

BOROUGH OF GIBBSBORO

CAMDEN COUNTY

NEW JERSEY

AUDIT REPORT

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

BOROUGH OF GIBBSBORO
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BOROUGH OF GIBBSBORO

PART I

REPORT ON AUDIT OF FINANCIAL STATEMENTS - REGULATORY BASIS

FOR THE YEAR ENDED

DECEMBER 31, 2022

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FORD - SCOTT

& ASSOCIATES, L.L.C.

CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and
Members of Borough Commission
Borough of Gibbsboro
County of Camden, New Jersey

Report on the Financial Statements

Opinions

We have audited the accompanying balance sheets - regulatory basis of the various funds and account group of the Borough of Gibbsboro, as of December 31, 2022 and 2021, the related statement of operations and changes in fund balance - regulatory basis for the years then ended, and the related statement of revenues - regulatory basis and statement of expenditures - regulatory basis of the various funds for the year ended December 31, 2022 and the related notes to the financial statements, which collectively comprise the Borough's basic financial statements as listed in the table of contents.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

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

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects, the regulatory basis balances sheets and account group as of December 31, 2022 and 2021, the regulatory basis statements of operations for the years then ended and the regulatory basis statements of revenues and expenditures for the year ended December 31, 2022 in accordance with the basis of financial reporting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note 1.

Basis for Opinions

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

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

As described in Note 1 of the financial statements, the financial statements are prepared by the Borough of Gibbsboro on the basis of the financial reporting provisions prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of New Jersey.

The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibility for the Audit of the Financial Statements

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

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

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

We are required to communicate with those charge 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 of Gibbsboro basic financial statements. The supplementary information listed in the table of contents and schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and NJ OMB 15-08 respectively, and the letter of comments and recommendations section are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental information listed in the table of contents, schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the regulatory basis financial statements as a whole.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 19, 2023, on our consideration of the Borough of Gibbsboro's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Borough of Gibbsboro's internal control over financial reporting and compliance.

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

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

Leon P. Costello

**Leon P. Costello
Certified Public Accountant
Registered Municipal Accountant
No. 393**

May 19, 2023

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EXHIBIT A - CURRENT FUND

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

<u>ASSETS</u>	<u>2022</u>	<u>2021</u>
Regular Fund:		
Cash:		
Cash Treasurer	\$ 1,315,133.78	1,711,508.86
Cash - Change	410.00	410.00
Investment in BANS	900,000.00	900,000.00
Total Cash	<u>2,215,543.78</u>	<u>2,611,918.86</u>
Receivables and Other Assets with Full Reserves:		
Delinquent Property Taxes Receivable	3,539.45	2,584.44
Tax Title and Other Liens	26,978.31	25,555.29
Property Acquired for Taxes - at Assessed Valuation	1,611,800.00	1,600,400.00
Revenue Accounts Receivable	6,658.94	1,017.50
Interfund Receivable:		
General Capital		476.29
Animal Control	17.38	8.76
CCO Trust	6,360.00	3,381.00
Open Space Trust		154.11
Sewer Capital	24,000.00	24,000.00
Total Receivables and Other Assets	<u>1,679,354.08</u>	<u>1,657,577.39</u>
Deferred Charges:		
Special Emergency Appropriation	22,480.00	45,480.00
Total Deferred Charges	<u>22,480.00</u>	<u>45,480.00</u>
Total Regular Fund	<u>3,917,377.86</u>	<u>4,314,976.25</u>
Federal and State Grant Fund:		
Federal and State Grants Receivable	677,791.83	40,189.83
Due from Current Fund	135,020.16	507,244.59
Total Federal and State Grant Fund	<u>812,811.99</u>	<u>547,434.42</u>
Total Current Fund	<u>\$ 4,730,189.85</u>	<u>4,862,410.67</u>

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

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>Ref.</u>	<u>2022</u>	<u>2021</u>
Regular Fund:			
Liabilities:			
Appropriation Reserves	\$	254,121.33	263,423.88
Reserve for Encumbrances		158,760.79	104,903.30
Prepaid Taxes		116,128.00	133,157.86
Overpaid Taxes		9,999.55	5,422.71
Payroll Taxes Payable		1.25	
Local School Tax Payable		-	-
Regional School Tax Payable		-	361,094.50
County Tax Payable		29,912.93	1,109.38
Reserve for OEM Award Unappropriated		500.00	
Due to State:			
Marriage Licenses		125.00	150.00
Senior Citizens & Vets		12,101.58	12,101.58
Interfund Payable:			
Payroll			722.50
TTL Redemption			164.34
Grant Fund		135,020.16	507,244.59
General Capital		21,625.43	
Sewer Operating		1,296.88	240.05
Open Space Trust		199,845.89	
Trust Other		3,346.91	4,616.96
Other			
Reserve for Municipal Relief Fund		14,750.54	
Reserve for Library State Aid		572.74	572.74
Reserve for Revaluation Program		28,104.50	28,104.50
		<hr/>	<hr/>
Reserve for Receivables and Other Assets		986,213.48	1,423,028.89
Fund Balance		1,679,354.08	1,657,577.39
		<hr/>	<hr/>
Total Regular Fund		3,917,377.86	4,314,976.25
Federal and State Grant Fund:			
Unappropriated Reserves		17,705.89	120,517.81
Appropriated Reserves		384,785.63	426,916.61
Due General Capital Fund		244,739.66	
Encumbrances Payable		165,580.81	
		<hr/>	<hr/>
Total Federal and State Grant Fund		812,811.99	547,434.42
Total Current Fund	\$	<hr/> <u>4,730,189.85</u>	<hr/> <u>4,862,410.67</u>

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

	2022	2021
Revenue and Other Income Realized		
Fund Balance	\$ 800,000.00	660,000.00
Miscellaneous Revenue Anticipated	1,157,309.72	504,198.24
Receipts from Delinquent Taxes	6,108.19	7,063.46
Receipts from Current Taxes	9,534,298.23	9,355,760.54
Non Budget Revenue	159,038.62	389,672.03
Other Credits to Income:		
Unexpended Balance of Appropriation Reserve	249,052.69	458,266.71
Interfund Returned	4,260.22	1,695.07
Cancellation of Grants Appropriated	160,000.00	
Cancellation of PY Accounts Payable		220.00
Total Income	<u>12,070,067.67</u>	<u>11,376,876.05</u>
Expenditures		
Budget and Emergency Appropriations:		
Appropriations Within "CAPS"		
Operations:		
Salaries and Wages	760,400.00	713,100.00
Other Expenses	1,381,592.41	1,296,838.70
Deferred Charges & Statutory Expenditures	228,963.00	207,474.00
Appropriations Excluded from "CAPS"		
Operations:		
Salaries and Wages	115,338.00	110,000.00
Other Expenses	747,308.06	73,483.89
Capital Improvements	55,000.00	15,000.00
Debt Service	608,842.49	626,661.51
Deferred Charges	23,000.00	23,000.00
Transferred to Board of Education	36,466.38	32,478.24
Local District School Tax	3,626,401.00	3,504,126.00
Regional District School Tax	1,442,733.50	1,446,188.00
County Tax	2,024,650.90	2,148,581.73
County Share of Added Tax	29,912.93	1,109.38
Local Open Space Tax	51,426.69	50,952.22
Interfund Created	39,982.50	441.20
Senior Citizen Deduction Disallowed	-	-
Cancellation of Grants Receivable	50,000.00	-
Tax Overpayment Prior Year Adjustment	12,562.95	
Refund of Prior Year Taxes	10,016.53	-
Refund of Prior Year's Revenue	8,030.00	1,355.75
Total Expenditures	<u>11,252,627.34</u>	<u>10,250,790.62</u>
Excess in Revenue	<u>817,440.33</u>	<u>1,126,085.43</u>

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

	<u>Ref.</u>	<u>2022</u>	<u>2021</u>
Statutory Excess to Fund Balance		817,440.33	1,126,085.43
Fund Balance January 1		1,234,369.97	768,284.54
		2,051,810.30	1,894,369.97
Decreased by:			
Utilization as Anticipated Revenue		800,000.00	660,000.00
Fund Balance December 31	\$	<u>1,251,810.30</u>	<u>1,234,369.97</u>

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

	Anticipated		Realized	Excess or (Deficit)
	Budget	N.J.S. 40A:4-87		
Fund Balance Anticipated	\$ 800,000.00		800,000.00	-
Total Fund Balance Anticipated	<u>800,000.00</u>	<u>-</u>	<u>800,000.00</u>	<u>-</u>
Miscellaneous Revenues:				
Section A: Local Revenues				
Licenses:				
Alcoholic Beverages	5,000.00		5,626.00	626.00
Fines and Costs:				
Municipal Court	30,000.00		32,912.21	2,912.21
Interest and Costs on Taxes	31,000.00		36,527.45	5,527.45
Total Section A: Local Revenues	<u>66,000.00</u>	<u>-</u>	<u>75,065.66</u>	<u>9,065.66</u>
Section B: State Aid Without Offsetting Appropriations				
Energy Receipts Tax	282,773.00		282,773.00	-
Total Section B: State Aid Without Offsetting Appropriations	<u>282,773.00</u>	<u>-</u>	<u>282,773.00</u>	<u>-</u>
Section C: Uniform Construction Code Fees				
Uniform Construction Code Fees	28,000.00		35,963.00	7,963.00
Total Section C: Uniform Construction Code Fees	<u>28,000.00</u>	<u>-</u>	<u>35,963.00</u>	<u>7,963.00</u>
Section F: Special Items - Public and Private Programs				
Off-Set with Appropriations				
Recycling Tonnage Grant	4,853.07		4,853.07	
Body Armor Grant	1,052.44		1,052.44	
DMV Inspections	50.00	50.00	100.00	
Drunk Driving Enforcement		1,140.00	1,140.00	
Clean Communities Program		5,160.55	5,160.55	-
Federal Highway Administration Grant	488,754.50	104,247.50	593,002.00	
NJ Historic Trust - John Lucas	50,000.00	50,000.00	100,000.00	
Safe and Secure Communities Program	16,200.00		16,200.00	-
Community Development Block Grant		17,000.00	17,000.00	-
Camden County Recreation Grant 21	25,000.00		25,000.00	-
Total Section F: Special Items - Public and Private Programs Off-Set with Appropriations	<u>585,910.01</u>	<u>177,598.05</u>	<u>763,508.06</u>	<u>-</u>
Total Miscellaneous Revenues:	<u>962,683.01</u>	<u>177,598.05</u>	<u>1,157,309.72</u>	<u>17,028.66</u>
Receipts from Delinquent Taxes			6,108.19	6,108.19
Amount to be Raised by Taxes for Support of Municipal Budget				
Local Tax for Municipal Purposes	2,261,745.42	-	2,606,043.84	344,298.42
Total Amount to be Raised by Taxes for Support of Municipal Budget	<u>2,261,745.42</u>	<u>-</u>	<u>2,606,043.84</u>	<u>344,298.42</u>
Budget Totals	<u>4,024,428.43</u>	<u>177,598.05</u>	<u>4,569,461.75</u>	<u>367,435.27</u>
Non- Budget Revenues:				
Other Non- Budget Revenues:	-	-	159,038.62	159,038.62
	<u>4,024,428.43</u>	<u>177,598.05</u>	<u>4,728,500.37</u>	<u>526,473.89</u>

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

Analysis of Realized Revenues

Allocation of Current Tax Collections:

Revenue from Collections	9,534,298.23
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Less: Reserve for Tax Appeals Pending	_____
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Net Revenue from Collections	9,534,298.23
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Allocated to:

School, County and Other Taxes	7,173,370.52
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Balance for Support of Municipal Budget Appropriations	2,360,927.71
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Increased by:

Appropriation "Reserved for Uncollected Taxes"	245,116.13
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Amount for Support of Municipal Budget Appropriations	2,606,043.84
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Receipts from Delinquent Taxes:

Delinquent Tax Collection	4,374.10	
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Tax Title Lien Collections	1,734.09	
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Total Receipts from Delinquent Taxes	6,108.19
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Analysis of Non-Budget Revenue:

Miscellaneous Revenue Not Anticipated:

Fees & Permits	5,783.75	
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Interest Earned on Investments	5,736.85	
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Cable TV Franchise Fees	8,859.56	
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Police Reports	1,023.84	
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Animal Fees	388.00	
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PILOT Payments	16,310.55	
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Miscellaneous Clerk Receipts	1,189.54	
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Miscellaneous Revenue	46,004.79	
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Prior Year Refund	20,380.00	
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Tax Miscellaneous Fees	667.80	
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Construction Miscellaneous Fees	12,382.00	
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Admin Fee Vets & Senior	427.85	
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Fire Safety Fees Current Year	8,752.00	
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Fire Safety LEA Rebate Current Year	4,767.75	
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Fire Safety Fees & Rebate Prior Year	26,364.34	
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Total Miscellaneous Revenue Not Anticipated:	159,038.62
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**STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Appropriations		Budget After Modifications	Paid or Charged	Expended		(Over expended) Unexpended Balance Cancelled
	Budget	Budget			Encumbered	Reserved	
OPERATIONS WITHIN "CAPS"							
GENERAL GOVERNMENT:							
Mayor and Council	\$ 23,000.00	23,000.00	22,928.00		72.00	-	-
Salaries and Wages	1,000.00	1,000.00	721.00		279.00	-	-
Other Expenses							
Municipal Clerk							
Salaries and Wages	91,000.00	96,000.00	94,778.67		1,221.33	-	-
Other Expenses	33,000.00	33,000.00	24,814.88	3,035.96	5,149.16	-	-
Financial Administration							
Salaries and Wages	12,500.00	12,500.00	12,143.00		357.00	-	-
Other Expenses	12,000.00	14,000.00	12,149.59	771.00	1,079.41	-	-
Audit Services							
Other Expenses	30,000.00	30,000.00	28,500.00		1,500.00	-	-
Revenue Administration (Tax Collector)							
Salaries and Wages	12,500.00	12,500.00	12,024.00		476.00	-	-
Other Expenses	7,500.00	7,500.00	4,312.42	1,630.30	1,557.28	-	-
Tax Assessment Administration							
Salaries and Wages	12,000.00	12,000.00	10,858.70		1,141.30	-	-
Other Expenses	4,500.00	4,500.00	2,149.17	737.30	1,613.53	-	-
Revaluation							
Legal Services							
Other Expenses	40,000.00	24,500.00	14,665.88	1,000.00	8,834.12	-	-
Engineering Services and Costs							
Other Expenses	25,000.00	19,000.00	9,293.50	4,736.50	4,970.00	-	-
LAND USE ADMINISTRATION							
Planning Board							
Salaries and Wages	10,000.00	10,000.00	6,578.92		3,421.08	-	-
Other Expenses	15,000.00	15,000.00	4,109.61	1,057.16	9,833.23	-	-
Preparation of a Master Plan	30,000.00	15,000.00	6,618.44	3,328.00	5,053.56	-	-

The Accompanying Notes to the Financial Statements are an
Integral Part of this Statement

**STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Appropriations		Paid or Charged	Expended		(Over expended) Unexpended Balance Cancelled
	Budget	Budget After Modifications		Encumbered	Reserved	
PUBLIC SAFETY						
Fire						
Other Expenses						
Fire Hydrant Service	43,000.00	48,500.00	43,773.00	4,417.50	309.50	-
Aid to Volunteer Fire Company	60,471.41	60,471.41	60,471.41	-	-	-
Fire Safety Official						
Salaries and Wages	4,000.00	4,000.00	3,376.00		624.00	-
Other Expenses	5,500.00	5,500.00	3,468.67	225.19	1,806.14	-
Police Department						
Salaries and Wages	388,000.00	388,000.00	334,800.59		53,199.41	-
Other Expenses	155,000.00	155,000.00	112,291.49	16,992.76	25,715.75	-
Office of Emergency Management						
Salaries and Wages	3,800.00	3,800.00	3,700.00		100.00	-
Other Expenses	3,000.00	3,000.00	1,221.45		1,778.55	-
Municipal Prosecutor						
Salaries and Wages	6,500.00	6,500.00	5,484.00		1,016.00	-
Municipal Court						
Salaries and Wages	10,000.00	10,000.00	9,190.00		810.00	-
Other Expenses	49,350.00	49,350.00	46,977.00	103.96	2,269.04	-
Public Defender						
Salaries and Wages	3,600.00	3,600.00	3,297.00		303.00	-
PUBLIC WORKS						
Public Works						
Salaries and Wages	95,000.00	110,000.00	107,163.59		2,836.41	-
Other Expenses	55,000.00	55,000.00	29,301.69	11,731.55	13,966.76	-
Public Buildings and Grounds						
Other Expenses	110,000.00	110,000.00	95,185.68	6,666.37	8,147.95	-
Recycling Program						
Contractual	150,000.00	150,000.00	51,070.62	85,883.72	13,045.66	-
Garbage and Trash Removal						
Contractual	190,000.00	190,000.00	160,809.24	6,590.98	22,599.78	-

The Accompanying Notes to the Financial Statements are an Integral Part of this Statement

**STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Appropriations		Paid or Charged	Expended		(Over expended) Unexpended Balance Cancelled
	Budget	Budget After Modifications		Encumbered	Reserved	
HEALTH AND HUMAN SERVICES						
Dog Regulation						
Other Expenses	6,500.00	6,500.00	6,125.00	350.00	25.00	-
Environmental Commission						
Other Expenses	3,000.00	3,000.00	470.00		2,530.00	-
PARKS AND RECREATION						
Library						
Salaries and Wages	3,000.00	3,000.00			3,000.00	-
Other Expenses	1,000.00	1,000.00		484.50	515.50	-
Senior Citizen's Program						
Other Expenses	2,000.00	2,000.00	907.03	400.00	692.97	-
INSURANCE						
General Liability	38,230.00	38,230.00	38,230.00		-	-
Workers Compensation Insurance	36,134.00	36,134.00	36,134.00		-	-
Employee Group Health	190,000.00	190,000.00	170,350.64		19,649.36	-
Other Insurance Premiums	23,907.00	23,907.00	15,086.00		8,821.00	-
Health Benefits Waiver	4,000.00	4,000.00	2,708.55		1,291.45	-
UNIFORM CONSTRUCTION CODE						
State Uniform Construction Code						
Construction Official						
Salaries and Wages	35,000.00	35,000.00	33,968.78		1,031.22	-
Other Expenses	5,500.00	5,500.00	2,638.83	2,298.31	562.86	-
Plumbing Inspector						
Salaries and Wages	5,500.00	5,500.00	2,647.12		2,852.88	-
Electrical Inspector						
Salaries and Wages	5,500.00	5,500.00	2,753.00		2,747.00	-
Fire Inspector						
Salaries and Wages	4,000.00	4,000.00	3,779.50		220.50	-
Fire Official - Sub Code						
Salaries and Wages	5,500.00	5,500.00	2,753.00		2,747.00	-
Building Subcode Inspector						
Salaries and Wages	10,000.00	10,000.00	3,887.50		6,112.50	-

