

BOROUGH OF HIGHTSTOWN

COUNTY OF MERCER

REPORT OF AUDIT

FOR THE YEAR 2024

BOROUGH OF HIGHTSTOWN
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BOROUGH OF HIGHTSTOWN
PART 1
REPORT OF AUDIT OF FINANCIAL STATEMENTS
FOR THE YEAR 2024

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and
Members of the Borough Council
Borough of Hightstown
Hightstown, New Jersey 08520

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying statements of assets, liabilities, reserves and fund balance - regulatory basis of the various funds of the Borough of Hightstown, in the County of Mercer, State of New Jersey, as of December 31, 2024, and the related statements of operations and changes in fund balance - regulatory basis for the year then ended, and the related statement of revenues - regulatory basis, statement of expenditures - regulatory basis, and statement of general fixed asset group of accounts - regulatory basis for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the Borough's basic financial statements as listed in the table of contents.

Qualified and Unmodified Opinions on Regulatory Basis of Accounting

Qualified Opinion on General Fixed Asset Group of Accounts

In our opinion, as a result of the effects of the matter described in the *Basis for Qualified and Unmodified Opinions on Regulatory Basis of Accounting* paragraph, the general fixed asset group of accounts - regulatory basis is not presented fairly, in all material respects, of the Borough of Hightstown, in the County of Mercer, State of New Jersey, for the year ended December 31, 2024, in conformity with accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, as described in note 1.

Unmodified Opinions on Current Fund, Animal Control Fund, Trust - Other Fund, Length of Service Award Program Fund, General Capital Fund, Water-Sewer Utility Operating Fund, and Water-Sewer Utility Capital Fund

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the assets, liabilities, reserves and fund balance - regulatory basis of the various funds of the Borough of Hightstown, in the County of Mercer, State of New Jersey, as of December 31, 2024, and the results of its operations and changes in fund balance - regulatory basis of such funds for the year then ended, and the revenues - regulatory basis, and expenditures - regulatory basis of the various funds, for the year ended December 31, 2024, in conformity with accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, as described in note 1.

Basis for Qualified and Unmodified Opinions on Regulatory Basis of Accounting

Matter Giving Rise to the Qualified Opinion on the General Fixed Asset Group of Accounts

The general fixed asset group of accounts - regulatory basis, does not include additions and deletions for the year ended December 31, 2024, as required by N.J.A.C. 5:30-5.6. The amounts by which this departure would affect the additions, deletions, and balance as of December 31, 2024, of the general fixed asset group of accounts have not been determined.

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

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on Accounting Principles Generally Accepted in the United States of America* section of our report, the accompanying financial statements referred to above do not present fairly the financial position of the Borough of Hightstown, in the County of Mercer, State of New Jersey, as of December 31, 2024, or the results of its operations and changes in fund balance for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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

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

Emphasis of Matter***Change in Accounting Principle***

As discussed in note 1 to the financial statements, during the year ended December 31, 2024, the Borough adopted new accounting guidance, Governmental Accounting Standards Board (GASB) Statement No. 101, *Compensated Absences*. The adoption of this new accounting principle resulted in an updated measurement of compensated absences in accordance with the Statement (note 12). As a result of the regulatory basis of accounting, described in the previous paragraph, the implementation of this Statement only impacted financial statement disclosures. Our opinions are not modified with respect to this matter.

Prior Period Financial Statements

The financial statements of the Borough of Hightstown, in the County of Mercer, State of New Jersey, as of and for the year ended December 31, 2023, were audited by other auditors whose report dated April 29, 2025, expressed an adverse opinion under accounting principles generally accepted in the United States of America, a disclaimer of opinion on the Length of Service Award Program Fund and an unmodified opinion under the regulatory basis of accounting.

Responsibilities of Management for the Financial Statements

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

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 Borough's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 auditing standards generally accepted in the United States of America and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Borough's basic financial statements. The accompanying supplemental statements and schedules presented for the various funds, as listed in the table of contents, are presented for purposes of additional analysis as required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, 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 accompanying supplemental statements and schedules, are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 10, 2025 on our consideration of the Borough of Hightstown's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Borough of Hightstown's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Borough of Hightstown's internal control over financial reporting and compliance.

Respectfully submitted,

Bowman & Company LLP

BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants

Daniel M. DiGangi

Daniel M. DiGangi
Certified Public Accountant
Registered Municipal Accountant

Voorhees, New Jersey
November 10, 2025

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

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and
Members of the Borough Council
Borough of Hightstown
Hightstown, New Jersey 08520

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial statement audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the financial statements prepared on a regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, of the Borough of Hightstown, in the County of Mercer, 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 Borough's basic financial statements, and have issued our report thereon dated November 10, 2025. That report indicated that the Borough of Hightstown's financial statements were not prepared in accordance with accounting principles generally accepted in the United States of America, but were prepared on a regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Our report on the financial statements included an emphasis of matter paragraph describing the adoption of a new accounting principle.

Report on Internal Control over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or 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.

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. We consider the deficiencies described in the accompanying *Schedule of Findings and Recommendations* as *Findings Numbers 2024-001, 2024-003 and 2024-004* to be material weaknesses.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Borough's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, and which are described in the accompanying *Schedule of Findings and Recommendations as Findings Numbers 2024-001, 2024-002, 2024-003 and 2024-004*.

The Borough of Hightstown's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the Borough of Hightstown's response to the findings identified in our audit and described in the accompanying *Schedule of Findings and Recommendations*. The Borough of Hightstown's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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* and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully submitted,

Bowman & Company LLP

BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants

Daniel M. DiGangi

Daniel M. DiGangi
Certified Public Accountant
Registered Municipal Accountant

Voorhees, New Jersey
November 10, 2025

BOROUGH OF HIGHTSTOWN
REGULAR FUND
 Statements of Assets, Liabilities, Reserves and Fund Balance -- Regulatory Basis
 As of December 31, 2024 and 2023

<u>ASSETS</u>	<u>Ref.</u>	<u>2024</u>	<u>2023</u>
Regular Fund:			
Cash	SA-1	\$ 5,225,189.88	\$ 5,206,247.21
Change Funds	SA-1	<u>305.00</u>	<u>205.00</u>
		<u>5,225,494.88</u>	<u>5,206,452.21</u>
Receivables with Full Reserves:			
Delinquent Property Taxes Receivable	SA-3	200,996.97	291,875.06
Tax Title Liens Receivable	SA-4	264,550.68	257,921.53
Prepaid County Tax	SA-10	45.03	45.02
Prepaid Regional School District Taxes	SA-12	41,771.00	2,899.00
Revenue Accounts Receivable	SA-6	9,588.88	13,693.21
Due from:			
Trust Other Fund	SB-5	57,589.64	
Water-Sewer Utility Operating Fund	SD-12	655,691.91	421,889.92
Water-Sewer Utility Capital Fund	SD-4	<u>518,451.18</u>	<u>153,946.87</u>
		<u>1,748,685.29</u>	<u>1,142,270.61</u>
Total Regular Fund		<u>6,974,180.17</u>	<u>6,348,722.82</u>
Grant Fund:			
Cash	SA-1	38,439.14	9,436.47
Grants Receivable	SA-16	140,760.00	154,760.00
Due from:			
Regular Fund	SA-15	105,586.48	117,746.77
Water-Sewer Utility Capital Fund	D	4,755.80	4,755.80
Trust Other Fund	B	<u>27,842.58</u>	<u>27,842.58</u>
Total Grant Fund		<u>317,384.00</u>	<u>314,541.62</u>
		<u>\$ 7,291,564.17</u>	<u>\$ 6,663,264.44</u>

(Continued)

BOROUGH OF HIGHTSTOWN
REGULAR FUND
 Statements of Assets, Liabilities, Reserves and Fund Balance -- Regulatory Basis
 As of December 31, 2024 and 2023

LIABILITIES, RESERVES
AND FUND BALANCE

	<u>Ref.</u>	<u>2024</u>	<u>2023</u>
Regular Fund:			
Appropriation Reserves	A-3;SA-7	\$ 855,981.54	\$ 626,951.29
Reserve for Encumbrances	A-3;SA-7	218,438.13	187,953.41
Accounts Payable	SA-5	111,805.74	64,708.24
Due to State of New Jersey:			
Senior Citizens & Veteran Deductions	SA-2	1,112.33	682.88
DCA State Training Fees	SA-13	1,139.00	2,127.00
Marriage Licence Fees	SA-14	325.00	600.00
Lead Paint Fees	SA-1	4,800.00	
EDRS Overpayment	A	109.00	109.00
Prepaid Taxes	SA-8	90,276.84	91,515.27
Tax Overpayments	SA-9	6,401.08	9,594.31
Due County for Added and Omitted Taxes	SA-11	3,419.89	
Due to:			
Grant Fund	SA-15	105,586.48	117,746.77
Animal Control Fund	SB-3	252.27	659.32
Trust Other Fund	SB-5		251,736.02
General Capital Fund	SC-6	1,974,770.28	2,487,366.54
Reserve for Fire Safety and Code Enforcement Fees	A	40,117.00	40,117.00
Reserve for Sale of Assets	SA-1	427,256.00	
		<u>3,841,790.58</u>	<u>3,881,867.05</u>
Reserves for Receivables and Other Assets	A	1,748,685.29	1,142,270.61
Fund Balance	A-1	<u>1,383,704.30</u>	<u>1,324,585.16</u>
Total Regular Fund		<u>6,974,180.17</u>	<u>6,348,722.82</u>
Grant Fund:			
Reserve for:			
Unappropriated Grants	SA-17	22,120.88	10,909.00
Appropriated Grants	SA-18	291,923.12	299,120.97
Reserve for Encumbrances	SA-18	<u>3,340.00</u>	<u>4,511.65</u>
Total Grant Fund		<u>317,384.00</u>	<u>314,541.62</u>
		<u>\$ 7,291,564.17</u>	<u>\$ 6,663,264.44</u>

The accompanying Notes to Financial Statements are an integral part of these statements.

BOROUGH OF HIGHTSTOWN
REGULAR FUND
Statements of Operations and Changes in Fund Balance--Regulatory Basis
For the Years Ended December 31, 2024 and 2023

<u>Revenue and Other Income Realized</u>	<u>2024</u>	<u>2023</u>
Fund Balance Utilized	\$ 1,030,874.00	\$ 898,000.00
Miscellaneous Revenues Anticipated	2,068,718.34	1,737,785.86
Receipts from Current Taxes	19,137,066.75	18,903,259.58
Receipts from Delinquent Taxes	292,345.61	228,230.69
Non-Budget Revenue	164,047.99	35,923.64
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	496,422.11	588,609.53
Interfunds Liquidated		231.68
Cancellation of Accounts Payable		132,718.53
Cancellation of Tax Overpayments	6,208.04	
Cancellation of Trust Other Fund Tax Title Lien Premiums	98,377.25	
Cancellation of Trust Other Fund Tax Title Lien Redemptions	12,650.30	
Other	7,602.11	
	<u>23,314,312.50</u>	<u>22,524,759.51</u>
Total Income		
	<u>23,314,312.50</u>	<u>22,524,759.51</u>
<u>Expenditures</u>		
Budget and Emergency Appropriations:		
Operations--Within "CAPS":		
Salaries and Wages	3,242,435.50	3,052,965.00
Other Expenses	3,040,374.00	2,877,789.00
Deferred Charges and Statutory Expenditures--Within "CAPS"	903,509.00	810,506.00
Operations--Excluded from "CAPS":		
Salaries and Wages		39,176.00
Other Expenses	502,985.34	659,768.42
Capital Improvements--Excluded from "CAPS"	103,000.00	30,000.00
Municipal Debt Service--Excluded from "CAPS"	800,136.58	778,589.19
Transfer to Board of Education for Use of Local Schools	38,872.00	39,996.00
County Taxes	3,640,711.55	3,316,487.06
Due County for Added and Omitted Taxes	3,419.89	
Regional School Tax	9,253,387.00	9,637,902.00
Creation of Reserve:		
Interfunds Advanced	655,895.94	400,497.71
Prepaid County Taxes	0.01	45.02
Prepaid Regional School Taxes	38,872.00	
Other Debits to Expenditures:		
Cancellation of Grants		1,959.83
Refund of Prior Year Revenue	150.00	38,175.67
Increase in Tax Office Change Fund	100.00	
Prior Years Senior and Veterans' Deductions Disallowed	470.55	720.55
	<u>22,224,319.36</u>	<u>21,684,577.45</u>
Total Expenditures		
	<u>22,224,319.36</u>	<u>21,684,577.45</u>
Statutory Excess to Fund Balance	1,089,993.14	840,182.06
<u>Fund Balance</u>		
Balance Jan. 1	<u>1,324,585.16</u>	<u>1,382,403.10</u>
	2,414,578.30	2,222,585.16
Decreased by:		
Utilized as Revenue	<u>1,030,874.00</u>	<u>898,000.00</u>
Balance Dec. 31	<u>\$ 1,383,704.30</u>	<u>\$ 1,324,585.16</u>

The accompanying Notes to Financial Statements are an integral part of these statements.

BOROUGH OF HIGHTSTOWN
REGULAR FUND
Statement of Revenues--Regulatory Basis
For the Year Ended December 31, 2024

	Anticipated Budget	Special N.J.S.A. 40A:4-87	Realized	Excess or (Deficit)
Fund Balance Anticipated	\$ 1,030,874.00	-	\$ 1,030,874.00	-
Miscellaneous Revenues:				
Local Revenues:				
Licenses -- Alcoholic Beverages	7,500.00		7,500.00	
Licenses -- Other	20,000.00		16,030.00	\$ (3,970.00)
Fees and Permits -- Other	19,600.00		15,678.00	(3,922.00)
Fines and Costs -- Municipal Court	225,000.00		162,842.12	(62,157.88)
Interest and Costs on Taxes	46,000.50		75,401.53	29,401.03
Interest on Investments and Deposits	95,000.00		213,565.92	118,565.92
Lease of Borough Owned Cell Tower	75,000.00		80,093.72	5,093.72
State Aid Without Offsetting Appropriations:				
Energy Receipts Taxes	509,555.00		509,554.82	(0.18)
Dedicated Uniform Construction Code Fees Offset with Appropriations (N.J.S.A. 40A:4-36 and N.J.A.C. 5:23-4.17):				
Uniform Construction Code Fees	130,000.00		253,171.00	123,171.00
Shared Service Agreements Offset with Appropriations:				
Roosevelt Borough Trash Collection	73,814.00		76,184.10	2,370.10
Roosevelt Borough Trash Collection - Landfill Costs	30,000.00		29,203.99	(796.01)
Public and Private Revenue Off-Set with Appropriations:				
Clean Communities Grant	12,950.66		12,950.66	
Municipal Court Alcohol Education and Rehabilitation Fund	2,451.68		2,451.68	
Recycling Tonnage Grant	6,278.17		6,278.17	
Body Armor Replacement Fund	1,395.83		1,395.83	
Mercer County NJSCA Local Arts Program	8,000.00		8,000.00	
Other Special Items:				
Uniform Fire Safety Act	10,000.00		12,014.46	2,014.46
CATV Franchise Fee	26,119.00		26,119.39	0.39
Verizon Franchise Fee	27,583.00		27,583.89	0.89
Hightstown Housing Authority - Payment in Lieu of Taxes	33,000.00		30,775.06	(2,224.94)
The Peddie School - Gift	24,000.00		24,000.00	
Sale of Assets N.J.S.A. 40A:4-45.3 (dd)	361,157.00		361,157.00	
Sale of Assets	116,767.00		116,767.00	
	<u>1,861,171.84</u>	<u>-</u>	<u>2,068,718.34</u>	<u>207,546.50</u>
Receipts from Delinquent Taxes	<u>180,000.00</u>	<u>-</u>	<u>292,345.61</u>	<u>112,345.61</u>
Amount to be Raised by Taxes for Support of Municipal Budget:				
Local Tax for Municipal Purposes Including Reserve for Uncollected Taxes	<u>6,439,191.00</u>	<u>-</u>	<u>6,744,548.31</u>	<u>305,357.31</u>
Budget Totals	<u>9,511,236.84</u>	<u>-</u>	<u>10,136,486.26</u>	<u>625,249.42</u>
Non-Budget Revenue	<u>-</u>	<u>-</u>	<u>164,047.99</u>	<u>164,047.99</u>
	<u>\$ 9,511,236.84</u>	<u>-</u>	<u>\$ 10,300,534.25</u>	<u>\$ 789,297.41</u>

(Continued)

BOROUGH OF HIGHTSTOWN
REGULAR 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	\$ 19,137,066.75
Allocated to:	
County and Regional School Taxes	12,897,518.44
Amount for Support of Municipal Budget Appropriations	6,239,548.31
Add: Appropriation "Reserve for Uncollected Taxes"	505,000.00
Amount for Support of Municipal Budget Appropriations	\$ 6,744,548.31

Revenue from Delinquent Taxes:

Delinquent Tax Collections	\$ 292,345.61
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Miscellaneous Revenue not Anticipated:

Tax Map/Ord Copies	\$ 193.84
Refunds and Reimbursements	24,586.19
Miscellaneous Other	45,456.51
Special Duty Administrative Fees	50,000.00
Notary Fees	130.95
Duplicate Tax Bills	1,395.00
Owners List	90.00
Miscellaneous Tax Collector	20.00
Tax Collector Unidentified Funds	1,357.45
Senior Citizen and Veterans Administration Fee	315.00
Accident Reports	914.00
Firearm Permits	3,125.00
Fire Code Other	7,521.00
Miscellaneous Construction Official	2,070.00
Americana Lease of Borough Property	12,750.55
Prior Year Excess Summer Recreation Receipts	14,122.50
	\$ 164,047.99

Cash Receipts	\$ 149,725.49
Due from Animal Control Fund	200.00
Due from Trust Fund Other	14,122.50
	\$ 164,047.99

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

BOROUGH OF HIGHTSTOWN
REGULAR FUND
 Statement of Expenditures--Regulatory Basis
 For the Year Ended December 31, 2024

	<u>Appropriations</u>		<u>Expended</u>			<u>Unexpended Balance Canceled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>	
OPERATIONS--WITHIN "CAPS"						
GENERAL GOVERNMENT FUNCTIONS						
Municipal Clerk						
Salaries and Wages	\$ 95,876.00	\$ 95,876.00	\$ 89,731.57		\$ 6,144.43	
Other Expenses	17,175.00	17,175.00	11,265.02		5,909.98	
General Administration						
Salaries and Wages	146,913.50	196,913.50	136,894.94		60,018.56	
Other Expenses	1,195.00	2,195.00	2,007.76		187.24	
Mayor and Council						
Salaries and Wages	33,400.00	33,400.00	33,399.72		0.28	
Other Expenses	3,255.00	4,255.00	3,335.67		919.33	
Elections						
Other Expenses	5,500.00	5,500.00	3,882.56		1,617.44	
Office Supplies & Paper Products						
Other Expenses	15,500.00	15,500.00	9,616.92	\$ 254.00	5,629.08	
Financial Administration						
Salaries and Wages	173,753.00	173,753.00	152,805.61		20,947.39	
Other Expenses	42,000.00	42,000.00	12,554.46	28,762.00	683.54	
Annual Audit						
Other Expenses	17,000.00	17,000.00			17,000.00	
Grant Writing & Administration						
Other Expenses	4,000.00	4,000.00			4,000.00	
Central Computer(Data Processing/Info Tech)						
Salaries and Wages	5,465.00	5,465.00	5,463.64		1.36	
Other Expenses	110,000.00	102,800.00	78,050.99		24,749.01	
Assessment of Taxes						
Salaries and Wages	21,114.00	21,114.00	21,089.91		24.09	
Other Expenses	7,170.00	7,170.00	3,894.60	1.44	3,273.96	
Collection of Taxes						
Salaries and Wages	101,872.00	56,872.00	54,175.18		2,696.82	
Other Expenses	7,800.00	7,800.00	6,093.51	1,075.00	631.49	
Interest on Tax Appeals						
Other Expenses	100.00	100.00			100.00	
Legal Services and Costs						
Other Expenses	145,000.00	145,000.00	75,373.92	708.75	68,917.33	
Engineering Services and Costs						
Other Expenses	53,600.00	53,600.00	41,282.04	910.49	11,407.47	
Historical Commision						
Other Expenses	3,800.00	3,800.00	675.00		3,125.00	
Planning Board						
Salaries and Wages	30,065.00	37,065.00	35,353.54		1,711.46	
Other Expenses	92,325.00	87,325.00	39,121.91	2,259.50	45,943.59	

(Continued)

BOROUGH OF HIGHTSTOWN
REGULAR FUND
 Statement of Expenditures--Regulatory Basis
 For the Year Ended December 31, 2024

	<u>Appropriations</u>		<u>Expended</u>			<u>Unexpended Balance Canceled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>	
<u>OPERATIONS--WITHIN "CAPS" (CONT'D)</u>						
<u>GENERAL GOVERNMENT FUNCTIONS (CONT'D)</u>						
Insurance:						
General Liability	\$ 57,000.00	\$ 62,000.00	\$ 61,227.28		\$ 772.72	
Unemployment Insurance	5,000.00	5,000.00			5,000.00	
Insurance Deductibles	3,000.00	3,000.00			3,000.00	
Employee Group Health	490,000.00	490,000.00	489,670.16		329.84	
Workers Compensation	109,000.00	109,000.00	108,897.72		102.28	
Health Benefit Waiver	25,000.00	25,000.00			25,000.00	
<u>PUBLIC SAFETY FUNCTIONS</u>						
Police						
Salaries and Wages	1,741,294.00	1,741,294.00	1,734,871.37		6,422.63	
Other Expenses	266,894.00	254,894.00	133,871.61	\$ 35,365.31	85,657.08	
Office of Emergency Management						
Salaries and Wages	15,000.00	15,000.00	13,333.32		1,666.68	
Other Expenses	4,000.00	4,000.00	325.00		3,675.00	
Fire Department						
Other Expenses	131,600.00	131,600.00	64,900.28	54,073.69	12,626.03	
Uniform Fire Safety Act (P.L. 1983, Ch. 383):						
Salaries and Wages	14,000.00	15,500.00	15,320.55		179.45	
Other Expenses	13,750.00	13,750.00	10,887.71	2,143.00	719.29	
First Aid Organization						
Other Expenses	31,300.00	31,300.00	31,300.00			
Municipal Court						
Salaries and Wages	35,484.00	35,484.00	35,444.27		39.73	
Other Expenses	196,700.00	196,700.00	165,725.41		30,974.59	
<u>SANITATION</u>						
Road Repairs and Maintenance						
Salaries and Wages	229,000.00	229,000.00	169,442.69		59,557.31	
Other Expenses	88,000.00	77,000.00	30,898.28	3,909.32	42,192.40	
Snow Removal						
Salaries and Wages	4,000.00	4,000.00			4,000.00	
Other Expenses	7,000.00	7,000.00			7,000.00	
Public Buildings and Grounds						
Salaries and Wages	45,300.00	45,300.00	44,260.94		1,039.06	
Other Expenses	181,671.00	191,671.00	184,497.23	898.65	6,275.12	
Recycling						
Salaries and Wages	102,500.00	102,500.00	102,189.13		310.87	
Other Expenses	182,300.00	182,300.00	156,078.83	14,188.83	12,032.34	
Sanitation/Solid Waste Collection:						
Salaries and Wages	68,000.00	68,000.00	67,198.70		801.30	
Other Expenses	68,800.00	68,800.00	57,930.31	3,246.29	7,623.40	

(Continued)

BOROUGH OF HIGHTSTOWN
REGULAR FUND
 Statement of Expenditures--Regulatory Basis
 For the Year Ended December 31, 2024

	<u>Appropriations</u>		<u>Expended</u>			<u>Unexpended Balance Canceled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>	
<u>OPERATIONS--WITHIN "CAPS" (CONT'D)</u>						
<u>SANITATION (CONT'D)</u>						
Community/Condominium Services Act:						
Other Expenses	\$ 48,000.00	\$ 48,000.00		\$ 48,000.00		
Vehicle Maintenance						
Other Expenses	24,000.00	24,000.00	\$ 17,610.69	2,415.12	\$ 3,974.19	
<u>HEALTH AND WELFARE</u>						
<u>Board of Health</u>						
Salaries and Wages	73,556.00	73,556.00	72,634.47			921.53
Other Expenses	13,959.00	13,959.00	1,657.33	612.56		11,689.11
<u>Environmental Commission (N.J.S.A. 40:56A-1)</u>						
Other Expenses	5,770.00	5,770.00	2,407.66	1,944.80		1,417.54
<u>PARKS AND RECREATION</u>						
<u>Maintenance of Parks</u>						
Salaries and Wages	38,500.00	38,500.00	37,585.58			914.42
Other Expenses	7,500.00	7,500.00	3,145.78			4,354.22
<u>Recreation & Open Space (Parks Commission)</u>						
Salaries and Wages	10,000.00	10,000.00	10,000.00			
Other Expenses	8,000.00	8,700.00	7,667.05			1,032.95
<u>Cultural Arts Commission</u>						
Other Expenses	4,000.00	4,000.00	1,185.92	59.75		2,754.33
<u>State Uniform Construction Code Appropriations Offset by Dedicated Revenues (N.J.A.C. 5:23-4.17)</u>						
<u>Construction Official</u>						
Salaries and Wages	181,767.00	181,767.00	158,181.54			23,585.46
Other Expenses	14,610.00	14,610.00	9,575.28	245.00		4,789.72
<u>Housing Inspector</u>						
Salaries and Wages	62,074.00	62,074.00	61,996.71			77.29
Other Expenses	4,100.00	4,100.00	2,778.87	61.60		1,259.53
<u>Unclassified</u>						
<u>Accumulated Sick & Vacation</u>						
Other Expenses	70,000.00	70,000.00	70,000.00			
<u>Celebration of Public Events</u>						
Other Expenses	3,500.00	3,500.00	436.29			3,063.71
<u>Postage and Shipping Charges</u>						
Other Expenses	10,300.00	10,300.00	9,737.41			562.59

(Continued)

BOROUGH OF HIGHTSTOWN
REGULAR FUND
 Statement of Expenditures--Regulatory Basis
 For the Year Ended December 31, 2024

	<u>Appropriations</u>		<u>Expended</u>			<u>Unexpended Balance Canceled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>	
<u>OPERATIONS--WITHIN "CAPS" (CONT'D)</u>						
<u>Unclassified (Cont'd)</u>						
Utilities:						
Gasoline	\$ 81,700.00	\$ 81,700.00	\$ 41,915.10	\$ 13,342.97	\$ 26,441.93	
Natural Gas	18,000.00	18,000.00	7,597.66	1,151.28	9,251.06	
Telephone and Telegraph	44,000.00	44,000.00	34,622.19	558.78	8,819.03	
Street Lighting	32,000.00	32,000.00	30,022.93		1,977.07	
Electricity	42,000.00	42,000.00	21,893.34		20,106.66	
Landfill Disposal Costs						
Other Expenses	240,000.00	240,000.00	196,472.76		43,527.24	
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Operations -- Within "CAPS"	6,286,807.50	6,282,807.50	5,293,463.82	216,188.13	773,155.55	-
Detail:						
Salaries and Wages	3,228,933.50	3,242,433.50	3,051,373.38		191,060.12	
Other Expenses	3,057,874.00	3,040,374.00	2,242,090.44	216,188.13	582,095.43	
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<u>DEFERRED CHARGES AND STATUTORY EXPENDITURES</u>						
<u>MUNICIPAL--WITHIN "CAPS"</u>						
Statutory Expenditures:						
Defined Contribution Retirement Program (DCRP)	5,000.00	5,000.00	5,000.00			
Social Security System (O.A.S.I.)	142,000.00	146,000.00	144,022.22		1,977.78	
Public Employees Retirement System	220,351.00	220,351.00	214,301.00		6,050.00	
Police and Firemen's Retirement System	532,158.00	532,158.00	532,158.00			
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Statutory Expenditures	899,509.00	903,509.00	895,481.22	-	8,027.78	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Deferred Charges and Statutory Expenditures -- Within "CAPS"	899,509.00	903,509.00	895,481.22	-	8,027.78	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total General Appropriations for Municipal Purposes -- Within "CAPS"	7,186,316.50	7,186,316.50	6,188,945.04	216,188.13	781,183.33	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

(Continued)

BOROUGH OF HIGHTSTOWN
REGULAR FUND
 Statement of Expenditures--Regulatory Basis
 For the Year Ended December 31, 2024

	Appropriations		Expended			Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved	
<u>OPERATIONS EXCLUDED FROM "CAPS"</u>						
Length of Service Award Program (LOSAP)						
Other Expenses	\$ 30,000.00	\$ 30,000.00	\$ 18,000.00	\$ 2,250.00	\$ 9,750.00	
Recycling Tax (P.L. 2007, C.311)	6,500.00	6,500.00	4,905.48		1,594.52	
Anticipated Deficit in Water-Sewer Utility						
Other Expenses	361,157.00	361,157.00				\$ 361,157.00
<u>Interlocal Municipal Service Agreements:</u>						
Senior Citizens-Program Service Center						
Other Expenses	55,000.00	55,000.00	11,285.33		43,714.67	
Dispatch Services-East Windsor Township						
Other Expenses	204,574.00	204,574.00	204,573.84		0.16	
Senior Citizens-Transportation	2,180.00	2,180.00	2,180.00			
Health Services-West Windsor Township						
Salaries and Wages	31,176.00	31,176.00	31,176.00			
Other Expenses	24,969.00	24,969.00	24,819.00		150.00	
Emergency Medical Services						
Other Expenses	40,000.00	40,000.00	40,000.00			
Landfill Disposal Costs(Roosevelt)						
Other Expenses	35,000.00	35,000.00	29,530.82		5,469.18	
Stockton Street. Improvements - East Windsor						
Mercer County EMS Dispatch	5,510.00	5,510.00	5,510.00			
Vehicle Maintenance Services	19,000.00	19,000.00	6,646.32		12,353.68	
Manalapan - Animal Control	18,000.00	18,000.00	18,000.00			
<u>Public and Private Programs Off-Set by Revenues</u>						
Alcohol Education and Rehabilitation Fund						
Other Expenses	2,451.68	2,451.68	2,451.68			
Clean Communities Program						
Other Expenses	12,950.66	12,950.66	12,950.66			
Body Armor Replacement Grant						
Other Expenses	1,395.83	1,395.83	1,395.83			
Mercer County NJSCA Local Arts Program						
Other Expenses	8,000.00	8,000.00	8,000.00			
Recycling Tonnage Grant						
Other Expenses	6,278.17	6,278.17	6,278.17			
Total Operations--Excluded from "CAPS"	864,142.34	864,142.34	427,703.13	2,250.00	73,032.21	361,157.00
Detail:						
Salaries and Wages						
Other Expenses	864,142.34	864,142.34	427,703.13	2,250.00	73,032.21	361,157.00

