Report of Audit

on the

Financial Statements

of the

Borough of Mountainside

in the

County of Union
New Jersey

for the

Year Ended
December 31, 2023

BOROUGH OF MOUNTAINSIDE

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BOROUGH OF MOUNTAINSIDE

PART I

INDEPENDENT AUDITOR'S REPORT ON
AUDIT OF FINANCIAL STATEMENTS
AND SUPPLEMENTARY SCHEDULES AND DATA

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND
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FINANCIAL STATEMENTS - REGULATORY BASIS - ALL FUNDS

NOTES TO FINANCIAL STATEMENTS - REGULATORY BASIS

SUPPLEMENTARY SCHEDULES - ALL FUNDS

YEAR ENDED DECEMBER 31, 2023 AND 2022

SUPLEE, CLOONEY & COMPANY LLC
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INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and Members
of the Borough Council
Borough of Mountainside
County of Union
Mountainside, New Jersey 07092

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying balance sheets - regulatory basis of the various individual funds and account group of the Borough of Mountainside (the "Borough"), as of and for the years ended December 31, 2023 and 2022, the related statements of operations and changes in fund balance - regulatory basis for the years then ended, and the related statement of revenues - regulatory basis and statement of expenditures - regulatory basis of the various individual funds for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Borough's regulatory financial statements as listed in the table of contents.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the regulatory financial statements referred to above present fairly, in all material respects, the regulatory basis balance sheets of the various individual funds and account group as of December 31, 2023 and 2022, the regulatory basis statement of operations and changes in fund balance for the years then ended and the regulatory basis statement of revenues and expenditures and changes in fund balance for the year ended December 31, 2023 in accordance with the basis of financial reporting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division") as described in Note 1.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the "Matter Giving Rise to Adverse Opinion" paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the various individual funds and account group of the Borough as of December 31, 2023 and 2022, or the results of its operations and changes in fund balance for the years then ended or the revenues or expenditures for the year ended December 31, 2023.

Basis for Adverse and Unmodified Opinions

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

Matter Giving Rise to Adverse Opinion

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

Responsibilities of Management for the Financial Statements

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

• exercise professional judgment and maintain professional skepticism throughout the audit.

• identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

• obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Borough's internal control. Accordingly, no such opinion is expressed.

• evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

• conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Borough's ability to continue as a going concern for a reasonable period of time.

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

Supplementary Information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 26, 2024 on our consideration of the Borough's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Borough's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Borough's internal control over financial reporting and compliance.

Suplee, Clooney & Company

CERTIFIED PUBLIC ACCOUNTANTS

Dawn M. Kenly

REGISTERED MUNICIPAL ACCOUNTANT NO. 419

March 26, 2024

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

The Honorable Mayor and Members
of the Borough Committee
Borough of Mountainside
County of Union
Mountainside, New Jersey 07092

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the regulatory financial statements of the various individual funds and the account group of the Borough of Mountainside, as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Borough's regulatory financial statements, and have issued our report thereon dated March 26, 2024. Our report disclosed that, as described in Note 1 to the financial statements, the Borough of Mountainside prepares its financial statements on a basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, that demonstrates compliance with a modified accrual basis and the budget laws of the State of New Jersey, which is a comprehensive basis of accounting other than U.S. generally accepted accounting principles.

Internal Control Over Financial Reporting

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

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 Borough of Mountainside'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 Borough of Mountainside's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Suplee, Clooney & Company

CERTIFIED PUBLIC ACCOUNTANTS

William M. Kenney

REGISTERED MUNICIPAL ACCOUNTANT NO. 419

March 26, 2024

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CURRENT FUND

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BOROUGH OF MOUNTAINSIDE

CURRENT FUND

BALANCE SHEETS - REGULATORY BASIS

	REF.	BALANCE DECEMBER 31, 2023	BALANCE DECEMBER 31, 2022
ASSETS			
Cash - Treasurer	A-4	$ 8,247,170.32	$ 8,118,509.45
Change Fund	A-7	500.00	500.00
Grants Receivable	A-24	571,652.83	517,254.15
		$ 8,819,323.15	$ 8,636,263.60
Receivables and Other Assets with Full Reserves:			
Delinquent Property Taxes Receivable	A-10	$ 235,285.16	$ 212,134.32
Tax Title Liens	A-11	27,464.10	27,458.13
Sewer Flow Charges Receivable	A-13	1,403.55	885.23
Property Acquired for Taxes-Assessed Valuation	A-6	3,875.00	3,875.00
Revenue Accounts Receivable	A-12	5,253.21	4,218.47
	A	$ 273,281.02	$ 248,571.15
Deferred Charges:			
Special Emergency Appropriations 40A:4-55	A-28	$	$ 40,000.00
		$	$ 40,000.00
		$ 9,092,604.17	$ 8,924,834.75
LIABILITIES, RESERVES AND FUND BALANCE			
Liabilities:			
Appropriation Reserves	A-3:A-14	$ 626,119.90	$ 1,184,125.17
Due to State of New Jersey:			
Senior Citizens Deductions	A-9	6,119.97	5,619.97
Reserve for:			
Miscellaneous Reserves	A-16	1,457,100.17	1,596,086.15
Grant Programs:			
Unappropriated	A-29	13,891.71	1,735.50
Appropriated	A-25	660,805.06	645,453.77
Outside Liens	A-22	32,218.10	
Encumbrance Payable	A-15	441,300.42	452,607.17
Prepaid Sewer Taxes	A-30	16.60	
Prepaid Taxes	A-17	296,838.20	308,428.66
County Taxes Payable	A-20	27,657.54	13,176.50
State Tax Appeals	A-26	445,044.79	195,044.79
		$ 4,007,112.46	$ 4,402,277.68
Reserve for Receivables	A	273,281.02	248,571.15
Fund Balance	A-1	4,812,210.69	4,273,985.92
		$ 9,092,604.17	$ 8,924,834.75

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

BOROUGH OF MOUNTAINSIDE

CURRENT FUND

STATEMENTS OF OPERATIONS AND CHANGE
IN FUND BALANCE - REGULATORY BASIS

	REF.	YEAR ENDED DECEMBER 31, 2023	YEAR ENDED DECEMBER 31, 2022
REVENUE AND OTHER INCOME REALIZED			
Fund Balance Utilized	A-2	$ 2,344,694.00	$ 3,082,000.00
Miscellaneous Revenue Anticipated	A-2	2,989,777.47	3,406,049.23
Receipts From Delinquent Taxes	A-2	212,384.32	191,194.50
Receipts From Current Taxes	A-2	37,602,232.13	37,635,633.69
Non-Budget Revenue	A-2	342,972.96	219,090.85
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves	A-14	598,958.32	744,231.13
Interfunds Returned			25,000.00
Total Income		$ 44,091,019.20	$ 45,303,199.40
EXPENDITURES			
Budget and Emergency Appropriations:			
Operations Including Contingent (within "CAPS")	A-3	$ 8,892,770.00	$ 8,689,837.49
Deferred Charges and Statutory Expenditures-Municipal	A-3	1,306,981.32	1,296,965.40
Budget (Excluded From "CAPS"):			
Operations:			
Other Operations	A-3	1,921,218.98	2,264,134.26
Capital Improvements	A-3	350,000.00	1,597,000.00
Municipal Debt Service	A-3	1,069,971.11	1,041,614.78
Deferred Charges-Municipal	A-3	40,000.00	40,000.00
County Taxes	A-19	8,933,779.03	9,225,805.97
Due County for Added and Omitted Taxes	A-20	27,657.54	13,176.50
Local District School Tax	A-21	18,665,472.00	18,681,073.00
Refund of Prior Year's Revenues	A-4	0.45	120.00
Miscellaneous	A-16		19.00
Prior Year Sen/Vet Dissallowed	A-9	250.00	
Total Expenditures		$ 41,208,100.43	$ 42,849,746.40
Excess in Revenue		$ 2,882,918.77	$ 2,453,453.00
FUND BALANCE			
Balance, January 1	A	4,273,985.92	4,902,532.92
		$ 7,156,904.69	$ 7,355,985.92
Decreased by:			
Utilized as Anticipated Revenue	A-1	2,344,694.00	3,082,000.00
Balance, December 31	A	$ 4,812,210.69	$ 4,273,985.92

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

BOROUGH OF MOUNTAINSIDE

CURRENT FUND

STATEMENT OF REVENUES-REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2023

	REF.	ANTICIPATED BUDGET	SPECIAL N.J.S.A. 40A:4-87	REALIZED	EXCESS OR (DEFICIT)
Fund Balance Anticipated	A-1	$ 2,344,694.00		$ 2,344,694.00	
Miscellaneous Revenues:					
Licenses:					
Alcoholic Beverages	A-12	$ 20,000.00	$	$ 22,688.00	$ 2,688.00
Other	A-12	1,700.00		1,700.00	
Fees and Permits:					
Other	A-2	22,500.00		46,011.00	23,511.00
Fines and Costs:					
Municipal Court	A-12	85,250.00		107,168.54	21,918.54
Interest and Costs on Taxes	A-12	54,000.00		84,756.64	30,756.64
Interest on Investments	A-12	57,000.00		661,188.74	604,188.74
Recreation Fees	A-2	100,000.00		166,554.47	66,554.47
Sewer Use Charges	A-13	185,000.00		221,165.13	36,165.13
Sale of Municipal Assets	A-16	5,000.00		5,000.00	
Cable TV Franchise Fee	A-12	105,931.45		105,931.45	
Energy Receipts Tax	A-12	772,906.00		772,905.94	(0.06)
Municipal Relief Funds	A-16	40,041.00		40,041.00	
Construction Code Official	A-2	220,000.00		264,844.00	44,844.00
Recycling Tonnage Grant	A-24	6,817.56		6,817.56	
Clean Communities Act	A-24		17,371.65	17,371.65	
Body Armor Replacement Fund	A-24	1,735.50		1,735.50	
Infrastructure Municipal Aid	A-24		40,000.00	40,000.00	
Watts Foundation	A-24		3,340.00	3,340.00	
Municipal Alliance	A-24	8,939.00	1,221.00	10,160.00	
UC CARES Act - Coronavirus Relief Funds	A-24	76,500.00		76,500.00	
Federal Bulletproof Vest Program	A-24	3,500.00		3,500.00	
Alcohol, Education & Rehabilitation Grant	A-24		2,985.27	2,985.27	
DMHAS Youth Leadership	A-24	3,403.00	243.00	3,646.00	
Union County Recreation	A-24	35,000.00		35,000.00	
NJDEP - Stormwater Assistance Program	A-24		15,000.00	15,000.00	
Capital Surplus	A-12	50,000.00		50,000.00	
Cell Tower Rents	A-12	20,000.00		223,766.58	203,766.58
	A-1	$ 1,875,223.51	$ 80,160.92	$ 2,989,777.47	$ 1,034,393.04
Receipts From Delinquent Taxes	A-1	$ 156,750.00	$	$ 212,384.32	$ 55,634.32
Amount to be Raised by Taxes for Support of Municipal Budget:					
Local Tax for Municipal Budget	A-2:A-10	$ 9,413,519.24	$	$ 10,214,700.93	$ 801,181.69
Minimum Library Tax	A-2:A-10	720,622.63		720,622.63	
		$ 10,134,141.87	$	$ 10,935,323.56	$ 801,181.69
Budget Totals		$ 14,510,809.38	$ 80,160.92	$ 16,482,179.35	$ 1,891,209.05
Non-Budget Revenue	A-2			342,972.96	342,972.96
		$ 14,510,809.38	$ 80,160.92	$ 16,825,152.31	$ 2,234,182.01
	REF.	A-3	A-3		

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

BOROUGH OF MOUNTAINSIDE

CURRENT FUND

STATEMENT OF REVENUES-REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2023

	REF.		
ANALYSIS OF REALIZED REVENUE			
Allocation of Current Tax Collections:			
Revenue from Collections	A-1:A-10	$	37,602,232.13
Allocated to:			
School and County Taxes			27,626,908.57
Balance for Support of Municipal Budget Appropriations		$	9,975,323.56
Add: Appropriation "Reserve for Uncollected Taxes"	A-3		960,000.00
Amount for Support of Municipal Budget Appropriations	A-2	$	10,935,323.56
Fees and Permits - Other:			
Clerk/Health	A-12	$	19,061.00
Police	A-12		17,050.00
Health Officer	A-12		9,900.00
	A-2	$	46,011.00
Uniform Construction Code Fees and Permits:	A-12	$	264,844.00
	A-2	$	264,844.00
Recreation - Fees and Permits:	A-12	$	167,145.00
Less: Refunds	A-4		590.53
	A-2	$	166,554.47

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

BOROUGH OF MOUNTAINSIDE

CURRENT FUND

STATEMENT OF REVENUES-REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2023

	REF.		
ANALYSIS OF NON-BUDGET REVENUE			
Miscellaneous Revenue Not Anticipated:			
Treasurer:			
Miscellaneous		$	6,263.58
Miscellaneous - Clerk			3,706.65
Miscellaneous Reimbursements			64,429.58
Forclosed Premium			52,000.00
Road Opening Excavation Permits			51,000.00
Soil Moving Permits			1,250.00
Pension Reimbursement			44,163.08
Administration Fees Developers Escrow			3,079.17
Zoning			23,434.00
Parking			40,541.07
Pool Lot Rental			2,500.00
Fire Prevention Shared Service			6,000.00
Insurance Settlements			17,414.03
Library Shared Service			16,400.00
Tonnage Rebate			9,406.80
Community Room Rentals			400.00
Senior Citizen and Veterans Administration Fee			785.00
Duplicate Bills			200.00
	A-1:A-2	$	342,972.96