The Accompanying Notes to the Financial Statements are an
Integral Part of this Statement

**STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Appropriations		Paid or Charged	Expended		(Over expended) Unexpended Balance Cancelled
	Budget	Budget After Modifications		Encumbered	Reserved	
UNCLASSIFIED						
Celebration of Public Events						
Other Expenses	30,000.00	35,000.00	33,066.71	743.88	1,189.41	-
UTILITY EXPENSES AND BULK PURCHASES						
Street Lighting	42,000.00	46,000.00	41,192.96	3,998.52	808.52	-
TOTAL OPERATIONS WITHIN "CAPS"	<u>2,141,992.41</u>	<u>2,141,992.41</u>	<u>1,734,925.83</u>	<u>157,183.46</u>	<u>249,883.12</u>	<u>-</u>
TOTAL OPERATIONS INCLUDING CONTINGENT WITHIN "CAPS"	<u>2,141,992.41</u>	<u>2,141,992.41</u>	<u>1,734,925.83</u>	<u>157,183.46</u>	<u>249,883.12</u>	<u>-</u>
Detail:						
Salaries and Wages	740,400.00	760,400.00	676,111.37	-	84,288.63	-
Other Expenses	1,401,592.41	1,381,592.41	1,058,814.46	157,183.46	165,594.49	-
DEFERRED CHARGES AND STATUTORY EXPENDITURES:						
Statutory Expenditures:						
Contributions to:						
Public Employees' Retirement System	22,454.00	22,454.00	22,454.00	-	-	-
Social Security System (O.A.S.I.)	70,000.00	70,000.00	67,761.79	-	2,238.21	-
Police and Firemen's Retirement System	134,509.00	134,509.00	134,509.00	-	-	-
Unemployment Compensation Insurance	1,500.00	1,500.00	-	-	1,500.00	-
Defined Contribution Retirement Program (DCRP)	500.00	500.00	-	-	500.00	-
TOTAL DEFERRED CHARGES AND STATUTORY EXPENDITURES:	<u>228,963.00</u>	<u>228,963.00</u>	<u>224,724.79</u>	<u>-</u>	<u>4,238.21</u>	<u>-</u>
TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES WITHIN "CAPS"	<u>2,370,955.41</u>	<u>2,370,955.41</u>	<u>1,959,650.62</u>	<u>157,183.46</u>	<u>254,121.33</u>	<u>-</u>

The Accompanying Notes to the Financial Statements are an Integral Part of this Statement

**STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Appropriations		Budget After Modifications	Paid or Charged	Expended		(Over expended) Unexpended Balance Cancelled
	Budget	Budget			Encumbered	Reserved	
(A) Public and Private Programs Off-Set by Revenues							
Clean Communities Program			5,160.55	5,160.55			-
Community Development Block Grant			17,000.00	17,000.00			-
Safe and Secure Communities Program							
Police							
Salaries and Wages	115,338.00	115,338.00	115,338.00	115,338.00			-
Recycling Tonnage Grant	4,853.07	4,853.07	4,853.07	4,853.07			-
Body Armor Grant	1,052.44	1,052.44	1,052.44	1,052.44			-
DMV Inspections	50.00	100.00	100.00	100.00			-
Camden County Historic Pres Grant	-	50,000.00	50,000.00	50,000.00			-
NJ Historic Trust - John Lucas	50,000.00	50,000.00	50,000.00	50,000.00			-
Federal Highway Administration Grant	488,754.50	593,002.00	593,002.00	593,002.00			-
Camden County Recreation Grant 21	25,000.00	25,000.00	25,000.00	25,000.00			-
Camden County DWI Enforcement 2022	-	1,140.00	1,140.00	1,140.00			-
Total Public and Private Programs Off-Set by Revenues	<u>685,048.01</u>	<u>862,646.06</u>	<u>862,646.06</u>	<u>862,646.06</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Operations - Excluded from "CAPS" Detail:	685,048.01	862,646.06	862,646.06	862,646.06			
Salaries and Wages	115,338.00	115,338.00	115,338.00	115,338.00			
Other Expenses	569,710.01	747,308.06	747,308.06	747,308.06			
(C) Capital Improvements							
Capital Improvement Fund	55,000.00	55,000.00	55,000.00	55,000.00			
Total Capital Improvements	<u>55,000.00</u>	<u>55,000.00</u>	<u>55,000.00</u>	<u>55,000.00</u>	<u>-</u>	<u>-</u>	<u>-</u>
(D) Debt Service							
Payment of Bond Principal	390,000.00	390,000.00	390,000.00	390,000.00			-
Payment of BANs and Capital Notes	155,000.00	155,000.00	155,000.00	155,000.00			-
Interest on Bonds	52,900.00	52,900.00	52,900.00	52,900.00			-
Interest on Notes	10,942.50	10,942.50	10,942.50	10,942.49			0.01
Total Debt Service	<u>608,842.50</u>	<u>608,842.50</u>	<u>608,842.50</u>	<u>608,842.49</u>	<u>-</u>	<u>-</u>	<u>0.01</u>
(E) Deferred Charges							
Special Emergency Authorizations - 5 years	23,000.00	23,000.00	23,000.00	23,000.00			-
Total Deferred Charges	<u>23,000.00</u>	<u>23,000.00</u>	<u>23,000.00</u>	<u>23,000.00</u>	<u>-</u>	<u>-</u>	<u>-</u>
(N) Transferred to Board of Education for Use of Local Schools							
Local Schools	36,466.38	36,466.38	36,466.38	36,466.38			-
Total Transferred to Board of Education	<u>36,466.38</u>	<u>36,466.38</u>	<u>36,466.38</u>	<u>36,466.38</u>	<u>-</u>	<u>-</u>	<u>-</u>

The Accompanying Notes to the Financial Statements are an Integral Part of this Statement

**STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Appropriations		Expended		(Over expended) Unexpended Balance Cancelled
	Budget	Budget After Modifications	Paid or Charged	Encumbered Reserved	
TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES EXCLUDED FROM "CAPS"	1,408,356.89	1,585,954.94	1,585,954.93	-	0.01
SUBTOTAL GENERAL APPROPRIATIONS	3,779,312.30	3,956,910.35	3,545,605.55	157,183.46	0.01
(M) Reserve for Uncollected Taxes	245,116.13	245,116.13	245,116.13	-	-
TOTAL GENERAL APPROPRIATIONS	\$ 4,024,428.43	4,202,026.48	3,790,721.68	157,183.46	0.01
Budget		4,024,428.43		Cancelled	0.01
Appropriations by 40A:4-87		177,598.05		Overexpended	-
Special Emergency Appropriation (5 years)		-			0.01
		<u>4,202,026.48</u>			
Reserve for Uncollected Taxes			245,116.13		
Federal and State Grants			862,646.06		
Deferred Charges			23,000.00		
Due General Capital - Capital Improvement Fund			55,000.00		
Disbursements			2,604,959.49		
			<u>3,790,721.68</u>		

The Accompanying Notes to the Financial Statements are an
Integral Part of this Statement

EXHIBIT B - TRUST FUNDS

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

	<u>2022</u>	<u>2021</u>
<u>Assets</u>		
<u>Animal Control Fund</u>		
Cash Treasurer	\$ 2,536.98	\$ 1,258.16
	<u>2,536.98</u>	<u>1,258.16</u>
<u>Other Funds</u>		
Cash Treasurer	510,574.72	656,554.11
Cash Collector	751,775.94	839,503.49
Due from Current - TTL		164.34
Due from Current - Trust Other	3,346.91	4,616.96
Due from Current - Payroll		722.50
Due from Current - Open Space Trust	199,845.89	
Due from CCO Trust	418.00	172.00
	<u>1,465,961.46</u>	<u>1,501,733.40</u>
	<u>\$ 1,468,498.44</u>	<u>\$ 1,502,991.56</u>

The Accompanying Notes to the Financial Statements are an
Integral Part of this Statement

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

	2022	2021
<u>Liabilities, Reserves and Fund Balance</u>		
<u>Animal Control Fund</u>		
Reserve for Animal Control Expenditures	\$ 2,519.60	\$ 1,249.40
Due to Current Fund	17.38	8.76
	2,536.98	1,258.16
<u>Other Funds</u>		
Due to State of New Jersey - DCA Fees	876.00	631.00
Due to Current Fund - Local Open Space Trust		154.11
Due to Sewer Operating - TTL		743.19
Due to Current Fund - Construction Code	6,360.00	3,381.00
Due to Trust Other - DCA Training Fees	418.00	172.00
Encumbrances Payable	23,600.22	
Reserve Tax Title Lien Premium	751,400.00	771,700.00
Reserve for Tax Title Lien Redemption	375.94	67,224.64
Reserve for Affordable Housing	79,934.47	32,305.94
Reserve for Local Open Space Trust	417,964.54	355,913.20
Reserve for POAA	124.00	98.00
Reserve for Community Garden	9,619.56	10,855.56
Reserve for Cricket Field	803.45	950.00
Reserve for Fire Penalties	10,041.80	10,041.80
Reserve for General Contributions	7,433.59	7,433.59
Reserve for Gibbsboro Memorial Trust	2,190.00	2,190.00
Reserve for Gibbsboro Pageant	50.00	425.00
Reserve for Gibbsboro Sign Trust	250.00	250.00
Reserve for Horton Historic Trust	5,000.00	5,000.00
Reserve for Borough Rental Properties	690.00	-
Reserve for Planning Escrow	96,272.82	131,776.30
Reserve for Haines Memorial Trust	1,131.33	1,131.33
Reserve for Inspection Fees	6,209.19	14,451.62
Reserve for Sidewalks	1,904.76	1,904.76
Reserve for Police Donations	1,100.00	500.00
Reserve for Police Extra Duty	31,815.09	72,470.22
Reserve for Senior Cental Rental	280.00	795.00
Reserve for Street Opening	10,116.70	9,235.14
	1,465,961.46	1,501,733.40
	\$ 1,468,498.44	\$ 1,502,991.56

The Accompanying Notes to the Financial Statements are an
Integral Part of this Statement

EXHIBIT C - GENERAL CAPITAL FUND

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

<u>ASSETS</u>	<u>2022</u>	<u>2021</u>
Cash	\$ 847,366.54	152,208.82
Deferred Charges to Future Taxation -		
Funded	1,430,000.00	1,820,000.00
Unfunded	3,349,950.00	2,616,700.00
Interfunds and Receivables		
Federal Grant Receivable	432,000.00	24,000.00
State Grant Receivable	1,548,530.35	1,459,655.35
Due from Current Fund	21,625.43	
Due from Federal and State Grant Fund	244,739.66	
Due from County Open Space	-	558,000.00
Due from Sewer Utility Capital	266,985.41	266,985.41
	<u>8,141,197.39</u>	<u>6,897,549.58</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>		
Encumbrances Payable	439,163.45	
County Advance for Open Space	922,374.00	922,374.00
Interfunds:		
Due to Current Fund		476.29
Bond Anticipation Notes Payable	2,727,500.00	1,994,250.00
Serial Bonds Payable	1,430,000.00	1,820,000.00
Improvement Authorizations:		
Funded	844,629.96	928,557.02
Unfunded	1,670,136.91	1,142,252.20
Reserve for Debt Service	9,542.55	39.55
Reserve for Capital Projects	32,201.38	32,201.38
Capital Improvement Fund	34,833.09	26,583.09
Fund Balance	30,816.05	30,816.05
	<u>\$ 8,141,197.39</u>	<u>6,897,549.58</u>

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

2021	622,450.00
2022	622,450.00

**GENERAL CAPITAL FUN
COMPARATIVE STATEMENT OF FUND BALANCE
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER**

	<u>2022</u>	<u>2021</u>
Beginning Balance January 1	\$ 30,816.05	30,816.05
Ending Balance December 31	\$ <u>30,816.05</u>	<u>30,816.05</u>

EXHIBIT - D
SEWER UTILITY FUND

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

	2022	2021
<u>ASSETS</u>		
Operating Fund:		
Cash	\$ 254,139.48	258,983.06
Interfunds and Receivables		
Due from Sewer Capital Fund	110,445.53	110,442.75
Due from Current	1,296.88	240.05
Due to TTL		743.19
	365,881.89	370,409.05
Receivables and Other Assets with Full Reserves:		
Consumer Accounts Receivable	4.01	1,488.35
Utility Liens	1,283.49	1,193.49
	1,287.50	2,681.84
Total Operating Fund	367,169.39	373,090.89
Capital Fund:		
Cash - Treasurer	1,046.95	1,044.17
Interfunds and Receivables		
Due from State of New Jersey - NJEIT	603,398.00	603,398.00
Fixed Capital	7,821,952.18	7,821,952.18
Fixed Capital - Authorized and Uncompleted	2,110,000.00	2,110,000.00
Total Capital Fund	10,536,397.13	10,536,394.35
	\$ 10,903,566.52	10,909,485.24

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

	2022	2021
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>		
Operating Fund:		
Appropriation Reserves	\$ 4,310.69	11,183.45
Reserve for Encumbrances	1,757.58	507.82
Utility Overpayments	3,926.19	4,427.35
Accrued Interest on Bonds and Notes	10,249.11	13,217.52
Interfunds:		
Due to Voorhees Township	70,050.00	67,575.00
	90,293.57	96,911.14
Reserve for Receivables	1,287.50	2,681.84
Fund Balance	275,588.32	273,497.91
Total Operating Fund	367,169.39	373,090.89
Capital Fund:		
Encumbrances Payable	-	
Interfunds:		
Due to Current Fund	24,000.00	24,000.00
Due to Sewer Operating Fund	110,445.53	110,442.75
Due to General Capital	266,985.41	266,985.41
Serial Bonds Payable	450,000.00	590,000.00
NJEIT Bonds Payable	130,000.00	185,000.00
USDA Loan Payable	400,922.08	408,493.47
Improvement Authorizations:		
Funded	250,021.89	250,021.89
Unfunded	245,290.00	245,290.00
Reserve for Amortization	8,469,272.04	8,266,700.65
Reserve for Deferred Amortization	142,500.00	142,500.00
Reserve for Improvements	40,000.00	40,000.00
Reserve for USDA Receivable		
Reserve for Debt Service	1,960.18	1,960.18
Capital Improvement Fund	5,000.00	5,000.00
Fund Balance	-	-
Total Capital Fund	10,536,397.13	10,536,394.35
	\$ 10,903,566.52	10,909,485.24

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

	2021	339,258.06
	2022	339,258.06

**SEWER UTILITY FUND
COMPARATIVE STATEMENT OF OPERATIONS AND CHANGES
IN FUND BALANCE - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2022**

	<u>2022</u>	<u>2021</u>
Revenue and Other Income Realized		
Fund Balance	\$ 44,844.00	36,200.00
Rents	297,942.09	287,948.05
Miscellaneous Revenue Anticipated	2,254.10	37,189.69
Other Credits to Income:		
Unexpended Balance of Appropriation Res.	11,036.83	8,570.73
Total Income	<u>356,077.02</u>	<u>369,908.47</u>
Expenditures		
Operations	83,000.00	48,000.00
Debt Service	223,667.61	253,577.33
Refund of Prior Year Revenue	2,475.00	2,475.00
Total Expenditures	<u>309,142.61</u>	<u>304,052.33</u>
Excess in Revenue	<u>46,934.41</u>	<u>65,856.14</u>
Fund Balance January 1	<u>273,497.91</u>	<u>243,841.77</u>
	320,432.32	309,697.91
Decreased by:		
Utilization as Anticipated Revenue	<u>44,844.00</u>	<u>36,200.00</u>
Fund Balance December 31	<u>\$ 275,588.32</u>	<u>273,497.91</u>

**SEWER UTILITY CAPITAL FUN
COMPARATIVE STATEMENT OF FUND BALANCE -
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER**

	2022	2021
Beginning Balance January 1	\$ -	-
Increased by:		
None	-	-
Decreased by:		
Utility Capital Surplus Appropriation	-	-
Ending Balance December 31	\$ -	-

**SEWER UTILITY OPERATING FUND
STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2022**

	<u>Anticipated Budget</u>	<u>Realized</u>	<u>Excess or (Deficit)</u>
Surplus Anticipated	\$ 44,844.00	44,844.00	-
Rents	280,000.00	297,942.09	17,942.09
Miscellaneous		2,254.10	2,254.10
	<u>\$ 324,844.00</u>	<u>345,040.19</u>	<u>20,196.19</u>

Analysis of Realized Revenue:

Sewer Rents

Consumer Accounts Receivable:

Current Collections	293,201.10
Overpayments Applied	4,427.35
Sewer Liens	313.64

297,942.09

Miscellaneous

Misc. Deposits	2,251.32
Interest on Investments	2.78

2,254.10

**SEWER UTILITY FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Appropriations		Paid or Charged	Expended		(Over expended) Unexpended Balance Cancelled
	Budget	Budget After Modifications		Encumbered	Reserved	
Operations:						
Salaries and Wages	\$ 8,000.00	8,000.00	5,228.00	-	2,772.00	-
Other Expenses	75,000.00	75,000.00	71,703.73	1,757.58	1,538.69	-
	<u>83,000.00</u>	<u>83,000.00</u>	<u>76,931.73</u>	<u>1,757.58</u>	<u>4,310.69</u>	<u>-</u>
Debt Service:						
Payment of Bond Principal	140,000.00	140,000.00	140,000.00	-	-	-
Interest on Bonds	21,000.00	21,000.00	20,118.76	-	-	881.24
Other Debt Service - NJEIT	80,844.00	80,844.00	63,548.85	-	-	17,295.15
	<u>241,844.00</u>	<u>241,844.00</u>	<u>223,667.61</u>	<u>-</u>	<u>-</u>	<u>18,176.39</u>
	<u>324,844.00</u>	<u>324,844.00</u>	<u>300,599.34</u>	<u>1,757.58</u>	<u>4,310.69</u>	<u>18,176.39</u>

Statement of Expenditures:

Accrued Interest on Bonds	27,813.62
Disbursed	272,785.72
	<u>300,599.34</u>

The Accompanying Notes to the Financial Statements are an Integral Part of this Statement

EXHIBIT - E
GENERAL FIXED ASSETS ACCOUNT GROUP

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**GENERAL FIXED ASSETS ACCOUNT GROUP
COMPARATIVE BALANCE SHEET - REGULATORY BASIS
AS OF DECEMBER 31,**

	<u>2022</u>	<u>2021</u>
General Fixed Assets:		
Land	\$ 12,533,900.00	\$ 12,518,900.00
Buildings and Building Improvements	5,356,700.00	5,356,700.00
Vehicles	1,739,596.00	1,633,350.00
Machinery and Equipment	426,140.00	615,934.00
Total General Fixed Assets	<u>\$ 20,056,336.00</u>	<u>\$ 20,124,884.00</u>
Investment in General Fixed Assets	<u>\$ 20,056,336.00</u>	<u>\$ 20,124,884.00</u>

The Accompanying Notes to the Financial Statements are an
Integral Part of this Statement

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NOTES TO THE FINANCIAL STATEMENTS

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**BOROUGH OF GIBBSBORO
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2022 AND 2021**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

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

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

B. Description of Funds

The accounting policies of the Borough of Gibbsboro conform to the accounting principles applicable to municipalities which have been prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Such principles and practices are designed primarily for determining compliance with legal provisions and budgetary restrictions and as a means of reporting on the stewardship of public officials with the respect to public funds. Under this method of accounting, the Borough of Gibbsboro accounts for its financial transactions through the following separate funds:

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

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

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

Sewer Operating and Capital Funds -- account for the operations of the sewer utility and acquisition of sewer capital facilities other than those acquired in the Current and General Capital Funds.

