00	222,628.82	67,371.18	
Other Expenses	154,300.00	154,300.00	112,612.31	41,687.69	
Maintenance of Parks:					
Salaries and Wages	406,000.00	406,000.00	391,662.39	14,337.61	
Other Expenses	49,800.00	49,800.00	42,119.16	7,680.84	

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

BOROUGH OF TINTON FALLS

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2021

	<u>APPROPRIATIONS</u>		<u>BUDGET AFTER</u>	<u>PAID OR</u>	<u>RESERVED</u>	<u>UNEXPENDED</u>
	<u>BUDGET</u>		<u>MODIFICATION</u>	<u>CHARGED</u>		<u>BALANCE</u> <u>CANCELLED</u>
<u>OPERATIONS WITHIN "CAPS" (CONTINUED)</u>						
Municipal Court:						
Salaries and Wages	\$ 239,000.00	\$	239,000.00	\$ 230,432.14	\$ 8,567.86	
Other Expenses	34,955.00		34,955.00	23,352.93	11,602.07	
Public Defender:						
Salaries and Wages	21,505.00		21,505.00	21,500.18	4.82	
Other Expenses	800.00		800.00		800.00	
Construction Code Official:						
Salaries and Wages	370,000.00		370,000.00	342,973.09	27,026.91	
Other Expenses	9,970.00		9,970.00	8,205.06	1,764.94	
Division of Code Enforcement:						
Salaries and Wages	87,000.00		87,000.00	86,502.56	497.44	
Other Expenses	54,000.00		54,000.00	53,836.88	163.12	
<u>UNCLASSIFIED</u>						
Utilities:						
Telephone	68,000.00		68,000.00	54,481.88	13,518.12	
Electricity	184,600.00		184,600.00	121,464.00	63,136.00	
Gasoline and Diesel Fuel	280,000.00		280,000.00	246,788.44	33,211.56	
Water	22,000.00		22,000.00	16,901.62	5,098.38	
Street Lighting	103,000.00		103,000.00	92,652.44	10,347.56	
Natural Gas	53,000.00		53,000.00	56,433.73	6,586.27	
Telecommunications	89,000.00		89,000.00	76,341.84	12,658.16	
Landfill/Solid Waste Disposal Costs	300,000.00		300,000.00	191,393.10	108,606.90	
Accumulated Absences Compensation	150,000.00		150,000.00			
<u>TOTAL OPERATIONS WITHIN "CAPS"</u>	<u>\$ 18,829,227.00</u>	<u>\$</u>	<u>\$ 18,794,127.00</u>	<u>\$ 17,426,891.86</u>	<u>\$ 1,367,235.14</u>	<u>\$</u>
<u>DEFERRED CHARGES AND STATUTORY EXPENDITURES - MUNICIPAL WITHIN "CAPS"</u>						
Statutory Expenditures:						
Contribution to:						
Public Employees' Retirement System	741,595.00		776,695.00	776,614.34	80.66	
Social Security System (OASDI)	800,000.00		800,000.00	754,390.56	45,609.44	
Police and Firemen's Retirement System of NJ	1,623,178.00		1,623,178.00	1,623,178.00		
Defined Contribution Retirement Program	9,000.00		9,000.00	2,668.10	6,331.90	
<u>TOTAL DEFERRED CHARGES AND STATUTORY EXPENDITURES - MUNICIPAL WITHIN "CAPS"</u>	<u>\$ 3,173,773.00</u>	<u>\$</u>	<u>\$ 3,208,873.00</u>	<u>\$ 3,156,851.00</u>	<u>\$ 52,022.00</u>	<u>\$</u>
<u>TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES WITHIN "CAPS"</u>	<u>\$ 22,003,000.00</u>	<u>\$</u>	<u>\$ 22,003,000.00</u>	<u>\$ 20,583,742.86</u>	<u>\$ 1,419,257.14</u>	<u>\$</u>

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

BOROUGH OF TINTON FALLS

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2021

	APPROPRIATIONS		PAID OR CHARGED	RESERVED	UNEXPENDED BALANCE CANCELLED
	BUDGET	BUDGET AFTER MODIFICATION			
OPERATIONS EXCLUDED FROM "CAPS"					
Length of Service Award Program	\$ 45,000.00	\$ 45,000.00	\$	45,000.00	\$
NJPDES Stormwater Permit (NJSA 40A:4-45.39(cc))	14,075.00	14,075.00	11,248.74	2,826.26	
Recycling Tax (NJSA 13:1E-96.5)	3,500.00	3,500.00	3,255.19	244.81	
Shared Services:					
Dispatch/911 - County of Monmouth	289,558.00	289,558.00	289,557.00	1.00	
Municipal Court - Monmouth Beach and Eatontown:					
Salaries & Wages	200,000.00	200,000.00	178,112.93	21,887.07	
Other Expenses	58,000.00	58,000.00	39,088.63	18,911.37	
Tax Collector - Borough of Keyport:					
Salaries & Wages	62,424.00	62,424.00	62,424.00		
TOTAL OTHER OPERATIONS - EXCLUDED FROM "CAPS"	\$ 672,557.00	\$ 672,557.00	\$ 583,686.49	\$ 88,870.51	\$
PUBLIC AND PRIVATE PROGRAMS OFFSET BY					
REVENUE					
NJ Body-Worn Camera Grant (40A:4-87 +89,672.00)		89,672.00	89,672.00		
Body Armor Replacement Fund	2,955.31	2,955.31	2,955.31		
Recycling Tonnage Grant (40A:4-87 +98,993.11)		98,993.11	98,993.11		
Clean Communities Grant (40A:4-87 +44,352.20)		44,352.20	44,352.20		
Supplemental Fire Services - Fire District Payment	4,860.00	4,860.00	4,860.00		
TOTAL PUBLIC AND PRIVATE PROGRAMS OFFSET BY	\$ 7,815.31	\$ 240,832.62	\$ 240,832.62	\$	\$
CAPITAL IMPROVEMENTS EXCLUDED FROM "CAPS"					
Capital Improvement Fund	80,000.00	80,000.00	80,000.00		
Acquisition of Automation Refuse Containers	40,000.00	40,000.00	35,793.96	4,206.04	
Acquisition of Automated Sanitation Truck	254,000.00	254,000.00	254,000.00		
Acquisition of Police Body Cameras	125,000.00	125,000.00	81,725.00	43,275.00	
Acquisition of Multi-Purpose Hook Lift Truck	216,000.00	216,000.00	216,000.00		
Acquisition of Leaf Vacuum Attachment	119,000.00	119,000.00	109,156.44	9,843.56	
Improvements to Library	150,000.00	150,000.00	150,000.00		
TOTAL CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"	\$ 984,000.00	\$ 984,000.00	\$ 926,675.40	\$ 57,324.60	\$

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

BOROUGH OF TINTON FALLS

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2021

	<u>APPROPRIATIONS</u>		<u>PAID OR</u>	<u>RESERVED</u>	<u>UNEXPENDED</u>
	<u>BUDGET</u>	<u>BUDGET AFTER</u>	<u>CHARGED</u>		<u>BALANCE</u>
		<u>MODIFICATION</u>			<u>CANCELLED</u>
<u>MUNICIPAL DEBT SERVICE-EXCLUDED FROM "CAPS"</u>					
Payment of Bond Principal	\$ 1,670,000.00	\$ 1,670,000.00	\$ 1,670,000.00	\$	
Payment of Bond Anticipation Note	440,000.00	440,000.00	440,000.00		
Interest on Bonds	364,697.00	364,697.00	364,696.38		0.62
Interest on Notes	29,897.00	29,897.00	29,896.72		0.28
<u>TOTAL MUNICIPAL DEBT SERVICE EXCLUDED FROM "CAPS"</u>	<u>\$ 2,504,594.00</u>	<u>\$ 2,504,594.00</u>	<u>\$ 2,504,593.10</u>	<u>\$</u>	<u>0.90</u>
<u>TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES EXCLUDED FROM "CAPS"</u>	<u>\$ 4,168,966.31</u>	<u>\$ 4,401,983.62</u>	<u>\$ 4,255,787.61</u>	<u>\$ 146,195.11</u>	<u>\$ 0.90</u>
<u>SUB-TOTAL GENERAL APPROPRIATIONS</u>	<u>\$ 26,171,966.31</u>	<u>\$ 26,404,983.62</u>	<u>\$ 24,839,530.47</u>	<u>\$ 1,565,452.25</u>	<u>\$ 0.90</u>
<u>RESERVE FOR UNCOLLECTED TAXES</u>	<u>764,967.55</u>	<u>764,967.55</u>	<u>764,967.55</u>		
<u>TOTAL GENERAL APPROPRIATIONS</u>	<u>\$ 26,936,933.86</u>	<u>\$ 27,169,951.17</u>	<u>\$ 25,604,498.02</u>	<u>\$ 1,565,452.25</u>	<u>\$ 0.90</u>
	<u>A-2</u>		<u>A-1</u>	<u>A:A-1</u>	
Budget	\$	\$ 26,936,933.86			
Budget Amendments		<u>233,017.31</u>			
		<u>\$ 27,169,951.17</u>			
Cash Disbursements - Net			\$ 23,316,061.53		
Reserve for Encumbrances			1,287,496.32		
Reserve for Grants Appropriated			235,972.62		
Reserve for Uncollected Taxes			764,967.55		
			<u>\$ 25,604,498.02</u>		

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

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TRUST FUND

"B"

BOROUGH OF TINTON FALLS

TRUST FUND

BALANCE SHEETS - REGULATORY BASIS

			BALANCE DECEMBER 31, 2021	BALANCE DECEMBER 31, 2020
<u>ASSETS</u>	<u>REF.</u>			
Animal Control Fund:				
Cash and Cash Equivalents	B-1	\$	9,076.94	\$ 8,338.64
		\$	<u>9,076.94</u>	<u>8,338.64</u>
Open Space Trust Fund:				
Cash and Cash Equivalents	B-1		433,776.04	174,041.17
Open Space Grant Receivable (County)	B-7		127,000.00	
			<u>560,776.04</u>	<u>174,041.17</u>
Other Funds:				
Cash and Cash Equivalents	B-1	\$	4,442,415.41	\$ 4,232,378.21
Mortgage Receivable			300,000.00	300,000.00
		\$	<u>4,742,415.41</u>	<u>4,532,378.21</u>
		\$	<u>5,312,268.39</u>	<u>4,714,758.02</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>				
Animal Control Fund:				
Reserve for Animal Control Expenditures	B-2	\$	3,825.09	\$ 2,562.94
Due State of New Jersey	B-3			10.20
Encumbrances Payable	B-6		5,231.85	5,755.50
Prepaid Licences	B-1		20.00	10.00
		\$	<u>9,076.94</u>	<u>8,338.64</u>
Open Space Trust Fund:				
Reserve for Open Space Trust	B-4		111,171.14	98,105.00
Encumbrances Payable	B-6		449,604.90	75,936.17
			<u>560,776.04</u>	<u>174,041.17</u>
Other Funds:				
Various Trust Reserves	B-5	\$	4,244,606.89	\$ 4,072,607.81
Encumbrances Payable	B-6		197,808.52	159,770.40
Reserve for Mortgage Receivable			300,000.00	300,000.00
		\$	<u>4,742,415.41</u>	<u>4,532,378.21</u>
		\$	<u>5,312,268.39</u>	<u>4,714,758.02</u>

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

GENERAL CAPITAL FUND

BOROUGH OF TINTON FALLS

GENERAL CAPITAL FUND

BALANCE SHEETS - REGULATORY BASIS

	<u>REF.</u>		<u>BALANCE DECEMBER 31, 2021</u>	<u>BALANCE DECEMBER 31, 2020</u>
<u>ASSETS</u>				
Cash	C-2:C-3	\$	2,908,342.33	\$ 2,634,243.06
Grants Receivable	C-6		366,570.43	571,250.00
Deferred Charges to Future Taxation:				
Funded	C-4		8,440,000.00	10,110,000.00
Unfunded	C-5		10,977,000.00	8,817,000.00
		\$	<u>22,691,912.76</u>	<u>\$ 22,132,493.06</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>				
General Serial Bonds	C-7	\$	8,440,000.00	\$ 10,110,000.00
Bond Anticipation Notes	C-8		8,777,000.00	7,495,000.00
Improvement Authorizations:				
Funded	C-9		8,860.38	53,421.14
Unfunded	C-9		2,172,265.29	2,576,057.83
Capital Improvement Fund	C-10		9,163.00	64,163.00
Contracts Payable	C-11		2,812,666.38	1,637,199.78
Various Reserves	C-12		388,052.96	191,652.56
Fund Balance	C-1		83,904.75	4,998.75
		\$	<u>22,691,912.76</u>	<u>\$ 22,132,493.06</u>

There were Bonds and Notes Authorized but not Issued of \$2,200,000.00 and \$1,322,000.00 at December 31, 2021 and 2020 respectively.

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

BOROUGH OF TINTON FALLS

GENERAL CAPITAL FUND

STATEMENT OF FUND BALANCE-REGULATORY BASIS

	<u>REF.</u>		
Balance, December 31, 2020	C	\$	4,998.75
Increased by:			
Premium on Bond Anticipation Notes Issued	C-2		<u>78,906.00</u>
			83,904.75
Balance, December 31, 2021	C	\$	<u><u>83,904.75</u></u>

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

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SEWER UTILITY FUND

BOROUGH OF TINTON FALLS

SEWER UTILITY FUND

BALANCE SHEETS - REGULATORY BASIS

<u>ASSETS</u>	<u>REF.</u>	BALANCE DECEMBER 31, 2021	BALANCE DECEMBER 31, 2020
Operating Fund:			
Cash	D-5	\$ 4,573,447.09	\$ 4,566,962.26
Change Fund	D	50.00	50.00
		<u>4,573,497.09</u>	<u>4,567,012.26</u>
Receivables with Full Reserves:			
Consumer Accounts Receivable	D-7	<u>134,096.80</u>	<u>155,919.41</u>
<u>Total Operating Fund</u>		<u>4,707,593.89</u>	<u>4,722,931.67</u>
Capital Fund:			
Cash	D-5; D-6	4,678.64	4,678.64
Fixed Capital	D-13	<u>12,856,561.43</u>	<u>12,659,481.10</u>
<u>Total Capital Fund</u>		<u>12,861,240.07</u>	<u>12,664,159.74</u>
		\$ <u>17,568,833.96</u>	\$ <u>17,387,091.41</u>

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

BOROUGH OF TINTON FALLS

SEWER UTILITY FUND

BALANCE SHEETS - REGULATORY BASIS

	<u>REF.</u>	<u>BALANCE DECEMBER 31, 2021</u>	<u>BALANCE DECEMBER 31, 2020</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Operating Fund:			
Liabilities:			
Appropriation Reserves	D-4:D-9	\$ 670,293.75	\$ 583,949.96
Prepaid Sewer Rents	D-8	623,864.97	567,984.53
Encumbrances Payable	D-10	547,092.60	164,295.67
Accounts Payable	D-11	20,657.50	260,990.05
Sewer Overpayments	D-12	156.67	
		<u>1,862,065.49</u>	<u>1,577,220.21</u>
Reserve for Receivables	D	134,096.80	155,919.41
Fund Balance	D-1	<u>2,711,431.60</u>	<u>2,989,792.05</u>
<u>Total Operating Fund</u>		<u>4,707,593.89</u>	<u>4,722,931.67</u>
Capital Fund:			
Reserve for Amortization	D-14	12,856,561.43	12,659,481.10
Fund Balance	D-2	<u>4,678.64</u>	<u>4,678.64</u>
<u>Total Capital Fund</u>		<u>12,861,240.07</u>	<u>12,664,159.74</u>
		<u>\$ 17,568,833.96</u>	<u>\$ 17,387,091.41</u>

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

BOROUGH OF TINTON FALLS

SEWER UTILITY FUND

STATEMENTS OF OPERATIONS
AND CHANGE IN FUND BALANCE - REGULATORY BASIS

	<u>REF.</u>	YEAR ENDED DECEMBER <u>31, 2021</u>	YEAR ENDED DECEMBER <u>31, 2020</u>
<u>REVENUE AND OTHER INCOME REALIZED</u>			
Fund Balance Utilized	D-3	\$ 1,195,500.00	\$ 1,575,000.00
Sewer Rents	D-3	4,042,585.08	4,459,720.58
Non-Budget Revenue	D-3	254,787.56	345,291.52
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves	D-9	575,402.71	525,350.67
Cancel Accounts Payable	D-11	144,364.20	1,110.99
		<u>6,212,639.55</u>	<u>6,906,473.76</u>
<u>TOTAL INCOME</u>			
<u>EXPENDITURES</u>			
Operating	D-4	4,539,000.00	4,677,570.00
Capital Improvements	D-4	620,000.00	865,000.00
Deferred Charged and Statutory Expenditures	D-4	136,500.00	132,500.00
		<u>5,295,500.00</u>	<u>5,675,070.00</u>
<u>TOTAL EXPENDITURES</u>			
Excess in Revenue		917,139.55	1,231,403.76
<u>Fund Balance</u>			
Balance, January 1	D	2,989,792.05	3,333,388.29
		<u>3,906,931.60</u>	<u>4,564,792.05</u>
Decreased by:			
Utilization by Sewer Utility Operating Budget	D-1:D-3	1,195,500.00	1,575,000.00
Balance, December 31	D	\$ <u>2,711,431.60</u>	\$ <u>2,989,792.05</u>

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

BOROUGH OF TINTON FALLS

SEWER UTILITY FUND

STATEMENTS OF CHANGE IN CAPITAL FUND BALANCE - REGULATORY BASIS

REF.