(Continued)

BOROUGH OF HIGHTSTOWN
REGULAR FUND
 Statement of Expenditures--Regulatory Basis
 For the Year Ended December 31, 2024

	Appropriations		Paid or Charged	Expended		Unexpended Balance Canceled
	Budget	Budget After Modification		Encumbered	Reserved	
<u>CAPITAL IMPROVEMENTS--EXCLUDED FROM "CAPS"</u>						
Acquisition of a Used Sanitation Truck	\$ 88,000.00	\$ 88,000.00	\$ 86,234.00		\$ 1,766.00	
Capital Improvement Fund	15,000.00	15,000.00	15,000.00			
Total Capital Improvements-- Excluded from "CAPS"	103,000.00	103,000.00	101,234.00	-	1,766.00	-
<u>MUNICIPAL DEBT SERVICE--EXCLUDED FROM "CAPS"</u>						
Payment of Bond Principal	480,000.00	480,000.00	480,000.00			
Payment of Bond Anticipation Notes and Capital Notes	90,000.00	90,000.00	90,000.00			
Interest on Bonds	103,200.00	103,200.00	103,200.00			
Interest on Notes	130,780.00	130,780.00	117,013.11			\$ 13,766.89
Damn Restoration Loan	9,926.00	9,926.00	9,925.47			0.53
Total Municipal Debt Service-- Excluded from "CAPS"	813,906.00	813,906.00	800,138.58	-	-	13,767.42
Transferred to Board of Education for Use of Local Schools (N.J.S.A.	38,872.00	38,872.00	38,872.00	-	-	-
Total General Appropriations for Municipal Purposes--Excluded from "CAPS"	1,819,920.34	1,819,920.34	1,367,947.71	\$ 2,250.00	74,798.21	374,924.42
Subtotal General Appropriations	9,006,236.84	9,006,236.84	7,556,892.75	218,438.13	855,981.54	374,924.42
Reserve for Uncollected Taxes	505,000.00	505,000.00	505,000.00	-	-	-
Total General Appropriations	<u>\$ 9,511,236.84</u>	<u>\$ 9,511,236.84</u>	<u>\$ 8,061,892.75</u>	<u>\$ 218,438.13</u>	<u>\$ 855,981.54</u>	<u>\$ 374,924.42</u>
Adopted Budget		<u>\$ 9,511,236.84</u>				
Reserve for Uncollected Taxes			\$ 505,000.00			
Reserve for Federal and State Grants Appropriated			31,076.34			
Reimbursed			(253,420.39)			
Disbursed			7,779,236.80			
			<u>\$ 8,061,892.75</u>			

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

BOROUGH OF HIGHTSTOWN
TRUST FUND
 Statements of Assets, Liabilities and Reserves--Regulatory Basis
 As of December 31, 2024 and 2023

<u>ASSETS</u>	<u>Ref.</u>	<u>2024</u>	<u>2023</u>
Animal Control Fund:			
Cash--Treasurer	SB-1	\$ 2,927.93	\$ 1,733.88
Due from Regular Fund	SB-3	<u>252.27</u>	<u>659.32</u>
Total Animal Control Fund		<u>3,180.20</u>	<u>2,393.20</u>
Length of Service Award Program:			
Investments - Length of Service Award Program	SB-7	920,045.74	821,380.67
Due from Borough	SB-7		<u>20,250.00</u>
		<u>920,045.74</u>	<u>841,630.67</u>
Other Funds:			
Cash--Treasurer	SB-1	966,221.43	750,032.70
Redevelopment Circulation Study	B	18,970.55	18,970.55
Due from Regular Fund	SB-5		251,736.02
Due from NJ GIT	B	<u>38,218.14</u>	<u>38,218.14</u>
Total Other Funds		<u>1,023,410.12</u>	<u>1,058,957.41</u>
		<u>\$ 1,946,636.06</u>	<u>\$ 1,902,981.28</u>

(Continued)

BOROUGH OF HIGHTSTOWN
TRUST FUND
 Statements of Assets, Liabilities and Reserves--Regulatory Basis
 As of December 31, 2024 and 2023

LIABILITIES AND RESERVES

Animal Control Fund:

Due to State of New Jersey	SB-4	\$ 43.40	\$ 30.20
Reserve For Animal Control Fund Expenditures	SB-2	<u>3,136.80</u>	<u>2,363.00</u>
Total Animal Control Fund		<u>3,180.20</u>	<u>2,393.20</u>

Length of Service Award Program:

Reserve for Length of Service Award Program	SB-7	<u>920,045.74</u>	<u>841,630.67</u>
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Other Funds:

Due to Grant Fund	A	27,842.58	27,842.58
Due to Regular Fund	SB-5	57,589.64	
Due to Water-Sewer Operating Fund	D	12,307.42	12,307.42

Reserves for:

Workman's Compensation	SB-6	23,848.10	9,581.03
Payroll Deductions Payable	SB-6	50,555.10	51,918.77
Escrow Fees	SB-6	113,493.32	78,678.94
Housing Trust	SB-6	51,325.42	32,639.54
Unemployment Compensation	SB-6	82,603.55	81,994.58
Parking Offenses Adjudication Act	SB-6	1,479.00	1,373.00
Uniform Fire Safety Act	SB-6	6,975.03	6,975.03
Law Enforcement Fund	SB-6	50,944.75	53,155.33

Donations:

Celebration of Public Events - Memorial Day Parade	SB-6	2,239.40	2,439.40
Animal Welfare	SB-6	1,289.28	1,289.28
Historical Site	SB-6	798.71	798.71
National Night Out	SB-6	3,894.37	2,594.37
Peddie Dam Footbridge	SB-6	1,059.48	1,059.48
Franklin St. Project Lighting	SB-6	6,062.93	6,062.93
Skatepark	SB-6	19,345.87	19,345.87
Cultural Arts	SB-6	15,440.39	16,921.37
Environmental Trees	SB-6	2,056.16	2,056.16
Environmental Donation	SB-6	74.00	74.00
American Diner Escrow	SB-6	788.50	788.50
Regan Redevelopment	SB-6	142.00	142.00
Replace Downtown Coach Lighting	SB-6	2,833.20	2,833.20
RBE Performance	SB-6	2,309.05	2,309.05
Exercise Class	SB-6	290.38	290.38
Recreation Trips	SB-6	135.00	135.00
Triathlon	SB-6	40,624.85	41,102.74
Shakespeare in the Park	SB-6	3,454.27	3,414.58
Dawes	SB-6	29,681.79	42,956.04
Recaptured Funds Housing Rehabilitation	SB-6	1,703.00	1,703.00
Recycling	SB-6	45,373.42	52,567.39
Recycling-Grass Collection Program	SB-6	7,104.24	7,104.24
Storm Recovery	SB-6	42,715.15	48,345.33
Police Off Duty Services	SB-6	25,274.09	59,062.09
Public Defender	SB-6	16,077.47	23,079.97
Tax Title Lien Premiums	SB-6	10,600.00	108,977.25
Tax Title Lien Redemptions	SB-6	31,383.71	28,328.38
Insurance Refunds	SB-6	80,125.02	81,125.02
Regional Contribution Agreement - Manalapan	SB-6	<u>151,570.48</u>	<u>145,585.46</u>

Total Other Funds		<u>1,023,410.12</u>	<u>1,058,957.41</u>
		<u>\$ 1,946,636.06</u>	<u>\$ 1,902,981.28</u>

The accompanying Notes to Financial Statement are an integral part of these statements.

BOROUGH OF HIGHTSTOWN
GENERAL CAPITAL FUND
 Statements of Assets, Liabilities, Reserves and Fund Balance--Regulatory Basis
 As of December 31, 2024 and 2023

<u>ASSETS</u>	<u>Ref.</u>	<u>2024</u>	<u>2023</u>
Cash	SC-1	\$ 30,781.38	\$ 3,606.46
Deferred Charges to Future Taxation:			
Funded	SC-3	2,851,451.79	3,340,216.53
Unfunded	SC-4	6,642,699.97	5,581,909.97
Grants Receivable	SC-5	2,227,023.82	1,995,613.82
Due from Regular Fund	SC-6	1,974,770.28	2,487,366.54
Due from Water-Sewer Utility Capital Fund	SC-8	545,339.66	297,071.10
		<u>\$ 14,272,066.90</u>	<u>\$ 13,705,784.42</u>
 <u>LIABILITIES, RESERVES</u> <u>AND FUND BALANCE</u>			
Improvement Authorizations:			
Funded	SC-8	\$ 1,378,433.90	\$ 1,296,344.92
Unfunded	SC-8	2,771,031.64	1,970,652.66
Reserve for Encumbrances	SC-8	656,375.06	891,229.27
Due to Water-Sewer Utility Operating Fund	D	400,000.00	400,000.00
Bond Anticipation Notes	SC-9	4,081,000.00	3,671,000.00
General Serial Bonds	SC-10	2,800,000.00	3,280,000.00
Green Acres Loan Payable	SC-11	51,451.79	60,216.53
Reserve for:			
Grants Receivable	C	127,959.87	127,959.87
John and Mary Hight Sculpture	C	150.00	150.00
Donations	C	50.00	50.00
Municipal Facility	C	4,859.79	4,859.79
Housing Rehabilitation	C	47.00	47.00
Municipal Facility-FEMA	C	161,655.85	161,655.85
Purchase of Police Vehicle	C	672.47	672.47
Payment of Notes Ord. 18-20	C	15,211.88	15,211.88
Municipal Building Insurance	C	1,595,000.00	1,595,000.00
Capital Improvement Fund	SC-7	216,722.50	220,922.50
Fund Balance	C-1	11,445.15	9,811.68
		<u>\$ 14,272,066.90</u>	<u>\$ 13,705,784.42</u>

The accompanying Notes to Financial Statements are an integral part of these statements.

BOROUGH OF HIGHTSTOWN
GENERAL CAPITAL FUND
Statement of Fund Balance -- Regulatory Basis
For the Year Ended December 31, 2024

Balance Dec. 31, 2023	\$ 9,811.68
Increased by:	
Due from Regular Fund:	<u>1,633.47</u>
Balance Dec. 31, 2024	<u><u>\$ 11,445.15</u></u>

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

BOROUGH OF HIGHTSTOWN
WATER-SEWER UTILITY FUND
 Statements of Assets, Liabilities, Reserves and Fund Balance--Regulatory Basis
 As of December 31, 2024 and 2023

<u>ASSETS</u>	<u>Ref.</u>	<u>2024</u>	<u>2023</u>
Operating Fund:			
Cash - Treasurer	SD-1	\$ 642,209.14	\$ 278,304.41
Due from Trust Fund Other	B	12,307.42	12,307.42
Due from General Capital Fund	C	400,000.00	400,000.00
Due from Water-Sewer Utility Capital Fund	SD-11	95,109.61	95,109.61
		<u>1,149,626.17</u>	<u>785,721.44</u>
Receivables with Full Reserves:			
Consumer Accounts Receivable	SD-3	144,668.47	121,402.84
Deferred Charge:			
Deficit in Operations	D	595.27	595.27
Total Operating Fund		<u>1,294,889.91</u>	<u>907,719.55</u>
Capital Fund:			
Cash	SD-1	782,537.06	452,206.06
Grant Receivable - FEMA	D		74,642.56
Fixed Capital	SD-5	16,555,516.65	15,336,516.65
Fixed Capital Authorized and Uncompleted	SD-6	17,306,500.00	16,952,500.00
Deferred Charge - Overexpended Ordinance	D	63,601.50	63,601.50
Due from State of New Jersey:			
Department of Environmental Protection	SD-1		16,235.00
Infrastructure Bank	SD-1		8,117.00
Total Capital Fund		<u>34,708,155.21</u>	<u>32,903,818.77</u>
		<u>\$ 36,003,045.12</u>	<u>\$ 33,811,538.32</u>

(Continued)

BOROUGH OF HIGHTSTOWN
WATER-SEWER UTILITY FUND
 Statements of Assets, Liabilities, Reserves and Fund Balance--Regulatory Basis
 As of December 31, 2024 and 2023

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>Ref.</u>	<u>2024</u>	<u>2023</u>
Operating Fund:			
Liabilities:			
Appropriation Reserves	D-3;SD-10	\$ 236,474.00	\$ 175,842.71
Reserve for Encumbrances	D-3;SD-10	40,659.67	101,133.34
Accounts Payable	SD-10	28,437.00	14,437.00
Due to Regular Fund	SD-12	655,691.91	421,889.92
Deposits	D	500.00	500.00
Prepaid Water-Sewer Rents	SD-7	29,602.03	
Water-Sewer Rent Overpayments	SD-8	3,651.60	7,221.81
Accrued Interest on Bonds, Loans and Notes	SD-9	55,437.55	40,270.51
		<u>1,050,453.76</u>	<u>761,295.29</u>
Reserve for Receivables	D	144,668.47	121,402.84
Fund Balance	D-1	99,767.68	25,021.42
		<u>1,294,889.91</u>	<u>907,719.55</u>
Capital Fund:			
Bond Anticipation Notes	SD-17	1,278,000.00	1,169,000.00
Serial Bonds	SD-18	845,000.00	1,025,000.00
Loans Payable	SD-19	3,249,391.58	3,536,895.38
Construction Loan Payable	SD-1	285,979.00	
Due to Regular Fund	SD-4	518,451.18	153,946.87
Due to Grant Fund	D	4,755.80	4,755.80
Due to General Capital Fund	SD-14	545,339.66	297,071.10
Due to Water-Sewer Utility Operating Fund	SD-11	95,109.61	95,109.61
Improvement Authorizations:			
Funded	SD-14	180,431.66	105,951.51
Unfunded	SD-14	6,962,696.67	6,470,041.34
Reserve for Encumbrances	SD-14	379,325.12	109,745.00
Downpayments on Improvements	D	200.00	200.00
Reserve for Payment of Debt Service	D	4,631.21	4,631.21
Reserve for Grants	D		74,642.56
Reserve for New Jersey I-Bank Advance	D	82,272.23	82,272.23
Reserve for Amortization	SD-15	18,448,515.85	17,967,012.05
Reserve for Deferred Amortization	SD-16	1,787,845.44	1,776,845.44
Capital Improvement Fund	SD-13	39,692.95	30,692.95
Fund Balance	D-4	517.25	5.72
		<u>34,708,155.21</u>	<u>32,903,818.77</u>
		<u>\$ 36,003,045.12</u>	<u>\$ 33,811,538.32</u>

The accompanying Notes to Financial Statements are an integral part of these statements.

BOROUGH OF HIGHTSTOWN
WATER-SEWER UTILITY OPERATING FUND
 Statements of Operations and Changes in Operating Fund Balance--Regulatory Basis
 For the Years Ended December 31, 2024 and 2023

<u>Revenue and Other</u>	<u>2024</u>	<u>2023</u>
<u>Income Realized</u>		
Fund Balance	\$ 48,000.00	\$ 200,000.00
Water-Sewer Rents	2,895,641.12	2,843,739.19
Miscellaneous	149,341.51	80,954.49
Deficit (General Budget)		50,000.00
ARP - Lost Revenue		49,269.05
Other Credits to Income:		
Canceled Water-Sewer Overpayments	7,221.81	
Refund of Prior Year Expenditures	1,200.00	
Unexpended Balances of Appropriation Reserves	176,461.92	113,195.43
	<u>3,277,866.36</u>	<u>3,337,158.16</u>
Total Income		
<u>Expenditures</u>		
Operating	2,364,149.00	2,559,017.00
Capital Appropriations	20,000.00	18,776.00
Debt Service	608,471.10	596,590.00
Deferred Charges and Statutory Expenditures	162,500.00	155,500.00
Other Debits to Expenditures:		
Refund of Prior Year Revenue		7,870.40
	<u>3,155,120.10</u>	<u>3,337,753.40</u>
Total Expenditures		
Statutory Excess to Fund Balance	122,746.26	
Operating Deficit		<u>\$ (595.24)</u>
<u>Fund Balance</u>		
Balance January 1	<u>25,021.42</u>	<u>225,021.42</u>
	147,767.68	225,021.42
Decreased by:		
Utilized as Revenue:		
Water Utility Fund Budget	48,000.00	200,000.00
	<u>\$ 99,767.68</u>	<u>\$ 25,021.42</u>
Balance December 31		

The accompanying Notes to Financial Statements are an integral part of these statements.

BOROUGH OF HIGHTSTOWN
WATER-SEWER UTILITY OPERATING FUND
 Statement of Expenditures--Regulatory Basis
 For the Year Ended December 31, 2024

	Appropriations		Paid or Charged	Expended		Unexpended Balance Canceled
	Original Budget	Budget After Modification		Encumbered	Reserved	
Operating:						
Salaries and Wages	\$ 853,319.00	\$ 929,819.00	\$ 929,643.66		\$ 175.34	
Other Expenses	1,657,830.00	1,574,330.00	1,160,231.92	\$ 40,659.67	233,438.41	\$ 140,000.00
Total Operating	<u>2,511,149.00</u>	<u>2,504,149.00</u>	<u>2,089,875.58</u>	<u>40,659.67</u>	<u>233,613.75</u>	<u>140,000.00</u>
Capital Improvements:						
Capital Improvement Fund	20,000.00	20,000.00	20,000.00	-	-	-
Debt Service:						
Payment of Bond Principal	180,000.00	180,000.00	180,000.00			
Payment of Bond Anticipation Notes & Capital Notes	14,000.00	14,000.00	14,000.00			
Interest on Bonds	29,350.00	29,350.00	29,348.10			1.90
Interest on Notes	50,704.00	55,204.00	55,181.52			22.48
Wastewater and Water Supply Loans	348,454.00	343,954.00	329,941.48			14,012.52
Total Debt Service	<u>622,508.00</u>	<u>622,508.00</u>	<u>608,471.10</u>	<u>-</u>	<u>-</u>	<u>14,036.90</u>
Deferred Charges and Statutory Expenditures:						
Statutory Expenditures:						
Contribution to:						
Public Employees Retirement System	79,500.00	79,500.00	79,500.00			
Social Security System (O.A.S.I.)	74,000.00	81,000.00	80,139.75		860.25	
Unemployment Compensation Insurance (N.J.S.A. 43:21-3 et seq.)	2,000.00	2,000.00			2,000.00	
Total Statutory Expenditures	<u>155,500.00</u>	<u>162,500.00</u>	<u>159,639.75</u>	<u>-</u>	<u>2,860.25</u>	<u>-</u>
	<u>\$ 3,309,157.00</u>	<u>\$ 3,309,157.00</u>	<u>\$ 2,877,986.43</u>	<u>\$ 40,659.67</u>	<u>\$ 236,474.00</u>	<u>\$ 154,036.90</u>
Disbursed			\$ 1,673,115.64			
Due to Regular Fund - Disbursed On-behalf of Water-Sewer Utility Operating Fund			1,147,803.59			
Accrued Interest:						
Interest on Bonds			29,348.10			
Interest on Loans			42,437.68			
Interest on Notes			55,181.52			
Refunds of Budget Appropriations			(69,900.10)			
			<u>\$ 2,877,986.43</u>			

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

BOROUGH OF HIGHTSTOWN
WATER-SEWER UTILITY CAPITAL FUND
Statement of Changes in Fund Balance -- Regulatory Basis
For the Year Ended December 31, 2024

Balance Dec. 31, 2023	\$	5.72
Increased By:		
Due from Regular Fund - Premium on Sale of Notes		511.53
Balance Dec. 31, 2024	\$	517.25

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

BOROUGH OF HIGHTSTOWN
GENERAL FIXED ASSET ACCOUNT GROUP
 Statement of General Fixed Asset Group of Accounts -- Regulatory Basis
 For the Year Ended December 31, 2024

	Balance <u>Dec. 31, 2023</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>Dec. 31, 2024</u>
General Fixed Assets:				
Land	\$ 90,835.99			\$ 90,835.99
Buildings and Improvements	1,175,452.55			1,175,452.55
Vehicles	3,997,143.51			3,997,143.51
Miscellaneous Equipment	1,885,459.82			1,885,459.82
	<u>\$ 7,148,891.87</u>	<u>-</u>	<u>-</u>	<u>\$ 7,148,891.87</u>
Investment in General Fixed Assets:				
General Capital Fund	<u>\$ 7,148,891.87</u>	<u>-</u>	<u>-</u>	<u>\$ 7,148,891.87</u>

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

BOROUGH OF HIGHTSTOWN
Notes to Financial Statements
For the Year Ended December 31, 2024

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of Financial Reporting Entity - The Borough of Hightstown (hereafter referred to as the "Borough") was incorporated as a Borough by an act of the New Jersey legislature on March 5, 1853, within portions of East Windsor Township. The Borough became fully independent around 1894. The Borough, located in Mercer County, New Jersey, has a total area of approximately 1.27 square miles, and is located approximately 16 miles west of Trenton, approximately 51 miles south of New York, and approximately 48 miles north of Philadelphia. The Borough is surrounded entirely by East Windsor Township. According to the 2020 census, the population is 5,900.

The Borough operates under the Borough form of government. The governing body consists of a Mayor and Council members. All action is passed by a majority or, when required, a two-thirds 2/3 vote of Council. The Mayor only votes in the event of a tie. The Mayor has veto power over all ordinances passed by the Borough council. This veto can be overridden by a two-thirds 2/3 vote of the Council.

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

In accordance with the *Requirements*, the Borough accounts for its financial transactions through the use of separate funds and an account group which are described as follows:

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

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

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

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

General Fixed Asset Group of Accounts - The general fixed asset group of accounts is utilized to account for property, land, buildings, and equipment that have been acquired by other governmental funds.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

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

An extension of the statutory dates for introduction, approval, and adoption of the municipal budget may be granted by the Director of the Division of Local Government Services, with the permission of the Local Finance Board.

Budgets are adopted on the same basis of accounting utilized for the preparation of the Borough's financial statements.

Cash, Cash Equivalents and Investments - Cash and cash equivalents include petty cash, change funds and cash on deposit with public depositories. All certificates of deposit are recorded as cash regardless of the date of maturity. Investments are stated at cost; therefore, unrealized gains or losses on investments have not been recorded. Investments recorded in the trust fund for the Borough's length of service awards program, however, are stated at fair value.

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

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

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

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

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

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

General Fixed Assets - Accounting for governmental fixed assets, as required by N.J.A.C. 5:30-5.6, differs in certain respects from accounting principles generally accepted in the United States of America. In accordance with the regulations, all local units, including municipalities, must maintain a general fixed assets reporting system that establishes and maintains a physical inventory of nonexpendable, tangible property as defined and limited by the U.S. Office of Management and *Budget's Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (2 CFR Part 225), except that the useful life of such property is at least five years. The Borough has adopted a capitalization threshold of \$5,000.00, the maximum amount allowed by the Uniform Guidance. Generally, assets are valued at historical cost; however, assets acquired prior to December 31, 1985 are valued at actual historical cost or estimated historical cost. No depreciation of general fixed assets is recorded. Donated general fixed assets are recorded at acquisition value as of the date of the transaction. Interest costs relative to the acquisition of general fixed assets are recorded as expenditures when paid. Public domain ("infrastructure") general fixed assets consisting of certain improvements such as roads, bridges, curbs and gutters, streets and sidewalks and drainage systems are not capitalized. Expenditures for construction in progress are recorded in the capital funds until such time as the construction is completed and put into operation. The Borough is required to maintain a subsidiary ledger detailing fixed assets records to control additions, retirements, and transfers of fixed assets. In addition, a statement of general fixed asset group of accounts, reflecting the activity for the year, must be included in the Borough's basic financial statements.

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

Utility Fixed Assets - Property and equipment purchased by a utility fund are recorded in the utility capital account at cost and are adjusted for disposition and abandonment. The amounts shown do not represent replacement cost or current value. The reserve for amortization and deferred reserve for amortization accounts in the utility capital fund represent charges to operations for the cost of acquisition of property and equipment, improvements, and contributed capital.

Foreclosed Property - Foreclosed property is recorded in the current fund at the assessed valuation when such property was acquired and is fully reserved. Ordinarily it is the intention of the municipality to resell foreclosed property in order to recover all or a portion of the delinquent taxes or assessments and to return the property to a taxpaying basis. For this reason, the value of foreclosed property has not been included in the general fixed asset group of accounts. If such property is converted to a municipal use, it will be recorded in the general fixed asset group of accounts.

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

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

Fund Balance - Fund balances included in the current fund and water-sewer utility operating fund represent amounts available for anticipation as revenue in future years' budgets, with certain restrictions.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Revenues - Revenues are recorded when received in cash except for certain amounts which are due from other governmental units. Revenue from federal and state grants is realized when anticipated as such in the Borough's budget. Receivables for property taxes are recorded with offsetting reserves on the statement of assets, liabilities, reserves and fund balance of the Borough's current fund; accordingly, such amounts are not recorded as revenue until collected. Other amounts that are due to the Borough which are susceptible to accrual are also recorded as receivables with offsetting reserves and recorded as revenue when received.

Property Tax Revenues - Property tax revenues are collected in quarterly installments due February 1, May 1, August 1, and November 1. The amount of tax levied includes not only the amount required in support of the Borough's annual budget, but also the amounts required in support of the budgets of the County of Mercer and the East Winsor Regional School District. Unpaid property taxes are subject to tax sale in accordance with the statutes.

School Taxes - The Borough is responsible for levying, collecting, and remitting school taxes for the East Winsor Regional School District. Operations is charged for the full amount required to be raised from taxation to operate the local school district for the period from January 1 to December 31.

County Taxes - The municipality is responsible for levying, collecting, and remitting county taxes for the County of Mercer. County taxes are determined on a calendar year by the County Board of Taxation based upon the ratables required to be certified to them on January 10 of each year. Operations is charged for the amount due to the County for the year, based upon the ratables required to be certified to the County Board of Taxation by January 10 of the current year. In addition, operations is charged for the County share of added and omitted taxes certified to the County Board of Taxation by October 10 of the current year, and due to be paid to the County by February 15 of the following year.

Reserve for Uncollected Taxes - The inclusion of the "reserve for uncollected taxes" appropriation in the Borough's annual budget protects the Borough from taxes not paid currently. The reserve, the minimum amount of which is determined on the percentage of collections experienced in the immediately preceding year, with certain exceptions, is required to provide assurance that cash collected in the current year will provide sufficient cash flow to meet expected obligations.

Expenditures - Expenditures are recorded on the "budgetary" basis of accounting. Generally, expenditures are recorded when paid. However, for charges to amounts appropriated for "other expenses", an amount is encumbered through the issuance of a numerically controlled purchase order or when a contract is executed in accordance with N.J.A.C. 5:30-5.2. When encumbered charges are paid, the amount encumbered is simultaneously liquidated in its original amount. Encumbrances are offset by an account entitled reserve for encumbrances. The reserve is classified as a cash liability under New Jersey municipal accounting. At December 31, this reserve represents the portion of appropriation reserves that has been encumbered and is subject to the same statutory provisions as appropriation reserves.

Appropriations for principal payments on outstanding general capital and utility bonds and notes are provided on the cash basis; interest on general capital indebtedness is on the cash basis, whereas interest on utility indebtedness is on the accrual basis.

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

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

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

Compensated Absences and Postemployment Benefits - Compensated absences for paid time off (PTO), sick leave, vacation leave, compensatory time, and certain types of sabbatical leave, and other compensated absences are recorded and provided for in the annual budget in the year in which they are paid, on a pay-as-you-go basis. Likewise, no accrual is made for postemployment benefits, if any, which are also funded on a pay-as-you-go basis.

Impact of Recently Issued Accounting Principles

Recently Issued and Adopted Accounting Pronouncements

The Borough implemented the following GASB Statement for the year ended December 31, 2024:

Statement No. 101, *Compensated Absences*. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. As a result of the regulatory basis of accounting previously described in note 1, the implementation of this Statement only impacted financial statement disclosures. There exists no impact on the financial statements of the Borough.

Because of the implementation of GASB Statement No. 101, the Borough has updated the measurement of compensated absences in accordance with the Statement (note 12).

Note 2: CASH AND CASH EQUIVALENTS

Custodial Credit Risk Related to Deposits - Custodial credit risk is the risk that, in the event of a bank failure, the Borough’s deposits might not be recovered. Although the Borough does not have a formal policy regarding custodial credit risk, N.J.S.A. 17:9-41 et seq. requires that governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). Under the Act, the first \$250,000.00 of governmental deposits in each insured depository is protected by the Federal Deposit Insurance Corporation (FDIC). Public funds owned by the municipality in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled agency funds such as salary withholdings, bail funds, or funds that may pass to the municipality relative to the happening of a future condition. Such funds are classified as uninsured and uncollateralized.