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

C. Basis of Accounting

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

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

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

**BOROUGH OF GIBBSBORO
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2022 AND 2021**

due to the entity which are susceptible to accrual are also recorded as receivables with offsetting reserves and recorded as revenue when received.

Expenditures - are recorded on the "budgetary" basis of accounting. Generally, expenditures are recorded when an amount is encumbered for goods or services through the issuance of a purchase order in conjunction with the Encumbrance Accounting System. Outstanding encumbrances at December 31 are reported as a cash liability in the financial statements. Appropriation reserves covering unencumbered appropriation balances are automatically created at December 31st of each year and recorded as liabilities, except for amounts which may be canceled by the Governing Body. Appropriation reserves are available, until lapsed at the close of the succeeding year, to meet specific claims, commitments or contracts incurred during the preceding fiscal year. Lapsed appropriation reserves are recorded as income. Appropriations for principal payments on outstanding general capital bonds and notes are provided on the cash basis; interest on general capital indebtedness is on the cash basis; interest on utility capital indebtedness is on the accrual basis. Compensated absences are treated on a pay as you go basis with no amount charged to operations in the year incurred.

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

Inter-funds - Interfund receivables in the Current Fund are recorded with offsetting reserves which are created by charges to operations. Income is recognized in the year the receivables are liquidated. Interfund receivables in the other funds are not offset by reserves.

Inventories of Supplies - The cost of inventories of supplies for all funds are recorded as expenditures at the time individual items are purchased. The cost of inventories is not included on the various balance sheets.

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

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

Fixed assets used in governmental operations (general fixed assets) are accounted for in the General Fixed Assets Account Group. Public domain ("infrastructure") general fixed assets consisting of certain improvements other than buildings, such as roads, bridges, curbs and gutters, streets and sidewalks and drainage systems are not capitalized.

All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available except for land which is valued at estimated market value on the date of acquisition. Expenditures for long lived assets with an original cost in excess of \$1,000.00 are capitalized.

No depreciation has been provided for in the financial statements.

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

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

Property and equipment purchased by the Sewer Utility Fund are recorded in the capital account at cost and are adjusted for disposition and abandonment. The amounts shown do not purport to represent reproduction costs or current value. Contributions in aid of construction are not capitalized. The balance in the Reserve for Amortization and Deferred Reserve for Amortization accounts in the utility capital fund represents charges to operations for the costs of acquisitions of property, equipment and improvements. The utility does not record depreciation on fixed assets.

**BOROUGH OF GIBBSBORO
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2022 AND 2021**

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

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

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

Levy of Utility Charges – The entity operates a sewer utility fund. Rates are determined by ordinance and changed as necessary. Sewer charges are based on flat fees and usage based on the type of entity. Charges are billed annually and due in on July 1.

Interest on Delinquent Utility Charges - It is the policy of the entity to collect interest for the nonpayment of utility charges on or before the date when they would become delinquent. The Utility Collector is authorized to charge eight percent (8%) per annum on the first \$1,500.00 of charges becoming delinquent after due date and eighteen percent (18%) per annum on the amount of charges in excess of \$1,500.00 becoming delinquent after due date.

Capitalization of Interest -- It is the policy of the Borough of Gibbsboro to treat interest on projects as a current expense and the interest is included in both the current and utility operating budgets.

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

D. Required Financial Statements

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

E. Comparative Data

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

**BOROUGH OF GIBBSBORO
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2022 AND 2021**

F. Recent Accounting Pronouncements Not Yet Effective

In May 2019, the Governmental Accounting Standards Board (GASB) issued Statement No. 91, "Conduit Debt Obligations". This statement is effective for fiscal periods beginning after December 31, 2022, will not have any effect on the Borough's financial reporting.

In March 2020, the Governmental Accounting Standards Board (GASB) issued Statement No. 93, "Replacement of Interbank Offered Rates". This statement, which is effective for periods ending December 31, 2021, will not have any effect on the Borough's financial reporting.

In March 2020, the Governmental Accounting Standards Board (GASB) issued Statement No. 94, "Public-Private and Public-Public Partnerships and Availability Payment Arrangements". This statement, which is effective for periods beginning after June 15, 2022, and all reporting periods thereafter, will not have any effect on the Borough's financial reporting.

In May 2020, the Governmental Accounting Standards Board (GASB) issued Statement No. 96, "Subscription-Based Information Technology Arrangements". This statement, which is effective for periods beginning after June 15, 2022, and all reporting periods, thereafter, will not have any effect on the Borough's financial reporting.

In June 2020, the Governmental Accounting Standards Board (GASB) issued Statement No. 97, "Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans—an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32". This statement, which is effective for periods beginning after June 15, 2021, and all reporting periods, thereafter, will not have any effect on the Borough's financial reporting.

In April 2022, the Governmental Accounting Standards Board (GASB) issued Statement No. 99, "Omnibus 2022". This statement, which is effective for periods beginning after June 15, 2022, and all reporting periods thereafter, will not have any effect on the Borough's financial reporting.

In June 2022, the Governmental Accounting Standards Board (GASB) issued Statement No. 100, "Accounting Changes and Error Corrections – an amendment of GASB Statement No. 62". This statement, which is effective for fiscal years beginning after June 15, 2023, and all reporting periods, thereafter, will not have any effect on the Borough's financial reporting.

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

NOTE 2: BUDGETARY INFORMATION

Under New Jersey State Statutes, the annual budget is required to be a balanced cash basis document. To accomplish this, the Borough is required to establish a reserve for uncollected taxes. The 2022 and 2021 statutory budgets included a reserve for uncollected taxes in the amount of \$245,116.13 and \$223,629.27. To balance the budget, the Borough is required to show a budgeted fund balance. The amount of fund balance budgeted to balance the 2022 and 2021 statutory budgets was \$800,000.00 and \$660,000.00. In addition, the entity operates a self-liquidating sewer utility. Under New Jersey Statutes a separate budget for the utility must be adopted concurrently with the operating budget of the entity. The utility budget must be a balanced cash basis budget with fund balance being used to balance the budget. The amount of fund balance budgeted to balance the 2022 and 2021 statutory budgets was \$44,844.00 and \$36,200.00.

**BOROUGH OF GIBBSBORO
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2022 AND 2021**

The Chief Financial Officer has the discretion of approving intra department budgetary transfers throughout the year. Inter department transfers are not permitted prior to November 1. After November 1 these transfers can be made in the form of a resolution and approved by Borough Council. The following significant budget transfers were approved in the 2022 and 2021 calendar years:

<u>Budget Category</u>	<u>2022</u>	<u>2021</u>
<u>Current Fund:</u>		
Borough Clerk		
Salaries and Wages		20,000.00
Legal Service		
Other Expenses	(15,500.00)	(20,000.00)
Recycling Program		
Contractual		60,000.00
Engineering Services and Costs		
Other Expenses		(12,000.00)
Planning Board		
Preparation of Master Plan	(15,000.00)	-
Land Use		
Other Expenses		2,000.00
Police Department		
Salaries and Wages	15,000.00	(80,000.00)
Public Works		
Salaries and Wages		10,000.00
Public Buildings and Grounds		
Other Expenses		20,000.00

NJSA 40A:4-87 permits special items of revenue and appropriations to be inserted into the annual budget when the item has been made available by any public or private funding source and the item was not determined at the time of budget adoption. During 2022, Borough Council approved budget insertions in the amount of \$177,598.05. In 2021, the Borough Council approved insertions in the amount of \$48,483.89.

The entity may make emergency appropriations, after the adoption of the budget, for a purpose which was not foreseen at the time the budget was adopted or for which adequate provision was not made therein. This type of appropriation shall be made to meet a pressing need for public expenditure to protect or promote the public health, safety, morals or welfare or to provide temporary housing or public assistance prior to the next succeeding fiscal year. Emergency appropriations, except those classified as a special emergency, must be raised in the budgets of the succeeding year. The Governing Body did not approve any emergency authorizations during the 2021 and 2020 calendar years. Special emergency appropriations are permitted to be raised in the budgets of the succeeding three or five years.

Special emergency appropriations are permitted to be raised in the budgets of the succeeding three or five years. The Borough approved a special emergency appropriation in 2017 for \$114,480.00. The Special Emergency was for a revaluation in the entity. The unfunded balance as of December 31, 2022 was \$22,480.00.

NOTE 3: INVESTMENTS

As of December 31, 2022 and 2021, the Borough had no investments.

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

**BOROUGH OF GIBBSBORO
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2022 AND 2021**

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

Concentration of Credit Risk. The Borough places no limit on the amount the entity can invest in any one issuer.

NOTE 4: CASH

Custodial Credit Risk – Deposits. Custodial credit risk is the risk that in the event of a bank failure, the government’s deposits may not be returned to it. The Borough’s policy is based on New Jersey Statutes requiring cash be deposited only in New Jersey based banking institutions that participate in the New Jersey Governmental Depository Protection Act (GUDPA) or in qualified investments established in New Jersey Statutes 40A:5-15.1(a) that are treated as cash equivalents. Under the act, all demand deposits are covered by the Federal Deposit Insurance Corporation (FDIC). Public funds owned by the Borough in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings, bail funds or funds that may pass to the Borough relative to the happening of a future condition. As of December 31, 2021, \$1,066,246.02 of the Borough’s bank balance of \$4,161,260.21 was exposed to custodial credit risk.

NOTE 5: FIXED ASSETS

The following schedules are a summarization of the changes in general fixed assets for the calendar years ended December 31, 2022, and 2021:

	Balance 12/31/2021	Additions	Retirements/ Adjustments	Balance 12/31/2022
Land	\$ 11,748,257.27		785,642.73	12,533,900.00
Building	6,127,342.73		(770,642.73)	5,356,700.00
Equipment and Machinery	615,934.00	12,166.00	(201,960.00)	426,140.00
Vehicles	1,633,350.00	106,246.00		1,739,596.00
	<u>\$ 20,124,884.00</u>	<u>118,412.00</u>	<u>(186,960.00)</u>	<u>20,056,336.00</u>

	Balance 12/31/2020	Additions	Retirements/ Adjustments	Balance 12/31/2021
Land	\$ 11,748,257.27	-	-	11,748,257.27
Building	6,127,342.73	-	-	6,127,342.73
Equipment and Machinery	1,219,699.76	23,218.00	(626,983.76)	615,934.00
Vehicles	985,366.24	-	647,983.76	1,633,350.00
	<u>\$ 20,080,666.00</u>	<u>23,218.00</u>	<u>21,000.00</u>	<u>20,124,884.00</u>

**BOROUGH OF GIBBSBORO
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2022 AND 2021**

NOTE 6: SHORT-TERM OBLIGATIONS

The following schedules are a summarization of the changes in short – term debt for the calendar years ended December 31, 2022, and 2021:

	<u>12/31/2021</u>	<u>Issued</u>	<u>Retired</u>	<u>12/31/2022</u>
Notes Payable:				
Bond Anticipation				
General Capital	1,994,250.00	2,727,500.00	1,994,250.00	2,727,500.00
Sewer Utility Capital	-	-	-	-
Total	\$ <u>1,994,250.00</u>	<u>2,727,500.00</u>	<u>1,994,250.00</u>	<u>2,727,500.00</u>

As of December 31, 2022, the Borough has authorized but not issued bonds in the amount of \$622,450.00 and \$339,258.06 in the General Capital Fund and Water Sewer Utility Capital Funds respectively.

	<u>12/31/2020</u>	<u>Issued</u>	<u>Retired</u>	<u>12/31/2021</u>
Notes Payable:				
Bond Anticipation				
General Capital	2,149,250.00	1,994,250.00	2,149,250.00	1,994,250.00
Sewer Utility Capital	-	-	-	-
Total	\$ <u>2,149,250.00</u>	<u>1,994,250.00</u>	<u>2,149,250.00</u>	<u>1,994,250.00</u>

As of December 31, 2021, the Borough has authorized but not issued bonds in the amount of \$622,450.00 and \$339,258.06 in the General Capital Fund and Water Sewer Utility Capital Funds respectively.

NOTE 7: LONG TERM DEBT

Long-term debt as of December 31, 2022, and 2021 consisted of the following:

	<u>Balance</u>			<u>Balance</u>	<u>Amounts</u>
	<u>12/31/2021</u>	<u>Issued</u>	<u>Retired</u>	<u>12/31/2022</u>	<u>Due Within</u>
					<u>One Year</u>
Bonds payable:					
General	\$ 1,820,000.00	-	390,000.00	1,430,000.00	390,000.00
Utility	590,000.00	-	140,000.00	450,000.00	145,000.00
Total	\$ <u>2,410,000.00</u>	<u>-</u>	<u>530,000.00</u>	<u>1,880,000.00</u>	<u>535,000.00</u>
Other liabilities:					
Sewer:					
NJ I Bank Loan Payable	\$ 185,000.00		55,000.00	130,000.00	15,000.00
USDA Loans Payable	408,493.47	-	7,571.39	400,922.08	7,570.24
Compensated Absences Payable	12,686.42	4,825.65	5,679.76	11,832.31	5,752.79
Total long-term liabilities	\$ <u>3,016,179.89</u>	<u>4,825.65</u>	<u>598,251.15</u>	<u>2,422,754.39</u>	<u>563,323.03</u>

**BOROUGH OF GIBBSBORO
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2022 AND 2021**

NOTE 7: LONG TERM DEBT (Continued)

	Balance 12/31/2020	Issued	Retired	Balance 12/31/2021	Amounts Due Within One Year
Bonds payable:					
General	\$ 2,210,000.00	-	390,000.00	1,820,000.00	390,000.00
Utility	730,000.00	-	140,000.00	590,000.00	140,000.00
Total	<u>\$ 2,940,000.00</u>	<u>-</u>	<u>530,000.00</u>	<u>2,410,000.00</u>	<u>530,000.00</u>
Other liabilities:					
Loans Payable General	\$ 11,127.92	-	11,127.92	-	11,127.92
Sewer:					
NJ I Bank Loan Payable	\$ 240,000.00	-	55,000.00	185,000.00	55,000.00
USDA Loan Payable	437,699.90	-	29,206.43	408,493.47	7,570.24
Compensated					
Absences Payable	9,883.98	8,607.34	5,804.90	12,686.42	-
Total long-term liabilities	<u>\$ 3,638,711.80</u>	<u>8,607.34</u>	<u>631,139.25</u>	<u>3,016,179.89</u>	<u>603,698.16</u>

Outstanding bonds whose principal and interest are paid from the Current Fund Budget of the entity:

\$2,760,000 General Improvement Bonds dated August 15, 2009, due in annual installments through August 2033, bearing interest at various rates. The balance remaining as of December 31, 2022, is \$230,000.00.

\$2,120,000 General Improvement Bonds dated December 15, 2015, due in annual installments through December 2029, bearing interest at various rates. The balance remaining as of December 31, 2022, is \$1,200,000.00.

Outstanding bonds and loans whose principal and interest are paid from the Utility Operating Fund of the entity:

\$1,780,000 Sewer Utility Refunding Bond dated October 19, 2010, due in annual installments through February 2025, bearing interest at various rates. The balance remaining as of December 31, 2022, is \$450,000.00.

\$525,000 New Jersey Environmental Infrastructure Trust Fund Bond dated November 1, 2002, due in annual installments through August 1, 2022, bearing interest of various rates. This loan was paid in full as of December 31, 2022.

\$270,000 New Jersey Environmental Infrastructure Trust Fund Bond dated March 10, 2010, due in annual installments through August 1, 2029, bearing interest of varying rates. The balance remaining as of December 31, 2022, is \$130,000.00.

\$450,000.00 USDA Bonds dated November 4, 2015, due in semiannual installments through May 2056, bearing interest at 2.625%. The balance remaining as of December 31, 2022, is \$400,922.08.

**BOROUGH OF GIBBSBORO
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2022 AND 2021**

NOTE 7: LONG TERM DEBT (Continued)

Schedule of Annual Debt Service for Principal and Interest for Bonded Debt Issued and Outstanding

<u>Year</u>	<u>General Fund</u>		<u>Utility Fund</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2023	390,000.00	40,500.00	145,000.00	15,568.76
2024	160,000.00	28,100.00	150,000.00	10,675.00
2025	160,000.00	24,500.00	155,000.00	5,425.00
2026	180,000.00	20,700.00		
2027	180,000.00	16,200.00		
2028-2029	360,000.00	16,200.00		
	<u>\$ 1,430,000.00</u>	<u>146,200.00</u>	<u>450,000.00</u>	<u>31,668.76</u>

Schedule of Annual Debt Service for Principal and Interest for Loans Issued and Outstanding

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	22,770.26	15,573.74	38,344.00
2024	22,975.56	14,768.44	37,744.00
2025	28,186.30	13,957.70	42,144.00
2026	28,402.60	12,941.40	41,344.00
2027	28,624.61	12,019.39	40,644.00
2028-2032	86,664.13	46,955.87	133,620.00
2033-2037	53,163.50	38,056.50	91,220.00
2038-2042	60,568.08	30,651.92	91,220.00
2043-2047	69,003.99	22,216.01	91,220.00
2048-2052	78,614.85	12,605.15	91,220.00
2053-2057	51,948.20	2,400.50	54,348.70
	<u>530,922.08</u>	<u>222,146.62</u>	<u>753,068.70</u>

As of December 31, 2022, the carrying value of the above bonds and notes approximates the fair value of the bonds. No interest was charged to capital projects during the year and the total interest charged to the Current budget was \$63,842.49 and to the Utility budget was \$27,813.62.