Balance, December 31, 2020 and
December 31, 2021

D

\$ 4,678.64

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

BOROUGH OF TINTON FALLS

SEWER UTILITY FUND

STATEMENT OF REVENUES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2021

	<u>REF.</u>	<u>ANTICIPATED</u>	<u>REALIZED</u>	<u>EXCESS OR (DEFICIT)</u>
Fund Balance Anticipated	D-1	\$ 1,195,500.00	\$ 1,195,500.00	\$
Sewer Rents	D-1;D-3	4,100,000.00	4,042,585.08	(57,414.92)
Miscellaneous Revenue	D-1;D-3		254,787.56	254,787.56
	D-4	\$ <u>5,295,500.00</u>	\$ <u>5,492,872.64</u>	\$ <u>197,372.64</u>

ANALYSIS OF REALIZED REVENUE

Sewer Fees:

Treasurer:

Cash Received	D-7	\$ 3,474,600.55	
Prepaid Applied	D-7	<u>567,984.53</u>	
	D-3		\$ <u>4,042,585.08</u>

Miscellaneous Revenue Not Anticipated:

Interest on Investments		\$ 57,785.41	
Interest on Sewer rents		25,692.15	
Connection Fees		169,365.00	
Miscellaneous		<u>1,945.00</u>	
	D-3;D-5		\$ <u>254,787.56</u>

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

BOROUGH OF TINTON FALLS

SEWER UTILITY FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>APPROPRIATIONS</u>		<u>EXPENDED</u>	
	<u>BUDGET</u>	<u>BUDGET AFTER MODIFICATION</u>	<u>PAID OR CHARGED</u>	<u>RESERVED</u>
Operating:				
Salaries and Wages	\$ 650,000.00	\$ 650,000.00	\$ 623,572.60	\$ 26,427.40
Other Expenses	3,889,000.00	3,889,000.00	3,386,276.33	502,723.67
<u>Total Operating</u>	<u>4,539,000.00</u>	<u>4,539,000.00</u>	<u>4,009,848.93</u>	<u>529,151.07</u>
Capital Improvements:				
Capital Outlay	620,000.00	620,000.00	482,407.00	137,593.00
<u>Total Capital Improvements</u>	<u>620,000.00</u>	<u>620,000.00</u>	<u>482,407.00</u>	<u>137,593.00</u>
Statutory Expenditures:				
Contributions to:				
Public Employees Retirement System	82,000.00	82,000.00	82,000.00	
Social Security System (O.A.S.I.)	53,000.00	53,000.00	49,450.32	3,549.68
Unemployment Compensation Insurance	1,500.00	1,500.00	1,500.00	
<u>Total Deferred Charges and Statutory Expenditures</u>	<u>136,500.00</u>	<u>136,500.00</u>	<u>132,950.32</u>	<u>3,549.68</u>
	<u>\$ 5,295,500.00</u>	<u>\$ 5,295,500.00</u>	<u>\$ 4,625,206.25</u>	<u>\$ 670,293.75</u>
REF.	D-3		D-1	D; D-1
Cash Disbursements			\$ 4,078,113.65	
Encumbrances Payable			547,092.60	
			<u>\$ 4,625,206.25</u>	

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

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GENERAL FIXED ASSET ACCOUNT GROUP

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BOROUGH OF TINTON FALLS

GENERAL FIXED ASSETS ACCOUNT GROUP

BALANCE SHEET - REGULATORY BASIS

	BALANCE DECEMBER 31, 2021	BALANCE DECEMBER 31, 2020
Fixed Assets:		
Land	\$ 20,085,788.85	\$ 19,685,888.85
Buildings	24,621,266.24	24,621,266.24
Improvements other than Buildings	41,291.65	41,291.65
Machinery and Equipment	10,096,345.57	9,906,824.73
<u>Total Fixed Assets</u>	<u>\$ 54,844,692.31</u>	<u>\$ 54,255,271.47</u>
Reserve:		
Investments in General Fixed Assets	<u>\$ 54,844,692.31</u>	<u>\$ 54,255,271.47</u>

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

NOTES TO FINANCIAL STATEMENTS

BOROUGH OF TINTON FALLS

NOTES TO FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2021 AND 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Borough of Tinton Falls is an instrumentality of the State of New Jersey, established to function as a municipality. The Borough was formed as New Shrewsbury by an act of the New Jersey Legislature on August 15, 1950, based on the results of a referendum held on July 18, 1950, after breaking away from Shrewsbury Borough. It was renamed "Tinton Falls" in 1975. The Borough has a Mayor-Council form of government known as the Mayor-Council Plan A under the Optional Municipal Charter Law of 1960, popularly known as the Faulkner Act. The Mayor is separately elected. Executive and administrative responsibilities rest with the Mayor, who is assisted by the Borough Clerk.

As defined by GAAP established by the GASB, the financial reporting entity consists of the primary government, as well as component units, which are legally separate organizations for which elected officials of the primary government are financially accountable. The Borough is financially accountable for an organization if the Borough appoints a voting majority of the organization's governing board and (1) the Borough is able to significantly influence the programs or services performed or provided by the organizations; or (2) the Borough is legally entitled to or can otherwise access the organization's resources; the Borough is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the Borough is obligated for the debt of the organization. Except as noted below, the financial statements of the Borough of Tinton Falls include every board, body, officer or commission supported and maintained wholly or in part by funds appropriated by the Borough of Tinton Falls, as required by N.J.S.A. 40A:5-5. Accordingly, the financial statements of the Borough of Tinton Falls do not include the operations of the Regional and Regional High School School Districts and Fire Districts, inasmuch as their activities are administered by separate boards.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Description of Funds

The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. GASB codification establishes the presentation of basic financial statements into three fund types, the governmental, proprietary and fiduciary funds, as well as government-wide financial reporting that must be used by general purpose governmental units when reporting financial position and results of operations in accordance with U.S. Generally Accepted Accounting Principles (GAAP).

The accounting policies of the Borough of Tinton Falls conform to the accounting principles applicable to municipalities which have been prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Such principles and practices are designed primarily for determining compliance with legal provisions and budgetary restrictions and as a means of reporting on the stewardship of public officials with respect to public funds.

Under this method of accounting, the financial transactions and accounts of the Borough of Tinton Falls are organized on the basis of funds and an account group which is different from the fund structure required by GAAP. A fund or account group is an accounting entity with a separate set of self-balancing accounts established to record the financial position and results of operation of a specific government activity.

As required by the Division of Local Government Services, the Borough accounts for its financial transactions through the following individual funds and account group:

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

Trust Fund - receipts, custodianship and disbursements of funds in accordance with the purpose for which each reserve was created as well as records resources and expenditures for payroll purposes.

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

Sewer Utility Fund – records resources and expenditures for the operations and acquisition of capital equipment and facilities of the municipally owned Water Utility.

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting

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

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

Revenues - are recorded when received in cash except for certain amounts which are due from other governmental units. Operating grants are realized as revenue when anticipated in the Borough's budget. Receivables for property taxes are recorded with offsetting reserves on the balance sheet of the Borough's Current Fund; accordingly, such amounts are not recorded as revenue until collected. Other amounts that are due the Borough, which are susceptible to accrual, are also recorded as receivables with offsetting reserves and recorded as revenue when received. Utility charges are levied semi-annually based upon a flat service charge and if applicable, an excess consumption or usage charge. Revenues from these sources are recognized on a cash basis. Receivables that are susceptible to accrual are recorded with offsetting reserves on the balance sheet of the Borough's utility operating fund. GAAP requires revenues to be recognized in the accounting period when they become susceptible to accrual, reduced by an allowance for doubtful accounts.

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

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

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

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

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

General Fixed Assets - N.J.A.C 5:30-5.6, Accounting for Governmental Fixed Assets, as promulgated by the Division of Local Government Services, which differs in certain respects from generally accepted accounting principles, requires the inclusion of a statement of general fixed assets of the Borough as part of its basic financial statements. General fixed assets are defined as nonexpendable personal property having a physical existence, a useful life of more than one year and an acquisition cost of \$5,000.00 or more per unit. Public domain ("infrastructure") general fixed assets consisting of certain improvements other than buildings, such as roads, bridges, curbs and gutters, streets and sidewalks and drainage systems are not capitalized.

Property and equipment acquired by the Current and General Capital Funds are recorded as expenditures at the time of purchase and are not capitalized in their own respective funds.

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

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

General Fixed Assets (Continued) - Fixed assets acquired through grants in aid or contributed capital have not been accounted for separately.

Fixed Capital - Sewer Utility

Accounting for utility fund "fixed capital" remains unchanged under the requirements of N.J.A.C. 5:30-5.6.

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

The balances in the Reserve for Amortization and Deferred Reserve for Amortization accounts in the utility capital fund represent charges to operations for the cost of acquisition of property, equipment and improvements. The utility does not record depreciation on fixed assets.

Inventories of Supplies - The cost of inventories of supplies for all funds are recorded as expenditures at the time individual items are purchased. The cost of inventories is not included on the various balance sheets. GAAP requires the cost of inventories to be reported as a current asset and equally offset by a fund balance reserve.

Accounting and Financial Reporting for Pensions

Under the provisions of Governmental Accounting Standards Board (GASB) Statement No. 68 "Accounting and Financial Reporting for Pensions" and GASB Statement No. 71, "Pension Transition for Contributions Made Subsequent to the Measurement Date" (an amendment of GASB Statement No. 68), local government employers (or non-employer contributing entity in a special funding situation) are required to recognize a net pension liability measured as of a date (the measurement date) no earlier than the end of its prior fiscal year.

If a state or local government employer or non-employer contributing entity makes a contribution to a defined benefit pension plan between the measurement date of the reported net pension liability and the end of the government's reporting period, Statement 68 requires that the government recognize its contribution as a deferred outflow of resources.

In May of 2021, the New Jersey Division of Local Government Services issued Local Finance Notice 2021-10 which allows local units to disclose the most recently available information as it relates to the New Jersey Division of Pension's reporting on GASB 68. As of the date of this report the information for the period ended June 30, 2021 was not available, therefore the information dated June 30, 2020 is disclosed.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

Accounting and Financial Reporting for Pensions (Continued)

In addition, Statement 68 requires recognition of deferred outflows of resources and deferred inflows of resources for changes in the net pension liability of a state or local government employer or non-employer contributing entity that arise from other types of events.

Under GAAP, municipalities are required to recognize their proportionate share of net pension liability, deferred outflows of resources, deferred inflows of resources on the Statement of Net Position and the proportionate share of the pension related expense on the Statement of Activities.

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

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

The Governmental Accounting Standards Board (GASB) has issued Statement no. 75, *"Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions"*. This statement establishes standards for measuring and recognizing liabilities, deferred outflows and inflows of resources, and expenses for postemployment benefits other than pensions. It also requires the State of New Jersey to calculate and allocate to each participating member, for note disclosure purposes only, the OPEB net liability of New Jersey Health Benefits Local Government Retiree Plan (the Plan).

The statement does not alter the amount of funds that must be budgeted for OPEB payment under existing state law.

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

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

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

In May of 2021, the New Jersey Division of Local Government Services issued Local Finance Notice 2021-10 which allows local units to disclose the most recently available information as it relates to the New Jersey Division of Pension and Benefits reporting on GASB 75. As of the date of this report the information for the period ended June 30, 2021 was not available, therefore the information dated June 30, 2020 is disclosed.

D. Basic Financial Statements

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

E. Volunteer Length of Service Award Plan

The Borough has established a Volunteer Length of Service Award Plan ("LOSAP") ("Plan") to reward active volunteer firefighters and emergency medical personnel. The Plan shall be construed under the laws of the State of New Jersey and is established with the intent that it meets the requirements of the "Length of Service Award Plan under Section 457€11 of the Internal Revenue Code".

The LOSAP Trust Fund has not been audited, and we were not required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, to audit nor were we engaged to audit the LOSAP Trust Fund financial statements as part of our audit of the Borough's financial statements as part of our audit of the Borough's financial statements.

N.J.A.C.5:30-14.49 requires that the Borough perform a separate review report of the Plan in accordance with the American Institute of Certified Public Accountants Statements for Accounting and Auditing Review Services.

NOTE 2: CASH AND CASH EQUIVALENTS

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

A. Deposits

New Jersey statutes permit the deposit of public funds in public depositories which are located in New Jersey and which meet the requirements of the Governmental Unit Deposit Protection Act (GUDPA). GUDPA requires a bank that accepts public funds to be a public depository.

A public depository is defined as a state bank, a national bank, or a savings bank, which is located in the State of New Jersey, the deposits of which are insured by the Federal Deposit Insurance Corporation. The statutes also require public depositories to maintain collateral for deposits of public funds that exceed certain insurance limits.

Each depository participating in the GUDPA system must pledge collateral equal to 5% of the average amount of its public deposits and 100% of the average amount of its public funds in excess of 75% of its capital funds. No collateral is required for amounts covered by FDIC insurance. The collateral which may be pledged to support these deposits includes obligations of the State and federal governments, insured securities and other collateral approved by the Department.

When the capital position of the depository deteriorates or the depository takes an unusually large amount of public deposits, the Department of Banking and Insurance requires additional collateral to be pledged. Under (GUDPA), if a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the full amount of the deposits to the governmental unit.

The Borough of Tinton Falls had the following cash and cash equivalents at December 31, 2021:

<u>Fund</u>	<u>Cash in Bank</u>	<u>Reconciling Items</u>	<u>Change Funds</u>	<u>Total</u>
Checking Accounts	\$36,046,976.21	(\$920,021.61)		\$35,126,954.60
NJ Cash Management Fund	657,001.15			657,001.15
Change Funds			675.00	675.00
	<u>\$36,703,977.36</u>	<u>(\$920,021.61)</u>	<u>\$675.00</u>	<u>\$35,784,630.75</u>

NOTE 2: CASH AND CASH EQUIVALENTS (CONTINUED)

A. Deposits (Continued)

Custodial Credit Risk - Deposits - Custodial credit risk is the risk that in the event of a bank failure, the deposits may not be returned. The Borough does not have a specific deposit policy for custodial credit risk other than those policies that adhere to the requirements of statute. However, GUDPA does not protect intermingled trust funds such as salary withholdings, bail funds or funds that may pass to the Borough relative to the happening of a future condition. Such funds are shown as Uninsured and Uncollateralized in the schedule below.

As of December 31, 2021, the Borough's bank balance of \$36,703,977.36 was insured or collateralized as follows:

Insured under FDIC and GUDPA	\$34,142,695.54
New Jersey Cash Management Fund	657,001.15
Uninsured and Uncollateralized	<u>1,904,280.67</u>
	<u><u>\$36,703,977.36</u></u>

B. Investments

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

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

NOTE 2: CASH AND CASH EQUIVALENTS (CONTINUED)

B. Investments (Continued)

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

As of December 31, 2021, the Borough has \$657,001.15 on deposit with the New Jersey Cash Management Fund. Based upon the limitations set forth by New Jersey Statutes 40A:5-15.1 and existing investment practices of the Investment Council of the New Jersey Cash Management Fund, the Borough is generally not exposed to credit risks, custodial credit risks, concentration of credit risks and interest rate risks for its investments nor is it exposed to foreign currency risk for its deposits and investments.