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

BOROUGH OF MOUNTAINSIDE

CURRENT FUND

STATEMENT OF EXPENDITURES-REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2023

	APPROPRIATIONS		EXPENDED		UNEXPENDED BALANCE CANCELED
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED	
GENERAL GOVERNMENT					
Administrative and Executive:					
Salaries and Wages	$ 140,000.00	$ 140,000.00	$ 138,929.59	$ 1,070.41	$
Other Expenses	145,000.00	155,000.00	149,800.66	5,199.34	
Mayor and Council:					
Salaries and Wages	15,500.00	15,500.00	15,447.08	52.92	
Other Expenses	95.00	95.00		95.00	
Borough Clerk:					
Salaries and Wages	185,000.00	185,000.00	182,053.75	2,946.25	
Other Expenses	9,000.00	9,000.00	8,899.43	100.57	
Financial Administration:					
Salaries and Wages	201,000.00	210,000.00	207,948.90	2,051.10	
Other Expenses	1,140.00	1,140.00	100.00	1,040.00	
Audit	66,000.00	66,000.00	66,000.00		
Assessment of Taxes:					
Salaries and Wages	28,000.00	30,000.00	29,409.53	590.47	
Other Expenses	24,000.00	14,000.00	9,284.61	4,715.39	
Legal Services and Costs:					
Salaries and Wages	31,000.00	31,000.00	30,709.38	290.62	
Other Expenses	330,000.00	330,000.00	286,536.83	43,463.17	
Municipal Court:					
Salaries and Wages	195,000.00	195,000.00	187,718.30	7,281.70	
Other Expenses	8,000.00	8,000.00	7,937.05	62.95	
Public Defender:					
Salaries and Wages	4,000.00	4,000.00	144.00	3,856.00	
Planning Board:					
Salaries and Wages	28,000.00	17,695.00	9,935.81	7,759.19	
Other Expenses-Miscellaneous	54,000.00	29,000.00	20,260.73	8,739.27	
Insurance:					
Group Insurance Plan for Employees	975,000.00	975,000.00	870,200.30	104,799.70	
Workers Compensation	60,000.00	60,000.00	60,000.00		
Other Insurance	316,000.00	316,000.00	311,452.02	4,547.98	
Group Insurance Health Benefit Waiver	35,000.00	35,000.00	31,742.67	3,257.33	
PUBLIC SAFETY					
Fire:					
Other Expenses	125,000.00	130,000.00	128,894.95	1,105.05	
Police:					
Salaries and Wages	2,940,000.00	2,990,000.00	2,962,167.76	27,832.24	
Other Expenses - Miscellaneous	230,250.00	230,250.00	225,534.51	4,715.49	
Police Dispatchers:					
Salaries and Wages	275,000.00	270,000.00	250,430.30	19,569.70	
Other Expenses	8,000.00	8,000.00	6,838.56	1,161.44	
First Aid Organization-Contribution	35,000.00	35,000.00	35,000.00		
Emergency Management Services:					
Salaries and Wages	24,500.00	24,500.00	13,627.12	10,872.88	
Other Expenses	15,000.00	15,000.00	5,693.25	9,306.75	
Fire Prevention:					
Salaries and Wages	10.00	10.00		10.00	
Other Expenses	2,500.00	2,500.00	2,000.00	500.00	
PUBLIC WORKS					
Road Repairs and Maintenance:					
Salaries and Wages	580,000.00	580,000.00	574,909.97	5,090.03	
Other Expenses	256,000.00	256,000.00	252,074.31	3,925.69	
Snow Removal:					
Other Expenses	300,000.00	100,000.00	73,341.81	26,658.19	
Public Buildings and Grounds:					
Other Expenses	140,000.00	140,000.00	130,180.78	9,819.22	
Shade Tree Commission:					
Other Expenses	20,000.00	20,000.00	7,266.00	12,734.00	

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

BOROUGH OF MOUNTAINSIDE

CURRENT FUND

STATEMENT OF EXPENDITURES-REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2023

	APPROPRIATIONS		EXPENDED		UNEXPENDED BALANCE CANCELED
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED	
HEALTH AND WELFARE					
Board of Health:					
Salaries and Wages	$ 8,000.00	$ 8,000.00	$ 4,596.05	$ 3,403.95	$
Other Expenses	46,000.00	46,000.00	45,828.00	172.00	
Dog Regulation:					
Other Expenses	10,000.00	10,000.00	10,000.00		
Administration of Public Assistance:					
Salaries and Wages	10.00	10.00		10.00	
Other Expenses	10.00	10.00		10.00	
RECREATION AND EDUCATION					
Board of Recreation Commissioners (R.S. 40:12-1 et. seq.):					
Salaries and Wages	268,000.00	278,000.00	272,428.31	5,571.69	
Other Expenses	88,750.00	118,750.00	118,360.77	389.23	
Senior Citizen Services:					
Salaries and Wages	61,000.00	61,000.00	58,293.74	2,706.26	
Other Expenses	12,000.00	12,000.00	9,773.95	2,226.05	
STATE UNIFORM CONSTRUCTION CODE					
Construction Code Official:					
Salaries and Wages	175,000.00	145,000.00	138,912.31	6,087.69	
Other Expenses	13,000.00	13,000.00	12,930.95	69.05	
ZONING ENFORCEMENT					
Other Expenses	10.00	10.00		10.00	
UNCLASSIFIED					
Salary Adjustment	70,000.00	70,000.00		70,000.00	
Utilities:					
Fire Hydrant	195,000.00	195,000.00	147,935.97	47,064.03	
Street Lighting	50,000.00	50,000.00	47,222.85	2,777.15	
Telephone	39,000.00	39,000.00	34,534.92	4,465.08	
Electricity	97,000.00	97,000.00	79,945.36	17,054.64	
Water	15,000.00	15,000.00	14,289.01	710.99	
Natural Gas	27,000.00	27,000.00	21,198.58	5,801.42	
Gasoline	95,000.00	80,000.00	72,001.91	7,998.09	
	$ 9,071,775.00	$ 8,892,470.00	$ 8,380,722.64	$ 511,747.36	$
CONTINGENT	$ 300.00	$ 300.00	$	$ 300.00	$
TOTAL OPERATIONS (INCLUDING CONTINGENT) WITHIN "CAPS"	$ 9,072,075.00	$ 8,892,770.00	$ 8,380,722.64	$ 512,047.36	$
DEFERRED CHARGES AND STATUTORY EXPENDITURES-MUNICIPAL					
Deferred Charges:					
Contribution to Swim Pool Deficit	$ 50,000.00	$ 50,000.00	$	$	$ 50,000.00
Statutory Expenditures:					
Contribution to:					
Public Employees Retirement System	318,732.32	318,732.32	318,732.32		
Social Security System (O.A.S.I.)	220,000.00	227,000.00	216,899.77	10,100.23	
DCRP	10,000.00	10,000.00	7,168.15	2,831.85	
Police and Firemen's Retirement System of N.J.	751,249.00	751,249.00	751,249.00		
TOTAL DEFERRED CHARGES AND STATUTORY EXPENDITURES - MUNICIPAL WITHIN "CAPS"	$ 1,349,981.32	$ 1,356,981.32	$ 1,294,049.24	$ 12,932.08	$ 50,000.00
TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES WITHIN "CAPS"	$ 10,422,056.32	$ 10,249,751.32	$ 9,674,771.88	$ 524,979.44	$ 50,000.00

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

BOROUGH OF MOUNTAINSIDE

CURRENT FUND

STATEMENT OF EXPENDITURES-REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2023

	APPROPRIATIONS		EXPENDED		UNEXPENDED
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED	BALANCE CANCELED
OPERATIONS EXCLUDED FROM "CAPS"					
Maintenance of Free Public Library	$ 720,623.00	$ 720,623.00	$ 720,623.00	$	$
Rahway Valley Sewerage Authority:					
Share of Costs	880,000.00	852,000.00	850,859.54	1,140.46	
Tax Appeals Pending:					
Other Expenses	100,000.00	100,000.00		100,000.00	
STATE AND FEDERAL PROGRAMS					
OFF-SET BY REVENUES					
Municipal Alliance on Alcoholism and Drug Abuse:					
State Aid (N.J.S.A. 40A:4-87 + $1,221.00)	8,939.00	10,160.00	10,160.00		
Local Match	2,235.00	2,540.00	2,540.00		
DMHAS Youth Leadership Grant (N.J.S.A. 40A:4-87 + $243.00)	3,403.00	3,646.00	3,646.00		
Federal Bulletproof Vest Program	3,500.00	3,500.00	3,500.00		
Clean Communities (N.J.S.A. 40A:4-87 + $17,371.65)		17,371.65	17,371.65		
Alcohol, Ed and Rehabilitation State Aid (N.J.S.A. 40A:4-87 + $2,985.27)		2,985.27	2,985.27		
Kids Recreation Trust - Match	30,000.00	30,000.00	30,000.00		
UC Kids Recreation Trust Grant 2023	35,000.00	35,000.00	35,000.00		
Body Armor Replacement Fund	1,735.50	1,735.50	1,735.50		
Recycling Tonnage Grant	6,817.56	6,817.56	6,817.56		
Union County CARES Act	76,500.00	76,500.00	76,500.00		
NJDEP - Stormwater Assistance Grant (N.J.S.A. 40A:4-87 + $15,000.00)		15,000.00	15,000.00		
Infrastructure Municipal Aid (N.J.S.A. 40A:4-87 + 40,000.00)		40,000.00	40,000.00		
Watts Community Foundation (N.J.S.A. 40A:4-87 + $3,340.00)		3,340.00	3,340.00		
TOTAL OPERATIONS - EXCLUDED FROM "CAPS"	$ 1,868,753.06	$ 1,921,218.98	$ 1,820,078.52	$ 101,140.46	$
CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"					
Capital Improvement Fund	$ 50,000.00	$ 250,000.00	$ 250,000.00	$	$
Purchase of Vehicles	100,000.00	100,000.00	100,000.00		
TOTAL CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"	$ 150,000.00	$ 350,000.00	$ 350,000.00	$	$
MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS"					
Payment of Bond Anticipation Notes	$ 847,000.00	$ 847,000.00	$ 847,000.00	$	$
Interest on Notes	223,000.00	223,000.00	222,971.11		28.89
TOTAL MUNICIPAL DEBT SERVICE EXCLUDED FROM "CAPS"	$ 1,070,000.00	$ 1,070,000.00	$ 1,069,971.11	$	$ 28.89

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

BOROUGH OF MOUNTAINSIDE

CURRENT FUND

STATEMENT OF EXPENDITURES-REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2023

		APPROPRIATIONS		EXPENDED		UNEXPENDED
		BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED	BALANCE CANCELED
DEFERRED CHARGES - MUNICIPAL						
EXCLUDED FROM "CAPS"						
Special Emergency Authorizations - 5 Years						
(N.J.S.A. 40A:4-55)		$ 40,000.00	$ 40,000.00	$ 40,000.00	$	$
TOTAL DEFERRED CHARGES-						
EXCLUDED FROM "CAPS"		$ 40,000.00	$ 40,000.00	$ 40,000.00	$	$
TOTAL GENERAL APPROPRIATIONS						
EXCLUDED FROM "CAPS"		$ 3,128,753.06	$ 3,381,218.98	$ 3,280,049.63	$ 101,140.46	$ 28.89
SUB-TOTAL GENERAL APPROPRIATIONS		$ 13,550,809.38	$ 13,630,970.30	$ 12,954,821.51	$ 626,119.90	$ 50,028.89
RESERVE FOR UNCOLLECTED TAXES		960,000.00	960,000.00	960,000.00		
TOTAL GENERAL APPROPRIATIONS		$ 14,510,809.38	$ 14,590,970.30	$ 13,914,821.51	$ 626,119.90	$ 50,028.89
	REF.	A-2		A-1	A:A-1	
Budget	A-3		$ 14,510,809.38			
Appropriation by 40A:4-87	A-2		80,160.92			
			$ 14,590,970.30			
Federal and State Programs Appropriated	A-25			$ 248,595.98		
Accounts Payable	A-15			441,300.42		
Deferred Charges	A-28			40,000.00		
Disbursed	A-4			12,832,484.13		
Reserve for Uncollected Taxes	A-2			960,000.00		
				$ 14,522,380.53		
Less: Refunds	A-4			607,559.02		
				$ 13,914,821.51		

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

TRUST FUND

"B"

BOROUGH OF MOUNTAINSIDE

TRUST FUND

BALANCE SHEETS - REGULATORY BASIS

	REF.	BALANCE DECEMBER 31, 2023	BALANCE DECEMBER 31, 2022
ASSETS			
Dog License Fund:			
Cash	B-1	$ 6,089.93	$ 5,453.33
Due From State of New Jersey	B-6		5.20
		$ 6,089.93	$ 5,458.53
Other Funds:			
Cash	B-1	$ 914,556.46	$ 798,967.01
Petty Cash - County Law Enforcement		250.00	250.00
Community Development Block Grants Receivable	B-7	12,250.00	47,550.00
		$ 927,056.46	$ 846,767.01
		$ 933,146.39	$ 852,225.54
LIABILITIES, RESERVES AND FUND BALANCE			
Dog License Fund:			
Reserve for Dog Fund Expenditures	B-5	$ 6,087.33	$ 5,458.53
Due To State of New Jersey	B-6	2.60	
		$ 6,089.93	$ 5,458.53
Other Funds:			
Reserve for Unemployment Compensation Insurance	B-8	$ 41,374.69	$ 33,761.55
Reserve for Community Development Block Grant Fund	B-9	3,500.00	36,800.00
Various Reserves and Deposits	B-3	882,181.77	776,205.46
		$ 927,056.46	$ 846,767.01
		$ 933,146.39	$ 852,225.54