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**BOROUGH OF GIBBSBORO
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2022 AND 2021**

NOTE 7: LONG TERM DEBT (Continued)

<u>Summary of Municipal Debt</u>	<u>Year 2022</u>	<u>Year 2021</u>	<u>Year 2020</u>
<u>Issued:</u>			
General - Bonds and Notes	\$ 4,157,500.00	\$ 3,814,250.00	\$ 4,370,377.92
Sewer Utility - Bonds, Loans and Notes	980,922.08	1,183,493.47	1,407,699.90
Total Issued	<u>5,138,422.08</u>	<u>4,997,743.47</u>	<u>5,778,077.82</u>
<u>Authorized but not issued:</u>			
General - Bonds and Notes	622,450.00	622,450.00	475,450.00
Sewer Utility - Bonds and Notes	339,258.06	339,258.06	339,258.06
Total Authorized But Not Issued	<u>961,708.06</u>	<u>961,708.06</u>	<u>814,708.06</u>
Total Bonds & Notes Issued and Authorized But Not Issued	<u>\$ 6,100,130.14</u>	<u>\$ 5,959,451.53</u>	<u>\$ 6,592,785.88</u>

Summary of Statutory Debt Condition - Annual Debt Statement

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicates a statutory net debt of 1.721%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Local School District Debt	\$ 1,195,000.00	1,195,000.00	-
Regional School District Debt	6,720,000.00	6,720,000.00	-
Sewer Utility Debt	1,320,180.14	1,320,180.14	-
General Debt	4,779,950.00	-	4,779,950.00
	<u>14,015,130.14</u>	<u>9,235,180.14</u>	<u>4,779,950.00</u>

Net Debt \$4,779,950.00 ÷ Equalized Valuation Basis per N.J.S.A.40A:2-2 as amended, \$261,742,303.67= 1.826%.
Borrowing Power Under N.J.S.A. 40A:2-6 as Amended

3 1/2 % of Equalized Valuation Basis (Municipal)	\$ 9,160,981.00
Net Debt	4,779,950.00
Remaining Borrowing Power	<u>\$ 4,381,031.00</u>

The Borough of Gibbsboro School District, as a K-8 school district, is permitted to borrow up to 3% of the average equalized valuation for the past three years. State statutes allow a school district to exceed the districts limitation with voter approval. Any amount approved by the voters in excess of the limit is treated as an impairment of the municipal limit.

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**BOROUGH OF GIBBSBORO
 NOTES TO FINANCIAL STATEMENTS
 YEARS ENDED DECEMBER 31, 2022 AND 2021**

NOTE 8: FUND BALANCES APPROPRIATED

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

	<u>2023</u>	<u>2022</u>
Current Fund	\$ 800,000.00	\$ 800,000.00
Sewer Utility	140,000.00	44,844.00

Municipalities are permitted to appropriate the full amount of fund balance, net of any amounts due from the State of NJ for Senior Citizens and Veterans Deductions, deferred charges, and cash deficit.

NOTE 9: DEFERRED CHARGES TO BE RAISED IN SUCCEEDING BUDGETS

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2021, there were no deferred charges shown on the balance sheet of the Current or Utility Fund.

	<u>Balance 12/31/2022</u>	<u>Raised in 2023 Budget</u>	<u>To be Raised in Subsequent Budgets</u>
Special Emergency Authorization	\$ 22,480.00	22,480.00	-

NOTE 10: SCHOOL TAXES

Local District School Tax in the amounts of \$3,626,401.00 and \$3,504,126.00 have been raised for the 2022 and 2021 calendar years and remitted or due to the local school district. The school tax levy is determined by taking 50% of the prior year and 50% of the current year requirements, plus the actual amount needed for debt service, if any.

Regional High School Tax in the amounts of \$1,440,979.00 and \$1,446,188.00 have been raised for the 2022 and 2021 calendar years and remitted to the regional high school district.

	<u>Regional School Tax Balance 12/31/2022</u>	<u>Regional School Tax Balance 12/31/2021</u>
Balance of Tax	\$ 360,245.50	\$ 723,094.50
Deferred	360,245.50	362,000.00
Tax Payable	<u>\$ -</u>	<u>\$ 361,094.50</u>

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**BOROUGH OF GIBBSBORO
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2022 AND 2021**

NOTE 11: TAXES COLLECTED IN ADVANCE

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

	Balance 12/31/22	Balance 12/31/21
Prepaid Taxes	\$ 116,128.00	\$ 133,157.86
Cash Liability for Taxes Collected in Advance	<u>\$ 116,128.00</u>	<u>\$ 133,157.86</u>

NOTE 12: PENSION FUNDS

Description of Plans

Substantially all of the entity's employees participate in the Public Employees' Retirement System (PERS) and Police and Fireman's Retirement System (PFRS) cost sharing multiple employer defined benefit pension plans which have been established by State Statute and are administered by the New Jersey Division of Pensions and Benefits (Division). According to the State of New Jersey Administrative Code, all obligations of the System will be assumed by the State of New Jersey should the system terminate. The Division issues a publicly available financial report that includes the financial statements and required supplementary information for the systems. This report may be obtained by writing to the Division of Pension and Benefits, PO Box 295, Trenton, New Jersey 08625 or the report can be accessed on the internet at - <http://www.state.nj.us/treasury/omb/publications/21fsNJFRFY2021complete.pdf>.

Public Employees' Retirement System

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

Police and Fireman's Retirement System

The contribution policy for the Police and Fireman's Retirement System (PFRS) is set by N.J.S.A. 43:16 and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. PFRS provides for employee contributions of 10.0% of employees' annual compensation, as defined. Employers are required to contribute to an actuarially determined rate.

Funding Policy

The contribution policy is set by N.J.S.A. 43:15A, Chapter 62, P.L. of 1994, Chapter 115, P.L. of 1997 and N.J.S.A. 18:66, and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. Effective July 1, 2018, PERS provided for employee contributions of 7.50% of the employees' annual compensation, as defined. Employers are required to contribute to an actuarially determined rate in PERS. The current PERS rate is 15.98% of covered payroll. The entity's contributions to PERS for the years ended December 31, 2022, 2021, and 2020 were \$22,454.00, \$22,088.00, and \$25,267.00.

The contribution policy for the PFRS is set by N.J.S.A. 43:16 and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. PFRS provides for employee contributions of 10.0% of employees' annual compensation,

**BOROUGH OF GIBBSBORO
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2022 AND 2021**

NOTE 12: PENSION FUNDS (Continued)

as defined. Employers are required to contribute at an actuarially determined rate. The current PFRS rate is 33.25% of covered payroll. The entity's contributions to PFRS for the years ended December 31, 2022, 2021, and 2020 were \$134,509.00, \$96,886.00, and \$102,643.00.

The total payroll for the year ended December 31, 2022, 2021, and 2020 was \$850,494.34, \$811,340.14, and \$823,053.70. Payroll covered by PFRS was \$315,108.00, \$333,278.00, and \$347,565.00. Payroll covered by PERS was \$217,541.00, \$160,879.00, and \$145,050.00.

Significant Legislation

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

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

- New members of the PERS hired on or after June 28, 2011 (Tier 5 members) will need 30 years of creditable service and age 65 for receipt of the early retirement benefit without a reduction of $\frac{1}{4}$ of 1% for each month that the member is under age 65.
- The eligibility age to qualify for a service retirement in the PERS is increased from age 63 to 65 for Tier 5 members.
- The annual benefit under special retirement for new PFRS members enrolled after June 28, 2011 (Tier 3 members), will be 60% instead of 65% of the member's final compensation plus 1% for each year of creditable service over 25 years but not to exceed 30 years.
- Increases in active member contribution rates. PERS active member rates increase from 5.5% of annual compensation to 6.5% plus an additional 1% phased-in over 7 years; PFRS active member rate increase from 8.5% to 10%. For fiscal year 2013, the member contribution rates increased in October 2011. The phase-in of the additional incremental member contribution rates for PERS members will take place in July of each subsequent fiscal year.
- The payment of automatic cost-of-living adjustment (COLA) additional increases to current and future retirees and beneficiaries is suspended until reactivated as permitted by this law.
- New employee contribution requirements towards the cost of employer-provided health benefit coverage. Employees are required to contribute a certain percentage of the cost of coverage. The rate of contribution is determined based on the employee's annual salary and the selected level of coverage. The increased employee contributions will be phased in over a 4-year period for those employed prior to Chapter 78's effective date with a minimum contribution required to be at least 1.5% of salary.
- In addition, this new legislation changes the method for amortizing the pension systems' unfunded accrued liability (from a level percent of pay method to a level dollar of pay).

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

Also, Chapter 1, P.L. 2010 changed the membership eligibility criteria for new members of PERS from the amount of annual compensation to the number of hours worked weekly. Also, it returned the benefit multiplier for new members of PERS to $\frac{1}{60}$ th from $\frac{1}{55}$ th, and it provided that new members of PERS have the retirement allowance calculated using the average annual compensation for the last five years of service instead of the last three years of service. New members of PERS will no longer receive pension service credit from more than one employer. Pension service credit will be earned for the highest paid position only. For new members of the PFRS, the law capped the maximum compensation that can be used to calculate a pension from these

**BOROUGH OF GIBBSBORO
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2022 AND 2021**

NOTE 12: PENSION FUNDS (Continued)

plans at the annual wage contribution base for social security and requires the pension to be calculated using a three-year average annual compensation instead of the last year's salary. This law also closed the Prosecutors Part of the PERS to new members and repealed the law for new members that provided a non-forfeitable right to receive a pension based on the laws of the retirement system in place at the time 5 years of pension service credit is attained. The law also requires the State to make its full pension contribution, defined a 1/7th of the required amount, beginning in fiscal years 2012.

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

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

NOTE 13: PENSION LIABILITIES

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

The following represents the Borough's pension liabilities as June 30, 2021:

Public Employees' Retirement System

The Borough has a liability of \$227,135.00 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2020, that was rolled forward to June 30, 2021. The Borough's proportion of the net pension liability was based on a projection of the Borough's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2021, the Borough's proportion would be 0.0019173161%, which would be a decrease of 5.04% from its proportion measured as of June 30, 2020.

For the year ended December 31, 2021, the Borough would have recognized pension expense of (\$81,942.00). At December 31, 2021, the Borough would report deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected & actual experience	\$ 3,582	\$ 1,626
Changes of assumptions	1,183	80,861
Changes in proportion	2,029	152,621
Net difference between projected and actual earnings on pension plan investments		59,833
Total	\$ 6,794	\$ 294,941

Amounts that would be reported as deferred outflows of resources and deferred inflows of resources related

**BOROUGH OF GIBBSBORO
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2022 AND 2021**

NOTE 13: PENSION LIABILITIES (Continued)

to pensions would be recognized in pension expense as follows:

<u>Year ended June 30,</u>			
2022	\$		(119,952)
2023			(82,043)
2024			(51,381)
2025			(34,935)
2026			165
Total	<u>\$</u>		<u>(288,147)</u>

Actuarial Assumptions

The total pension liability for the June 30, 2021, measurement date was determined by an actuarial valuation as of July 1, 2020, which was rolled forward to June 30, 2021. This actuarial valuation used the following assumptions, applied to all periods in the measurement:

Inflation rate	
Price	2.75%
Wage	3.25%
Salary increases:	
Through 2026	2.00% – 6.00% (based on years of service)
Thereafter	3.00% - 7.00% (based on years of service)
Investment rate of return:	7.00%

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

The actuarial assumptions used in the July 1, 2020, valuation were based on the results of an actuarial experience study for the period July 1, 2014 to June 30, 2018.

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2021) 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)

**BOROUGH OF GIBBSBORO
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2022 AND 2021**

NOTE 13: PENSION LIABILITIES (Continued)

are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2021, are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
US equity	27.00%	8.09%
Non-U.S. developed markets equity	13.50%	8.71%
Emerging markets equity	5.50%	10.96%
Private equity	13.00%	11.30%
Real estate	8.00%	9.15%
Real assets	3.00%	7.40%
High yield	2.00%	3.75%
Private Credit	8.00%	7.60%
Investment grade credit	8.00%	1.68%
Cash equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	0.95%
Risk mitigation strategies	3.00%	3.35%

Discount Rate

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2021. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments in determining the total pension liability.

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

The following presents the Borough's proportionate share of the net pension liability calculated using the discount rate of 7.00%, as well as what the Borough's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (6.00%) or 1-percentage point higher (8.00%) than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Municipality's proportionate share of the net pension liability	\$ 278,013	\$ 227,135	\$ 184,013

Pension plan fiduciary net position.

**BOROUGH OF GIBBSBORO
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2022 AND 2021**

NOTE 13: PENSION LIABILITIES (Continued)

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

Police and Firemen's Retirement System

The Borough has a liability of \$843,567.00 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as July 1, 2020, that was rolled forward to June 30, 2021. The Borough's proportion of the net pension liability was based on a projection of the Borough's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2021, the Borough's proportion would be 0.00115412371%, which would be an increase of 33.08% from its proportion measured as of June 30, 2020.

For the year ended December 31, 2021, the Borough would have recognized pension expense of (\$27,789.00). At December 31, 2021, the Borough would have reported deferred outflows of resources and deferred inflows of resources related to PFRS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected & actual experience	\$ 9,624	\$ 101,051
Changes of assumptions	4,489	252,813
Changes in proportion	451,114	392,747
Net difference between projected and actual earnings on pension plan investments		359,471
Total	<u>\$ 465,227</u>	<u>\$ 1,106,082</u>

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

Year ended June 30,	
2022	\$ (207,733)
2023	(154,787)
2024	(131,677)
2025	(127,084)
2026	(16,731)
Thereafter	(2,844)
Total	<u>\$ (640,855)</u>

Actuarial Assumptions

The total pension liability for the June 30, 2021, measurement date was determined by an actuarial valuation of July 1, 2020, which was rolled forward to June 30, 2021. This actuarial valuation used the following assumptions, applied to all periods in the measurement:

**BOROUGH OF GIBBSBORO
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2022 AND 2021**

NOTE 13: PENSION LIABILITIES (Continued)

Inflation rate	2.75%
Salary increases:	3.25% - 15.25% (based on years of service)
Investment rate of return:	7.00%

Employee mortality rates were based on the Pub-2010 Safety Employee mortality table with a 105.6% adjustment for males and 102.5% adjustment for females. For healthy annuitants, mortality rates were based on the PubS-2010 amount-weighted mortality table with a 96.7% adjustment for males and 96% adjustment for females. Disability rates were based on the Pub-2010 amount-weighted mortality table with a 152% adjustment for males and 109.3% adjustment for females. Mortality improvement is based on Scale MP-2021.

The actuarial assumptions used in the July 1, 2020, valuation were based on the results of an actuarial experience study for the period July 1, 2013 to June 30, 2018.

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2021) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return for each major asset class included in PFRS's target asset allocation as of June 30, 2021, are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
US equity	27.00%	8.09%
Non-U.S. developed markets equity	13.50%	8.71%
Emerging markets equity	5.50%	10.96%
Private equity	13.00%	11.30%
Real assets	8.00%	9.15%
Real estate	3.00%	7.40%
High yield	2.00%	3.75%
Private credit	8.00%	7.60%
Investment grade credit	8.00%	1.68%
Cash equivalents	4.00%	50.00%
U.S. Treasuries	5.00%	95.00%
Risk mitigation strategies	3.00%	3.35%

Discount Rate

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2021. 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 non-employer

**BOROUGH OF GIBBSBORO
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2022 AND 2021**

NOTE 13: PENSION LIABILITIES (Continued)

contributing entity will be made based on 100% of the actuarially determine contributions for the State employer and 100% of actuarially determined contributions for local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments to determine the total pension liability.

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

The following presents the collective net pension liability of the participating employers as of June 30, 2021, calculated using the discount rate as disclosed above as well as what the collective net pension liability would be if it was calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	(6.00%)	(7.00%)	(8.00%)
District's proportionate share of the net pension liability	1,192,069	843,567	553,472

In addition to the PFRS liabilities listed above, a special funding situation exists for the Local employers of the Police and Fire Retirement System of New Jersey. The State of New Jersey, as a non-employer, is required to pay the additional costs incurred by Local employers under 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 June 30, 2021, State special funding situation net pension liability amount of \$2,036,258.082.00 is the accumulated differences between the annual actuarially determined State obligation under the special funding situation and the actual State contribution through the valuation date. The fiscal year ending June 30, 2021, State special funding situation pension expense of \$228,944,734.00 is the actuarially determined contribution amount that the State owes for the fiscal year ending June 30, 2021. The pension expense is deemed to be a State administrative expense due to the special funding situation.

The contribution policy for PFRS is set by N.J.S.A. 43:16A and required contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's contribution amount is based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. For fiscal year 2021, the State contributed an amount less than the actuarially determined amount.

Although the liabilities related to the special funding situation are the liabilities of the State of New Jersey, the proportionate share of the statewide liability allocated to the Municipality was 0.01154123710% for 2021. The net pension liability amount allocated to the Municipality was \$237,253. For the fiscal year ending June 30, 2021, State special funding situation pension expense of \$20,610 is allocated to the Municipality.

Pension plan fiduciary net position.

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

**BOROUGH OF GIBBSBORO
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2022 AND 2021**

NOTE 14: POST-RETIREMENT BENEFITS

General Information about the Plan:

The Southern New Jersey Regional Employee Benefits Fund (the Plan) is a cost-sharing multiple-employer defined benefit other postemployment benefit (OPEB) plan. It covers employees of local government employers that have adopted a resolution to participate in the Plan.

The Borough offers medical and prescription drug coverage to 1 eligible retiree.

The Borough of Gibbsboro contributions for post-retirement benefits for the year ended December 31, 2022, and 2021 were \$6,840.00 and \$6,672.00 respectively.

The Regulatory Basis of Accounting does not permit the accrual of Actuarially determined OPEB Expenses or Liabilities. The Borough reports all OPEB related costs on the "pay as you go" basis. The following information is for disclosure purposes only and has not been accrued in the Financial Statements of the Borough.

The actuarial determined valuation of these benefits has been reviewed and will be reviewed bi-annually for the purpose of estimating the present value of future benefits for active and retired employees and their dependents as required by GASB 75.

The actuarial valuation report was based on 1 total participant including 1 retiree.

Annual OPEB Cost and Net OPEB Liability

The Borough annual OPEB cost represents the accrued cost for post-employment benefits under GASB 75. The cumulative difference between the annual OPEB cost and the benefits paid during a year will result in a net OPEB obligation. The annual OPEB cost is equal to the annual required contribution (ARC) less adjustment if a net OPEB obligation exists. The ARC is equal to the normal cost and amortization of the Unfunded Actuarial Accrued Liability (UAAL) plus interest.

Actuarial Methods and Assumptions

Actuarial valuations of an ongoing plan involve estimates and assumptions about the probability of occurrences of events far into the future, including future employment, mortality and healthcare cost trends. Actuarially determined amounts are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

Demographic assumptions were selected based on those used by the State Division of Pensions and Benefits in calculating pension benefits taken from the July 1, 2021 report from Cheiron. While some assumptions were simplified to reflect the smaller population, and to simplify the valuation process, the valuation results reasonably conform to the requirements of LFN 2007-15.

Health care (economic) assumptions were selected based on those used by the State Health Benefits Program in calculating SHBP member OPEB requirements taken from the July 1, 2021 report from Aon Consultants.

Total OPEB Liability and Net OPEB Liability

The Total OPEB Liability ("TOL") is the actuarial accrued liability. The Net OPEB Liability ("NOL") is the TOL less the Fiduciary Net Position (assets). Since there are no plan assets to offset the liability, the two are equal.

**BOROUGH OF GIBBSBORO
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2022 AND 2021**

NOTE 14: POST-RETIREMENT BENEFITS (Continued)

Total OPEB Liability Active	\$	-
Total OPEB Liability Retired		43,719.00
Total OPEB liability		<u>43,719.00</u>
Plan Fiduciary Net Position	\$	-
Net OPEB Liability		43,719.00
Net Position/OPEB Liability		0.00%

Sensitivity Impact of 1% Change in the Discount Rate.