NOTE 3: GOVERNMENTAL DEBT

The Local Bond Law, Chapter 40A:2, governs the issuance of bonds to finance general municipal capital expenditures. All bonds are retired in annual installments within the regulatory period of usefulness. All bonds issued by the Borough are general obligation bonds, backed by the full faith and credit of the Borough. Bond Anticipation Notes, which are issued to temporarily finance capital projects, shall mature and be paid off within ten years or financed by the issuance of bonds.

**SUMMARY OF MUNICIPAL DEBT (EXCLUDING CURRENT
OPERATING DEBT AND TYPE II SCHOOL DEBT)**

	<u>YEAR 2021</u>	<u>YEAR 2020</u>	<u>YEAR 2019</u>
Issued:			
General:			
Bonds, Notes and Loans	<u>\$17,217,000.00</u>	<u>\$17,605,000.00</u>	<u>\$16,895,000.00</u>
Net Debt Issued	<u>\$17,217,000.00</u>	<u>\$17,605,000.00</u>	<u>\$16,895,000.00</u>
Less: Open Space Debt - Trust Fund Tax	<u>3,562,000.00</u>	<u>3,247,000.00</u>	<u>1,070,000.00</u>
Net Debt Issued	<u><u>\$13,655,000.00</u></u>	<u><u>\$14,358,000.00</u></u>	<u><u>\$15,825,000.00</u></u>
 <u>Authorized but not Issued</u>			
General:			
Bonds and Notes	<u>\$2,200,000.00</u>	<u>\$1,322,000.00</u>	<u>\$2,225,000.00</u>
Total Authorized but not Issued	<u>\$2,200,000.00</u>	<u>\$1,322,000.00</u>	<u>\$2,225,000.00</u>
Net Bonds and Notes Issued and and Authorized but not issued	<u><u>\$15,855,000.00</u></u>	<u><u>\$15,680,000.00</u></u>	<u><u>\$18,050,000.00</u></u>

**SUMMARY OF REGULATORY DEBT CONDITION
(ANNUAL DEBT STATEMENT)**

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicates a regulatory net debt of .421%

	<u>GROSS DEBT</u>	<u>DEDUCTIONS</u>	<u>NET DEBT</u>
Regional School District Debt	<u>\$43,977,222.98</u>	<u>\$43,977,222.98</u>	<u>-0-</u>
General Debt	<u>19,417,000.00</u>	<u>3,620,272.80</u>	<u>15,796,727.20</u>
	<u><u>\$63,394,222.98</u></u>	<u><u>\$47,597,495.78</u></u>	<u><u>\$15,796,727.20</u></u>

NET DEBT \$15,796,727.20 DIVIDED BY EQUALIZED VALUATION BASIS PER N.J.S.40A:2-2, AS AMENDED, \$3,748,210,951.33 EQUALS .421%.

NOTE 3: GOVERNMENTAL DEBT (CONTINUED)

BORROWING POWER UNDER N.J.S. 40A:2-6 AS AMENDED

Equalized Valuation Basis* - December 31, 2021	\$3,748,210,951.33
3-1/2 of Equalized Valuation Basis	131,187,383.30
Net Debt	<u>15,796,727.20</u>
Remaining Borrowing Power	<u>\$115,390,656.10</u>

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

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

Sewer Utility:

Surplus Anticipated and Total Cash Receipts from Fees, Rents, or Other Charges for the Year	\$ 5,492,872.64
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Deductions:

Operating and Maintenance Cost	\$ 4,675,500.00	
Total Deductions		<u>4,675,500.00</u>

Excess in Revenue	\$ <u>817,372.64</u>
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SCHEDULE OF ANNUAL DEBT SERVICE FOR PRINCIPAL AND INTEREST FOR BONDED DEBT ISSUED AND OUTSTANDING AS OF DECEMBER 31, 2021

CALENDAR YEAR	GENERAL CAPITAL		
	PRINCIPAL	INTEREST	TOTAL
2022	\$1,245,000.00	\$327,450.00	\$1,572,450.00
2023	1,080,000.00	273,100.00	1,353,100.00
2024	1,100,000.00	227,250.00	1,327,250.00
2025	900,000.00	183,000.00	1,083,000.00
2026-2030	3,605,000.00	422,225.00	4,027,225.00
2031-2032	510,000.00	30,400.00	540,400.00
	<u>\$8,440,000.00</u>	<u>\$1,463,425.00</u>	<u>\$9,903,425.00</u>

NOTE 3: GOVERNMENTAL DEBT (CONTINUED)

Long-Term Debt (Continued)

The General Capital Bonds are comprised of the following issues:

<u>ISSUE</u>	<u>OUTSTANDING BALANCE DECEMBER 31, 2021</u>
\$1,460,000.00 in Monmouth County Improvement Authority Bonds dated December 19, 2012, due in remaining annual installments ranging between \$110,000.00 and \$125,000.00 beginning December 1, 2022 and ending December 1, 2026 with interest from 2.000% to 4.000%	595,000.00
\$1,485,000.00 in Monmouth County Improvement Authority Bonds dated December 10, 2013, due in one remaining annual installment of \$195,000.00 on December 1, 2022 with interest at 5.000%	195,000.00
\$2,200,000.00 in Monmouth County Improvement Authority Bonds dated December 24, 2014, due in remaining annual installments ranging between \$220,000.00 and \$225,000.00 beginning December 1, 2022 and ending December 1, 2024 with interest at 5.000%	670,000.00
\$5,175,000.00 in Refunding Bonds dated May 18, 2016, due in remaining annual installments ranging between \$430,000.00 and \$545,000.00 beginning January 1, 2022 and ending January 1, 2029 with interest from 3.250% to 4.000%	3,975,000.00
\$2,865,000.00 in General Obligation Refunding Bonds dated August 25, 2020, due in remaining annual installments ranging between \$215,000.00 and \$250,000.00 beginning January 1, 2022 and ending January 1, 2032 with interest at 4.000%	2,590,000.00
\$455,000.00 in Open Space Refunding Bonds dated August 25, 2020, due in remaining annual installments ranging between \$35,000.00 and \$40,000.00 beginning January 1, 2022 and ending January 1, 2032 with interest at 4.000%	415,000.00
	<u>\$8,440,000.00</u>

NOTE 3: GOVERNMENTAL DEBT (CONTINUED)

Long-Term Debt (Continued)

BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

At December 31, 2021, the Borough has authorized but not issued bonds and notes as follows:

General Capital Fund	<u>\$2,200,000.00</u>
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SHORT TERM DEBT

At December 31, 2021, the Borough has the following Bond Anticipation Note outstanding:

General Capital Fund:

<u>Ordinance Number</u>	<u>Date of Original Issue</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate</u>	<u>Amount</u>
11-1329	12/13/13	10/28/21	10/27/22	1.25%	\$600,000.00
16-1405	12/01/16	10/28/21	10/27/22	1.25%	1,115,000.00
18-1430	10/31/18	10/28/21	10/27/22	1.25%	2,115,000.00
19-1451	10/29/20	10/28/21	10/27/22	1.25%	2,225,000.00
20-1462	10/29/20	10/28/21	10/27/22	1.25%	1,000,000.00
20-1462	10/28/21	10/28/21	10/27/22	1.25%	<u>1,722,000.00</u>
					<u>\$8,777,000.00</u>

NOTE 4: FUND BALANCES APPROPRIATED

Fund balance at December 31, 2021, which was appropriated and included as anticipated revenue in their own respective funds for the year ending December 31, 2022 were as follows:

Current Fund	\$4,460,000.00
Sewer Utility Operating Fund	\$ 835,500.00

NOTE 5: PROPERTY TAXES

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

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

	BALANCE DECEMBER 31, 2021	BALANCE DECEMBER 31, 2020
Prepaid Taxes	<u>\$558,808.64</u>	<u>\$619,990.39</u>

NOTE 6: PENSION PLANS

Plan Descriptions

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

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

NOTE 6: PENSION PLANS (CONTINUED)

Plan Descriptions (Continued)

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

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

Vesting and Benefit Provisions

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

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

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

NOTE 6: PENSION PLANS (CONTINUED)

Funding Policy

The contribution policy is set by New Jersey State Statutes and contributions are required by active members and contributing employers. Plan members and employer contributions may be amended by State of New Jersey legislation. As of July 1, 2019 PERS, provides for employee contributions of 7.50% of employees' annual compensation. Employers are required to contribute at an actuarially determined rate. The actuarially determined contribution includes funding for cost-of-living adjustments, noncontributory death benefits, and post-retirement medical premiums.

The contribution policy for PFRS is set by N.J.S.A. 43: 16A and requires contributions by active members and contributing employers. Plan member and employer contributions *may* be amended by State of New Jersey legislation. Employers are required to contribute at an actuarially determined rate. The annual employer contribution includes funding for basic retirement allowances, cost-of-living adjustments and noncontributory death benefits. During 2021, members contributed at a uniform rate of 10.00% of base salary.

The Borough's share of pension costs, which is based upon the annual billings received from the State for the preceding three years are as follows:

Year Ended	Public Employees <u>Retirement</u> <u>System</u>	Police & Firemen's <u>Retirement</u> <u>System</u>	Defined Contribution <u>Retirement</u> <u>System</u>	<u>Total</u>
<u>December 31,</u>				
2021	\$776,614.34	\$1,623,178.00	\$2,668.10	\$2,402,460.44
2020	727,988.00	1,450,988.00	3,367.31	2,182,343.31
2019	788,423.00	1,351,367.00	7,129.54	2,146,919.54

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

NOTE 6: PENSION PLANS (CONTINUED)

Accounting and Financial Reporting for Pensions – GASB 68

The Governmental Accounting Standards Board (GASB) has issued Statement No. 68 "Accounting and Financial Reporting for Public Employees Pensions" which requires the State of New Jersey to calculate and allocate, for note disclosure purposes only, the unfunded net pension liability of Public Employees Retirement System (PERS) and the Police and Firemen's Retirement System (PFRS) of the participating municipality as of December 31, 2020. The statement does not alter the amounts of funds that must be budgeted for pension payments under existing state law.

Under accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, any unfunded net pension liability of the municipality, allocated by the State of New Jersey, is not required to be reported in the financial statements as presented and any pension contributions required to be paid are raised in that year's budget and no liability is accrued at December 31, 2020.

Public Employees Retirement System (PERS)

At June 30, 2020, the State reported a net pension liability of \$12,277,239.00 for the Borough's proportionate share of the total net pension liability. The total pension liability for the June 30, 2020 measurement date was determined by an actuarial valuation as of July 1, 2019, which was rolled forward to June 30, 2020. The Borough's proportion of the net pension liability was based on a projection of the Borough's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2020, the Borough's proportion was 0.0752863777 percent, which was an increase of 0.0008005187 percent from its proportion measured as of June 30, 2019.

For the year ended June 30, 2020, the State recognized an actuarially determined pension expense of \$272,495.00 for the Borough's proportionate share of the total pension expense. The pension expense recognized in the Borough's financial statements based on the April 1, 2020 billing was \$724,528.00.

NOTE 6: PENSION PLANS (CONTINUED)

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

Public Employees Retirement System (PERS) (Continued)

At June 30, 2020, the State reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Differences between expected and actual experience	\$ 223,548.00	\$ 43,418.00
Changes of assumptions	398,288.00	5,140,596.00
Net difference between projected and actual earnings on pension plan investments	419,646.00	
Changes in proportion and differences between Borough contributions and proportionate share of contributions	<u>267,248.00</u>	<u>672,513.00</u>
	<u>\$ 1,308,730.00</u>	<u>\$ 5,856,527.00</u>

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

<u>Year Ended June 30,</u>	<u>Amount</u>
2021	(\$3,321,184.20)
2022	(3,048,903.20)
2023	(1,844,245.20)
2024	(887,380.20)
2025	<u>(378,238.20)</u>
	<u>(\$9,479,951.00)</u>

NOTE 6: PENSION PLANS (CONTINUED)

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

Public Employees Retirement System (PERS) (Continued)

Actuarial Assumptions

The total pension liability for the June 30, 2020 measurement date was determined by an actuarial valuation as of July 1, 2019, which rolled forward to June 30, 2020. These actuarial valuations used the following assumptions:

	<u>June 30, 2020</u>
Inflation	
Price	2.75%
Wage	3.25%
Salary Increases	
Through 2026	2.00-6.00%
Thereafter	3.00-7.00%
	Based on
	Years of Service
Investment Rate of Return	7.00%

Pre-retirement mortality rates were based on the Pub-2010 General Below-Median Income Employee mortality table with an 82.2% adjustment for males and 101.4% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 General Below-Median Income Healthy Retiree mortality table with a 91.4% adjustment for males and 99.7% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability retirement rates used to value disabled retirees were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 127.7% adjustment for males and 117.2% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2020.

The actuarial assumptions used in the July 1, 2019 valuation were based on the results of an actuarial experience study for the period July 1, 2014 to June 30, 2018.

NOTE 6: PENSION PLANS (CONTINUED)

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

Public Employees Retirement System (PERS) (Continued)

Long-Term Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at both June 30, 2020 and June 30, 2019) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2020 are summarized in the following table:

<u>Assets Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
US Equity	27.00%	7.71%
Non-U.S. Developed market Equity	13.50%	8.57%
Emerging Market Equity	5.50%	10.23%
Private Equity	13.00%	11.42%
Real Assets	3.00%	9.73%
Real Estate	8.00%	9.56%
High Yield	2.00%	5.95%
Private Credit	8.00%	7.59%
Investment Grade Credit	8.00%	2.67%
Cash Equivalents	4.00%	0.50%
U.S. Treasury's	5.00%	1.94%
Risk Mitigation Strategies	3.00%	3.40%

Discount Rate

The discount rate used to measure the total pension liability was 7.00% and 6.28% as of June 30, 2020 and June 30, 2019, respectively. 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 78% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments to determine the total pension liability.

NOTE 6: PENSION PLANS (CONTINUED)

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

Public Employees Retirement System (PERS) (Continued)

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

The following presents the Borough's proportionate share of the net pension liability of the participating employers as of June 30, 2020 respectively, calculated using the discount rate as disclosed above as well as what the Borough's proportionate share of the net pension liability would be if it was calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	June 30, 2020		
	1% Decrease <u>6.00%</u>	At Current Discount Rate <u>7.00%</u>	1% Increase <u>8.00%</u>
Borough's proportionate share of the pension liability	\$15,454,996.00	\$12,277,239.00	\$9,580,826.00

Pension plan fiduciary net position

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

Police and Firemen's Retirement System (PFRS)

At June 30, 2020, the State reported a net pension liability of \$18,773,852.00 for the Borough's proportionate share of the total PFRS net pension liability. The total pension liability for the June 30, 2020 measurement date was determined by an actuarial valuation as of July 1, 2019, which was rolled forward to June 30, 2020. The Borough's proportion of the net pension liability was based on a projection of the Borough's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined.

NOTE 6: PENSION PLANS (CONTINUED)

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

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

At June 30, 2020, the Borough's proportion was 0.1452936222 percent, which was a decrease of 0.0016471734 percent from its proportion measured as of June 30, 2019.

For the year ended June 30, 2020, the State recognized an actuarially determined pension expense of \$1,608,140.00. The pension expense recognized in the Borough's financial statements based on the April 1, 2020 billing was \$1,450,988.00.

At June 30, 2020, the State reported deferred outflows of resources and deferred inflows of resources related to PFRS from the following sources:

	Deferred Outflow of Resources	Deferred Inflow of Resources
Differences between expected and actual experience	\$ 189,272.00	\$ 67,377.00
Changes of assumptions	47,244.00	5,033,157.00
Net difference between projected and actual earnings on pension plan investments	1,100,799.00	
Changes in proportion and differences between the Borough's contributions and proportionate share of contributions	<u>1,074,737.00</u>	
	\$ <u>2,412,052.00</u>	\$ <u>5,100,534.00</u>

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

Year Ended June 30	Amount
2021	\$ (1,541,217.60)
2022	(970,250.60)
2023	(267,555.60)
2024	32,675.40
2025	<u>57,866.40</u>
	\$ <u>(2,688,482.00)</u>

NOTE 6: PENSION PLANS (CONTINUED)

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

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

Actuarial Assumptions

The total pension liability for the June 30, 2020 measurement date was determined by an actuarial valuation as of July 1, 2019, which rolled forward to June 30, 2020. This actuarial valuation used the following assumptions:

<u>June 30, 2020</u>	
Inflation:	
Price	2.75%
Wage	3.25%
Salary Increases	
Through all future years	3.25-15.25%
	Based on years of Service
Investment Rate of Return	7.00%

Pre-retirement mortality rates were based on the Pub-2010 Safety Employee mortality table with a 105.6% adjustment for males and 102.5% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. For healthy annuitants, post-retirement mortality rates were based on the Pub-2010 Safety Retiree Below-Median Income Weighted mortality table with a 96.7% adjustment for males and 96.0% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. For beneficiaries, the Pub-2010 General Retiree Below-Median Income Weighted mortality table was used, unadjusted, and with future improvement from the base year of 2010 on a generational basis. Disability rates were based on the Pub-2010 Safety Disabled Retiree mortality table with a 152.0% adjustment for males and 109.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2020.

