

**TOWNSHIP OF UPPER PITTSBURGH**

**SALEM COUNTY**

**NEW JERSEY**

**AUDIT REPORT**

**FOR THE YEAR ENDED  
DECEMBER 31, 2024**



**TOWNSHIP OF UPPER PITTSBURGH  
TABLE OF CONTENTS**

	<b>Exhibit</b>	<b>Page</b>
<b>PART 1</b>		
Independent Auditor's Report		1-3
<b>CURRENT FUND</b>		
Comparative Balance Sheet - Regulatory Basis	A	4-5
Comparative Statement of Operations and Change in Fund Balance - Regulatory Basis	A-1	6-7
Statement of Revenues - Regulatory Basis	A-2	8-10
Statement of Expenditures - Regulatory Basis	A-3	11-15
<b>TRUST FUND</b>		
Comparative Balance Sheet - Regulatory Basis	B	16
<b>CAPITAL FUND</b>		
Comparative Balance Sheet - Regulatory Basis	C	17
<b>GENERAL FIXED ASSETS ACCOUNT GROUP</b>		
Statement of General Fixed Assets - Regulatory Basis	D	18
<b>NOTES TO FINANCIAL STATEMENTS</b>		19-38
<b>SUPPLEMENTARY INFORMATION</b>		
Independent Auditor's Report - Government Auditing Standards		39-40
Schedule of Findings and Questioned Costs		
Part 1 - Summary of Auditor's Results		41-42
Part 2 - Schedule of Financial Statement Findings		42
Part 3 - Schedule of Federal Awards and State Award - Findings and Questioned Costs		42
Summary Schedule of Prior Audit Findings		42
<b>CURRENT FUND</b>		
Schedule of Cash - Treasurer	A-4	43
Schedule of Taxes Receivable and Analysis of Property Tax Levy	A-5	44
Schedule of Tax Title and Other Liens	A-6	45
Schedule of Due State of New Jersey - Senior Citizen & Veterans Deductions	A-7	45
Schedule of Revenue Accounts Receivable	A-8	46
Schedule of Appropriation Reserves - Prior Year	A-9	47-49
Schedule of Local District School Tax	A-10	50

Schedule of Federal and State Grants Receivable	A-11	51
Schedule of Appropriation Reserves for Federal and State Grants	A-12	52
Schedule of Federal and State Grants - Unappropriated Reserves	A-13	53

#### **TRUST FUNDS**

Schedule of Cash - Treasurer	B-1	54
Schedule of Reserve for Animal Control Fund Expenditures	B-2	55
Schedule of Miscellaneous Trust Fund Reserves	B-3	56

#### **CAPITAL FUNDS**

Schedule of Cash - Treasurer	C-1	57
Analysis of Cash	C-2	58
Schedule of Capital Improvement Fund	C-3	59
Statement of Improvement Authorizations	C-4	60

#### **PART II**

General Comments	61-63
Recommendations	63-64

**TOWNSHIP OF UPPER PITTSBURGH**

**PART I**

**REPORT ON AUDIT OF FINANCIAL STATEMENTS**

**AND SUPPLEMENTARY DATA**

**YEAR ENDED DECEMBER 31, 2024**

{THIS PAGE IS INTENTIONALLY LEFT BLANK}



# FORD - SCOTT

& ASSOCIATES, L.L.C.

CERTIFIED PUBLIC ACCOUNTANTS

1535 HAVEN AVENUE • OCEAN CITY, NJ • 08226

PHONE 609.399.6333 • FAX 609.399.3710

www.ford-scott.com

## **INDEPENDENT AUDITOR'S REPORT**

To the Honorable Mayor and  
Members of Township Committee  
Township of Upper Pittsgrove  
County of Salem, New Jersey

### **Report on the Financial Statements**

#### ***Opinions***

We have audited the accompanying balance sheets - regulatory basis of the various funds and account group of the Township of Upper Pittsgrove, as of December 31, 2024 and 2023, the related statement 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 funds for the year ended December 31, 2024 and the related notes to the financial statements, which collectively comprise the Township's basic 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 "Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles" paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of each fund of the Township of Upper Pittsgrove as of December 31, 2024, and 2023 or changes in financial position for the years then ended.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the regulatory basis balances sheets and account group as of December 31, 2024 and 2023, the regulatory basis statements of operations for the years then ended and the regulatory basis statements of revenues and expenditures for the year ended December 31, 2024 in accordance with the basis of financial reporting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note 1.

#### ***Basis for Opinions***

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

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

As described in Note 1 of the financial statements, the financial statements are prepared by the Township of Upper Pittsgrove on the basis of the financial reporting provisions prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of 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 these financial statements in accordance with the basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error.

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

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

Our objectives are to obtain reasonable assurance about whether the financial statements, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our 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 of Local Government Services 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 an error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

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

- exercise professional judgement 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 the internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Township of Upper Pittsgrove'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 judgement there are conditions or events considered in the aggregate, that raise substantial doubt about the Township of Upper Pittsgrove's ability to continue as a going concern for a reasonable period of time.

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

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Township of Upper Pittsgrove's basic financial statements. The supplementary information listed in the table of contents and the letter of comments and recommendations section 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 listed in the table of contents is fairly stated, in all material respects, in relation to the regulatory basis financial statements as a whole.

The letter of comments and recommendations section has not been subject to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated March 21, 2025, on our consideration of the Township of Upper Pittsgrove's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Township of Upper Pittsgrove's internal control over financial reporting and compliance.

***Ford, Scott & Associates, L.L.C.***  
**FORD, SCOTT & ASSOCIATES, L.L.C.**  
**CERTIFIED PUBLIC ACCOUNTANTS**

***Michael S. Garcia***  
**Michael S. Garica**  
**Certified Public Accountant**  
**Registered Municipal Accountant**  
**No. 472**

**March 21, 2025**

{THIS PAGE IS INTENTIONALLY LEFT BLANK}

**EXHIBIT A - CURRENT FUND**

{THIS PAGE IS INTENTIONALLY LEFT BLANK}

**CURRENT FUND  
COMPARATIVE BALANCE SHEET - REGULATORY BASIS  
AS OF DECEMBER 31,**

	<u>2024</u>	<u>2023</u>
<u>ASSETS</u>		
Regular Fund:		
Cash Treasurer	\$ 4,162,208.96	3,705,121.93
Change Fund	50.00	50.00
Total Cash	<u>4,162,258.96</u>	<u>3,705,171.93</u>
 Due from State of New Jersey - Senior Citizens & Veterans Deductions	 <u>1,169.72</u>	 <u>1,919.72</u>
 Receivables and Other Assets with Full Reserves:		
Delinquent Property Taxes Receivable	341,520.21	293,418.03
Tax Title and Other Liens	309,648.70	287,530.06
Revenue Accounts Receivable	703.49	
Interfund Receivable:		
Trust Other	2,881.77	1,539.38
General Capital Fund	172.22	236.66
Total Receivables and Other Assets	<u>654,926.39</u>	<u>582,724.13</u>
 Deferred Charges:		
Special Emergency 40A:4-55	-	31,170.00
Total Deferred Charges	<u>-</u>	<u>31,170.00</u>
Total Regular Fund	<u>4,818,355.07</u>	<u>4,320,985.78</u>
 Federal and State Grant Fund:		
Cash	216,661.86	82,160.72
Due from Current Fund	234,880.27	80,252.88
Federal and State Grants Receivable	50,448.22	74,919.79
Total Federal and State Grant Fund	<u>501,990.35</u>	<u>237,333.39</u>
 Total Current Fund	 \$ <u><u>5,320,345.42</u></u>	 <u><u>4,558,319.17</u></u>

**CURRENT FUND  
COMPARATIVE BALANCE SHEET - REGULATORY BASIS  
AS OF DECEMBER 31,**

	<u>2024</u>	<u>2023</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>		
Regular Fund:		
Liabilities:		
Appropriation Reserves	\$ 274,455.68	275,995.64
Reserve for Encumbrances	38,286.42	32,003.33
Prepaid Taxes	315,335.46	259,812.00
Tax Overpayments	22,994.59	13,915.15
Local School Tax Payable	1,567,553.00	1,479,416.00
Due County for Added/Omitted Taxes	36,652.43	
Payroll Taxes Payable	3,440.13	1,627.52
Reserve for Master Plan	234.65	234.65
Reserve for Revaluation	4,226.00	4,226.00
Reserve for Municipal Relief Fund		69,593.30
Interfund Payable:		
Due Federal & State Grant Fund	234,880.27	80,252.88
Animal Control	7.15	4.09
	<u>2,498,065.78</u>	<u>2,217,080.56</u>
Reserve for Receivables and Other Assets	654,926.39	582,724.13
Fund Balance	<u>1,665,362.90</u>	<u>1,521,181.09</u>
Total Regular Fund	<u>4,818,355.07</u>	<u>4,320,985.78</u>
Federal and State Grant Fund:		
Unappropriated Reserves	209,246.32	3,200.00
Appropriated Reserves	<u>292,744.03</u>	<u>234,133.39</u>
Total Federal and State Grant Fund	<u>501,990.35</u>	<u>237,333.39</u>
Total Current Fund	<u>\$ 5,320,345.42</u>	<u>4,558,319.17</u>

**CURRENT FUND  
COMPARATIVE STATEMENT OF OPERATIONS AND CHANGES  
IN FUND BALANCE - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31,**

	<u>2024</u>	<u>2023</u>
Revenue and Other Income Realized		
Fund Balance	\$ 261,350.20	308,107.71
Miscellaneous Revenue Anticipated	721,693.64	615,231.54
Receipts from Delinquent Taxes	297,197.14	269,023.04
Receipts from Current Taxes	10,217,483.04	9,886,016.85
Non Budget Revenue	122,661.00	64,813.77
Other Credits to Income:		
Unexpended Balance of Appropriation Res.	265,723.00	235,484.82
Interfund Returned	346.09	3,423.20
Total Income	<u>11,886,454.11</u>	<u>11,382,100.93</u>
Expenditures		
Budget and Emergency Appropriations:		
Appropriations Within "CAPS"		
Operations:		
Salaries and Wages	464,363.00	449,738.08
Other Expenses	761,173.40	736,715.92
Deferred Charges & Statutory Expenditures	64,605.00	74,152.00
Appropriations Excluded from "CAPS"		
Operations:		
Other Expenses	150,131.69	113,182.41
Capital Improvements	200,000.00	200,000.00
Deferred Charges	31,170.00	31,170.00
Local District School Tax	5,017,553.00	4,929,416.00
Farmland Preservation	34,134.00	68,188.00
County Tax	4,718,445.48	4,447,154.02
County Share of Added Tax	36,652.43	17,982.27
Interfund Created	627.66	6,306.15
Prior Year Deduction Disallowed	2,066.44	2,292.46
Total Expenditures	<u>11,480,922.10</u>	<u>11,076,297.31</u>
Excess in Revenue	<u>405,532.01</u>	<u>305,803.62</u>

**CURRENT FUND  
COMPARATIVE STATEMENT OF OPERATIONS AND CHANGES  
IN FUND BALANCE - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31,**

	<u>2024</u>	<u>2023</u>
Adjustments to Income before Fund Balance:		
Expenditures included above which are by		
Statute Deferred Charges to Budgets of		
Succeeding Year		
None	-	-
Total Adjustments	<u>-</u>	<u>-</u>
Statutory Excess to Fund Balance	<u>405,532.01</u>	<u>305,803.62</u>
Fund Balance January 1	<u>1,521,181.09</u>	<u>1,523,485.18</u>
	1,926,713.10	1,829,288.80
Decreased by:		
Utilization as Anticipated Revenue	<u>261,350.20</u>	<u>308,107.71</u>
Fund Balance December 31	\$ <u><u>1,665,362.90</u></u>	<u><u>1,521,181.09</u></u>



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

	Anticipated		
	Budget	N.J.S. 40A:4-87	Excess or (Deficit)
Fund Balance Anticipated	\$ 261,350.20		261,350.20
Total Fund Balance Anticipated	261,350.20	-	-
Miscellaneous Revenues:			
Section A: Local Revenues			
Fees and Permits	20,000.00		20,443.00
Fines and Costs:			
Municipal Court	13,000.00		11,211.15
Interest and Costs on Taxes	62,000.00		66,262.59
Total Section A: Local Revenues	95,000.00	-	97,916.74
Section B: State Aid Without Offsetting Appropriations			
Energy Receipts Tax	450,077.00		450,077.22
Reserve for Municipal Relief Fund	69,593.30		69,593.30
Total Section B: State Aid Without Offsetting Appropriations	519,670.30	-	519,670.52
Section F: Special Items - Public and Private Programs			
Off-Set with Appropriations			
Municipal Alliance on Alcoholism and Drug Abuse	2,148.66		2,148.66
Recycling Tonnage			
Clean Communities		19,275.36	19,275.36
NJDEP Stormwater Assistance Grant	50,000.00		50,000.00
Lead Program	3,200.00		3,200.00
ACE Sustainable New Jersey Grant	5,000.00		5,000.00
Total Section F: Special Items - Public and Private Programs Off-Set with Appropriations	60,348.66	19,275.36	79,624.02
			-