Actuarial measurements are sensitive to changes in actuarial assumptions and where actual experience differs from assumptions. If the discount rate were to increase by 1% per annum, the NOL would decrease and if it were to decrease by 1% the NOL would increase.

	1% Decrease	Current Discount Rate	1% Increase
	<u>2.72%</u>	<u>3.72%</u>	<u>4.72%</u>
Total OPEB Liability	\$ <u>45,528</u>	\$ <u>43,719</u>	\$ <u>40,370</u>

Sensitivity Impact of 1% Change in the Trend Rate.

Actuarial measurements are sensitive to changes in actuarial assumptions and where actual experience differs from assumptions. If medical trend were to increase by 1% per annum, the NOL would increase and if it were to decrease by 1% the NOL would decrease.

	1% Decrease	Current Healthcare Trend	1% Increase
Total OPEB Liability	\$ <u>40,945</u>	\$ <u>43,719</u>	\$ <u>45,015</u>

The following reflects the change in the Total OPEB Liability for the year ended December 31, 2022.

**BOROUGH OF GIBBSBORO
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2022 AND 2021**

NOTE 14: POST-RETIREMENT BENEFITS (Continued)

	<u>2022</u>	<u>2021</u>
OPEB Liability, Beginning of Year	\$ 43,133	46,173
Changes for the Year:		
Service Cost		-
Interest	819	906
Assumption Changes & Difference		
Between Actual & Expected Experience	(1,941)	2,894
Changes in Assumptions	8,548	-
Benefit Payments	-6,840	(6,840)
OPEB Liability, End of Year	\$ <u>43,719</u>	<u>43,133</u>
Covered payroll (for Covered Participants)	\$ N/A	N/A
Total OPEB liability as a percentage of covered payroll	N/A	N/A

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

For the year ended December 31, 2022, the Borough's Actuarially determined OPEB expense was (\$9,209). As of December 31, 2022, the Borough reported deferred outflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference Between Expected and Actual Experience	\$	(44,225)
Change of Assumptions	10,085	
Total	\$ <u>10,085</u>	\$ <u>(44,225)</u>

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

For the Year Ending December 31,	
2023	\$ (10,028)
2024	(10,028)
2025	(10,028)
2026	(5,565)
2027	1,102
Thereafter	407
	\$ <u>(34,140)</u>

**BOROUGH OF GIBBSBORO
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2022 AND 2021**

NOTE 15: ACCRUED SICK AND VACATION BENEFITS

During the year ended December 31, 2000, the Borough implemented a compensated absences program for the Police Department only. Police department employees were permitted to accrue unused sick time, which may be taken as time off or paid at a later date at an agreed upon rate. This amount is not reported either as an expenditure or liability due to the likelihood of all employees terminating in one fiscal year being improbable. The monetary value of these earned and unused employee benefits has not been accrued by either charges to operations or to budgets or prior years, although in some cases they might be material, since the realization of this liability may be affected by conditions which preclude an employee from receiving full payment of the accrual. It is estimated that the cost for the most current calendar year of such unpaid compensation would approximate \$11,832.31 in 2022 and \$12,686.42 in 2021.

NOTE 16: ECONOMIC DEPENDENCY

The Borough of Gibbsboro is not economically dependent on any one business or industry as a major source of tax revenue for the entity.

NOTE 17: RISK MANAGEMENT

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

Property and Liability Insurance - The entity maintains commercial insurance coverage for property, liability and surety bonds. During the year ended December 31, 2022, and 2021 the entity did not incur claims in excess of their coverage and the amount of coverage did not significantly decrease.

The entity is a member of the Camden County Joint Insurance Fund (JIF) and the Municipal Excess Liability Fund (MEL) which also includes other municipalities throughout the region. The entity is obligated to remit insurance premiums into these funds for sufficient insurance coverage. There is an unknown contingent liability with the Camden County Municipal Joint Insurance Fund if there is a catastrophic insurance claim from any member of the fund. The entity has a general liability insurance under JIF and MEL.

NOTE 18: DEFERRED COMPENSATION

The Borough does not offer its employees a deferred compensation plan.

NOTE 19: CONTINGENT LIABILITIES

Grantor Agencies

The Borough receives financial assistance from the State of New Jersey and the U.S. government in the form of grants. Entitlement to the funds is generally conditional upon compliance with the terms and conditions of the grant agreements and applicable regulations, including the expenditure of the funds for eligible purposes. Substantially all grants, entitlements and costs reimbursements are subject to financial and compliance audits by grantors. As a result of these audits, costs previously reimbursed could be disallowed and require repayment to the grantor agency. As of December 31, 2022, the Borough estimates that no material liabilities will result from such audits.

Litigation

From time to time, the entity is a defendant in legal proceedings relating to its operations as a Borough. In the best judgment of the entity's management, the outcome of any present legal proceedings will not have any adverse material effect on the accompanying financial statements.

**BOROUGH OF GIBBSBORO
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2022 AND 2021**

Tax Appeals

Losses arising from tax appeals are recognized at the time a decision is rendered by an administrative or judicial body; however, municipalities may establish reserves transferred from tax collections or by budget appropriations for future payments of tax appeal losses. There are no significant pending tax appeals as of December 31, 2022.

NOTE 19: INTERFUND BALANCES

During the most current calendar year ended December 31, 2022, the following inter-funds were included on the balance sheets of the various funds of the Borough of Gibbsboro:

	<u>Due From</u>	<u>Due To</u>
Current Fund:		
Animal Control Fund	\$ 17.38	
CCO Trust	6,360.00	
General Capital Fund		21,625.43
Grant Fund		135,020.16
Open Space Trust		199,845.89
Sewer - Operating		1,296.88
Sewer - Capital	24,000.00	
Trust Other		3,346.91
Grant Fund:		
Current Fund	135,020.16	
General Capital Fund		244,739.66
General Capital Fund:		
Current Fund	21,625.43	
Sewer Capital	266,985.41	
Grant Fund	244,739.66	
Sewer Operating:		
Current Fund	1,296.88	
Sewer Capital	110,445.53	
Sewer Capital Fund:		
Current Fund		24,000.00
General Capital Fund		266,985.41
Sewer Operating		110,445.53
Trust Other Fund:		
Current - Trust Other	3,346.91	
Construction Code Official		6,360.00
Open Space Trust	199,845.89	
Animal Control Fund:		
Current Fund		17.38
	<u>\$ 1,013,683.25</u>	<u>1,013,683.25</u>

The significant amount due to the Grant fund from the Current fund is due to the Borough only having one bank account to disburse from for Current and Grant expenditures. The interfund loan to Open Space was a result of a \$200,000.00 loan during 2022. The interfund due General Capital from the grant fund was due to grant reimbursements for capital items. The remaining inter-funds are due to amounts that should have been transferred to the proper bank accounts.

**BOROUGH OF GIBBSBORO
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2022 AND 2021**

NOTE 20: SUBSEQUENT EVENTS

Capital Ordinances

On March 14, 2023, the Borough Council adopted capital ordinances 2023-02, 2023-03 and 2023-.04 which authorized the following projects to be completed. This bond ordinance increases the Borough’s authorized debt by \$540,550.00. See table below.

Project	Appropriation and Estimated Cost	Estimated Maximum Amount of Bonds & Notes
Preliminary Studies and Land Acquisition for Redevelopment Projects	\$ 200,000.00	\$ 190,000.00
Purchase of Safety Equipment	60,000.00	57,000.00
Design, Construction and Inspection of Multi-purpose paths and sidewalks	850,000.00	293,550.00
Total	<u>\$ 1,110,000.00</u>	<u>\$ 540,550.00</u>

Management has reviewed and evaluated all events and transactions that occurred between December 31, 2022, and May 19, 2023, the date that the financial statements were available for issuance, for possible disclosure and recognition in the financial statements. No items have come to the attention of the Borough that would require disclosure.

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BOROUGH OF GIBBSBORO

SINGLE AUDIT SECTION

FOR THE YEAR ENDED

DECEMBER 31, 2022

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FORD - SCOTT

& ASSOCIATES, L.L.C.

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

To the Honorable Mayor and
Members of the Borough Commission
Borough of Gibbsboro
County of Camden, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements – regulatory basis, as listed in the accompanying table of contents, of the Borough of Gibbsboro, State of New Jersey, as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the Borough's basic financial statements, and have issued our report thereon dated May 19, 2023, which was adverse due to being presented in accordance with the New Jersey Regulatory Basis of Accounting. Our report disclosed that, as described in Note 1 to the financial statements, the Borough of Gibbsboro prepares its financial statements on a basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division"), that demonstrates compliance with a modified accrual basis of accounting and the budget laws of the State of New Jersey.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Borough's control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements but not for the purpose of expressing an opinion on the effectiveness of 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 a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

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

Leon P. Costello
Leon P. Costello
Certified Public Accountant
Registered Municipal Accountant
No. 393

May 19, 2023



FORD - SCOTT

& ASSOCIATES, L.L.C.

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INDEPENDENT AUDITOR'S REPORT **ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER** **COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE & NJ OMB 15-08**

The Honorable Mayor and
Members of Borough Council
Borough of Gibbsboro
County of Camden, New Jersey

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Borough of Gibbsboro's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* and NJ OMB 15-08 that could have a direct and material effect on each of Gibbsboro's major federal programs for the year ended December 31, 2022. The Borough of Gibbsboro's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

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

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and NJ OMB 15-08. Our responsibilities under those standards, OMB Circular Uniform Guidance and NJ OMB 15-08 are further described in the Auditor's Responsibilities for the Audit of Compliance section of this report.

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Borough of Gibbsboro's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance and NJ OMB 15-08 will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Borough of Gibbsboro's compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Borough of Gibbsboro's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Borough of Gibbsboro's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and NJ OMB 15-08, but not for the purpose of expressing an opinion on the effectiveness of Borough of Gibbsboro's internal control over compliance. Accordingly, no such opinion is expressed.

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

Other Matters

The results of our auditing procedures disclosed no instances of noncompliance which are required to be reported in accordance with the Uniform Guidance or NJ OMB 15-08.

Report on Internal Control Over Compliance

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

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular Uniform Guidance and NJ OMB 15-08. Accordingly, this report is not suitable for any other purpose.

Ford, Scott & Associates, L.L.C.
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Leon P. Costello
Leon P. Costello
Certified Public Accountant
Registered Municipal Accountant
No. 393

May 19, 2023

**BOROUGH OF GIBBSBORO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2022**

Federal Grantor/ Pass-Through Grantor/ Program Title	Assistance Listing Number	Award ID	Grant Period		Program or Award Amount	Receipts or Revenue Recognized	Budgetary Expenditures		(MEMO) Passed Through to Sub-Recipients	
			From	To			Pass Through	Direct		Total
US Department of Transportation Highway Planning and Construction Cluster Highway Planning and Construction - Phase V Bikeway & Streetscape	20.205	TAP-0561-(303) FAP-2018	7/1/2018	11/15/26	1,001,002.00	-	-	837,332.01	837,332.01	-
U.S. Department of Treasury Pass Through State of New Jersey Coronavirus State and Local Fiscal Recovery Funds	21.027		3/13/2020	Complete	217,879.05	-	-	3,920.00	3,920.00	-
Total U.S. Department of Treasury						-	-	3,920.00	3,920.00	-
Total Federal Assistance						\$ -	\$ -	841,252.01	841,252.01	-

**BOROUGH OF GIBBSBORO
NOTES TO SCHEDULE EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
YEAR ENDED DECEMBER 31, 2022**

Note 1: General

The accompanying schedules of expenditures of federal awards and state financial assistance includes federal and state award activity of the Borough of Gibbsboro. The Borough’s basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which a comprehensive basis of accounting other than generally accepted accounting principles and is described in Note 1 to the Borough's basic financial statements. Encumbrances are considered in determining single audit threshold for major programs. The Borough has elected not to use the 10% de minimis indirect cost rate.

Note 2: Relationship to General Purpose Financial Statements

Amounts reported in the accompanying schedule do not agree with amounts reported in the Borough’s financial statements. Receipts from Federal and State grants are realized as revenue when anticipated in the Borough’s budget. Expenditures are recognized when they become payable. Following is a reconciliation of expenditures:

Expenditures per Schedule of Federal Awards	\$ 841,252.01
Less: DOT in General Capital	(244,330.01)
Less: American Rescue Funds in General Capital	(3,920.00)
Expenditures reported on Schedule A-12	<u>\$ 593,002.00</u>

Note 3: Federal and State Loans Outstanding

The following table shows the outstanding loan balances as of December 31, 2022.

United State Department of Agriculture Loans (USDA)

Water Treatment Plan Loan 2015	\$ 400,922.08
Loans reported on Schedule D-14	<u>\$ 400,922.08</u>

New Jersey Infrastructure Bank (NJIB)

Sewer Improvements 2010	\$ 130,000.00
Loans report on Schedule D-13	<u>\$ 130,000.00</u>

**BOROUGH OF GIBBSBORO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDING DECEMBER 31, 2022**

Exhibit K-6

Section I – Summary of Auditor’s Results

Financial Statements

Type of auditor’s report issued:	An Unmodified Opinion was issued on the Basic Financial Statements, dated May 19, 2023
Internal control over financial reporting:	
1) Material weakness identified?	No
2) Significant deficiencies identified?	None reported
Noncompliance material to basic financial statements noted?	No

Federal Awards

Internal control over major programs:	
1) Material weakness identified?	No
2) Significant deficiencies identified?	None reported
Type of auditor’s report issued on compliance for major programs:	An Unmodified Opinion was issued on compliance for major programs, dated May 19, 2023
Any audit findings disclosed that are required to be reported in accordance with section .510(a) of Uniform Guidance?	No

Identification of major programs:

<u>Assistance Listing Number(s)</u>	<u>Name of Federal Program or Cluster</u>
20.205	Highway Planning and Construction

Dollar threshold used to distinguish between type A and type B programs:	\$750,000
Auditee qualified as low-risk auditee?	No

**BOROUGH OF GIBBSBORO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDING DECEMBER 31, 2022
(CONTINUED)**

Exhibit K-6

Section I – Summary of Auditor’s Results (Continued)

State Awards – Not applicable

Dollar threshold used to distinguish between type A and
Type B Programs:

Auditee qualified as low-risk auditee?

Type of auditor’s report issued on compliance
for major programs:

Internal Control over major programs:

- 1) Material weaknesses identified?
- 2) Significant deficiencies identified?

Any audit findings disclosed that are required to be reported
In accordance with NJ OMB Circular Letter 15-08?

Identification of major programs:

GMIS Number(s)

Name of State Program

Section II - Financial Statement Findings

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

**BOROUGH OF GIBBSBORO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDING DECEMBER 31, 2022
(CONTINUED)**

Exhibit K-6

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

FEDERAL AWARDS

Our audit disclosed no matters to be reported.

STATE AWARDS

Not applicable.

Exhibit K-7

***SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT***

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

Financial Statement Findings

No matters were reported.

Federal:

No matters were reported.

State:

No matters were reports.

SUPPLEMENTARY INFORMATION

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**CURRENT FUND
SCHEDULE OF CASH - TREASURER**

	Current Fund	Grant Fund
Balance December 31, 2021	\$ 1,711,508.86	-
Increased by Receipts:		
Taxes Receivable	9,242,373.74	
Homestead Rebate	125,017.26	
Tax Title and Other Liens	1,734.09	
Prepaid Taxes	116,128.00	
Tax Overpayments	23,685.00	
Revenue Accounts Receivable	552,840.28	
Payroll Taxes Payable	918,256.13	
Petty Cash Returned	200.00	
Due State for Marriage Licenses	200.00	
Reserve for Municipal Relief Fund	14,750.54	
Due State for Vets and Seniors	21,392.47	
Due to Sewer Operating	556.04	
Due from Current Fund		259,560.81
Due from General Capital	1,421,619.67	369,739.66
Due to Open Space Trust	200,000.00	
PILOT Payments Due County	858.45	
Due from TTL Redemption	398.27	
Due from Trust Other	6.00	
Federal and State Grants Unappropriated		3,430.09
Federal and State Receivables		71,465.67
	12,640,015.94	704,196.23
	14,351,524.80	704,196.23
Decreased by Disbursements:		
Current Year Appropriation	2,604,959.49	
Prior Year Appropriations	119,274.49	
Petty Cash Issued	200.00	
County Taxes	2,024,650.90	
Prior Year County Added/Omitted Taxes	1,109.38	
Local District School Taxes	3,626,401.00	
Regional School Taxes	1,803,828.00	
Local Open Space Taxes	51,426.69	
Due State for Marriage Licenses	225.00	
Refund of Tax Overpayments	11,040.09	
Prior Year Tax Overpayments Refunded	10,016.53	
Refund of Prior Year Revenue	8,030.00	
PILOT Payments Due County	858.45	
Payroll Taxes Payable	918,187.29	
Petty Cash	200.00	
Due from Grant Fund	259,560.81	
Due to Sewer Operating	242.40	
Due to General Capital	1,556,192.00	125,000.00
Due from Fire Official	39,982.50	
Due to Trust Other	6.00	
Federal and State Disbursements		579,196.23
	13,036,391.02	704,196.23
Balance December 31, 2022	\$ <u>1,315,133.78</u>	<u>-</u>

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

Year	Balance Dec. 31, 2021	Current Year Levy	Added Taxes	Collections by Cash		Overpayments Applied	Transferred To Tax Title Lien	Canceled	Balance Dec. 31, 2022
				2021	2022				
Arrears									
2016	\$ 241.75								241.75
2021	2,342.69		8,876.83		256.05	4,118.05		3,547.72	3,297.70
	2,584.44	-	8,876.83	-	256.05	4,118.05	-	3,547.72	3,539.45
2022	-	9,406,073.79	138,764.32	133,157.86	9,388,527.42	12,612.95	5,519.42	5,020.46	0.00
	\$ 2,584.44	9,406,073.79	147,641.15	133,157.86	9,388,783.47	16,731.00	5,519.42	8,568.18	3,539.45

9,242,373.74	Cash Receipts
125,017.26	Homestead Rebate
21,392.47	Senior Citizens and Veterans
	Other
<u>9,388,783.47</u>	

Analysis of Current Year Tax Levy

Tax Yield:	
General Property Tax	9,406,073.79
Added Taxes (54:4-63.1 et. Seq.)	<u>138,764.32</u>
	<u>9,544,838.11</u>
Tax Levy:	
General County Taxes	1,850,511.60
County Library Taxes	122,676.43
County Open Space Taxes	51,462.87
County Added and Omitted Taxes	<u>29,912.93</u>
Total County Taxes	2,054,563.83
Local School District Tax	3,626,401.00
Additional Local Open Space Tax	51,426.69
Regional School District Tax	1,440,979.00
Local Tax for Municipal Purposes	2,261,745.42
Add: Additional Tax Levied	<u>109,722.17</u>
	<u>2,371,467.59</u>
	<u>9,544,838.11</u>