The actuarial assumptions used in the July 1, 2019 valuation were based on the results of an actuarial experience study for the period July 1, 2013 to June 30, 2018.

NOTE 6: PENSION PLANS (CONTINUED)

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

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

Long-Term Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7.00 percent at June 30, 2020 and June 30, 2019) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return for each major asset class included in PFRS's target asset allocation as of June 30, 2020 are summarized in the following table:

<u>Assets Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
US Equity	27.00%	7.71%
Non-U.S. Developed market Equity	13.50%	8.57%
Emerging Market Equity	5.50%	10.23%
Private Equity	13.00%	11.42%
Real Assets	3.00%	9.73%
Real Estate	8.00%	9.56%
High Yield	2.00%	5.95%
Private Credit	8.00%	7.59%
Investment Grade Credit	8.00%	2.67%
Cash Equivalents	4.00%	0.50%
U.S. Treasury's	5.00%	1.94%
Risk Mitigation Strategies	3.00%	3.40%

NOTE 6: PENSION PLANS (CONTINUED)

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

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

Discount Rate

The discount rate used to measure the total pension liability was 7.00% and 6.85% as of June 30, 2020 and June 30, 2019, respectively. 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 78% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments to determine the total pension liability.

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

The following presents the Borough's proportionate share of the net pension liability of the participating employers as of June 30, 2020 respectively, calculated using the discount rate as disclosed above as well as what the Borough's proportionate share of the net pension liability would be if it was calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	June 30, 2020		
	1% Decrease <u>6.00%</u>	At Current Discount Rate <u>7.00%</u>	1% Increase <u>8.00%</u>
Borough's proportionate share of the PFRS pension liability	\$24,965,359.00	\$18,773,852.00	\$13,631,333.00

NOTE 6: PENSION PLANS (CONTINUED)

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

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

Special Funding Situation

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

At June 30, 2020 and 2019, the State's proportionate share of the net pension liability attributable to the Borough for the PFRS special funding situation is \$2,913,616.00 and \$2,775,788.00, respectively.

At June 30, 2020, the Borough's and State of New Jersey's proportionate share of the PFRS net pension liability were as follows:

Borough's Proportionate Share of Net Pension Liability	\$18,773,852.00
State of New Jersey Proportionate Share of Net Pension Liability Associated with the Borough	<u>2,913,616.00</u>
	<u>\$21,687,468.00</u>

Pension plan fiduciary net position

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

NOTE 7: LITIGATION

The Borough Attorney's letter did not indicate any litigation, claims or contingent liabilities that are either not covered by the Borough's insurance carrier or would have a material financial impact on the Borough.

NOTE 8: SCHOOL TAXES

Regional School and Regional High School District Taxes have been raised and liabilities deferred by statute, resulting in the school taxes prepaid set forth in the Current Fund liabilities as follows:

	Regional District School Tax	
	Balance December 31, 2021	Balance December 31, 2020
Balance of Tax	12,428,831.52	12,257,834.00
Deferred	<u>8,549,999.23</u>	<u>8,549,999.23</u>
Tax Payable	<u><u>\$3,878,832.29</u></u>	<u><u>\$3,707,834.77</u></u>

	Regional District High School Tax	
	Balance December 31, 2021	Balance December 31, 2020
Balance of Tax	11,791,605.47	11,644,313.95
Deferred	<u>6,684,604.50</u>	<u>6,684,604.50</u>
Tax Payable	<u><u>\$5,107,000.97</u></u>	<u><u>\$4,959,709.45</u></u>

NOTE 9: COMPENSATED ABSENCES

Under the existing policy of the Borough, employees are allowed to accumulate unused vacation and sick pay over the life of their working careers which may be taken as time off or paid at a later date as outlined in Borough personnel policies. The Borough estimates that the current cost of such unpaid compensation to be \$1,353,729.93 and \$1,238,251.00, at December 31, 2021 and 2020 respectively. Under accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the accumulated cost of such unpaid compensation is not required to be reported in the financial statements as presented. The Borough has established a Reserve for Accumulated Absences in the Trust Other Fund in the amount of \$44,610.28 and 18,920.72 at December 31, 2021 and 2020, respectively.

NOTE 10: TAX APPEALS

There are tax appeals filed with the State Tax Court of New Jersey requesting a reduction of assessments for 2021 and prior. Any reduction in assessed valuation will result in a refund of prior year's taxes in the year of settlement, which may be funded from tax revenues through the establishment of a reserve or by the issuance of refunding bonds per N.J.S.A. 40A:2-51.

NOTE 11: CONTINGENT LIABILITIES

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

NOTE 12: RISK MANAGEMENT

The Borough is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets; error or omission, injuries to employees; and natural disasters. The Borough is a member of the Monmouth County Municipal Joint Insurance Fund ("JIF"). The JIF is a public entity risk pool currently operating as a common risk management and insurance program for municipalities established for the purpose of insuring against property damage, general liability, motor vehicles and equipment liability and workers' compensation. While additional assessments on premiums can be levied by the JIF to assure payment of the JIF's obligations, no such additional premiums have been necessary as of December 31, 2021. The JIF is expected to be self-sustaining through member premiums of which the Borough portion is reported as expenditure in the Borough's financial statements and liabilities of the JIF are based on the estimated ultimate cost of settling the claims. The JIF participates in the Municipal Excess Liability Program, which has a contract for excess liability insurance. The Borough is not aware of any claims pending that have a demand in excess of coverages provided under the JIF. In addition, there were no significant reductions in insurance coverage from prior year coverage and there were no amounts settled which exceeded insurance coverage for each of the past three years.

NOTE 12: RISK MANAGEMENT (CONTINUED)

New Jersey Unemployment Compensation Insurance - The Borough has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan, the Borough is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The Borough is billed quarterly for amounts due to the State. Below is a summary of Borough contributions, employee contributions, reimbursements to the State for benefits paid, and the ending balance of the Borough's expendable trust fund for the current and previous two years:

<u>Year</u>	<u>Borough Contributions and Interest</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2021	\$28,827.85	\$18,932.20	\$160,582.56
2020	28,815.99	40,418.27	150,686.91
2019	29,172.60	61,234.91	162,289.19

NOTE 13: DEFERRED COMPENSATION PLAN

The Borough has instituted a Deferred Compensation Plan ("Plan") pursuant to Section 457 of the Internal Revenue Code and P.L. 1977, C.381; P.L. 1978, C.39; P.L. 1980, C.78; and P.L. 1997, C.116 of the Statutes of New Jersey. The Plan is an arrangement whereby a public employer may establish a Plan and permit its employees to voluntarily authorize a portion of their current salary to be withheld and invested in one or more of the types of investments permitted under the governing regulations.

The plan's assets are not the property of the Borough and therefore are not presented in the financial statements.

NOTE 14: LENGTH OF SERVICE AWARDS PROGRAM

The Borough of Tinton Falls has adopted an ordinance establishing a Length of Service Awards Program for the members of the in accordance with Chapter 388 of the Laws of 1997 (N.J.S.A. 40A:14-183 et seq.) and N.J.A.C. 5:30-14.1 et seq. to reward active volunteer firefighters and emergency medical personnel.

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 Borough elected to contribute \$1,522.98 for the year ended December 31, 2021 per eligible volunteer, into the Plan, depending on how many years the volunteer has served. During the year ended December 31, 2021, the Borough contributed a total of \$33,505.56 to the plan. Participants direct the investment of the contributions into various investment options offered by the Plan. The Borough 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.

Participant Accounts

Each participant's account is credited with the Borough'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 Borough 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 Borough's creditors until distributed as benefit payments, are not available for funding the operations of the Borough. The funds may also be used to pay the administrative fees charged by the Plan Administrator. VALIC, Inc. ("Plan Administrator"), an approved Length of Service Awards Program provider, is the administrator of the Plan. The Borough'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.

NOTE 14: LENGTH OF SERVICE AWARDS PROGRAM (CONTINUED)

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.

Forfeited Accounts

During the year ended December 31, 2021, no accounts were forfeited.

Reporting Requirements

The New Jersey Administrative Code N.J.A.C. 5:30-14.49 requires that the Borough have performed a separate review report of the plan in accordance with the American Institute of Certified Public Accountants (AICPA) Statements on Standards for Accounting and Auditing Review Services.

Plan Information

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

The accompanying financial statements do not include the Borough's Length of Service Awards Program's activities. The Borough's Length of Service Awards Program's financial statements are required to be contained in a separate review report.

NOTE 15: TAX ABATEMENTS

The Borough is authorized by the New Jersey Housing and Mortgage Financing Act Law of 1983, N.J.S.A. 55:14K-1 et seq. (hereinafter "HMFA Law"), and resolutions of the Council, to enter into property tax abatement agreements for the purpose of attracting affordable housing. The exemption of the projects from real property taxation subject to this law shall not extend beyond the date on which the Agency Mortgage is paid in full, which according to the HMFA Law, may not exceed fifty (50) years. All the units in the project qualify as low- or moderate-income units under the Fair Housing Act, NJSA, 52:270-301 et seq. the regulations of the council on Affordable Housing, NJAC5:94: et seq. and NJAC 5:95 et seq. and the Uniform Housing Affordability Controls, NJAC 5:94 et seq. Tax abatements may be granted to any affordable housing, as deemed appropriate by the Borough. During 2021 the Borough abated Municipal Purpose taxes in the amount of \$427,092.60 and collected \$584,498.12 in P.I.L.O.T fees.

NOTE 16: ACCOUNTING AND FINANCIAL REPORTING FOR POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS – GASB 75

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

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

Plan Description and Benefits Provided

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

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

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

NOTE 16: ACCOUNTING AND FINANCIAL REPORTING FOR POSTEMPLOYMENT
BENEFITS OTHER THAN PENSIONS – GASB 75 (CONTINUED)

Plan Description and Benefits Provided (Continued)

Further, the law provides that the employer paid obligations for retiree coverage may be determined by means of a collective negotiations' agreement.

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

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

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

Contributions

The Borough's contributions to the Plan for the years ended December 31, 2020, 2019, and 2018, were \$797,676.78, \$603,735.00 and \$779,295.00 respectively, which equaled the required contributions for each year.

Total Net OPEB Liability

At June 30, 2020, the Plan reported a liability of \$29,451,828.00 for the Borough's proportionate share of the collective net OPEB liability. The total Net OPEB Liability measured as of June 30, 2020 was determined by an actuarial valuation as of June 30, 2019, which was rolled forward to June 30, 2020.

The Borough's proportion of the Net OPEB Liability was based on the ratio of the plan members of an individual employer to the total members of the Plan's nonspecial funding situation during the measurement period July 1, 2019 through June 30, 2020.

At June 30, 2020, the Borough's proportion was 0.164108 percent, which was an increase of 0.009411 percent from its proportion measured as of June 30, 2019.

For the year ended June 30, 2020, the State reported OPEB benefit of \$31,056.00. This OPEB benefit was based on the OPEB plans June 30, 2020 measurement date.

NOTE 16: ACCOUNTING AND FINANCIAL REPORTING FOR POSTEMPLOYMENT
BENEFITS OTHER THAN PENSIONS – GASB 75 (CONTINUED)

Total Net OPEB Liability (Continued)

At June 30, 2020, the State reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Differences between expected and actual experience	\$775,739	\$5,484,480
Changes of assumptions	4,405,067	6,549,632
Net difference between projected and actual earnings on OPEB plan investments	18,704	-
Changes in proportion	<u>1,831,720</u>	<u>2,763,689</u>
	<u>\$7,031,230</u>	<u>\$14,797,801</u>

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

Year Ended <u>June 30,</u>	<u>Amount</u>
2020	(\$1,769,577)
2021	(1,771,012)
2022	(1,773,332)
2023	(1,775,452)
2024	(1,269,930)
Total Thereafter	<u>592,731</u>
	<u>(\$7,766,571)</u>

NOTE 16: ACCOUNTING AND FINANCIAL REPORTING FOR POSTEMPLOYMENT
BENEFITS OTHER THAN PENSIONS – GASB 75 (CONTINUED)

Actuarial Assumptions and Other Inputs

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

	<u>2020</u>	<u>2019</u>
Inflation rate	2.50%	2.50%
Salary Increases:		
Public Employees Retirement System (PERS):		
Initial fiscal Year Applied		
Rate through 2026	2.00% to 6.00%	2.00% to 6.00%
Rate thereafter	3.00% to 7.00%	3.00% to 7.00%
Police and Firemen's Retirement System (PFRS):		
Rate for all future years	3.25% to 15.25%	3.25% to 15.25%

Mortality:

PERS	Pub-2010 General classification headcount weighted mortality with fully generational mortality improvement projections from the central year using scale MP-2020
PFRS	Pub-2010 Safety classification headcount weighted mortality with fully generational mortality improvement projections from the central year using scale MP-2020

* Salary increases are based on the defined benefit plan that the member is enrolled in and his or her age.

Actuarial assumptions used in the July 1, 2019 valuation were based on the results of the PFRS and PERS experience studies prepared for July 1, 2013 to June 30, 2018 and July 1, 2014 to June 30, 2018, respectively.

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

Health Care Trend Assumptions

For pre-Medicare medical benefits, the trend 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% and decreases to a 4.5% long-term trend rate after seven years.

NOTE 16: ACCOUNTING AND FINANCIAL REPORTING FOR POSTEMPLOYMENT
BENEFITS OTHER THAN PENSIONS – GASB 75 (CONTINUED)

Discount Rate

The discount rate for June 30, 2020 was 2.21%. 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 the Borough's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate

The following presents the Net OPEB Liability associated with the Borough as of June 30, 2020, calculated using the discount rate as disclosed above as well as what the Net OPEB Liability would be if it was calculated using a discount rate that is 1 -percentage point lower or 1-percentage point higher than the current rate:

	June 30, 2020		
	1.00% <u>Decrease (1.21%)</u>	At Discount Rate (2.21%)	1.00% <u>Increase (3.21%)</u>
Borough's proportionate share of the Net OPEB Liability	\$34,818,283	\$29,451,828	\$25,203,790

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

The following presents the total Net OPEB Liability associated with the Borough as of June 30, 2020, calculated using the healthcare trend rate as disclosed above as well as what the Net OPEB Liability would be if it was calculated using a healthcare trend rate that is 1- percentage point lower or 1-percentage point higher than the current rate:

	June 30, 2020		
	1.00% <u>Decrease</u>	Healthcare Cost Trend Rate	1.00% <u>Increase</u>
Borough's proportionate share of the Net OPEB Liability	\$24,371,418	\$29,451,828	\$36,104,694

NOTE 16: ACCOUNTING AND FINANCIAL REPORTING FOR POSTEMPLOYMENT
BENEFITS OTHER THAN PENSIONS – GASB 75 (CONTINUED)

OPEB Plan Fiduciary Net Position

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

NOTE 17: **FIXED ASSETS**

Below is a summary of the General Fixed Assets Account Group for the year ended December 31, 2021:

	Balance December 31, 2020	Additions	Deletions	Balance December 31, 2021
Land	\$19,685,888.85			\$19,685,888.85
Building	24,621,266.24			24,621,266.24
Machinery & Equipment	<u>9,948,116.38</u>	<u>240,834.98</u>	<u>51,314.14</u>	<u>10,137,637.22</u>
	<u>\$54,255,271.47</u>	<u>\$240,834.98</u>	<u>\$51,314.14</u>	<u>\$54,444,792.31</u>

NOTE 18: **SUBSEQUENT EVENTS**

The Borough has evaluated subsequent events occurring after the financial statement date through August 15, 2022 which is the date the financial statements were available to be issued. Based upon this evaluation, the Borough has determined that no subsequent event needed to be disclosed.