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

	Anticipated		Realized	Excess or (Deficit)
	Budget	N.J.S. 40A:4-87		
Section G: Other Special Items				
Uniform Fire Safety Act	10,362.40		16,603.65	6,241.25
Cable Franchise Fee	7,878.71		7,878.71	
Total Section G: Other Special Items	18,241.11	-	24,482.36	6,241.25
Total Miscellaneous Revenues:	693,260.07	19,275.36	721,693.64	9,158.21
Receipts from Delinquent Taxes	280,000.00		297,197.14	17,197.14
Amount to be Raised by Taxes for Support of Municipal Budget	741,503.00		734,543.67	(6,959.33)
Local Tax for Municipal Purposes				
Total Amount to be Raised by Taxes for Support of Municipal Budget	741,503.00	-	734,543.67	(6,959.33)
Budget Totals	1,976,113.27	19,275.36	2,014,784.65	19,396.02
Non- Budget Revenues:				
Other Non- Budget Revenues:			122,661.00	122,661.00
\$	1,976,113.27	19,275.36	2,137,445.65	142,057.02

THE ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS ARE AN  
INTEGRAL PART OF THIS STATEMENT

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

Analysis of Realized Revenues

Allocation of Current Tax Collections:

Revenue from Collections	\$	10,217,483.04
--------------------------	----	---------------

Allocated to:

School, County and Other Taxes	9,806,784.91
--------------------------------	--------------

Balance for Support of Municipal Budget Appropriations	410,698.13
--	------------

Increased by:

Appropriation "Reserved for Uncollected Taxes"	323,845.54
--	------------

Amount for Support of Municipal Budget Appropriations	734,543.67
---	------------

Receipts from Delinquent Taxes:

Delinquent Tax Collection	293,852.79
Tax Title Lien Collections	3,344.35

Total Receipts from Delinquent Taxes	297,197.14
--------------------------------------	------------

Analysis of Non-Budget Revenue:

Other Miscellaneous:

Interest Earned on Investments	58,100.45
Copies, Certificate of Occupancy & 200 ft List	2,142.15
Zoning & Planning	1,631.00
Recycling and White Goods	9,169.20
Elmer Borough Shared Service	20,831.80
Tax Collector Miscellaneous	5,200.00
SREC's	7,793.00
Sale of Assets	1,625.00
Senior Citizen & Veteran's Administrative Fees	533.67
Reimbursements	10,085.93
Safety Awards	5,548.80

	122,661.00
--	------------

Total Miscellaneous Revenue Not Anticipated:	\$	122,661.00
--	----	------------

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

	Appropriations		Paid or Charged	Expended		(Over expended) Unexpended Balance Cancelled
	Budget	Budget After Modifications		Encumbered	Reserved	
OPERATIONS WITHIN "CAPS"						
GENERAL GOVERNMENT:						
General Administration						
Salaries and Wages	\$ 15,250.00	15,250.00	15,022.25		227.75	
Other Expenses	7,500.00	7,500.00	6,287.31		1,212.69	
Mayor and Township Committee						
Salaries and Wages	23,268.00	23,268.00	23,268.00		1,440.00	
Other Expenses	1,800.00	1,800.00	360.00			
Municipal Clerk						
Salaries and Wages	46,000.00	46,000.00	45,002.62		997.38	
Other Expenses	1,500.00	1,500.00	405.25		1,094.75	
Improvement Search Officer						
Salaries and Wages	50.00	50.00			50.00	
Financial Administration						
Salaries and Wages	32,000.00	32,000.00	30,511.32		1,488.68	
Other Expenses	23,000.00	23,000.00	9,365.34		13,634.66	
Audit Services						
Other Expenses	30,000.00	30,000.00	29,500.00		500.00	
Assessment of Taxes						
Salaries and Wages	25,000.00	25,000.00	24,384.00		616.00	
Other Expenses	8,000.00	8,000.00	6,773.39		1,226.61	
Revenue Administration (Tax Collection)						
Salaries and Wages	43,000.00	43,000.00	41,913.10		1,086.90	
Other Expenses	8,000.00	8,000.00	7,708.69		291.31	
Tax Search Officer						
Salaries and Wages	50.00	50.00			50.00	
Liquidation of Tax Liens and Foreclosed Property						
Other Expenses	5,000.00	5,000.00			5,000.00	
Legal Services						
Other Expenses			1,862.25		21,137.75	
Engineering & Planning Services						
Other Expenses	23,000.00	23,000.00	11,661.91		28,338.09	
Other Expenses	40,000.00	40,000.00				
LAND USE ADMINISTRATION						
Municipal Land Use Law (N.J.S.A. 40:55D-1)						
Land Use Board						
Salaries and Wages	8,625.00	8,625.00	8,529.30		95.70	
Other Expenses	6,000.00	6,000.00	946.94		5,053.06	
Zoning Administration and Housing Officer						
Salaries and Wages	9,800.00	9,800.00	9,774.96		25.04	
Other Expenses	1,300.00	1,300.00	805.36		494.64	
INSURANCE						
General Liability	45,896.00	45,896.00	43,767.00		2,129.00	

THE ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS ARE AN  
 INTEGRAL PART OF THIS STATEMENT

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

	Appropriations		Expended			(Over expended) Unexpended Balance Cancelled
	Budget	Budget After Modifications	Paid or Charged	Encumbered	Reserved	
Other Insurance Premium	4,097.00	4,097.00	4,096.80		0.20	
Workers Compensation	21,390.00	21,390.00	21,390.00			
Employee Group Health	37,850.00	37,850.00	30,914.26		6,935.74	
Health Insurance Waiver	4,500.00	4,500.00	4,500.00			
<b>PUBLIC SAFETY</b>						
Aid to Volunteer Fire Company	80,000.00	80,000.00	80,000.00			
First Aid Organization - Contribution	48,728.00	48,728.00	48,728.00			
Emergency Management Services						
Salaries and Wages	8,600.00	8,600.00	8,459.96		140.04	
Other Expenses	1,000.00	1,000.00			1,000.00	
Uniform Fire Safety Act						
Salaries and Wages	6,540.00	6,540.00	6,537.96		2.04	
Other Expenses	10,362.40	10,362.40	2,219.82		8,142.58	
<b>PUBLIC WORKS FUNCTION</b>						
Road Repairs and Maintenance						
Salaries and Wages	176,000.00	176,000.00	143,235.00		32,765.00	
Other Expenses	70,000.00	70,000.00	33,839.58	9,295.00	26,865.42	
Solid Waste Collection (Disposal)						
Salaries and Wages	59,000.00	59,000.00	54,243.09		4,756.91	
Other Expenses						
Contractual	60,000.00	60,000.00	45,230.00	4,100.00	10,670.00	
Miscellaneous Other Expenses	27,000.00	27,000.00	12,841.26	11,964.00	2,194.74	
Public Buildings and Grounds						
Salaries and Wages	5,000.00	5,000.00	4,939.41		60.59	
Other Expenses	32,000.00	32,000.00	15,282.80	1,127.42	15,589.78	
Vehicle Maintenance						
Other Expenses	14,000.00	14,000.00	8,662.55	1,800.00	3,537.45	
<b>HEALTH AND HUMAN SERVICES</b>						
Board of Health						
Other Expenses	200.00	200.00			200.00	
Registrar of Vital Statistics						
Other Expenses	500.00	500.00	225.00		275.00	
Hepatitis Program						
Other Expenses	50.00	50.00			50.00	
Dog Regulation						
Salaries and Wages	6,180.00	6,180.00	6,176.00		4.00	
Other Expenses	6,000.00	6,000.00	3,766.97		2,233.03	
<b>PARKS AND RECREATION FUNCTIONS</b>						
Recreation Services and Program						
Other Expenses	3,000.00	3,000.00	180.00		2,820.00	
Maintenance of Parks						
Other Expenses	1,500.00	1,500.00	360.00		1,140.00	

THE ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS ARE AN  
INTEGRAL PART OF THIS STATEMENT

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

	Appropriations		Expended		(Over expended) Unexpended Balance Cancelled
	Budget	Budget After Modifications	Paid or Charged	Encumbered	Reserved
UTILITY EXPENSES AND BULK PURCHASES					
Electricity	6,000.00	6,000.00	2,931.01		3,068.99
Street Lighting	6,000.00	6,000.00	4,568.97		1,431.03
Telephone	3,000.00	3,000.00	1,719.60		1,280.40
Natural Gas	5,500.00	5,500.00	4,217.06		1,282.94
Telecommunication Cost	5,000.00	5,000.00	3,136.53		1,863.47
Gasoline	20,000.00	20,000.00	4,362.16	3,000.00	12,637.84
LANDFILL/SOLID WASTE DISPOSAL COST					
Salem County Utilities Authority Tipping Fees	77,000.00	77,000.00	55,072.34	7,000.00	14,927.66
Sanitary Landfill	14,500.00	14,500.00	6,952.13		7,547.87
Other Expenses					
<b>TOTAL OPERATIONS WITHIN "CAPS"</b>	<u>1,224,536.40</u>	<u>1,224,536.40</u>	<u>936,637.25</u>	<u>38,286.42</u>	<u>249,612.73</u>
Contingent	1,000.00	1,000.00	-	-	1,000.00
<b>TOTAL OPERATIONS INCLUDING CONTINGENT WITHIN "CAPS"</b>	<u>1,225,536.40</u>	<u>1,225,536.40</u>	<u>936,637.25</u>	<u>38,286.42</u>	<u>250,612.73</u>
Detail:					
Salaries and Wages	464,363.00	464,363.00	421,996.97	-	42,366.03
Other Expenses	761,173.40	761,173.40	514,640.28	38,286.42	208,246.70
DEFERRED CHARGES AND STATUTORY EXPENDITURES:					
Deferred Charges:					
None					
Statutory Expenditures:					
Contributions to:					
Public Employees' Retirement System	26,005.00	26,005.00	26,005.00		1,372.59
Social Security System (O.A.S.I.)	34,000.00	34,000.00	32,627.41		387.47
Unemployment Compensation Insurance	2,100.00	2,100.00	1,712.53		2,214.59
New Jersey Disability Insurance	2,500.00	2,500.00	285.41		
<b>TOTAL DEFERRED CHARGES AND STATUTORY EXPENDITURES:</b>	<u>64,605.00</u>	<u>64,605.00</u>	<u>60,630.35</u>	<u>-</u>	<u>3,974.65</u>
<b>TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES WITHIN "CAPS"</b>	<u>1,290,141.40</u>	<u>1,290,141.40</u>	<u>997,267.60</u>	<u>38,286.42</u>	<u>254,587.38</u>
					-

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

	Appropriations		Expended		(Over expended) Unexpended Balance Cancelled
	Budget	Budget After Modifications	Paid or Charged	Encumbered Reserved	
OPERATIONS - EXCLUDED FROM "CAPS"					
(A) Operations - Excluded from "CAPS"					
Solid Waste Collection (Disposal)					
Other Expenses					
Miscellaneous Other Expenses					
General Liability	102.00	102.00	102.00		
Other Insurance Premium	96.00	96.00	96.00		
Workers Compensation	6,930.00	6,930.00	6,930.00		
Employee Group Health	1,231.00	1,231.00	1,231.00		
	8,359.00	8,359.00	8,359.00	-	
Interlocal Municipal Service Agreements					
Pittsgrove Township - Municipal Court					
Other Expenses	56,000.00	56,000.00	41,518.20	14,481.80	
Pittsgrove Township - Construction Code Official					
Other Expenses	4,000.00	4,000.00	225.00	3,775.00	
	60,000.00	60,000.00	41,743.20	-	-
(A) Public and Private Programs Off-Set by					
Revenues					
Matching Funds for Grants	1,611.50	1,611.50		1,611.50	
Municipal Alliance-Alcoholism and Drug Abuse					
County Share	2,148.66	2,148.66	2,148.66		-
Local Share	537.17	537.17	537.17		-
Clean Communities Program					
NJDEP Stormwater Assistance Grant	50,000.00	19,275.36	19,275.36		-
Lead Program	3,200.00	50,000.00	50,000.00		-
ACE Sustainable New Jersey Grant	3,200.00	3,200.00	3,200.00		-
ACE Sustainable New Jersey Grant	5,000.00	5,000.00	5,000.00		-
Total Public and Private Programs Off-Set by					
Revenues	62,497.33	81,772.69	80,161.19	-	-
				1,611.50	
Total Operations - Excluded from "CAPS"	130,856.33	150,131.69	130,263.39	-	-
Detail:					
Salaries and Wages					
Other Expenses	130,856.33	150,131.69	130,263.39	-	-
(C) Capital Improvements					
Capital Improvement Fund					
Capital Improvements	200,000.00	200,000.00	200,000.00	-	-
Total Capital Improvements	200,000.00	200,000.00	200,000.00	-	-