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

GENERAL CAPITAL FUND

BOROUGH OF MOUNTAINSIDE

GENERAL CAPITAL FUND

BALANCE SHEETS - REGULATORY BASIS

	REF.		BALANCE DECEMBER 31, 2023		BALANCE DECEMBER 31, 2022
A S S E T S					
Cash	C-2:C-3	$	4,224,522.06	$	3,342,292.19
State Aid Receivable	C-9		1,141,321.75		994,033.58
Deferred Charges to Future Taxation:					
Unfunded	C-5		6,168,000.00		5,968,000.00
		$	11,533,843.81	$	10,304,325.77
LIABILITIES, RESERVES AND FUND BALANCE					
Bond Anticipation Notes	C-10	$	6,168,000.00	$	5,968,000.00
Improvement Authorizations:					
Funded	C-8		1,347,352.01		866,514.02
Unfunded	C-8		815,193.34		1,145,401.99
Capital Improvement Fund	C-6		637,430.33		674,753.01
Contracts Payable	C-7		1,268,469.02		308,187.50
Reserve for Traffic Study	C-4				5,677.32
Reserve for Preliminary Expenses - Levi Cory Park	C-11		16,286.28		16,286.28
Reserve for Lady Lourdes	C-12		16,271.25		25,000.00
Reserve for Preliminary Charges - Pool Renovation	C-13		9,075.02		9,075.02
Reserve for DPW Garage	C-15		1,123,456.14		1,146,087.29
Reserve for Miscellaneous Capital	C-16				10,000.00
Fund Balance	C-1		132,310.42		129,343.34
		$	11,533,843.81	$	10,304,325.77

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

"C-1"

BOROUGH OF MOUNTAINSIDE

GENERAL CAPITAL FUND

STATEMENT OF FUND BALANCE-REGULATORY BASIS

	REF.		
Balance, December 31, 2022	C	$	129,343.34
Increased by:			
Premium on Bond Anticipation Notes Issued	C-2		52,967.08
		$	182,310.42
Decreased by:			
Fund Balance Anticipated as Current Fund Revenue	C-2		50,000.00
Balance, December 31, 2023	C	$	132,310.42

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

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SWIMMING POOL UTILITY FUND

"D"

BOROUGH OF MOUNTAINSIDE

SWIMMING POOL UTILITY FUND

BALANCE SHEETS - REGULATORY BASIS

	REF.	BALANCE DECEMBER 31, 2023	BALANCE DECEMBER 31, 2022
ASSETS			
Operating Fund:			
Cash	D-5	$ 135,732.93	$ 168,033.24
Change Fund	D-10	50.00	50.00
Total Operating Fund		$ 135,782.93	$ 168,083.24
Capital Fund:			
Fixed Capital	D-9	$ 1,132,955.10	$ 1,132,955.10
Total Capital Fund		$ 1,132,955.10	$ 1,132,955.10
		$ 1,268,738.03	$ 1,301,038.34
LIABILITIES, RESERVES AND FUND BALANCE			
Operating Fund:			
Liabilities:			
Appropriation Reserves	D-4:D-7	$ 33,646.27	$ 48,629.50
Accounts Payable	D-6	51,034.19	47,399.76
Fund Balance	D-1	51,102.47	72,053.98
Total Operating Fund		$ 135,782.93	$ 168,083.24
Capital Fund:			
Reserve for Amortization	D-8	$ 1,132,955.10	$ 1,132,955.10
Total Capital Fund		$ 1,132,955.10	$ 1,132,955.10
		$ 1,268,738.03	$ 1,301,038.34

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

BOROUGH OF MOUNTAINSIDE

SWIMMING POOL UTILITY FUND

STATEMENTS OF OPERATIONS AND CHANGES
IN OPERATING FUND BALANCE-REGULATORY BASIS

	REF.		YEAR ENDED DECEMBER 31, 2023		YEAR ENDED DECEMBER 31, 2022
REVENUE AND OTHER INCOME REALIZED					
Fund Balance Utilized	D-3	$	65,000.00	$	118,357.00
Membership Fees	D-3		264,810.50		245,043.50
American Rescue Plan Act	D-3				220,643.00
Miscellaneous	D-3		45,751.77		34,596.07
Other Credits to Income:					
Unexpended Balance of Appropriation Reserves	D-7		48,486.22		37,441.91
Total Income		$	424,048.49	$	656,081.48
EXPENDITURES					
Operating	D-4	$	320,000.00	$	310,737.96
Capital Improvements	D-4		48,000.00		48,000.00
Deferred Charges and Statutory Expenditures	D-4		12,000.00		229,762.04
Total Expenditures		$	380,000.00	$	588,500.00
Excess in Revenue		$	44,048.49	$	67,581.48
Fund Balance					
Balance, January 1	D		72,053.98		122,829.50
		$	116,102.47	$	190,410.98
Decreased by:					
Utilization by Swimming Pool Operating Budget	D-1:D-3	$	65,000.00	$	118,357.00
		$	65,000.00	$	118,357.00
Balance, December 31	D	$	51,102.47	$	72,053.98

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

"D-2"

BOROUGH OF MOUNTAINSIDE

SWIMMING POOL UTILITY CAPITAL FUND

STATEMENT OF FUND BALANCE - REGULATORY BASIS

	REF.	
Balance, December 31, 2023 and December 31, 2022	D	$ 0.00

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

BOROUGH OF MOUNTAINSIDE

SWIMMING POOL UTILITY OPERATING FUND

STATEMENT OF REVENUES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2023

	REF.	ANTICIPATED	REALIZED	EXCESS OR (DEFICIT)
Fund Balance Utilized	D-1	$ 65,000.00	$ 65,000.00	$
Membership Fees	D-1:D-5	235,000.00	264,810.50	29,810.50
Anticipated Deficit	D-1:D-5	50,000.00		(50,000.00)
Miscellaneous	D-1:D-3	30,000.00	45,751.77	15,751.77
		$ 380,000.00	$ 375,562.27	$ (4,437.73)
	REF.	D-4		

ANALYSIS OF REALIZED REVENUE

Fees:		
Memberships	D-5	$ 265,619.50
Less: Refunded	D-5	809.00
	D-3	$ 264,810.50

MISCELLANEOUS

Interest on Investments		$ 9,378.77	
Miscellaneous		36,498.00	
	D-5		$ 45,876.77
Less: Refunded	D-5		125.00
	D-3		$ 45,751.77

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

BOROUGH OF MOUNTAINSIDE

SWIMMING POOL UTILITY OPERATING FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2023

		APPROPRIATIONS		EXPENDED	
		BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED
Operating:					
Salaries and Wages		$ 160,000.00	$ 160,000.00	$ 158,588.63	$ 1,411.37
Other Expenses - Miscellaneous		140,000.00	140,000.00	139,064.57	935.43
Other Expenses - Material and Supplies		20,000.00	20,000.00		20,000.00
Total Operating		$ 320,000.00	$ 320,000.00	$ 297,653.20	$ 22,346.80
Capital Improvements:					
Capital Outlay		$ 48,000.00	$ 48,000.00	$ 36,700.53	$ 11,299.47
Total Capital Improvements		$ 48,000.00	$ 48,000.00	$ 36,700.53	$ 11,299.47
Deferred Charges and Statutory Expenditures:					
Statutory Expenditures:					
Contribution to:					
Social Security System (O.A.S.I.)		$ 12,000.00	$ 12,000.00	$ 12,000.00	$
Total Deferred Charges and Statutory Expenditures		$ 12,000.00	$ 12,000.00	$ 12,000.00	$
		$ 380,000.00	$ 380,000.00	$ 346,353.73	$ 33,646.27
	REF.		D-3		D

Accounts Payable	D-6	$ 51,034.19
Disbursements	D-5	299,719.54
Less: Refunds	D-5	4,400.00
		$ 346,353.73

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

GENERAL FIXED ASSETS ACCOUNT GROUP

"F"

BOROUGH OF MOUNTAINSIDE

GENERAL FIXED ASSET ACCOUNT GROUP

BALANCE SHEETS - REGULATORY BASIS

	BALANCE DECEMBER 31, 2023	BALANCE DECEMBER 31, 2022
General Fixed Assets:		
Buildings	$ 12,972,700.00	$ 12,972,700.00
Equipment	5,923,668.30	5,779,518.27
Land	5,001,400.00	5,001,400.00
Total General Fixed Assets	$ 23,897,768.30	$ 23,753,618.27
Investment in General Fixed Assets	$ 23,897,768.30	$ 23,753,618.27

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

NOTES TO FINANCIAL STATEMENTS

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Borough of Mountainside is an instrumentality of the State of New Jersey established to function as a municipality. The Borough Council consists of elected officials and is responsible for the fiscal control of the Borough.

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

B. Description of Funds

The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. GASB codification establishes three fund types and two account groups to be used by general purpose governmental units when reporting financial position and results of operations in accordance with U.S. Generally Accepted Accounting Principles (GAAP).

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Description of Funds (Continued)

The accounting policies of the Borough of Mountainside conform to the accounting principles applicable to municipalities which have been prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Such principles and practices are designed primarily for determining compliance with legal provisions and budgetary restrictions and as a means of reporting on the stewardship of public officials with respect to public funds. Under this method of accounting, the financial transactions and accounts of the Borough of Mountainside are organized on the basis of funds and an account group which is different from the fund structure required by GAAP. A fund or account group is an accounting entity with a separate set of self-balancing accounts established to record the financial position and results of operation of a specific governmental activity. As required by the Division of Local Government Services, the Borough accounts for its financial transactions through the following individual funds and account group:

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

Trust Fund - receipts, custodianship and disbursements of funds in accordance with the purpose of which each reserve was created.

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

Swimming Pool Operating and Capital Funds - account for the operations and acquisition of capital facilities of the municipally-owned swimming pool.

General Fixed Assets Account Group - utilized to account for property, land, buildings and equipment that have been acquired by other 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 accounting policies and differences in the State of New Jersey are as follows:

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

Revenues - are recorded when received in cash except for certain amounts which are due from other governmental units. Federal and state grants are realized as revenue when anticipated in the Borough's budget. Receivables for property taxes are recorded with offsetting reserves on the balance sheet of the Borough's Current Fund; accordingly, such amounts are not recorded as revenue until collected. Other amounts that are due the Borough which are susceptible to accrual are also recorded as receivables with offsetting reserves and recorded as revenue when received. GAAP requires revenues to be recognized in the accounting period when they become susceptible to accrual, reduced by an allowance for doubtful accounts.

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

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

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

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

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

General Fixed Assets - New Jersey Administrative Code (NJAC 5:30-5.6), Accounting for Governmental Fixed Assets, which differs in certain respects from generally accepted accounting principles, requires the inclusion of a statement of general fixed assets of the Borough as part of its basic financial statements. General fixed assets are defined as nonexpendable personal property having a physical existence, a useful life of more than one year and an acquisition cost of $5,000.00 or more per unit.

Public domain ("infrastructure") general fixed assets consisting of certain improvements other than buildings, such as roads, bridges, curbs and gutters, streets and sidewalks and drainage systems are not capitalized. No depreciation has been provided on general fixed assets or reported in the financial statements.

The Borough has developed a fixed assets accounting and reporting system based on an inspection and valuation prepared by an independent appraisal firm. Fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Land is stated at the assessed value contained in the Borough's most recent property revaluation. Buildings are stated at the most recent insurance replacement value. General Fixed Assets that have been acquired and are utilized in a governmental fund operation are accounted for in the General Fixed Assets Account Group rather than in a governmental fund.

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.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

Fixed Capital - Swimming Pool Utility

Accounting for utility fund "fixed capital" remains unchanged under the requirements of NJAC 5:30-5.6.

Property and equipment purchased by the Swimming Pool 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 cost or current value. The fixed capital reported is taken from the municipal records and does not necessarily reflect the true condition of such fixed capital. Contributions in aid of construction are not capitalized. The balance in the Reserve for Amortization account in the utility capital fund represent charges to operations for the cost of acquisitions of property, equipment and improvements. The utility does not record depreciation on fixed assets.

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

Accounting and Financial Reporting for Pensions - Under GAAP, municipalities are required to recognize the pension liability in Statements of Revenues, Expenses, Changes in Net Position (balance sheets) and Notes to the Financial Statements in accordance with GASB 68. The liability required to be displayed by GASB 68 is displayed as a separate line item in the Unrestricted Net Position area of the balance sheet.

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

The New Jersey Division of Local Government Services issued Local Finance Notice 2021-10 which allows local units to disclose the most recently available information as it relates to the New Jersey Division of Pensions & Benefits' reporting on GASB 68. As of the date of this report the information for the period ended June 30, 2023 was not available, therefore the information dated June 30, 2022 is disclosed.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

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

The Governmental Accounting Standards Board (GASB) has issued Statement No. 75, "*Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*". This statement establishes standards for measuring and recognizing liabilities, deferred outflows and inflows of resources, and expenses for postemployment benefits other than pensions.