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BOROUGH OF TINTON FALLS
SUPPLEMENTARY SCHEDULES - ALL FUNDS
YEAR ENDED DECEMBER 31, 2021

BOROUGH OF TINTON FALLS

CURRENT FUND

SCHEDULE OF CASH - TREASURER

<u>REF.</u>		<u>CURRENT FUND</u>	<u>GRANT FUND</u>
A	Balance, December 31, 2020	\$ 19,969,224.93	\$ 270,587.17
	Increased by Receipts:		
A-5	Property Taxes Receivable	\$ 72,324,928.91	\$
A-7	Petty Cash	250.00	
A-12	Revenue Accounts Receivable	7,214,961.98	
A-2	Miscellaneous Revenue Not Anticipated	1,073,525.54	
A-8	State of N.J.- Senior Citizens and Veterans Deductions	141,494.53	
A-14	Reserve for Miscellaneous Deposits	77,373.00	146,300.62
A-24	Grants Receivable		481.77
A-25	Grants-Appropriated- Refunds		913,285.47
A-26	Reserve for Grants - Unappropriated		
		<u>80,832,533.96</u>	<u>1,060,067.86</u>
		\$ 100,801,758.89	\$ 1,330,655.03
	Decreased by Disbursements:		
A-3	2021 Appropriations	\$ 23,316,061.53	\$
A-13	2020 Appropriation Reserves	499,650.91	
A-14	Reserve for Miscellaneous Deposits	67,299.00	
A-15	Refund of Tax Overpayments	249,822.64	
A-17	Accounts Payable	13,277.00	
A-19	County Taxes Payable	10,608,464.54	
A-20	Regional School District Tax	26,184,875.48	
A-21	Regional High School District Taxes	14,607,173.48	
A-22	Municipal Open Space Tax	839,316.27	
A-23	Special District Tax Payable	2,184,400.00	
A-7	Petty Cash	250.00	
A-1	Budget Operations	85,262.20	
A-25	Reserve for Grants-Appropriated		64,341.57
		<u>78,655,853.05</u>	<u>64,341.57</u>
A	Balance, December 31, 2021	\$ 22,145,905.84	\$ 1,266,313.46

BOROUGH OF TINTON FALLS

CURRENT FUND

SCHEDULE OF CASH - COLLECTOR

	<u>REF.</u>		
Increased by Receipts:			
Property Taxes Receivable	A-9	\$	71,361,129.48
Tax Overpayments	A-15		250,541.48
Prepaid Taxes	A-18		558,808.64
Tax Title Liens	A-10		6,862.37
Revenue Accounts Receivable	A-12		<u>147,586.94</u>
		\$	<u>72,324,928.91</u>
		\$	<u>72,324,928.91</u>
Decreased by Disbursements:			
Payments to Treasurer	A-4	\$	<u><u>72,324,928.91</u></u>

"A-6"

BOROUGH OF TINTON FALLS

CURRENT FUND

SCHEDULE OF CHANGE FUNDS

<u>DEPARTMENT</u>	BALANCE DECEMBER 31, 31, 2020	CASH <u>RECEIPTS</u>	CASH <u>DISBURSEMENT</u>	BALANCE DECEMBER 31, 31, 2021
Clerk of Municipal Court	\$ 500.00	\$ -	\$ -	\$ 500.00
Municipal Clerk	25.00	-	-	25.00
Tax Collector	100.00	-	-	100.00
	<u>\$ 625.00</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 625.00</u>
<u>REF.</u>	A	A-4		A

"A-7"

SCHEDULE OF PETTY CASH FUND

<u>DEPARTMENT</u>	BALANCE DECEMBER 31, 31, 2020	CASH <u>RECEIPTS</u>	CASH <u>DISBURSEMENT</u>	BALANCE DECEMBER 31, 31, 2021
Tax Collector	\$ -	250.00	250.00	\$ -
	<u>\$ 0.00</u>	<u>\$ 250.00</u>	<u>\$ 250.00</u>	<u>\$ 0.00</u>
<u>REF.</u>	A	A-4	A-4	A

BOROUGH OF TINTON FALLS

CURRENT FUND

SCHEDULE OF DUE STATE OF NEW JERSEY
FOR SENIOR CITIZENS AND VETERANS DEDUCTIONS
PER CHAPTER 20, P.L. 1971

REF.

Balance, December 31, 2020 (Due to)	A		\$	2,067.91
Increased by:				
Senior Citizens Deductions Per Tax Billing		\$	13,000.00	
Veterans Deductions Per Tax Billing			129,000.00	
Deductions Allowed by Tax Collector			5,750.00	
Prior Year Deductions Allowed	A-15		250.00	
				<u>148,000.00</u>
			\$	<u>150,067.91</u>
Decreased by:				
Deductions Disallowed by Collector:				
Received in Cash From State	A-4	\$	141,494.53	
Prior Year Deductions Disallowed by Tax Collector	A-1		2,755.47	
				<u>144,250.00</u>
Balance, December 31, 2021 (Due to)	A		\$	<u><u>5,817.91</u></u>

ANALYSIS OF STATE SHARE OF 2021
SENIOR CITIZENS AND VETERANS DEDUCTIONS

Senior Citizens Deductions Per Tax Billing		\$	13,000.00
Veterans Deductions Per Tax Billing			129,000.00
Deductions Allowed by Tax Collector			<u>5,750.00</u>
	A-9	\$	<u><u>147,750.00</u></u>

BOROUGH OF TINTON FALLS

CURRENT FUND

SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY

YEAR	BALANCE DECEMBER 31, 2020	2021 LEVY	ADDED	CASH COLLECTIONS 2020	2021	CANCELED	TRANSFERRED TO TAX TITLE LIENS	BALANCE DECEMBER 31, 2021
2020	\$ 726,593.61	\$	\$ 2,755.47	\$	\$ 729,349.08	\$	\$	\$
2021		70,862,917.21	1,122,220.95	619,990.39	70,779,530.40	52,441.50	13,359.81	519,816.06
	\$ 726,593.61	\$ 70,862,917.21	\$ 1,124,976.42	\$ 619,990.39	\$ 71,508,879.48	\$ 52,441.50	\$ 13,359.81	\$ 519,816.06
REF.	A			A-2A-18	A-2		A-10	A

REF.

Cash-Collector
State Share of Senior Citizens and
Veterans Deductions

\$ 71,361,129.48

A-5

147,750.00

A-8

\$ 71,508,879.48

TAX YIELD

General Property Tax
Added and Omitted Tax (54-4-63.1 et seq.)

\$ 70,862,917.21
1,122,220.95
\$ 71,985,138.16

ANALYSIS OF 2021 PROPERTY TAX LEVY

TAX LEVY

Regional School District Taxes
Regional High School District Taxes
Fire District Taxes

\$ 26,355,873.00
14,754,465.00
2,185,150.00

County Taxes:
County Tax
Due County for Added Taxes
(54-4-63.1 et seq.)

\$ 10,542,483.90
166,831.79
10,709,315.69

Local Tax for Municipal Purposes
Municipal Open Space
Additional Tax Levied

16,153,346.15
839,316.27
987,672.05
17,980,334.47

\$ 71,985,138.16

BOROUGH OF TINTON FALLS

CURRENT FUND

SCHEDULE OF TAX TITLE LIENS

	<u>REF.</u>		
Balance, December 31, 2020	A	\$	105,281.27
Increased by:			
Transfers From Taxes Receivable	A-9	\$	<u>13,359.81</u>
			13,359.81
		\$	<u>118,641.08</u>
Decreased by:			
Cash Receipts	A-2:A-5		<u>6,862.37</u>
			6,862.37
Balance, December 31, 2021	A	\$	<u><u>111,778.71</u></u>

BOROUGH OF TINTON FALLS

CURRENT FUND

SCHEDULE OF DEBRIS LIEN RECEIVABLE

REF.

Increased by:

Accrued		\$	613.89
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Decreased by:

Cash Receipts	A-4		<u>193.01</u>
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Balance, December 31, 2021

A		\$	<u><u>420.88</u></u>
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BOROUGH OF TINTON FALLS

CURRENT FUND

SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE

	REF.	BALANCE DECEMBER 31, 2020	ACCRUED IN 2021	COLLECTED BY TREASURER/ COLLECTOR	BALANCE DECEMBER 31, 2021
Clerk:					
Licenses:					
Alcoholic Beverage Licenses	A-2	\$	\$ 37,930.00	\$ 37,930.00	\$
Other	A-2		25,365.00	25,365.00	
Fees and Permits	A-2		458,278.58	458,278.58	
Municipal Court:					
Fines and Costs	A-2	8,143.33	132,739.64	128,227.52	12,655.45
Interest and Costs on Taxes	A-2		147,586.94	147,586.94	
Interest on investments and Deposits	A-2		339,031.17	339,031.17	
Commercial Garbage Fee	A-2		81,952.50	81,952.50	
Energy Receipts Tax	A-2		1,490,459.00	1,490,459.00	
Uniform Construction Code Fees	A-2		850,057.00	850,057.00	
Shared Services - Municipal Court - (Eatontown and Monmouth Beach)	A-2		359,533.00	359,533.00	
Shared Services - Finance (Keyport)	A-2		62,424.00	62,424.00	
Hotel Occupany Tax	A-2		369,258.54	369,258.54	
Franchise Fees	A-2		289,678.33	289,678.33	
Payment in Lieu of Taxes - CommVault	A-2		304,971.37	304,971.37	
Host Benefit Fees	A-2		2,250,316.57	2,250,316.57	
Open Space Trust - Principal on Bonds	A-2		85,000.00	85,000.00	
Open Space Trust - Interest on Bonds	A-2		31,842.00	31,842.00	
Open Space Trust - Interest on Notes	A-2			3,989.00	
General Capital Reserve for Sidewalks	A-2		46,648.40	46,648.40	
		\$ 8,143.33	\$ 7,363,072.04	\$ 7,362,548.92	\$ 12,655.45
	REF.	A			A
Tax Collector	A-5			\$ 147,586.94	
Treasurer	A-4			7,214,961.98	
				\$ 7,362,548.92	

BOROUGH OF TINTON FALLS

CURRENT FUND

SCHEDULE OF 2020 APPROPRIATION RESERVES

	BALANCE DECEMBER 31, 2020	ADJUSTED BALANCE	PAID OR CHARGED	BALANCE LAPSED
<u>Salaries and Wages:</u>				
Borough Council	\$ 0.62	\$ 0.62	\$	0.62
Office of Mayor	0.98	0.98		0.98
Municipal Clerk	21,257.64	21,257.64		21,257.64
Office of the Tax Assessor	54.58	54.58		54.58
Division of Administration:	14,295.24	14,295.24		14,295.24
Human Resources	9,598.42	9,598.42		9,598.42
Division of Central Services	13,637.36	13,637.36		13,637.36
Division of Recreation	133,135.94	133,135.94		133,135.94
Maintenance of Parks	18,332.17	18,332.17	2,046.66	16,285.51
Emergency Management	11,260.49	11,260.49		11,260.49
Municipal Prosecutor	4.96	4.96		4.96
Division of Finance	1,397.20	1,397.20		1,397.20
Division of Revenue	1,333.01	1,333.01		1,333.01
Division of Planning	5,941.79	5,941.79		5,941.79
Division of Zoning	3,961.13	3,961.13		3,961.13
Uniform Construction Code	58.81	58.81		58.81
Division of Code Enforcement	24,685.57	24,685.57		24,685.57
Police	143,541.53	143,541.53	11,010.92	132,530.61
Division of Fire Prevention	35,812.57	35,812.57		35,812.57
Division of Streets	26,886.18	26,886.18	692.49	26,193.69
Central Maintenance	20,935.42	20,935.42	(87.47)	21,022.89
Division of Sanitation	132,347.14	132,347.14	1,462.16	130,884.98
Division of Buildings and Grounds	39,163.18	39,163.18		39,163.18
Municipal Court - Monmouth Beach & Eatontown				
Salaries & Wages	26,065.79	26,065.79	144.00	25,921.79
Municipal Court	21,977.48	21,977.48	144.00	21,833.48
Public Defender	4.82	4.82		4.82
<u>Other Expenses:</u>				
General Administration:				
Miscellaneous	13,075.16	24,315.00	10,375.66	13,939.34
Information Technology	7,776.95	37,438.81	30,665.50	6,773.31
Borough Council	4,796.00	4,991.00	65.00	4,926.00
Office of the Mayor	1,550.00	1,550.00		1,550.00
Borough Clerk:				
Miscellaneous	21,279.94	22,875.94	583.96	22,291.98
Revision and Codification of Ordinances	35,000.00	35,000.00		35,000.00
Human Resources	1,337.39	1,548.80	179.41	1,369.39
Division of Finance	2,072.03	2,290.45	218.42	2,072.03
Auditing Services		29,000.00	29,000.00	
Division of Revenue	4,591.37	4,792.03	100.33	4,691.70
Office of the Tax Assessor	11,726.93	19,378.93	350.00	19,028.93
Division of Central Services:				
Miscellaneous Other Expense	16,937.48	17,485.42	325.56	17,159.86
Division of Law	41,674.42	72,089.41	20,384.11	51,705.30
Engineering Services	1,500.00	12,557.71	9,392.80	3,164.91
Division of Planning	18,575.90	35,838.18	2,553.16	33,285.02
Division of Zoning	6,283.99	21,117.61	1,088.61	20,029.00
Uniform Construction Code	3,202.40	6,566.28	2,015.28	4,551.00
Division of Code Enforcement	8,346.14	20,477.56	8,088.02	12,389.54
Police	5,848.63	154,489.28	141,263.35	13,225.93
Emergency Management Services	17,702.88	23,198.50	5,417.40	17,781.10
Division of Fire Prevention	1,197.65	3,680.63	1,277.77	2,402.88
Prosecutor	4,000.00	4,000.00		4,000.00
Division of Streets	50,515.58	73,766.48	30,054.33	43,712.15
Central Maintenance	20,453.55	71,713.18	48,795.94	22,917.24
Division of Sanitation:				
Landfill/Solid Waste Disposal Costs	37,574.24	62,352.02	37,376.53	24,975.49
Miscellaneous Other Expense	1,834.75	4,968.61	2,620.45	2,348.16
Division of Buildings and Grounds	7,400.05	45,682.13	35,528.01	10,154.12
Shade Tree	859.54	859.54		859.54
Historic Sites Office	1,526.52	4,858.12	3,372.21	1,485.91

BOROUGH OF TINTON FALLS

CURRENT FUND

SCHEDULE OF 2020 APPROPRIATION RESERVES

	BALANCE DECEMBER 31, 2020	ADJUSTED BALANCE	PAID OR CHARGED	BALANCE LAPSED
<u>Other Expenses (Continued):</u>				
Contribution to Social Service Agencies	\$ 11,390.00	\$ 13,405.00	2,015.00	\$ 11,390.00
Division of Recreation	93,712.92	99,664.21	4,784.09	94,880.12
Maintenance of Parks	9,936.72	16,213.00	6,582.02	9,630.98
Community Services Act	59,843.87	59,843.87		59,843.87
Insurance:				
Group Insurance	181,129.96	181,129.96		181,129.96
Division of Health	23.00	23.00		23.00
Environmental Health Services	2,650.00	2,650.00		2,650.00
Division of Housing	25,615.69	25,926.01	310.32	25,615.69
Municipal Court	16,734.32	17,692.37	1,972.61	15,719.76
Public Defender	800.00	800.00		800.00
Public Employees Occupational Safety & Health Act	3,500.00	3,500.00		3,500.00
Utility:				
Electricity	29,770.94	45,070.07	22,680.33	22,389.74
Street Lighting	12,107.53	19,638.98	7,572.96	12,066.02
Telephone	57,104.44	61,124.96	4,020.52	57,104.44
Water	918.27	918.27	916.52	1.75
Gas	8,692.55	14,737.86	8,197.04	6,540.82
Fuel Oil	125,798.43	139,258.53	25,378.90	113,879.63
Telecommunications	24,490.58	25,031.36	8,049.94	16,981.42
Social Security	47,876.91	47,876.91	1,185.68	46,691.23
Defined Contribution Retirement System	5,632.69	5,632.69		5,632.69
Emergency Telecommunications System - 911 System				
LOSAP = Volunteer Ambulance	46,000.00	46,000.00	33,505.56	12,494.44
NJDES Stormwater Permit	540.57	3,094.82	2,557.66	537.16
Recycling Tax	540.29	1,014.49	518.94	495.55
Interlocal Municipal Services:				
Municipal Court - Monmouth Beach & Eatontown				
Other Expenses	31,138.22	32,821.73	1,043.29	31,778.44
Police and Firemen's Retirement System of NJ	965.74	965.74		965.74
Capital Improvements:				
Purchase of Automatic Refuse Containers	445.00	445.00		445.00
Upgrades to Traffic Safety Truck		25,000.00	25,000.00	
Upgrades to Sanitation Trucks	5,989.80	25,200.00	23,630.20	1,569.80
Upgrades to Command Truck - Police	28,090.00	52,090.00		52,090.00
	<u>\$ 1,885,767.95</u>	<u>\$ 2,491,340.47</u>	<u>\$ 616,426.15</u>	<u>\$ 1,874,914.32</u>
<u>Ref</u>	<u>A</u>			<u>A-1</u>
Budget - Reserved	A-13	\$ 1,885,767.95		
Reserve for Encumbrances	A-16	<u>805,572.52</u>		
		<u>\$ 2,491,340.47</u>		
Cash Disbursements	A-4		\$ 499,650.91	
Transferred to Accounts Payable	A-17		<u>116,775.24</u>	
			<u>\$ 616,426.15</u>	