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

	Appropriations		Expended		(Over expended) Unexpended Balance Cancelled
	Budget	Budget After Modifications	Paid or Charged	Encumbered	
(D) Debt Service					
Interest on Notes	100.00	100.00			100.00
Total Debt Service	<u>100.00</u>	<u>100.00</u>	<u>-</u>	<u>-</u>	<u>100.00</u>
(E) Deferred Charges					
Special Emergency Authorization	31,170.00	31,170.00	31,170.00	-	-
Total Deferred Charges	<u>31,170.00</u>	<u>31,170.00</u>	<u>31,170.00</u>	<u>-</u>	<u>-</u>
TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES EXCLUDED FROM "CAPS"	<u>362,126.33</u>	<u>381,401.69</u>	<u>361,433.39</u>	<u>-</u>	<u>100.00</u>
SUBTOTAL GENERAL APPROPRIATIONS	<u>1,652,267.73</u>	<u>1,671,543.09</u>	<u>1,358,700.99</u>	<u>38,286.42</u>	<u>100.00</u>
(M) Reserve for Uncollected Taxes	<u>323,845.54</u>	<u>323,845.54</u>	<u>323,845.54</u>	<u>-</u>	<u>-</u>
TOTAL GENERAL APPROPRIATIONS	<u>\$ 1,976,113.27</u>	<u>1,995,388.63</u>	<u>1,682,546.53</u>	<u>38,286.42</u>	<u>100.00</u>
Budget		1,976,113.27		Cancelled	100.00
Appropriations by 40A:4-87		19,275.36		Overexpended	-
Emergency Appropriations		<u>-</u>			<u>100.00</u>
		<u>1,995,388.63</u>			
Reserve for Uncollected Taxes		323,845.54			
Federal and State Grants		80,161.19			
Deferred Charges		31,170.00			
Disbursements		1,247,369.80			
		<u>1,682,546.53</u>			

THE ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS ARE AN  
INTEGRAL PART OF THIS STATEMENT



## **EXHIBIT B - TRUST FUNDS**

{THIS PAGE IS INTENTIONALLY LEFT BLANK}

**TRUST FUND**  
**COMPARATIVE BALANCE SHEET - REGULATORY BASIS**  
**FOR THE YEAR ENDED DECEMBER 31,**

	<u>2024</u>	<u>2023</u>
<b><u>ASSETS</u></b>		
Animal Control Fund:		
Cash - Treasurer	\$ 1,235.26	152.52
Due from Current Fund	7.15	4.09
	<u>1,242.41</u>	<u>156.61</u>
Other Funds		
Cash - Treasurer	827,527.46	857,176.51
Cash - Tax Collector	865.35	109,921.51
Escrow Receivables	255.34	240.75
Due from General Capital Fund	0.07	0.07
	<u>828,648.22</u>	<u>967,338.84</u>
	<u>829,890.63</u>	<u>967,495.45</u>
<b><u>LIABILITIES, RESERVES AND FUND BALANCE</u></b>		
Animal Control Fund		
Reserve for:		
Animal Control Trust Fund	1,242.41	132.61
Due to State of New Jersey		24.00
Due to Current Fund		
	<u>1,242.41</u>	<u>156.61</u>
Other Funds		
Due to Current Fund	\$ 2,881.77	1,540.24
Reserves for Miscellaneous Trusts	825,766.45	965,798.60
	<u>828,648.22</u>	<u>967,338.84</u>
	<u>\$ 829,890.63</u>	<u>967,495.45</u>

THE ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS ARE AN  
INTEGRAL PART OF THIS STATEMENT

{THIS PAGE IS INTENTIONALLY LEFT BLANK}

**EXHIBIT C - GENERAL CAPITAL FUND**

{THIS PAGE IS INTENTIONALLY LEFT BLANK}

**GENERAL CAPITAL FUND  
COMPARATIVE BALANCE SHEET - REGULATORY BASIS  
AS OF DECEMBER 31,**

	<u>2024</u>	<u>2023</u>
<u>ASSETS</u>		
Cash	\$ 837,734.98	992,480.07
Due Current Fund		
Federal and State Grants Receivable	<u>-</u>	<u>270,000.00</u>
	<u>837,734.98</u>	<u>1,262,480.07</u>
 <u>LIABILITIES, RESERVES AND FUND BALANCE</u>		
Due Farmland Preservation Trust	0.07	0.07
Due Current Fund	172.22	236.66
Improvement Authorizations:		
Funded	212,229.60	489,910.25
Capital Improvement Fund	625,333.09	772,333.09
	<u>\$ 837,734.98</u>	<u>1,262,480.07</u>

There were bonds and notes authorized but not issued at December 31,

2023	-
2024	-

{THIS PAGE IS INTENTIONALLY LEFT BLANK}



**EXHIBIT D - GENERAL FIXED ASSETS**

{THIS PAGE IS INTENTIONALLY LEFT BLANK}

**GENERAL FIXED ASSETS ACCOUNT GROUP**  
**STATEMENT OF GENERAL FIXED ASSETS - REGULATORY BASIS**  
**AS OF DECEMBER 31,**

	<u>2024</u>	<u>2023</u>
General Fixed Assets:		
Land	\$ 767,901.00	767,901.00
Buildings	798,622.74	780,017.75
Machinery and Equipment	351,186.42	403,049.55
Vehicles	<u>1,594,471.65</u>	<u>1,594,471.65</u>
Total General Fixed Assets	<u><u>3,512,181.81</u></u>	<u><u>3,545,439.95</u></u>
Investment in General Fixed Assets	\$ <u><u>3,512,181.81</u></u>	<u><u>3,545,439.95</u></u>

THE ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS ARE AN  
INTEGRAL PART OF THIS STATEMENT

{THIS PAGE IS INTENTIONALLY LEFT BLANK}

## **NOTES TO FINANCIAL STATEMENTS**

{THIS PAGE IS INTENTIONALLY LEFT BLANK}

**TOWNSHIP OF UPPER PITTSBORO  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2024 AND 2023**

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Reporting Entity**

Except as noted below, the financial statements of the Township of Upper Pittsgrove include every board, body, office or commission supported and maintained wholly or in part by funds appropriated by the Township of Upper Pittsgrove, as required by N.J.S. 40A:5-5.

Component units are legally separate organizations for which the Township is financially accountable. The Township is financially accountable for an organization if the Township appoints a voting majority of the organization's governing board and (1) the Township is able to significantly influence the programs or services performed or provided by the organization; or (2) the Township is legally entitled to or can otherwise access the organization's resources; the Township is legally obligated or has otherwise assumed the responsibility to finance the deficits of or provide financial support to the organization; or the Township is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the Township in that the Township approves the budget, the issuance of debt or the levying of taxes. The Township of Upper Pittsgrove has no component units.

**B. Description of Funds**

The accounting policies of the Township of Upper Pittsgrove conform to the accounting principles applicable to municipalities which have been prescribed by the Division of Local Government Services, Department of Community Affairs, and 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 Township of Upper Pittsgrove accounts for its financial transactions through the following separate funds:

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

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

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

General Fixed Assets Account Group -- All fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the general fixed assets account group, rather than in governmental funds.

**C. Basis of Accounting**

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

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

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

**TOWNSHIP OF UPPER PITTSBORO  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2024 AND 2023**

Expenditures -- are recorded on the "budgetary" basis of accounting. Generally, expenditures are recorded when an amount is encumbered for goods or services through the issuance 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. Appropriation reserves covering unencumbered 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 bonds and notes are provided on the cash basis; interest on general capital indebtedness is on the cash basis. Compensated absences are treated on a pay as you go basis with no amount charged to operations in the year incurred.

Foreclosed Property -- Foreclosed property is recorded in the Current Fund at the assessed valuation when such property was acquired and is fully reserved.

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.

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.

General Fixed Assets -- The Township has developed a fixed assets accounting and reporting system, as promulgated by the Division of Local Government Services, which differs in certain respects from accounting principles generally accepted in the United States of America.

As required by New Jersey Statutes, foreclosed property is reported in the current operating fund of the municipality.

Fixed assets used in governmental operations (general fixed assets) are accounted for in the General Fixed Assets Account Group. 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.

All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available except for land which is valued at estimated market value on the date of acquisition. Expenditures for long lived assets with an original cost in excess of \$500 are capitalized.

No depreciation has been provided 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.

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

Levy of Taxes -- The County Board of Taxation certifies the tax levy of the municipality each year. The tax levy is based on the assessed valuation of taxable property within the municipality. Taxes are payable on the first day of February, May, August, and November. Any taxes that have not been paid by the 11th day of the 11th month in the fiscal year levied are subject to being included in the tax sale and the lien enforced by selling the property in accordance with NJSA 54:5 et. seq.

The municipality is responsible for remitting 100% of the school and county taxes to the respective agency. The loss for delinquent or uncollectible accounts is borne by the municipality and not the school district or county.



**TOWNSHIP OF UPPER PITTSBURGH  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2024 AND 2023**

Interest on Delinquent Taxes – It is the policy of the Township to collect interest for the nonpayment of taxes or assessments on or before the date when they would become delinquent. The Tax Collector is authorized to charge eight percent (8%) per annum on the first \$1,500.00 of taxes becoming delinquent after due date and eighteen percent (18%) per annum on any amount of taxes in excess of \$1,500 becoming delinquent after due date and if a delinquency is in excess of \$10,000.00 and remains in arrears beyond December 31<sup>st</sup>, an additional penalty of six percent (6%) shall be charged against the delinquency. There is a ten-day grace period.

Capitalization of Interest -- It is the policy of the Township to treat interest on projects as a current expense and interest is included in the current operating budget.

Compensated Absences – Compensated absences are those absences for which employees will be paid, such as vacation, sick leave, and sabbatical leave. New Jersey municipalities are permitted to accrue a compensated absences liability. The Township has begun to accumulate funds for accrued absences. See Note 13 for additional information on the Township's compensated absences policy.

Use of Estimates -- The preparation of financial statements in conformity with generally accepted accounting principles or the statutory basis of accounting requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

#### **D. Required Financial Statements**

The State of New Jersey requires the following financial statements to be presented for each fund on the regulatory basis of accounting: Balance Sheet, Statement of Operations and Changes in Fund Balance, Statement of Revenue and Statement of Expenditures. These statements differ from those presented under Generally Accepted Accounting Principles, which requires a Statement of Net Position and Statement of Activities in addition to the fund financial statements.

#### **E. Comparative Data**

Comparative total data for the prior year has been presented in the accompanying Balance Sheets and Statement of Operations in order to provide an understanding of changes in the Township's financial position. However, comparative (i.e., presentation of prior year totals by fund type) data have not been presented in the Statement of Revenues-Regulatory Basis and Statement of Expenditures-Regulatory Basis since their inclusion would make the statements unduly complex and difficult to read.

#### **F. Impact of Recently Issued Accounting Principles**

##### **Adopted Accounting Pronouncements**

The following GASB Statements became effective for the year ended December 31, 2024:

In April 2022, the Governmental Accounting Standards Board (GASB) issued Statement No.99, "Omnibus 2022". This statement, and the requirements related to leases, PPP's and SBITAs which is effective for fiscal years beginning after June 15, 2022, and all reporting periods, thereafter, may have an effect on the School District's financial statements. This statement, and the requirements related financial guarantees and the classification and reporting of derivative instruments which is effective for fiscal years beginning after June 15, 2023, and all reporting periods, thereafter. This standard did not have a significant effect on the Township's financial reporting for the year ended December 31, 2024.

In June 2022, the Governmental Accounting Standards Board (GASB) issued Statement No. 100, "Accounting Changes and Error Corrections – an amendment of GASB Statement No. 62". This statement, which is effective for fiscal years beginning after June 15, 2023, and all reporting periods, thereafter. This standard did not have a significant effect on the Township's financial reporting for the year ended December 31, 2024.

**TOWNSHIP OF UPPER PITTSBORO  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2024 AND 2023**

In June 2022, the Governmental Accounting Standards Board (GASB) issued Statement No. 101, "Compensated Absences". This statement, which is effective for fiscal years beginning after December 15, 2023, and all reporting periods, thereafter. This standard did not have a significant effect on the Township's financial reporting for the year ended December 31, 2024.

**G. Recent Accounting Pronouncements Not Yet Effective**

In December 2023, the Governmental Accounting Standards Board (GASB) issued Statement No. 102, "Certain Risk Disclosures". This statement, which is effective for fiscal years beginning after June 15, 2024, and all reporting periods, thereafter, will not have any significant effect on the Township's financial reporting.