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

Balance December 31, 2021	\$	25,555.29
Increased by:		
Transfers from Taxes Receivable	5,519.42	
Utility Lien - CCMUA	2,535.32	
Interest and Costs Accrued by Sale of December 28, 2022	265.76	
	<hr/>	<hr/> 8,320.50
		33,875.79
Decreased by:		
Collections	1,734.09	
Adjustment to Lien - CCMUA	5,163.39	
	<hr/>	<hr/> 6,897.48
Balance December 31, 2022	\$	<u><u>26,978.31</u></u>
Breakdown of Liens		
CCMUA		2,722.89
Municipal		<hr/> 24,255.42
		<hr/> <u><u>26,978.31</u></u>

**CURRENT FUND
SCHEDULE OF SENIOR CITIZEN AND VETERAN'S DEDUCTIONS**

Balance December 31, 2021	\$	12,101.58
Increased by:		
Receipts		<hr/> 21,392.47
		33,494.05
Decreased by:		
Deductions per Duplicate	21,250.00	
Deductions Allowed per Tax Collector	1,250.00	
Deductions Disallowed per Collector	<hr/> (1,107.53)	
		<hr/> 21,392.47
Balance December 31, 2022		<u><u>12,101.58</u></u>

CURRENT FUND
SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE

	Balance Dec. 31, 2021	Accrued in 2022	Collected by Treasurer	Balance Dec. 31, 2022
Licenses:				
Alcoholic Beverages	\$	5,626.00	5,626.00	
Fines and Costs:				
Municipal Court	1,017.50	37,263.65	32,912.21	5,368.94
Interest and Costs on Taxes		36,527.45	36,527.45	
Energy Receipts Tax		282,773.00	282,773.00	
Uniform Construction Code Fees		35,963.00	35,963.00	
Miscellaneous Revenue Not Anticipated:				
Fees & Permits		7,073.75	5,783.75	1,290.00
Interest Earned on Investments		5,736.85	5,736.85	
Cable TV Franchise Fees		8,859.56	8,859.56	
Police Reports		1,023.84	1,023.84	
Animal Fees		388.00	388.00	
PILOT Payments		16,310.55	16,310.55	
Miscellaneous Clerk Receipts		1,189.54	1,189.54	
Miscellaneous Revenue		46,004.79	46,004.79	
Prior Year Refund		20,380.00	20,380.00	
Tax Miscellaneous Fees		667.80	667.80	
Construction Miscellaneous Fees		12,382.00	12,382.00	
Admin Fee Vets & Senior		427.85	427.85	
Fire Safety Fees Current Year		8,752.00	8,752.00	
Fire Safety LEA Rebate Current Year		4,767.75	4,767.75	
Fire Safety Fees & Rebate Prior Year		26,364.34	26,364.34	
	<u>1,017.50</u>	<u>558,481.72</u>	<u>552,840.28</u>	<u>6,658.94</u>

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

	Balance December 31, 2021	Balance After	Paid or	Balance
	Encumbered	Transfers	Charged	Lapsed
OPERATIONS WITHIN "CAPS"				
GENERAL GOVERNMENT:				
Mayor and Council	\$ -	72.00		72.00
Salaries and Wages		140.00		140.00
Other Expenses				
Municipal Clerk		12,506.76		12,506.76
Salaries and Wages	2,063.91	3,451.98	2,575.31	876.67
Other Expenses				
Financial Administration		654.00		654.00
Salaries and Wages	2,184.25	3,626.25	2,300.75	1,325.50
Other Expenses				
Audit Services		1,500.00		1,500.00
Other Expenses				
Revenue Administration (Tax Collection)		575.88		575.88
Salaries and Wages	53.80	2,006.19	53.80	1,952.39
Other Expenses				
Tax Assessment Administration		1,407.10		1,407.10
Salaries and Wages	718.55	2,039.00	718.55	1,320.45
Other Expenses				
Legal Services		9,435.80		8,238.30
Other Expenses	446.96		1,197.50	
Engineering Services and Costs		9,733.50		9,733.50
Other Expenses				
LAND USE ADMINISTRATION				
Planning Board		3,583.00		3,583.00
Salaries and Wages	165.05	2,750.28	650.80	2,099.48
Other Expenses	2,729.42	20,055.75	3,212.18	16,843.57
Preparation of a Master Plan				

See Accompanying Auditor's Report

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

	Balance December 31, 2021	Balance After	Paid or	Balance
	Encumbered	Transfers	Charged	Lapsed
	Reserved			
PUBLIC SAFETY				
Fire Department				
Fire Hydrant Service	2,375.33	2,375.33		2,375.33
Fire Safety Official				
Salaries and Wages	1,330.49	1,330.49		1,330.49
Other Expenses	2,002.17	2,002.17	186.48	1,815.69
Police Department				
Salaries and Wages	27,367.85	27,367.85		27,367.85
Other Expenses	4,273.65	14,172.89	11,374.65	2,798.24
Office of Emergency Management				
Salaries and Wages	1,753.00	1,753.00		1,753.00
Other Expenses	382.21	382.21		382.21
Municipal Prosecutor				
Salaries and Wages	1,029.40	1,029.40		1,029.40
Municipal Court				
Salaries and Wages	1,035.00	1,035.00		1,035.00
Other Expenses	1,439.08	3,026.08	1,587.00	1,439.08
Public Defender				
Salaries and Wages	98.72	98.72		98.72
PUBLIC WORKS				
Public Works				
Salaries and Wages	581.78	581.78		581.78
Other Expenses	6,710.77	11,245.55	7,509.03	3,736.52
Public Buildings and Grounds				
Other Expenses	1,377.35	2,244.35	2,223.92	20.43
Recycling Program				
Contractual	71,076.64	104,832.08	71,076.64	33,755.44
Garbage and Trash Removal				
Contractual	6,461.73	28,871.91	12,786.95	16,084.96

See Accompanying Auditor's Report

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

	Balance December 31, 2021	Balance After	Paid or	Balance
	Encumbered	Transfers	Charged	Lapsed
	Reserved			
HEALTH AND HUMAN SERVICES				
Dog Regulation	350.00	273.78	350.00	273.78
Other Expenses				
Environmental Commission		623.78		
Other Expenses	530.00	530.00		530.00
PARKS AND RECREATION				
Library				
Salaries and Wages	3,000.00	3,000.00		3,000.00
Other Expenses	1,000.00	1,000.00		1,000.00
Senior Citizen's Program				
Other Expenses	1,318.23	1,318.23		1,318.23
INSURANCE				
Insurance				
General Liability	1,750.00	1,750.00		1,750.00
Employee Group Health	20,112.46	20,112.46		20,112.46
Other Insurance Premiums	250.00	250.00		250.00
Health Benefit Waiver - Salaries and Wages	4,000.00	4,000.00		4,000.00
UNIFORM CONSTRUCTION CODE				
State Uniform Construction Code				
Construction Official				
Salaries and Wages	3,518.13	3,518.13		3,518.13
Other Expenses	934.34	934.34		934.34
Plumbing Inspector			105.88	
Salaries and Wages	2,815.00	2,815.00		2,709.12
Electrical Inspector				
Salaries and Wages	2,815.00	2,815.00		2,815.00
Fire Inspector				
Salaries and Wages	3,064.20	3,064.20		3,064.20
Fire Official - Sub Code				
Salaries and Wages	2,815.00	2,815.00		2,815.00

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

	Balance December 31, 2021 Encumbered	Reserved	Balance After Transfers	Paid or Charged	Balance Lapsed
Building SubCode Inspector Salaries and Wages		11,056.02	11,056.02		11,056.02
UNCLASSIFIED					
Celebration of Public Events Other Expenses	1,254.62	2,528.17	3,782.79	1,365.05	2,417.74
UTILITY EXPENSES AND BULK PURCHASES					
Street Lighting		5,023.05	5,023.05		5,023.05
REGULATORY EXPENDITURES					
Contribution to:					
DCRP		500.00	500.00		500.00
Social Security System (O.A.S.I.)		20,720.45	20,720.45		20,720.45
Unemployment Compensation Insurance		2,812.43	2,812.43		2,812.43
	<u>\$ 104,903.30</u>	<u>263,423.88</u>	<u>368,327.18</u>	<u>119,274.49</u>	<u>249,052.69</u>

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

Balance December 31, 2021			
School Tax Payable	\$	-	
School Tax Deferred		-	
		<u> </u>	\$ -
Increased by:			
Levy - School Year July 1, 2022 to June 30, 2023			<u>3,626,401.00</u>
			3,626,401.00
Decreased by:			
Payments			<u>3,626,401.00</u>
Balance December 31, 2022			
School Tax Payable		-	
School Tax Deferred		-	
		<u> </u>	<u> </u>
Current Year Liability for Local School District School Tax:			
Tax Paid			3,626,401.00
Tax Payable Ending			<u> </u>
			3,626,401.00
Less: Tax Payable Beginning			<u> </u>
Amount charged to Current Year Operations			<u><u>\$ 3,626,401.00</u></u>

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

Balance December 31, 2021			
School Tax Payable	\$	361,094.50	
School Tax Deferred		<u>362,000.00</u>	
			\$ 723,094.50
Increased by:			
Levy - School Year July 1, 2022 to June 30, 2023			<u>1,440,979.00</u>
			2,164,073.50
Decreased by:			
Payments			<u>1,803,828.00</u>
Balance December 31, 2022			
School Tax Deferred		<u>360,245.50</u>	
			<u><u>360,245.50</u></u>
Current Year Liability for Local School District School Tax:			
Tax Paid			1,803,828.00
Tax Payable Ending			<u>-</u>
			1,803,828.00
Less: Tax Payable Beginning			<u>361,094.50</u>
Amount charged to Current Year Operations			<u><u>\$ 1,442,733.50</u></u>

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

<u>Purpose</u>	Balance Dec. 31, 2021	Budgeted From 2022 Revenues	Received	Transfer from Unappropriated Reserves	Canceled	Balance Dec. 31, 2022
FEDERAL GRANTS:						
USDA Forest Service Grant 2017-2018	\$ 3,000.00		17,000.00			3,000.00
Community Block Grant - 2022-2023		17,000.00				-
Federal Highway Administration Grant TAP-0561		593,002.00				593,002.00
Total Federal	<u>3,000.00</u>	<u>610,002.00</u>	<u>17,000.00</u>	<u>-</u>	<u>-</u>	<u>596,002.00</u>
STATE GRANTS:						
Clean Communities - 2019	\$ 5,289.83					5,289.83
Clean Communities - 2022		5,160.55	5,160.55			
Recycling Tonnage Grant - 2022		4,853.07	1,515.12	3,337.95		
Body Armor Replacement - 2022		1,052.44		1,052.44		
Drunk Driving Enforcement - 2022		1,140.00	1,140.00			
Camden County Open Space - Bikeway	25,000.00		25,000.00			
County Recreation Facility Enhancement Program		25,000.00				25,000.00
Camden County Historic Preservation Grant		100,000.00			50,000.00	50,000.00
DMV Inspections - 2022		100.00	50.00			
Safe and Secure Communities - 2022		16,200.00	14,700.00			1,500.00
Safe and Secure Communities - 2020	6,900.00		6,900.00			
Total State	<u>37,189.83</u>	<u>153,506.06</u>	<u>54,465.67</u>	<u>4,440.39</u>	<u>50,000.00</u>	<u>81,789.83</u>
Total	<u>\$ 40,189.83</u>	<u>763,508.06</u>	<u>71,465.67</u>	<u>4,440.39</u>	<u>50,000.00</u>	<u>677,791.83</u>

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

	Balance December 31, 2021		2022		Cancellations	Balance Dec. 31, 2022
	Appropriated	Reserve for Encumbrances	Appropriations	Disbursed		
FEDERAL GRANTS:						
Community Block Grant - 2017-2018	24,400.00					24,400.00
Community Block Grant - 2018-2019	13,500.00					13,500.00
Community Block Grant - 2019-2020	1,338.42					1,338.42
Community Block Grant - 2020-2021	13,900.00					13,900.00
Community Block Grant - 2021-2022	18,409.00					18,409.00
Community Block Grant - 2022-2023			17,000.00			17,000.00
USDA Forest Service Grant 2019-2020	1,196.04		593,002.00	450,634.77		1,196.04
Federal Highway Administration Grant TAP-0561				142,367.23		(0.00)
Total Federal	72,743.46	-	610,002.00	450,634.77	-	89,743.46
STATE GRANTS:						
2006 Bikeway	52,373.77					52,373.77
Alcohol Rehabilitation Program - 2007	1,895.74					1,895.74
Alcohol Rehabilitation Program - 2008	2,311.60					2,311.60
Alcohol Rehabilitation Program - 2010	742.55					742.55
Alcohol Rehabilitation Program - 2011	201.09					201.09
Alcohol Rehabilitation Program - 2013	647.24					647.24
Alcohol Rehabilitation Program - 2014	211.10					211.10
Alcohol Rehabilitation Program - 2015	177.24					177.24
Alcohol Rehabilitation Program - 2016	530.40					530.40
Alcohol Rehabilitation Program - 2017	4,918.24					4,918.24
Alcohol Rehabilitation Program - 2018	1,042.21					1,042.21
Alcohol Rehabilitation Program - 2019	482.25					482.25
Alcohol Rehabilitation Program - 2020	666.83					666.83
Body Armor Replacement - 2022			1,052.44			1,052.44
Clean Communities - 2015	5,846.82					5,846.82
Clean Communities - 2016	7,615.59					7,615.59
Clean Communities - 2017	5,029.59					5,029.59
Clean Communities - 2018	9,436.93					9,436.93
Clean Communities - 2019	5,289.83					5,289.83
Clean Communities - 2020	15,349.07					15,349.07
Clean Communities - 2021	5,074.89					5,074.89
Clean Communities - 2022			5,160.55			5,160.55
County Open Space Trust - Rec. Facilities	5,330.25					5,330.25
County Recreation Facility Enhancement 2021	25,000.00					25,000.00
County Recreation Facility Enhancement 2022			25,000.00	1,786.42		
Camden County Historic Preservation Grant			100,000.00	4,590.00	50,000.00	
DMV Inspections - 2014-2015	1,500.00					1,500.00
DMV Inspections - 2015-2016	751.84					751.84
DMV Inspections - 2016-2017	1,000.50					1,000.50
DMV Inspections - 2017-2018	1,326.17					1,326.17
DMV Inspections - 2018-2019	2,352.28					2,352.28
DMV Inspections - 2019-2020	150.00					150.00
DMV Inspections - 2022			100.00			100.00
Drunk Driving Enforcement - 2018	2,321.00			550.00		1,771.00
Drunk Driving Enforcement - 2022			1,140.00			1,140.00
Emergency Road Repair	843.65					843.65
Library - Compact Disc Antitrust	575.00					575.00

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

	Balance December 31, 2021		2022		Encumbrances	Cancellations	Balance Dec. 31, 2022
	Appropriated	Reserve for Encumbrances	Appropriations	Disbursed			
Recycling Tonnage Grant - 2018	987.85			650.00			337.85
Recycling Tonnage Grant - 2019	15,222.36			480.00			14,742.36
Recycling Tonnage Grant - 2022			4,853.07				4,853.07
Safe and Secure - 2020-21	42,079.77			42,079.77			0.00
Safe and Secure - 2021-22	110,000.00				110,000.00		-
Safe and Secure - 2022			115,338.00	78,425.27			36,912.73
Title Association of NJ Environmental Commission	889.50						889.50
New Jersey Trails - 2016	24,000.00						24,000.00
Total State	354,173.15	-	252,644.06	128,561.46	23,213.58	160,000.00	295,042.17
Total Federal and State :	426,916.61	-	862,646.06	579,196.23	165,580.81	160,000.00	384,785.63

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

<u>Purpose</u>	Balance Dec. 31, 2021	Transferred To 2022 Budget	Received	Transfer to General Capital	Balance Dec. 31, 2022
FEDERAL GRANTS:					
COVID Stimulus - American Rescue Plan	116,077.42			101,801.62	14,275.80
Community Block Grant - 2022-2023			774.40		774.40
Total Federal	<u>116,077.42</u>	<u>-</u>	<u>774.40</u>	<u>101,801.62</u>	<u>15,050.20</u>
STATE GRANTS:					
Body Armor Replacement Fund - 2020-21	\$ 1,052.44	1,052.44	1,773.96		1,773.96
DMV Inspections - 2021	50.00	50.00	250.00		250.00
Recycling Tonnage Grant - 2020-21	3,337.95	3,337.95			-
Alcohol Education Rehabilitation			631.73		631.73
Total State	<u>4,440.39</u>	<u>4,440.39</u>	<u>2,655.69</u>	<u>-</u>	<u>2,655.69</u>
	<u>\$ 120,517.81</u>	<u>4,440.39</u>	<u>3,430.09</u>	<u>101,801.62</u>	<u>17,705.89</u>

**TRUST FUND
SCHEDULE OF ANIMAL CONTROL CASH - TREASURER**

Balance December 31, 2021		\$	1,258.16
Increased By Receipts:			
Dog Licenses Fees	\$	3,442.60	
State License Fees		263.40	
Interest Earned		8.62	
			3,714.62
			4,972.78
Decreased By Disbursements:			
State of New Jersey		265.80	
Animal Control Expenditures		2,170.00	
			2,435.80
Balance December 31, 2022		\$	2,536.98

**TRUST FUND
SCHEDULE OF OTHER TRUST CASH**

	Treasurer	Collector
Balance December 31, 2021	656,554.11	\$ 839,503.49
Increased By Receipts:		
Tax Title Lien Redemption:		
Redemption of Tax Sale Certificates		262,610.02
Premiums		260,600.00
Due to Current		8,602.44
Due to Sewer Operating		7.68
Due Camden County MUA		6,861.75
Trust Other :		
Due Current Fund - Interest Earned	770.05	
Due Current Fund - Payroll	722.50	
Due Current Fund - OEM Award	500.00	
Due to State - DCA Fees	2,779.00	
Reserve for Trust Other	94,227.30	
Local Open Space :		
Municipal Open Space Tax	51,426.69	
Interest Earned	989.37	
Developer Fee	34,151.15	
Affordable Housing	47,628.53	
Construction Code Official:		
Construction Code & Miscellaneous Fees	51,574.00	
DCA Fees	3,025.00	
Due Current Fund - Interest Earned	9.69	
	<u>287,803.28</u>	<u>538,681.89</u>
	944,357.39	1,378,185.38
Decreased By Disbursements:		
Tax Title Lien Redemption:		
Tax Sale Premiums		280,900.00
Tax Title Lien Redemptions		329,458.72
Due to Current Fund		8,438.10
Due to Sewer Operating		750.87
Due Camden County MUA		6,861.75
Local Open Space		
Open Space Expenditures	3,600.00	
Due to Current Fund	200,000.00	
Trust Other		
Due to State - DCA Fees	2,780.00	
Reserve for Trust Other	176,018.98	
Construction Code Official:		
Due Current Construction & Misc. Fees	48,595.00	
DCA Fees Paid to Trust Other	2,779.00	
Due to Current Fund - Interest	9.69	
	<u>433,782.67</u>	<u>626,409.44</u>
Balance December 31, 2022	<u>510,574.72</u>	<u>\$ 751,775.94</u>