BOROUGH OF TINTON FALLS

CURRENT FUND

SCHEDULE OF RESERVE FOR MISCELLANEOUS DEPOSITS

	BALANCE DECEMBER 31, 2020	INCREASE	DECREASE	BALANCE DECEMBER 31, 2021
Due State of New Jersey:				
Marriage License Fees	\$ 500.00	\$ 2,750.00	\$ 2,825.00	\$ 425.00
DCA Fees	<u>8,374.00</u>	<u>74,623.00</u>	<u>64,474.00</u>	<u>18,523.00</u>
	\$ <u>8,874.00</u>	\$ <u>77,373.00</u>	\$ <u>67,299.00</u>	\$ <u>18,948.00</u>
<u>REF.</u>	A	A-4	A-4	A

BOROUGH OF TINTON FALLS

CURRENT FUND

SCHEDULE OF TAX OVERPAYMENTS

	<u>REF.</u>		
Balance, December 31, 2020	A	\$	11,674.74
Increased by:			
Prior Year Senior Citizen	A-8	\$	250.00
Cash Receipts	A-5		<u>250,541.48</u>
			250,791.48
		\$	<u>262,466.22</u>
Decreased by:			
Cash Disbursements	A-4	\$	249,822.64
Canceled	A-1		<u>1,537.48</u>
		\$	<u>251,360.12</u>
Balance, December 31, 2021	A	\$	<u><u>11,106.10</u></u>

"A-16"

BOROUGH OF TINTON FALLS

CURRENT FUND

SCHEDULE OF RESERVE FOR ENCUMBRANCES

	<u>REF.</u>		
Balance, December 31, 2020			
Current Fund	A	\$ 605,572.52	
Grant Fund	A	<u>20,660.63</u>	
			\$ 626,233.15
Increased by:			
Budget Appropriations	A-3	\$ 1,287,496.32	
Reserve for Grants Appropriated	A-25	<u>123,354.02</u>	
			<u>1,410,850.34</u>
			\$ 2,037,083.49
Decreased by:			
Transferred to:			
Appropriation Reserves	A-13	\$ 605,572.52	
Reserve for Grants Appropriated	A-25	<u>20,660.63</u>	
			<u>626,233.15</u>
Balance, December 31, 2021			<u>\$ 1,410,850.34</u>
<u>Analysis of Balance</u>			
Current Fund	A		1,287,496.32
Grant Fund	A		<u>123,354.02</u>
			<u>1,410,850.34</u>

"A-17"

SCHEDULE OF ACCOUNTS PAYABLE

Balance, December 31, 2020	A		\$ 14,106.00
Increased by:			
Transferred from			
Appropriation Reserves	A-13	\$ <u>116,775.24</u>	
			<u>116,775.24</u>
			\$ 130,881.24
Cash Disbursements	A-4	\$ 13,277.00	
Canceled	A-1	<u>829.00</u>	
			<u>14,106.00</u>
Balance, December 31, 2021	A		<u>\$ 116,775.24</u>

"A-18"

BOROUGH OF TINTON FALLS

CURRENT FUND

SCHEDULE OF PREPAID TAXES

	<u>REF.</u>	
Balance, December 31, 2020	A	\$ 619,990.39
Increased by:		
Collection of 2022 Taxes	A-5	558,808.64
		<u>\$ 1,178,799.03</u>
Decreased by:		
Applied to Taxes Receivable	A-9	619,990.39
		<u>619,990.39</u>
Balance, December 31, 2021	A	<u>\$ 558,808.64</u>

"A-19"

SCHEDULE OF COUNTY TAXES PAYABLE

Balance, December 31, 2020	A	\$ 65,980.64
2021 Tax Levy:		
County Tax	A-1:A-9	\$ 10,542,483.90
Added County Taxes	A-1:A-9	<u>166,831.79</u>
		<u>10,709,315.69</u>
		<u>\$ 10,775,296.33</u>
Decreased by:		
Cash Disbursements	A-4	\$ 10,608,464.54
		<u>10,608,464.54</u>
Balance, December 31, 2021	A	<u>\$ 166,831.79</u>

BOROUGH OF TINTON FALLS

CURRENT FUND

SCHEDULE OF REGIONAL SCHOOL DISTRICT TAX

	<u>REF.</u>		
Balance, December 31, 2020			
Taxes Payable	A	3,707,834.77	
Taxes Deferred		<u>8,549,999.23</u>	
			\$ 12,257,834.00
Increased by:			
Levy Fiscal Year 2021	A-1;A-9		<u>26,355,873.00</u>
			\$ <u>38,613,707.00</u>
Decreased by:			
Payment to Regional District School	A-4		<u>26,184,875.48</u>
Balance, December 31, 2021			\$ <u><u>12,428,831.52</u></u>
Analysis of Balance			
Payable	A	\$ 3,878,832.29	
Deferred		<u>8,549,999.23</u>	
			\$ <u><u>12,428,831.52</u></u>
2021 Liability for Local District School Tax:			
Taxes Paid			\$ 26,184,875.48
Less: Taxes Payable Balance, December 31, 2020			<u>3,707,834.77</u>
			\$ <u>22,477,040.71</u>
Add: Taxes Payable Balance, December 31, 2021			<u>3,878,832.29</u>
Amount Charged to 2021 Operations	A-1		\$ <u><u>26,355,873.00</u></u>

BOROUGH OF TINTON FALLS

CURRENT FUND

SCHEDULE OF REGIONAL HIGH SCHOOL DISTRICT TAX

	<u>REF.</u>		
Balance, December 31, 2020			
Taxes Payable	A	\$ 4,959,709.45	
Taxes Deferred		<u>2,270,231.55</u>	
			\$ 7,229,941.00
Increased by:			
Levy Fiscal Year 2021	A-1;A-9		<u>14,754,465.00</u>
			\$ <u>21,984,406.00</u>
Decreased by:			
Payment to Regional District School	A-4		<u>14,607,173.48</u>
Balance, December 31, 2021			\$ <u><u>7,377,232.52</u></u>
Analysis of Balance			
Payable	A	\$ 5,107,000.97	
Deferred		<u>2,270,231.55</u>	
			\$ <u><u>7,377,232.52</u></u>
2021 Liability for Local District School Tax:			
Taxes Paid			\$ 14,607,173.48
Less: Taxes Payable Balance, December 31, 2020			<u>4,959,709.45</u>
			\$ <u>9,647,464.03</u>
Add: Taxes Payable Balance, December 31, 2021			<u>5,107,000.97</u>
Amount Charged to 2021 Operations	A-1		\$ <u><u>14,754,465.00</u></u>

"A-22"

BOROUGH OF TINTON FALLS

CURRENT FUND

SCHEDULE OF MUNICIPAL OPEN SPACE TAX

Increased by:			
Open Space Levy 2021	A-1:A-9	\$ 825,987.00	
Open Space Added	A-1:A-9	<u>13,329.27</u>	
			<u>839,316.27</u>
Decreased by:			
Cash Disbursements	A-4		<u>\$ 839,316.27</u>

"A-23"

SCHEDULE OF FIRE DISTRICT TAX

Increased by:			
Fire District Levy 2021			
Fire District #1		\$ 1,233,650.00	
Fire District #2		<u>951,500.00</u>	
	A-1:A-9		<u>\$ 2,185,150.00</u>
Decreased by:			
Cash Disbursements	A-4		<u>2,184,400.00</u>
Balance, December 31, 2021	A		<u>\$ 750.00</u>

BOROUGH OF TINTON FALLS

GRANT FUND

SCHEDULE OF GRANTS RECEIVABLE

	ACCRUED 2021		BALANCE DECEMBER 31, 2021	
<u>GRANT</u>	<u>BUDGET</u>	<u>RECEIVED</u>		
Recycling Tonnage Grant	\$ 98,993.11	\$ 98,993.11	\$	-
Body Armor Replacement Fund	2,955.31	2,955.31		-
Body Worn Camera Grant	89,672.00			89,672.00
Clean Communities Grant	44,352.20	44,352.20		-
	<u>\$ 235,972.62</u>	<u>\$ 146,300.62</u>	<u>\$</u>	<u>89,672.00</u>
<u>REF.</u>	A-2	A-4		A
Budget	\$ 2,955.31			
Chapter 159	<u>233,017.31</u>			
	<u>\$ 235,972.62</u>			

BOROUGH OF TINTON FALLS

GRANT FUND

SCHEDULE OF RESERVE FOR GRANTS-APPROPRIATED

<u>GRANT/PROGRAM</u>	<u>BALANCE DECEMBER 31, 2020</u>	<u>MODIFIED</u>	<u>2021 BUDGET APPROPRIATIONS</u>	<u>PAID OR CHARGED</u>	<u>BALANCE DECEMBER 31, 2021</u>
Local Grants:					
Monmouth County Joint Insurance Fund	\$ 450.00	\$ 450.00	\$	\$	450.00
Donation - Fire Prevention Training	200.03	200.03			200.03
Comcast - Technology Contribution		14,489.83		14,489.83	
State Grants:					
Alcohol Education and Rehabilitation Fund	3,056.68	3,056.68			3,056.68
Drunk Driving Enforcement Fund	30,944.11	30,944.11		19,529.86	11,414.45
Recycling Tonnage Grant	150,253.00	152,393.00	98,993.11	4,735.50	246,650.61
Clean Communities Program - 2017	677.16	677.16			677.16
Clean Communities Program - 2018	163.14	163.14		9,586.24	163.14
Clean Communities Program - 2019	17,124.06	21,154.86		39,646.32	11,588.62
Clean Communities Program - 2020	41,669.94	41,669.94	44,352.20	2,897.82	2,023.62
Clean Communities Program - 2021			2,955.31	6,656.65	41,454.58
Body Armor Replacement Fund	4,074.45	4,074.45	89,672.00		373.11
Body Worn Camera Grant				89,672.00	
Municipal Stormwater	1,313.97	1,313.97			1,313.97
	<u>\$ 249,926.54</u>	<u>\$ 270,587.17</u>	<u>\$ 235,972.62</u>	<u>\$ 187,213.82</u>	<u>\$ 319,345.97</u>
<u>REF.</u>	<u>A</u>		<u>A-3</u>		<u>A</u>
Balance		\$ 249,926.54			
Transferred from Encumbrances Payable		<u>20,660.63</u>			
		<u>\$ 270,587.17</u>			
Cash Disbursements	A-4			\$ 64,341.57	
Encumbrances Payable	A-16			<u>123,354.02</u>	
				<u>187,695.59</u>	
Less: Refunds	A-4			<u>481.77</u>	
				<u>\$ 187,213.82</u>	

BOROUGH OF TINTON FALLS

GRANT FUND

SCHEDULE OF RESERVE FOR GRANTS-UNAPPROPRIATED

<u>GRANT/PROGRAM</u>	<u>RECEIPTS</u>	<u>BALANCE DECEMBER 31, 2021</u>
American Rescue Plan Grant	\$ <u>913,285.47</u>	\$ <u>913,285.47</u>
	\$ <u>913,285.47</u>	\$ <u>913,285.47</u>
<u>REF.</u>	A-4	A

BOROUGH OF TINTON FALLS

TRUST FUND

SCHEDULE OF TRUST CASH

REF.	ANIMAL CONTROL	OPEN SPACE	OTHER
B	\$ 8,338.64	\$ 174,041.17	\$ 4,232,378.21
Balance, December 31, 2020			
Increased by Receipts:			
Animal Control Fees	\$ 35,167.80	\$	
State Registration Fees	1,150.20		
Animal Control Prepaid Licences	10.00		
Reserve for:			
Open Space Trust		848,142.97	
Various Reserves and Deposits			2,864,619.81
	36,328.00	848,142.97	2,864,619.81
	44,666.64	1,022,184.14	7,096,998.02
Decreased by Disbursements:			
Expenditures Under R.S. 4:19-15.11			
State Registration Fees	\$ 34,429.30	\$	
Open Space Trust	1,160.40	588,408.10	
Various Reserves and Deposits			2,654,582.61
	35,589.70	588,408.10	2,654,582.61
Balance, December 31, 2021	\$ 9,076.94	\$ 433,776.04	\$ 4,442,415.41

BOROUGH OF TINTON FALLS

TRUST FUND

SCHEDULE OF RESERVE FOR ANIMAL CONTROL FUND EXPENDITURES

	<u>REF.</u>		
Balance, December 31, 2020	B	\$	2,562.94
Increased by:			
Cash Receipts:			
Dog Licenses		\$	6,652.80
Cat Licenses			1,080.00
Other Fees			435.00
Current Fund Budget Approp			27,000.00
	B-1	\$	35,167.80
Transferred from Encumbrances Payable	B-6		5,755.50
			<u>40,923.30</u>
		\$	<u>43,486.24</u>
Decreased by:			
Expenditures Under R.S. 4:19-15.11	B-1	\$	34,429.30
Transferred to Encumbrances Payable	B-6		5,231.85
			<u>39,661.15</u>
Balance, December 31, 2021	B	\$	<u><u>3,825.09</u></u>

LICENSE FEES COLLECTED

<u>YEAR</u>	<u>AMOUNT</u>
2019	\$ 7,024.20
2020	<u>7,748.00</u>
	<u><u>\$ 14,772.20</u></u>

BOROUGH OF TINTON FALLS

TRUST FUND

SCHEDULE OF STATE REGISTRATION FEES
ANIMAL CONTROL FUND

	<u>REF.</u>		
Balance, December 31, 2020	B	\$	10.20
Increased by:			
Cash Receipts	B-1	\$	<u>1,150.20</u>
		\$	<u>1,150.20</u>
			1,160.40
Decreased by:			
Cash Disbursements	B-1	\$	<u>1,160.40</u>
			<u><u>1,160.40</u></u>

BOROUGH OF TINTON FALLS
OPEN SPACE TRUST FUND
SCHEDULE OF RESERVE FOR OPEN SPACE TRUST

	<u>REF.</u>		
Balance, December 31, 2020	B	\$	98,105.00
Increased by:			
Open Space Tax Levy		\$	825,987.00
Open Space - Added/Omitted			13,329.27
Refunds			2,914.75
Interest			<u>5,911.95</u>
	B-1	\$	848,142.97
Accrual of County Open Space Receivable	B-7		127,000.00
Transferred from Encumbrances Payable	B-6		<u>75,936.17</u>
			1,051,079.14
		\$	<u>1,149,184.14</u>
Decreased by:			
Cash Disbursements	B-1	\$	588,408.10
Transferred to Encumbrances Payable	B-6		<u>449,604.90</u>
			<u>1,038,013.00</u>
Balance, December 31, 2021	B	\$	<u><u>111,171.14</u></u>