In April 2024, the Governmental Accounting Standards Board (GASB) issued Statement No. 103, "Financial Reporting Model Improvements". This statement, which is effective for fiscal years beginning after June 15, 2025, and all reporting periods, thereafter, will not have any significant effect on the Township's financial reporting.

In September 2024, the Governmental Accounting Standards Board (GASB) issued Statement No. 104, "Disclosure of Certain Capital Assets". This statement, which is effective for fiscal years beginning after June 15, 2025, and all reporting periods, thereafter, will not have any significant effect on the Township's financial reporting.

**Note 2: BUDGETARY INFORMATION**

Under New Jersey State Statutes, the annual budget is required to be a balanced cash basis document. To accomplish this, the municipality is required to establish a reserve for uncollected taxes. The 2024 and 2023 statutory budgets included a reserve for uncollected taxes in the amount of \$323,845.54 and 302,803.40, respectively. To balance the budget, the municipality is required to show a budgeted fund balance. The amount of fund balance budgeted to balance the 2024 and 2023 statutory budgets was \$308,207.71 and \$261,350.20, respectively.

The Chief Financial Officer has the discretion of approving intra department budgetary transfers throughout the year. Inter department transfers are not permitted prior to November 1. After November 1 these transfers can be made in the form of a resolution and approved by the Township Committee. There were no significant budget transfers approved in the 2024 and 2023 calendar years:

NJSA 40A:4-87 permits special items of revenue and appropriations to be inserted into the annual budget when the item has been made available by any public or private funding source and the item was not determined at the time of budget adoption. During the 2024 and 2023 calendar years, Township Committee approved budget insertions in the amount of \$19,275.36 and \$41,970.80 respectively. See schedule A-2 for a detailed breakdown for 2024.

The municipality may make emergency appropriations, after the adoption of the budget, for a purpose which was not foreseen at the time the budget was adopted or for which adequate provision was not made therein. This type of appropriation shall be made to meet a pressing need for public expenditure to protect or promote public health, safety, morals or welfare or to provide temporary housing or public assistance prior to the next succeeding fiscal year. Emergency appropriations, except those classified as a special emergency, must be raised in the budget of the succeeding year. Special emergency appropriations are permitted to be raised in the budgets of the succeeding three or five years. During the 2024 and 2023 calendar years, no emergency appropriations or special emergencies were approved by the Township Committee.

In addition, NJSA 40A:4-60 permits the Governing Body to cancel, by resolution, any unexpended balances of appropriations prior to year-end. There were no significant cancellations approved in the 2024 and 2023 calendar years.

**TOWNSHIP OF UPPER PITTSBORO  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2024 AND 2023**

**Note 3: INVESTMENTS**

As of December 31, 2024, and 2023, the municipality had no investments.

**Interest Rate Risk.** The municipality does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. However, New Jersey Statutes 40A:5-15.1(a) limits the length of time for most investments to 397 days.

**Credit Risk.** New Jersey Statutes 40A:5-15.1(a) limits municipal investments to those specified in the Statutes. The type of allowable investments includes Bonds of the United States of America or of the local unit or school districts of which the local unit is a part of; obligations of federal agencies not exceeding 397 days; government money market mutual funds; the State of New Jersey Cash Management Plan; local government investment pools; or repurchase of fully collateralized securities.

**Concentration of Credit Risk.** The municipality places no limit on the amount the Township may invest in any one issuer.

**Note 4: CASH**

**Custodial Credit Risk – Deposits.** Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The municipality's policy is based on New Jersey Statutes requiring cash be deposited only in New Jersey based banking institutions that participate in the New Jersey Governmental Depository Protection Act (GUDPA) or in qualified investments established in New Jersey Statutes 40A:5-15.1(a) that are treated as cash equivalents. Under the act, all demand deposits are covered by the Federal Deposit Insurance Corporation (FDIC). Public funds owned by the municipality in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings, bail funds or funds that may pass to the municipality relative to the happening of a future condition. As of December 31, 2024, and 2023, \$584,011.88 and \$720,290.33 of the municipality's bank balance of \$6,081,493.12 and \$6,604,014.64 was exposed to custodial credit risk.

**NOTE 5: FIXED ASSETS**

The following schedule is a summarization of the changes in general fixed assets for the calendar year ended December 31, 2024 and 2023.

	Balance as of 12/31/2023	Adjustments/ Additions	Adjustments/ Deletions	Balance as of 12/31/2024
Land	\$ 767,901.00			767,901.00
Buildings and Improvements	780,017.75	23,045.99	4,441.00	798,622.74
Machinery & Equipment	403,049.55		51,863.13	351,186.42
Transportation Equipment	1,594,471.65			1,594,471.65
Total	<u>3,545,439.95</u>	<u>23,045.99</u>	<u>56,304.13</u>	<u>3,512,181.81</u>

**TOWNSHIP OF UPPER PITTSBURGH  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2024 AND 2023**

	Balance as of 12/31/2022	Adjustments/ Additions	Adjustments/ Deletions	Balance as of 12/31/2023
Land	\$ 767,901.00			767,901.00
Building and Improvements	509,432.37	274,749.38	4,164.00	780,017.75
Machinery & Equipment	465,118.46	14,450.00	76,518.91	403,049.55
Transportation Equipment	1,594,471.65			1,594,471.65
Furniture	34,703.00		34,703.00	-
Total	<u>3,371,626.48</u>	<u>289,199.38</u>	<u>115,385.91</u>	<u>3,545,439.95</u>

**Note 6: LONG TERM DEBT**

During the calendar year 2024 and 2023 there was no municipal debt incurred by the Township:

<u>Summary of Municipal Debt</u>	<u>Year 2024</u>	<u>Year 2023</u>	<u>Year 2022</u>
Bonds & Notes Issued:			
General	\$ -	-	-
Net Bonds & Notes Issued	-	-	-
Bonds & Notes Authorized But Not Issued:			
General	-	-	-
Net Bonds & Notes Authorized But Not Issued	-	-	-
Net Bonds & Notes Issued and Authorized But Not Issued	\$ -	-	-

Summary of Statutory Debt Condition - Annual Debt Statement

The summarized statement of debt conditions which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicates a statutory net debt of 0.00%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Local School Debt	\$ 3,085,000.00		3,085,000.00
General Debt	-	-	-
	<u>\$ 3,085,000.00</u>	<u>-</u>	<u>3,085,000.00</u>

Net Debt \$0.00 ÷ Equalized Valuation Basis per N.J.S.A. 40A:2-2 as amended, \$404,241,543.33 = 0.00%. The above information is in agreement with the Annual Debt Statement filed by the Township. An amended Debt Statement will be filed if needed by the Township.

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

3 1/2% of Equalized Valuation Basis (Municipal)	\$ 14,148,454.02
Net Debt	-
Remaining Borrowing Power	<u>\$ 14,148,454.02</u>

**TOWNSHIP OF UPPER PITTSBURGH  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2024 AND 2023**

**Note 7: FUND BALANCES APPROPRIATED**

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

	Balance December 31,	Budget of Succeeding Year	Fund Balance Utilized
Current Fund			
2024	\$ 1,665,362.90	\$ 310,831.82	18.66%
2023	1,521,181.09	261,350.20	17.18%
2022	1,523,485.18	308,107.71	20.22%

Municipalities are permitted to appropriate the full amount of fund balance, net of any amounts due from the State of NJ for Senior Citizens and Veterans deductions, deferred charges, and cash deficit. The total amount of cash surplus available to the Township to appropriate in the 2025 budget is \$1,664,200.33.

**Note 8: SCHOOL TAXES**

Local District and Regional High School Taxes have been raised and remitted, or established as payable, to the respective district in the following amounts:

	2024	2023
Local School District Tax Payable \$	1,567,553.00	1,479,416.00

Since the school districts operate on a July 1 to June 30 fiscal year the school tax levy is determined by taking 50% of the prior year and 50% of the current year requirements, plus the actual amount needed for debt service.

**Note 9: TAXES COLLECTED IN ADVANCE**

Taxes collected in advance are recorded as cash liabilities in the financial statements. The following is a comparison of the liability for the previous two years:

	Balance 12/31/2024	Balance 12/31/2023
Prepaid Taxes	\$ 315,335.46	259,812.00
Cash Liability for Taxes Collected in Advance	\$ 315,335.46	259,812.00

**Note 10: PENSION FUNDS**

Description of Plans

Substantially all of the Township's employees are covered by the Public Employees' Retirement System cost sharing multiple employer, defined benefit pension plan which has been established by State Statute and is administered by the New Jersey Division of Pension and Benefits (Division). According to the State of New Jersey Administrative Code, all obligations of the System will be assumed by the State of New Jersey should the system terminate. The Division issues a publicly available financial report that includes the financial statements and required supplementary information for the Public Employees Retirement System. This report may be obtained by writing to the division of Pensions and Benefits, PO Box 295, Trenton, New Jersey, 08625 or the report can be accessed on the internet at –

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

**TOWNSHIP OF UPPER PITTSBURGH  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2024 AND 2023**

**Public Employees' Retirement System**

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 Public Employees' Retirement System is a cost-sharing multiple-employer plan. Membership is mandatory for substantially all full-time employees of the State 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.

**Defined Contribution Retirement Program (DCRP)**

The Defined Contribution Retirement Program (DCRP) was established as of July 1, 2008, under the provisions of Chapter 92, P.L. 2008 and Chapter 103, P.L. 2008 (NJSA 43:15:c-1 et seq). The DCRP is a cost-sharing multiple-employer defined contribution pension fund. The DCRP provides eligible members, and their beneficiaries with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Vesting and benefit provisions are established by NJSA 43:15C-1 et seq.

**Funding Policy**

The contribution policy is set by N.J.S.A. 43:15A, Chapter 62, P.L. of 1994, Chapter 115, P.L. of 1997 and N.J.S.A. 18:66, and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by the State of New Jersey legislation. Effective July 1, 2018, PERS provided for employee contributions of 7.50% of the employees' annual compensation, as defined. Employers are required to contribute to an actuarially determined rate in PERS. The current PERS rate is 17.11% of the covered payroll. The Township's contributions to PERS for the years ended December 31, 2024, 2023, and 2022 were \$26,005, \$35,552, and \$45,826.

The total payroll for the years ended December 31, 2024, 2023, and 2022 was \$426,496.97, \$391,968.17, and \$375,117.57. Payroll covered by PERS was \$269,006, \$260,726, and \$208,598, respectively.

**Significant Legislation**

Chapter 78, P.L. 2011, effective June 28, 2011, made various changes to the manner in which the Public Employees' Retirement System (PERS) and the Police and Firemen's Retirement System (PFRS) operate and to the benefit provisions of those systems.

Chapter 78's provisions impacting employee pension and health benefits include:

- New members of the PERS hired on or after June 28, 2011 (Tier 5 members) will need 30 years of creditable service and age 65 for receipt of the early retirement benefit without a reduction of  $\frac{1}{4}$  of 1% for each month that the member is under age 65.
- The eligibility age to qualify for a service retirement in the PERS is increased from age 63 to 65 for Tier 5 members.
- The annual benefit under special retirement for new PFRS members enrolled after June 28, 2011 (Tier 3 members), will be 60% instead of 65% of the member's final compensation plus 1% for each year of creditable service over 25 years but not to exceed 30 years.
- Increases in active member contribution rates. PERS active member rates increase from 5.5% of annual compensation to 6.5% plus an additional 1% phased-in over 7 years; PFRS active member rate increase from 8.5% to 10%. For fiscal year 2012, the member contribution rates increased in October 2011. The phase-in of the additional incremental member contribution rates for PERS members will take place in July of each subsequent fiscal year.
- The payment of automatic cost-of-living adjustment (COLA) additional increases to current and future retirees and beneficiaries is suspended until reactivated as permitted by this law.

**TOWNSHIP OF UPPER PITTSBURGH  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2024 AND 2023**

- New employee contribution requirements towards the cost of employer-provided health benefit coverage. Employees are required to contribute a certain percentage of the cost of coverage. The rate of contribution is determined based on the employee's annual salary and the selected level of coverage. The increased employee contributions will be phased in over a 4-year period for those employed prior to Chapter 78's effective date with a minimum contribution required to be at least 1.5% of salary.
- In addition, this new legislation changes the method for amortizing the pension systems' unfunded accrued liability (from a level percent of pay method to a level dollar of pay).

Chapter 1, P.L. 2010, effective May 21, 2010, made a number of changes to the State-administered retirement systems concerning eligibility, the retirement allowance formula, the definition of compensation, the positions eligible for service credit, the non-forfeitable right to a pension, the prosecutor's part of the PERS, special retirement under the PFRS, and employer contributions to the retirement systems.