It also requires the State of New Jersey to calculate and allocate to each participating member, for note disclosure purposes only, the OPEB net liability of New Jersey Health Benefits Local Government Retiree Plan (the Plan). The statement does not alter the amount of funds that must be budgeted for OPEB payment under existing state law.

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

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

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

The New Jersey Division of Local Government Services issued Local Finance Notice 2021-10 which allows local units to disclose the most recently available information as it relates to the New Jersey Division of Pensions & Benefits' reporting on GASB 75. As of the date of this report the information for the period ended June 30, 2023 was not available, therefore the information dated June 30, 2022 is disclosed.

Leases

Lease receivables are measured at the present value of the lease payments expected to be received during the lease term. The Borough may receive variable lease payments that are dependent upon the lessee's revenue. The variable payments are recorded as an inflow of resources in the period the payment is received. The deferred inflow of resources is recorded at the initiation of the lease in an amount equal to the initial recording of the lease receivable. The deferred inflow of resources is amortized in a systematic and rational manner over the lease term.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

Leases (Continued)

New Jersey's municipalities and counties do not follow GAAP accounting principles and, as such, do not follow GASB requirements with respect to recording the lease receivable as an asset on their balance sheets or the Statement of Revenues. However, N.J.A.C. 5:30 6.1(c) (2) requires municipalities to disclose GASB 87 information in the Notes to the Financial Statements. The disclosure must meet the requirements of GASB 87.

D. Basic Financial Statements

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

NOTE 2: CASH AND CASH EQUIVALENTS

The Borough considers petty cash, change funds, cash in banks and certificates of deposit as cash and cash equivalents.

A. Deposits

New Jersey statutes permit the deposit of public funds in institutions which are located in New Jersey and which meet the requirements of the Governmental Unit Deposit Protection Act (GUDPA) or the State of New Jersey Cash Management Fund. GUDPA requires a bank that accepts public funds to be a public depository. A public depository is defined as a state bank, a national bank, or a savings bank, which is located in the State of New Jersey, the deposits of which are insured by the Federal Deposit Insurance Corporation. The statutes also require public depositories to maintain collateral for deposits of public funds that exceed certain insurance limits. All collateral must be deposited with the Federal Reserve Bank or a banking institution that is a member of the Federal Reserve System and has capital funds of not less than $25,000,000.00.

The Borough of Mountainside had the following cash and cash equivalents at December 31, 2023:

NOTE 2: CASH AND CASH EQUIVALENTS (CONTINUED)

FUND	Cash on Deposit	Deposits in Transit	Outstanding Checks	Petty Cash/ Change Funds	TOTAL
Current Fund	$ 8,168,146.62	$ 102,720.95	$ 23,697.25	$	$ 8,247,170.32
Animal Control Trust Fund	6,089.93				6,089.93
Trust Other Fund	926,195.78	189.66	11,828.98		914,556.46
General Capital Fund	4,475,171.07		250,649.01		4,224,522.06
Swim Pool Utility Operating Fund	157,720.18		21,987.25		135,732.93
Change Funds (All Funds)				800.00	800.00
Total December 31, 2023	$ 13,733,323.58	$ 102,910.61	$ 308,162.49	$ 800.00	$ 13,528,871.70

A. Deposits

Custodial Credit Risk - Deposits - Custodial credit risk is the risk that in the event of a bank failure, the deposits may not be returned. The Borough does not have a specific deposit policy for custodial credit risk other than those policies that adhere to the requirements of statute. As of December 31, 2023, based upon the coverage provided by FDIC and NJGUDPA, no amount of the bank balance was exposed to custodial credit risk. Of the cash on balance in the bank of $13,733,323.58, $347,096.25 was covered by Federal Depository Insurance, $13,386,227.33 was covered under the provisions of NJGUDPA.

B. Investments

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

1. Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;

2. Government money market mutual funds which are purchased from an investment company or investment trust which is registered with the Securities and Exchange Commission under the "Investment Company Act of 1940," 15 U.S.C. 80a-1 et seq., and operated in accordance with 17 C.F.R. § 270.2a-7 and which portfolio is limited to U.S. Government securities that meet the definition of an eligible security pursuant to 17 C.F.R. § 270.2a-7 and repurchase agreements that are collateralized by such U.S. Government securities in which direct investment may be made pursuant to paragraphs (1) and (3) of N.J.S.A. 5-15.1. These funds are also required to be rated by a nationally recognized statistical rating organization.

NOTE 2: CASH AND CASH EQUIVALENTS (CONTINUED)

B. Investments (Continued)

3. Any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligation bears a fixed rate of interest not dependent on any index or other external factor.

4. Bonds or other obligations of the Local Unit or bonds or other obligations of school districts of which the Local Unit is a part or within which the school district is located.

5. Bonds or other obligations, having a maturity date not more than 397 days from date of purchase, approved by the Division of Local Government Services of the Department of Community Affairs for investment by Local Units;

6. Local government investment pools that are fully invested in U.S. Government securities that meet the definition of eligible security pursuant to 17 C.F.R. § 270a-7 and repurchase agreements that are collateralized by such U.S. Government securities in which direct investment may be made pursuant to paragraphs (1) and (3) of N.J.S.A. 5-15.1. This type of investment is also required to be rated in the highest category by a nationally recognized statistical rating organization.

7. Deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281 (C. 52:18A-90.4); or

8. Agreements for the repurchase of fully collateralized securities if:

   a. the underlying securities are permitted investments pursuant to paragraphs (1) and (3) of this subsection;

   b. the custody of collateral is transferred to a third party;

   c. the maturity of the agreement is not more than 30 days;

   d. the underlying securities are purchased through a public depository as defined in section 1 of P.L. 1970, c.236 (C. 17:19-41); and

   e. a master repurchase agreement providing for the custody and security of collateral is executed.

The Borough of Mountainside had no investments outstanding at December 31, 2023. Based upon the limitations set forth by New Jersey Statutes 40A:5-15.1 and existing investment practices, the Borough is generally not exposed to credit risk, custodial credit risk, concentration of credit risk and interest rate risk for its investments, nor is it exposed to foreign currency risk for its deposits and investments.

NOTE 3: MUNICIPAL DEBT

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

SUMMARY OF MUNICIPAL DEBT

	YEAR 2023	YEAR 2022	YEAR 2021
Issued:			
General:			
Bonds, Notes and Loans	$ 6,168,000.00	$ 5,968,000.00	$ 5,854,000.00
Net Debt Issued	$ 6,168,000.00	$ 5,968,000.00	$ 5,854,000.00
Less:			
Cash on Hand to Pay Notes			0.15
	$ 6,168,000.00	$ 5,968,000.00	$ 5,853,999.85
Authorized But Not Issued			
General:			
Bonds and Notes	$	$	$ 787.00
Total Authorized But Not Issued			787.00
Net Bonds and Notes Issued and and Authorized But Not Issued	$ 6,168,000.00	$ 5,968,000.00	$ 5,854,786.85

ANNUAL DEBT STATEMENT

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicates a regulatory net debt of .281%.

	GROSS DEBT	DEDUCTIONS	NET DEBT
Local School District Debt	$13,715,000.00	$13,715,000.00	-0-
General Debt	6,168,000.00		$6,168,000.00
	$19,883,000.00	$13,715,000.00	$6,168,000.00

NET DEBT $6,168,000.00 DIVIDED BY EQUALIZED VALUATION BASIS PER N.J.S.A. 40A:2-2, AS AMENDED, $2,197,961,978.00 EQUALS .281%.

NOTE 3: MUNICIPAL DEBT (CONTINUED)

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

Equalized Valuation Basis* - December 31, 2023	$2,197,961,978.00
3-1/2 of Equalized Valuation Basis	76,928,669.23
Net Debt	6,168,000.00
Remaining Borrowing Power	$70,760,669.23

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

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

Surplus Anticipated and Total Cash Receipts from Fees, Rents, or Other Charges for the Year	$	375,562.27
Deductions:		
Operating and Maintenance Cost	$	332,000.00
Excess in Revenue - Self Liquidating	$	43,562.27

SCHEDULE OF ANNUAL DEBT SERVICE FOR PRINCIPAL
FOR BONDED DEBT ISSUED AND OUTSTANDING DECEMBER 31, 2023

BOND ANTICIPATION NOTE

	Interest Rate	Issue and Maturity Dates	Amount
General Capital	5.000%	07/20/23 to 07/19/24	$6,168,000.00

NOTE 4: FUND BALANCES APPROPRIATED

Fund balances at December 31, 2023, which were appropriated and included as anticipated revenue in their own respective funds for the year ending December 31, 2024 were as follows:

Current Fund	$2,567,194.00
Swim Pool Utility Operating	$ 45,000.00

NOTE 5: PROPERTY TAXES

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

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

	BALANCE DECEMBER 31, 2023	BALANCE DECEMBER 31, 2022
Prepaid Taxes	$296,838.20	$308,428.66

NOTE 6: PENSION PLANS

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

NOTE 6: PENSION PLANS (CONTINUED)

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

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

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

Vesting and Benefit Provisions

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

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

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

NOTE 6: PENSION PLANS (CONTINUED)

Funding Policy

The contribution policy for PERS is set by N.J.S.A. 43:15A and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount, which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group life insurance benefits is based on actual claims paid. For fiscal year 2023, the State's pension contribution was less than the actuarial determined amount. The local employers' contribution amounts are based on an actuarially determined rate, which includes the normal cost and unfunded accrued liability. During 2023, PERS provides for employee contributions of 7.50% of employees' base salary.

The contribution policy for PFRS is set by N.J.S.A. 43:16A and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's contribution amount is based on an actuarially determined rate, which includes the normal cost and unfunded accrued liability. The local employers' contribution amounts are based on an actuarially determined rate, which includes the normal cost and unfunded accrued liability. For the fiscal year 2022, the State contributed an amount less than the actuarially determined amount. During 2022, PFRS provides for employee contributions of 10.00% of employees' base salary.

The Borough's share of pension costs, which is based upon the annual billings received from the State, amounted to $1,069,981.32 for 2023, $1,078,465.40 for 2022, and $1,031,185 for 2021.

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

Accounting and Financial Reporting for Pensions – GASB 68

The Governmental Accounting Standards Board (GASB) has issued Statement No. 68 "Accounting and Financial Reporting for Public Employees Pensions" which requires the State of New Jersey to calculate and allocate, for note disclosure purposes only, the unfunded net pension liability of Public Employees Retirement System (PERS) and the Police and Firemen's Retirement System (PFRS) of the participating municipality as of December 31, 2022. The statement does not alter the amounts of funds that must be budgeted for pension payments under existing state law.

Under accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, any unfunded net pension liability of the municipality, allocated by the State of New Jersey, is not required to be reported in the financial statements as presented and any pension contributions required to be paid are raised in that year's budget and no liability is accrued at December 31, 2022.

NOTE 6: PENSION PLANS (CONTINUED)

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

Public Employees Retirement System (PERS) (Continued)

At June 30, 2022, the State reported a net pension liability of $3,696,457.00 for the Borough 's proportionate share of the total net pension liability. The total pension liability for the June 30, 2022 measurement date was determined by an actuarial valuation as of July 1, 2021, which was rolled forward to June 30, 2022. 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, 2022, the Borough's proportion was 0.0244938333 percent, which was an increase of 0.0023786927 percent from its proportion measured as of June 30, 2021.

For the year ended June 30, 2022, the State recognized an actuarially determined pension benefit of $152,995.00 for the Borough's proportionate share of the total pension expense. The pension expense recognized in the Borough's financial statements based on the April 1, 2022 billing was $258,994.00.

At June 30, 2022, the State reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	Deferred Outflow of Resources	Deferred Inflow of Resources
Differences between expected and actual experience	$ 26,679.00	$ 23,527.00
Changes of assumptions	11,453.00	553,506.00
Net difference between projected and actual earnings on pension plan investments	152,993.00	
Changes in proportion and differences between Borough contributions and proportionate share of contributions	448,201.00	189,523.00
	$ 639,326.00	$ 766,556.00

NOTE 6: PENSION PLANS (CONTINUED)

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

Public Employees Retirement System (PERS) (Continued)

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

Year Ended June 30,	Amount
2023	($265,342.40)
2024	(109,805.40)
2025	(27,044.40)
2026	223,604.60
2027	51,357.60
	($127,230.00)

Actuarial Assumptions

The collective total pension liability for the June 30, 2022 measurement date was determined by an actuarial valuation as of July 1, 2021, which rolled forward to June 30, 2022. These actuarial valuations used the following assumptions:

Inflation	
Price	2.75%
Wage	3.25%
Salary Increases	
Through 2026	2.75-6.55% Based on Years of Service
Investment Rate of Return	7.00%

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

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

NOTE 6: PENSION PLANS (CONTINUED)

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

Public Employees Retirement System (PERS) (Continued)

Long-Term Rate of Return

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

Assets Class	Target Allocation	Long-Term Expected Real Rate of Return
US Equity	27.00%	8.12%
Non-U.S. Developed Market Equity	13.50%	8.38%
Emerging Market Equity	5.50%	10.33%
Private Equity	13.00%	11.80%
Real Estate	8.00%	11.19%
Real Assets	3.00%	7.60%
High Yield	4.00%	4.95%
Private Credit	8.00%	8.10%
Investment Grade Credit	7.00%	3.38%
Cash Equivalents	4.00%	1.75%
U.S. Treasury's	4.00%	1.75%
Risk Mitigation Strategies	3.00%	4.91%

Discount Rate

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

NOTE 6: PENSION PLANS (CONTINUED)

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

Public Employees Retirement System (PERS) (Continued)

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

The following presents the Borough's proportionate share of the collective net pension liability of the participating employers as of June 30, 2022 respectively, calculated using the discount rate as disclosed above as well as what the Borough's proportionate share of 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:

	June 30, 2022		
	1% Decrease 6.00%	At Current Discount Rate 7.00%	1% Increase 8.00%
Borough's proportionate share of the pension liability	$4,748,864.00	$3,696,457.00	$2,800,816.00

Special Funding Situation

In accordance with N.J.S.A. 43:16A-15, local participating employers are responsible for their own contributions based on actuarially determined amounts, except where legislation was passed which legally obligated the State if certain circumstances occurred. For PERS, the legislation which legally obligates the State is found in Chapter 133, P.L. 2001. This special funding situation is due to the State paying the additional normal cost related to benefit improvements from Chapter 133. Previously, this additional normal cost was paid from the Benefit Enhancement Fund (BEF). As of June 30, 2022, there is no net pension liability associated with this special funding situation as there was no accumulated difference between the annual additional normal cost under the special funding situation and the actual State contribution through the valuation date.