BOROUGH OF TINTON FALLS

TRUST FUND

SCHEDULE OF VARIOUS RESERVES

	BALANCE DECEMBER 31, 2020	MODIFIED	CASH RECEIPTS	EXPENDITURES	BALANCE DECEMBER 31, 2021
Street Openings	\$ 6,810.00	\$ 6,810.00	\$ 9,000.00	\$ 6,660.00	\$ 9,150.00
Professional Fees	6,883.58	6,883.58			6,883.58
Tax Sale Premiums	227,300.00	257,400.00	146,800.00	146,400.00	257,800.00
Detention Basin	67,223.40	71,533.00		4,309.60	67,223.40
Off Duty	62,277.28	62,277.28	565,976.00	600,993.72	27,259.56
Recycling	10,549.00	13,887.40	66,340.57	51,178.33	29,049.64
Parking Offenses Adjudication Act	366.12	366.12	4.00		370.12
DARE Program	1,744.63	1,744.63			1,744.63
Emergency Management	1,855.71	1,855.71			1,855.71
Public Defender	13,012.10	13,312.10	2,375.00	1,200.00	14,487.10
Alcohol Alliance	1,520.85	1,520.85			1,520.85
Recreation	11,799.47	11,799.47			11,799.47
Police Forfeiture	12,134.43	12,234.43	88,070.03	9,432.40	90,872.06
Seabrook CCO and Fire Inspection	73,046.00	73,046.00	85.00	3,625.00	69,506.00
Uniform Fire Safety Penalty Funds	4,133.79	4,133.79		4,000.00	133.79
Uniform Fire Safety Dedicated and Comp Penalties	20,695.23	20,695.23			20,695.23
Accumulated Absences	18,920.72	18,920.72	150,000.00	124,310.44	44,610.28
Volunteer Appreciation Day	30.00	30.00			30.00
Historic Crawford House	200.00	200.00			200.00
Community Day	2,362.23	2,362.23			2,362.23
Police Youth Program Donations	11,072.09	11,072.09	8,691.00	9,821.50	9,941.59
Health Fair Donations	765.89	765.89			765.89
Developers Escrow:					
Engineering Fees	437,341.29	457,757.29	350,509.91	306,559.57	501,707.63
Maintenance Fees	45,078.86	45,078.86	14.42		45,093.28
Performance Fees	976,609.00	976,609.00	20,464.52	29,810.74	967,462.78
Escrow Fees	338,800.28	348,898.53	250,681.66	263,821.68	335,758.50
Shatto Rd. Sewer Line Extension	3,195.12	3,195.12	11.74		3,206.86
COAH Special Master	51,721.61	51,721.61	5,390.33	8,717.25	48,394.69
Self-Insurance	134,814.64	137,379.25	806,697.83	791,364.59	152,712.49
Law Enforcement	22,985.14	22,985.14	6,418.00	7,319.70	22,083.44
Tax Title Liens	10,469.63	31,494.44	153,071.46	172,980.12	11,575.78
Unemployment	150,686.91	150,686.91	28,827.85	18,932.20	160,582.56
Affordable Housing	1,346,202.81	1,413,721.54	205,190.49	231,144.28	1,327,767.75
	\$ 4,072,607.81	\$ 4,232,378.21	\$ 2,864,619.81	\$ 2,852,391.13	\$ 4,244,606.89

B

B-1

B

Balance, December 31, 2020
Transferred from Encumbrances Payable

B-5 \$ 4,072,607.81
B-6 159,770.40
\$ 4,232,378.21

Cash Disbursements
Transferred to Encumbrances Payable

\$ 2,654,582.61
197,808.52
\$ 2,852,391.13

BOROUGH OF TINTON FALLS

TRUST FUND

SCHEDULE OF ENCUMBRANCES PAYABLE

	<u>REF.</u>	<u>ANIMAL CONTROL TRUST FUND</u>	<u>TRUST OTHER FUND</u>	<u>OPEN SPACE TRUST FUND</u>
Balance, December 31, 2020	B	\$ 5,755.50 \$	159,770.40 \$	75,936.17
Increased by:				
Transferred from Various Trust Reserves	B-2:B-4:B-5	5,231.85	197,808.52	449,604.90
		<u>5,231.85</u>	<u>197,808.52</u>	<u>449,604.90</u>
Decreased by:				
Transferred to Various Trust Reserves	B-2:B-4:B-5	5,755.50	159,770.40	75,936.17
		<u>5,755.50</u>	<u>159,770.40</u>	<u>75,936.17</u>
Balance, December 31, 2021	B	\$ 5,231.85 \$	<u>197,808.52 \$</u>	<u>449,604.90</u>

BOROUGH OF TINTON FALLS

TRUST FUND

SCHEDULE OF OPEN SPACE GRANT RECEIVABLE (COUNTY)

REF.

Increased by:

Accrual of County Open Space Grant

B-4

\$ 127,000.00

Balance, December 31, 2021

B

\$ 127,000.00

BOROUGH OF TINTON FALLS

GENERAL CAPITAL FUND

SCHEDULE OF GENERAL CAPITAL CASH

	<u>REF.</u>		
Balance, December 31, 2020	C	\$	2,634,243.06
Increased by Receipts:			
Budget Appropriations:			
Capital Improvement Fund	C-10	\$	80,000.00
Grants Receivable	C-6		469,679.57
Bond Anticipation Notes	C-8		8,777,000.00
Various Reserves	C-12		243,048.80
Excess Proceed on Bond Sale	C-1		<u>78,906.00</u>
			9,648,634.37
		\$	<u>12,282,877.43</u>
Decreased by Disbursements:			
Contracts Payable	C-11	\$	2,272,886.70
Various Reserves	C-12		46,648.40
Bond Anticipation Notes	C-8		<u>7,055,000.00</u>
			<u>9,374,535.10</u>
Balance, December 31, 2021	C	\$	<u><u>2,908,342.33</u></u>

"C-3"

BOROUGH OF TINTON FALLS

GENERAL CAPITAL FUND

ANALYSIS OF GENERAL CAPITAL CASH AND INVESTMENTS

BALANCE
DECEMBER
31, 2021

Fund Balance	\$ 83,904.75
Contracts Payable	2,812,666.38
Various Reserves	388,052.96
Capital Improvement Fund	9,163.00
Grants Receivable	(366,570.43)
Unexpended Proceeds of Bond Anticipation Note - Listed on "C-5"	(27,734.71)
Improvement Authorizations Funded - Listed on Exhibit "C-9"	<u>8,860.38</u>
	<u>\$ 2,908,342.33</u>

REF.

C

BOROUGH OF TINTON FALLS

GENERAL CAPITAL FUND

SCHEDULE OF DEFERRED CHARGES TO
FUTURE TAXATION - FUNDED

	<u>REF.</u>	
Balance, December 31, 2020	C	\$ 10,110,000.00
Decreased by:		
Budget Appropriation to Pay Bonds	C-7	<u>1,670,000.00</u>
Balance, December 31, 2021	C	<u><u>\$ 8,440,000.00</u></u>

BOROUGH OF TINTON FALLS

GENERAL CAPITAL FUND

SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION-UNFUNDED

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	ANALYSIS OF BALANCE DECEMBER				
		BALANCE DECEMBER 31, 2020	INCREASED BY 2021 AUTHORIZATIONS	DECREASED BY NOTES PAID BY BUDGET APPROPRIATION	BALANCE DECEMBER 31, 2021	BOND ANTICIPATION NOTE UNEXPENDED IMPROVEMENT AUTHORIZATIONS
	General Improvements:					
11-1329	Acquisition of Real Property	\$ 820,000.00	\$	220,000.00	\$ 600,000.00	\$
16-1399/16/1405	Various Capital Improvements	1,210,000.00		95,000.00	1,115,000.00	
18-1430	2018 Road Improvement Program	2,240,000.00		125,000.00	2,115,000.00	
19-1451	2019 Road Improvement Program	2,225,000.00			2,225,000.00	
20-1462/21-1478	Park Development and Improvements	2,322,000.00	400,000.00		2,722,000.00	
21-1477	2021-2022 Road Improvement Program		2,200,000.00		2,200,000.00	
		<u>\$ 8,817,000.00</u>	<u>\$ 2,600,000.00</u>	<u>\$ 440,000.00</u>	<u>\$ 10,977,000.00</u>	<u>\$ 2,200,000.00</u>
REF.		C	C-9	C-8	C	C-8
	Improvement Authorizations Unfunded					\$ 2,172,265.29
	Less: Unexpended Proceed of Bond					(27,734.71)
	Anticipation Note					<u>\$ 2,200,000.00</u>

BOROUGH OF TINTON FALLS

GENERAL CAPITAL FUND

SCHEDULE OF GRANTS RECEIVABLE

<u>ORD. #</u>	<u>PROJECT</u>	<u>SOURCE</u>	<u>BALANCE</u> <u>12/31/20</u>	<u>ACCRUED</u>	<u>RECEIVED</u>	<u>BALANCE</u> <u>12/31/21</u>
18-1430	2018 Road Improvement Program	NJDOT	\$ 46,250.00	\$	46,250.00	\$
19-1451	2019 Road Improvement Program	NJDOT	325,000.00		224,679.57	100,320.43
20-1462	Park Redevelopment & Improvements	MC Open Space	200,000.00			200,000.00
21-1477	2021-2022 Road Improvement Program	NJDOT		265,000.00	198,750.00	66,250.00
			<u>\$ 571,250.00</u>	<u>\$ 265,000.00</u>	<u>\$ 469,679.57</u>	<u>\$ 366,570.43</u>
		<u>REF.</u>	C	C-9	C-2	C

BOROUGH OF TINTON FALLS
GENERAL CAPITAL FUND
SCHEDULE OF GENERAL SERIAL BONDS

PURPOSE	DATE OF ISSUE	ORIGINAL ISSUE	MATURITIES OF BONDS OUTSTANDING		INTEREST RATE	BALANCE DECEMBER 31, 2020	DECREASED	BALANCE DECEMBER 31, 2021
			DATE	AMOUNT				
2011 General Improvement Bonds	1/24/2011	\$ 3,510,000.00				425,000.00	425,000.00	
MCIA General Improvement Bonds	12/19/2012	1,460,000.00	12/1/2022	\$ 110,000.00	4.00%			
			12/1/2023	115,000.00	4.00%			
			12/1/2024	120,000.00	2.00%			
			12/1/2025	125,000.00	3.00%			
			12/1/2026	125,000.00	2.00%	705,000.00	110,000.00	595,000.00
MCIA General Improvement Bonds	12/10/2013	1,485,000.00	12/1/2022	195,000.00	5.00%	380,000.00	185,000.00	195,000.00
MCIA General Improvement Bonds	12/24/2014	2,200,000.00	12/1/2022	220,000.00	5.00%			
			12/1/2023	225,000.00	5.00%			
			12/1/2024	225,000.00	5.00%	890,000.00	220,000.00	670,000.00
Refunding Bonds (2008)	5/18/2016	5,175,000.00	1/1/2022	430,000.00	4.00%			
			1/1/2023	450,000.00	4.00%			
			1/1/2024	470,000.00	4.00%			
			1/1/2025	490,000.00	4.00%			
			1/1/2026	515,000.00	4.00%			
			1/1/2027	535,000.00	4.00%			
			1/1/2028	545,000.00	4.00%			
			1/1/2029	540,000.00	3.25%	4,390,000.00	415,000.00	3,975,000.00
General Obligation Refunding Bonds	8/25/2020	2,865,000.00	1/1/2022	250,000.00	4.00%			
			1/1/2023	250,000.00	4.00%			
			1/1/2024	245,000.00	4.00%			
			1/1/2025	245,000.00	4.00%			
			1/1/2026	240,000.00	4.00%			
			1/1/2027	235,000.00	4.00%			
			1/1/2028	230,000.00	4.00%			
			1/1/2029	230,000.00	4.00%			
			1/1/2030	225,000.00	4.00%			
			1/1/2031	225,000.00	4.00%			
			1/1/2032	215,000.00	4.00%	2,865,000.00	275,000.00	2,590,000.00

BOROUGH OF TINTON FALLS

GENERAL CAPITAL FUND

SCHEDULE OF BOND ANTICIPATION NOTES

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	DATE OF ISSUE OF ORIGINAL NOTE	DATE OF ISSUE	DATE OF MATURITY	INTEREST RATE	BALANCE DECEMBER 31, 2020	INCREASED	DECREASED	BALANCE DECEMBER 31, 2021
11-1329	Acquisition of Real Property	12/13/13	10/29/20 10/28/21	10/28/21 10/27/22	0.40% 1.25%	\$ 820,000.00	\$ 600,000.00	\$ 820,000.00	\$ 600,000.00
16-1399/16-1405	Various Capital Improvements	12/01/16	10/29/20 10/28/21	10/28/21 10/27/22	0.40% 1.25%	1,210,000.00	1,115,000.00	1,210,000.00	1,115,000.00
18-1430	2018 Road Program	10/31/18	10/29/20 10/28/21	10/28/21 10/27/22	0.40% 1.25%	2,240,000.00	2,115,000.00	2,240,000.00	2,115,000.00
19-1451	2019 Road Program	10/29/20	10/29/20 10/28/21	10/28/21 10/27/22	0.40% 1.25%	2,225,000.00	2,225,000.00	2,225,000.00	2,225,000.00
20-1462/21-1478	Park Redevelopment & Improvements	10/29/20	10/29/20 10/28/21	10/28/21 10/27/22	0.40% 1.25%	1,000,000.00	2,722,000.00	1,000,000.00	2,722,000.00
						<u>\$ 7,495,000.00</u>	<u>\$ 8,777,000.00</u>	<u>\$ 7,495,000.00</u>	<u>\$ 8,777,000.00</u>
					REF.	C	C-2		C:C-5
					Paid by Budget Appropriation	C-5		\$ 440,000.00	
					Cash Disbursements	C-2		<u>7,055,000.00</u>	
								<u>\$ 7,495,000.00</u>	

"C-10"

BOROUGH OF TINTON FALLS

GENERAL CAPITAL FUND

SCHEDULE OF CAPITAL IMPROVEMENT FUND

	<u>REF.</u>		
Balance, December 31, 2020	C		\$ 64,163.00
Increased by:			
Cash Receipts	C-2	\$ 80,000.00	
			80,000.00
			\$ 144,163.00
Decreased by:			
2021 Improvement Authorizations	C-9	\$ 135,000.00	
			135,000.00
Balance, December 31, 2021	C		\$ 9,163.00

"C-11"

SCHEDULE OF CONTRACTS PAYABLE

Balance, December 31, 2020	C		\$ 1,637,199.78
Increased by:			
Improvement Authorizations	C-9	\$ 3,448,353.30	
			3,448,353.30
			\$ 5,085,553.08
Decreased by:			
Cash Disbursements	C-2		2,272,886.70
Balance, December 31, 2021	C		\$ 2,812,666.38

BOROUGH OF TINTON FALLS

GENERAL CAPITAL FUND

SCHEDULE OF VARIOUS RESERVES

	BALANCE DECEMBER 31, 2020	INCREASED	DECREASED	BALANCE DECEMBER 31, 2021
Sidewalk Contributions	\$ 46,648.40 \$	34,776.00 \$	46,648.40 \$	34,776.00
Calton Homes/Stormwater	15,000.00			15,000.00
Sitar Off Tract	37,000.00			37,000.00
Fox Chase II/Rec	75,000.00			75,000.00
Matzel and Muford - RCA	18,004.16			18,004.16
Library Improvements		150,000.00		150,000.00
Debt Service		58,272.80		58,272.80
	\$ 191,652.56 \$	243,048.80 \$	46,648.40 \$	388,052.96
Ref	C	C-2	C-2	C

BOROUGH OF TINTON FALLS
GENERAL CAPITAL FUND
SCHEDULE OF BONDS AND NOTES AUTHORIZED
BUT NOT ISSUED

<u>ORDINANCE NUMBER</u>	<u>IMPROVEMENT DESCRIPTION</u>	<u>BALANCE DECEMBER 31, 2020</u>	<u>INCREASED BY: 2021 AUTHORIZATIONS</u>	<u>DECREASED BY: NOTES ISSUED</u>	<u>BALANCE DECEMBER 31, 2021</u>
20-1462/21-1478	Park Development & Improvements	\$ 1,322,000.00	\$ 400,000.00	\$ 1,722,000.00	\$ 2,200,000.00
21-1477	2021-2022 Road Improvement Program		2,200,000.00		
		<u>\$ 1,322,000.00</u>	<u>\$ 2,600,000.00</u>	<u>\$ 1,722,000.00</u>	<u>\$ 2,200,000.00</u>
<u>REF.</u>		C	C-5		C

BOROUGH OF TINTON FALLS

SEWER UTILITY FUND

SCHEDULE OF CASH - TREASURER

	<u>REF.</u>		<u>OPERATING</u>	<u>CAPITAL</u>
Balance, December 31, 2020	D	\$	\$ 4,566,962.26	\$ 4,678.64
Increased by Receipts:				
Sewer Rents Receivable	D-7		3,474,600.55	
Miscellaneous	D-3		254,787.56	
Overpayments	D-12		7,603.42	
Prepaid Rents	D-8		623,864.97	
			<u>4,360,856.50</u>	<u>4,678.64</u>
			8,927,818.76	
Decreased by Disbursements:				
Appropriations	D-4		4,078,113.65	
Appropriation Reserves	D-9		172,842.92	
Accounts Payable	D-11		95,968.35	
Refund of Sewer Overpayments	D-12		7,446.75	
			<u>4,354,371.67</u>	
Balance, December 31, 2021	D	\$	<u>4,573,447.09</u>	<u>\$ 4,678.64</u>

"D-6"

BOROUGH OF TINTON FALLS

SEWER UTILITY CAPITAL FUND

ANALYSIS OF CASH

Fund Balance

BALANCE
DECEMBER 31,
2021
\$ 4,678.64

\$ 4,678.64

REF.