As of December 31, 2024, the Borough’s bank balances of \$7,613,285.06 were exposed to custodial credit risk as follows:

Insured by FDIC and GUDPA	\$ 7,546,033.49
Uninsured and Uncollateralized	<u>67,251.57</u>
Total	<u>\$ 7,613,285.06</u>

Note 3: PROPERTY TAXES

The following is a five-year comparison of certain statistical information relative to property taxes and property tax collections for the current and previous four calendar years:

Comparative Schedule of Tax Rates

	<u>Year Ended</u>				
	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Apportionment of Tax Rate:					
Municipal	\$ 1.633	\$ 1.579	\$ 1.470	\$ 1.410	\$ 1.352
County	.923	.838	.796	.764	.777
Regional School	2.347	2.436	2.419	2.342	2.284
	<u> </u>				
Tax Rate	<u>\$ 4.903</u>	<u>\$ 4.853</u>	<u>\$ 4.685</u>	<u>\$ 4.516</u>	<u>\$ 4.413</u>

Assessed Valuation

<u>Year</u>	<u>Amount</u>
2024	\$ 394,325,400.00
2023	395,713,300.00
2022	396,101,192.00
2021	396,172,393.00
2020	394,686,499.00

Comparison of Tax Levies and Collections

<u>Year</u>	<u>Tax Levy</u>	<u>Collections</u>	<u>Percentage of Collections</u>
2024	\$ 19,355,292.87	\$ 19,137,066.75	98.87%
2023	19,209,978.05	18,903,259.58	98.40%
2022	18,576,032.10	18,329,888.21	98.67%
2021	17,915,565.49	17,724,330.08	98.93%
2020	17,451,083.95	17,231,965.87	98.74%

Delinquent Taxes and Tax Title Liens

<u>Year</u>	<u>Tax Title Liens</u>	<u>Delinquent Taxes</u>	<u>Total Delinquent</u>	<u>Percentage of Tax Levy</u>
2024	\$ 264,550.68	\$ 200,996.97	\$ 465,547.65	2.41%
2023	257,921.53	291,875.06	549,796.59	2.86%
2022	240,868.09	224,877.75	465,745.84	2.51%
2021	212,328.23	178,357.41	390,685.64	2.18%
2020	198,631.76	199,804.52	398,436.28	2.28%

Note 3: PROPERTY TAXES (CONT'D)

The following comparison is made of the number of tax title liens receivable on December 31 for the current and previous four calendar years:

<u>Year</u>	<u>Number</u>
2024	17
2023	18
2022	17
2021	17
2020	17

Note 4: PROPERTY ACQUIRED BY TAX TITLE LIEN LIQUIDATION

The Borough did not have any property acquired by liquidation of tax title liens during the current and previous four years as follows.

Note 5: WATER-SEWER UTILITY SERVICE CHARGES

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

<u>Year</u>	<u>Balance Beginning of Year</u> <u>Receivable</u>	<u>Liens</u>	<u>Levy</u>	<u>Total</u>	<u>Cash</u> <u>Collections</u>
2024	\$ 121,402.84	\$ -	\$ 2,918,906.75	\$ 3,040,309.59	\$ 2,895,641.12
2023	151,562.32	-	2,829,279.14	2,980,841.46	2,843,739.19
2022	119,337.05	-	2,740,869.97	2,860,207.02	2,710,830.62
2021	102,710.69	-	2,729,037.01	2,831,747.70	2,712,410.65
2020	84,935.66	-	2,754,719.30	2,839,654.96	2,736,944.27

Note 6: LEASES RECEIVABLE

The Borough, as lessor, has entered into the following leases which meet the requirements of GASB Statement No. 87, *Leases*:

Parking Lot Lease - On March 5, 2012, the Borough entered into a 10-year lease agreement with two additional 10-year lease term renewal options with Katsifis Family LLC for the lease of a Borough owned Parking lot with an incremental borrowing rate of 2.00%. Based on this agreement, the Borough is receiving payments of \$1,013.40 monthly, with 2.5% increases each year through February 5, 2032.

Cell Towers Lease - On December 28, 2004, the Borough entered into a five-year lease agreement with four additional automatic term renewals with Sprint Spectrum L.P. for the lease of cell towers with an incremental borrowing rate of 2.00%. Based on this agreement, the Borough is receiving payments of \$3,322.16 on a monthly basis through January 1, 2030.

Cell Towers Lease - On September 19, 2006, the Borough entered into a five-year lease agreement with four additional automatic term renewals with T-Mobile Northeast LLC for the lease of cell towers with an incremental borrowing rate of 2.00%. Based on this agreement, the Borough is receiving payments of \$2,768.47 monthly, with 3.0% increases each year through December 1, 2031.

Note 6: LEASES RECEIVABLE (CONT'D)

Under the provisions of GASB 87, as of December 31, 2024, the balance of the lease's receivable is \$772,296.73. As a result of the regulatory basis of accounting previously described in note 1, such balance is not recorded on the Statements of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis of the regular fund.

The following is a summary of the leases as of December 31, 2024:

<u>Lease Description</u>	<u>Lease Receivable</u>	<u>Lease Revenue</u>	<u>Lease Interest Revenue</u>
Parking Lot	\$ 228,753.42	\$ 12,606.12	\$ 4,663.22
Cell Tower	233,035.00	41,258.04	5,092.93
Cell Tower	310,508.31	40,599.72	6,598.05
	<u>\$ 772,296.73</u>	<u>\$ 94,463.88</u>	<u>\$ 16,354.20</u>

Under the provisions of GASB 87, for the year ended December 31, 2024, the Borough would have recognized \$83,585.52 in a reduction of lease receivable and \$16,354.20 in interest revenue related to the leases. In addition, \$94,463.88 would have been recognized as both lease revenue and a reduction in deferred inflows of resources related to leases.

As a result of the regulatory basis of accounting previously described in note 1, the rental payments collected of \$110,818.08 were reported as revenue in the regular fund.

Note 7: FUND BALANCES APPROPRIATED

The following schedules detail the amount of fund balances available at the end of the current year and four previous years and the amounts utilized in the subsequent year's budgets:

Regular Fund

<u>Year</u>	<u>Balance December 31,</u>	<u>Utilized in Budget of Succeeding Year</u>	<u>Percentage of Fund Balance Used</u>
2024	\$ 1,383,704.30	\$ 1,072,619.00	77.52%
2023	1,324,585.16	1,030,874.00	77.83%
2022	1,382,403.10	898,000.00	64.96%
2021	1,374,868.69	820,000.00	59.64%
2020	1,418,712.88	975,000.00	68.72%

Water-Sewer Utility Fund

<u>Year</u>	<u>Balance December 31,</u>	<u>Utilized in Budget of Succeeding Year</u>	<u>Percentage of Fund Balance Used</u>
2024	\$ 99,767.68	\$ 59,646.00	59.78%
2023	25,021.42	48,000.00	191.84%
2022	225,021.42	200,000.00	88.88%
2021	182,795.20	182,000.00	99.56%
2020	251,805.50	250,000.00	99.28%

Note 8: INTERFUND RECEIVABLES AND PAYABLES

The following interfund balances were recorded on the various statements of assets, liabilities, reserves and fund balance as of December 31, 2025:

<u>Fund</u>	<u>Interfunds Receivable</u>	<u>Interfunds Payable</u>
Regular Fund	\$ 1,231,732.73	\$ 2,080,609.03
Grant Fund	138,184.86	
Trust - Animal Control Fund	252.27	
Trust - Other Fund		97,739.64
General Capital Fund	2,520,109.94	400,000.00
Water-Sewer Utility Operating Fund	507,417.03	655,691.91
Water-Sewer Utility Capital Fund		<u>1,163,656.25</u>
Totals	<u>\$ 4,397,696.83</u>	<u>\$ 4,397,696.83</u>

The interfund receivables and payables above predominately resulted from collections and payments made by certain funds on behalf of other funds. During the year 2025, the Borough expects to liquidate such interfunds, depending upon the availability of cash flow.

Note 9: PENSION PLANS

A substantial number of the Borough's employees participate in one of the following defined benefit pension plans: the Public Employees' Retirement System ("PERS") and the Police and Firemen's Retirement System ("PFRS"), which are administered by the New Jersey Division of Pensions and Benefits. In addition, several Borough employees participate in the Defined Contribution Retirement Program ("DCRP"), which is a defined contribution pension plan. This Plan is administered by Empower for the New Jersey Division of Pensions and Benefits. Each Plan has a Board of Trustees that is primarily responsible for its administration. As a local participation employer of these pension plans, the Borough is referred to as "Employer" throughout this note. The Division issues a publicly available financial report that includes financial statements, required supplementary information and detailed information about the PERS and PFRS plans' fiduciary net position which can be obtained by writing to or at the following website:

State of New Jersey
Division of Pensions and Benefits
P.O. Box 295
Trenton, New Jersey 08625-0295
<https://www.state.nj.us/treasury/pensions/financial-reports.shtml>

General Information about the Pension Plans**Plan Descriptions**

Public Employees' Retirement System - The Public Employees' Retirement System is a cost-sharing multiple-employer defined benefit pension plan, which was established as of January 1, 1955, under the provisions of N.J.S.A. 43:15A. The PERS' designated purpose is to provide retirement, death, and disability benefits to certain qualified members. Membership in the PERS is mandatory for substantially all full-time employees of the Employer, provided the employee is not required to be a member of another state-administered retirement system or other state pensions fund or local jurisdiction's pension fund. The PERS' Board of Trustees is primarily responsible for the administration of the PERS.

Note 9: PENSION PLANS (CONT'D)**General Information about the Pension Plans (Cont'd)****Plan Descriptions (Cont'd)**

Police and Firemen's Retirement System - The Police and Firemen's Retirement System is a cost-sharing multiple-employer defined benefit pension plan, which was established as of July 1, 1944, under the provisions of N.J.S.A. 43:16A. The PFRS' designated purpose is to provide retirement, death, and disability benefits to certain qualified members. Membership in the PFRS is mandatory for substantially all full-time police and firemen of the Employer. The PFRS' Board of Trustees is primarily responsible for the administration of the PFRS.

Defined Contribution Retirement Program - The Defined Contribution Retirement Program is a multiple-employer defined contribution pension fund established on July 1, 2007 under the provisions of P.L. 2007, c. 92 and P.L. 2007, c. 103, and expanded under the provisions of P.L. 2008, c. 89 and P.L. 2010, c. 1. The DCRP is a tax-qualified defined contribution money purchase pension plan under Internal Revenue Code (IRC) § 401(a) et seq., and is a "governmental plan" within the meaning of IRC § 414(d). The DCRP provides retirement benefits for eligible employees and their beneficiaries. Individuals covered under DCRP are state or local officials who are elected or appointed on or after July 1, 2007; employees enrolled in PERS on or after July 1, 2007, who earn salary in excess of established "maximum compensation" limits; employees enrolled in New Jersey State Police Retirement System (SPRS) or the Police and Firemen's Retirement System (PFRS) after May 21, 2010, who earn salary in excess of established "maximum compensation" limits; employees otherwise eligible to enroll in PERS on or after November 2, 2008, who do not earn the minimum annual salary for tier 3 enrollment but who earn salary of at least \$5,000.00 annually; and employees otherwise eligible to enroll in PERS after May 21, 2010 who do not work the minimum number of hours per week required for tiers 4 or 5 enrollment, but who earn salary of at least \$5,000.00 annually.

Vesting and Benefit Provisions

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

The following represents the membership tiers for PERS:

Tier Definition

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

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

Note 9: PENSION PLANS (CONT'D)**General Information about the Pension Plans (Cont'd)****Vesting and Benefit Provisions (Cont'd)**

Police and Firemen's Retirement System - The vesting and benefit provisions are set by N.J.S.A. 43:16A. The PFRS provides retirement, death and disability benefits. All benefits vest after 10 years of service, except disability benefits, which vest after four years of service.

The following represents the membership tiers for PFRS:

Tier Definition

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

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

Defined Contribution Retirement Program - Eligible members are provided with a defined contribution retirement plan intended to qualify for favorable Federal income tax treatment under IRC Section 401(a), a noncontributory group life insurance plan and a noncontributory group disability benefit plan. A participant's interest in that portion of his or her defined contribution retirement plan account attributable to employee contributions shall immediately become and shall at all times remain fully vested and non-forfeitable. A participant's interest in that portion of his or her defined contribution retirement plan account attributable to employer contributions shall be vested and non-forfeitable on the date the participant commences the second year of employment or upon his or her attainment of age 65, while employed by an employer, whichever occurs first.

Contributions

Public Employees' Retirement System - The contribution policy is set by N.J.S.A. 43:15A and requires contributions by active members and contributing employers. Pursuant to the provisions of P.L. 2011, C. 78, the member contribution rate is currently 7.50% of base salary, effective July 1, 2018. The rate for members who are eligible for the Prosecutors Part of PERS (P.L. 2001, C. 366) is 10.0%. Employers' contributions are based on an actuarially determined amount, which includes the normal cost and unfunded accrued liability.

Special Funding Situation Component - Under N.J.S.A. 43:15A, local participating employers are responsible for their own contributions based on actuarially determined amounts, except where legislation was passed which legally obligated the State if certain circumstances occurred. One of such legislations, which legally obligate the State, is Chapter 133, P.L. 2001. This legislation increased the accrual rate from 1/60 to 1/55. In addition, it lowered the age required for a veteran benefit equal to 1/55 of highest 12-month compensation for each year of service from 60 to 55. Chapter 133, P.L. 2001 also established the Benefit Enhancement Fund (BEF) to fund the additional annual employer normal contribution due to the State's increased benefits. If the assets in the BEF are insufficient to cover the normal contribution for the increased benefits for a valuation period, the State will pay such amount for both the State and local employers.

Note 9: PENSION PLANS (CONT'D)**General Information about the Pension Plans (Cont'd)****Contributions (Cont'd)**

Public Employees' Retirement System (Cont'd) - Special Funding Situation Component (Cont'd) - The amounts contributed on behalf of the local participating employers under this legislation is considered to be a *special funding situation* as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute under this legislation directly to the Plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to disclose in the notes to the financial statements of the local participating employers related to this legislation.

The Employer's contractually required contribution rate for the year ended December 31, 2024 was 16.88% of the Employer's covered payroll. This amount was actuarially determined as the amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, including an additional amount to finance any unfunded accrued liability.

Based on the most recent PERS measurement date of June 30, 2024, the Employer's contractually required contribution to the pension plan for the year ended December 31, 2024 is \$323,306.00, and is payable by April 1, 2025. Due to the basis of accounting described in note 1, no liability has been recorded in the financial statements for this amount. For the prior year measurement date of June 30, 2023, the Employer's contractually required contribution to the pension plan for the year ended December 31, 2023 was \$282,132.00, which was paid on April 1, 2024.

Employee contributions to the Plan for the year ended December 31, 2024 were \$146,957.94.

The amount of contractually required contribution for the State of New Jersey's proportionate share, associated with the Employer, under Chapter 133, P.L. 2001, for the year ended December 31, 2024 was .54% of the Employer's covered payroll.

Based on the most recent PERS measurement date of June 30, 2024, the State's contractually required contribution, under Chapter 133, P.L. 2001, on-behalf of the Employer, to the pension plan for the year ended December 31, 2024 was \$10,409.00. For the prior year measurement date of June 30, 2023, the State's contractually required contribution, under Chapter 133, P.L. 2001, on-behalf of the Employer, to the pension plan for the year ended December 31, 2023 was \$9,535.00.

Police and Firemen's Retirement System - The contribution policy for PFRS is set by N.J.S.A. 43:16A and requires contributions by active members and contributing employers. Pursuant to the provisions of P.L. 2011, C. 78, the member contribution rate is currently 10.0% of base salary. State legislation has modified the amount that is contributed by the State. The State's contribution amount is based on an actuarially determined rate, which includes the normal cost and unfunded accrued liability.

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

Note 9: PENSION PLANS (CONT'D)**General Information about the Pension Plans (Cont'd)****Contributions (Cont'd)**

Police and Firemen's Retirement System (Cont'd) - The Employer's contractually required contribution rate for the year ended December 31, 2024 was 34.85% of the Employer's covered payroll. This amount was actuarially determined as the amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

Based on the most recent PFRS measurement date of June 30, 2024, the Employer's contractually required contribution to the pension plan for the year ended December 31, 2024 is \$531,346.00, and is payable by April 1, 2025. Due to the basis of accounting described in note 1, no liability has been recorded in the financial statements for this amount. For the prior year measurement date of June 30, 2023, the Employer's contractually required contribution to the pension plan for the year ended December 31, 2023 was \$512,38800, which was paid on April 1, 2024.

Employee contributions to the Plan for the year ended December 31, 2024 were \$152,448.50.

The amount of contractually required contribution for the State of New Jersey's proportionate share, associated with the Employer, for the year ended December 31, 2024 was 5.90% of the Employer's covered payroll.

Based on the most recent PFRS measurement date of June 30, 2024, the State's contractually required contribution, on-behalf of the Employer, to the pension plan for the year ended December 31, 2024 was \$89,967.00, and is payable by April 1, 2025. For the prior year measurement date of June 30, 2023, the State's contractually required contribution, on-behalf of the Employer, to the pension plan for the year ended December 31, 2023 was \$89,616.00, which was paid on April 1, 2024.

Defined Contribution Retirement Program - The contribution policy is set by N.J.S.A. 43:15C-3 and requires contributions by active members and contributing employers. In accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, Plan members are required to contribute 5.5% of their annual covered salary. In addition to the employee contributions, the Employer contributes 3% of the employees' base salary, for each pay period.

For the year ended December 31, 2024, employee contributions totaled \$8,043.28, and the Employer's contributions were \$4,387.20. There were no forfeitures during the year.

Pension Liabilities, Pension (Benefit) Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**Public Employees' Retirement System**

Pension Liability - As of December 31, 2024, there is no net pension liability associated with the special funding situation under Chapter 133, P.L. 2001, as there was no accumulated difference between the annual additional normal cost and the actual State contribution through the valuation date. The Employer's proportionate share of the PERS net pension liability was \$3,228,508.00. The net pension liability was measured as of June 30, 2024 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2023. The total pension liability was calculated through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2024. The Employer's proportion of the net pension liability was based on a projection of the Employer's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. For the June 30, 2024 measurement date, the Employer's proportion was .0237599130%, which was an increase of .0026505792% from its proportion measured as of June 30, 2023.

Note 9: PENSION PLANS (CONT'D)**Pension Liabilities, Pension (Benefit) Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)****Public Employees' Retirement System (Cont'd)**

Pension (Benefit) Expense - For the year ended December 31, 2024, the Employer's proportionate share of the PERS pension (benefit) expense, calculated by the Plan as of the June 30, 2024 measurement date was \$108,798.00. This (benefit) expense is not recognized by the Employer because of the regulatory basis of accounting as described in note 1; however, as previously mentioned, for the year ended December 31, 2024, the Employer's contribution to PERS was \$282,132.00, and was paid on April 1, 2024.

For the year ended December 31, 2024, the State's proportionate share of the PERS pension (benefit) expense, associated with the Employer, under Chapter 133, P.L. 2001, calculated by the Plan as of the June 30, 2024 measurement date, was \$10,409.00. This on-behalf (benefit) expense is not recognized by the Employer because of the regulatory basis of accounting as described in note 1.

Police and Firemen's Retirement System

Pension Liability - As of December 31, 2024, the Employer's and State of New Jersey's proportionate share of the PFRS net pension liability were as follows:

Proportionate Share of Net Pension Liability	\$ 3,966,773.00
State of New Jersey's Proportionate Share of Net Pension Liability Associated with the Employer	<u>782,041.00</u>
	<u>\$ 4,748,814.00</u>

The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2023. The total pension liability was calculated through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2024. The Employer's proportion of the net pension liability was based on a projection of the Employer's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers and the State of New Jersey, actuarially determined. For the June 30, 2024 measurement date, the Employer's proportion was .0384129600%, which was a decrease of .0000774900% from its proportion measured as of June 30, 2023. Likewise, at June 30, 2024, the State of New Jersey's proportion, on-behalf of the Employer, was .0384129600%, which was a decrease of .0000778000% from its proportion, on-behalf of the Employer, measured as of June 30, 2023.

Pension (Benefit) Expense - For the year ended December 31, 2024, the Employer's proportionate share of the PFRS pension (benefit) expense, calculated by the Plan as of the June 30, 2024 measurement date was \$323,176.00. This (benefit) expense is not recognized by the Employer because of the regulatory basis of accounting as described in note 1; however, as previously mentioned, for the year ended December 31, 2024, the Employer's contribution to PFRS was \$512,388.00, and was paid on April 1, 2024.

For the year ended December 31, 2024, the State's proportionate share of the PFRS pension (benefit) expense, associated with the Employer, calculated by the Plan as of the June 30, 2024 measurement date, was \$89,968.00. This on-behalf (benefit) expense is not recognized by the Employer because of the regulatory basis of accounting as described in note 1.

Note 9: PENSION PLANS (CONT'D)**Pension Liabilities, Pension (Benefit) Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)**

Deferred Outflows of Resources and Deferred Inflows of Resources - As of December 31, 2024, the Employer had deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources			Deferred Inflows of Resources		
	PERS	PFRS	Total	PERS	PFRS	Total
Differences between Expected and Actual Experience	\$ 64,673.00	\$ 249,904.00	\$ 314,577.00	\$ 8,595.00	\$ 135,800.00	\$ 144,395.00
Changes of Assumptions	4,011.00	6,271.00	10,282.00	36,733.00	116,498.00	153,231.00
Net Difference between Projected and Actual Earnings on Pension Plan Investments	-	-	-	149,697.00	31,047.00	180,744.00
Changes in Proportion and Differences between Contributions and Proportionate Share of Contributions	552,742.00	372,760.00	925,502.00	420,788.00	96,220.00	517,008.00
Contributions Subsequent to the Measurement Date	161,653.00	265,673.00	427,326.00	-	-	-
	<u>\$ 783,079.00</u>	<u>\$ 894,608.00</u>	<u>\$ 1,677,687.00</u>	<u>\$ 615,813.00</u>	<u>\$ 379,565.00</u>	<u>\$ 995,378.00</u>

Deferred outflows of resources in the amounts of \$161,653.00 and \$265,673.00 for PERS and PFRS, respectively, will be included as a reduction of the net pension liability during the year ending December 31, 2025. These amounts were based on an estimated April 1, 2026 contractually required contribution, prorated from the pension plans' measurement date of June 30, 2024 to the Employer's year end of December 31, 2024.

The Employer will amortize the other deferred outflows of resources and deferred inflows of resources related to pensions over the following number of years:

	PERS		PFRS	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between Expected and Actual Experience				
Year of Pension Plan Deferral:				
June 30, 2019	5.21	-	-	5.92
June 30, 2020	5.16	-	5.90	-
June 30, 2021	-	5.13	-	6.17
June 30, 2022	-	5.04	6.22	-
June 30, 2023	5.08	-	6.16	-
June 30, 2024	5.08	-	6.09	-
Changes of Assumptions				
Year of Pension Plan Deferral:				
June 30, 2019	-	5.21	-	5.92
June 30, 2020	-	5.16	-	5.90
June 30, 2021	5.13	-	6.17	-
June 30, 2022	-	5.04	-	6.22

Note 9: PENSION PLANS (CONT'D)**Pension Liabilities, Pension (Benefit) Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)**

Deferred Outflows of Resources and Deferred Inflows of Resources (Cont'd) - The Employer will amortize the other deferred outflows of resources and deferred inflows of resources related to pensions over the following number of years (Cont'd):

	PERS		PFRS	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between Projected and Actual Earnings on Pension Plan Investments				
Year of Pension Plan Deferral:				
June 30, 2020	5.00	-	5.00	-
June 30, 2021	-	5.00	-	5.00
June 30, 2022	5.00	-	5.00	-
June 30, 2023	-	5.00	-	5.00
June 30, 2024	-	5.00	-	5.00
Changes in Proportion				
Year of Pension Plan Deferral:				
June 30, 2019	5.21	5.21	5.92	5.92
June 30, 2020	5.16	5.16	5.90	5.90
June 30, 2021	5.13	5.13	6.17	6.17
June 30, 2022	5.04	5.04	6.22	6.22
June 30, 2023	5.08	5.08	6.16	6.16
June 30, 2024	5.08	5.08	6.09	6.09

Other amounts included as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in future periods as follows:

<u>Year Ending Dec 31,</u>	<u>PERS</u>	<u>PFRS</u>	<u>Total</u>
2025	\$ (122,702.00)	\$ (161,165.00)	\$ (283,867.00)
2026	174,836.00	313,511.00	488,347.00
2027	(88,861.00)	47,440.00	(41,421.00)
2028	35,083.00	21,111.00	56,194.00
2029	7,257.00	26,612.00	33,869.00
Thereafter	-	1,861.00	1,861.00
	<u>\$ 5,613.00</u>	<u>\$ 249,370.00</u>	<u>\$ 254,983.00</u>

Note 9: PENSION PLANS (CONT'D)**Actuarial Assumptions**

The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2023. The total pension liability was calculated through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2024. This actuarial valuation used the following actuarial assumptions, applied to all periods included in the measurement:

	<u>PERS</u>	<u>PFRS</u>
Inflation Rate:		
Price	2.75%	2.75%
Wage	3.25%	3.25%
Salary Increases:	2.75% - 6.55%	3.25% - 16.25%
	Based on Years of Service	Based on Years of Service
Investment Rate of Return	7.00%	7.00%
Period of Actuarial Experience		
Study upon which Actuarial		
Assumptions were Based	July 1, 2018 - June 30, 2021	July 1, 2018 - June 30, 2021

Public Employees' Retirement System

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

Police and Firemen's Retirement System

Employee mortality rates were based on the Pub-2010 Safety Employee amount-weighted mortality table (sex-specific) projected generationally from 2010 with Scale MP-2021 mortality projection. For healthy annuitants, mortality rates were based on the Pub-2010 Safety Retiree Below Median amount-weighted mortality table (sex-specific), projected generationally from 2010 with Scale MP-2021 mortality projection. Disability rates were 144% of the Pub-2010 Safety Disabled Retiree amount-weighted mortality table for males and 100% of the Pub-2010 Safety Disabled Retiree amount-weighted mortality table for females, projected generationally from 2010 with Scale MP-2021 mortality projection.

Note 9: PENSION PLANS (CONT'D)**Actuarial Assumptions (Cont'd)**

For both PERS and PFRS, in accordance with State statute, the long-term expected rate of return on Plan investments (7.00% at June 30, 2024) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension Plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return for each major asset class included in PERS' and PFRS' target asset allocation as of June 30, 2024 are summarized in the table that follows:

<u>PERS</u>		<u>Long-Term</u>		<u>PFRS</u>	
<u>Asset Class</u>	<u>Target Allocation</u>	<u>Expected Real Rate of Return</u>	<u>Asset Class</u>	<u>Target Allocation</u>	<u>Expected Real Rate of Return</u>
U.S. Equity	28.00%	8.63%	U.S. Large-Cap Equity	24.00%	6.90%
Non-US Developed Markets Equity	12.75%	8.85%	U.S. Small/Mid Cap Equity	4.00%	7.40%
International Small Cap Equity	1.25%	8.85%	Non-U.S. Developed Large-Cap Equity	9.50%	6.70%
Emerging Market Equity	5.50%	10.66%	Non-U.S. Developed Small-Cap Equity	2.00%	7.50%
Private Equity	13.00%	12.40%	Emerging Markets Large-Cap Equity	6.00%	9.60%
Real Estate	8.00%	10.95%	Emerging Markets Small-Cap Equity	1.50%	9.60%
Real Assets	3.00%	8.20%	U.S. Treasury Bond	7.00%	4.10%
High Yield	4.50%	6.74%	U.S. Corporate Bond	5.00%	5.90%
Private Credit	8.00%	8.90%	U.S. Mortgage-Backed Securities	5.00%	4.40%
Investment Grade Credit	7.00%	5.37%	Global Multisector Fixed Income	6.00%	6.50%
Cash Equivalents	2.00%	3.57%	Cash	2.00%	3.40%
U.S. Treasuries	4.00%	3.57%	Real Estate Core	3.00%	5.10%
Risk Mitigation Strategies	3.00%	7.10%	Real Estate Non-Core	4.00%	6.50%
			Infrastructure	3.00%	7.00%
			Private Debt/Credit	8.00%	9.10%
			Private Equity	10.00%	10.10%
	<u>100.00%</u>			<u>100.00%</u>	

Discount Rate -

For both PERS and PFRS, the discount rate used to measure the total pension liability was 7.00% as of June 30, 2024. The projection of cash flows used to determine the discount rate assumed that contributions from Plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity would be based on 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on Plan investments was applied to all projected benefit payments to determine the total pension liability.

Note 9: PENSION PLANS (CONT'D)**Sensitivity of Proportionate Share of Net Pension Liability to Changes in the Discount Rate**

Public Employees' Retirement System (PERS) - The following presents the Employer's proportionate share of the net pension liability as of the June 30, 2024 measurement date, calculated using a discount rate of 7.00%, as well as what the Employer's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current rates used:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Proportionate Share of the Net Pension Liability	<u>\$ 4,289,893.00</u>	<u>\$ 3,228,508.00</u>	<u>\$ 2,325,275.00</u>

Police and Firemen's Retirement System (PFRS) - As previously mentioned, PFRS has a special funding situation, where the State of New Jersey pays a portion of the Employer's annual required contribution. As such, the net pension liability as of the June 30, 2024 measurement date, for the Employer and the State of New Jersey, calculated using a discount rate of 7.00%, as well as using a discount rate that is 1% lower or 1% higher than the current rates used, is as follows:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Proportionate Share of the Net Pension Liability	\$ 5,667,636.00	\$ 3,966,773.00	\$ 2,550,327.00
State of New Jersey's Proportionate Share of Net Pension Liability	<u>1,117,362.00</u>	<u>782,041.00</u>	<u>502,791.00</u>
	<u>\$ 6,784,998.00</u>	<u>\$ 4,748,814.00</u>	<u>\$ 3,053,118.00</u>

Pension Plan Fiduciary Net Position

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension (benefit) expense, information about the respective fiduciary net position of the PERS and PFRS and additions to/deductions from PERS and PFRS' respective fiduciary net position have been determined on the same basis as they are reported by PERS and PFRS. Accordingly, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Note 9: PENSION PLANS (CONT'D)**Supplementary Pension Information**

In accordance with GASBS 68, the following information is also presented for the PERS and PFRS pension plans. These schedules are presented to illustrate the requirements to show information for 10 years.