Also, Chapter 1, P.L. 2010 changed the membership eligibility criteria for new members of PERS from the amount of annual compensation to the number of hours worked weekly. Also, it returned the benefit multiplier for new members of PERS to 1/60<sup>th</sup> from 1/55<sup>th</sup>, and it provided that new members of PERS have the retirement allowance calculated using the average annual compensation for the last five years of service instead of the last three years of service. New members of PERS will no longer receive pension service credit from more than one employer. Pension service credit will be earned for the highest paid position only. For new members of the PFRS, the law capped the maximum compensation that can be used to calculate a pension from these plans at the annual wage contribution base for social security and requires the pension to be calculated using a three-year average annual compensation instead of last year's salary. This law also closed the Prosecutors Part of the PERS to new members and repealed the law for new members that provided a non-forfeitable right to receive a pension based on the laws of the retirement system in place at the time 5 years of pension service credit is attained. The law also requires the State to make its full pension contribution, defined a 1/7<sup>th</sup> of the required amount, beginning in fiscal years 2012.

Chapter 3, P.L. 2010, effective May 21, 2010, replaced accidental and ordinary disability retirement for new members of the PERS with disability insurance coverage similar to that provided by the State to individuals enrolled in the State's Defined Contribution Retirement Program.

Chapter 92, P.L. 2007 implemented certain recommendations contained in December 1, 2006, report of the Joint Legislative Committee on Public Employee Benefits Reform; established a DCRP for elected and certain appointed officials, effective July 1, 2007; the new pension loan interest rate became 4.69% per year, and an \$8.00 processing fee per loan was charged, effective January 1, 2008. The legislation also removed language from existing law that permits the State Treasurer to reduce employer pension contributions needed to fund the Funds and Systems when excess assets are available.

**NOTE 11: PENSION LIABILITIES**

In 2012, the Governmental Accounting Standards Board issued GASB statement 68. This statement is effective for fiscal years beginning after June 15, 2014. This statement changes the method of reporting the municipality's pension liabilities. However, due to the fact that the municipality reports on the regulatory basis of accounting, no financial statement impact will be recognized.

The following represents the municipality's pension liabilities as June 30, 2023:

**Public Employees' Retirement System**

The Municipality has a liability of \$281,825 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2022, that was rolled forward to June 30, 2023. The Municipality's proportion of the net pension liability was based on a projection of the Municipality's long-term share of contributions to the pension plan relative to the projected contributions of all

**TOWNSHIP OF UPPER PITTSBURGH  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2024 AND 2023**

participating employers, actuarially determined. At June 30, 2023, the Municipality's proportion would be 0.0019457142%, which would be a decrease of 30.98% from its proportion measured as of June 30, 2022.

For the year ended December 31, 2023, the Municipality would have recognized pension expense of \$(87,565). At December 31, 2023, the Municipality would report deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected & actual experience	\$ 2,695	(1,152)
Changes of assumptions	619	(17,080)
Changes in proportion		(283,483)
Net difference between projected and actual earnings on pension plan investments	1,298	
Total	<u>\$ 4,612</u>	<u>(301,715)</u>

Amounts that would be reported as deferred outflows of resources and deferred inflows of resources related to pensions would be recognized in pension expense as follows:

Year ended June 30,	
2024	\$ (535,761)
2025	(212,734)
2026	476,688
2027	(29,366)
2028	4,069
Total	<u>\$ (297,103)</u>

**Actuarial Assumptions**

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

Inflation rate	
Price	2.75%
Wage	3.25%
Salary increases:	2.75% – 6.55% (based on years of service)
Investment rate of return:	7.00%

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



**TOWNSHIP OF UPPER PITTSBURGH  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2024 AND 2023**

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 generational basis. Mortality improvement is based on Scale MP-2021.

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

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
US equity	28.00%	8.98%
Non-U.S. developed markets equity	12.75%	9.22%
International small cap equity	1.25%	9.22%
Emerging markets equity	5.50%	11.13%
Private equity	13.00%	12.50%
Real estate	8.00%	8.58%
Real assets	3.00%	8.40%
High yield	4.50%	6.97%
Private credit	8.00%	9.20%
Investment grade credit	7.00%	5.19%
Cash Equivalents	2.00%	3.31%
U.S. Treasuries	4.00%	3.31%
Risk mitigation strategies	3.00%	6.21%

**Discount Rate**

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

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

The following presents the Municipality's proportionate share of the net pension liability calculated using the discount rate of 7.00%, as well as what the Municipality's proportionate share of the net pension liability would

**TOWNSHIP OF UPPER PITTSBORO  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2024 AND 2023**

be if it were calculated using a discount rate that is 1-percentage point lower (6.00%) or 1-percentage point higher (8.00%) than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Municipality's proportionate share of the net pension liability	\$ 339,839	\$ 281,825	\$ 232,501

*Pension plan fiduciary net position.*

Detailed information about the pension plan's fiduciary net position is available in the separately issued PERS financial report.

**Note 12: OTHER POST-RETIREMENT BENEFITS**

*General Information about the Plan:*

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

The Plan provides medical and prescription drug to retirees and their covered dependents of the participating employers. Under the provisions of Chapter 88, P.L. 1974 and Chapter 48, P.L. 1999, local government employers electing to provide post-retirement 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 post-retirement medical coverage for employees and their dependents who:

1) retired on a disability pension;

or 2) retired with 25 or more years of service credit in a State or locally administered retirement system and a period of service of up to 25 years with the employer at the time of retirement as established by the employer;

or 3) retired and reached the age of 65 with 25 or more years of service credit in a State or locally administered retirement system and a period of service of up to 25 years with the employer at the time of retirement as established by the employer;

or 4) retired and reached age 62 with at least 15 years of service with the employer. Further, the law provides that the employer paid obligations for retiree coverage may be determined by means of a collective negotiation agreement.

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

**TOWNSHIP OF UPPER PITTSBURGH  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2024 AND 2023**

*Allocation Methodology:*

GASB Statement No. 75 requires participating employers in the Plan to recognize their proportionate share of the collective net OPEB liability, collective deferred outflows of resources, collective deferred inflows of resources, and collective OPEB expense, however under the Regulatory Basis of Accounting followed by the Municipality these amounts are not accrued or recorded in the financial statements and the information listed in this note is for disclosure purposes only. Statewide across all member employers, the special funding situation's and nonspecial funding situation's net OPEB liability, deferred outflows of resources, deferred inflows of resources, and OPEB expense are based on separately calculated total OPEB liabilities. For the special funding situation, where applicable, and the nonspecial funding situation, the Collective Total OPEB liabilities for the year ended June 30, 2023 were \$3,461,898,890 and \$11,427,677,896, respectively. The nonspecial funding situation's net OPEB liability, deferred outflows of resources, deferred inflows of resources, and OPEB expense are further allocated to employers based on the ratio of the plan members of an individual employer to the total members of the Plan's nonspecial funding situation during the measurement period July 1, 2022 through June 30, 2023. Employer and non-employer allocation percentages have been rounded for presentation purposes.

*Net OPEB Liability:*

*Components of Net OPEB Liability*

The components of the collective net OPEB liability of the participating employers in the Plan as of June 30, 2023 is as follows:

	<b>June 30, 2023</b>	
	<b>Collective Total</b>	<b>Proportionate Share</b>
Total OPEB Liability	\$ 14,889,576,786	\$ 816,098
Plan Fiduciary Net Position	(116,962,691)	(6,411)
Net OPEB Liability	<u>\$ 15,006,539,477</u>	<u>\$ 822,508</u>
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	-0.79%	-0.79%

At June 30, 2023 the Township's proportionate share of the Collective Net OPEB Liability was \$816,097. The Township's proportion of the Collective Net OPEB Liability was 0.005481% which was an increase from the prior year of -16.47%.

For the Year ended June 30, 2023 the Township's Total OPEB Expense was (\$168,686).

The total OPEB liability as of June 30, 2023 was determined by an actuarial valuation as of June 30, 2022, which was rolled forward to June 30, 2023. The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

**TOWNSHIP OF UPPER PITTSBURGH  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2024 AND 2023**

Investment Rate of Return  
Including Inflation rate 3.65%

Salary increases\*:

PERS	<u>Completed Years of Service</u>	<u>Annual Rate of Increase (%)</u>
	0	6.55
	5	5.75
	10	4.75
	15	3.75
	20	3.15
	25	2.85
	>=29	2.75

  

PFRS	<u>Completed Years of Service</u>	<u>Annual Rate of Increase (%)</u>
	0	16.25
	5	11.00
	10	6.00
	15	4.00
	>=17	3.25

Mortality:

Pre-Retirement Healthy Mortality:

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

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

Post-Retirement Healthy Mortality

Chapter 330 Retirees: PUB-2010 "Safety" classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021.

Other Retirees: PUB-2010 "General" classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021.

Disable Retiree Mortality:

PERS Future Disabled Retirees: PUB-2010 "General" classification headcount-weighted disabled mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021.

PFRS Future Disabled Retirees: PUB-2010 "Safety" classification headcount-weighted disabled mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021.

Chapter 330 Current Retirees: PUB-2010 "Safety" classification headcount-weighted disabled mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021.

Other Current Retirees: PUB-2010 "General" classification headcount-weighted

**TOWNSHIP OF UPPER PITTSBURGH  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2024 AND 2023**

disabled mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021.

Actuarial assumptions used in the July 1, 2022 valuation were based on the results of the PFRS and PERS experience studies prepared for July 1, 2018 to June 30, 2021 and July 1, 2018 to June 30, 2021, respectively.

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

*Discount Rate*

The discount rate for June 30, 2023 was 3.65%. The discount rate will change each year based on the Bond Buyer Go 20-Bond Municipal Bond Index each year.

*Sensitivity of Net OPEB Liability to Changes in the Discount Rate*

The following presents the Net OPEB liability as of June 30, 2023, 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:

		1% Decrease (2.65%)		Discount Rate (3.65%)		1% Increase (4.65%)
<hr/>						
Collective						
Net OPEB Liability	\$	12,753,792,805	\$	15,006,539,477	\$	17,890,743,651
Proportionate Share						
Net OPEB Liability	\$	693,586	\$	816,097	\$	972,948

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

The following presents the net OPEB liability as of June 30, 2023, calculated using the healthcare trend rate as disclosed above as well as what the net OPEB liability would be if it was calculated using a healthcare trend rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

		1% Decrease		Healthcare Cost Trend Rate		1% Increase
<hr/>						
Collective						
Net OPEB Liability	\$	12,753,792,805	\$	15,006,539,477	\$	17,890,743,651
Proportionate Share						
Net OPEB Liability	\$	693,586	\$	816,097	\$	429,120

*Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB*

At June 30, 2023, the State reported deferred outflows of resources and deferred inflows of resources related to retired employees' OPEB from the following sources:

**TOWNSHIP OF UPPER PITTSBURGH  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2024 AND 2023**

	Collective Totals		Proportionate Share	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 629,024,174	(4,075,285,752)	37,930	(223,366)
Changes of assumptions	1,943,909,895	(4,241,868,248)	106,546	(232,497)
Net difference between projected and actual earnings on OPEB plan investments	-	(2,476,129)		(136)
Changes in proportion and differences between contributions and proportionate share of contributions	-		169,607	(697,112)
Total	\$ 2,572,934,069	(8,319,630,129)	314,083	(1,153,111)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to retired employees' OPEB will be recognized in OPEB expense as follows:

Year Ended June 30,	Collective Totals	Proportionate Share
2024	\$ (1,702,483,126.00)	(251,320.79)
2025	(1,394,440,795.00)	(205,847.54)
2026	(754,368,466.00)	(111,359.98)
2027	(353,621,247.00)	(52,201.62)
2028	(713,799,887.00)	(105,371.24)
Thereafter	(764,982,539.00)	(112,926.83)
Total	\$ (5,683,696,060.00)	(839,028.00)

Detailed information about the plan's fiduciary net position is available in the separately issued OPEB financial report.