The amounts contributed by the State on behalf of the Borough under this legislation is considered to be a special funding situation as defined by GASB Statement No. 68, and the State is treated as a non-employer contributing entity. Since the Borough does not contribute under this legislation directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to disclose in the notes to the financial statements of the Borough related to this legislation.

NOTE 6: PENSION PLANS (CONTINUED)

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

Public Employees Retirement System (PERS) (Continued)

Special Funding Situation (Continued)

The non-employer contributing entities' total proportionate share of the non-employer contribution that is associated with the Borough as of December 31, 2022 was 0.0245916900%, The non-employer contributing entities' contribution and employer pension expense and related revenue for the year ended June 30, 2022 was $7,777.00.

Police and Firemen's Retirement System (PFRS)

At June 30, 2022, the State reported a net pension liability of $6,300,510.00 for the Borough 's proportionate share of the total PFRS net pension liability. The total pension liability for the June 30, 2022 measurement date was determined by an actuarial valuation as of July 1, 2021, which was rolled forward to June 30, 2022. 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, 2022, the Borough's proportion was 0.0550438000 percent, which was a decrease of 0.0110341600 percent from its proportion measured as of June 30, 2021.

For the year ended June 30, 2022, the State recognized an actuarially determined pension benefit of $586,493.00. The pension expense recognized in the Borough's financial statements based on the April 1, 2022, billing was $770,115.00.

At June 30, 2022, the State reported deferred outflows of resources and deferred inflows of resources related to PFRS from the following sources:

	Deferred Outflow of Resources	Deferred Inflow of Resources
Differences between expected and actual experience	$ 285,178.00	$ 385,992.00
Changes of assumptions	17,267.00	793,110.00
Net difference between projected and actual earnings on pension plan investments	576,942.00	
Changes in proportion and differences between Borough contributions and proportionate share of contributions	151,837.00	1,913,996.00
	$ 1,031,224.00	$ 3,093,098.00

NOTE 6: PENSION PLANS (CONTINUED)

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

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

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

Year Ended June 30		Amount
2023	$	(667,557.80)
2024		(553,816.80)
2025		(544,273.80)
2026		48,295.20
2027		(348,569.80)
Thereafter		4,049.00
	$	(2,061,874.00)

Actuarial Assumptions

The total pension liability for the June 30, 2022 measurement date was determined by an actuarial valuation as of July 1, 2021, which rolled forward to June 30, 2022. This actuarial valuation used the following assumptions:

Inflation	
Price	2.75%
Wage	3.25%
Salary Increases	3.25-16.25% Based on years of Service
Investment Rate of Return	7.00%

Employee mortality rates were based on the Pubs-2010 amount-weighted mortality table with a 105.6% adjustment for males and 102.5% adjustment for females. For healthy annuitants, mortality rates were based on the Pubs-2010 amount-weighted mortality table with a 96.7% adjustment for males and 96.0% adjustment for females. Disability rates were based on the PubS-2010 amount-weighted mortality table with a 152.0% adjustment for males and 109.3% adjustment for females. Mortality improvement is based on scale MP-2021.

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

NOTE 6: PENSION PLANS (CONTINUED)

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

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

Long-Term Rate of Return

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

Assets Class	Target Allocation	Long-Term Expected Real Rate of Return
US Equity	27.00%	8.12%
Non-U.S. Developed Market Equity	13.50%	8.38%
Emerging Market Equity	5.50%	10.33%
Private Equity	13.00%	11.80%
Real Estate	8.00%	11.19%
Real Assets	3.00%	7.60%
High Yield	4.00%	4.95%
Private Credit	8.00%	8.10%
Investment Grade Credit	7.00%	3.38%
Cash Equivalents	4.00%	1.75%
U.S. Treasury's	4.00%	1.75%
Risk Mitigation Strategies	3.00%	4.91%

NOTE 6: PENSION PLANS (CONTINUED)

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

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

Discount Rate

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

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

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

	June 30, 2022		
	1% Decrease 6.00%	At Current Discount Rate 7.00%	1% Increase 8.00%
Borough's proportionate share of the PFRS pension liability	$8,644,979.00	$6,300,510.00	$4,348,727.0(

NOTE 6: PENSION PLANS (CONTINUED)

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

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

Special Funding Situation

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

The non-employer contributing entities' total proportionate share of the collective net pension liability that is associated with the Borough as of December 31, 2022 and 2021 is 0.0550437500% and 0.0660779563% respectively, the non-employer contributing entities' contribution for the year ended June 30, 2022 and 2021 was $139,597.00 and $118,000.00, respectively and the employer pension expense and related revenue for the year ended June 30, 2022 and 2021 was $129,369.00 and $151,282.00, respectively.

At June 30, 2022 and 2021, the State's proportionate share of the net pension liability attributable to the Borough for the PFRS special funding situation is $1,121,306.00 and $1,358,363.00, respectively.

At June 30, 2022, the Borough's and State of New Jersey's proportionate share of the PFRS net pension liability were as follows:

Borough's Proportionate Share of Net Pension Liability	$6,300,510.00
State of New Jersey Proportionate Share of Net Pension Liability Associated with the Borough	1,121,306.00
	$7,421,816.00

Pension plan fiduciary net position

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

NOTE 7: COMPENSATED ABSENCES

Under existing policy of the Borough, employees are allowed to accumulate unused sick leave. Management has estimated that the current cost of unused sick leave for Police personnel would approximate $353,427.09 and for all other personnel would approximate $24,515.00.

Effective January 1, 1999, employees of the Police Department hired prior to September 1, 1990 shall be entitled to receive, upon retirement, an amount equivalent to one hour's pay (at the rate in effect at the time of employee retirement) for each three hours of unused accumulated sick leave up to a maximum of $18,000.00. Employees of the Police Department hired after September 1, 1990 shall be entitled to receive, upon retirement, an amount equivalent to one hour's pay (at the rate in effect at the time of retirement) for each two hours of unused accumulated sick leave up to a maximum of thirty thousand ($30,000) dollars, which sum shall be paid to the employee in equal amounts over three years.

Borough employees are also allowed to accumulate unused vacation days. Accumulated vacation days that are not used by the third month of the succeeding year will expire. However, if the employees' employment with the borough ends within the first three months of the succeeding year, the employees may be compensated for the unused vacation days.

Management has estimated that the current cost of unused vacation days, for Police personnel would approximate $74,250.31 and for all other personnel would approximate $28,007.45. Police personnel are allowed to accumulate compensatory time. Upon retirement, an Officer may only "buy back" a maximum of one hundred hours of unused compensatory time. Management has estimated that the current cost of unused compensatory time is $114,495.34.

Under accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the accumulated cost of such unpaid compensation is not required to be reported in the financial statements as presented and any amounts required to be paid are raised in that year's budget and no liability is accrued on December 31, 2023.

NOTE 8: LITIGATION

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

NOTE 9: CONTINGENT LIABILITIES

The Borough participates in several federal and state financial assistance grant programs. Entitlement to the funds is generally conditional upon compliance with terms and conditions of the grant agreements and applicable regulations, including the expenditures of funds for eligible purposes. These programs are subject to compliance and financial audits by the grantors or their representatives. As of December 31, 2023, the Borough does not believe that any material liabilities will result from such audits.

NOTE 10: TAX APPEALS

There are several tax appeals filed requesting a reduction of assessments for 2023 and prior years. Any reduction in assessed valuation will result in a refund of prior year's taxes in the year of settlement, which may be funded from tax revenues through the establishment of a reserve or by the issuance of refunding bonds per N.J.S.A. 40A:2-51, if not paid through normal operations. The Borough has made provision, from budget appropriations, in the amount of $445,044.79 for these appeals in the event tax reductions are granted.

NOTE 11: RISK MANAGEMENT

The Borough is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Borough participates in a self-insurance program through the Suburban Municipal Joint Insurance Fund covering each of those risks of loss. The Fund is operated in accordance with regulations of the New Jersey Department of Insurance and the Division of Local Government Services of the Department of Community Affairs. The Borough's contribution to the Fund for claim payments is based on actuarial assumption determined by the Fund's actuary. Management believes such coverage is sufficient to preclude any significant uninsured losses to the Borough.

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

Year	Borough Contributions and Interest	Employee Contributions	Amount Reimbursed	Ending Balance
2023	$1,826.00	$8,903.72	$3,116.58	$41,374.69
2022	376.73	8,439.15	6,248.78	33,761.55
2021	43.30	7,893.40	2,699.34	31,194.45

NOTE 12: INTERFUND RECEIVABLES AND PAYABLES

There were no interfund balances recorded on the balance sheets at December 31, 2023.

NOTE 13: DEFERRED COMPENSATION PLAN

The Borough offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all Borough employees, permits them to defer a portion of their salaries until future years. The Borough does not make any contribution to the plan. The deferred compensation is not available to employees until retirement, death, disability, termination or financial hardship.

In accordance with the requirements of the Small Business Job Protection Act of 1996 and the funding requirements of Internal Revenue Code Section 457(g), the Borough's Plan was amended to require that all amounts of compensation deferred under the Plan are held for the exclusive benefits of plan participants and beneficiaries. All assets and income under the Plan are held in trust, in annuity contracts or custodial accounts.

The Plan is administered by Nationwide Retirement Solutions, Inc., and Lincoln National Corporation.

The accompanying financial statements do not include the Borough's Deferred Compensation Plan Activities. The Borough's Deferred Compensation Plan financial statements are contained in a separate review report.

NOTE 14: ACCOUNTING AND FINANCIAL REPORTING FOR POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS – GASB 75

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

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

NOTE 14: ACCOUNTING AND FINANCIAL REPORTING FOR POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS – GASB 75 (CONTINUED)

Plan Description and Benefits Provided

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

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

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

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

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

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

NOTE 14: ACCOUNTING AND FINANCIAL REPORTING FOR POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS – GASB 75 (CONTINUED)

Special Funding Situation

The Borough, by resolution of the governing body, has elected to provide postretirement medical coverage to certain employees under the provisions of Chapter 330, P.L. 1997.

Under Chapter 330, P.L. 1997, the State shall pay the premium or periodic charges for the qualified local police and firefighter retirees and dependents equal to 80 percent of the premium or periodic charge for the category of coverage elected by the qualified retiree under the State managed care plan or a health maintenance organization participating in the program providing the lowest premium or periodic charge.

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

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

At June 30, 2022 and 2021, the State's proportionate share of the net OPEB liability attributable to the Borough for the special funding situation is $8,208,782.00 and $9,267,259.00 respectively.

At June 30, 2022, the Borough's and State of New Jersey's proportionate share of the Net OPEB Liability were as follows:

Borough's proportionate share of the Net OPEB Liability	$0
State of New Jersey's proportionate share of Net OPEB Liability associated with the Borough	8,208,782
	$8,208,782

NOTE 14: ACCOUNTING AND FINANCIAL REPORTING FOR POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS – GASB 75 (CONTINUED)

Actuarial Assumptions and Other Inputs

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

Salary Increases:	
Public Employees Retirement System (PERS):	
Initial fiscal Year Applied	
Rate for All Future Years	2.75% to 6.55%
Police and Firemen's Retirement System (PFRS):	
Rate for All Future Years	3.25% to 16.25%

Mortality:

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

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

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

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

Discount Rate

The discount rate for June 30, 2022 was 3.54%. This represents the municipal bond return rate as chosen by the State. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long- term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

NOTE 14: ACCOUNTING AND FINANCIAL REPORTING FOR POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS – GASB 75 (CONTINUED)

OPEB Plan Fiduciary Net Position

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

NOTE 15: LEASE RECEIVABLES

The Borough, as lessor, has entered into the following leases:

- Cell Tower – Dish Wireless LLC. The current lease term expires 5/1/27 with three (3) available five (5) year consecutive extensions. The tenant shall pay the lessor rent in the amount of $3,090.00 per month automatically increasing by 3% of the then current rate yearly. The tenant shall retain the right to terminate the agreement without further liability upon thirty days written notice. Payments in 2023 totaled $39,810.00.