Schedule of the Proportionate Share of the Net Pension Liability - Public Employees' Retirement System (PERS) (Last Ten Plan Years)

	<u>Measurement Date Ended June 30,</u>				
	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Proportion of the Net Pension Liability	0.0237599130%	0.0211093338%	0.0245067590%	0.0215940139%	0.0232066458%
Proportionate Share of the Net Pension Liability	\$ 3,228,508.00	\$ 3,057,555.00	\$ 3,698,407.00	\$ 2,558,135.00	\$ 3,784,397.00
Covered Payroll (Plan Measurement Period)	\$ 1,690,832.00	\$ 1,652,024.00	\$ 1,766,152.00	\$ 1,537,160.00	\$ 1,719,264.00
Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	190.94%	185.08%	209.40%	166.42%	220.12%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	68.22%	65.23%	62.91%	70.33%	58.32%
	<u>Measurement Date Ended June 30,</u>				
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Proportion of the Net Pension Liability	0.0224552050%	0.0228359577%	0.0232063317%	0.0230318876%	0.0243630629%
Proportionate Share of the Net Pension Liability	\$ 4,046,087.00	\$ 4,496,286.00	\$ 5,368,772.00	\$ 6,821,384.00	\$ 5,469,019.00
Covered Payroll (Plan Measurement Period)	\$ 1,597,844.00	\$ 1,584,840.00	\$ 1,534,708.00	\$ 1,612,160.00	\$ 1,658,664.00
Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	253.22%	283.71%	349.82%	423.12%	329.72%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	56.27%	53.60%	48.10%	40.14%	47.93%

Note 9: PENSION PLANS (CONT'D)**Supplementary Pension Information (Cont'd)*****Schedule of Contributions - Public Employees' Retirement System (PERS) (Last Ten Years)***

	<u>Year Ended December 31,</u>				
	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Contractually Required Contribution	\$ 323,306.00	\$ 282,132.00	\$ 309,042.00	\$ 252,891.00	\$ 253,869.00
Contribution in Relation to the Contractually Required Contribution	<u>(323,306.00)</u>	<u>(282,132.00)</u>	<u>(309,042.00)</u>	<u>(252,891.00)</u>	<u>(253,869.00)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll (Calendar Year)	\$ 1,915,118.00	\$ 1,840,301.00	\$ 1,614,795.00	\$ 1,666,083.00	\$ 1,602,962.00
Contributions as a Percentage of Covered Payroll	16.88%	15.33%	19.14%	15.18%	15.84%
	<u>Year Ended December 31,</u>				
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually Required Contribution	\$ 218,423.00	\$ 227,144.00	\$ 213,657.00	\$ 204,612.00	\$ 209,457.00
Contribution in Relation to the Contractually Required Contribution	<u>(218,423.00)</u>	<u>(227,144.00)</u>	<u>(213,657.00)</u>	<u>(204,612.00)</u>	<u>(209,457.00)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll (Calendar Year)	\$ 1,656,554.00	\$ 1,650,745.00	\$ 1,587,677.00	\$ 1,541,245.00	\$ 1,617,734.00
Contributions as a Percentage of Covered Payroll	13.19%	13.76%	13.46%	13.28%	12.95%

Note 9: PENSION PLANS (CONT'D)**Supplementary Pension Information (Cont'd)*****Schedule of Proportionate Share of the Net Pension Liability - Police and Firemen's Retirement System (PFRS) (Last Ten Plan Years)***

	<u>Measurement Date Ended June 30,</u>				
	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Proportion of the Net Pension Liability	0.0384131600%	0.0384906500%	0.0368546200%	0.0333824893%	0.0339123598%
Proportionate Share of the Net Pension Liability	\$ 3,966,773.00	\$ 4,252,749.00	\$ 4,218,511.00	\$ 2,439,977.00	\$ 4,381,924.00
State's Proportionate Share of the Net Pension Liability	<u>782,041.00</u>	<u>783,618.00</u>	<u>750,771.00</u>	<u>686,243.00</u>	<u>680,055.00</u>
Total	<u>\$ 4,748,814.00</u>	<u>\$ 5,036,367.00</u>	<u>\$ 4,969,282.00</u>	<u>\$ 3,126,220.00</u>	<u>\$ 5,061,979.00</u>
Covered Payroll (Plan Measurement Period)	\$ 1,381,784.00	\$ 1,381,996.00	\$ 1,313,332.00	\$ 1,170,228.00	\$ 1,162,356.00
Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	287.08%	307.73%	321.21%	208.50%	376.99%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	72.66%	70.16%	68.33%	77.26%	63.52%
	<u>Measurement Date Ended June 30,</u>				
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Proportion of the Net Pension Liability	0.0363848277%	0.0323635108%	0.0289767968%	0.0278822129%	0.0320267860%
Proportionate Share of the Net Pension Liability	\$ 4,452,709.00	\$ 4,379,317.00	\$ 4,473,457.00	\$ 5,326,216.00	\$ 5,334,546.00
State's Proportionate Share of the Net Pension Liability	<u>703,091.00</u>	<u>594,858.00</u>	<u>501,065.00</u>	<u>447,270.00</u>	<u>467,822.00</u>
Total	<u>\$ 5,155,800.00</u>	<u>\$ 4,974,175.00</u>	<u>\$ 4,974,522.00</u>	<u>\$ 5,773,486.00</u>	<u>\$ 5,802,368.00</u>
Covered Payroll (Plan Measurement Period)	\$ 1,233,196.00	\$ 1,073,676.00	\$ 870,764.00	\$ 942,168.00	\$ 1,014,232.00
Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	361.07%	407.88%	513.74%	565.31%	525.97%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	65.00%	62.48%	58.60%	52.01%	56.31%

Note 9: PENSION PLANS (CONT'D)**Supplementary Pension Information (Cont'd)*****Schedule of Contributions - Police and Firemen's Retirement System (PFRS) (Last Ten Years)***

	<u>Year Ended December 31,</u>				
	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Contractually Required Contribution	\$ 531,346.00	\$ 512,388.00	\$ 479,314.00	\$ 389,061.00	\$ 378,859.00
Contribution in Relation to the Contractually Required Contribution	<u>(531,346.00)</u>	<u>(512,388.00)</u>	<u>(479,314.00)</u>	<u>(389,061.00)</u>	<u>(378,859.00)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll (Calendar Year)	\$ 1,524,485.00	\$ 1,398,920.00	\$ 1,382,078.00	\$ 1,320,672.00	\$ 900,200.00
Contributions as a Percentage of Covered Payroll	34.85%	36.63%	34.68%	29.46%	42.09%
	<u>Year Ended December 31,</u>				
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually Required Contribution	\$ 367,527.00	\$ 316,401.00	\$ 256,450.00	\$ 227,335.00	\$ 260,330.00
Contribution in Relation to the Contractually Required Contribution	<u>(367,527.00)</u>	<u>(316,401.00)</u>	<u>(256,450.00)</u>	<u>(227,335.00)</u>	<u>(260,330.00)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll (Calendar Year)	\$ 1,162,356.00	\$ 1,186,162.00	\$ 1,108,037.00	\$ 939,823.00	\$ 942,168.00
Contributions as a Percentage of Covered Payroll	31.62%	26.67%	23.14%	24.19%	27.63%

Note 10: PENSION PLANS (CONT'D)**Supplementary Pension Information (Cont'd)****Other Notes to Supplementary Pension Information*****Public Employees' Retirement System (PERS)***Changes in Benefit Terms

Chapter 249, P.L. 2023 extends provisions of Chapter 498, P.L. 2021 for calendar years 2023 or 2024 to allow for a temporary return to employment by a former employee of the Legislature after retirement from PERS.

Changes in Assumptions

The discount rate and long-term expected rate of return used as of June 30 measurement date are as follows:

<u>Discount Rate</u>				<u>Long-term Expected Rate of Return</u>			
<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2024	7.00%	2019	6.28%	2024	7.00%	2019	7.00%
2023	7.00%	2018	5.66%	2023	7.00%	2018	7.00%
2022	7.00%	2017	5.00%	2022	7.00%	2017	7.00%
2021	7.00%	2016	3.98%	2021	7.00%	2016	7.65%
2020	7.00%	2015	4.90%	2020	7.00%	2015	7.90%

Police and Firemen's Retirement System (PFRS)Changes in Benefit Terms

None.

Changes in Assumptions

The discount rate and long-term expected rate of return used as of June 30 measurement date are as follows:

<u>Discount Rate</u>				<u>Long-term Expected Rate of Return</u>			
<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2024	7.00%	2019	6.85%	2024	7.00%	2019	7.00%
2023	7.00%	2018	6.51%	2023	7.00%	2018	7.00%
2022	7.00%	2017	6.14%	2022	7.00%	2017	7.00%
2021	7.00%	2016	5.55%	2021	7.00%	2016	7.65%
2020	7.00%	2015	5.79%	2020	7.00%	2015	7.90%

Note 10: LENGTH OF SERVICE AWARDS PROGRAM

Plan Description - The Borough's length of service awards program (the "Plan"), which is a defined contribution plan reported in the Borough's trust fund, was created by a Borough Ordinance adopted on August 2, 1999 pursuant to Section 457(e)(11)(B) of the Internal Service Code of 1986, as amended, except for provisions added by reason of the length of service award program as enacted into federal law in 1997. The accumulated assets of the Plan are not administered through a trust that meets the criteria of paragraph 4 of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27*.

The voters of the Borough approved the adoption of the Plan at the general election held on November 2, 1999, and the first year of eligibility for entrance into the length of service awards program by qualified volunteers was calendar year 2000. The Plan provides tax deferred income benefits to active volunteer firefighters and emergency medical personnel, and is administered by Lincoln National Life Insurance Company ("Plan Administrator"), a State of New Jersey approved length of service awards program provider. The Borough's practical involvement in administering the Plan is essentially limited to verifying the eligibility of each participant and remitting the funds to the Plan Administrator.

The tax deferred income benefits for emergency service volunteers of the Hightstown First Aid Squad and Hightstown Engine Company No 1, come from contributions made solely by the governing body of the Borough, on behalf of those volunteers who meet the criteria of the Plan created by that governing body. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

Plan Amendments - The Borough may make minor amendments to the provisions of the Plan at any time, provided, however, that no amendment affects the rights of participants or their beneficiaries regarding vested accumulated deferrals at the time of the amendment. The Plan can only be amended by resolution of the governing body of the Borough, and the following procedures must be followed: (a) any amendment to the Plan shall be submitted for review and approval by the Director of Local Government Services, State of New Jersey (the "Director") prior to implementation by the Borough's governing body, provided, however, that any amendment required by the IRS, may be adopted by the Borough's governing body without the advance approval of the Director (although such amendment shall be filed with the Director); (b) the documentation submitted to the Director shall identify the regulatory authority for the amendment and the specific language of the change; and (c) the Borough shall adopt the amendment by resolution of the governing body, and a certified copy of the resolution shall be forwarded to the Director. The Borough may amend the Plan agreement to accommodate changes in the Internal Revenue Code, Federal statutes, state laws or rules or operational experience. In cases of all amendments to the Plan, the Borough shall notify all participants in writing prior to making any amendment to the Plan.

Contributions - If an active member meets the year of active service requirement, a length of service awards program must provide a benefit between the minimum contribution of \$100.00 and a maximum contribution of \$1,150.00 per year. While the maximum amount is established by statute, it is subject to periodic increases that are related to the consumer price index (N.J.S.A. 40A:14-185(f)). The Division of Local Government Services of the State of New Jersey will issue the permitted maximum annually.

The Borough elected to contribute between \$750.00 for the year ended December 31, 2024 per eligible volunteer, into the Plan, depending on how many years the volunteer has served. Participants direct the investment of the contributions into various investment options offered by the Plan. The Borough has no authorization to direct investment contributions on behalf of eligible volunteers nor has the ability to purchase or sell investment options offered by the Plan. The types of investment options, and the administering of such investments, rests solely with the Plan Administrator.

For the year ended December 31, 2024, the Borough's total expenditure to the Plan were \$20,250.00.

Note 10: LENGTH OF SERVICE AWARDS PROGRAM (CONT'D)

Participant Accounts - Each participant's account is credited with the Borough's contribution and Plan earnings, and charged with administrative expenses. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account. The Borough has placed the amounts deferred, including earnings, in an account maintained by a third-party administrator for the exclusive benefit of the Plan participants and their beneficiaries. The contributions from the Borough to the Plan, and the related earnings, are not irrevocable, and such funds are not legally protected from the creditors of the Borough. These funds, however, are not available for funding the operations of the Borough.

Vesting - The Borough, in accordance with N.J.S.A. 40A:14-188 and N.J.A.C. 5:30-14.62 may make a yearly contribution to the length of service awards program account in the deferred income program for an active volunteer who has satisfied the requirements for receipt of an award, but the volunteer shall not be able to receive a distribution of the funds until the completion of a five year vesting period or be in accordance with changes to vesting conveyed through the issuance of a Local Finance Notice and/or publication of a public notice in the New Jersey Register, with payment of that benefit only being as otherwise permitted by the Plan.

Payment of Benefits - Upon separation from volunteer service, retirement or disability, termination of the Plan, participants may select various payout options of vested accumulated deferrals, which include lump sum, periodic, or annuity payments. In the case of death, with certain exceptions, any amount invested under the participant's account is paid to the beneficiary or the participant's estate.

In the event of an unforeseeable emergency, as outlined in the Plan document, a participant or a beneficiary entitled to vested accumulated deferrals may request the local plan administrator to payout a portion of vested accumulated deferrals.

Forfeited Accounts - For the year ended December 31, 2024, no accounts were forfeited.

Investments - The investments of the length of service awards program reported in the trust - other funds on the statements of assets, liabilities, reserves, and fund balance - regulatory basis are recorded at fair value.

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

Note 11: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS**General Information about the State Health Benefit Local Government Retired Employees Plan**

Plan Description and Benefits Provided - The Borough does not provide postemployment benefits to its retirees; however, the State of New Jersey (the "State") provides these benefits to certain Borough retirees and their dependents under a special funding situation as described below.

The State, on-behalf of the Borough, contributes to the State Health Benefits Local Government Retired Employees Plan (the "Plan"), which is a cost-sharing multiple-employer defined benefit other postemployment benefit ("OPEB") plan with a special funding situation. It covers employees of local government employers that have adopted a resolution to participate in the Plan. The Plan meets the definition of an equivalent arrangement as defined in paragraph 4 of GASB Statement No. 75, *Accounting and Financial Reporting for the Postemployment Benefits Other Than Pensions* (GASB Statement No. 75); therefore, assets are accumulated to pay associated benefits. For additional information about the Plan, please refer to the State of New Jersey (the "State"), Division of Pensions and Benefits' (the "Division") annual financial statements, which can be found at <https://www.state.nj.us/treasury/pensions/financial-reports.shtml>. As a local participating employer of the Plan, the Borough is referred to as "Employer" throughout this note.

Note 11: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)**General Information about the State Health Benefit Local Government Retired Employees Plan (Cont'd)**

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

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

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

Special Funding Situation Component - The State of New Jersey makes contributions to cover those employees eligible under Chapter 330, P.L. 1997. Local employers remit employer contributions on a monthly basis. Retired member contributions are generally received on a monthly basis. Partially funded benefits are also available to local police officers and firefighters who retire with 25 years of service or on disability from an employer who does not provide coverage under the provisions of Chapter 330, P.L. 1997. Upon retirement, these individuals must enroll in the OPEB Plan.

Under Chapter 330, P.L. 1997, the State shall pay the premium or periodic charges for the qualified local police and firefighter retirees and dependents equal to 80% of the premium or periodic charge for the category of coverage elected by the qualified retiree under the State managed care plan or a health maintenance organization participating in the program providing the lowest premium or periodic charge. The State also provides funding for retiree health benefits to survivors of local police officers and firefighters who die in the line of duty under Chapter 271, P.L.1989.

Therefore, these employers are considered to be in a special funding situation as defined by GASB Statement No. 75 and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute under this legislation directly to the Plan, there is no net OPEB liability, deferred outflows of resources or deferred inflows of resources to report in the financial statements of the local participating employers related to this legislation.

Note 11: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)**General Information about the State Health Benefit Local Government Retired Employees Plan (Cont'd)**

Special Funding Situation Component - However, the notes to the financial statements of the local participating employers must disclose the portion of the nonemployer contributing entities' total proportionate share of the collective net OPEB liability that is associated with the local participating employer. The participating employer is required to disclose in their respective notes to the financial statements, an expense and corresponding revenue, and their proportionate share of the OPEB expense allocated to the State under the special funding situation.

The amount of actual contributions to the OPEB Plan made by the State, on-behalf of the Employer, is not known; however, under the special funding situation, the State's OPEB expense, on-behalf of the Employer, is (\$567,649.00) for the year ended December 31, 2024, representing 37.24% of the Employer's covered payroll.

OPEB Liability

At December 31, 2024, the State's proportionate share of the net OPEB liability associated with the Employer was \$6,168,761.00. The net OPEB liability was measured as of June 30, 2024, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of July 1, 2023, which was rolled forward to June 30, 2024.

The State's proportion of the net OPEB liability, associated with the Employer, was based on the ratio of the Plan members of an individual employer to the total members of the Plan's special funding situation during the measurement period July 1, 2023 through June 30, 2024. For the June 30, 2024 measurement date, the State's proportion on-behalf of the Employer was .126496%, which was a decrease of .005564% from its proportion measured as of the June 30, 2023 measurement date.

Actuarial Assumptions

The actuarial assumptions vary for each plan member depending on the pension plan in which the member is enrolled. The actuarial valuation as of July 1, 2023, which was rolled forward to June 30, 2024, used the following actuarial assumptions, applied to all periods in the measurement:

Salary Increases *	
PFRS – Rates for all future years	3.25% to 16.25% based on years of service
Mortality	
Pre-Retirement Healthy – PFRS	PUB-2010 "Safety" classification headcount-weighted mortality table with fully generational
Post-Retirement Healthy – Chapter 330 Retirees	mortality improvement projections from the
Disabled Retiree – PFRS Future Retirees	central year using Scale MP-2021
Disabled Retiree – Chapter 330 Retirees	

* salary increases are based on years of service within the respective Plan.

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

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

All of the Plan's investments are in the State of New Jersey Cash Management Fund (the "CMF"). The New Jersey Division of Investments manages the CMF, which is available on a voluntary basis for investment by State and certain non-State participants. The CMF is considered to be an investment trust fund as defined in GASB Statement No. 31, *Certain Investments and External Investment Pools*.

Note 11: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)

Actuarial Assumptions (Cont'd)

The CMF invests in U.S. government and agency obligations, commercial paper, corporate obligations and certificates of deposit. Units of ownership in the CMF may be purchased or redeemed on any given business day (excluding State holidays) are the unit cost of value of \$1.00. Participant shares are valued on a fair value basis. The CMF pay interest to participants on a monthly basis.

Discount Rate - The discount rate used to measure the OPEB liability at June 30, 2024 was 3.93%. This represents the municipal bond return rate as chosen by the State. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

The health care trend assumptions used is as follows:

Fiscal Year Ending	Annual Rate of Increase					
	Medical Trend			Prescription Drug Trend		
	Pre-65	PPO Post-65	HMO Post-65	Pre-65	Post-65	EGWP
2025	7.50%	2.42%	2.25%	12.75%	12.25%	21.78%
2026	7.00%	19.38%	20.15%	12.25%	11.75%	10.92%
2027	6.50%	22.62%	23.58%	11.25%	10.75%	8.19%
2028	6.00%	14.93%	15.47%	10.00%	9.75%	9.79%
2029	5.50%	12.87%	13.31%	9.00%	9.00%	8.92%
2030	5.25%	11.35%	11.71%	8.00%	8.00%	5.74%
2031	5.00%	10.16%	10.46%	7.00%	7.00%	4.87%
2032	4.75%	9.18%	9.44%	6.00%	6.00%	6.00%
2023	4.50%	6.54%	6.65%	5.00%	5.00%	5.00%
2034 and Later	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%

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

The net OPEB liability, calculated using a discount rate of 3.93%, as well as using a discount rate that is 1% lower or 1% higher than the current rate used, is as follows:

	1% Decrease <u>(2.93%)</u>	Current Discount Rate <u>(3.93%)</u>	1% Increase <u>(4.93%)</u>
State of New Jersey's Proportionate Share of the Net OPEB Liability Associated with the Employer	<u>\$ 7,185,942.00</u>	<u>\$ 6,168,761.00</u>	<u>\$ 5,354,090.00</u>

Note 11: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)**Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rate**

The net OPEB liability, using a healthcare cost trend rate that is 1% lower or 1% higher than the current healthcare cost trend rate used, is as follows:

	<u>1%</u> <u>Decrease</u>	<u>Healthcare Cost</u> <u>Trend Rate</u>	<u>1%</u> <u>Increase</u>
State of New Jersey's Proportionate Share of the Net OPEB Liability Associated with the Employer	<u>\$ 5,217,513.00</u>	<u>\$ 6,168,761.00</u>	<u>\$ 7,391,799.00</u>

OPEB Plan Fiduciary Net Position

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB (benefit) expense, information about the respective fiduciary net position of the State Health Benefits Local Government Retired Employees Plan and additions to/deductions from the Plan's respective fiduciary net position have been determined on the same basis as they are reported by the Plan. Accordingly, contributions (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Supplementary OPEB Information

In accordance with GASBS No. 75, the following information is also presented for the State Health Benefits Local Government Retired Employees Plan. These schedules are presented to illustrate the requirements to show information for 10 years; however, until a full 10-year trend is compiled, this presentation will only include information for those years for which information is available.

Note 11: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)**Supplementary OPEB Information (Cont'd)*****Schedule of the State's Proportionate Share of the Net OPEB Liability Associated with the Employer (Last Eight Plan Years)***

	<u>Measurement Date Ended June 30,</u>			
	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021 (a)</u>
Proportion of the Net OPEB Liability	0.00%	0.00%	0.00%	0.00%
State's Proportionate Share of the Net OPEB Liability Associated with the Employer	100.00%	100.00%	100.00%	100.00%
Total	100.00%	100.00%	100.00%	100.00%
Proportionate Share of the Net OPEB Liability	\$ -	\$ -	\$ -	\$ -
State's Proportionate Share of the Net OPEB Liability Associated with the Employer	6,168,761.00	4,607,696.00	4,720,061.00	4,833,279.00
Total	\$ 6,168,761.00	\$ 4,607,696.00	\$ 4,720,061.00	\$ 4,833,279.00
Covered Payroll (Plan Measurement Period)	\$ 1,479,330.00	\$ 1,368,972.00	\$ 1,361,417.00	\$ 1,258,706.00
Proportionate Share of the Net OPEB Liability as a Percentage of Covered Payroll	0.00%	0.00%	0.00%	0.00%
State's Proportionate Share of the Net OPEB Liability as a Percentage of Covered Payroll	417.00%	336.58%	346.70%	383.99%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	-0.89%	-0.79%	-0.36%	0.28%
	<u>Measurement Date Ended June 30,</u>			
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Proportion of the Net OPEB Liability	0.00%	0.00%	0.00%	0.00%
State's Proportionate Share of the Net OPEB Liability Associated with the Employer	100.00%	100.00%	100.00%	100.00%
Total	100.00%	100.00%	100.00%	100.00%
Proportionate Share of the Net OPEB Liability	\$ -	\$ -	\$ -	\$ -
State's Proportionate Share of the Net OPEB Liability Associated with the Employer	4,946,498.00	3,892,372.00	5,029,486.00	6,560,254.00
Total	\$ 4,946,498.00	\$ 3,892,372.00	\$ 5,029,486.00	\$ 6,560,254.00
Covered Payroll (Plan Measurement Period)	\$ 292,557.00	\$ 861,728.00	\$ 1,187,747.00	\$ 1,051,395.00
Proportionate Share of the Net OPEB Liability as a Percentage of Covered Payroll	0.00%	0.00%	0.00%	0.00%
State's Proportionate Share of the Net OPEB Liability as a Percentage of Covered Payroll	1690.78%	451.69%	423.45%	623.96%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	0.91%	1.98%	1.97%	1.03%

(a) The Proportionate Share of the June 30, 2021 Net OPEB Liability was adjusted within the June 30, 2022 Plan Audit.

Note 11: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)**Other Notes to Supplementary OPEB Information**

Changes in Benefit Terms - The actuarial valuation as of July 1, 2023, which was rolled forward to June 30, 2024, included changes due to employers adopting and /or changing Chapter 48 provisions.

Changes in Assumptions - The discount rate used as of the June 30 measurement date is as follows:

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2024	3.93%	2020	2.21%
2023	3.65%	2019	3.50%
2022	3.54%	2018	3.87%
2021	2.16%	2017	3.58%

The expected investment rate of return is based on guidance provided by the State. These expected rates of return are the same as the discount rates listed above.

In addition to changes in the discount rate, other factors that affected the valuation of the net OPEB liability included changes in the trend update.

There were no changes to mortality projections.

Note 12: COMPENSATED ABSENCES

The Borough has contractual agreements with two unions, which allow employees, upon retirement, to be compensated for unused sick time. Employees who retire will receive a lump sum payment for unused sick time at the latest daily rate for every full day earned an unused in an amount not to exceed \$15,000.00, credited on their employment records and certified by the Borough on the effective date of their retirement, at the prevailing rate of pay at the time of retirement.

Other union employees, upon retirement and depending upon their respective agreement, will be compensated at the rate of one day for every full day earned an unused, at the current rate of pay at the time of retirement, but not to exceed \$15,000.00. A similar policy exists for non-union employees.

All vacation time earned by employees can be carried over subject to a five (5) day limit and is to be paid to the employee, upon termination with the Borough, at the current rate of pay.

The Borough's estimated total liability for unused sick and unused vacation time at December 31, 2024 is \$363,431.27.

Note 13: DEFERRED COMPENSATION SALARY ACCOUNT

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

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

Note 14: CAPITAL DEBT**General Improvement Bonds**

General Obligation Bonds, Series 2018 - On September 27, 2018, the Borough issued \$4,960,000.00 of general obligation bonds, with interest rates ranging from 3.00% to 5.00%. The bonds were issued for the purpose of funding various general capital improvements in the Borough. The final maturity of the bonds is April 1, 2030.

The following schedule represents the remaining debt service, through maturity, for the general improvement bonds:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 480,000.00	\$ 79,200.00	\$ 559,200.00
2026	480,000.00	61,200.00	541,200.00
2027	480,000.00	48,000.00	528,000.00
2028	480,000.00	33,600.00	513,600.00
2029	480,000.00	19,200.00	499,200.00
2030	<u>400,000.00</u>	<u>6,000.00</u>	<u>406,000.00</u>
Totals	<u>\$ 2,800,000.00</u>	<u>\$ 247,200.00</u>	<u>\$ 3,047,200.00</u>

General Debt - New Jersey Green Acres Loans

On June 10, 2011, the Borough entered into a loan agreement with the New Jersey Department of Environmental Protection to provide a \$156,250.00 loan, at an interest rate of 2.0%. The proceeds were used to fund Peddie Lake Dam Restoration. Semiannual debt payments are due June 10th and December 10th through 2030.

The following schedule represents the remaining debt service, through maturity, for the New Jersey Green Acres loans:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 8,940.92	\$ 984.56	\$ 9,925.48
2026	9,120.63	804.84	9,925.47
2027	9,303.95	621.51	9,925.46
2028	9,490.96	434.50	9,925.46
2029	9,681.73	243.74	9,925.47
2030	<u>4,913.60</u>	<u>49.14</u>	<u>4,962.74</u>
Totals	<u>\$ 51,451.79</u>	<u>\$ 3,138.29</u>	<u>\$ 54,590.08</u>

Water-Sewer Improvement Bonds

General Obligation Bonds, Series 2018 - On September 27, 2018, the Borough issued \$875,000.00 of general obligation bonds, with interest rates ranging from 3.00% to 5.00%. The bonds were issued for the purpose of funding various water-sewer capital improvements in the Borough. The final maturity of the bonds is April 1, 2030.

Note 14: CAPITAL DEBT (CONT'D)**Water-Sewer Improvement Bonds (Cont'd)**

Water-Sewer Utility Refunding Bonds, Series 2018 - On November 27, 2018, the Borough issued \$1,040,000.00 of water-sewer refunding bonds, with an interest rate of 3.342%, to refund \$1,000,000.00 of General Obligation Bonds, Series 2002. The final maturity of the bonds is March 1, 2028.

The following schedule represents the remaining debt service, through maturity, for the general improvement bonds:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 175,000.00	\$ 24,279.90	\$ 199,279.90
2026	175,000.00	18,125.40	193,125.40
2027	175,000.00	12,720.90	187,720.90
2028	170,000.00	7,212.45	177,212.45
2029	75,000.00	3,375.00	78,375.00
2030	<u>75,000.00</u>	<u>1,125.00</u>	<u>76,125.00</u>
Totals	<u>\$ 845,000.00</u>	<u>\$ 66,838.65</u>	<u>\$ 911,838.65</u>

Water-Sewer - New Jersey Environmental Infrastructure Loans

On March 10, 2010, the Borough entered into a loan agreement with the New Jersey Environmental Infrastructure Trust to provide \$1,451,250.00, at no interest, from the fund loan, and \$495,000.00 at interest rates ranging from 3.40% to 5.00% from the trust loan. Semiannual debt payments are due February 1st and August 1st through 2029.

On May 16, 2012, the Borough entered into a loan agreement with the New Jersey Environmental Infrastructure Trust to provide \$813,055.00, at no interest, from the fund loan, and \$283,382.00 at interest rates ranging from 0.22% to 3.14% from the trust loan. Semiannual debt payments are due February 1st and August 1st through 2031.

On May 16, 2012, the Borough entered into a loan agreement with the New Jersey Environmental Infrastructure Trust to provide \$685,482.00, at no interest, from the fund loan, and \$238,918.00 at interest rates ranging from 0.22% to 3.14% from the trust loan. Semiannual debt payments are due February 1st and August 1st through 2033.