*Collective OPEB Expenses reported by the State of New Jersey*

The components of allocable OPEB Expense related to specific liabilities of individual employers for the year ending June 30, 2023 are as follows:

Service cost	\$ 597,135,801
Interest on Total OPEB Liability	581,375,849
Expected Investment Return	3,134,857
Administrative Expenses	12,616,744
Changes of Benefit Terms	23,039,435
Current Period Recognition (Amortization) of Deferred Inflows/ Outflows of Resources:	
Differences between Expected and Actual Experience	(899,529,226)
Changes in Assumptions	(803,252,884)
Differences between Projected and Actual Investment Earnings on OPEB Plan Investments	1,590,849
Total Collective OPEB Expense	\$ (483,888,575)

**TOWNSHIP OF UPPER PITTSBORO  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2024 AND 2023**

*Schedule of Township's Share of Net OPEB Liability*

		<u>2023</u>	<u>2022</u>	<u>2021</u>
Township's Proportionate Share of Net OPEB Liability	\$	0.0054810%	0.0047060%	0.0056850%
Township's Share of Net OPEB Liability		816,097	760,000	1,023,288
Township's Covered Payroll		269,006	260,726	217,512
Township's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered-Employee Payroll		303.38%	291.49%	470.45%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability		-0.79%	-0.36%	0.28%
		<u>2020</u>	<u>2019</u>	<u>2018</u>
Township's Proportionate Share of Net OPEB Liability	\$	0.0076780%	0.0098360%	0.0096560%
Township's Share of Net OPEB Liability		1,377,941	1,332,392	1,512,769
Township's Covered Payroll		273,514	294,888	294,559
Township's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered-Employee Payroll		503.79%	451.83%	513.57%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability		0.97%	1.97%	1.98%

**Note 13: ACCRUED SICK AND VACATION BENEFITS**

As discussed in Note 1 and in accordance with accounting principles prescribed by the State of New Jersey, the cash basis of accounting is followed for recording the Township's liability related to unused vacation, sick pay and compensation time.

Vacation time earned must be used prior to January 1. Under extenuating circumstances, vacation time may be carried over the succeeding years if formally approved by the Township Committee. Upon termination of employment, an employee shall be paid for unused earned vacation provided that said employee:

1. Has been employed at least 12 months
2. Has given the required written notice, and
3. Is not being dismissed for misconduct or improper actions

Sick leave for actual illness is allowed with pay accrued on the basis of one (1) working day for each full month of service. Sick leave may be accumulated up to a maximum of sixty (60) days. All sick leave will terminate as of the date of separation and no reimbursement for said sick leave terminated will be forthcoming.

**TOWNSHIP OF UPPER PITTSBORO  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2024 AND 2023**

**Note 14: SHARED SERVICE AGREEMENT**

On June 10, 2003, The Township of Upper Pittsgrove entered into a joint venture agreement with Pilesgrove Township to establish the Pilesgrove/Upper Pittsgrove Municipal Court effective July 1, 2003. A Pilesgrove/Upper Pittsgrove Municipal Court Committee was formed consisting of one (1) representative appointed by Pilesgrove and one (1) representative appointed by Upper Pittsgrove. This Pilesgrove/Upper Pittsgrove Municipal Court Committee shall be convened and determine such other details regarding the administration of the Court that do not require action by the governing bodies.

On December 9, 2003, Alloway Township Municipal Court entered into the joint venture agreement. Total expenditures for compensation and expenses for each year shall be shared between the municipalities depending upon the ticket activity for each municipality. All fees collected shall be paid over to the municipality in which the complaint or charge arose. The Township paid Pilesgrove Township \$57,082.69 during 2024 for this service.

**Note 15: UNION CONTRACTS**

As of December 31, 2024, the Township's employees do not have any collective bargaining units.

**Note 16: INVESTMENT IN SOLAR RENEWABLE ENERGY CERTIFICATES (SREC'S)**

The SREC program provides a means for Solar Renewable Energy Certificates (SREC's) to be created for every megawatt-hour of solar electricity created. The SREC is sold separately from the electricity and represents the "solar" aspect of the electricity that was produced. The value of a SREC is determined by the market subject to supply and demand constraints. The SREC's can be sold to electricity suppliers needing to meet their solar RPS requirement. The market is typically capped by a fine or solar alternatives compliance payment paid by any electricity suppliers for every SREC they fall short of the requirement. As of December 31, 2024, the investment in the SREC's was \$0. All the SREC's available as of December 31, 2024, were sold by year-end and the amount recorded as a receivable was \$0.

**Note 17: ECONOMIC DEPENDENCY**

The Township of Upper Pittsgrove is not economically dependent on any one business or industry as a major source of tax revenue for the Township.

**Note 18: RISK MANAGEMENT**

The Township is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

**Property and Liability Insurance** – The Township maintains commercial insurance coverage for property, liability and surety bonds. During the years ended December 31, 2024, and 2023 the Township did not incur claims in excess of the coverage and the amount of coverage did not significantly decrease.

The Township of Upper Pittsgrove is a member of the Gloucester, Salem and Cumberland County Municipal Joint Insurance Fund and the Municipal Excess Liability Fund (MEL) which also includes other municipalities throughout the region. The Township is obligated to remit insurance premiums into these funds for sufficient insurance coverage. There is an unknown contingent liability with the Gloucester, Salem and Cumberland County Municipal Joint Insurance Fund if there is a catastrophic insurance claim from any member of the fund. The Township has a liability limit of \$10,000,000.00 under MEL. There has not been a reduction in coverage and there have not been any claims in excess of coverage.



**TOWNSHIP OF UPPER PITTSBORO  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2024 AND 2023**

**NOTE 19: DEFERRED CHARGES TO BE RAISED IN SUCCEEDING BUDGETS**

At December 31, 2024, the following deferred charges are shown on the balance sheets of the various funds:

None

**Note 20: INTERFUND BALANCES**

As of December 31, 2024, the following interfunds were included on the balance sheets of the various funds of the Township of Upper Pittsgrove:

	<u>Due From</u>	<u>Due To</u>
Current Fund:		
Animal Control Fund	\$	7.15
Grant Fund		234,880.27
Trust Other	2,881.77	
General Capital Fund	172.22	
Grant Fund:		
Current Fund	234,880.27	
Trust Fund:		
Current Fund		2,881.77
Animal Control Fund	7.15	
General Capital Fund	0.07	
General Capital Fund:		
Current Fund		172.22
Trust Other		0.07
	<u>\$ 237,941.48</u>	<u>237,941.48</u>

The amounts due to the Current Fund from the Animal Control Fund and Trust Other are the result of December interest not turned over before year-end. The amount due from the Grant Fund to the Current Fund is the result of grant expenditures that have not yet been reimbursed by the funding agencies.

**Note 21: CONTINGENCIES**

**Grantor Agencies**

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

**Litigation**

It is the Upper Pittsgrove Township's Counsel's opinion that there is no pending litigation against the Township that would have a material or adverse effect on the Township or the financial position of the Township.

**TOWNSHIP OF UPPER PITTSBURGH  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2024 AND 2023**

**Tax Appeals**

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

**Note 22: SUBSEQUENT EVENTS**

Management has reviewed and evaluated all events and transactions that occurred between December 31, 2024 and March 21, 2025, the date that the financial statements were available for issuance, for possible disclosure and recognition in the financial statements. No items have come to the attention of the Township that would require disclosure.

## **SUPPLEMENTARY INFORMATION**

{THIS PAGE IS INTENTIONALLY LEFT BLANK}



**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**

To the Honorable Mayor and  
Members of the Township Committee  
Township of Upper Pittsgrove  
County of Salem, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements – regulatory basis, as listed in the accompanying table of contents, of the Township of Upper Pittsgrove, State of New Jersey, as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements, and have issued our report thereon dated March 21, 2025, which was adverse due to being presented in accordance with the New Jersey Regulatory Basis of Accounting. Our report disclosed that, as described in Note 1 to the financial statements, the Township of Upper Pittsgrove 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 (the "Division"), that demonstrates compliance with a modified accrual basis of accounting and the budget laws of the State of New Jersey.

**Report Internal Control over Financial Reporting**

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

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

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

### **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Township's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statement. 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 entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Ford, Scott & Associates, L.L.C.*  
FORD, SCOTT & ASSOCIATES, L.L.C.  
CERTIFIED PUBLIC ACCOUNTANTS

*Michael S. Garcia*  
Michael S. Garcia  
Certified Public Accountant  
Registered Municipal Accountant  
No. 472

March 21, 2025

**TOWNSHIP OF UPPER PITTSBURGH  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

**Section I -- Summary of Auditor's Results**

**Financial Statement**

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

**Federal Awards**

**Not applicable**

Internal Control over major programs:			
• Material weakness(es) identified?	_____ yes	_____ no	
• Significant deficiency(ies) identified?	_____ yes	_____ none reported	
Type of auditor's report issued on compliance major programs	_____		
Any audit findings disclosed that are required to be reported in accordance with OMB Uniform Guidance	_____ yes	_____ no	
Identification of major programs:			

<u>Assistance Listing Number(s)</u>	<u>FAIN Number(s)</u>	<u>Name of Federal Program or Cluster</u>
-------------------------------------	-----------------------	---

_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

Dollar Threshold used to distinguish between type A and type B programs: \$ \_\_\_\_\_

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

**State Awards**

**Not applicable**

Internal Control over major programs:			
• Material weakness(es) identified?	_____ yes	_____ no	
• Significant deficiency(ies) identified?	_____ yes	_____ none reported	

**TOWNSHIP OF UPPER PITTSBURGH  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

Type of auditor's report issued on  
compliance major programs \_\_\_\_\_

Any audit findings disclosed that are required to  
be reported in accordance with OMB Circular 15-08 \_\_\_\_\_ yes \_\_\_\_\_ no

Identification of major programs:

<u>GMIS Number(s)</u>	<u>Name of State Program</u>
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

Dollar Threshold used to distinguish between type A and  
type B programs:

\$ \_\_\_\_\_

Auditee qualified as low-risk auditee? \_\_\_\_\_ yes \_\_\_\_\_ no

**Section II - Financial Statement Findings**

In accordance with Government Auditing Standards, our audit disclosed no findings relating to the  
financial statements that are required to be reported under this section

None

**Section III – Federal Awards and State Financial Assistance Findings and Questioned Costs**

**FEDERAL AWARDS**

Not applicable.

**STATE AWARDS**

Not applicable.

**SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS**

No prior year findings



**EXHIBIT A - CURRENT FUND**

{THIS PAGE IS INTENTIONALLY LEFT BLANK}

**CURRENT FUND  
SCHEDULE OF CASH - TREASURER**

	Current Fund	Grant Fund
	<u>                    </u>	<u>                    </u>
Balance December 31, 2023	\$ 3,705,121.93	82,160.72
Increased by Receipts:		
Taxes Receivable	10,214,102.63	
Tax Overpayments	36,490.25	
Prepaid Taxes	315,335.46	
Revenue Accounts Receivable	695,137.32	
Election Worker & Polling Place	4,600.00	
State of New Jersey -		
Senior Citizens and Veterans	26,683.56	
Marriage License Fees		
Payroll Taxes Payable	98,984.44	
Due Federal and State Grant Fund	154,090.22	
Due General Capital Fund	236.66	
Due from Trust Other	112.49	
Grant - Unappropriated Reserves		209,246.32
Grant Receivables		100,895.59
	<u>11,549,117.38</u>	<u>310,141.91</u>
	15,254,239.31	392,302.63
Decreased by Disbursements:		
Current Year Appropriation	1,247,369.80	
Prior Year Appropriations	42,275.97	
County Taxes	4,718,445.48	
County Added Taxes		
Local District School Taxes	4,929,416.00	
Tax Overpayments Refunded	18,617.27	
Farmland Preservation	34,134.00	
Election Worker & Polling Place	4,600.00	
Due Current Fund		154,090.22
Payroll Taxes Payable	97,171.83	
Federal and State Grants Appropriated		21,550.55
	<u>11,092,030.35</u>	<u>175,640.77</u>
Balance December 31, 2024	\$ <u>4,162,208.96</u>	<u>216,661.86</u>

**CURRENT FUND**  
**SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY**

Year	Balance Dec. 31, 2023	Current Year Levy	Collections by Cash		Overpayments Applied	Transferred To Tax Title Lien	Canceled	Balance Dec. 31, 2024
			2023	2024				
2020	\$ 5.45							5.45
2021	5.60							5.60
2022	255.83			250.00				5.83
2023	293,151.15		2,066.44	293,602.79		253.28	605.56	755.96
	<u>293,418.03</u>	<u>-</u>	<u>2,066.44</u>	<u>293,852.79</u>	<u>-</u>	<u>253.28</u>	<u>605.56</u>	<u>772.84</u>
2024	-	10,520,136.41	259,812.00	9,948,249.84	9,421.20	25,209.71	18,339.16	340,747.37
	<u>293,418.03</u>	<u>10,520,136.41</u>	<u>259,812.00</u>	<u>10,242,102.63</u>	<u>9,421.20</u>	<u>25,462.99</u>	<u>18,944.72</u>	<u>341,520.21</u>

Cash Receipts  
Senior Citizens and Veterans

10,214,102.63  
28,000.00  
10,242,102.63

Analysis of Current Year Tax Levy

Tax Yield:

General Property Tax  
Year-End Penalty  
Added Taxes (54:4-63.1 et. Seq.)