- Cell Tower – Verizon. The current lease term expires 5/31/28 with two (2) available five (5) year consecutive extensions. The tenant may exercise the option to terminate the lease with 30 days notice to the landlord should premises become reasonably determined to be unsuitable for the tenant's intended use or operation. Monthly rent increases by 3% per annum of the previous year. Payments in 2023 totaled $54,929.11.

- Cell Tower – AT&T. The current lease term expires 9/30/25 with two (2) available five (5) year consecutive extensions. If the tenant remains in possession of the premises after the expiration of the agreement, the tenant will be deemed to be occupying the premises on a month to month basis, subject to terms and conditions of the original agreement. The lessee must provide notice of intention to terminate to the lessor not less than sixty days prior to the expiration of any subsequent renewal term, so long as the tenant pays the lessor a termination fee equal to six months' rent at the current monthly rate. Monthly rent increases by 3% per annum of the previous year. Payments in 2023 totaled $49,073.75.

- Cell Tower – T-Mobile. The current lease term expires 8/31/25 with an option for another five (5) year renewal term expiring 8/31/30. Tenant shall have the right to not extend the lease for the second renewal term by notifying the landlord in writing of the tenant's intention not to extend at least twelve months prior to expiration of the current term. Monthly rent increases by 3% per annum of the previous year. Payments in 2023 totaled $79,953.72.

NOTE 16: FIXED ASSETS

Below is a summary of the General Fixed Assets Account Group for the year ended December 31, 2023:

	Balance December 31, 2022	Additions	Deletions	Balance December 31, 2023
Land	$ 5,001,400.00	$	$	$ 5,001,400.00
Buildings	12,972,700.00			12,972,700.00
Machinery and Equipment	5,779,518.27	399,188.59	255,038.56	5,923,668.30
	$ 23,753,618.27	$ 399,188.59	$ 255,038.56	$ 23,897,768.30

NOTE 17: SUBSEQUENT EVENTS

The Borough has evaluated subsequent events occurring after the financial statement date through March 26, 2024 which is the date the financial statements were available to be issued. Based upon the evaluation, the Borough has determined that there are no subsequent events needed to be disclosed.

BOROUGH OF MOUNTAINSIDE

SUPPLEMENTARY SCHEDULES – ALL FUNDS

YEAR ENDED DECEMBER 31, 2023

BOROUGH OF MOUNTAINSIDE

CURRENT FUND

SCHEDULE OF CASH - TREASURER

	REF.		CURRENT FUND	
Balance, December 31, 2022	A			$ 8,118,509.45
Increased by Receipts:				
Collector	A-5	$	38,090,954.09	
Revenue Accounts Receivable	A-12		2,423,349.25	
Miscellaneous Revenue Not Anticipated	A-2		342,972.96	
State of New Jersey - Senior Citizens and Veterans Deductions (Chapter 20, P.L. 1971)	A-9		39,250.00	
Petty Cash Funds Returned	A-8		500.00	
2023 Appropriations - Refunds	A-3		607,559.02	
Miscellaneous Receivable	A-27		469,399.12	
Various Reserves	A-16		125,210.02	
Interfunds	A-23		656,235.83	
Grants Receivable	A-24		157,975.87	
Grants Programs - Unappropriated	A-29		13,891.71	
Prepaid Sewer	A-30		16.60	
				42,927,314.47
				$ 51,045,823.92
Decreased by Disbursements:				
2023 Appropriations	A-3	$	12,832,484.13	
Appropriation Reserves	A-14		755,555.92	
Refund of Tax Overpayments	A-18		21,006.33	
Local District School Tax	A-21		18,665,472.00	
County Taxes	A-19		8,933,779.03	
County Share of Added Taxes	A-20		13,176.50	
Petty Cash Fund Advances	A-8		500.00	
Various Reserves	A-16		219,155.00	
Refund of Recreation Fees	A-2		590.53	
Refund of Prior Years Revenue	A-1		0.45	
Miscellaneous Receivable	A-27		469,399.12	
Interfunds	A-23		656,235.83	
Grants Programs Appropriated	A-25		231,298.76	
				42,798,653.60
Balance, December 31, 2023	A			$ 8,247,170.32

"A-5"

BOROUGH OF MOUNTAINSIDE

CURRENT FUND

SCHEDULE OF CASH - COLLECTOR

	REF.		
Received:			
Taxes Receivable	A-10	$ 37,467,187.79	
Revenue Accounts Receivable	A-12	84,756.64	
2024 Taxes Prepaid	A-17	296,838.20	
Tax Overpayments	A-18	21,006.33	
Sewer Flow Charges Receivable	A-13	221,165.13	
			$ 38,090,954.09
Decreased by Disbursements:			
Payments to Treasurer	A-4		$ 38,090,954.09

"A-6"

SCHEDULE OF PROPERTY ACQUIRED FOR TAXES-ASSESSED VALUATION

Balance, December 31, 2023 and December 31, 2022	A	$ 3,875.00

"A-7"

BOROUGH OF MOUNTAINSIDE

CURRENT FUND

SCHEDULE OF CHANGE FUND

		BALANCE DECEMBER 31, 2023	BALANCE DECEMBER 31, 2022
Collector	$	100.00	$ 100.00
Municipal Court		200.00	200.00
Clerk - Dog License Account		75.00	75.00
Construction and Zoning Department		25.00	25.00
Recreation Department		100.00	100.00
	$	500.00	$ 500.00
REF.		A	A

"A-8"

SCHEDULE OF PETTY CASH FUNDS

		RECEIVED FROM TREASURER	RETURNED TO TREASURER
Treasurer	$	100.00	$ 100.00
Police Department		100.00	100.00
Construction & Zoning Department		100.00	100.00
Recreation Department		100.00	100.00
Senior Services		100.00	100.00
	$	500.00	$ 500.00
REF.		A-4	A-4

"A-9"

BOROUGH OF MOUNTAINSIDE

CURRENT FUND

SCHEDULE OF DUE TO STATE OF NEW JERSEY
FOR SENIOR CITIZENS AND VETERANS DEDUCTIONS

	REF.		
Balance, December 31, 2022 (Due To)	A		$ 5,619.97
Increased by:			
Received From State of New Jersey	A-4	$ 39,250.00	
Prior Years' Veterans Deductions Disallowed by State	A-1	250.00	
Received From State of New Jersey			39,500.00
			$ 45,119.97
Decreased by:			
Senior Citizens Deductions Per Tax Billing		$ 1,000.00	
Veterans Deductions Per Tax Billing		37,500.00	
Senior Citizens and Veterans Deductions Allowed by Tax Collector		500.00	
			39,000.00
Balance, December 31, 2023 (Due To)	A		$ 6,119.97

ANALYSIS OF STATE SHARE OF 2023 SENIOR
CITIZENS AND VETERANS DEDUCTIONS

Senior Citizens Deductions Per Tax Billing		$ 1,000.00
Veterans Deductions Per Tax Billing		37,500.00
Senior Citizens and Veterans Deductions Allowed by Tax Collector- Taxes		500.00
	A-10	$ 39,000.00

BOROUGH OF MOUNTAINSIDE

CURRENT FUND

SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY

YEAR	BALANCE DECEMBER 31, 2022	2023 LEVY	CASH COLLECTIONS 2022	CASH COLLECTIONS 2023	CANCELED	TRANSFERRED TO TAX TITLE LIENS	BALANCE DECEMBER 31, 2023
2022	$ 212,134.32	$	$	$ 212,384.32	$	$	$
2023		37,859,596.72	308,428.66	37,293,803.47	22,073.46	5.97	235,285.16
	$ 212,134.32	$ 37,859,596.72	$ 308,428.66	$ 37,506,187.79	$ 22,073.46	$ 5.97	$ 235,285.16
REF.	A		A-2:A-17	A-2		A-11	A

	REF.	
Collector	A-5	$ 37,467,187.79
Senior Citizens Deductions	A-9	39,000.00
		$ 37,506,187.79

ANALYSIS OF 2023 PROPERTY TAX LEVY

	REF.			
TAX YIELD				
General Purpose Tax			$ 37,737,910.15	
Added Taxes (54:4-63.1 et. seq.)			121,686.57	
				$ 37,859,596.72
TAX LEVY				
Local District School Tax (Abstract)	A-21		$ 18,665,472.00	
County Taxes:				
County Tax (Abstract)	A-19	$ 8,933,779.03		
Due County for Added Taxes (54:4-63.1 et. seq.)	A-20	27,657.54		
			8,961,436.57	
Local Tax for Municipal Purposes (Abstract)	A-2	$ 9,413,519.24		
Minimum Library Tax	A-2	720,622.63		
Add: Additional Tax Levied		98,546.28		
Local Tax for Municipal Purposes Levied			10,232,688.15	
				$ 37,859,596.72

"A-11"

BOROUGH OF MOUNTAINSIDE

CURRENT FUND

SCHEDULE OF TAX TITLE LIENS RECEIVABLE

	REF.	
Balance, December 31, 2022	A	$ 27,458.13
Increased by:		
Transfer from Taxes Receivable	A-10	5.97
Balance, December 31, 2023	A	$ 27,464.10

BOROUGH OF MOUNTAINSIDE

CURRENT FUND

SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE

	REF.	BALANCE DECEMBER 31, 2022	ACCRUED IN 2023	COLLECTED BY COLLECTOR	COLLECTED BY TREASURER	BALANCE DECEMBER 31, 2023
Clerk:						
Licenses:						
Alcoholic Beverage	A-2	$	$ 22,688.00	$	$ 22,688.00	$
Other	A-2		1,700.00		1,700.00	
Fees and Permits	A-2		19,061.00		19,061.00	
Health Officer:						
Fees and Permits	A-2		9,900.00		9,900.00	
Construction Code Official:						
Fees and Permits	A-2		264,844.00		264,844.00	
Recreation:						
Fees and Permits	A-2		167,145.00		167,145.00	
Municipal Court:						
Fines and Costs	A-2	4,218.47	108,203.28		107,168.54	5,253.21
Police:						
Fees and Permits	A-2		17,050.00		17,050.00	
Cable T.V. Franchise Fee	A-2		105,931.45		105,931.45	
Interest and Costs on Taxes	A-2		84,756.64	84,756.64		
Interest on Investments	A-2		661,188.74		661,188.74	
Energy Receipts Tax	A-2		772,905.94		772,905.94	
Capital Surplus	A-2		50,000.00		50,000.00	
Cell Tower Rents	A-2		223,766.58		223,766.58	
		$ 4,218.47	$ 2,509,140.63	$ 84,756.64	$ 2,423,349.25	$ 5,253.21
	REF.	A		A-5	A-4	A

BOROUGH OF MOUNTAINSIDE

CURRENT FUND

SCHEDULE OF SEWER FLOW CHARGES RECEIVABLE

	REF.		
Balance, December 31, 2022	A	$	885.23
Increased by:			
Levy			221,683.45
		$	222,568.68
Decreased by:			
Collections:			
Collector	A-5		221,165.13
Balance, December 31, 2023	A	$	1,403.55