**TRUST FUND
SCHEDULE OF RESERVE/(DEFICIT) FOR ANIMAL CONTROL EXPENDITURES**

Balance December 31, 2021		\$	1,249.40
Increased By:			
Dog Licenses Fees Collected	\$	3,442.60	
Late Fees			
			3,442.60
			4,692.00
Decreased By Disbursements:			
Animal Control Expenditures		2,170.00	
Prior Period Adjustment		2.40	
			2,172.40
Balance December 31, 2022		\$	2,519.60

License Fees Collected	<u>Year</u>		
	2020	\$	2,701.80
	2021		2,720.20
		\$	5,422.00

**TRUST FUND
SCHEDULE OF AMOUNT DUE TO (FROM) STATE OF NEW JERSEY**

Balance December 31, 2021	\$	-
Increased By:		
Collected in 2022	\$	263.40
Prior Period Adjustment		2.40
		265.80
		265.80
Decreased By:		
Paid to State of New Jersey		265.80
		265.80
Balance December 31, 2022	\$	-

TRUST FUND
SCHEDULE OF TRUST FUND RESERVES

	Balance Dec. 31, 2021	Receipts	Disbursements	Encumbrances	Reclassified	Balance Dec. 31, 2022
Reserve Tax Title Lien Premium	771,700.00	260,600.00	280,900.00			751,400.00
Reserve for Tax Title Lien Redemption	67,224.64	262,610.02	329,458.72			375.94
Reserve for Affordable Housing	32,305.94	47,628.53				79,934.47
Reserve for Local Open Space Trust	355,913.20	86,567.21	3,600.00	20,915.87		417,964.54
Reserve for Parking Offense Adjudication Act	98.00	26.00				124.00
Reserve for Community Garden	10,855.56	1,264.00	2,500.00			9,619.56
Reserve for Cricket Field	950.00	1,700.00	1,846.55			803.45
Reserve for Fire Penalties	10,041.80					10,041.80
Reserve for General Contributions	7,433.59					7,433.59
Reserve for Gibbsboro Memorial Trust	2,190.00					2,190.00
Reserve for Gibbsboro Pageant	425.00	325.00	700.00			50.00
Reserve for Gibbsboro Sign Trust	250.00					250.00
Reserve for Horton Historic Trust	5,000.00					5,000.00
Reserve for Borough Rental Properties	0.00	690.00				690.00
Reserve for Planning Escrow	131,776.30	30,948.30	62,386.77	2,469.80	(1,595.21)	96,272.82
Reserve for Haines Memorial Trust	1,131.33					1,131.33
Reserve for Inspection Fees	14,451.62		9,944.03	214.55	1,916.15	6,209.19
Reserve for Sidewalks	1,904.76					1,904.76
Reserve for Police Donations	500.00	600.00				1,100.00
Reserve for Outside Employment of Off-Duty Police	72,470.22	56,449.00	96,251.63		(852.50)	31,815.09
Reserve for Senior Cental Rental	795.00	1,975.00	2,390.00		(100.00)	280.00
Reserve for Street Opening	9,235.14	250.00			631.56	10,116.70
	<u>1,496,652.10</u>	<u>751,633.06</u>	<u>789,977.70</u>	<u>23,600.22</u>	<u>0.00</u>	<u>1,434,707.24</u>

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

Balance December 31, 2021		\$	152,208.82
Increased by:			
Due from Current Fund	\$		1,007,898.28
Bond Anticipation Notes			888,250.00
Reserve for Debt Service			9,503.00
Federal and State Grant Receivable			492,202.43
			2,397,853.71
			2,550,062.53
Decreased by:			
Due to Current Fund			950,000.00
Due to Grant Fund			167,938.04
Improvement Authorizations	\$		584,757.95
			1,702,695.99
Balance December 31, 2022		\$	847,366.54

**GENERAL CAPITAL FUND
ANALYSIS OF CASH**

	Balance Dec. 31, 2021		Receipts		Debt Issued	Disbursements		Transfers		Balance Dec. 31, 2022
			Miscellaneous			Improvement Authorizations	Miscellaneous	From	To	
Fund Balance	30,816.05									30,816.05
Capital Improvement Fund	26,583.09									34,833.09
Due to Current Fund	476.29	1,007,898.28				950,000.00	46,750.00	55,000.00		(21,625.43)
Due to Utility Capital Fund	(266,985.41)	-				167,938.04	101,801.62	25,000.00		(266,985.41)
Due from Federal and State Grant Fund										(244,739.66)
Due from Open Space	922,374.00									922,374.00
County Advance for Open Space	39.55	9,503.00								9,542.55
Reserve for Debt Service									439,163.45	439,163.45
Encumbrances Payable							625,879.05	101,801.62		(432,000.00)
Federal Grant Receivable	(24,000.00)	116,077.43					315,000.00	408,000.00		(1,548,530.35)
State Grant Receivable	(1,459,655.35)	226,125.00								
County Open Space Receivable	(558,000.00)	150,000.00								
Reserve for Capital Project - Curbing	183.13									183.13
Reserve for Capital Project - Open Space	32,018.25									32,018.25
Improvement Authorizations:										
Ordinance Number										
01-03	Parking Lots and Roads	1,250.22								1,250.22
02-06	Recreation Facilities	5,523.35								5,523.35
03-17	Purchase of Fire Equipment	2,683.10		2,683.10						-
05-01	Reconstruction of Roadways & Bikeways	3,958.35								3,958.35
06-15	RCA Housing	70,000.00								70,000.00
09-09	Acquisition of Open Space (2003-16)	1,468.37								1,468.37
14-09	Recreation Equipment	21,317.46								21,317.46
17-01	Public Works Equipment	(450.00)								(450.00)
17-11	Bikeway Extension Blueberry Hill - Phase II	87,025.00		689.50						86,335.50
17-12	Restoration of John Lucas Homestead Phase III	24,641.82								24,641.82
18-01	Acquisition of Land	123,435.55								103,619.55
18-05	Improvements to Various Roads	6,862.15								-
18-06	Purchase of Fire Engine	5,350.00								4,206.00
19-06	John Lucas Homestead	43,704.95								42,462.49
19-07	Construction/Bikeways/Sidewalks	334,558.67								289,628.73
19-11	John Lucas Homestead	62,376.00								34,413.00
20-01	Streetscape Improvements	1,421.93								-
20-07	Renovations & Improvements Public Utilities	(132,740.20)								(140,330.20)
2020-08	Reappropriation of Unexpended Balances: Various Capital Improvements	571,371.50					233,382.95			302,828.89
20-09	Various Projects	12,500.00								(37,122.04)
21-03	Various Projects	202,101.00					3,797.50			(82,223.16)
2022-01	Design, Construction, Reconstruction and Inspection of Improvements to Various Roads, Sidewalks & Bikeways		199,500.00				1,983.00	250,500.00		420,953.00
2022-02	Design, Construction, Reconstruction and Inspection Improvements to Various Stormwater and Sanitary Sewers, Roads & Sidewalks		142,500.00					225,379.05		363,959.05
2022-03	Renovations and Improvements to Public Buildings & Grounds		237,500.00					12,500.00		242,107.04
2022-04	Design, Construction, Reconstruction and Inspection of Improvements to Various Roads, Traffic Control Devices, Sidewalks, and Bikeways		118,750.00					81,250.00		-
2022-06	Purchase of Fire Official's Vehicles and Preliminary Studies and Land acquisition for Redevelopment		190,000.00					10,000.00		133,769.45
		<u>152,208.82</u>	<u>1,509,603.71</u>		<u>888,250.00</u>	<u>1,117,938.04</u>	<u>1,633,594.12</u>	<u>1,633,594.12</u>		<u>847,366.54</u>

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

Balance December 31, 2021		\$ 26,583.09
Increased by:		
Budget Appropriation	55,000.00	
		55,000.00
		81,583.09
Decreased by:		
Improvement Authorizations Funded	46,750.00	
		46,750.00
Balance December 31, 2022		\$ <u><u>34,833.09</u></u>

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

Balance December 31, 2021		\$ 1,820,000.00
Increased by:		
Serial Bonds Issued	-	
		-
		1,820,000.00
Decreased by:		
Serial Bonds Paid	390,000.00	
Green Trust Loans Paid	-	
		390,000.00
Balance December 31, 2022		\$ <u><u>1,430,000.00</u></u>

**GENERAL CAPITAL FUND
SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED**

Ordinance Number	Improvement Description	Balance Dec. 31, 2021	2022 Authorizations	Raised in 2022 Budget Notes	Balance Dec. 31, 2022	Analysis of Balance		Unexpended Improvement Authorizations
						Bond Anticipation Notes	Expenditures	
14-04	Lucas House	\$ 750.00		-	750.00	750.00		
14-06	Bikeway	250.00		-	250.00	250.00		
16-07	Bikeway Extension Blueberry Hill	4,750.00		-	4,750.00	4,750.00		
17-01	Public Works Equipment	47,000.00			47,000.00	46,550.00	450.00	
17-07	Acquisition of Property	166,250.00			166,250.00	166,250.00		
17-11	Bikeway Extension Blueberry Hill - Phase II	60,000.00			60,000.00	60,000.00		
17-12	Restoration of John Lucas Homestead Phase III	45,000.00			45,000.00	45,000.00		
18-01	Acquisition of Land	228,000.00			228,000.00	228,000.00		
18-05	Improvements to Various Roads	61,750.00			61,750.00	61,750.00		
18-06	Purchase of Fire Engine	576,000.00		155,000.00	421,000.00	421,000.00		
18-08	Repairs to Bikeways	23,250.00			23,250.00	23,250.00		
19-06	John Lucas Homestead	143,000.00			143,000.00	143,000.00		
19-07	Construction/Bikeways/Sidewalks	190,000.00			190,000.00	190,000.00		
19-08	Solid Waste Containers	104,500.00			104,500.00	104,500.00		
19-09	Streetscape Improvements	135,200.00			135,200.00	135,200.00		
19-10	Bikeways/Trail Amenities	23,750.00			23,750.00	23,750.00		
19-11	John Lucas Homestead	90,250.00			90,250.00	90,250.00		
20-01	Streetscape Improvements	95,000.00			95,000.00	95,000.00		
20-07	Renovations & Improvements Public Utilities	237,500.00			237,500.00	237,500.00		97,169.80
20-09	Various Projects	237,500.00			237,500.00	-	37,122.04	200,377.96
21-03	Various Projects	147,000.00			147,000.00	-	82,223.16	64,776.84
2022-01	Design, Construction, Reconstruction and Inspection of Improvements to Various Roads, Sidewalks & Bikeways		199,500.00		199,500.00	199,500.00		
2022-02	Design, Construction, Reconstruction and Inspection of Improvements to Various Stormwater and Sanitary Sewers, Roads & Sidewalks		142,500.00		142,500.00	142,500.00		
2022-03	Renovations and Improvements to Public Buildings & Grounds		237,500.00		237,500.00	237,500.00		
2022-04	Design, Construction, Reconstruction and Inspection of Improvements to Various Roads, Traffic Control Devices, Sidewalks, and Bikeways		118,750.00		118,750.00	118,750.00		
2022-06	Purchase of Fire Official's Vehicles and Preliminary Studies and Land acquisition for Redevelopment		190,000.00		190,000.00	190,000.00		
		\$ 2,616,700.00	888,250.00	155,000.00	3,349,950.00	2,727,500.00	260,125.40	362,324.60
								1,670,136.91
								\$ 362,324.60

Improvement Authorizations Unfunded
Less:
Unexpended Proceeds of Bond Anticipation Notes Issued:

Ord. Number	Amount
17-11	60,000.00
17-12	24,641.82
18-01	103,619.55
18-06	4,206.00
19-06	42,462.49
19-07	190,000.00
19-11	34,413.00
2020-08	135,200.00
2022-01	199,500.00
2022-02	142,500.00
2022-03	237,500.00
2022-04	133,769.45
	\$ 1,307,812.31

**GENERAL CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS**

Ordinance Number	Improvement Description	Ord. Date	Amount	Balance December 31, 2021		Authorizations			Balance December 31, 2022		
				Funded	Unfunded	Other Funding	Deferred Charges to Future Taxation	Paid or Charged	Encumbered	Funded	Unfunded
01-03	Parking Lots & Roads	3/14/2002	100,000.00	1,250.22						1,250.22	
02-06	Construction of Recreation Facilities	6/26/2002	350,000.00	5,523.35						5,523.35	
03-17	Purchase of Fire Equipment	12/15/2003	40,000.00	2,683.10				2,683.10			
05-01	Bikeway Phase	2/9/2005	300,000.00	3,958.35						3,958.35	
06-15	RCA Housing	11/20/2006	1,470,000.00	70,000.00						70,000.00	
09-09	Acquisition of Open Space (2003-16)	8/15/2009	260,000.00	1,468.37						1,468.37	
14-09	Recreation Equipment	10/8/2014	60,000.00	21,317.46						21,317.46	
17-11	Bikeway Extension Blueberry Hill - Phase II	10/11/2017	100,000.00	27,025.00	60,000.00			689.50		26,335.50	60,000.00
17-12	Restoration of John Lucas Homestead Phase III	12/13/2017	150,000.00		24,641.82						24,641.82
18-01	Acquisition of Land	3/14/2018	240,000.00		123,435.55						103,619.55
18-05	Improvements to Various Roads	5/9/2018	450,150.00		6,862.15			19,816.00			
18-06	Purchase of Fire Engine	5/9/2018	700,350.00		5,350.00			6,862.15			4,206.00
19-06	John Lucas Homestead	5/8/2019	200,150.00		43,704.95			1,242.46			42,462.49
19-07	Construction/Bikeways/Sidewalks	5/8/2019	425,000.00	144,558.67	190,000.00			44,929.94		99,628.73	190,000.00
19-11	John Lucas Homestead	12/11/2019	145,000.00		62,376.00			27,963.00			34,413.00
20-01	Streetscape Improvements	1/7/2020	300,000.00		1,421.93			1,421.93			
20-07	Renovations & Improvements Public Utilities	7/8/2020	250,000.00		104,759.80			7,590.00			97,169.80
2020-08	Reappropriation of Unexpended Balances: Various Capital Improvements	10/21/2020	735,000.00	436,171.50	135,200.00			35,159.66	233,382.95	167,628.89	135,200.00
20-09	Various Projects	9/9/2020	250,000.00	12,500.00	237,500.00			49,622.04			200,377.96
21-03	Various Projects	2/10/2021	380,000.00	202,101.00	147,000.00			280,526.66	3,797.50		64,776.84
2022-01	Design, Construction, Reconstruction and Inspection of Improvements to Various Roads, Sidewalks & Bikeways	3/9/2022	450,000.00			250,500.00		27,064.00	1,983.00	221,453.00	199,500.00
2022-02	Design, Construction, Reconstruction and Inspection of Improvements to Various Stormwater and Sanitary Sewers, Roads & Sidewalks	3/9/2022	367,879.05			225,379.05		3,920.00		221,459.05	142,500.00
2022-03	Renovations and Improvements to Public Buildings & Grounds	3/9/2022	250,000.00			12,500.00		7,892.96		4,607.04	237,500.00
2022-04	Design, Construction, Reconstruction and Inspection of Improvements to Various Roads, Traffic Control Devices, Sidewalks, and Bikeways	3/9/2022	200,000.00			81,250.00			200,000.00		
2022-06	Purchase of Fire Official's Vehicles and Preliminary Studies and Land acquisition for Redevelopment	4/13/2022	200,000.00			10,000.00		66,230.55			133,769.45
				\$ 928,557.02	1,142,252.20	579,629.05	888,250.00	584,757.95	439,163.45	844,629.96	1,670,136.91

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

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding				Interest Rate	Balance Dec. 31, 2021	Increased	Decreased	Balance Dec. 31, 2022
			Date	Amount	Dec. 31, 2022	Amount					
General Obligation Bonds of 2009	8/15/2009	2,760,000	2023	230,000.00		4.000%	460,000.00		230,000.00	230,000.00	
General Obligation Bonds of 2015	12/15/2015	2,120,000	2023	160,000.00		2.000%	1,360,000.00		160,000.00	1,200,000.00	
			2024	160,000.00		2.250%					
			2025	160,000.00		2.375%					
			2026	180,000.00		2.500%					
			2027	180,000.00		3.000%					
			2028	180,000.00		3.000%					
			2029	180,000.00		3.000%					
							\$ 1,820,000.00		390,000.00	1,430,000.00	

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

Improvement Description	Ordinance Number	Date of Original Issue	Date of Issue	Date of Maturity	Interest Rate	Balance		Increased	Decreased	Balance Dec. 31, 2022
						Dec. 31, 2021	Dec. 31, 2022			
* Restoration of John Lucas Homestead Phase I	14-04	12/31/2018	12/31/2022 12/31/2021	12/31/2023 12/31/2022	None None	\$ 750.00	750.00	750.00	750.00	-
* Bikeway	14-06	12/31/2018	12/31/2022 12/31/2021	12/31/2023 12/31/2022	None None	250.00	250.00	250.00	250.00	250.00
* Bikeway Extension	16-07	12/31/2018	12/31/2022 12/31/2021	12/31/2023 12/31/2022	None None	4,750.00	4,750.00	4,750.00	4,750.00	4,750.00
* Public Works Equipment	17-01	12/31/2020	12/31/2022 12/31/2021	12/31/2023 12/31/2022	None None	46,550.00	46,550.00	46,550.00	46,550.00	46,550.00
* Acquisition of Property	17-07	12/31/2018	12/31/2022 12/31/2021	12/31/2023 12/31/2022	None None	166,250.00	166,250.00	166,250.00	166,250.00	166,250.00
* Bikeway Extension Blueberry Hill - Phase II	17-11	12/31/2020	12/31/2022 12/31/2021	12/31/2023 12/31/2022	None None	60,000.00	60,000.00	60,000.00	60,000.00	60,000.00
* Restoration of John Lucas Homestead	17-12	7/2/2019	12/31/2022 12/31/2021	12/31/2023 12/31/2022	None None	45,000.00	45,000.00	45,000.00	45,000.00	45,000.00
* Acquisition of Land	18-01	12/31/2018	12/31/2022 12/31/2021	12/31/2023 12/31/2022	None None	228,000.00	228,000.00	228,000.00	228,000.00	228,000.00
* Various Road Improvements	18-05	7/2/2019	12/31/2022 12/31/2021	12/31/2023 12/31/2022	None	61,750.00	61,750.00	61,750.00	61,750.00	61,750.00
Acquisition of Fire Engine	18-06	7/2/2019	6/29/2022 6/30/2021	6/28/2023 6/30/2022	4.000% 1.000%	576,000.00	421,000.00	421,000.00	576,000.00	421,000.00
* Repairs to Bikeways	18-08	12/31/2020	12/31/2022 12/31/2021	12/31/2023 12/31/2022	None None	23,250.00	23,250.00	23,250.00	23,250.00	23,250.00
John Lucas Homestead	19-06	12/31/2019	6/29/2022 6/30/2021	6/28/2023 6/30/2022	4.000% 1.000%	143,000.00	143,000.00	143,000.00	143,000.00	143,000.00