On May 22, 2018, the Borough entered into a loan agreement with the New Jersey Environmental Infrastructure Trust to provide \$963,975.00, at no interest, from the fund loan, and \$330,000.00 at interest rates ranging from 3.00% to 5.00% from the trust loan. Semiannual debt payments are due February 1st and August 1st through 2047.

On June 23, 2022, the Borough entered into a loan agreement with the New Jersey Environmental Infrastructure Trust to provide \$324,073.00, at no interest, from the fund loan, and \$315,000.00 at interest rates ranging from 3.25% to 5.00% from the trust loan. Semiannual debt payments are due February 1st and August 1st through 2051.

On June 23, 2023, the Borough entered into a loan agreement with the New Jersey Environmental Infrastructure Trust to provide \$145,378.00, at no interest, from the fund loan, and \$125,538.00 at interest rates ranging from 3.03% to 5.00% from the trust loan. Semiannual debt payments are due February 1st and August 1st through 2038.

Note 14: CAPITAL DEBT (CONT'D)**Water-Sewer - New Jersey Environmental Infrastructure Loans (Cont'd)**

The following schedule represents the remaining debt service, through maturity, for the New Jersey Environmental Infrastructure loans:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 296,391.85	\$ 42,018.60	\$ 338,410.45
2026	302,022.85	39,018.52	341,041.37
2027	302,695.85	35,875.48	338,571.33
2028	308,539.85	32,560.10	341,099.95
2029	314,437.14	29,143.22	343,580.36
2030-2034	676,467.21	105,476.06	781,943.27
2035-2039	412,273.06	70,951.94	483,225.00
2040-2044	357,086.55	46,106.26	403,192.81
2045-2049	222,629.08	19,675.00	242,304.08
2050-2051	56,848.14	2,200.00	59,048.14
Totals	<u>\$ 3,249,391.58</u>	<u>\$ 423,025.18</u>	<u>\$ 3,672,416.76</u>

The following schedule represents the Borough's summary of debt for the current and two previous years:

	<u>2024</u>	<u>2023</u>	<u>2022</u>
<u>Issued</u>			
General:			
Bonds, Loans and Notes	\$ 6,932,451.79	\$ 7,011,216.53	\$ 6,491,808.57
Water-Sewer Utility:			
Bonds, Loans and Notes	5,372,391.58	5,730,895.38	6,182,335.09
Total Issued	<u>12,304,843.37</u>	<u>12,742,111.91</u>	<u>12,674,143.66</u>
<u>Authorized but not Issued</u>			
General:			
Bonds, Loans and Notes	2,561,699.97	1,910,909.97	2,400,692.09
Water-Sewer Utility:			
Bonds, Loans and Notes	7,198,541.00	6,045,220.00	2,918,477.00
Total Authorized but not Issued	<u>9,760,240.97</u>	<u>7,956,129.97</u>	<u>5,319,169.09</u>
Total Issued and Authorized but not Issued	<u>22,065,084.34</u>	<u>20,698,241.88</u>	<u>17,993,312.75</u>
<u>Deductions</u>			
General:			
Reserve for Debt Service	15,211.88	15,211.88	15,211.88
Water-Sewer Utility:			
Self-Liquidating	11,728,183.18	9,033,229.38	9,100,812.09
Total Deductions	<u>11,743,395.06</u>	<u>9,048,441.26</u>	<u>9,116,023.97</u>
Net Debt	<u>\$ 10,321,689.28</u>	<u>\$ 11,649,800.62</u>	<u>\$ 8,877,288.78</u>

Note 14: CAPITAL DEBT (CONT'D)

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the annual debt statement and indicated a statutory net debt of 1.749%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Regional School Purposes	\$ 1,335,661.23	\$ 1,335,661.23	
Self-Liquidating	12,570,932.58	11,728,183.18	\$ 842,749.40
General	9,494,151.76	15,211.88	9,478,939.88
	<u>\$ 23,400,745.57</u>	<u>\$ 13,079,056.29</u>	<u>\$ 10,321,689.28</u>

Net debt \$10,321,689.28 divided by the equalized valuation basis per N.J.S.A.40A:2-2, as amended, \$590,258,804.00, equals 1.749%.

Summary of Statutory Debt Condition - Annual Debt Statement**Borrowing Power Under N.J.S.A. 40A:2-6 as Amended**

3 1/2% of Equalized Valuation Basis (Municipal)	\$ 20,659,058.14
Less: Net Debt	<u>10,321,689.28</u>
Remaining Borrowing Power	<u>\$ 10,337,368.86</u>

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

Cash Receipts from Fees, Rents, Fund Balance Anticipated, Interest and Other Investment Income, and Other Charges for the Year	\$ 3,092,982.63
Deductions:	
Operating and Maintenance Costs	\$ 2,526,649.00
Debt Service	<u>608,471.10</u>
Total Deductions	<u>3,135,120.10</u>
Deficit in Revenue	<u>\$ (42,137.47)</u>

A revised Annual Debt Statement should be filed by the Chief Financial Officer.

Note 15: DEFERRED CHARGES TO BE RAISED IN SUCCEEDING BUDGETS

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2024, the following deferred charges are shown on the statement of assets, liabilities, reserves and fund balance of the following fund(s):

<u>Description</u>	<u>Balance December 31, 2024</u>	<u>2025 Budget Appropriation</u>
Water-Sewer Utility Operating Fund:		
Deficit in Operations	\$ 595.27	\$ 595.27
Water-Sewer Utility Capital Fund:		
Overexpenditure of Ordinance	63,601.50	63,601.50

The appropriations in the 2025 Budget as adopted are not less than that required by the statutes.

Note 16: RISK MANAGEMENT

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

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

The following is a summary of the activity and the ending balance of the Borough's trust fund for the current and previous two years:

<u>Year</u>	<u>Borough Contributions</u>	<u>Employee Contributions</u>	<u>Interest Earnings</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2024	\$ -	\$ -	\$ 1,308.63	\$ 699.66	\$ 82,603.55
2023	7,000.00	7,816.45	918.40	1,631.62	81,994.58
2022	7,000.00	2,414.33	359.00	967.07	67,891.35

It is estimated that unreimbursed payments on behalf of the Borough at December 31, 2024 are \$4,750.00.

Joint Insurance Pool - The Borough is a member of the Statewide Joint Insurance Fund. The Fund provides its members with the following coverage:

- Workers' Compensation including Employer's Liability
- General Liability including Police Professional and Employee Benefit Liability
- Automobile Liability
- Blanket Crime including Public Employee Dishonesty
- Property Including Boiler and Machinery
- Public Officials and Employment Practices Liability
- Volunteer Directors and Officers Liability
- Cyber Liability

Note 16: RISK MANAGEMENT (CONT'D)

Joint Insurance Pool (Cont'd) - The following coverages are provided to the Fund's member local units by their membership in the Municipal Excess Liability Joint Insurance Fund (MEL):

Excess Workers' Compensation
 Excess General Liability
 Non-Owned Aircraft Liability
 Excess Auto Liability
 Fidelity and Performance (Blanket)
 Excess Property including Boiler and Machinery
 Crime including Excess Public Employee and Public Official Coverage

Environmental Impairment Liability coverage is provided to the Fund's member local units by the Fund's membership in the New Jersey Municipal Environmental Risk Management Fund.

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

The Borough's agreement with the Pool provides that the Pool will be self-sustaining through member premiums and will reinsure through the Municipal Excess Liability Joint Insurance Fund, which is an insurance pool formed by all the other joint insurance funds.

For more information regarding claims, coverages and deductibles, the Fund publishes its own financial report which can be obtained from:

Statewide Joint Insurance Fund
 One Sullivan Way, Suite 100
 Parsippany, New Jersey 07054

Note 17: CONTINGENCIES

Grantor Agencies - Amounts received or receivable from grantor agencies could be subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the Borough expects such amount, if any, to be immaterial.

Litigation - The Borough is a defendant in several legal proceedings that are in various stages of litigation. It is believed that the outcome, or exposure to the Borough, from such litigation is either unknown or potential losses, if any, would not be material to the financial statements.

Note 18: CONCENTRATIONS

The Borough depends on financial resources flowing from, or associated with, both the federal government and the State of New Jersey. As a result of this dependency, the Borough is subject to changes in specific flows of intergovernmental revenues based on modifications to federal and State laws and federal and State appropriations.

Note 19: TAX ABATEMENTS

As of December 31, 2024, the Borough entered into a property tax abatement agreement with the Hightstown Housing Authority under the state Economic Development Opportunity Act of 2013. Under the Act, municipalities may grant property tax abatements of up to fifty percent (50%) of a business' property tax bill for the purpose of attracting or retaining businesses within their jurisdictions. The abatements may be granted to any business located within or promising to relocate to the Borough.

For the year ended December 31, 2024, the Borough abated property taxes totaling \$57,258.34 under this program.

Note 20: SUBSEQUENT EVENTS

Authorization of Debt - Subsequent to December 31, the Borough authorized additional bonds and notes as follows:

<u>Purpose</u>	<u>Adoption</u>	<u>Authorization</u>
General Improvements:		
Improvements to Maxwell Avenue Supplemental Appropriation	07/21/25	\$ 200,000.00
Improvements to Dutch Neck Road	09/15/25	580,000.00
Various Capital Improvements	10/06/25	595,000.00
Water-Sewer Utility Improvements:		
Improvements to the Water Treatment Plant	05/05/25	1,140,000.00
Improvements to the Water Treatment Plant	10/06/25	1,515,000.00

SUPPLEMENTAL EXHIBITS

SUPPLEMENTAL EXHIBITS

CURRENT FUND

BOROUGH OF HIGHTSTOWN
CURRENT FUND
 Statement of Current Cash
 Per N.J.S.A.40A:5-5 -- Chief Financial Officer
 For the Year Ended December 31, 2024

	<u>Current Fund</u>		<u>Grant Fund</u>
Balance Dec. 31, 2023	\$ 5,206,247.21		\$ 9,436.47
Increased by Receipts:			
Taxes Receivable	\$ 19,321,264.33		
Tax Overpayments	16,480.14		
Prepaid Taxes	90,276.84		
Revenue Accounts Receivable	2,033,063.70		
Miscellaneous Revenue not Anticipated	149,725.49		
Due from State of New Jersey, Ch. 20, P.L. 1971	15,750.00		
Refund of Current Year Appropriations	253,420.39		
Due State of New Jersey:			
DCA Training Fees	15,908.00		
Marriage License Fees	800.00		
Lead Paint Fees	4,800.00		
Due Grant Fund:			
Collected On-Bahalf of:			
Grants Receivable	1,395.83		
Unappropriated Grants	7,043.88		
Due from General Capital Fund:			
Collected On-Bahalf of:			
Bond Anticipation Note	500,000.00		
Premium on Sale of Notes	1,633.47		
Grant Receivable - Orchard, Clover & S. Main (22-11)	375,000.00		
Due from Water-Sewer Utility Operating Fund:			
Interfund Liquidated	1,400,000.00		
Due from Water-Sewer Capital Fund:			
Bond Anticipation Note	123,000.00		
Premium on Sale of Notes	511.53		
Reserve for Sale of Assets	427,256.00		
Contra	4,736,000.00		
Due Regular Fund		\$ 1,074.62	
Grants Receivable		45,076.34	
Unappropriated Grants		11,211.88	
	29,473,329.60		57,362.84
	34,679,576.81		66,799.31
Decreased by Disbursements:			
Current Year Appropriations	7,779,236.80		
Appropriation Reserves	249,036.10		
Accounts Payable	22,348.99		
County Taxes Payable	3,640,711.56		
Regional School Taxes Payable	9,253,387.00		
Tax Overpayments	12,623.67		
Due State of New Jersey:			
DCA Training Fees	16,896.00		
Marriage License Fees	1,075.00		
Refund of Prior Year Revenue	150.00		
Due Grant Fund:			
Appropriated Grants Disbursed On-behalf of	28,000.00		
Due Trust Fund Other:			
Reserve Funds Disbursed On-Behalf of	205,919.67		
Due General Capital Fund:			
Improvement Authorizations Disbursed On-Behalf of	1,341,084.31		
Interfund Advanced	46,000.00		
Due Water-Sewer Operating Fund:			
Disbursed On-behalf of	1,272,644.99		
Interfund Advanced	361,157.00		
Due Water-Sewer Capital Fund:			
Improvement Authorizations Disbursed On-Behalf of	488,015.84		
Increase Tax Office Change Fund	100.00		
Contra	4,736,000.00		
Grants Appropriated		11,445.84	
Due Regular Fund		16,914.33	
	29,454,386.93		28,360.17
Balance Dec. 31, 2024	\$ 5,225,189.88		\$ 38,439.14

BOROUGH OF HIGHTSTOWN
REGULAR FUND
Statement of Due to State of New Jersey CH. 20, P.L. 1971
For the Year Ended December 31, 2024

Balance Dec. 31, 2023		\$ 682.88
Increased by:		
Collections	\$ 15,750.00	
2023 Senior Citizens' and Veterans' Deductions Disallowed by Collector	<u>470.55</u>	
		<u>16,220.55</u>
		16,903.43
Decreased by:		
2024 Senior Citizens' and Veterans' Deductions per Tax Billing	16,000.00	
2024 Senior Citizens' and Veterans' Deductions Allowed by Collector	<u>500.00</u>	
	16,500.00	
Less:		
2024 Senior Citizens' and Veterans' Deductions Disallowed by Collector	<u>708.90</u>	
		<u>15,791.10</u>
Balance Dec. 31, 2024		<u><u>\$ 1,112.33</u></u>

BOROUGH OF HIGHTSTOWN
REGULAR FUND
 Statement of Taxes Receivable and Analysis of Property Tax Levy
 For the Year Ended December 31, 2024

Year	Balance	2024 Levy	Added Taxes	Collections		Due from State of New Jersey	Overpayments Applied	Transferred to Tax Title Liens	Balance Dec. 31, 2024
	Dec. 31, 2023			2023	2024				
2022	\$ 2,683.23				\$ 2,683.23				
2023	289,191.83		\$ 470.55		289,441.83		\$ 220.55		
	291,875.06	-	470.55	-	292,125.06	-	220.55	-	-
2024	-	\$ 19,355,292.87	-	\$ 91,515.27	19,029,139.27	\$ 15,791.10	621.11	\$ 17,229.15	\$ 200,996.97
	<u>\$ 291,875.06</u>	<u>\$ 19,355,292.87</u>	<u>\$ 470.55</u>	<u>\$ 91,515.27</u>	<u>\$ 19,321,264.33</u>	<u>\$ 15,791.10</u>	<u>\$ 841.66</u>	<u>\$ 17,229.15</u>	<u>\$ 200,996.97</u>
<u>Analysis of 2024 Tax Levy</u>									
<u>Tax Yield</u>									
General Purpose Tax					\$ 19,333,289.55				
Added / Omitted Taxes					22,003.32				
						\$ 19,355,292.87			
<u>Tax Levy</u>									
Regional School District Tax					\$ 9,253,387.00				
County Taxes:									
General County Tax					\$ 3,170,877.49				
County Library Tax					295,716.16				
County Open Space Tax					174,117.90				
					3,640,711.55				
County for Added and Omitted Taxes					3,419.89				
Total County Taxes						3,644,131.44			
Local Tax for Municipal Purposes					6,439,191.00				
Additional Tax Levied					18,583.43				
Local Tax for Municipal Purposes Levied						6,457,774.43			
						\$ 19,355,292.87			

BOROUGH OF HIGHTSTOWN
REGULAR FUND
Statement of Tax Title Liens Receivable
For the Year Ended December 31, 2024

Balance Dec. 31, 2023	\$	257,921.53
Increased by:		
Transferred from Taxes Receivable		17,229.15
		275,150.68
Decreased by:		
Cancelled		10,600.00
Balance Dec. 31, 2024	\$	264,550.68

REGULAR FUND
Statement of Accounts Payable
For the Year Ended December 31, 2024

Balance Dec. 31, 2023	\$	64,708.24
Increased by:		
Transferred from Appropriation Reserves		69,446.49
		134,154.73
Decreased by:		
Disbursed		22,348.99
Balance Dec. 31, 2024	\$	111,805.74

BOROUGH OF HIGHTSTOWN
REGULAR FUND
Statement of Revenue Account Receivable
For the Year Ended December 31, 2024

	<u>Balance</u> <u>Dec. 31, 2023</u>	<u>Accrued</u> <u>in 2024</u>	<u>Collections</u>	<u>Balance</u> <u>Dec. 31, 2024</u>
Miscellaneous Revenues:				
Local Revenues:				
Licenses -- Alcoholic Beverages		\$ 7,500.00	\$ 7,500.00	
Licenses -- Other		16,030.00	16,030.00	
Fees and Permits -- Other		15,678.00	15,678.00	
Fines and Costs -- Municipal Court	\$ 11,649.94	158,699.08	162,842.12	\$ 7,506.90
Interest and Costs on Taxes		75,401.53	75,401.53	
Interest on Investments and Deposits		213,565.92	213,565.92	
Lease of Borough Owned Cell Tower		80,093.72	80,093.72	
State Aid Without Offsetting Appropriations:				
Energy Receipts Taxes		509,554.82	509,554.82	
Dedicated Uniform Construction Code Fees Offset with Appropriations (N.J.S.A. 40A:4-36 and N.J.A.C. 5:23-4.17):				
Uniform Construction Code Fees		253,171.00	253,171.00	
Shared Service Agreements Offset with Appropriations:				
Roosevelt Borough Trash Collection		76,184.10	76,184.10	
Roosevelt Borough Trash Collection - Landfill Costs	2,043.27	29,242.70	29,203.99	2,081.98
Other Special Items:				
Uniform Fire Safety Act		12,014.46	12,014.46	
CATV Franchise Fee		26,119.39	26,119.39	
Verizon Franchise Fee		27,583.89	27,583.89	
Hightstown Housing Authority - Payment in Lieu of Taxes		30,775.06	30,775.06	
The Peddie School - Gift		24,000.00	24,000.00	
Sale of Assets N.J.S.A. 40A:4-45.3 (dd)		361,157.00	361,157.00	
Sale of Assets		116,767.00	116,767.00	
	<u>\$ 13,693.21</u>	<u>\$ 2,033,537.67</u>	<u>\$ 2,037,642.00</u>	<u>\$ 9,588.88</u>
Cash Receipts			\$ 2,033,063.70	
Interest Earnings Due from:				
Animal Control Fund			207.05	
Trust Other Fund - TTL			2,225.83	
General Capital Fund			<u>2,145.42</u>	
			<u>\$ 2,037,642.00</u>	

BOROUGH OF HIGHTSTOWN
REGULAR FUND
 2023 Appropriation Reserves
 For the Year Ended December 31, 2024

	Balance December 31, 2023		Balance After Modification	Paid or Charged	Balance Lapsed
	<u>Encumbered</u>	<u>Reserved</u>			
GENERAL GOVERNMENT FUNCTIONS					
Municipal Clerk					
Salaries and Wages		\$ 1,388.59	\$ 1,388.59		\$ 1,388.59
Other Expenses	\$ 160.00	10,342.26	10,502.26	\$ 5,019.04	5,483.22
General Administration					
Salaries and Wages		2,368.55	2,368.55		2,368.55
Other Expenses		453.00	453.00	37.50	415.50
Mayor & Council					
Salaries and Wages		0.28	0.28		0.28
Other Expenses		1,120.75	1,120.75	49.00	1,071.75
Elections					
Other Expenses		5,500.00	5,500.00	1,880.32	3,619.68
Office Supplies & Paper Products					
Other Expenses	362.15	4,587.18	4,949.33	833.29	4,116.04
Financial Administration					
Salaries and Wages		2,676.34	2,676.34		2,676.34
Other Expenses	1,600.00	3,196.61	4,796.61	1,960.00	2,836.61
Audit Services					
Other Expenses		16,000.00	16,000.00	12,550.00	3,450.00
Grant Writing and Administration					
Other Expenses		4,616.60	4,616.60		4,616.60
Data processing/Info Tech					
Other Expenses		54,656.64	54,656.64	16,233.15	38,423.49
Assessment of Taxes					
Salaries and Wages		23.29	23.29		23.29
Other Expenses		945.90	945.90		945.90
Interest on Tax Appeals					
Other Expenses		100.00	100.00		100.00
Collection of Taxes					
Salaries and Wages		4,979.65	4,979.65		4,979.65
Other Expenses	225.00	2,801.02	3,026.02	597.52	2,428.50
Legal Services and Costs					
Other Expenses	4,736.98	7,209.09	11,946.07	11,759.18	186.89
Historical Commision					
Other Expenses		2,872.50	2,872.50		2,872.50
Municipal Land Use Board:					
Salaries and Wages		233.38	233.38		233.38
Other Expenses	240.00	15,149.38	15,389.38	1,041.66	14,347.72
Municipal Court					
Salaries and Wages		39.08	39.08		39.08
Other Expenses		30,173.43	30,173.43	1,000.25	29,173.18
Municipal Prosecutor					
Salaries and Wages		14,400.00	14,400.00		14,400.00
INSURANCE					
Insurance Deductibles	11,428.72		11,428.72	11,418.72	10.00
Unemployment Compensation Insurance		5,000.00	5,000.00		5,000.00
Workers Compensation Insurance		0.32	0.32		0.32
Group Insurance for Employees		27,657.05	27,657.05		27,657.05
PUBLIC SAFETY FUNCTIONS					
Police					
Salaries and Wages		32,327.48	32,327.48		32,327.48
Other Expenses	37,192.00	26,618.33	63,810.33	42,602.22	21,208.11
Emergency Management Services					
Other Expenses		2,000.00	2,000.00		2,000.00
Fire Department					
Other Expenses	21,664.45	4,676.98	26,341.43	21,747.15	4,594.28
Uniform Fire Safety Act					
Salaries and Wages		3,235.49	3,235.49		3,235.49
Other Expenses	1,136.66	6,297.58	7,434.24	1,431.64	6,002.60
First Aid Organization					
Salaries and Wages	4,102.02	1,054.06	5,156.08	4,050.73	1,105.35

(Continued)

BOROUGH OF HIGHTSTOWN
REGULAR FUND
 2023 Appropriation Reserves
 For the Year Ended December 31, 2024

	Balance December 31, 2023		Balance After Modification	Paid or Charged	Balance Lapsed
	<u>Encumbered</u>	<u>Reserved</u>			
PUBLIC SAFETY FUNCTIONS (CONT'D)					
Public Buildings and Grounds					
Salaries and Wages		\$ 1,180.11	\$ 1,180.11		\$ 1,180.11
Other Expenses	\$ 13,024.93	175.94	13,200.87	\$ 12,484.93	715.94
Streets and Roads Maintenance					
Salaries and Wages		18,657.72	18,657.72		18,657.72
Other Expenses	16,813.31	22,521.94	39,335.25	31,758.58	7,576.67
Snow Removal					
Salaries and Wages		4,000.00	4,000.00		4,000.00
Other Expenses		7,000.00	7,000.00		7,000.00
Community Condominium Services Act:					
Other Expenses	28,000.00	16,000.00	44,000.00	43,834.20	165.80
Vehicle Maintenance					
Other Expenses	11,562.00	10,812.64	22,374.64	1,498.42	20,876.22
Sanitation/Solid Waste Collection					
Salaries and Wages		8,254.89	8,254.89		8,254.89
Other Expenses		6,064.70	6,064.70	6,057.80	6.90
Garbage and Trash Removal					
Salaries and Wages		3,013.75	3,013.75		3,013.75
Other Expenses		9,878.81	9,878.81	9,758.00	120.81
HEALTH AND WELFARE					
Environmental Commission					
Other Expenses	400.00	785.00	1,185.00	1,050.00	135.00
Public Health Services (Board of Health)					
Salaries and Wages		4,538.74	4,538.74		4,538.74
Other Expenses	452.73	6,667.41	7,120.14	452.73	6,667.41
PARK AND RECREATION					
Parks and Playgrounds:					
Salaries and Wages		2,310.92	2,310.92		2,310.92
Other Expenses	2,100.00	89.46	2,189.46	1,937.71	251.75
Recreation & Open Space:					
Other Expenses		18,566.30	18,566.30	1,001.20	17,565.10
Cultural Arts Commission					
Other Expenses		3,737.43	3,737.43		3,737.43
<u>State Uniform Construction Code Appropriations</u>					
<u>Offset by Dedicated Revenues (N.J.A.C. 5:23-4.17)</u>					
Construction Official					
Salaries and Wages		579.47	579.47		579.47
Other Expenses		5,223.00	5,223.00	950.00	4,273.00
Housing Inspector					
Salaries and Wages		68.12	68.12		68.12
Other Expenses		2,230.02	2,230.02		2,230.02
<u>Unclassified</u>					
Celebration of Public Event, Anniversary or Holiday					
Other Expenses		7,118.91	7,118.91		7,118.91
Postage and Shipping Charges					
Other Expenses		1,358.20	1,358.20		1,358.20
Utilities:					
Gasoline		14,732.74	14,732.74	5,431.37	9,301.37
Natural Gas		6,800.73	6,800.73		6,800.73
Telephone and Telegraph		4,705.45	4,705.45		4,705.45
Street Lighting		1,955.10	1,955.10		1,955.10
Electricity	1,480.22	13,052.28	14,532.50	4,200.47	10,332.03
Landfill Disposal Costs					
Other Expenses	27,672.37	42,205.09	69,877.46	14,135.84	55,741.62
<u>DEFERRED CHARGES</u>					
<u>AND STATUTORY EXPENDITURES</u>					
Statutory Expenditures:					
Defined Contribution Benefit Plan		2,029.72	2,029.72		2,029.72
Social Security System (O.A.S.I.)		16,816.75	16,816.75		16,816.75

(Continued)

BOROUGH OF HIGHTSTOWN
REGULAR FUND
 2023 Appropriation Reserves
 For the Year Ended December 31, 2024

	Balance December 31, 2023		Balance After Modification	Paid or Charged	Balance Lapsed
	<u>Encumbered</u>	<u>Reserved</u>			
<u>OPERATIONS EXCLUDED FROM "CAPS"</u>					
Length of Service Award Program					
Other Expenses		\$ 15,700.00	\$ 15,700.00	\$ 6,750.00	\$ 8,950.00
Recycling Tax (P.L. 2007, C.311)	\$ 396.33	1,101.38	1,497.71	396.33	1,101.38
Interlocal Service Agreement:					
Dispatch Services East Windsor Township:					
Other Expenses		0.62	0.62		0.62
Senior Citizens - Program Service Center:					
Other Expenses		37,190.10	37,190.10	37,190.10	
Senior Citizens Transportation - East Windsor					
Other Expenses		2,180.00	2,180.00	2,180.00	
Landfill Disposal Costs(Roosevelt)					
Other Expenses	2,043.27	5,353.51	7,396.78	2,043.27	5,353.51
Vehicle Maintenance					
Other Expenses	1,160.27	7,593.53	8,753.80	1,160.27	7,593.53
Borough of Brooklawn:					
Public Works					
	<u>\$ 187,953.41</u>	<u>\$ 626,951.29</u>	<u>\$ 814,904.70</u>	<u>\$ 318,482.59</u>	<u>\$ 496,422.11</u>
Disbursed				\$ 249,036.10	
Transferred to Accounts Payable				69,446.49	
				<u>\$ 318,482.59</u>	

BOROUGH OF HIGHTSTOWN
REGULAR FUND
Statement of Prepaid Taxes
For the Year Ended December 31, 2024

Balance Dec. 31, 2023 (2024 Taxes)		\$ 91,515.27
Increased by:		
Receipts - Collector (2025 Taxes)		90,276.84
		181,792.11
Decreased by:		
Application to 2024 Taxes Receivable		91,515.27
Balance Dec. 31, 2024 (2025 Taxes)		\$ 90,276.84

Exhibit SA-9

REGULAR FUND
Statement of Tax Overpayments
For the Year Ended December 31, 2024

Balance Dec. 31, 2023		\$ 9,594.31
Increased by:		
Receipts		16,480.14
		26,074.45
Decreased by:		
Applied to Taxes Receivable	\$ 841.66	
Refunds	12,623.67	
Canceled Tax Overpayments	6,208.04	
		19,673.37
Balance Dec. 31, 2024		\$ 6,401.08

BOROUGH OF HIGHTSTOWN
REGULAR FUND
Statement of Prepaid County Taxes
For the Year Ended December 31, 2024

Balance Dec. 31, 2023		\$ 45.02
Increased by:		
Payments		<u>3,640,711.56</u>
		3,640,756.58
Decreased by:		
2024 Levy:		
General County Tax	\$ 3,170,877.49	
County Library Tax	295,716.16	
County Open Space Tax	<u>174,117.90</u>	
		<u>3,640,711.55</u>
Balance Dec. 31, 2024		<u><u>\$ 45.03</u></u>

BOROUGH OF HIGHTSTOWN
REGULAR FUND
Statement of Due County for Added and Omitted Taxes
For the Year Ended December 31, 2024

Increased by:

County Share of Added / Omitted Taxes:

2024 Added Taxes	\$ 285.90
2024 Omitted/Added Taxes	<u>3,133.99</u>

Balance Dec. 31, 2024

\$ 3,419.89

BOROUGH OF HIGHTSTOWN
REGULAR FUND
Statement of Prepaid Regional School Taxes
For the Year Ended December 31, 2024

Balance Dec. 31, 2023		\$ 2,899.00
Increased by:		
Disbursements	\$ 9,253,387.00	
Budget Appropriations	<u>38,872.00</u>	
		<u>9,292,259.00</u>
		9,295,158.00
Decreased by:		
Levy Calendar Year		<u>9,253,387.00</u>
Balance Dec. 31, 2024		<u><u>\$ 41,771.00</u></u>

BOROUGH OF HIGHTSTOWN
REGULAR FUND
Statement of Due to State of New Jersey
DCA Training Fees
For the Year Ended December 31, 2024

Balance Dec. 31, 2023	\$	2,127.00
Increased by:		
Receipts		15,908.00
		18,035.00
Decreased by:		
Disbursements		16,896.00
Balance Dec. 31, 2024	\$	1,139.00

Exhibit SA-14

REGULAR FUND
Statement of Due to State of New Jersey
Marriage License Fees
For the Year Ended December 31, 2024