BOROUGH OF MOUNTAINSIDE

CURRENT FUND

SCHEDULE OF 2022 APPROPRIATION RESERVES

	BALANCE DECEMBER 31, 2022	ACCOUNTS PAYABLE	BALANCE AFTER TRANSFERS	PAID OR CHARGED	BALANCE LAPSED
SALARIES AND WAGES:					
Administrative and Executive	$ 23,973.53	$	$ 23,973.53	$	$ 23,973.53
Mayor and Council	146.92		146.92		146.92
Borough Clerk	403.04		403.04		403.04
Financial Administration	18,271.50		18,271.50		18,271.50
Assessment of Taxes	18,651.64		18,651.64		18,651.64
Legal Services and Costs	471.54		471.54		471.54
Planning Board	12,127.49		12,127.49		12,127.49
Police Dispatchers	4,845.92		4,845.92		4,845.92
Police	77,913.87		27,913.87		27,913.87
Road Repair and Maintenance	23,193.43		23,193.43		23,193.43
Emergency Management Services	9,873.00		9,873.00		9,873.00
Fire Prevention	3,310.00		3,310.00		3,310.00
Board of Health	3,796.54		3,796.54		3,796.54
Administration of Public Assistance	10.00		10.00		10.00
Board of Recreation Commissioners	3,806.43		3,806.43		3,806.43
Senior Citizen Services	1,696.05		1,696.05		1,696.05
Construction Code Official	43,374.80		3,374.80		3,374.80
Municipal Court	13,428.98	731.07	14,160.05	378.69	13,781.36
Public Defender	4,000.00		4,000.00		4,000.00
TOTAL SALARIES AND WAGES	$ 263,294.68	$ 731.07	$ 174,025.75	$ 378.69	$ 173,647.06
OTHER EXPENSES:					
Administrative and Executive	$ 9,288.49	$ 15,156.25	$ 24,444.74	$ 13,352.88	$ 11,091.86
Mayor and Council	95.00		95.00		95.00
Borough Clerk	66.63		66.63		66.63
Financial Administration	487.32		487.32		487.32
Assessment of Taxes	21,127.09	707.20	21,834.29	707.20	21,127.09
Legal Services and Costs	76,965.29	41,508.30	58,473.59	28,250.02	30,223.57
Planning Board	31,915.62	39.27	31,954.89	408.88	31,546.01
Group Insurance Plan for Employees	114,922.70	7,961.82	72,884.52	8,464.98	64,419.54
Other Insurance	9,475.82	78,644.25	88,120.07	78,644.25	9,475.82
Group Insurance Health Benefit Waiver	1,334.25		1,334.25		1,334.25
Fire	2,959.26	27,567.04	30,526.30	26,245.45	4,280.85
Police	15,900.41	71,776.23	87,676.64	66,426.59	21,250.05
Police Dispatchers	1,295.52		1,295.52		1,295.52
Emergency Management Services	7,608.59	4,626.77	12,235.36	4,644.77	7,590.59
Fire Prevention	500.00		500.00		500.00
Road Repairs and Maintenance	8,448.51	38,865.87	47,314.38	40,498.78	6,815.60
Snow Removal	85,421.76	51,693.74	137,115.50	137,115.50	
Public Buildings and Grounds	41,566.03	15,109.25	56,675.28	16,201.30	40,473.98
Shade Tree Commission	15,418.26	100.00	15,518.26	84.00	15,434.26
Board of Health	768.00		768.00		768.00
Dog Regulation	2,000.00		2,000.00		2,000.00
Administration of Public Assistance	10.00		10.00		10.00
Board of Recreation Commissioners	2,841.06	19,693.48	22,534.54	21,648.70	885.84
Senior Citizen Services	1,092.89	2,447.24	3,540.13	3,040.14	499.99
Construction Code Official	2,008.45	2,000.00	4,008.45	2,000.00	2,008.45
Zoning Enforcement	10.00		10.00		10.00
Salary Adjustment	70,000.00		70,000.00		70,000.00
Fire Hydrant	32,925.23		32,925.23	14,734.07	18,191.16
Street Lighting	2,615.20		2,615.20		2,615.20
Telephone	5,891.34	276.74	6,168.08	276.74	5,891.34
Electricity	13,245.04		13,245.04	422.79	12,822.25
Water	1,606.58		1,606.58	142.54	1,464.04
Gas	9,156.94	752.15	9,909.09	752.15	9,156.94
Gasoline	1,750.79		1,750.79		1,750.79
Contingent	300.00		300.00		300.00
Municipal Court	5,511.20		5,511.20		5,511.20
Contribution to Social Security System	6,559.51		6,559.51		6,559.51
DCRP	2,154.57		2,154.57		2,154.57
Purchase of Police Pickup Truck	2,209.17	72,950.50	75,159.67	73,333.60	1,826.07
Capital Improvement Fund	250,000.00		250,000.00	250,000.00	
Tax Appeal Pending	50,000.00		250,000.00	250,000.00	
Rahway Valley Sewerage Authority - Share of Costs	13,377.97		13,377.97		13,377.97
TOTAL OTHER EXPENSES	$ 920,830.49	$ 451,876.10	$ 1,462,706.59	$ 1,037,395.33	$ 425,311.26
	$ 1,184,125.17	$ 452,607.17	$ 1,636,732.34	$ 1,037,774.02	$ 598,958.32
	REF. A	A-15			A-1

Disbursed	A-4	$ 755,555.92
Accounts Payable	A-22	32,218.10
Reserve for Tax Appeals	A-26	250,000.00
		$ 1,037,774.02

"A-15"

BOROUGH OF MOUNTAINSIDE

CURRENT FUND

SCHEDULE OF ENCUMBRANCES PAYABLE

	REF.		
Balance, December 31, 2022	A	$	452,607.17
Increased by:			
Charges to 2023 Appropriations	A-3		441,300.42
		$	893,907.59
Decreased by:			
Transferred to Appropriation Reserves	A-14		452,607.17
Balance, December 31, 2023	A	$	441,300.42

BOROUGH OF MOUNTAINSIDE

CURRENT FUND

SCHEDULE OF MISCELLANEOUS RESERVES

	BALANCE DECEMBER 31, 2022	INCREASED	DECREASED	BALANCE DECEMBER 31, 2023
Sale of Municipal Assets	$ 1,532,056.98	$ 25,940.00	$ 205,000.00	$ 1,352,996.98
Revaluation Program	23,988.17			23,988.17
Municipal Relief Funds	40,041.00	80,065.02	40,041.00	80,065.02
Property Maintenance, DCA Fees - Due State of New Jersey		14,702.00	14,702.00	
Marriage License Fees - Due State of New Jersey		150.00	100.00	50.00
RVSA		4,353.00	4,353.00	
	$ 1,596,086.15	$ 125,210.02	$ 264,196.00	$ 1,457,100.17
REF.	A			A

Cash Receipts	A-4	$ 125,210.02	
Cash Disbursements	A-4		$ 219,155.00
Anticipated Revenue	A-2		45,041.00
			$ 264,196.00

"A-17"

BOROUGH OF MOUNTAINSIDE

CURRENT FUND

SCHEDULE OF PREPAID TAXES

	REF.		
Balance, December 31, 2022	A	$	308,428.66
Increased by:			
Collection - 2024 Taxes	A-5		296,838.20
		$	605,266.86
Decreased by:			
Applied to 2023 Taxes Receivable	A-10		308,428.66
Balance, December 31, 2023	A	$	296,838.20

"A-18"

SCHEDULE OF TAX OVERPAYMENTS

Increased by:			
Overpayments in 2023:			
Collector	A-5	$	21,006.33
Decreased by:			
Refunds	A-4	$	21,006.33

"A-19"

BOROUGH OF MOUNTAINSIDE

CURRENT FUND

SCHEDULE OF COUNTY TAXES PAYABLE

	REF.		
Increased by:			
2023 Tax Levy	A-1:A-10	$	8,933,779.03
Decreased by:			
Payments	A-4	$	8,933,779.03

"A-20"

SCHEDULE OF DUE COUNTY FOR ADDED TAXES

Balance, December 31, 2022	A	$	13,176.50
Increased by:			
County Share of 2023 Levy:			
Added Taxes (R.S. 54:4-63.1 et. seq.)	A-1:A-10		27,657.54
		$	40,834.04
Decreased by:			
Payments	A-4		13,176.50
Balance, December 31, 2023	A	$	27,657.54

"A-21"

BOROUGH OF MOUNTAINSIDE

CURRENT FUND

SCHEDULE OF LOCAL DISTRICT SCHOOL TAX

	REF.	
Increased by:		
Levy Calendar Year	A-1:A-10	$ 18,665,472.00
Decreased by:		
Disbursements	A-4	$ 18,665,472.00

"A-22"

SCHEDULE OF ACCOUNTS PAYABLE

Increased by:		
Transferred from Appropriaton Reserves	A-14	$ 32,218.10
Balance, December 31, 2023	A	$ 32,218.10

"A-23"

BOROUGH OF MOUNTAINSIDE

CURRENT FUND

SCHEDULE OF INTERFUNDS

	REF.	TOTAL	TRUST OTHER FUND	GENERAL CAPITAL FUND
Receipts	A-4	$ 656,235.83	$ 357,672.00	$ 298,563.83
Disbursements	A-4	$ 656,235.83	$ 357,672.00	$ 298,563.83

BOROUGH OF MOUNTAINSIDE

CURRENT FUND

SCHEDULE OF GRANTS RECEIVABLE

	REF.			
Balance, December 31, 2022	A		$	517,254.15
Increased by:				
2023 Anticipated Revenues	A-2			216,055.98
			$	733,310.13
Decreased by:				
Cash Receipts	A-4	$ 157,975.87		
Unappropriated Reserves	A-29	1,735.50		
Grants Receivables Canceled	A-25	1,945.93		
				161,657.30
Balance, December 31, 2023	A		$	571,652.83

ANALYSIS OF BALANCE

Municipal Alliance	$	10,160.00
Union County Recreation '23		35,000.00
NJ Green Acres		478,000.00
2023 Infrastructure Municipal Aid Grant		40,000.00
Bulletproof Vest Program		3,500.00
UC CARES Act - Coronavirus Relief Fund		1,346.83
DMHAS Youth Leadership		3,646.00
	$	571,652.83

BOROUGH OF MOUNTAINSIDE

CURRENT FUND

SCHEDULE OF GRANTS - APPROPRIATED

DESCRIPTION	BALANCE DECEMBER 31, 2022	TRANSFERRED FROM 2023 BUDGET	DECREASED	CANCELED	BALANCE DECEMBER 31, 2023
Clean Communities	$ 5,000.00	$ 17,371.65	$ 13,407.65	$	$ 8,964.00
County of Union - Recreation Trust Grant Match	22,012.15	30,000.00	13,260.30		38,751.85
County of Union - Recreation Trust Grant '22	30,000.00		30,000.00		
County of Union - Recreation Trust Grant '21	3,012.14		3,012.14		
County of Union - Recreation Trust Grant '23		35,000.00			35,000.00
Municipal Alliance 2022	9,446.00		7,500.07	1,945.93	
Municipal Alliance 2023		10,160.00			10,160.00
Municipal Alliance 2023 Match		2,540.00	2,540.00		
Body Worn Camera Grant	30,199.40		16,302.60		13,896.80
DMHAS Youth Leadership	3,464.00	3,646.00	3,646.00		3,464.00
Municipal Alliance 2019 Match		3,500.00			3,500.00
NJ Green Acres	478,000.00				478,000.00
Body Armor Replacement Fund	3,121.97	1,735.50	1,250.00		3,607.47
Watts Union County - Senior Activities	373.89		373.89		
Watts Foundation - Blue Angel Grant	80.00		80.00		
Watts Foundation - Senior Meals		440.00	440.00		
Watts Foundation	307.02		73.28		233.74
Infrastructure Muni Aid Grant		40,000.00	40,000.00		
Watts Foundation	14,423.10		13,195.27		1,227.83
Watts Foundation - Deerfield Tennis Wall Repairs		900.00	900.00		
Watts Foundation - National Night Out		2,000.00	2,000.00		
Drunk Driving Enforcement Fund	11,607.53				11,607.53
Alcohol, Education and Rehabilitation	9,189.57	2,985.27			12,174.84
Recycling Tonnage Grant		6,817.56	6,817.56		
Highway Safety / Safe Corridors	15,217.00				15,217.00
Emergency Management Performance Grant	10,000.00				10,000.00
UC CARES Act - Coronavirus Relief Fund		76,500.00	76,500.00		
NJ DEP - Stormwater Assistance Grant		15,000.00			15,000.00
	$ 645,453.77	$ 248,595.98	$ 231,298.76	$ 1,945.93	$ 660,805.06
REF.	A	A-3			A
Cash Disbursements A-4			$ 231,298.76		
Canceled to Reserve A-24				$ 1,945.93	

"A-26"

BOROUGH OF MOUNTAINSIDE

CURRENT FUND

SCHEDULE OF TAX APPEALS

	REF.		
Balance, December 31, 2022	A	$	195,044.79
Increased by:			
2023 Budget Appropriation	A-14		250,000.00
Balance, December 31, 2023	A	$	445,044.79

BOROUGH OF MOUNTAINSIDE

CURRENT FUND

SCHEDULE OF MISCELLANEOUS RECEIVABLE

	REF.	
Increased by:		
Cash Disbursements	A-4	$ 469,399.12
Decreased by:		
Cash Receipts	A-4	$ 469,399.12

BOROUGH OF MOUNTAINSIDE

CURRENT FUND

SCHEDULE OF DEFERRED CHARGES

PURPOSE		BALANCE DECEMBER 31, 2022	RAISED IN 2023 BUDGET
Special Emergency Authorization 40A:4-55 - Revaluation		$ 40,000.00	$ 40,000.00
		$ 40,000.00	$ 40,000.00
	REF.	A	A-3

BOROUGH OF MOUNTAINSIDE

CURRENT FUND

SCHEDULE OF GRANTS - UNAPPROPRIATED

DESCRIPTION		BALANCE DECEMBER 31, 2022	CASH RECEIPTS	UTILIZED AS ANTICIPATED REVENUE	BALANCE DECEMBER 31, 2023
Emergency Management Performance Grant		$	$ 10,000.00	$	$ 10,000.00
Body Armor Replacement Fund		1,735.50	2,035.71	1,735.50	2,035.71
Watts Foundation Grant			1,856.00		1,856.00
		$ 1,735.50	$ 13,891.71	$ 1,735.50	$ 13,891.71
	REF.	A	A-4	A-2:A-24	A

"A-30"

BOROUGH OF MOUNTAINSIDE

CURRENT FUND

SCHEDULE OF PREPAID SEWER TAXES

	REF.	
Increased by:		
Collection - 2024 Sewer Taxes	A-4	16.60
Balance, December 31, 2023	A	$ 16.60

BOROUGH OF MOUNTAINSIDE

TRUST FUND

SCHEDULE OF TRUST CASH

	REF.	ANIMAL CONTROL		OTHER	
Balance, December 31, 2022	B		$ 5,453.33		$ 798,967.01
Increased by Receipts:					
Dog License Fees	B-5	$ 7,635.80	$		
State Registration Fees	B-6	739.20			
2023 Budget Appropriation	B-5	10,000.00			
Development Block Grants	B-7			47,550.00	
Various Reserves and Deposits	B-3			649,130.63	
Unemployment Compensation Insurance	B-8			10,729.72	
Due Current Fund	B-4	236.40		29,693.34	
Payroll Deductions Payable	B-2			6,530,029.51	
			18,611.40		7,267,133.20
			$ 24,064.73		$ 8,066,100.21
Decreased by Disbursements:					
Expenditures Under R.S. 4:19-15.11	B-5	$ 17,007.00	$		
State Registration Fees	B-6	731.40			
Various Reserves and Deposits	B-3			543,154.32	
Unemployment Compensation Insurance	B-8			3,116.58	
Due Current Fund	B-4	236.40		29,693.34	
Community Development Block Grant	B-9			45,550.00	
Payroll Deductions Payable	B-2			6,530,029.51	
			17,974.80		7,151,543.75
Balance, December 31, 2023	B		$ 6,089.93		$ 914,556.46