D

"D-7"

BOROUGH OF TINTON FALLS
SEWER UTILITY OPERATING FUND
SCHEDULE OF CONSUMER ACCOUNTS RECEIVABLE

	<u>REF.</u>		
Balance, December 31, 2020	D	\$	155,919.41
Increased by:			
Sewer Rents Levied			<u>4,020,762.47</u>
		\$	<u>4,176,681.88</u>
Decreased by:			
Collections	D-5	\$	3,474,600.55
Rents Applied	D-8		<u>567,984.53</u>
			<u>4,042,585.08</u>
Balance, December 31, 2021	D	\$	<u><u>134,096.80</u></u>

"D-8"

SCHEDULE OF PREPAID SEWER RENTS

	<u>REF.</u>		
Balance, December 31, 2020	D	\$	567,984.53
Increased by:			
Cash Receipts	D-5		<u>623,864.97</u>
			<u>1,191,849.50</u>
Decreased by:			
Rents Applied	D-7		<u>567,984.53</u>
Balance, December 31, 2021	D	\$	<u><u>623,864.97</u></u>

BOROUGH OF TINTON FALLS
SEWER UTILITY OPERATING FUND
SCHEDULE OF 2020 APPROPRIATION RESERVES

	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2020</u>	<u>BALANCE</u> <u>AFTER</u> <u>TRANSFERS</u>	<u>PAID OR</u> <u>CHARGED</u>	<u>BALANCE</u> <u>LAPSED</u>
Operating:				
Salaries and Wages	\$ 49,950.89	\$ 49,950.89	\$ 516.38	\$ 49,434.51
Other Expenses	508,245.89	550,971.30	50,826.65	500,144.65
Capital Improvements:				
Capital Outlay	18,433.00	140,003.26	121,460.38	18,542.88
Statutory Expenditures:				
Contributions to:				
Social Security System (O.A.S.I.)	<u>7,320.18</u>	<u>7,320.18</u>	<u>39.51</u>	<u>7,280.67</u>
	<u>\$ 583,949.96</u>	<u>\$ 748,245.63</u>	<u>\$ 172,842.92</u>	<u>\$ 575,402.71</u>
<u>REF.</u>	<u>D</u>		<u>D-5</u>	<u>D-1</u>
Balance, December 31, 2020	D-9	\$ 583,949.96		
Transferred from Encumbrances Payable	D-10	<u>164,295.67</u>		
		<u>\$ 748,245.63</u>		

"D-10"

BOROUGH OF TINTON FALLS
SEWER UTILITY OPERATING FUND
SCHEDULE OF ENCUMBRANCES PAYABLE

	<u>REF.</u>		
Balance, December 31, 2020	D	\$	164,295.67
Increased by:			
Charges to 2021 Budget Appropriations	D-4		547,092.60
		\$	<u>711,388.27</u>
Decreased by:			
Transferred to Appropriation Reserves	D-9		<u>164,295.67</u>
Balance, December 31, 2021	D	\$	<u><u>547,092.60</u></u>

"D-11"

SCHEDULE OF ACCOUNTS PAYABLE

Balance, December 31, 2020	D		\$	260,990.05
Decreased by:				
Cash Disbursements	D-5	\$	95,968.35	
Cancelled	D-1		<u>144,364.20</u>	
				<u>240,332.55</u>
Balance, December 31, 2021	D		\$	<u><u>20,657.50</u></u>

BOROUGH OF TINTON FALLS
SEWER UTILITY OPERATING FUND
SCHEDULE OF SEWER RENT OVERPAYMENTS

	<u>REF.</u>	
Increased by:		
Cash Receipts	D-5	\$ <u>7,603.42</u>
Decreased by:		
Cash Disbursements	D-5	\$ <u>7,446.75</u>
		\$ <u>7,446.75</u>
Balance, December 31, 2021	D	\$ <u><u>156.67</u></u>

BOROUGH OF TINTON FALLS

SEWER UTILITY CAPITAL FUND

SCHEDULE OF FIXED CAPITAL

<u>ACCOUNT</u>	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2020</u>	<u>CAPITAL</u> <u>OUTLAY</u>	<u>BALANCE</u> <u>DECEMBER</u> <u>31, 2021</u>
Construction of System Interceptor & Collection System	\$ 7,895,324.05	\$	\$ 7,895,324.05
Installation of Sewer Mains	505,519.98		505,519.98
Squankum Pump Station	234,851.06		234,851.06
Wyncrest Pumo Station	1,303,957.34		1,303,957.34
Sewer Infrastructure Improvements	175,191.94	89,464.00	264,655.94
Pump Station Improvements	2,063,566.00	101,659.08	2,165,225.08
Sewer GIS Mapping	72,400.05	5,957.25	78,357.30
Sewer Jet Truck	408,670.68		408,670.68
	<u>\$ 12,659,481.10</u>	<u>\$ 197,080.33</u>	<u>\$ 12,856,561.43</u>

REF.

D

D-14

D

"D-14"

BOROUGH OF TINTON FALLS

SEWER UTILITY CAPITAL FUND

SCHEDULE OF RESERVE FOR AMORTIZATION

	<u>REF.</u>		
Balance, December 31, 2020	D	\$	12,659,481.10
Increased by:			
Capital Outlay	D-13	\$	<u>197,080.33</u>
			<u>197,080.33</u>
Balance, December 31, 2021	D	\$	<u><u>12,856,561.43</u></u>

PART II

BOROUGH OF TINTON FALLS

STATISTICAL DATA

LIST OF OFFICIALS

COMMENTS AND RECOMMENDATIONS

YEAR ENDED DECEMBER 31, 2021

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

	YEAR 2021		YEAR 2020	
	AMOUNT	%	AMOUNT	%
<u>REVENUE AND OTHER INCOME REALIZED</u>				
Fund Balance Utilized	\$ 3,950,000.00	4.56%	\$ 3,625,000.00	4.38%
Miscellaneous-From Other Than Local				
Property Tax Levies	10,549,327.88	12.18%	9,266,110.69	11.20%
Collection of Delinquent Taxes and				
Tax Title Liens	736,211.45	0.85%	655,155.62	0.79%
Collection of Current Tax Levy	71,399,520.79	82.41%	69,172,353.08	83.62%
<u>TOTAL INCOME</u>	<u>\$ 86,635,060.12</u>	<u>100.00%</u>	<u>\$ 82,718,619.39</u>	<u>100.00%</u>
<u>EXPENDITURES</u>				
Budget Expenditures:				
Municipal Purposes	\$ 26,404,982.72	32.46%	\$ 25,762,699.65	32.54%
County Taxes	10,709,315.69	13.17%	10,056,352.07	12.70%
Regional School Taxes	14,754,465.00	18.14%	14,459,882.00	18.26%
Local School Taxes	26,355,873.00	32.40%	25,932,434.00	32.75%
Municipal Open Space Taxes	839,316.27	1.03%	787,041.75	0.99%
Fire District Taxes	2,185,150.00	2.69%	2,142,730.00	2.71%
Other	88,017.67	0.11%	31,625.55	0.04%
<u>TOTAL EXPENDITURES</u>	<u>\$ 81,337,120.35</u>	<u>100.00%</u>	<u>\$ 79,172,765.02</u>	<u>100.00%</u>
Excess in Revenue	\$ 5,297,939.77		\$ 3,545,854.37	
Fund Balance, January 1	8,092,407.38		8,171,553.01	
	\$ 13,390,347.15		\$ 11,717,407.38	
Less: Utilization as Anticipated Revenue	3,950,000.00		3,625,000.00	
Fund Balance, December 31	<u>\$ 9,440,347.15</u>		<u>\$ 8,092,407.38</u>	

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

	YEAR ENDED DECEMBER 31, 2021		YEAR ENDED DECEMBER 31, 2020	
	AMOUNT	%	AMOUNT	%
<u>REVENUE AND OTHER INCOME REALIZED</u>				
Fund Balance Utilized	\$ 1,195,500.00	19.24%	\$ 1,575,000.00	22.80%
Collection of Sewer Rents	4,042,585.08	65.07%	4,459,720.58	64.57%
Miscellaneous - Other Than Sewer Rents	974,554.47	15.69%	871,753.18	12.62%
<u>TOTAL INCOME</u>	<u>\$ 6,212,639.55</u>	<u>100.00%</u>	<u>\$ 6,906,473.76</u>	<u>100.00%</u>
<u>EXPENDITURES</u>				
Budget Expenditures:				
Operating	\$ 4,539,000.00	85.71%	\$ 4,677,570.00	82.42%
Capital Improvements	620,000.00	11.71%	865,000.00	15.24%
Deferred Charges and Statutory Expenditures	136,500.00	2.58%	132,500.00	2.34%
<u>TOTAL EXPENDITURES</u>	<u>\$ 5,295,500.00</u>	<u>100.00%</u>	<u>\$ 5,675,070.00</u>	<u>100.00%</u>
Excess in Revenue	917,139.55		\$ 1,231,403.76	
Fund Balance, January 1	2,989,792.05		3,333,388.29	
	<u>\$ 3,906,931.60</u>		<u>\$ 4,564,792.05</u>	
Decreased by:				
Utilized as Anticipated Revenue	1,195,500.00		1,575,000.00	
Fund Balance, December 31	<u>\$ 2,711,431.60</u>		<u>\$ 2,989,792.05</u>	

COMPARATIVE SCHEDULE OF TAX RATE INFORMATION

	<u>2021</u>	<u>2020</u>	<u>2019</u>
Tax Rate	<u>1.870</u>	<u>1.937</u>	<u>1.933</u>
Apportionment of Tax Rate:			
Municipal	0.463	0.487	0.495
County	0.287	0.288	0.290
Regional School	0.718	0.746	0.751
Regional High School	0.402	0.416	0.397

ASSESSED VALUATIONS:

2021	<u>\$3,671,055,873.00</u>	
2020	<u>\$3,475,525,357.00</u>	
2019		<u>\$3,365,319,487.00</u>

COMPARISON OF TAX LEVIES AND COLLECTION CURRENTLY

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

<u>YEAR</u>	<u>TAX LEVY</u>	<u>CURRENTLY</u>	
		<u>CASH</u> <u>COLLECTION</u>	<u>PERCENTAGE OF</u> <u>COLLECTIONS</u>
2021	\$71,985,138.16	\$71,399,520.79	99.18%
2020	69,931,639.65	69,172,353.08	98.91%
2019	68,134,970.06	67,460,386.05	99.01%

DELINQUENT TAXES AND TAX TITLE LIENS

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

<u>YEAR</u>	<u>AMOUNT OF TAX TITLE LIENS</u>	<u>AMOUNT OF DELINQUENT TAXES</u>	<u>TOTAL DELINQUENT</u>	<u>PERCENTAGE OF TAX LEVY</u>
2021	\$111,778.71	\$519,816.06	\$631,594.77	0.88%
2020	105,281.27	726,593.61	831,874.88	1.19%
2019	134,171.32	610,542.79	744,714.11	1.09%

COMPARATIVE SCHEDULE OF FUND BALANCES

	<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	2021	\$9,440,347.15	\$4,460,000.00	47.24%
	2020	8,092,407.38	3,950,000.00	48.81%
	2019	8,171,553.01	3,625,000.00	44.36%
	2018	7,722,548.97	3,870,000.00	50.11%
	2017	6,825,874.74	3,500,000.00	51.28%

	<u>YEAR</u>	<u>BALANCE DECEMBER 31</u>	<u>UTILIZED IN BUDGET OF SUCCEEDING YEAR</u>	<u>PERCENTAGE OF FUND BALANCE USED</u>
Sewer Utility Operating Fund	2021	\$2,711,431.60	\$835,500.00	30.81%
	2020	2,989,792.05	1,195,500.00	39.99%
	2019	2,297,018.96	907,200.00	39.49%
	2018	2,640,615.20	1,575,000.00	59.65%
	2017	2,756,521.15	1,200,000.00	43.53%

EQUALIZED VALUATIONS - REAL PROPERTY

<u>YEAR</u>	<u>AMOUNT</u>
2021	\$3,943,251,720.00
2020	\$3,806,685,636.00
2019	\$3,494,695,498.00

OFFICIALS IN OFFICE AND SURETY BONDS

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

<u>NAME</u>	<u>TITLE</u>
Vito P. Perillo	Mayor
Tracy A. Buckley	Council President
Risa Clay	Councilperson
Michael J. Nesci	Councilperson
John A. Manginelli	Councilperson
Brock Siebert	Councilperson
Thomas P. Fallon	Acting Business Administrator
Thomas P. Fallon	Chief Financial Officer
Melissa A. Hesler	Borough Clerk
Stacey Kitson	Court Administrator
Scott Imbriaco	Tax Assessor
Kevin N. Starkey, Esq	Borough Attorney

All of the bonds were examined and were properly executed.

A public employee dishonesty blanket bond covering municipal employees in the amount of \$50,000 was in effect with the Monmouth Municipal Joint Insurance Fund. There are blanket bonds for secondary coverage with the Municipal Excess Liability Joint Insurance Fund in the amount of \$950,000 for Public Employees and \$1,000,000 for Public Officials. Both of these bonds are subject to deductibles based upon other required coverages.

COMMENTS AND RECOMMENDATIONS

GENERAL COMMENTS

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

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

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

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

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

- Sidewalk Improvement Program
- Pump Station Upgrades
- Park Development and Improvements

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, contracts or agreements in excess of \$44,000.00 for the performance of any work or the furnishing or hiring of any materials or supplies, other than those where bids had been previously sought by public advertisement or where a resolution had been previously adopted under the provisions of N.J.S.A. 40A:11-6.

The minutes indicate that resolutions were adopted authorizing the awarding of contracts or agreements for "Professional Services" as required by N.J.S.A. 40:11-14:

- Auditor
- Engineering Services
- Architectural Services
- Labor Counsel
- Borough Attorney
- Legal Services
- Planning Services
- Appraisal Services
- Affordable Housing Administration Services

COLLECTION OF INTEREST ON DELINQUENT TAXES AND ASSESSMENTS

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

The governing body has adopted ordinance 91-763 authorizing interest to be charged on delinquent taxes and sewer charges:

§ 3-29 RATE OF INTEREST TO BE CHARGED ON DELINQUENCY TAXES OR ASSESSMENTS.

a. The Tax Collector is hereby authorized and directed to charge 8% per annum on the first \$1,500 of taxes becoming delinquent after due date and 18% per annum on any amount of taxes in excess of \$1,500 becoming delinquent after due date and if a delinquency is in excess of \$10,000 and remains in arrears after December 31, an additional penalty of 6% shall be charged against the delinquency, all such payments to be calculated from the date the tax, assessment or charge was payable until the date of actual payment. This shall apply to all existing tax sale certificates held by the Borough of Tinton Falls.

b. As to tax sale certificates, the Tax Collector is hereby authorized and directed to collect 2% when the taxes, interest and costs shall exceed the sum of \$200. When the taxes, interest and costs shall exceed the sum of \$5,000, such additional sum shall be equal to 4% of such amount paid; and when that sum exceeds \$10,000, such additional sum shall be equal to 6% of such amount paid. This shall apply to all existing tax sale certificates held by the Borough of Tinton Falls.

c. No interest shall be charged if payment of any installment is made within the tenth calendar day following the date upon which the same became payable.

d. Should the date upon which any installment becomes due fall on a date which is a legal holiday or a date when the office of the Tax Collector is not open for business for the day, no interest shall be charged if payment for such installment is made on the first business day thereafter.

e. For the purpose of this section, "delinquency" means the sum of all taxes, assessments and municipal charges due on a given parcel of property covering any number of quarters or years.

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

VERIFICATION OF DELINQUENT TAXES AND OTHER CHARGES

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

<u>TYPE</u>	<u>NUMBER</u>
Payments of 2021 Taxes	50
Payment of 2021 Sewer Charges	50

TAX TITLE LIENS

The last tax sale was held on October 27, 2021 and was complete.

An examination of the tax sale certificates revealed all certificates were on file and available for audit.

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

<u>YEAR</u>	<u>NUMBER OF LIENS</u>
2021	16
2020	19
2019	22

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

RECOMMENDATIONS

None