Balance Dec. 31, 2023	\$	600.00
Increased by:		
Receipts		800.00
		1,400.00
Decreased by:		
Disbursements		1,075.00
Balance Dec. 31, 2024	\$	325.00

BOROUGH OF HIGHTSTOWN
GRANT FUND
 Statement of Due from Regular Fund
 For the Year Ended December 31, 2024

Balance Dec. 31, 2023		\$	117,746.77
Increased by:			
Disbursed:			
Budget Appropriations Disbursed by Grant Fund			
On-behalf of Current Fund:			
Police S/W	\$	7,000.00	
Police O/E		400.00	
Interfund Transfers		8,439.71	
Interest on Investments and Deposits - Disbursed to Regular Fund		<u>1,074.62</u>	
			<u>16,914.33</u>
			134,661.10
Decreased by:			
Receipts - Interest on Investments and Deposits		1,074.62	
Disbursed by Regular Fund On-behalf of Grant Fund:			
Reserve for Grants Appropriated		<u>28,000.00</u>	
			<u>29,074.62</u>
Balance Dec. 31, 2024		\$	<u><u>105,586.48</u></u>

BOROUGH OF HIGHTSTOWN
GRANT FUND
 Statement of Reserve For Grants Receivable
 For the Year Ended December 31, 2024

<u>Program</u>	<u>Balance Dec. 31, 2023</u>	<u>Anticipated Revenue</u>	<u>Received</u>	<u>Balance Dec. 31, 2024</u>
Federal Grants:				
Small Cities Community Development Block Grant	\$ 105,760.00			\$ 105,760.00
Stormwater Mapping Grant	10,000.00			10,000.00
Total Federal Grants	115,760.00	-	-	115,760.00
State Grants:				
State Forestry Grant	14,000.00		\$ 14,000.00	
Clean Communities Grant		\$ 12,950.66	12,950.66	
Municipal Court Alcohol Education and Rehabilitation Fund		2,451.68	2,451.68	
Recycling Tonnage Grant		6,278.17	6,278.17	
Body Armor Replacement Fund		1,395.83	1,395.83	-
Total State Grants	14,000.00	23,076.34	37,076.34	-
Local Grants:				
Mercer County NJSCA Local Arts Program		8,000.00	8,000.00	
Mercer at Play Grant	25,000.00			25,000.00
Total Local Grants	25,000.00	8,000.00	8,000.00	25,000.00
	\$ 154,760.00	\$ 31,076.34	\$ 45,076.34	\$ 140,760.00

BOROUGH OF HIGHTSTOWN
GRANT FUND
 Statement of Reserve For Grants Unappropriated
 For the Year Ended December 31, 2024

<u>Program</u>	<u>Balance Dec. 31, 2023</u>	<u>Received</u>	<u>Realized as Miscellaneous Revenue in 2024 Budget</u>	<u>Balance Dec. 31, 2024</u>
Federal Grants:				
Click-it-or-Ticket	-	\$ 7,000.00	-	\$ 7,000.00
State Grants:				
New Jersey Environmental Commission Grant	\$ 2,000.00			2,000.00
Body Armor Replacement Fund		43.88		43.88
	<u>2,000.00</u>	<u>43.88</u>	<u>-</u>	<u>2,043.88</u>
Local Grants:				
Mercer County NJSCA Local Arts Program	3,000.00			3,000.00
Safety Incentive Award Grant	250.00			250.00
JIF Safety Grant	2,712.00	3,168.00		5,880.00
Statewide JIF Grant	2,947.00			2,947.00
Walmart Grant		1,000.00		1,000.00
Total Local Grants	<u>8,909.00</u>	<u>4,168.00</u>	<u>-</u>	<u>13,077.00</u>
	<u>\$ 10,909.00</u>	<u>\$ 11,211.88</u>	<u>-</u>	<u>\$ 22,120.88</u>

BOROUGH OF HIGHTSTOWN
GRANT FUND
 Statement of Reserve For Grants Appropriated
 For the Year Ended December 31, 2024

<u>Program</u>	<u>Balance Dec. 31, 2023</u>	<u>Increased by</u>		<u>Decreased by</u>			<u>Balance Dec. 31, 2024</u>
		<u>Transferred from 2024 Budget Appropriation</u>	<u>Prior Year Encumbrances Reclassified</u>	<u>Disbursed</u>	<u>Due to Regular Fund</u>	<u>Current Year Encumbrances</u>	
Federal Grants:							
Small Cities Community Development Block Grant	\$ 113,760.00						\$ 113,760.00
Stormwater Mapping Grant	25,000.00				\$ 25,000.00		
Bulletproof Vest Partnership Grant			\$ 1,311.65				1,311.65
Total Federal Grants	138,760.00	-	1,311.65	-	25,000.00	-	115,071.65
State Grants:							
Clean Communities Grant	42,624.75	\$ 12,950.66					55,575.41
Municipal Court Alcohol Education and Rehabilitation Fund	15,920.69	2,451.68					18,372.37
Recycling Tonnage Grant	49,781.04	6,278.17	3,000.00	\$ 1,196.10		\$ 3,000.00	54,863.11
Body Armor Replacement Fund		1,395.83					1,395.83
New Jersey Body Worn Camera Grant	7,455.00			7,449.60			5.40
Sustainable New Jersey Capacity Building Stipend Grant	105.50						105.50
Total State Grants	115,886.98	23,076.34	3,000.00	8,645.70	-	3,000.00	130,317.62
Local Grants:							
Mercer County NJSCA Local Arts Program	8,529.78	8,000.00	200.00	2,800.14	3,000.00	340.00	10,589.64
Mercer at Play Grant	28,469.00						28,469.00
JIF Safety Award Grant	4,455.45						4,455.45
Statewide JIF Grant	3,019.76						3,019.76
Total Local Grants	44,473.99	8,000.00	200.00	2,800.14	3,000.00	340.00	46,533.85
	\$ 299,120.97	\$ 31,076.34	\$ 4,511.65	\$ 11,445.84	\$ 28,000.00	\$ 3,340.00	\$ 291,923.12

SUPPLEMENTAL EXHIBITS

TRUST FUND

BOROUGH OF HIGHTSTOWN
TRUST FUNDS
Statement of Trust Cash
Per N.J.S.A.40A:5-5--Chief Financial Officer
For the Year Ended December 31, 2024

	<u>Animal Control Fund</u>	<u>Other Funds</u>
Balance Dec. 31, 2023	\$ 1,733.88	\$ 750,032.70
Increased by Receipts:		
Reserve for Animal Control Fund Expenditures	\$ 2,281.40	
Due State of New Jersey	310.20	
Due Regular Fund	407.05	\$ 26,276.19
Miscellaneous Trust Reserves:		
Interest Earnings		11,127.05
Trust Reserve Receipts		<u>4,936,404.17</u>
	<u>2,998.65</u>	<u>4,973,807.41</u>
	4,732.53	5,723,840.11
Decreased by Disbursements:		
Expenditures Under R.S.4:19-15.11	1,507.60	
Due State of New Jersey	297.00	
Due Regular Fund		24,050.36
Miscellaneous Trust Reserves:		
Trust Reserve Receipts		<u>4,733,568.32</u>
	<u>1,804.60</u>	<u>4,757,618.68</u>
Balance Dec. 31, 2024	<u>\$ 2,927.93</u>	<u>\$ 966,221.43</u>

BOROUGH OF HIGHTSTOWN
ANIMAL CONTROL TRUST FUND
 Statement of Reserve For Animal Control Fund Expenditures
 For the Year Ended December 31, 2024

Balance Dec. 31, 2023	\$	2,363.00
Increased by:		
Receipts		
License Fees Collected		2,281.40
		4,644.40
Decreased by:		
Expenditures Under R.S.4:19-15.11:		
Disbursements		1,507.60
Balance Dec. 31, 2024	\$	3,136.80

License Fees Collected

<u>Year</u>	<u>Amount</u>
2022	\$ 2,615.00
2023	2,462.40
	\$ 5,077.40

BOROUGH OF HIGHTSTOWN
ANIMAL CONTROL TRUST FUND
Statement of Due from Regular Fund
For the Year Ended December 31, 2024

Balance Dec. 31, 2023		\$ 659.32
Decreased by:		
Receipts:		
Interest Earnings	\$ 207.05	
Late Fees - Miscellaneous Revenue Not Anticipated	<u>200.00</u>	
		<u>407.05</u>
Balance Dec. 31, 2024		<u><u>\$ 252.27</u></u>

ANIMAL CONTROL TRUST FUND
Statement of Due to State of New Jersey
For the Year Ended December 31, 2024

Balance Dec. 31, 2023		\$ 30.20
Increased by:		
Animal Control Fees Collected		<u>310.20</u>
		340.40
Decreased by:		
Disbursements		<u>297.00</u>
Balance Dec. 31, 2024		<u><u>\$ 43.40</u></u>

BOROUGH OF HIGHTSTOWN
TRUST -- OTHER FUND
 Statement of Due from / to Regular Fund
 For the Year Ended December 31, 2024

Balance Dec. 31, 2023 (Do from)		\$ 251,736.02
Increased by:		
Disbursements:		
Interest Earnings Remitted		24,050.36
		275,786.38
Decreased by:		
Receipts:		
Interest Earned on Deposits	\$ 26,276.19	
Cancellation of Tax Title Lien Premiums	98,377.25	
Cancellation of Tax Title Lien Redemptions	12,650.30	
Disbursements by Regular Fund On-behalf of Trust Other Fund	196,072.28	
		333,376.02
Balance Dec. 31, 2024 (Do to)		\$ 57,589.64
 <u>Analysis of Balance - Due to / (Due from)</u>		
Other Trust Funds		\$ (37,693.46)
Tax Title Lien Redemption		113,253.38
Payroll		(7,970.28)
Unemployment		(10,000.00)
		\$ 57,589.64

BOROUGH OF HIGHTSTOWN
TRUST -- OTHER FUND
 Statement of Trust Other Reserves
 For the Year Ended December 31, 2024

Reserve	Balance Dec. 31, 2023	Increased By		Decreased by		Balance Dec. 31, 2024
		Receipts	Interest	Disbursements	Due Regular Fund	
Reserve for Workman's Compensation	\$ 9,581.03	\$ 30,685.40		\$ 16,418.33		\$ 23,848.10
Payroll Deductions Payable	51,918.77	1,793,468.08		1,794,831.75		50,555.10
Net Payroll		2,725,029.74		2,725,029.74		
Escrow Fees	78,678.94	106,523.68		71,709.30		113,493.32
Housing Trust	32,639.54	18,986.00	\$ 1,699.88	2,000.00		51,325.42
Unemployment Compensation	81,994.58		1,308.63	699.66		82,603.55
Parking Offenses Adjudication Act	1,373.00	106.00				1,479.00
Uniform Fire Safety Act	6,975.03					6,975.03
Special Law Enforcement Fund	53,155.33		2,133.52	4,344.10		50,944.75
Donations:						
Celebration of Public Events - Memorial Parade	2,439.40				\$ 200.00	2,239.40
Animal Welfare	1,289.28					1,289.28
Historical Site	798.71					798.71
National Night Out	2,594.37	1,300.00				3,894.37
Peddie Dam Footbridge	1,059.48					1,059.48
Franklin St. Project Lighting	6,062.93					6,062.93
Skatepark	19,345.87					19,345.87
Cultural Arts	16,921.37	2,394.02			3,875.00	15,440.39
Environmental Trees	2,056.16					2,056.16
Environmental Donation	74.00					74.00
American Diner Escrow	788.50					788.50
Regan Redevelopment	142.00					142.00
Replace Downtown Coach Lighting	2,833.20					2,833.20
RBE Performance	2,309.05					2,309.05
Exercise Class	290.38					290.38
Recreation Trips	135.00					135.00
Triathlon	41,102.74				477.89	40,624.85
Shakespeare in the Park	3,414.58	4,590.00			4,550.31	3,454.27
Dawes Park	42,956.04	14,145.00			27,419.25	29,681.79
Family Fair		6,500.00		2,322.10	4,177.90	
Recaptured Funds Housing Rehabilitation	1,703.00					1,703.00
Recycling	52,567.39	7,734.10			14,928.07	45,373.42
Recycling-Grass Collection Program	7,104.24					7,104.24
Storm Recovery	48,345.33				5,630.18	42,715.15
Police Off Duty Services	59,062.09	69,120.00		102,908.00		25,274.09
Public Defender	23,079.97	2,297.50		9,300.00		16,077.47
Tax Title Lien Premiums	108,977.25				98,377.25	10,600.00
Tax Title Lien Redemptions	28,328.38	19,710.97		4,005.34	12,650.30	31,383.71
Insurance Refunds	81,125.02	133,813.68			134,813.68	80,125.02
Regional Contribution Agreement - Manalapan	145,585.46		5,985.02			151,570.48
	<u>\$ 1,018,807.41</u>	<u>\$ 4,936,404.17</u>	<u>\$ 11,127.05</u>	<u>\$ 4,733,568.32</u>	<u>\$ 307,099.83</u>	<u>\$ 925,670.48</u>

BOROUGH OF HIGHTSTOWN
TRUST OTHER FUND
Statement of Investments - Length of Service Award Program
For the Year Ended December 31, 2024

Balance Dec. 31, 2023		\$ 841,630.67
Increased by:		
Contributions:		
Investment Earnings		116,681.57
		958,312.24
Decreased by:		
Benefits Paid to Participants	\$ 36,866.50	
Account Administrative Charges	1,400.00	
		38,266.50
Balance Dec. 31, 2024		\$ 920,045.74

Schedule of Investments Dec. 31, 2024

<u>Description</u>	<u>Amount</u>
Fixed Annuity Contract	\$ 98,742.07
Pooled Separate Accounts	821,303.67
	\$ 920,045.74

SUPPLEMENTAL EXHIBITS
GENERAL CAPITAL FUND

BOROUGH OF HIGHTSTOWN
GENERAL CAPITAL FUND
Statement of General Capital Cash
Per N.J.S.A.40A:5-5--Chief Financial Officer
For the Year Ended December 31, 2024

Balance Dec. 31, 2023		\$ 3,606.46
Increased by Receipts:		
Due Regular Fund	\$ 73,598.55	
Regular Fund Budget Appropriation:		
Capital Improvement Fund	15,000.00	
Contra	899,900.00	
		988,498.55
		992,105.01
Decreased by Disbursements:		
Improvement Authorizations	35,970.50	
Due to Regular Fund	25,453.13	
Contra	899,900.00	
		961,323.63
Balance Dec. 31, 2024		\$ 30,781.38

BOROUGH OF HIGHTSTOWN
GENERAL CAPITAL FUND
 Analysis of General Capital Cash
 For the Year Ended December 31, 2024

	Balance (Deficit) <u>Dec. 31, 2023</u>	Receipts		Disbursements		Transfers		Balance (Deficit) <u>Dec. 31, 2024</u>
		Budget	Miscellaneous	Improvement	Miscellaneous	From	To	
		<u>Appropriation</u>		<u>Authorizations</u>				
Fund Balance	\$ 9,811.68						\$ 1,633.47	\$ 11,445.15
Capital Improvement Fund	220,922.50	\$ 15,000.00				\$ 19,200.00		216,722.50
Reserve for Encumbrances	891,229.27					891,229.27	656,375.06	656,375.06
Grants Receivable	(1,995,613.82)					606,410.00	375,000.00	(2,227,023.82)
Due Regular Fund	(2,487,366.54)		\$ 73,598.55		\$ 25,453.13	876,633.47	1,341,084.31	(1,974,770.28)
Due Water-Sewer Utility Operating Fund	400,000.00							400,000.00
Due Water-Sewer Utility Capital Fund	(297,071.10)					248,268.56		(545,339.66)
Reserve for:								
Grant Receivable	127,959.87							127,959.87
John and Mary Hight Sculpture	150.00							150.00
Donations	50.00							50.00
Municipal Facility	4,859.79							4,859.79
Housing Rehabilitation	47.00							47.00
Municipal Facility-FEMA	161,655.85							161,655.85
Purchase of Police Vehicle	672.47							672.47
Payment of Notes Ord. 18-20	15,211.88							15,211.88
Municipal Building Insurance	1,595,000.00							1,595,000.00
Contra			899,900.00		899,900.00			
General Improvements:								
<u>Ord. No.</u> <u>Improvement Authorization Purpose</u>								
04-17 Acquisition of Capacity Rights - JCP&L	16,784.33							16,784.33
05-04/09-13 Mercer Street Revitalization Project	17,182.52							17,182.52
05-24 Peddie Lake Dam Improvements	(231.26)							(231.26)
05-34 Streetscape/Main Street Redevelopment Area	11,936.46							11,936.46
07-26 Police Department Equipment	618.17							618.17
08-01 Waterlea Avenue Improvements	2,062.34							2,062.34
09-20 Stockton Street Historic District Improvements	1,677.82							1,677.82
10-02 Reconstruction of Leshin Lane	640.46							640.46
10-16 Summit Street Sidewalk Improvements	(267.71)							(267.71)
11-05 Milling and Paving Various Roads	6,886.61							6,886.61
12-04 Hurricane Irene Damage Emergency	(625.25)							(625.25)
12-13 Various Capital Improvements	28,946.23					26,382.60	26,382.60	28,946.23
12-15 Communication Equipment - Fire Department and First Aid	1,100.00							1,100.00
13-07/15-14/19-04 Improvements to Peddie Lake Dam Walking Bridge	18,877.07							18,877.07
13-22 Public Safety Equipment	11,048.00							11,048.00
13-23/15-06 Road Improvement to Park Avenue, Greeley Street, and Green Brook Place	2,043.29							2,043.29
14-06 Various Capital Improvements Including Document Restoration	14,887.37							14,887.37
14-13 Various Capital Improvements	3,342.67							3,342.67
15-07 Road Improvements to Park Way, Grant Street and Hutchinson Street	2,670.80							2,670.80
15-11 Acquisition of Arial Ladder Truck	953.22							953.22
15-15;17-15;22-24 Improvements to Stockton Street and Joseph Street	(184,223.03)					8,702.90	8,403.07	(184,522.86)
15-20 Acquisition of Automated Garbage Truck	6,181.10							6,181.10
16-08 Police Vehicles, Public Safety Equipment	5,624.53							5,624.53
16-12 Rehabilitation of East Ward Street	39,026.59							39,026.59
17-09/21-10 Retaining Wall, First Avenue Improvements	(175,268.76)					13,747.53	38,394.03	(150,622.26)
17-12 Police, Fire, DPW Court Equipment	10,392.41							10,392.41

(Continued)

BOROUGH OF HIGHTSTOWN
GENERAL CAPITAL FUND
 Analysis of General Capital Cash
 For the Year Ended December 31, 2024

	Balance (Deficit) <u>Dec. 31, 2023</u>	Receipts		Disbursements		Transfers		Balance (Deficit) <u>Dec. 31, 2024</u>
		Budget	Miscellaneous	Improvement	Miscellaneous	From	To	
		<u>Appropriation</u>		<u>Authorizations</u>				
General Improvements:								
<u>Ord. No.</u>	<u>Improvement Authorization Purpose</u>							
17-17; 19-07	\$ 22,256.18					\$ 500.00		\$ 21,756.18
18-12	26,993.50							26,993.50
18-18	8,422.11					300.00		8,122.11
18-20	95,357.51							95,357.51
19-10	2,534.01					2,995.00	\$ 55,700.78	55,239.79
19-20	19,680.04					200.00		19,480.04
20-05	4,498.14					698.00		3,800.14
20-15	61,886.22					300.00		61,586.22
21-02	55,803.02			\$ 5,470.25		5,743.50	329,931.17	374,520.44
22-11	589,314.70					998,838.51	361,017.27	(48,506.54)
22-21	71,509.31			15,978.00		453,786.18	448,912.07	50,657.20
23-02	694,432.50			6,711.25		35,285.00	2,762.50	655,198.75
23-12	(142,065.61)			7,811.00		178,510.06	367,994.34	39,607.67
23-22	3,200.00					600.00		2,600.00
24-04						600.00	478,710.00	478,110.00
24-12						259,933.84	19,200.00	(240,733.84)
24-16						10,336.25	127,700.00	117,363.75
	<u>\$ 3,606.46</u>	<u>\$ 15,000.00</u>	<u>\$ 973,498.55</u>	<u>\$ 35,970.50</u>	<u>\$ 925,353.13</u>	<u>\$ 4,639,200.67</u>	<u>\$ 4,639,200.67</u>	<u>\$ 30,781.38</u>

BOROUGH OF HIGHTSTOWN
GENERAL CAPITAL FUND
Statement of Deferred Charges to Future Taxation--Funded
For the Year Ended December 31, 2024

Balance Dec. 31, 2023		\$ 3,340,216.53
Decreased by:		
Budget Appropriation:		
Serial Bonds	\$ 480,000.00	
Green Acres Loan Payable	<u>8,764.74</u>	
		<u>488,764.74</u>
Balance Dec. 31, 2024		<u>\$ 2,851,451.79</u>

BOROUGH OF HIGHTSTOWN
GENERAL CAPITAL FUND
 Statement of Deferred Charges to Future Taxation--Unfunded
 For the Year Ended December 31, 2024

Ordinance Number	Improvement Description	Balance Dec. 31, 2023	Increased by	Decreased by	Balance Dec. 31, 2024	Analysis of Balance Dec. 31, 2024		Unexpended Improvement Authorizations
			2024 Authorizations	Notes Paid by Budget Appropriation		Bond Anticipation Notes	Expenditures	
05-24	Peddie Lake Dam Improvements	\$ 550.00			\$ 550.00		\$ 231.26	\$ 318.74
09-20	Stockton Street Historic District Improvements	16,899.57			16,899.57			16,899.57
10-02	Reconstruction of Leshin Lane	13,000.00			13,000.00			13,000.00
10-16	Summit Street Sidewalk Improvements	526.45			526.45		267.71	258.74
11-05	Milling and Paving Various Roads	13,700.00		\$ 13,700.00				
12-04	Hurricane Irene Damage Emergency	625.25			625.25		625.25	
12-13	Various Capital Improvements	500.00			500.00			500.00
13-07/15-14/19-04	Improvements to Peddie Lake Dam Walking Bridge	8,702.67			8,702.67			8,702.67
13-23/15-06	Road Improvement to Park Avenue, Greeley Street, and Green Brook Place	27,510.00		1,050.00	26,460.00	\$ 11,250.00		15,210.00
14-06	Various Capital Improvements Including Document Restoration	9,334.00			9,334.00			9,334.00
15-07	Road Improvements to Park Way, Grant Street and Hutchinson Street	34,900.00		600.00	34,300.00	9,300.00		25,000.00
15-11	Acquisition of Arial Ladder Truck	300.00			300.00			300.00
15-15/17-15/22-24	Improvements to Stockton Street and Joseph Street	420,694.03		6,000.00	414,694.03	228,000.00	184,522.86	2,171.17
16-12	Rehabilitation of East Ward Street	90,000.00			90,000.00			90,000.00
17-09/21-10	Retaining Wall, First Avenue Improvements	546,100.00		7,900.00	538,200.00	284,200.00	189,016.29	64,983.71
17-12	Police, Fire, DPW Court Equipment	40.00			40.00			40.00
17-17/19-07	Improvements to Maple Avenue and Sunset Avenue	312,600.00		17,400.00	295,200.00	295,200.00		
18-18	Various Capital Improvements - Public Safety	172,200.00		8,300.00	163,900.00	163,900.00		
18-20	Improvements to Lincoln Avenue, Hagemount Avenue and Rocky Brook Court	94,700.00		5,300.00	89,400.00	89,400.00		
19-10	Design Costs - Municipal Complex	459,500.00		16,500.00	443,000.00	443,000.00		
19-20	Various Capital Improvements - Police, Fire and DPW	172,250.00		13,250.00	159,000.00	159,000.00		
20-05	Springcrest, Spruce Court and Glenn Drive	358,000.00			358,000.00	357,750.00		250.00
20-15	Crosswalk Signal and Fire Department Equipment	100,000.00			100,000.00	100,000.00		
21-02	Improvements to Various Roads - Hauser Avenue, Bennet Place, Railroad Avenue and Dey Street	600,368.00			600,368.00	500,000.00		100,368.00
22-11	Improvements to Various Roads - Orchard, Clover and South Main	650,000.00			650,000.00	390,000.00	48,506.54	211,493.46
22-21	Public Safety Improvements Police and Fire, Parks and Recreation, and E. Ward Street Bridge	775,780.00			775,780.00	600,000.00		175,780.00
23-02	Improvements to Maxwell Avenue	233,730.00			233,730.00	100,000.00		133,730.00
23-12	Various Capital Improvements	407,600.00			407,600.00	350,000.00		57,600.00
23-22	Improvements to the Sluice Gate	61,800.00			61,800.00			61,800.00
24-04	Improvements to Summit Street		\$ 376,290.00		376,290.00			376,290.00
24-12	Various Capital Improvements		381,200.00		381,200.00		240,733.84	140,466.16
24-16	Dawes Park Recreation Improvements		393,300.00		393,300.00			393,300.00
		<u>\$ 5,581,909.97</u>	<u>\$ 1,150,790.00</u>	<u>\$ 90,000.00</u>	<u>\$ 6,642,699.97</u>	<u>\$ 4,081,000.00</u>	<u>\$ 663,903.75</u>	<u>\$ 1,897,796.22</u>
Improvement Authorizations Unfunded								\$ 2,771,031.64
Less: Unexpended Proceeds of Bond Anticipation Notes for Ordinance:								
	13-23/15-06						\$ 2,043.29	
	15-07						2,670.80	
	17-09/21-10						38,394.03	
	17-17/19-07						21,756.18	
	18-18						8,122.11	
	18-20						95,357.51	
	19-10						55,239.79	
	19-20						19,480.04	
	20-05						3,800.14	
	20-15						61,586.22	
	21-02						374,520.44	
	22-21						50,657.20	
	23-02						100,000.00	
	23-12						39,607.67	
								873,235.42
								<u>\$ 1,897,796.22</u>

BOROUGH OF HIGHTSTOWN
GENERAL CAPITAL FUND
Statement of Grants Receivable
For the Year Ended December 31, 2024

	Balance <u>Dec. 31, 2023</u>	<u>Increased</u>	<u>Decreased</u>	Balance <u>Dec. 31, 2024</u>
Receivables Offset with Reserves:				
New Jersey Department of Transportation:				
Peddie Lake Dam Walking Bridge Improvements (13-07/15-14/19-04)	\$ 8,702.67			\$ 8,702.67
Improvement to Stockton Street and Joseph Street (15-15/17-15/22-24)	119,257.20			119,257.20
	<u>127,959.87</u>	<u>-</u>	<u>-</u>	<u>127,959.87</u>
Receivables not Offset with Reserves:				
New Jersey Department of Transportation:				
Rehabilitation of East Ward Street (16-12)	75,000.00			75,000.00
Retaining Wall, First Avenue Improvements (17-09/21-10)	68,795.00			68,795.00
Improvements to Maple Avenue and Sunset Avenue (17-17/19-07)	50,000.00			50,000.00
Improvements to Maxwell Street (23-02)	621,270.00			621,270.00
Springcrest, Spruce Court and Glenn Drive (20-05)	150,000.00			150,000.00
Improvement to Various Roads:				
Hauser Avenue, Bennet Place (21-02)	226,411.70			226,411.70
Railroad Avenue and Dey Street (21-02)	176,177.25			176,177.25
Orchard, Clover and South Main (22-11)	500,000.00		\$ 375,000.00	125,000.00
Summit Street (24-04)		\$ 478,710.00		478,710.00
Green Acres Grant:				
Dawes Park Recreation Improvements (24-16)		127,700.00		127,700.00
	<u>1,867,653.95</u>	<u>606,410.00</u>	<u>375,000.00</u>	<u>2,099,063.95</u>
	<u>\$ 1,995,613.82</u>	<u>\$ 606,410.00</u>	<u>\$ 375,000.00</u>	<u>\$ 2,227,023.82</u>
Grant Awards		<u>\$ 606,410.00</u>		
Due from Regular Fund			<u>\$ 375,000.00</u>	

BOROUGH OF HIGHTSTOWN
GENERAL CAPITAL FUND
Statement of Due From Regular Fund
For the Year Ended December 31, 2024

Balance Dec. 31, 2023		\$ 2,487,366.54
Increased by:		
Received by Regular Fund On-behalf of General Capital Fund:		
Bond Anticipation Notes	\$ 500,000.00	
Premium on Sale of Notes	1,633.47	
Grants Receivable - Orchard, Clover and South Main (22-11)	375,000.00	
	\$ 876,633.47	
Disbursements:		
Interest Earnings Remitted to Regular Fund	25,453.13	
		902,086.60
		3,389,453.14
Decreased by:		
Receipts:		
Interest Earned on Deposits	27,598.55	
Interfunds Advanced from Regular Fund	46,000.00	
	73,598.55	
Disbursed by Regular Fund On-behalf of General Capital Fund:		
Improvement Authorizations	1,341,084.31	
		1,414,682.86
Balance Dec. 31, 2024		\$ 1,974,770.28

GENERAL CAPITAL FUND
Statement of Capital Improvement Fund
For the Year Ended December 31, 2024

Balance Dec. 31, 2023		\$ 220,922.50
Increased by:		
Receipts:		
Budget Appropriations	15,000.00	
		235,922.50
Decreased by:		
Appropriated to Finance Improvement Authorization	19,200.00	
Balance Dec. 31, 2024		\$ 216,722.50

BOROUGH OF HIGHTSTOWN
GENERAL CAPITAL FUND
 Statement of Improvement Authorizations
 For the Year Ended December 31, 2024