10,513,145.72  
6,990.69  
81,642.87  
10,601,779.28

Tax Levy:

General County Taxes  
County Open Space Taxes  
County Added and Omitted Taxes  
Total County Taxes

4,636,192.76  
82,252.72  
36,652.43  
4,755,097.91

Local School District Tax  
Municipal Open Space

5,017,553.00  
34,134.00

Local Tax for Municipal Purposes  
Add: Additional Tax Levied

741,503.00  
53,491.37  
794,994.37  
10,601,779.28

**CURRENT FUND  
SCHEDULE OF TAX TITLE AND OTHER LIENS**

Balance December 31, 2023		\$	287,530.06
Increased by:			
Transfers from:			
Taxes Receivable	25,462.99		
Interest and Costs Accrued by Sale			
	<u>25,462.99</u>		<u>25,462.99</u>
Decreased by:			
Collection	<u>3,344.35</u>		<u>3,344.35</u>
Balance December 31, 2024		\$	<u>309,648.70</u>

**CURRENT FUND  
SCHEDULE OF DUE STATE OF NEW JERSEY - SENIOR CITIZEN  
& VETERANS DEDUCTIONS**

Balance December 31, 2023			1,919.72
Increased by:			
Deductions per Tax Duplicate	27,500.00		
Deductions Allowed by Collector	500.00		
Deductions Disallowed by Collector	<u>-</u>		
	28,000.00		
Prior Year Deductions Disallowed	<u>(2,066.44)</u>		
			<u>25,933.56</u>
			27,853.28
Decreased by:			
Cash Receipts			<u>26,683.56</u>
Balance December 31, 2024			<u>1,169.72</u>

**CURRENT FUND**  
**SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE**

	Balance Dec. 31, 2023	Accrued in 2024	Collected by Treasurer	Balance Dec. 31, 2024
Fees and Permits	\$	20,443.00	20,443.00	
Fines and Costs:				
Municipal Court		11,914.64	11,211.15	703.49
Interest and Costs on Taxes		66,262.59	66,262.59	
Energy Receipts Tax		450,077.22	450,077.22	
Uniform Fire Safety Act		16,603.65	16,603.65	
Cable TV Franchise Fee		7,878.71	7,878.71	
<b>Miscellaneous Revenue Not Anticipated</b>				
Interest Earned on Investments		58,100.45	58,100.45	
Copies, Certificate of Occupancy & 200 ft List		2,142.15	2,142.15	
Zoning & Planning		1,631.00	1,631.00	
Recycling and White Goods		9,169.20	9,169.20	
Elmer Borough Shared Service		20,831.80	20,831.80	
Tax Collector Miscellaneous		5,200.00	5,200.00	
SREC's		7,793.00	7,793.00	
Sale of Assets		1,625.00	1,625.00	
Senior Citizen & Veteran's Administrative Fees		533.67	533.67	
Reimbursements		10,085.93	10,085.93	
Safety Awards		5,548.80	5,548.80	
	\$ -	695,840.81	695,137.32	703.49

**CURRENT FUND**  
**SCHEDULE OF APPROPRIATION RESERVES - PRIOR YEAR**

	Balance December 31, 2023	Balance After Transfers	Paid or Charged	Balance Lapsed
	Encumbrances	Reserves		
OPERATIONS WITHIN "CAPS"				
GENERAL GOVERNMENT:				
General Administration				
Salaries and Wages		4,669.16		4,669.16
Other Expenses		2,003.16		2,003.16
Mayor and Township Committee				
Other Expenses		1,495.91		1,495.91
Municipal Clerk				
Salaries and Wages		2,308.04		2,308.04
Other Expenses		789.57		789.57
Improvement Search Officer				
Salaries and Wages		50.00		50.00
Financial Administration				
Salaries and Wages		4,834.98		4,834.98
Other Expenses	500.00	9,839.86		10,339.86
Audit Services				
Other Expenses		500.00		500.00
Assessment of Taxes				
Salaries and Wages		860.08		860.08
Other Expenses		2,517.09		2,517.09
Revenue Administration (Tax Collection)				
Salaries and Wages		479.06		479.06
Other Expenses		1,557.04		1,557.04
Tax Search Officer				
Salaries and Wages		50.00		50.00
Liquidation of Tax Liens and Foreclosed Property				
Other Expenses		5,000.00		5,000.00
Legal Services				
Other Expenses	600.00	21,117.50	228.00	21,489.50
Engineering & Planning Services				
Other Expenses		8,774.95		8,774.95
LAND USE ADMINISTRATION				
Municipal Land Use Law (N.J.S.A. 40:55D-1)				
Land Use Board				
Salaries and Wages		220.04		220.04
Other Expenses		5,161.06		5,161.06
Zoning Administration and Housing Officer				
Salaries and Wages		310.74		310.74
Other Expenses		334.88		334.88

See Accompanying Auditor's Report

**CURRENT FUND**  
**SCHEDULE OF APPROPRIATION RESERVES - PRIOR YEAR**

	Balance December 31, 2023	Balance After Transfers	Paid or Charged	Balance Lapsed
	Encumbrances	Reserves		
<b>INSURANCE</b>				
Other Insurance Premium		0.40		0.40
Worker's Compensation		1,000.00		1,000.00
Employee Group Health		6,026.24		6,026.24
<b>PUBLIC SAFETY</b>				
Emergency Management Services				
Salaries and Wages		708.34		708.34
Other Expenses		999.92		999.92
Uniform Fire Safety Act				
Salaries and Wages		28.04		28.04
Other Expenses		7,920.00		7,920.00
<b>PUBLIC WORKS FUNCTION</b>				
Road Repairs and Maintenance				
Salaries and Wages		41,272.00		41,272.00
Other Expenses	8,380.00	41,750.58	2,339.47	45,826.28
Solid Waste Collection (Disposal)				
Salaries and Wages		6,455.35		6,455.35
Other Expenses				
Contractual				
Miscellaneous Other Expenses	4,100.00	58.00	4,100.00	58.00
Public Buildings and Grounds	500.00	7,715.03	5,964.00	2,251.03
Salaries and Wages		20.00		20.00
Other Expenses	5,460.97	7,711.60	4,537.70	8,634.87
Vehicle Maintenance				
Other Expenses		9,650.78		9,650.78
<b>HEALTH AND HUMAN SERVICES</b>				
Board of Health				
Other Expenses		200.00		200.00
Registrar of Vital Statistics				
Other Expenses		375.00		375.00
Hepatitis Program				
Other Expenses		50.00		50.00
Dog Regulation				
Salaries and Wages		4.08		4.08
Other Expenses		1,981.00	309.34	1,671.66
<b>PARKS AND RECREATION FUNCTIONS</b>				
Recreation Services and Program				
Other Expenses	900.00	1,081.00		
Maintenance of Parks		2,900.20		2,900.20

See Accompanying Auditor's Report



**CURRENT FUND**  
**SCHEDULE OF APPROPRIATION RESERVES - PRIOR YEAR**

	Balance December 31, 2023	Balance After Transfers	Paid or Charged	Balance Lapsed
	Encumbrances	Reserves		
Other Expenses		1,140.00		1,140.00
UTILITY EXPENSES AND BULK PURCHASES				
Electricity	284.69	2,794.08	271.28	2,807.49
Street Lighting	407.67	1,190.01	393.17	1,204.51
Telephone	80.00	1,979.91	79.34	1,980.57
Natural Gas		723.06		723.06
Telecommunication Cost	790	527.24	193	1,124.58
Gasoline	3,000.00	9,721.75	2,270.10	10,451.65
LANDFILL/SOLID WASTE DISPOSAL COST				
Salem County Utilities Authority Tipping Fees		22,362.56		22,362.56
Sanitary Landfill				
Other Expenses	7,000.00	1,586.44	5,804.12	2,782.32
Contingent		1,000.00		1,000.00
Statutory Expenditures:				
Contributions to:				
Social Security System (O.A.S.I.)		4,014.41		4,014.41
Unemployment Compensation Insurance		348.73	190.54	158.19
NJ Disability Insurance		2,208.11	31.76	2,176.35
OPERATIONS EXCLUDED FROM "CAPS"				
Shared Service Agreements				
Pilesgrove Township - Municipal Court		13,599.66	15,564.49	
Other Expenses				
Pittsgrove Township - Construction Code Official		4,000.00		4,000.00
Other Expenses				
	32,003.33	275,995.64	42,275.97	265,723.00
\$				

See Accompanying Auditor's Report

**CURRENT FUND  
SCHEDULE OF LOCAL DISTRICT SCHOOL TAX**

Balance December 31, 2023	
School Tax Payable	\$ 1,479,416.00
Increased by:	
Levy - Calendar Year 2024	<u>5,017,553.00</u>
	6,496,969.00
Decreased by:	
Payments	<u>4,929,416.00</u>
Balance December 31, 2024	<u><u>\$ 1,567,553.00</u></u>

**CURRENT FUND  
SCHEDULE OF FEDERAL AND STATE GRANTS RECEIVABLE**

<u>Purpose</u>	<u>Balance Dec. 31, 2023</u>	<u>Transferred From 2024 Revenues</u>	<u>Received</u>	<u>Transfer from Unappropriated</u>	<u>Balance Dec. 31, 2024</u>
<b>STATE GRANTS:</b>					
New Jersey Transportation Trust Fund 2020	\$ 61,489.77		\$ 28,706.13		\$ 32,783.64
Municipal Alliance	11,722.58	2,148.66	1,206.66		12,664.58
Stormwater Grant		50,000.00	50,000.00		
Clean Communities Program		19,275.36	19,275.36		
Lead Program		3,200.00		3,200.00	
ACE Sustainable New Jersey Grant		5,000.00			5,000.00
Recycling Tonnage Grant	1,707.44		1,707.44		0.00
Total State	<u>74,919.79</u>	<u>79,624.02</u>	<u>100,895.59</u>	<u>3,200.00</u>	<u>50,448.22</u>
	\$ <u>74,919.79</u>	<u>79,624.02</u>	<u>100,895.59</u>	<u>3,200.00</u>	<u>50,448.22</u>

**CURRENT FUND  
SCHEDULE OF APPROPRIATED RESERVES FOR FEDERAL AND STATE GRANTS**

	Balance Dec. 31, 2023	2024 Appropriations	Disbursed	Balance Dec. 31, 2024
<b>FEDERAL GRANTS:</b>				
Local Fiscal Recovery Funds (ARP)	\$ 82,160.72			82,160.72
Total Federal	<u>82,160.72</u>	<u>-</u>	<u>-</u>	<u>82,160.72</u>
<b>STATE GRANTS:</b>				
New Jersey Transportation Trust Fund:				
2016 Grant	17,173.17			17,173.17
2020 Grant	33,796.77			33,796.77
Lead Program		3,200.00	343.85	2,856.15
Municipal Alliance	13,804.64	2,685.83	1,888.39	14,602.08
Stormwater Grant	20,445.00		4,055.93	16,389.07
Stormwater Grant 2024		50,000.00		50,000.00
Clean Communities Program	26,369.94	19,275.36	12,947.38	32,697.92
ACE Sustainable New Jersey Grant		5,000.00		5,000.00
Recycling Tonnage Grant	40,383.15		2,315.00	38,068.15
Total State	<u>151,972.67</u>	<u>80,161.19</u>	<u>21,550.55</u>	<u>210,583.31</u>
	<u>\$ 234,133.39</u>	<u>80,161.19</u>	<u>21,550.55</u>	<u>292,744.03</u>

**CURRENT FUND**  
**SCHEDULE OF FEDERAL AND STATE GRANTS - UNAPPROPRIATED RESERVES**

<u>Purpose</u>	<u>Balance Dec. 31, 2023</u>	<u>Transferred To 2024 Appropriations</u>	<u>Received</u>	<u>Balance Dec. 31, 2024</u>
Lead Program	\$ 3,200.00	3,200.00		
American Recovery through County			134,501.14	134,501.14
Recycling Tonnage			1,503.18	1,503.18
NJ DOT - Fitchorn Road			73,242.00	73,242.00
Total Federal	<u>3,200.00</u>	<u>3,200.00</u>	<u>209,246.32</u>	<u>209,246.32</u>
	<u>\$ 3,200.00</u>	<u>3,200.00</u>	<u>209,246.32</u>	<u>209,246.32</u>

{THIS PAGE IS INTENTIONALLY LEFT BLANK}

## **EXHIBIT B - TRUST FUNDS**

{THIS PAGE IS INTENTIONALLY LEFT BLANK}



**TRUST FUND  
SCHEDULE OF CASH - TREASURER**

	Dog License	Tax Collector	Other
Balance December 31, 2023	\$ 152.52	109,921.51	857,176.51
Increased By:			
Dog License Fees	4,858.40		
Dog License Fees - State Share	579.60		
Reserve for Trust Funds			52,688.51
Public Defender Trust			
Tax Premiums		3,700.00	
Tax Sale Redemptions		137,840.72	
Due Current Fund - Interest Earned	6.54	194.81	6,567.66
	<u>5,444.54</u>	<u>141,735.53</u>	<u>59,256.17</u>
	5,597.06	251,657.04	916,432.68
Decreased By:			
Due to State of New Jersey	603.60		
Animal Control Expenditures	3,748.60		
Reserve for Trust Funds			83,469.69
Due Current	9.60		5,435.53
Tax Premiums		70,900.00	
Tax Sale Redemptions		179,891.69	
	<u>4,361.80</u>	<u>250,791.69</u>	<u>88,905.22</u>
Balance December 31, 2024	<u>\$ 1,235.26</u>	<u>865.35</u>	<u>827,527.46</u>