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

Improvement Description	Ordinance Number	Date of Original Issue	Date of Issue	Date of Maturity	Interest Rate	Balance	
						Dec. 31, 2021	Dec. 31, 2022
Construction/Bikeways/Sidewalks	19-07	12/31/2019	6/29/2022 6/30/2021	6/28/2023 6/30/2022	4.000% 1.000%	190,000.00	190,000.00
* Solid Waste Containers	19-08	12/31/2020	12/31/2022 12/31/2021	12/31/2023 12/31/2022	None None	104,500.00	104,500.00
* Streetscape Improvements	19-09	12/31/2019	12/31/2022 12/31/2021	12/31/2023 12/31/2022	None None	135,200.00	135,200.00
* Bikeways/Trail Amenities	19-10	12/31/2020	12/31/2022 12/31/2021	12/31/2023 12/31/2022	None None	23,750.00	23,750.00
John Lucas Homestead	19-11	12/31/2019	6/29/2022 6/30/2021	6/28/2023 6/30/2022	4.000% 1.000%	90,250.00	90,250.00
Design, reconstruction, West Road	20-01	7/1/2020	6/29/2022 6/30/2021	6/28/2023 6/30/2022	4.000% 1.000%	95,000.00	95,000.00
Design, Construction, Reconstruction and Inspection of Improvements to Various Roads, Sidewalks & Bikeways	2022-01	6/29/2022	6/29/2022	6/28/2023	4.000%	199,500.00	199,500.00
Design, Construction, Reconstruction and Inspection Improvements to Various Stormwater and Sanitary Sewers, Roads & Sidewalks	2022-02	6/29/2022	6/29/2022	6/28/2023	4.000%	142,500.00	142,500.00
Renovations and Improvements to Public Buildings & Grounds	2022-03	6/29/2022	6/29/2022	6/28/2023	4.000%	237,500.00	237,500.00
Design, Construction, Reconstruction and Inspection of Improvements to Various Roads, Traffic Control Devices, Sidewalks, and Bikeways	2022-04	6/29/2022	6/29/2022	6/28/2023	4.000%	118,750.00	118,750.00
Purchase of Fire Official's Vehicles and Preliminary Studies and Land acquisition for Redevelopment	2022-06	6/29/2022	6/29/2022	6/28/2023	4.000%	190,000.00	190,000.00
						\$ 1,994,250.00	2,727,500.00

* Bond Anticipation Note is held by current fund

**GENERAL CAPITAL FUND
GRANTS RECEIVABLE**

	Balance Dec. 31, 2021	Increase	Received	Due from Current	Balance Dec. 31, 2022	
Federal						
2014-06	FHA Recreational Trails Program	24,000.00			24,000.00	
2019-09	Highway Planning & Construction	408,000.00			408,000.00	
2022-02	Design, Construction, Reconstruction and Inspection Improvements to Various Stormwater and Sanitary Sewers, Roads & Sidewalks		217,879.05	116,077.43	101,801.62	
Total Federal		432,000.00	217,879.05	116,077.43	101,801.62	432,000.00
State						
2019-07	NJDOT Roadway Bikeway	92,242.35			92,242.35	
2020-01	NJDOT Roadway Bikeway	50,000.00			50,000.00	
2021-03	NJDOT Roads Sidewalks etc	225,250.00		176,250.00	49,000.00	
2001-04	Green Acres	61,442.00			61,442.00	
2003-16	Green Acres	1,030,721.00			1,030,721.00	
2009-10	Green Acres					
2022-01	Design, Construction, Reconstruction and Inspection of Improvements to Various Roads, Sidewalks & Bikeways		240,000.00		240,000.00	
2022-04	Design, Construction, Reconstruction and Inspection of Improvements to Various Roads, Traffic Control Devices, Sidewalks, and Bikeways		75,000.00	49,875.00	25,125.00	
		1,459,655.35	315,000.00	226,125.00	1,548,530.35	
County Open Space						
2019-06	Camden Co. Op Sp	50,000.00		50,000.00		
2019-10	Camden Co. Op Sp	50,000.00		50,000.00		
2019-11	Camden Co. Op Sp	50,000.00		50,000.00		
		150,000.00		150,000.00	-	

**GENERAL CAPITAL FUND
SCHEDULE OF BOND AND NOTES AUTHORIZED BUT NOT ISSUED**

Ordinance Number	Improvement Description	Balance Dec. 31, 2021	2022 Authorizations	Notes Issued	Balance Dec. 31, 2022
17-01	Public Works Equipment	\$ 450.00			450.00
20-07	Renovations & Improvements Public Utilities	237,500.00			237,500.00
20-09	Design, Construction, Inspection - Various Projects	237,500.00			237,500.00
21-03	Design, Construction, Inspection - Various Projects	147,000.00			147,000.00
2022-01	Design, Construction, Reconstruction and Inspection of Improvements to Various Roads, Sidewalks & Bikeways		199,500.00	199,500.00	
2022-02	Design, Construction, Reconstruction and Inspection Improvements to Various Stormwater and Sanitary Sewers, Roads & Sidewalks		142,500.00	142,500.00	
2022-03	Renovations and Improvements to Public Buildings & Grounds		237,500.00	237,500.00	
2022-04	Design, Construction, Reconstruction and Inspection of Improvements to Various Roads, Traffic Control Devices, Sidewalks, and Bikeways		118,750.00	118,750.00	
2022-06	Purchase of Fire Official's Vehicles and Preliminary Studies and Land acquisition for Redevelopment		190,000.00	190,000.00	
		<u>\$ 622,450.00</u>	<u>888,250.00</u>	<u>888,250.00</u>	<u>622,450.00</u>

**SEWER UTILITY FUND
SCHEDULE OF CASH - TREASURER**

	Operating	Capital
Balance December 31, 2021	\$ 258,983.06	1,044.17
Increased by Receipts:		
Sewer Rent Collected	293,201.10	
Sewer Liens Collected	313.64	
Miscellaneous Revenue	2,251.32	2.78
Overpaid Rents	3,926.19	
Due Voorhees Township	2,475.00	-
	302,167.25	2.78
	561,150.31	1,046.95
Decreased by Disbursements:		
Current Year Appropriation	272,785.72	
Prior Year Appropriations	654.44	
Accrued Interest on Bonds and Notes	30,782.03	
Refund	2,475.00	
Due to Current Fund	313.64	
	307,010.83	-
Balance December 31, 2022	\$ <u>254,139.48</u>	<u>1,046.95</u>

**SEWER UTILITY CAPITAL FUND
ANALYSIS OF CASH**

	Balance Dec. 31, 2022	Receipts		Disbursements		Transfers		Balance Dec. 31, 2022
		Miscellaneous	Debt Issued	Improvement Authorizations	Miscellaneous	From	To	
Capital Improvement Fund	\$ 5,000.00							5,000.00
Due from NJDOT - Grant	-							-
Due to Current Fund	24,000.00							24,000.00
Due to General Capital	266,985.41							266,985.41
Due to Sewer Operating	110,442.75	2.78						110,445.53
Encumbrances Payable	-							-
NJEIT Receivable (2002)	(69,701.00)							(69,701.00)
NJEIT Receivable (2010)	(533,697.00)							(533,697.00)
Reserve for Debt Service	1,960.18							1,960.18
Reserve for Improvements	40,000.00							40,000.00
<u>Improvement Authorizations:</u>								
Ord.								
Number								
01-01 Collection System	(46,468.06)							(46,468.06)
09-12 Replace Sewer Main	30,311.38							30,311.38
11-07 Reconstruction of Sanitary Sewer System	172,210.51							172,210.51
	\$ 1,044.17	2.78	-	-	-	-	-	1,046.95

**SEWER UTILITY OPERATING FUND
SCHEDULE OF CONSUMER ACCOUNTS RECEIVABLE**

Balance December 31, 2021		\$ 1,488.35
Increased by Receipts:		
Consumer Accounts Charges and Levies	296,413.71	
	<hr/>	<hr/>
		296,413.71
		297,902.06
Decreased by Disbursements:		
Collections	293,201.10	
Transfer to Utility Lien	240.00	
Cancel	29.60	
Overpayments Applied	4,427.35	
	<hr/>	<hr/>
		297,898.05
Balance December 31, 2022		\$ <u><u>4.01</u></u>

**SEWER UTILITY OPERATING FUND
SCHEDULE OF UTILITY LIENS**

Balance December 31, 2021		\$ 1,193.49
Increased by Receipts:		
Transfers from Utility Receivable	240.00	
Interest and Costs Accrued by Sale		
Prior period adjustment	163.64	
	<hr/>	<hr/>
		403.64
		1,597.13
Decreased by Disbursements:		
Collections	313.64	
Adjustments	-	
	<hr/>	<hr/>
		313.64
Balance December 31, 2022		\$ <u><u>1,283.49</u></u>

**SEWER UTILITY OPERATING FUND
SCHEDULE OF APPROPRIATION RESERVES - PRIOR YEAR**

	Balance Dec. 31, 2021				
	Encumbrance	Appropriation Reserve	Paid or Charges	Balance Lapsed	Over-Expended
Operating:					
Salaries and Wages	507.82	2,900.00	-	2,900.00	-
Other Expenses		8,283.45	654.44	8,136.83	-
	<u>507.82</u>	<u>11,183.45</u>	<u>654.44</u>	<u>11,036.83</u>	<u>-</u>
\$	<u>507.82</u>	<u>11,183.45</u>	<u>654.44</u>	<u>11,036.83</u>	<u>-</u>

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

Balance December 31, 2021		\$	13,217.52
Increased by:			
Budget Appropriations			27,813.62
			27,813.62
			41,031.14
Decreased By:			
Payments of Debt Service Interest			30,782.03
Payments to Treasurer			30,782.03
Balance December 31, 2022		\$	10,249.11

Analysis of Accrued Interest December 31, 2022

	Principal Outstanding December 31, 2022	Interest Rate	From	To	Days	Amount
<u>Serial Bonds</u>						
\$	450,000.00	Var	8/1/2022	12/31/2022	150	6,486.98
<u>NJEIT Bond & Loan</u>						
	130,000.00	Var	8/1/2022	12/31/2022	150	2,125.00
<u>USDA Bond</u>						
	400,922.08		11/4/2022	12/31/2022	56	1,637.13
						10,249.11

**SEWER UTILITY CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS**

Ord #	Improvement Description	Ord. Date	Amount	Balance December 31, 2021		Balance December 31, 2022		
				Funded	Unfunded	Funded	Unfunded	
2009-12	Replace Sewer Main	8/26/2009	1,200,000	\$	77,811.38	102,790.00	77,811.38	102,790.00
2011-07	Reconstruction of Sanitary Sewer System	7/13/2011	957,500		172,210.51	142,500.00	172,210.51	142,500.00
				\$	<u>250,021.89</u>	<u>245,290.00</u>	<u>250,021.89</u>	<u>245,290.00</u>

**SEWER UTILITY CAPITAL FUND
SCHEDULE OF GENERAL SERIAL BONDS**

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding			Interest Rate	Balance Dec. 31, 2021	Increased	Decreased	Balance Dec. 31, 2022
			Date	Amount	December 31, 2022					
Sewer Utility Refunding Bonds of 2010	10/19/2010	1,780,000	8/1/2023	145,000.00	3.375%	590,000.00	-	140,000.00	450,000.00	
			8/1/2024	150,000.00	3.500%					
			8/1/2025	155,000.00	3.500%					
						\$ 590,000.00	-	140,000.00	450,000.00	

**SEWER UTILITY CAPITAL FUND
SCHEDULE OF NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST BONDS**

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding		Interest Rate	Balance Dec. 31, 2021	Increased	Decreased	Balance Dec. 31, 2022
			Date	Amount					
Sewer Improvements Trust Series 2002A	11/1/2002	525,000			\$	40,000.00	-	40,000.00	-
Sewer Improvements Trust Series 2010A	3/10/2010	270,000	8/1/2023	15,000.00	4.000%	145,000.00	-	15,000.00	130,000.00
			8/1/2024	15,000.00	4.000%				
			8/1/2025	20,000.00	4.000%				
			8/1/2026	20,000.00	3.500%				
			8/1/2027	20,000.00	4.000%				
			8/1/2028	20,000.00	4.000%				
			8/1/2029	20,000.00	4.000%				
						<u>\$ 185,000.00</u>	<u>-</u>	<u>55,000.00</u>	<u>130,000.00</u>

**WATER AND SEWER UTILITY CAPITAL FUND
SCHEDULE OF LOANS PAYABLE**

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding		Interest Rate	Balance Dec. 31, 2021	Increased	Decreased	Balance Dec. 31, 2022
			Date	Amount					
USDA Loans Payable - 2015	11/4/2015	450,000.00	*****	*****	2.625%	408,493.47	-	7,571.39	400,922.08
USDA Bond - semi-annual payments of \$9,122.00 due on May 4 and November 4. Final payment November 4, 2055									
						\$ 408,493.47	-	7,571.39	400,922.08

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

Ordinance Number	Improvement Description	Balance Dec. 31, 2021	2022 Authorizations	Debt Issued	Balance Dec. 31, 2022
2001-01	Sewer Construction Collection System	\$ 46,468.06	-	-	46,468.06
2009-12	Replace Sewer Main	150,290.00	-	-	150,290.00
2011-07	Reconstruction of Sanitary Sewer	142,500.00	-	-	142,500.00
		<u>\$ 339,258.06</u>	<u>-</u>	<u>-</u>	<u>339,258.06</u>

See Accompanying Auditor's Report

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BOROUGH OF GIBBSBORO

PART II

GENERAL COMMENTS AND RECOMMENDATIONS

FOR THE YEAR ENDED

DECEMBER 31, 2022

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BOROUGH OF GIBBSBORO

GENERAL COMMENTS

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

N.J.S.A. 40A: 11-4 states, "Every contract awarded by the contracting agent for the provision or performance of any goods or services, the cost of which in the aggregate exceeds the bid threshold, shall be awarded only by resolution of the governing body of the contracting unit to the lowest responsible bidder after public advertising for bids and bidding therefore, except as is provided otherwise in this act or specifically by any other law." Effective January 1, 2011, the bid threshold was \$17,500. Effective July 1, 2015, the bid threshold was \$40,000. However, effective July 1, 2020, pursuant to subsection b. of section 9 of P.L. 1971, c. 198 (C.40A:11-9), the governing body can establish the bid threshold at \$44,000 with the appointment of a qualified purchasing agent. The Borough adopted the bid threshold of \$44,000.

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

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

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

Our examination of expenditures did not reveal any payments in excess of the bid threshold for the provision or performance of any goods or services, other than those where bids had been previously sought by public advertisement, awarded under state or county cooperative purchasing agreements, or awarded in compliance with other provisions of the "Local Public Contracts Law," N.J.S.A. 40A:11.

Collection of Interest on Delinquent Taxes and Assessments

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

The governing body, on January 5, 2022, adopted the following resolution authorizing interest to be charged on delinquent taxes:

BE IT RESOLVED by the Borough Council of the Borough of Gibbsboro, in accordance with Chapter 75, New Jersey Laws of 1991, and N.J.S.A. 54:4-67, 54:5-32, 54:5-34 and 54:5-35, which authorizes the Governing Body inter alia to fix the rate of interest to be charged, in the Borough of Gibbsboro, for the nonpayment of taxes, assessments and municipal charges, said rate of interest shall be and is hereby fixed at 8 per cent per annum on the first \$1,500 of delinquency and 18 per cent per annum on any amount in excess of \$1,500 to be calculated from the date when the taxes, assessments and charges become delinquent.

BE IT FURTHER RESOLVED by the Borough Council of the Borough of Gibbsboro, in accordance with N.J.S.A. 54:4-67, Chapter 75, New Jersey Laws of 1991, and Chapter 32, New Jersey Laws of 1994, which permits a 6 per cent penalty on taxes and municipal charges greater than \$10,000 as of the close of the fiscal year, that said end-of-year penalty shall be fixed for the Year 2022.

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

BOROUGH OF GIBBSBORO

GENERAL COMMENTS (CONTINUED)

Delinquent Taxes and Tax Title Liens

The tax sale was held on December 28, 2022, and was complete. Inspection of tax sale certificates on file revealed that all tax sale certificates were available for audit.

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

<u>Year</u>	<u>Number</u>
2022	4
2021	9
2020	11

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

Comparison of Tax Levies and Collections Currently

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

<u>Year</u>	<u>Tax Levy</u>	<u>Currently Cash Collections</u>	<u>Percentage of Collections</u>
2022 \$	9,544,838.11	9,534,298.23	99.89%
2021	9,374,125.52	9,355,760.54	99.80%
2020	9,159,923.35	9,112,500.86	99.48%
2019	8,289,292.13	8,205,065.58	98.98%
2018	8,343,569.62	8,303,236.80	99.52%

Comparative Schedule of Tax Rate Information

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Tax Rate	4.152	4.128	4.010	3.599	5.118
Appointment of Tax Rate :					
Municipal	1.021	1.000	0.987	0.937	1.299
County	0.894	0.947	0.967	0.827	1.193
Local School	1.601	1.544	1.475	1.370	1.883
Regional School	0.636	0.637	0.581	0.465	0.743
Assessed Valuation	226,543,200	254,917,771	260,992,552	229,901,100	162,695,300

BOROUGH OF GIBBSBORO

Delinquent Taxes and Tax Title Liens

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

Year	Amount of Tax Title Liens	Amount of Delinquent Taxes	Total Delinquent	Percentage Of Tax Levy
2022 \$	26,978.31	3,539.45	30,517.76	0.32%
2021	25,555.29	2,584.44	28,139.73	0.30%
2020	23,527.94	12,239.03	35,766.97	0.39%
2019	22,889.76	264.89	23,154.65	0.28%
2018	78,165.48	6,758.92	84,924.40	1.02%

Uniform Construction Code

The Borough of Gibbsboro's construction code official is in compliance with uniform construction code rules NJAC 5:23.17(b) 2 and NJAC 5:23.4.17(b) 3.

Deposit of Municipal Funds

N.J.S.A. 40A:5-15 states:

"All moneys, including moneys collected by taxation, received from any source by or on behalf of any local unit or any board or department thereof shall, within 48 hours after the receipt thereof, either

- a. be paid to the officer charged with the custody of the general funds of the local unit, who shall deposit all such funds within 48 hours after the receipt thereof to the credit of the local unit in its designated legal depository, or
- b. be deposited to the credit of the local unit in its designated legal depository."

Our examination revealed that municipal funds were deposited within the mandated time.

FINDINGS AND RECOMMENDATIONS

None.

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

Leon P. Costello
Leon P. Costello
Certified Public Accountant
Registered Municipal Accountant
No. 393

May 19, 2023