Ordinance Number	Improvement Description	Date	Amount	Balance Dec. 31, 2023		Increased by		Decreased by		Balance Dec. 31, 2024	
				Funded	Unfunded	2024 Authorizations	Prior Year Encumbrances Reclassified	Paid or Charged	Funded	Unfunded	
04-17	Acquisition of Capacity Rights - JCP&L	08/02/04	\$ 100,000.00	\$ 16,784.33						\$ 16,784.33	
05-04/09-13	Mercer Street Revitalization Project	02/07/05	450,000.00	17,182.52						17,182.52	
05-24	Peddie Lake Dam Improvements	07/05/05	166,250.00		\$ 318.74						\$ 318.74
05-34	Streetscape/Main Street Redevelopment Area	10/17/05	450,000.00	11,936.46						11,936.46	
07-26	Police Department Equipment	11/19/07	62,000.00	618.17						618.17	
08-01	Waterlea Avenue Improvements	01/22/08	332,500.00	2,062.34						2,062.34	
09-20	Stockton Street Historic District Improvements	09/21/09	1,840,000.00	1,677.82	16,899.57					1,677.82	16,899.57
10-02	Reconstruction of Leshin Lane	02/01/10	568,000.00	640.46	13,000.00					640.46	13,000.00
10-16	Summit Street Sidewalk Improvements	09/20/10	180,000.00		258.74						258.74
11-05	Milling and Paving Various Roads	06/06/11	432,000.00		6,886.61					6,886.61	
12-13	Various Capital Improvements	08/20/12	262,000.00	28,946.23	500.00		\$ 26,382.60	\$ 26,382.60		28,946.23	500.00
12-15	Communication Equipment - Fire Department and First Aid	09/18/12	35,000.00	1,100.00						1,100.00	
13-07/15-14/19-04	Improvements to Peddie Lake Dam Walking Bridge	4/1/13;8/3/15;3/4/19	739,791.00		27,579.74					18,877.07	8,702.67
13-22	Public Safety Equipment	09/03/13	165,000.00	11,048.00						11,048.00	
13-23/15-06	Road Improvement to Park Avenue, Greeley Street, and Green Brook Place	11/18/13;4/20/15	897,000.00		17,253.29						17,253.29
14-06	Various Capital Improvements Including Document Restoration	03/17/14	220,000.00	14,887.37	9,334.00					14,887.37	9,334.00
14-13	Various Capital Improvements	07/21/14	170,000.00	3,342.67						3,342.67	
15-07	Road Improvements to Park Way, Grant Street and Hutchinson Street	04/20/15	619,000.00		27,670.80						27,670.80
15-11	Acquisition of Arial Ladder Truck	06/01/15	1,000,000.00	953.22	300.00					953.22	300.00
15-15;17-15;22-24	Improvements to Stockton Street and Joseph Street	8/21/15;11/6/17;12/1/23	627,000.00		2,471.00		8,403.07	8,702.90			2,171.17
15-20	Acquisition of Automated Garbage Truck	09/08/15	325,000.00	6,181.10						6,181.10	
16-08	Police Vehicles, Public Safety Equipment	03/07/16	140,000.00	5,624.53						5,624.53	
16-12	Rehabilitation of East Ward Street	04/18/16	550,000.00	39,026.59	90,000.00					39,026.59	90,000.00
17-09/21-10	Retaining Wall, First Avenue Improvements	08/21/07	850,000.00		78,731.24		38,394.03	13,747.53			103,377.74
17-12	Police, Fire, DPW Court Equipment	09/05/17	268,000.00	10,392.41	40.00					10,392.41	40.00
17-17;19-07	Improvements to Maple Avenue and Sunset Avenue	11/20/17;5/20/19	605,000.00		22,256.18			500.00			21,756.18
18-12	Acquisition of Land - YCMA	06/18/18	725,000.00	26,993.50						26,993.50	
18-18	Various Capital Improvements - Public Safety	09/17/18	189,600.00		8,422.11			300.00			8,122.11
18-20	Improvements to Lincoln Avenue, Hagemount Avenue and Rocky Brook Court	11/05/18	900,000.00		95,357.51						95,357.51
19-10	Design Costs - Municipal Complex	06/17/19	500,000.00		2,534.01		55,700.78	2,995.00			55,239.79
19-20	Various Capital Improvements - Police, Fire and DPW	11/18/19	195,000.00		19,680.04			200.00			19,480.04
20-05	Springcrest, Spruce Court and Glenn Drive	07/20/20	873,000.00		4,748.14			698.00			4,050.14
20-15	Crosswalk Signal and Fire Department Equipment	12/08/20	105,000.00		61,886.22			300.00			61,586.22
21-02	Improvements to Various Roads - Hauser Avenue, Bennet Place, Railroad Avenue and Dey Street	03/15/21	1,630,000.00		156,171.02		142,679.88	(176,037.54)			474,888.44
22-11	Improvements to Various Roads - Orchard, Clover and South Main	02/22/22	1,150,000.00	499,314.70	650,000.00			937,821.24			211,493.46
22-21	Public Safety Improvements Police and Fire, Parks and Recreation, and E. Ward Street Bridge	12/19/22	19,100.00		247,289.31		448,912.07	469,764.18			226,437.20
23-02	Improvements to Maxwell Avenue	02/21/23	855,000.00	594,432.50	233,730.00		2,762.50	41,996.25		555,198.75	233,730.00
23-12	Various Capital Improvements	07/17/23	428,000.00		115,534.39		167,994.34	186,321.06			97,207.67
23-22	Improvements to the Sluice Gate	12/15/23	65,000.00	3,200.00	61,800.00			600.00		2,600.00	61,800.00
24-04	Improvements to Summit Street	05/06/24	855,000.00			\$ 855,000.00		600.00		478,110.00	376,290.00
24-12	Various Capital Improvements	08/19/24	400,400.00			400,400.00		259,933.84			140,466.16
24-16	Dawes Park Recreation Improvements	09/16/24	521,000.00			521,000.00		10,336.25		117,363.75	393,300.00
				<u>\$ 1,296,344.92</u>	<u>\$ 1,970,652.66</u>	<u>\$ 1,776,400.00</u>	<u>\$ 891,229.27</u>	<u>\$ 1,785,161.31</u>	<u>\$ 1,378,433.90</u>	<u>\$ 2,771,031.64</u>	
Capital Improvement Fund						\$ 19,200.00					
New Jersey Department of Transportation Grant						478,710.00					
Green Acres Grant						127,700.00					
Deferred Charged to Future Taxation - Unfunded						1,150,790.00					
Cash Disbursed									\$ 35,970.50		
Due to Regular Fund									1,341,084.31		
Encumbered									656,375.06		
Reimbursed - Due From Water-Sewer Utility Capital Fund									(248,268.56)		
						<u>\$ 1,776,400.00</u>	<u>\$ 1,785,161.31</u>				

BOROUGH OF HIGHTSTOWN
GENERAL CAPITAL FUND
 Statement of Bond Anticipation Notes
 For the Year Ended December 31, 2024

Ordinance Number	Improvement Description	Date of Original Issue	Date of Issue	Date of Maturity	Interest Rate				Balance Dec. 31, 2024
						Dec. 31, 2023	Increased	Decreased	
11-05	Milling and Paving Various Roads	12/30/20	09/07/23	06/27/24	4.25%	\$ 13,700.00		\$ 13,700.00	
13-23/15-06	Road Improvements to Park Avenue, Greeley Street and Glen Brook Place	12/30/20	09/07/23	06/27/24	4.25%	12,300.00		12,300.00	
13-23/15-06	Road Improvements to Park Avenue, Greeley Street and Glen Brook Place	12/30/20	06/26/24	03/25/25	4.50%		\$ 11,250.00		\$ 11,250.00
15-07	Road Improvements to Park Way, Grant Street and Hutchinson Street	12/30/20	09/07/23	06/27/24	4.25%	9,900.00		9,900.00	
15-07	Road Improvements to Park Way, Grant Street and Hutchinson Street	12/30/20	06/26/24	03/25/25	4.50%		9,300.00		9,300.00
15-15/17-15/22-24	Improvements to Stockton Street and Joseph Street	12/30/20	09/07/23	06/27/24	4.25%	234,000.00		234,000.00	
15-15/17-15/22-24	Improvements to Stockton Street and Joseph Street	12/30/20	06/26/24	03/25/25	4.50%		228,000.00		228,000.00
17-09/21-10	Retaining Wall, First Avenue Improvements	12/30/20	09/07/23	06/27/24	4.25%	292,100.00		292,100.00	
17-09/21-10	Retaining Wall, First Avenue Improvements	12/30/20	06/26/24	03/25/25	4.50%		284,200.00		284,200.00
17-17/19-07	Improvements to Maple Avenue and Sunset Avenue	12/30/20	09/07/23	06/27/24	4.25%	312,600.00		312,600.00	
17-17/19-07	Improvements to Maple Avenue and Sunset Avenue	12/30/20	06/26/24	03/25/25	4.50%		295,200.00		295,200.00
18-18	Various Capital Improvements - Public Safety	12/30/20	09/07/23	06/27/24	4.25%	172,200.00		172,200.00	
18-18	Various Capital Improvements - Public Safety	12/30/20	06/26/24	03/25/25	4.50%		163,900.00		163,900.00
18-20	Improvements to Lincoln Avenue, Hagemont Avenue and Rocky Brook Court	12/30/20	09/07/23	06/27/24	4.25%	94,700.00		94,700.00	
18-20	Improvements to Lincoln Avenue, Hagemont Avenue and Rocky Brook Court	12/30/20	06/26/24	03/25/25	4.50%		89,400.00		89,400.00
19-10	Design Costs - Municipal Complex	12/30/20	09/07/23	06/27/24	4.25%	459,500.00		459,500.00	
19-10	Design Costs - Municipal Complex	12/30/20	06/26/24	03/25/25	4.50%		443,000.00		443,000.00
19-20	Various Capital Improvements - Police, Fire and DPW	12/30/20	09/07/23	06/27/24	4.25%	172,250.00		172,250.00	
19-20	Various Capital Improvements - Police, Fire and DPW	12/30/20	06/26/24	03/25/25	4.50%		159,000.00		159,000.00
20-05	Springcrest, Spruce Court and Glenn Drive	09/29/22	09/07/23	06/27/24	4.25%	357,750.00		357,750.00	
20-05	Springcrest, Spruce Court and Glenn Drive	09/29/22	06/26/24	03/25/25	4.50%		357,750.00		357,750.00
20-15	Crosswalk Signal and Fire Department Equipment	09/29/22	09/07/23	06/27/24	4.25%	100,000.00		100,000.00	
20-15	Crosswalk Signal and Fire Department Equipment	09/29/22	06/26/24	03/25/25	4.50%		100,000.00		100,000.00
21-02	Improvements to Various Roads - Hauser Avenue, Bennet Place, Railroad Avenue and Dey Street	09/29/22	09/07/23	06/27/24	4.25%	500,000.00		500,000.00	
21-02	Improvements to Various Roads - Hauser Avenue, Bennet Place, Railroad Avenue and Dey Street	09/29/22	06/26/24	03/25/25	4.50%		500,000.00		500,000.00
22-11	Improvements to Various Roads - Orchard, Clover and South Main	09/29/22	09/07/23	06/27/24	4.25%	90,000.00		90,000.00	
22-11	Improvements to Various Roads - Orchard, Clover and South Main	09/29/22	06/26/24	03/25/25	4.50%		390,000.00		390,000.00
22-21	Public Safety Improvements Police and Fire, Parks and Recreation, and E. Ward Street Bridge	09/27/23	09/07/23	06/27/24	4.25%	600,000.00		600,000.00	
22-21	Public Safety Improvements Police and Fire, Parks and Recreation, and E. Ward Street Bridge	09/27/23	06/26/24	03/25/25	4.50%		600,000.00		600,000.00
23-02	Improvements to Maxwell Avenue	09/27/23	09/07/23	06/27/24	4.25%	100,000.00		100,000.00	
23-02	Improvements to Maxwell Avenue	09/27/23	06/26/24	03/25/25	4.50%		100,000.00		100,000.00
23-12	Various Capital Improvements	09/27/23	09/07/23	06/27/24	4.25%	150,000.00		150,000.00	
23-12	Various Capital Improvements	09/27/23	06/26/24	03/25/25	4.50%		350,000.00		350,000.00
						<u>\$ 3,671,000.00</u>	<u>\$ 4,081,000.00</u>	<u>\$ 3,671,000.00</u>	<u>\$ 4,081,000.00</u>
Issued for Cash - Due from Regular Fund							\$ 500,000.00		
Renewals							3,581,000.00	\$ 3,581,000.00	
Paid by Budget Appropriation								90,000.00	
						<u>\$ 4,081,000.00</u>	<u>\$ 3,671,000.00</u>		

BOROUGH OF HIGHTSTOWN
GENERAL CAPITAL FUND
 Statement of General Serial Bonds
 For the Year Ended December 31, 2024

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Outstanding Dec. 31, 2024</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2023</u>	<u>Paid by Budget Appropriation</u>	<u>Balance Dec. 31, 2024</u>
			<u>Date</u>	<u>Amount</u>				
General Obligation Bonds, Series 2018	09/27/18	\$ 4,960,000.00	04/01/25	\$ 480,000.00	5.00%			
			04/01/26	480,000.00	5.00%			
			04/01/27	480,000.00	2.50%			
			04/01/28	480,000.00	3.00%			
			04/01/29	480,000.00	3.00%			
			04/01/30	400,000.00	3.00%			
						<u>\$ 3,280,000.00</u>	<u>\$ 480,000.00</u>	<u>\$ 2,800,000.00</u>

BOROUGH OF HIGHTSTOWN
GENERAL CAPITAL FUND
 Statement of Green Acres Loan Payable
 For the Year Ended December 31, 2024

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Outstanding Dec. 31, 2024</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2023</u>	<u>Paid by Budget Appropriation</u>	<u>Balance Dec. 31, 2024</u>
			<u>Date</u>	<u>Amount</u>				
Peddie Lake Dam Restoration	2011	\$ 156,250.00	06/10/25	\$ 4,448.22	2.00%			
			12/10/25	4,492.70	2.00%			
			06/10/26	4,537.63	2.00%			
			12/10/26	4,583.00	2.00%			
			06/10/27	4,628.83	2.00%			
			12/10/27	4,675.12	2.00%			
			06/10/28	4,721.87	2.00%			
			12/10/28	4,769.09	2.00%			
			06/10/29	4,816.78	2.00%			
			12/10/29	4,864.95	2.00%			
			06/10/30	4,913.60	2.00%			
						<u>\$ 60,216.53</u>	<u>\$ 8,764.74</u>	<u>\$ 51,451.79</u>

BOROUGH OF HIGHTSTOWN
GENERAL CAPITAL FUND
 Statement of Bonds and Notes Authorized But Not Issued
 For the Year Ended December 31, 2024

Ordinance Number	Improvement Description	Balance Dec. 31, 2023	Increased by		Decreased by	
			2024 Authorizations	Notes Issued	Notes Issued	Balance Dec. 31, 2024
General Improvements:						
05-24/09-13	Peddie Lake Dam Improvements	\$ 550.00				\$ 550.00
09-20	Stockton Street Improvements	16,899.57				16,899.57
10-02	Reconstruction of Leshin Lane	13,000.00				13,000.00
10-16	Summit Street Sidewalk Improvements	526.45				526.45
12-04	Hurricane Irene Damage Emergency	625.25				625.25
12-13	Various Capital Improvements	500.00				500.00
13-07/15-14/19-04	Improvements to Peddie Lake Dam Walking Bridge	8,702.67				8,702.67
13-23/15-06	Road Improvements to Park Avenue, Greeley Street and Glen Brook Place	15,210.00				15,210.00
14-06	Various Capital Improvements Including Document Restoration	9,334.00				9,334.00
15-07	Road Improvements to Park Way, Grant Street and Hutchinson Street	25,000.00				25,000.00
15-11	Acquisition of Arial Ladder Truck	300.00				300.00
15-15/17-15/22-24	Improvements to Stockton Street and Joseph Street	186,694.03				186,694.03
16-12	Rehabilitation of East Ward Street	90,000.00				90,000.00
17-09/21-10	Retaining Wall, First Avenue Improvements	254,000.00				254,000.00
17-12	Police, Fire, DPW Court Equipment	40.00				40.00
20-05	Springcrest, Spruce Court and Glenn Drive	250.00				250.00
21-02	Improvements to Various Roads - Hauser Avenue, Bennet Place, Railroad Avenue and Dey Street	100,368.00				100,368.00
22-11	Improvements to Various Roads - Orchard, Clover and South Main	560,000.00			\$ 300,000.00	260,000.00
22-21	Public Safety Improvements Police and Fire, Parks and Recreation, and E. Ward Street Bridge	175,780.00				175,780.00
23-02	Improvements to Maxwell Avenue	133,730.00				133,730.00
23-12	Various Capital Improvements	257,600.00			200,000.00	57,600.00
23-22	Improvements to the Sluice Gate	61,800.00				61,800.00
24-04	Improvements to Summit Street		\$ 376,290.00			376,290.00
24-12	Various Capital Improvements		381,200.00			381,200.00
24-16	Dawes Park Recreation Improvements		393,300.00			393,300.00
		<u>\$ 1,910,909.97</u>	<u>\$ 1,150,790.00</u>	<u>\$ 500,000.00</u>		<u>\$ 2,561,699.97</u>

SUPPLEMENTAL EXHIBITS

WATER UTILITY FUND

BOROUGH OF HIGHTSTOWN
WATER-SEWER UTILITY FUND
Statement of Water-Sewer Utility Cash per N.J.S.A.40A:5-5--Chief Financial Officer
For the Year Ended December 31, 2024

	<u>Operating</u>	<u>Capital</u>
Balance Dec. 31, 2023	\$ 278,304.41	\$ 452,206.06
Increased by Receipts:		
Consumer Accounts Receivable	\$ 2,895,641.12	
Miscellaneous Revenues Anticipated	149,341.51	
Water-Sewer Overpayments	3,651.60	
Prepaid Water Rents	29,602.03	
Due East Windsor - Tax Sale	1,065.39	
Current Year Budget Reimbursements	69,900.10	
Refund of Prior Year Expenditures	1,200.00	
Due Regular Fund:		
Interfund Receipts	361,157.00	
Due Water-Sewer Utility Operating Fund		\$ 3,647.06
Capital Improvement Fund		20,000.00
Due from State of New Jersey:		
Department of Environmental Protection		16,235.00
Infrastructure Bank		8,117.00
Infrastructure Bank - Construction Loan Payable		285,979.00
	3,511,558.75	333,978.06
	3,789,863.16	786,184.12
Decreased by Disbursements:		
2024 Budget Appropriations	1,673,115.64	
Accrued Interest on Bonds and Notes	74,538.38	
Due Regular Fund	1,400,000.00	
Due Water-Sewer Utility Operating Fund		3,647.06
	3,147,654.02	3,647.06
Balance Dec. 31, 2024	\$ 642,209.14	\$ 782,537.06

BOROUGH OF HIGHTSTOWN
WATER-SEWER UTILITY CAPITAL FUND
Analysis of Water-Sewer Utility Capital Cash
For the Year Ended December 31, 2024

	Balance (Deficit) <u>Dec. 31, 2023</u>	Receipts		Disbursements		Balance (Deficit) <u>Dec. 31, 2024</u>
		Miscellaneous	Miscellaneous	Transfers		
				From	To	
Capital Improvement Fund	\$ 30,692.95	\$ 20,000.00		\$ 11,000.00		\$ 39,692.95
Due Regular Fund	153,946.87			123,511.53	\$ 488,015.84	518,451.18
Due Grant Fund	4,755.80					4,755.80
Due General Capital Fund	297,071.10				248,268.56	545,339.66
Reserve for Encumbrances	109,745.00			109,745.00	379,325.12	379,325.12
Due to Water-Sewer Operating	95,109.61	3,647.06	\$ 3,647.06			95,109.61
Reserve for Payment of Debt Service	4,631.21					4,631.21
Reserve for NJ I Bank	82,272.23					82,272.23
Grant Receivable - FEMA	(74,642.56)				74,642.56	
Due from NJ Department of Environmental Protection	(16,235.00)	16,235.00				
Due from NJ I Bank	(8,117.00)	8,117.00				
Due NJ I Bank - Construction Loan		285,979.00				285,979.00
Fund Balance	5.72				511.53	517.25
Down Payment on Improvements	200.00					200.00
Improvement Authorizations:						
09-02 Water-Sewer Imp. Morrison Avenue	(600.00)					(600.00)
09-15 Water Main Extension	5,190.12					5,190.12
11-03 Water-Sewer Improvements	2,673.48			4,365.00	4,365.00	2,673.48
11-04 Refurbishment of Water Tanks	15,000.00					15,000.00
12-14 Mitigation Water Plant/Roof Replacement	41,532.53					41,532.53
13-19 Water-Sewer Improvements - Grape Run Rd. and Pershing Ave.	6,801.19					6,801.19
14-12 Improvements to Water-Sewer Plants	24,738.86					24,738.86
16-14 Water-Sewer Improvements	(200,213.19)			3,025.00	3,025.00	(200,213.19)
17-10/19-09 Water Mains, Sewer Imp Stockton & Forman	20,375.69			10,799.48		9,576.21
17-11 Secondary Clarifier	5,773.18					5,773.18
17-16 Water-Sewer Imp. Maple Ave Sunset Dr.	(7,849.00)					(7,849.00)
18-21 Water-Sewer Imp. Lincoln, Hagemount and Rocky Brook Ct.	54,769.05			215.73		54,553.32
19-19 Water-Sewer Improvements	4,358.28					4,358.28
20-06/21-08 Drainage Improvements	9,306.47			2,848.24		6,458.23
20-16 Water-Sewer Improvements	39,598.06			47,598.06		(8,000.00)
20-17 Water-Sewer Flood Mitigation, Generator	(63,601.50)			74,642.56		(138,244.06)
21-03 Water-Sewer Improvements - Hauser, Bennet, Prospect, Railroad and Dey	(143,744.88)			504,819.87		(648,564.75)
22-07 Water Tank Painting and Repairs	64,846.15			5,938.69		58,907.46
22-12 Various Water-Sewer Improvements	(21,936.38)			309,873.75	1,910.00	(329,900.13)
22-22 Water Meters Replacement and Upgrades to Water-Sewer Utility	2,650.00			58,245.00	58,045.00	2,450.00
23-03 Water-Sewer Improvements to Maxwell Avenue	(600.00)			8,896.25		(9,496.25)
23-05 Improvements to Sludge Tank and Drywell	(31,590.00)			18,298.75		(49,888.75)
23-06 Replacement of Water-Sewer Lines	4,400.00					4,400.00
23-07 Engineer Costs for the Lead Line Water Service Replacement	(5,017.98)					(5,017.98)
23-09 Improvements to the Anaerobic Digester	(4,290.00)			405.00		(4,695.00)
23-13 Various Water-Sewer Utility Improvements	(55,500.00)			102,390.70	165,400.00	7,509.30
23-23 Rebuilding of the Rotopress	5,700.00			600.00		5,100.00
24-05 Water-Sewer Improvements to Summit Street				600.00		(600.00)
24-13 Acquisition of a Closed Circuit Television System for Water-Sewer Utility				28,000.00	1,400.00	(26,600.00)
24-17 Replacement of Water Main at the Water Treatment Plant				8,690.00	9,600.00	910.00
	<u>\$ 452,206.06</u>	<u>\$ 333,978.06</u>	<u>\$ 3,647.06</u>	<u>\$ 1,434,508.61</u>	<u>\$ 1,434,508.61</u>	<u>\$ 782,537.06</u>

BOROUGH OF HIGHTSTOWN
WATER UTILITY OPERATING FUND
Statement of Consumer Accounts Receivable
For the Year Ended December 31, 2024

Balance Dec. 31, 2023	\$ 121,402.84
Increased by:	
Net Billings	<u>2,918,906.75</u>
	3,040,309.59
Decreased by:	
Collections	<u>2,895,641.12</u>
Balance Dec. 31, 2024	<u><u>\$ 144,668.47</u></u>

BOROUGH OF HIGHTSTOWN
WATER UTILITY CAPITAL FUND
 Statement of Due to Regular Fund
 For the Year Ended December 31, 2024

Balance Dec. 31, 2023		\$ 153,946.87
Increased by:		
Disbursements made On-behalf of Water-Sewer Utility Capital Fund:		
Improvement Authorizations		488,015.84
		641,962.71
Decreased by:		
Collections Made On-behalf of Water-Sewer Utility Capital Fund:		
Bond Anticipation Notes	\$ 123,000.00	
Premium on Sale of Notes	511.53	
		123,511.53
Balance Dec. 31, 2024		\$ 518,451.18

BOROUGH OF HIGHTSTOWN
WATER UTILITY CAPITAL FUND
Statement of Fixed Capital
For the Year Ended December 31, 2024

Balance Dec. 31, 2023	\$ 15,336,516.65
Increased by:	
Transferred from Fixed Capital Authorized and Uncompleted	<u>1,219,000.00</u>
Balance Dec. 31, 2024	<u><u>\$ 16,555,516.65</u></u>

BOROUGH OF HIGHTSTOWN
WATER-SEWER UTILITY CAPITAL FUND
 Statement of Fixed Capital Authorized and Uncompleted
 For the Year Ended December 31, 2024

Ordinance Number	Improvement Description	Date	Ordinance Amount	Balance Dec. 31, 2023	Improvement Authorizations	Transferred to Fixed Capital	Balance Dec. 31, 2024
08-10, 08-19	Water-Sewer Improvements	10/20/08	\$ 155,400.00	\$ 155,400.00		\$ 155,400.00	
09-02	Water-Sewer Imp. Morrison Avenue	02/02/09	215,000.00	215,000.00		215,000.00	
09-15	Water Main Extension	09/08/09	2,200,000.00	2,200,000.00			\$ 2,200,000.00
11-03	Water-Sewer Improvements	06/06/11	2,083,000.00	2,188,000.00			2,188,000.00
11-04	Refurbishment of Water Tanks	06/06/11	100,000.00	100,000.00			100,000.00
12-14	Mitigation Water Plant/Roof Replacement	08/20/12	132,000.00	132,000.00			132,000.00
13-19	Water-Sewer Improvements - Grape Run Rd and Pershing Ave.	08/19/13	86,000.00	86,000.00			86,000.00
14-12	Improvements to Water-Sewer Plants	07/21/14	100,000.00	100,000.00		100,000.00	
16-14	Improvements to Water-Sewer Plants	06/06/16	1,860,000.00	1,860,000.00			1,860,000.00
17-10/19-09	Water Mains, Sewer Imp Stockton & Forman	08/21/17	1,270,000.00	1,435,000.00			1,435,000.00
17-11	Secondary Clarifier	08/21/17	245,000.00	245,000.00			245,000.00
17-16	Water-Sewer Imp. Maple Ave. Sunset Dr.	11/20/17	110,000.00	110,000.00			110,000.00
18-21	Water-Sewer Imp. Lincoln, Hagemount and Rocky Brook Ct.	11/05/18	175,000.00	175,000.00			175,000.00
19-18	Various Water-Sewer Improvements	11/18/19	100,000.00	100,000.00		100,000.00	
19-19	Various Water-Sewer Improvements	11/18/19	110,000.00	110,000.00			110,000.00
20-06/21-08	Drainage Improvements	07/20/20	310,000.00	975,000.00			975,000.00
20-16	Various Water-Sewer Improvements	12/07/20	115,100.00	115,100.00		115,100.00	
20-17	Water-Sewer Flood Mitigation, Generator	12/07/20	505,500.00	505,500.00		505,500.00	
21-03	Water-Sewer Improvements - Hauser, Bennet, Prospect, Railroad and Dey	03/15/22	710,000.00	710,000.00			710,000.00
22-07	Water Tank Painting and Repairs	04/18/22	1,100,000.00	1,100,000.00			1,100,000.00
22-12	Various Water-Sewer Improvements	06/06/22	380,000.00	380,000.00			380,000.00
22-22	Water Meters Replacements and Upgrades to Water-Sewer Utility	12/19/22	73,000.00	73,000.00			73,000.00
23-03	Water-Sewer Improvements to Maxwell Ave.	02/21/23	1,290,000.00	1,290,000.00			1,290,000.00
23-05	Improvements to Sludge Tank and Drywell	04/03/23	1,640,000.00	1,640,000.00			1,640,000.00
23-06	Replacement of Water-Sewer Lines	04/03/23	105,000.00	105,000.00			105,000.00
23-07	Engineer Costs for the Lead Line Water Service Replacement	04/03/23	100,000.00	100,000.00			100,000.00
23-09	Improvements to the Anaerobic Digester	06/05/23	499,500.00	499,500.00			499,500.00
23-13	Various Water-Sewer Improvements	07/17/23	130,000.00	130,000.00			130,000.00
23-23	Rebuilding of the Rotopress	12/18/23	118,000.00	118,000.00			118,000.00
24-05	Water-Sewer Improvements to Summit Street	05/06/24	1,345,000.00		\$ 1,345,000.00		1,345,000.00
24-13	Acquisition of a Closed Circuit Television System for Water-Sewer Utility	08/19/24	28,000.00		28,000.00	28,000.00	
24-17	Replacement of Water Main at the Water Treatment Plant	09/16/24	200,000.00		200,000.00		200,000.00
				<u>\$ 16,952,500.00</u>	<u>\$ 1,573,000.00</u>	<u>\$ 1,219,000.00</u>	<u>\$ 17,306,500.00</u>

BOROUGH OF HIGHTSTOWN
 WATER-SEWER UTILITY OPERATING FUND
 Statement of Prepaid Water-Sewer Rents
 For the Year Ended December 31, 2024

Increased by:		
Collections	\$	29,602.03
Balance Dec. 31, 2024	\$	<u>29,602.03</u>

WATER-SEWER UTILITY OPERATING FUND
 Statement of Water-Sewer Rent Overpayments
 For the Year Ended December 31, 2024

Balance Dec. 31, 2023	\$	7,221.81
Increased by:		
Overpayments Received - Collector		<u>3,651.60</u>
		10,873.41
Decreased by:		
Canceled		<u>7,221.81</u>
Balance Dec. 31, 2024	\$	<u>3,651.60</u>

BOROUGH OF HIGHTSTOWN
WATER-SEWER UTILITY OPERATING FUND
 Statement of Accrued Interest on Bonds and Notes
 For the Year Ended December 31, 2024