See Accompanying Auditor's Report

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

Balance December 31, 2023	\$	132.61
Increased by:		
Dog License Fees Collected		<u>4,858.40</u>
		4,991.01
Decreased by:		
Expenditures Under N.J.S.A. 4:19-15.11	3,748.60	
Statutory Excess Due Current Fund	<u>                    </u>	<u>3,748.60</u>
Balance December 31, 2024	\$	<u><u>1,242.41</u></u>

License Fees Collected	<u>Year</u>	<u>Amount</u>
	2023	5,451.60
	2022	<u>3,306.00</u>
		\$ <u><u>8,757.60</u></u>

See Accompanying Auditor's Report

**TRUST FUND**  
**SCHEDULE OF MISCELLANEOUS TRUST FUND RESERVES**

	Balance Dec. 31, 2023	Receipts	Disbursements	Balance Dec. 31, 2024
Reserves for:				
Other Miscellaneous Trusts:				
Farmland Preservation	\$ 112,985.63	34,462.58	4,750.00	142,698.21
Municipal Alliance	8,081.66			8,081.66
Donations Veteran's Memorial Monument	653.10			653.10
Alternate Landfill Escrow Closure	179,969.83	670.75		180,640.58
Developer's Escrow	108,249.59	14,626.43	13,472.19	109,403.83
Affordable Housing -				
Developer Share	115,800.24	2,928.75	65,247.50	53,481.49
Township Share	324,370.58			324,370.58
Performance Bond Escrow	693.00			693.00
Maintenance Bond Escrow	5,544.00			5,544.00
Tax Sale Premiums	67,400.00	3,700.00	70,900.00	200.00
Tax Sale Redemptions	42,050.97	137,840.72	179,891.69	
	\$ <u>965,798.60</u>	<u>194,229.23</u>	<u>334,261.38</u>	<u>825,766.45</u>

{THIS PAGE IS INTENTIONALLY LEFT BLANK}

**EXHIBIT C - GENERAL CAPITAL FUND**

{THIS PAGE IS INTENTIONALLY LEFT BLANK}

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

Balance December 31, 2023		\$	992,480.07
Increased by:			
Budget Appropriation			
Capital Improvement Fund	200,000.00		
Due Current Fund	2,703.90		
			<u>202,703.90</u>
			1,195,183.97
Decreased by:			
Due Current Fund	2,768.34		
Reserve for Farmland Preservation	-		
Improvement Authorizations	354,680.65		
			<u>357,448.99</u>
Balance December 31, 2024		\$	<u><u>837,734.98</u></u>

GENERAL CAPITAL FUND  
ANALYSIS OF CASH

	Balance Dec. 31, 2023	Receipts		Disbursements		Transfers		Balance Dec. 31, 2024
		Budget Appropriation	Miscellaneous	Improvement Authorizations	Miscellaneous	From	To	
\$								
Fund Balance								
Capital Improvement Fund	772,333.09	200,000.00				347,000.00		625,333.09
Encumbrances Payable								
Due Current Fund	236.66		2,703.90		2,768.34		270,000.00	172.22
Federal and State Grants Receivable	(270,000.00)							
Due Farmland Preservation Trust	0.07							0.07
Reserve for Farmland Preservation								
Improvement Authorizations:								
Ordinance								
Number								
2014-4	Purchase of a Public Works Truck	5,707.00						5,707.00
2015-3	Street Light Conversions to LED	13,480.74						13,480.74
2016-4	2016 Maintenance & Repair Program	907.76						907.76
2018-3	2018 Maintenance & Repair Program	468.20		468.20				
2019-4	2019 Maintenance & Repair Program	6,332.00		5,926.80				405.20
2020-4	2020 Maintenance & Repair Program	50,642.48						50,642.48
2022-4	2022 Maintenance & Repair Program	3,695.45		3,695.45				0.00
2023-1	Repair of Convenience Center Retaining Wall	270,000.00				270,000.00		
2023-5	2023 Maintenance & Repair Program	130,000.00		130,000.00				
2023-6	Building Maintenance & Repair Program	8,676.62		3,850.00			17,000.00	4,826.62
2024-1	Building Maintenance & Repair Program			17,000.00				
2024-4	Purchase of a Backhoe						17,000.00	
2024-14	Fire Equipment				85,500.00		40,000.00	40,000.00
2024-16	2024 Maintenance & Repair Program			108,240.20			170,000.00	84,500.00
							120,000.00	11,759.80
\$	992,480.07	200,000.00	2,703.90	354,680.65	2,768.34	617,000.00	617,000.00	837,734.98



**GENERAL CAPITAL FUND  
SCHEDULE OF CAPITAL IMPROVEMENT FUND**

Balance December 31, 2023	\$ 772,333.09
Increased by:	
Current Year Budget Appropriation	<u>200,000.00</u>
	972,333.09
Decreased by:	
Improvement Authorization Funding	<u>347,000.00</u>
Balance December 31, 2024	\$ <u><u>625,333.09</u></u>

GENERAL CAPITAL FUND  
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

Ordinance Number	Improvement Description	Ord. Date	Amount	Balance	Authorizations		Paid or Charged	Canceled	Balance
				Dec. 31, 2023 Funded	Other Funding	Funding			Dec. 31, 2024 Funded
2014-4	Purchase of a Public Works Truck	06/10/14	62,000.00	5,707.00					5,707.00
2015-3	Street Light Conversions to LED	06/09/15	50,000.00	13,480.74					13,480.74
2016-4	2016 Maintenance & Repair Program	07/15/16	135,000.00	907.76					907.76
2018-3	2018 Maintenance & Repair Program	08/04/18	90,000.00	468.20			468.20		
2019-4	2019 Maintenance & Repair Program	07/09/19	100,000.00	6,332.00			5,926.80		405.20
2020-4	2020 Maintenance & Repair Program	07/14/20	240,000.00	50,642.48					50,642.48
2022-4	2022 Maintenance & Repair Program	05/10/22	140,000.00	3,695.45			3,695.45		0.00
2023-1	Repair of Convenience Center Retaining Wall	03/14/23	270,000.00	270,000.00				270,000.00	
2023-5	2023 Maintenance & Repair Program	07/11/23	130,000.00	130,000.00			130,000.00		
2023-6	Building Maintenance & Repair Program	08/08/23	20,000.00	8,676.62		17,000.00	3,850.00		4,826.62
2024-1	Building Maintenance & Repair Program	03/12/24	17,000.00			40,000.00	17,000.00		40,000.00
2024-4	Purchase of a Backhoe	04/09/24	40,000.00						84,500.00
2024-14	Fire Equipment	05/14/24	170,000.00			170,000.00	85,500.00		
2024-16	2024 Maintenance & Repair Program	06/11/24	120,000.00			120,000.00	108,240.20		11,759.80
				\$ 489,910.25	347,000.00		354,680.65	270,000.00	212,229.60
				Capital Improvements	347,000.00				
				American Rescue Fund	-				
				347,000.00					

**TOWNSHIP OF UPPER PITTSBURGH**

**PART II**

**LETTER OF COMMENTS AND RECOMMENDATIONS**

**YEAR ENDED DECEMBER 31, 2024**

{THIS PAGE IS INTENTIONALLY LEFT BLANK}

## **GENERAL COMMENTS**

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

N.J.S. 40A:11-4 states, "Every contract or agreement for the performance of any work or the furnishing or hiring of any materials or supplies, the cost or contract price whereof is to be paid with or out of public funds not included within the terms of Section 3 of this act, shall be made or awarded only after public advertising for bids and bidding therefore, except as is provided otherwise in this act or specifically by any other law. No work, materials or supplies shall be undertaken, acquired or furnished for a sum exceeding the aggregate of \$17,500 except by contract or agreement".

The governing body of the Township of Upper Pittsgrove has the responsibility of determining whether the expenditures in any category will exceed \$17,500 within the fiscal year. Where question arises as to whether any contract or agreement might result in violation of the statute, the district counsel's opinion should be sought before a commitment is made.

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

Equipment and Refurbishing of Fire Truck

Road Maintenance & Repair Program

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

Inasmuch as the system of records did not provide for an accumulation of payments for categories for the performance of any work 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 individual payments, contracts or agreements in excess of \$17,500 "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. 40A:11-6.

### **Collection of Interest on Delinquent Taxes and Assessments**

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

The governing body, on January 3, 2024, adopted the following resolution authorizing interest to be charged on delinquent taxes:

"WHEREAS, R.S. 54:4-67 permits the governing body of each municipality to fix the rate to be charged for non-payment of taxes or assessments subject to any abatements or discount for the late payment of taxes or assessments as provided by law; and

NOW, THEREFORE, BE IT RESOLVED by the Township Committee of the Township of Upper Pittsgrove, County of Salem, State of New Jersey, that taxes shall be due and payable quarterly on February 1<sup>st</sup>, May 1<sup>st</sup>, August 1<sup>st</sup> and November 1<sup>st</sup> of each year with a ten-day grace period, after which dates, if unpaid shall become delinquent, with interest charged as set forth below and reverting back to the due date on any quarterly installment of taxes.

NOW, THEREFORE, BE IT RESOLVED, by the Township Committee of the Township of Upper Pittsgrove, County of Salem, State of New Jersey, hereby fix the rate of interest at eight (8) percent per annum on the first \$1,500 of delinquency, and eighteen (18) percent per annum on any amount in excess of \$1,500.

BE IT FURTHER RESOLVED, that a 6% year end penalty be assessed on the last day of the fiscal year on delinquent accounts when in excess of \$10,000.00

Our examination of interest collected on delinquent taxes did not reveal any charges that were not in agreement with the above resolution.

### **Delinquent Taxes and Tax Title Liens**

Inspection of tax sale certificates on file revealed that all tax sale certificates were available for audit. The last tax sale was held on October 23, 2024, and was complete,

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

<u>Year</u>	<u>Tax</u>
2024	22
2023	25
2022	20

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 taxpaying basis.

### **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 Mailed</u>
Delinquent Taxes	7
Tax Title Liens	2

As of the date of this audit report, all verifications have not been returned. However, no problems were noted with those that have been returned.

### **Comparison of Tax Levies and Collections 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>Cash Collections</u>	<u>Percentage of Collections</u>
2024	10,601,779.28	10,217,483.04	96.38%
2023	10,211,126.47	9,886,016.85	96.82%
2022	9,934,458.52	9,638,544.90	97.02%
2021	9,538,657.97	9,257,575.51	97.05%

## Comparative Schedule of Tax Rate Information

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Tax Rate:	3.08	2.981	2.915	2.798
Apportionment of Tax Rate:				
Municipal	0.217	0.21	0.201	0.202
Municipal Open Space	0.01	0.02	0.02	0.01
County	1.384	1.305	1.275	1.21
Local School	1.469	1.446	1.419	1.376
Assessed Valuation	341,335,900	340,940,800	340,171,900	339,661,600

## Delinquent Taxes and Tax Title Liens

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

<u>Year</u>	<u>Tax Title Liens</u>	<u>Delinquent Taxes</u>	<u>Total Delinquent</u>	<u>Percentage of Tax Levy</u>
2024	309,648.70	341,520.21	651,168.91	6.14%
2023	287,530.06	293,418.03	580,948.09	5.69%
2022	260,024.75	269,239.70	529,264.45	5.33%
2021	237,873.61	243,984.08	481,857.69	5.05%

## Fund Balances Appropriated

The following schedule details the amount of fund balances available at the end of the year and the amounts utilized in the subsequent year's budgets.

<u>Year</u>	<u>Balance December 31</u>	<u>Utilized in budget of Succeeding Year</u>	<u>Percentage of Fund Balance Utilized</u>
<b><u>Current Fund</u></b>			
2024	\$ 1,665,362.90	310,831.82	18.66%
2023	1,521,181.09	261,350.20	17.18%
2022	1,523,485.18	308,107.71	20.22%
2021	1,275,011.72	309,287.10	24.26%

## RECOMMENDATIONS

### NONE

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

Very truly yours,

*Ford, Scott & Associates, L.L.C.*

**FORD, SCOTT & ASSOCIATES, L.L.C.  
CERTIFIED PUBLIC ACCOUNTANTS**

*Michael S. Garcia*

**Michael S. Garcia  
Certified Public Accountant  
Registered Municipal Accountant  
No. 472**

**March 21, 2025**