Balance Dec. 31, 2023				\$	40,270.51
Increased by - Charges to Utility Operating Budget:					
Interest on Bonds		\$	29,348.10		
Interest on Loans			42,437.68		
Interest on Notes			55,181.52		
					126,967.30
					167,237.81
Decreased by:					
Interest Paid by Utility Operating Fund:					
Interest on Bonds			31,455.45		
Interest on Loans			43,082.93		
					74,538.38
Due to Regular Fund:					
Note Interest Disbursed On-behalf of Water-Sewer Utility Operating Fund			37,261.88		
					111,800.26
Balance Dec. 31, 2024				\$	55,437.55

Analysis of Accrued Interest Dec. 31, 2024

	Principal Outstanding <u>Dec. 31, 2024</u>	Interest Rate	From	To	Period	Amount
Serial Bonds:						
\$ 450,000.00		Various	10/01/2024	12/31/2024	3 Months	\$ 3,656.25
395,000.00		Various	09/01/2024	12/31/2024	4 Months	4,400.30
						8,056.55
NJEIT Loans:						
158,000.00		Various	08/01/2024	12/31/2024	5 Months	2,666.67
116,048.00		Various	08/01/2024	12/31/2024	5 Months	1,363.37
97,839.00		Various	08/01/2024	12/31/2024	5 Months	1,149.47
45,000.00		Various	08/01/2024	12/31/2024	5 Months	606.78
290,000.00		Various	08/01/2024	12/31/2024	5 Months	4,252.60
305,000.00		Various	08/01/2024	12/31/2024	5 Months	5,104.17
125,535.00		Various	08/01/2024	12/31/2024	5 Months	2,364.71
						17,507.75
Bond Anticipation Notes:						
1,278,000.00		4.50%	06/27/2024	12/31/2024	187 Days	29,873.25
						\$ 55,437.55

BOROUGH OF HIGHTSTOWN
WATER-SEWER UTILITY OPERATING FUND
 Statement of 2023 Appropriation Reserves
 For the Year Ended December 31, 2024

	Balance Dec. 31, 2023		Paid or Charged	Balance Lapsed
	<u>Encumbered</u>	<u>Reserves</u>		<u>Lapsed</u>
Operating:				
Salaries and Wages		\$ 30,077.64		\$ 30,077.64
Other Expenses	\$ 101,133.34	143,765.07	\$ 100,514.13	144,384.28
Deferred Charges and Statutory Expenditures				
Statutory Expenditures:				
Unemployment Compensation Insurance (N.J.S.A. 43:21-3 et seq.)		2,000.00		2,000.00
	<u>\$ 101,133.34</u>	<u>\$ 175,842.71</u>	<u>\$ 100,514.13</u>	<u>\$ 176,461.92</u>
Due to Regular Fund - Disbursed On-behalf of Water-Sewer Utility Operating Fund Transferred to Accounts Payable			\$ 86,514.13 14,000.00	
			<u>\$ 100,514.13</u>	

WATER-SEWER UTILITY CAPITAL FUND
 Statement of Due to Water Utility Operating Fund
 For the Year Ended December 31, 2024

Balance Dec. 31, 2023	\$ 95,109.61
Increased by:	
Receipts:	
Interest Earned on Deposits	3,647.06
	<u>98,756.67</u>
Decreased by:	
Interest Remitted	3,647.06
Balance Dec. 31, 2024	<u>\$ 95,109.61</u>

WATER-SEWER UTILITY OPERATING FUND
 Statement of Due to Regular Fund
 For the Year Ended December 31, 2024

Balance Dec. 31, 2023	\$ 421,889.92
Increased by:	
Disbursements by Regular Fund On-Behalf of Water-Sewer Utility Operating Fund:	
Current Year Appropriations	\$ 1,147,803.59
Appropriation Reserves	86,514.13
Accrued Interest on Notes	37,261.88
Due East Windsor - Tax Sale	1,065.39
	<u>1,272,644.99</u>
Interfunds Received	361,157.00
	<u>1,633,801.99</u>
Decreased by:	
Interfund Liquidated	2,055,691.91
	<u>1,400,000.00</u>
Balance Dec. 31, 2024	<u>\$ 655,691.91</u>

BOROUGH OF HIGHTSTOWN
WATER UTILITY CAPITAL FUND
Statement of Capital Improvement Fund
For the Year Ended December 31, 2024

Balance Dec. 31, 2023	\$ 30,692.95
Increased by:	
Receipts - Budget Appropriations	<u>20,000.00</u>
	50,692.95
Decreased by:	
Appropriated to Finance Improvement Authorization	<u>11,000.00</u>
Balance Dec. 31, 2024	<u><u>\$ 39,692.95</u></u>

BOROUGH OF HIGHTSTOWN
WATER-SEWER UTILITY CAPITAL FUND
 Statement of Improvement Authorizations
 For the Year Ended December 31, 2024

Ordinance Number	Improvement Description	Date	Ordinance Amount	Balance Dec. 31, 2023		Increased by		Decreased by		Balance Dec. 31, 2024	
				Funded	Unfunded	2024 Authorizations	Prior Year Encumbrances Reclassified	Paid or Charged	Funded	Unfunded	
09-15	Water Main Extension	09/08/09	\$ 2,200,000.00	\$ 5,190.12	\$ 3,750.00					\$ 5,190.12	\$ 3,750.00
11-03	Water-Sewer Improvements	06/06/11	2,083,000.00		3,236.48			\$ 4,365.00	\$ 4,365.00	3,236.48	
11-04	Refurbishment of Water Tanks	06/06/11	100,000.00	15,000.00						15,000.00	
12-14	Mitigation Water Plant/Roof Replacement	08/20/12	132,000.00	41,532.53						41,532.53	
13-19	Water-Sewer Improvements - Grape Run Rd and Pershing Ave.	08/19/13	86,000.00	6,801.19	6,000.00					6,801.19	6,000.00
16-14	Improvements to Water-Sewer Plants	06/06/16	1,860,000.00	27,327.67	226,398.00			3,025.00	3,025.00	27,327.67	226,398.00
17-10/19-09	Water Mains, Sewer Imp Stockton & Forman, and First Ave.	08/21/17	1,435,000.00		277,161.69				10,799.48	9,576.21	256,786.00
17-11	Secondary Clarifier	08/21/17	245,000.00		19,949.18						19,949.18
17-16	Water-Sewer Imp. Maple Ave. Sunset Dr.	11/20/17	110,000.00		102,151.00						102,151.00
18-21	Water-Sewer Imp. Lincoln, Hagemount and Rocky Brook Ct.	11/05/18	175,000.00		59,769.05				215.73		59,553.32
19-19	Various Water-Sewer Improvements	11/18/19	110,000.00		24,058.28						24,058.28
20-06/21-08	Drainage Improvements	07/20/20-07/19/22	675,000.00		459,105.69				2,848.24		456,257.45
20-16	Various Water-Sewer Improvements	12/07/20	115,100.00		47,598.06				47,598.06		
21-03	Water-Sewer Improvements - Hauser, Bennet, Prospect, Railroad and Dey	03/15/22	710,000.00		566,255.12				504,819.87		61,435.25
22-07	Water Tank Painting and Repairs	04/18/22	1,100,000.00		595,293.15				5,938.69	58,907.46	530,447.00
22-12	Various Water-Sewer Improvements	06/06/22	380,000.00		308,063.62			1,910.00	309,873.75		99.87
22-22	Water Meters Replacements and Upgrades to Water-Sewer Utility	12/19/22	73,000.00		2,650.00			58,045.00	58,245.00	2,450.00	
23-03	Water-Sewer Improvements to Maxwell Ave.	02/21/23	1,290,000.00		1,289,400.00				8,896.25		1,280,503.75
23-05	Improvements to Sludge Tank and Drywell	04/03/23	1,640,000.00		1,608,410.00				18,298.75		1,590,111.25
23-06	Replacement of Water-Sewer Lines	04/03/23	105,000.00	4,400.00	100,000.00					4,400.00	100,000.00
23-07	Engineer Costs for the Lead Line Water Service Replacement	04/03/23	100,000.00		94,982.02						94,982.02
23-09	Improvements to the Anaerobic Digester	06/05/23	499,500.00		495,210.00				405.00		494,805.00
23-13	Various Water-Sewer Improvements	07/17/23	130,000.00		68,300.00			42,400.00	102,390.70		8,309.30
23-23	Rebuilding of the Rotopress	12/18/23	118,000.00	5,700.00	112,300.00				600.00	5,100.00	112,300.00
24-05	Water-Sewer Improvements to Summit Street	05/06/24	1,345,000.00			\$ 1,345,000.00			600.00		1,344,400.00
24-13	Acquisition of a Closed Circuit Television System for Water-Sewer Utility	08/19/24	28,000.00			28,000.00			28,000.00		
24-17	Replacement of Water Main at the Water Plant	09/16/24	200,000.00			200,000.00			8,690.00	910.00	190,400.00
				<u>\$ 105,951.51</u>	<u>\$ 6,470,041.34</u>	<u>\$ 1,573,000.00</u>	<u>\$ 109,745.00</u>	<u>\$ 1,115,609.52</u>	<u>\$ 180,431.66</u>	<u>\$ 6,962,696.67</u>	
Capital Improvement Fund						\$ 11,000.00					
Bonds and Notes Authorized						1,562,000.00					
Due to Regular Fund								\$ 488,015.84			
Due to General Capital Fund								248,268.56			
Encumbered								379,325.12			
						<u>\$ 1,573,000.00</u>		<u>\$ 1,115,609.52</u>			

BOROUGH OF HIGHTSTOWN
WATER-SEWER UTILITY CAPITAL FUND
 Statement of Reserve for Amortization
 For the Year Ended December 31, 2024

Balance Dec. 31, 2023		\$	17,967,012.05
Increased by:			
Serial Bonds Paid by Budget Appropriation	\$	180,000.00	
Loans Paid by Budget Appropriation		287,503.80	
Notes Paid by Budget Appropriation		<u>14,000.00</u>	
			<u>481,503.80</u>
Balance Dec. 31, 2024		\$	<u><u>18,448,515.85</u></u>

WATER-SEWER UTILITY CAPITAL FUND
 Statement of Deferred Reserve for Amortization
 For the Year Ended December 31, 2024

Balance Dec. 31, 2023		\$	1,776,845.44
Increased by:			
Down Payment on Improvement Authorizations - Capital Improvement Fund			<u>11,000.00</u>
Balance Dec. 31, 2024		\$	<u><u>1,787,845.44</u></u>

BOROUGH OF HIGHTSTOWN
 WATER-SEWER UTILITY CAPITAL FUND
 Statement of Bond Anticipation Notes
 For the Year Ended December 31, 2024

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Original Date of Issue</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate</u>	<u>Balance Dec. 31, 2023</u>	<u>Increased</u>	<u>Decreased</u>	<u>Balance Dec. 31, 2024</u>
17-11	Secondary Clarifier	12/30/20	09/27/23	06/27/24	4.25%	\$ 228,165.00		\$ 228,165.00	
17-11	Secondary Clarifier	12/30/20	06/26/24	03/25/25	4.50%		\$ 225,165.00		\$ 225,165.00
18-21	Water-Sewer Imp. Lincoln, Hagemount and Rocky Brook Court	12/30/20	09/27/23	06/27/24	4.25%	169,113.00		169,113.00	
18-21	Water-Sewer Imp. Lincoln, Hagemount and Rocky Brook Court	12/30/20	06/26/24	03/25/25	4.50%		168,113.00		168,113.00
19-19	Water-Sewer Improvements	12/30/20	09/27/23	06/27/24	4.25%	82,222.00		82,222.00	
19-19	Water-Sewer Improvements	12/30/20	06/26/24	03/25/25	4.50%		79,222.00		79,222.00
20-06	Drainage Improvements	09/30/21	09/27/23	06/27/24	4.25%	520,000.00		520,000.00	
20-06	Drainage Improvements	09/30/21	06/26/24	03/25/25	4.50%		513,000.00		513,000.00
22-12	Water-Sewer Improvements	09/27/23	09/27/23	06/27/24	4.25%	169,500.00		169,500.00	
22-12	Water-Sewer Improvements	09/27/23	06/26/24	03/25/25	4.50%		169,500.00		169,500.00
23-13	Various Water-Sewer Utility Improvements	06/26/24	06/26/24	03/25/25	4.50%		123,000.00		123,000.00
						<u>\$ 1,169,000.00</u>	<u>\$ 1,278,000.00</u>	<u>\$ 1,169,000.00</u>	<u>\$ 1,278,000.00</u>
							\$ 1,155,000.00	\$ 1,155,000.00	
							123,000.00		
								14,000.00	
							<u>\$ 1,278,000.00</u>	<u>\$ 1,169,000.00</u>	

BOROUGH OF HIGHTSTOWN
 WATER-SEWER UTILITY CAPITAL FUND
 Statement of Serial Bonds
 For the Year Ended December 31, 2024

<u>Purpose</u>	<u>Date of Issue</u>	Amount of Original Issue	<u>Outstanding December 31, 2024</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2023</u>	<u>Paid by Budget Appropriation</u>	<u>Balance Dec. 31, 2024</u>
			<u>Date</u>	<u>Amount</u>				
Water-Sewer Utility Bonds	09/27/18	\$ 875,000.00	04/01/25	\$ 75,000.00	5.000%			
			04/01/26	75,000.00	5.000%			
			04/01/27	75,000.00	2.500%			
			04/01/28	75,000.00	3.000%			
			04/01/29	75,000.00	3.000%			
			04/01/30	75,000.00	3.000%	\$ 525,000.00	\$ 75,000.00	\$ 450,000.00
Water-Sewer Utility Refunding Bonds	11/27/18	1,040,000.00	03/01/2025-27	100,000.00	3.342%			
			03/01/28	95,000.00	3.342%			
						<u>500,000.00</u>	<u>105,000.00</u>	<u>395,000.00</u>
						<u>\$ 1,025,000.00</u>	<u>\$ 180,000.00</u>	<u>\$ 845,000.00</u>
Reserve for Amortization							<u>\$ 180,000.00</u>	

BOROUGH OF HIGHTSTOWN
WATER-SEWER UTILITY CAPITAL FUND
 Schedule of Loans Payable
 For the Year Ended December 31, 2024

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Outstanding Dec. 31, 2024</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2023</u>	<u>Paid by Budget Appropriation</u>	<u>Balance Dec. 31, 2024</u>
			<u>Date</u>	<u>Amount</u>				
<u>(2010 A W1104001-004):</u>								
N.J. Infrastructure Trust Loan	03/10/10	\$ 495,000.00	08/01/25	\$ 28,000.00	3.50%-4.00%	\$ 188,000.00	\$ 28,000.00	\$ 160,000.00
			08/01/2026-29	33,000.00	3.50%-4.00%			
N.J. Infrastructure Fund Loan	03/10/10	1,451,250.00	08/01/2025-28	51,830.35	0.000%	466,473.41	77,745.52	388,727.89
			02/01/2025-29	25,915.17	0.000%			
			08/01/29	51,830.64	0.000%			
<u>(2012 DL S340 -15-02/03):</u>								
N.J. Infrastructure Trust Loan	05/16/12	283,382.00	08/01/25	15,330.00	2.230%	131,061.00	15,013.00	116,048.00
			08/01/26	15,672.00	2.330%			
			08/01/27	16,037.00	2.860%			
			08/01/28	16,495.00	2.950%			
			08/01/29	16,982.00	3.030%			
			08/01/30	17,497.00	3.080%			
			08/01/31	18,035.00	3.140%			
N.J. Infrastructure Fund Loan	05/16/12	813,055.00	02/01/2025-31	14,264.12	0.000%	342,339.04	42,792.36	299,546.68
			08/01/2025-30	28,528.24	0.000%			
			08/01/31	28,528.40	0.000%			
<u>(2012 DL W1104001-005):</u>								
N.J. Infrastructure Trust Loan	05/16/12	238,918.00	08/01/25	12,924.00	2.230%	110,496.00	12,657.00	97,839.00
			08/01/26	13,213.00	2.330%			
			08/01/27	13,521.00	2.860%			
			08/01/28	13,907.00	2.950%			
			08/01/29	14,317.00	3.030%			
			08/01/30	14,751.00	3.080%			
			08/01/31	15,206.00	3.140%			
N.J. Infrastructure Fund Loan	05/16/12	685,482.00	02/01/2025-31	12,026.00	0.000%	288,624.00	36,078.00	252,546.00
			08/01/2025-31	24,052.00	0.000%			
<u>(2017 A-1 W1104001-007/008):</u>								
N.J. Infrastructure Trust Loan	05/25/17	80,000.00	08/01/25	5,000.00	5.000%	50,000.00	5,000.00	45,000.00
			08/01/2026-32	5,000.00	3.000%			
			08/01/33	5,000.00	3.125%			
N.J. Infrastructure Fund Loan	05/25/17	86,542.00	02/01/2025-32	1,730.84	0.000%	47,745.20	5,192.52	42,552.68
			02/01/33	1,012.52	0.000%			
			08/01/2025-32	3,461.68	0.000%			

(Continued)

BOROUGH OF HIGHTSTOWN
WATER-SEWER UTILITY CAPITAL FUND
 Schedule of Loans Payable
 For the Year Ended December 31, 2024

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Outstanding Dec. 31, 2024</u>		<u>Interest Rate</u>	<u>Balance Dec. 31, 2023</u>	<u>Paid by Budget Appropriation</u>	<u>Balance Dec. 31, 2024</u>
<u>(2018 A-1 S340 -15-05):</u>								
N.J. Infrastructure Trust Loan	05/22/18	\$ 330,000.00	08/01/2025-36	\$ 10,000.00	3.730%			
			08/01/2037-41	15,000.00	3.730%			
			08/01/2042-46	15,000.00	3.730%			
			08/01/47	20,000.00	3.730%	\$ 300,000.00	\$ 10,000.00	\$ 290,000.00
N.J. Infrastructure Fund Loan	05/22/18	963,975.00	02/01/2025-45	10,831.17	0.000%			
			08/01/2025-45	21,662.35	0.000%			
			08/01/46	10,516.61	0.000%	725,374.05	32,493.52	692,880.53
<u>(2022 A-1 W1104001-010):</u>								
N.J. Infrastructure Trust Loan	06/23/22	315,000.00	08/01/2025-28	5,000.00	5.000%			
			08/01/2029-33	10,000.00	5.000%			
			08/01/34	10,000.00	3.250%			
			08/01/2035-37	10,000.00	3.375%			
			08/01/2038-41	10,000.00	3.500%			
			08/01/2042-43	15,000.00	3.625%			
			08/01/44	15,000.00	3.500%			
			08/01/2045-50	15,000.00	4.000%			
			08/01/51	20,000.00	4.000%	310,000.00	5,000.00	305,000.00
N.J. Infrastructure Fund Loan	06/23/22	324,073.00	02/01/2025-51	3,641.26	0.000%			
			08/01/2025-50	7,282.53	0.000%			
			08/01/51	7,282.09	0.000%	305,866.68	10,923.79	294,942.89
<u>(2023 A-W1/C-W1 W1104001-009):</u>								
N.J. Infrastructure Trust Loan	06/23/23	125,538.00	08/01/2025-27	5,000.00	5.000%			
			08/01/2028-35	10,000.00	5.000%			
			08/01/36	10,367.00	3.030%			
			08/01/37	10,181.00	3.030%			
			08/01/38	9,990.00	3.030%	125,538.00		125,538.00
N.J. Infrastructure Fund Loan	06/23/23	145,378.00	08/01/2025-37	6,608.09	0.000%			
			08/01/38	6,608.04	0.000%			
			02/01/2025-38	3,304.05	0.000%	145,378.00	6,608.09	138,769.91
						<u>\$ 3,536,895.38</u>	<u>\$ 287,503.80</u>	<u>\$ 3,249,391.58</u>
Paid by Budget Appropriation:								
Reserve for Amortization							\$ 287,503.80	
Total N.J. Infrastructure Trust Loan								\$ 1,139,425.00
Total N.J. Infrastructure Fund Loan								2,109,966.58
							<u>\$ 287,503.80</u>	<u>\$ 3,249,391.58</u>

BOROUGH OF HIGHTSTOWN
WATER-SEWER UTILITY CAPITAL FUND
 Statement of Bonds and Notes Authorized But Not Issued
 For the Year Ended December 31, 2024

Ordinance Number	Improvement Description	Balance Dec. 31, 2023	Increased by		Decreased by		Balance Dec. 31, 2024
			2024 Authorizations	Notes Issued	Construction Loan Issued		
09-02	Morrison Avenue Improvements	\$ 600.00					\$ 600.00
09-15	Water Main Extension	3,750.00					3,750.00
11-13	Water-Sewer Improvements	563.00					563.00
13-19	Water-Sewer Improvements - Grape Run Rd. and Pershing Ave.	6,000.00					6,000.00
16-14	Water-Sewer Improvements	226,398.00					226,398.00
17-10/19-09	Water Mains/Sewer Imp Forman and First Ave.	256,786.00					256,786.00
17-11	Secondary Clarifier	14,176.00					14,176.00
17-16	Maple Ave and Sunset Dr. Improvements	110,000.00					110,000.00
18-21	Improvements to Lincoln Ave., Hagemount Ave. and Rocky Brook Ct.	5,000.00					5,000.00
19-19	Various Water-Sewer Improvements	19,700.00					19,700.00
20-06/21-08	Springcrest, Spruce and Glen Drive Improvements	8,500.00					8,500.00
20-16	Water-Sewer Improvements	8,000.00					8,000.00
21-03	Water-Sewer Improvements - Hauser, Bennet, Prospect, Railroad and Dey	710,000.00				\$ 285,979.00	424,021.00
22-07	Water Tank Painting and Repairs	530,447.00					530,447.00
22-12	Various Water-Sewer Improvements	280,000.00					280,000.00
23-03	Water-Sewer Improvements to Maxwell Avenue	1,290,000.00					1,290,000.00
23-05	Improvements to Sludge Tank and Drywell	1,640,000.00					1,640,000.00
23-06	Replacement of Water-Sewer Lines	100,000.00					100,000.00
23-07	Engineer Costs for the Lead Line Water Service Replacement	100,000.00					100,000.00
23-09	Improvements to the Anaerobic Digester	499,500.00					499,500.00
23-13	Various Water-Sewer Utility Improvements	123,800.00			\$ 123,000.00		800.00
23-23	Rebuilding of the Rotopress	112,300.00					112,300.00
24-05	Water-Sewer Improvements to Summit Street		\$ 1,345,000.00				1,345,000.00
24-13	Acquisition of a Closed Circuit Television System for Water-Sewer Utility		26,600.00				26,600.00
24-17	Replacement of Water Main at the Water Treatment Plant		190,400.00				190,400.00
		<u>\$ 6,045,520.00</u>	<u>\$ 1,562,000.00</u>	<u>\$ 123,000.00</u>	<u>\$ 285,979.00</u>		<u>\$ 7,198,541.00</u>

BOROUGH OF HIGHTSTOWN

PART 2

SCHEDULE OF FINDINGS AND RECOMMENDATIONS

FOR THE YEAR ENDED DECEMBER 31, 2024

BOROUGH OF HIGHTSTOWN
Schedule of Findings and Recommendations
For the Year Ended December 31, 2024

Schedule of Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses, fraud, noncompliance with provisions of laws, regulations, contracts, and grant agreements related to financial statements for which Government Auditing Standards and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, requires.

Finding No. 2024-001

Criteria or Specific Requirement

N.J.A.C. 5:30-5.6(a)(4)(i) requires property records to be maintained accurately, to reflect a description and source of the property, its ownership, the acquisition cost and date and the percentage of Federal participation in the acquisition.

Condition

Fixed assets were purchased but not recorded in the fixed asset accounting system.

Context

The fixed assets listing has not been updated to include all purchases and dispositions in recent years.

Effect

Noncompliance with N.J.A.C. 5:30-5.6(a)(4)(i).

Cause

The Borough did not have procedures in place to ensure that fixed assets listing is promptly updated.

Recommendation

That the Borough establishes controls to ensure all fixed assets acquired, sold, or retired are recorded in the fixed asset system.

View of Responsible Officials and Planned Corrective Action

The responsible officials agree with the finding and will address the matter as part of their corrective action plan.

BOROUGH OF HIGHTSTOWN
Schedule of Findings and Recommendations
For the Year Ended December 31, 2024

Schedule of Financial Statement Findings (Cont'd)

This section identifies the significant deficiencies, material weaknesses, fraud, noncompliance with provisions of laws, regulations, contracts, and grant agreements related to financial statements for which Government Auditing Standards and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, requires.

Finding No. 2024-002

Criteria or Specific Requirement

Section 125 of the Internal Revenue Code requires employee withholdings for health insurance contributions be made on a pretax basis.

Condition

Health insurance deductions made under Section 125 of the Internal Revenue Code were not withheld on a pretax basis for Medicare and Social Security taxes.

Context

Several employees' deductions were not withheld in accordance with Section 125 of the Internal Revenue Code.

Effect

Several employees had excess Medicare and Social Security tax withholdings deducted from their pay.

Cause

There was an oversight by the responsible official.

Recommendation

That health insurance deductions be made on a pretax basis in accordance with Section 125 of the Internal Revenue Code.

View of Responsible Officials and Planned Corrective Action

The responsible officials agree with the finding and will address the matter as part of their corrective action plan.

BOROUGH OF HIGHTSTOWN
Schedule of Findings and Recommendations
For the Year Ended December 31, 2024

Schedule of Financial Statement Findings (Cont'd)

This section identifies the significant deficiencies, material weaknesses, fraud, noncompliance with provisions of laws, regulations, contracts, and grant agreements related to financial statements for which Government Auditing Standards and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, requires.

Finding No. 2024-003

Criteria or Specific Requirement

N.J.A.C. 5:30-5.3 requires that no commitment shall be authorized or made and no contract shall be entered into unless there is a certification of availability of funds.

Condition

Many purchase orders were created after an invoice had been received by the Borough.

Context

Forty-nine out of fifty-six purchase orders examined were created after the invoice was received.

Effect

Noncompliance with N.J.A.C. 5:30-5.3.

Cause

There was an oversight by the responsible official.

Recommendation

That internal controls be established to ensure that purchase orders are created prior to the commitment of funds.

View of Responsible Officials and Planned Corrective Action

The responsible officials agree with the finding and will address the matter as part of their corrective action plan.

BOROUGH OF HIGHTSTOWN
Schedule of Findings and Recommendations
For the Year Ended December 31, 2024

Schedule of Financial Statement Findings (Cont'd)

This section identifies the significant deficiencies, material weaknesses, fraud, noncompliance with provisions of laws, regulations, contracts, and grant agreements related to financial statements for which Government Auditing Standards and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, requires.

Finding No. 2024-004

Criteria or Specific Requirement

The general ledger, subsidiary records and bank reconciliations should be properly maintained and closed out in a timely manner to allow for the preparation of the financial statements.

Condition

The general ledger, subsidiary records and bank reconciliations were not maintained and closed out in a timely manner.

Context

Bank reconciliations for 2024 were not completed until July of 2025.

Effect

Potential errors or irregularities could develop and not be detected in a timely manner.

Cause

The Borough did not have personnel in place to complete the bank reconciliations and ledgers are completed on a timely manner.

Recommendation

That the bank reconciliations and ledgers be properly maintained and closed out in a timely manner.

View of Responsible Officials and Planned Corrective Action

The responsible officials agree with the finding and will address the matter as part of their corrective action plan.

BOROUGH OF HIGHTSTOWN
Summary Schedule of Prior Year Audit Findings
and Recommendations as Prepared by Management

This section identifies the status of prior year findings related to the financial statements that are required to be reported in accordance with *Government Auditing Standards*.

FINANCIAL STATEMENT FINDINGS

Finding No. 2023-001

Condition

Reserves, receivables, unexpended appropriations, improvements authorizations, payables and reconciling items on bank reconciliations in all funds which are aged or inactive should be reviewed on an ongoing basis for utilization, refund to the funding source or cancellation to the appropriate fund balance.

Current Status

The condition has been resolved.

Finding No. 2023-002

Condition

For the past several years the records presented for audit by the former CFO (retired September 30, 2024) have been significantly delinquent.

Current Status

The condition remains unchanged as evidenced by finding number 2024-004.

Planned Corrective Action

The responsible official will establish procedures to correct this situation.

BOROUGH OF HIGHTSTOWN
Officials in Office and Surety Bonds

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

<u>Name</u>	<u>Title</u>	<u>Amount of Surety Bond</u>
Susan Bluth	Mayor	1,000,000.00 (A)
Joshua Jackson	Council President	1,000,000.00 (A)
Joseph Cicalese	Councilmember	1,000,000.00 (A)
Christina Fowler	Councilmember	1,000,000.00 (A)
Todd Frantz	Councilmember	1,000,000.00 (A)
Jeet Gulati	Councilmember	1,000,000.00 (A)
Frederick Montferrat	Councilmember	1,000,000.00 (A)
Dimitri Musing	Borough Administrator	1,000,000.00 (A)
Margaret Riggio	Borough Clerk	1,000,000.00 (A)
Tamikia Rowe	Tax and Utility Collector	1,000,000.00 (A)
George Lang	Chief Financial Officer	1,000,000.00 (A)
Ken Pacera	Tax Assessor	1,000,000.00 (A)
Seth Kurs	Magistrate	1,000,000.00 (A)
Carolyn Gayner	Court Administrator	1,000,000.00 (A)

(A) Public Employees' Dishonesty Blanket Position Bond, Aggregate Coverage, with a \$1,000.00 per loss deductible through the Statewide Joint Insurance Fund and the Municipal Excess Liability Joint Insurance Fund.

All of the bonds were examined and were properly executed.

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APPRECIATION

I express my appreciation for the assistance and courtesies rendered by the Borough officials during the course of the audit.

Respectfully submitted,

Bowman & Company LLP

BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants

Daniel M. DiGangi

Daniel M. DiGangi
Certified Public Accountant
Registered Municipal Accountant