"B-2"

BOROUGH OF MOUNTAINSIDE

TRUST FUND

SCHEDULE OF PAYROLL DEDUCTIONS PAYABLE

	REF.	
Increased by:		
Cash Receipts	B-1	$ 6,530,029.51
Decreased by:		
Cash Disbursements	B-1	$ 6,530,029.51

BOROUGH OF MOUNTAINSIDE

TRUST FUND

SCHEDULE OF VARIOUS RESERVES AND DEPOSITS

	BALANCE DECEMBER 31, 2022	CASH RECEIPTS	CASH DISBURSEMENTS	BALANCE DECEMBER 31, 2023
Street Opening Deposits	$ 50,673.00	$ 2,000.00	$ 12,500.00	$ 40,173.00
Construction Code State Training Fees	2,613.00	14,702.00	14,013.00	3,302.00
Forfeited Property	51,263.07	2,524.63		53,787.70
Parking Offense Adjudication Act	979.60	48.00		1,027.60
Swim Team	4,920.56	4,427.44	6,130.12	3,217.88
Recycling	13,188.31			13,188.31
Municipal Alliance-Donations	370.35			370.35
Security Deposits	5,678.88			5,678.88
Escrow/Performance Deposits	116,000.15			116,000.15
Builders Escrow	80,165.73	68,216.90	51,286.38	97,096.25
Premium on Tax Sale	52,000.00		52,000.00	
Public Defender	11,834.68	4,377.50	3,600.00	12,612.18
Fire Fines and Penalties	2,670.43	1,577.50		4,247.93
Police Donations	6,094.81	1,000.00		7,094.81
Insurance Damages	41,014.50		41,014.50	
Police Outside Overtime	7,705.00	7,860.28	7,705.00	7,860.28
Police Vests	2,770.00			2,770.00
Accumulated Absences	98,523.92			98,523.92
Federal Confiscated Funds	10,428.66	516.10		10,944.76
Recreation - Healthy Bones		15,030.00	15,030.00	
Recreation/Commission	0.10	331,814.00	331,814.08	0.02
Snow Removal	200,149.17	85,421.76		285,570.93
Barnes Tract Sale	270.07	1,700.00	1,327.28	642.79
Flexible Spending Administrative Fee	25.32	7,350.14	6,636.12	739.34
JIF Safety		2,100.00	97.84	2,002.16
Affordable Housing	16,866.14	98,464.38		115,330.52
Green Acres	0.01			0.01
	$ 776,205.46	$ 649,130.63	$ 543,154.32	$ 882,181.77
REF.	B	B-1	B-1	B

"B-4"

BOROUGH OF MOUNTAINSIDE

TRUST FUND

SCHEDULE OF DUE CURRENT FUND-TRUST OTHER FUNDS

	REF.	
Increased by:		
Cash Receipts	B-1	$ 29,929.74
Decreased by:		
Cash Disbursements	B-1	$ 29,929.74

"B-5"

BOROUGH OF MOUNTAINSIDE

TRUST FUND

SCHEDULE OF RESERVE FOR ANIMAL CONTROL FUND EXPENDITURES

	REF.		
Balance, December 31, 2022	B		$ 5,458.53
Increased by:			
2023 Budget Appropriations	B-1	$ 10,000.00	
License Fees Collected	B-1	7,635.80	
			17,635.80
			$ 23,094.33
Decreased by:			
Expenditures Under R.S. 4:19-15.11	B-1		17,007.00
Balance, December 31, 2023	B		$ 6,087.33

LICENSE FEES COLLECTED

YEAR	AMOUNT
2022	$ 7,808.80
2021	7,880.60
	$ 15,689.40

"B-6"

BOROUGH OF MOUNTAINSIDE

TRUST FUND

SCHEDULE OF STATE REGISTRATION FEES
ANIMAL CONTROL FUND

	REF.		
Balance, December 31, 2022 (Due From)	B	$	5.20
Increased by:			
Registration Fees	B-1		739.20
		$	734.00
Decreased by:			
Cash Disbursements	B-1		731.40
Balance, December 31, 2023 (Due To)	B	$	2.60

BOROUGH OF MOUNTAINSIDE

TRUST FUND

SCHEDULE OF COMMUNITY DEVELOPMENT BLOCK GRANTS RECEIVABLE

PROGRAM	PROGRAM NUMBER	BALANCE DECEMBER 31, 2022	ALLOTMENTS	RECEIPTS	BALANCE DECEMBER 31, 2023
Year 48 ADA Doors	022-241	36,800.00		36,800.00	
Senior Citizen Program	022-240	10,750.00		10,750.00	
Senior Citizens Transportation	023-240	$	$ 12,250.00	$	$ 12,250.00
		$ 47,550.00	$ 12,250.00	$ 47,550.00	$ 12,250.00
	REF.	B	B-9	B-1	B

"B-8"

BOROUGH OF MOUNTAINSIDE

TRUST FUND

SCHEDULE OF RESERVE FOR
UNEMPLOYMENT COMPENSATION INSURANCE

	REF.		
Balance, December 31, 2022	B		$ 33,761.55
Increased by:			
Employee Contributions		$ 8,903.72	
Interest on Investments		1,826.00	
	B-1		10,729.72
			$ 44,491.27
Decreased by:			
Cash Disbursements	B-1		3,116.58
Balance, December 31, 2023	B		$ 41,374.69

BOROUGH OF MOUNTAINSIDE

TRUST FUND

SCHEDULE OF RESERVE FOR COMMUNITY DEVELOPMENT BLOCK GRANTS

PROGRAM	PROGRAM NUMBER	BALANCE DECEMBER 31, 2022	ALLOTMENTS	DISBURSEMENTS	BALANCE DECEMBER 31, 2023
Year 48 ADA Doors	022-241	$ 36,800.00	$	$ 36,800.00	$
Senior Citizens Transportation	023-240		12,250.00	8,750.00	3,500.00
		$ 36,800.00	$ 12,250.00	$ 45,550.00	$ 3,500.00
	REF.	B	B-7	B-1	B

"C-2"

BOROUGH OF MOUNTAINSIDE

GENERAL CAPITAL FUND

SCHEDULE OF GENERAL CAPITAL CASH

	REF.		
Balance, December 31, 2022	C		$ 3,342,292.19
Increased by Receipts:			
Budget Appropriations:			
Capital Improvement Fund	C-6	$ 500,000.00	
Reserve for Sale of Asset for DPW Garage	C-17	200,000.00	
State Aid Receivable	C-9	298,563.83	
Bond Anticipation Notes	C-10	6,168,000.00	
Premium on Bond Anticipation Notes	C-1	52,967.08	
			7,219,530.91
			$ 10,561,823.10
Decreased by Disbursements:			
Contracts Payable	C-7	$ 1,124,941.14	
Fund Balance Anticipated as Current Fund Revenue	C-1	50,000.00	
Bond Anticipation Notes	C-10	5,121,000.00	
Reserve for Lady Lourdes	C-12	8,728.75	
Reserve for DPW Garage	C-15	22,631.15	
Reserve for Miscellaneous Capital	C-16	10,000.00	
			6,337,301.04
Balance, December 31, 2023	C		$ 4,224,522.06

"C-3"

BOROUGH OF MOUNTAINSIDE

GENERAL CAPITAL FUND

ANALYSIS OF GENERAL CAPITAL CASH AND INVESTMENTS

		BALANCE DECEMBER 31, 2023
Fund Balance	$	132,310.42
Capital Improvement Fund		637,430.33
Improvement Authorizations Funded as Set Forth on "C-8"		1,347,352.01
Contracts Payable		1,268,469.02
Reserve for Preliminary Expenses - Levi Cory Park		16,286.28
Reserve for Lady Lourdes		16,271.25
Reserve for DPW Garage		1,123,456.14
Reserve for Preliminary Charges - Pool Renovation		9,075.02
State Aid Receivable		(1,141,321.75)
Unexpended Proceeds of Bond Anticipation Note - Listed on "C-5"		815,193.34
	$	4,224,522.06
REF.		C

"C-4"

BOROUGH OF MOUNTAINSIDE

GENERAL CAPITAL FUND

SCHEDULE OF RESERVE FOR TRAFFIC STUDY

	REF.		
Balance, December 31, 2022	C	$	5,677.32
Decreased by:			
Cancelled Reserve	C-6		5,677.32

BOROUGH OF MOUNTAINSIDE

GENERAL CAPITAL FUND

SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION-UNFUNDED

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	BALANCE DECEMBER 31, 2022	2023 AUTHORIZATIONS	NOTES PAID BY BUDGET APPROPRIATION	BALANCE DECEMBER 31, 2023	ANALYSIS OF BALANCE - DECEMBER 31, 2023 BOND ANTICIPATION NOTE	ANALYSIS OF BALANCE - DECEMBER 31, 2023 UNEXPENDED IMPROVEMENT AUTHORIZATIONS
	General Improvements:						
1250-16	Various Public Improvements	261,604.00		261,604.00			
1256-17	Various Public Improvements	732,048.00		398,470.00	333,578.00	333,578.00	
1264-18	Various Infrastructure Improvements	789,228.00		21,924.00	767,304.00	767,304.00	
1273-19	Various Infrastructure Improvements	522,642.00		35,554.00	487,088.00	487,088.00	
1281-20	Various Public Improvements	900,623.00		49,377.00	851,246.00	851,246.00	
1288-20	Acquisition of New Equipment and a New Pumper Fire Truck	863,855.00		45,433.00	818,422.00	818,422.00	
1294-21	Various Public Improvements & New Communication & Signal Equip.	855,000.00		33,711.00	821,289.00	821,289.00	
1308-22	Various Public Improvements	1,043,000.00		927.00	1,042,073.00	1,042,073.00	
1321-23	Various Public Improvements		1,047,000.00		1,047,000.00	1,047,000.00	
		$ 5,968,000.00	$ 1,047,000.00	$ 847,000.00	$ 6,168,000.00	$ 6,168,000.00	$
	REF.	C	C-8	C-10	C	C-10	

Improvement Authorizations Unfunded	C-8	$ 815,193.34
Less: Unexpended Proceed of Bond Anticipation Note -	C-3	815,193.34

"C-6"

BOROUGH OF MOUNTAINSIDE

GENERAL CAPITAL FUND

SCHEDULE OF CAPITAL IMPROVEMENT FUND

	REF.		
Balance, December 31, 2022	C		$ 674,753.01
Increased by:			
2023 Budget Appropriation	C-2		500,000.00
Cancelled Reserve for Traffic Study	C-4		5,677.32
			$ 1,180,430.33
Decreased by:			
2023 Improvement Authorizations	C-8	$ 543,000.00	
			543,000.00
Balance, December 31, 2023	C		$ 637,430.33

"C-7"

SCHEDULE OF CONTRACTS PAYABLE

Balance, December 31, 2022	C	$ 308,187.50
Increased by:		
Charges to Improvement Authorizations	C-8	2,085,222.66
		$ 2,393,410.16
Decreased by:		
Cash Disbursements	C-2	1,124,941.14
Balance, December 31, 2023	C	$ 1,268,469.02

BOROUGH OF MOUNTAINSIDE

GENERAL CAPITAL FUND

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	ORDINANCE DATE	ORDINANCE AMOUNT	BALANCE DECEMBER 31, 2022 FUNDED	BALANCE DECEMBER 31, 2022 UNFUNDED	2023 AUTHORIZATIONS	NET PAID OR CHARGED	BALANCE DECEMBER 31, 2023 FUNDED	BALANCE DECEMBER 31, 2023 UNFUNDED
	General Improvements:								
1208-13	Improvements to Recreation Facilities	4/16/13	57,000.00	$ 4,165.42	$	$	$ 4,165.42	$	$
1218-14	Various Road Improvements	6/17/14	169,530.75						
1250-16	Various Public Improvements	6/21/16	975,000.00		100.00		100.00		
1256-17	Various Public Improvements	5/16/17	1,000,000.00						
1264-18	Various Infrastructure Improvements	3/20/18	900,000.00						
1273-19	Various Infrastructure Improvements	3/19/19	625,000.00		4,123.63		4,123.63		
1275-19	Resurfacing of Creek Bed Road	6/18/19	280,000.00						
1276-19	Renovation of Police Locker Room & Upgrade of Computers	9/17/19	48,000.00				(0.01)	0.01	
1278-20	Resurfacing of Long Meadow and Beechwood Court	2/18/20	322,000.00						
1281-20	Various Public Improvements	4/21/20	1,000,000.00		13,907.49		2,048.45		11,859.04
1288-20	Acquisition of New Equipment and a New Pumper Fire Truck	12/15/20	963,000.00						
1289-21	Resurfacing of Mill Lane & Rutgers Road	2/16/21	400,000.00	400,000.00			400,000.00		
1294-21	Various Public Improvements & Acq. of New Communication and Signal Systems Equipment	3/16/21	900,000.00		84,270.87		81,761.68		2,509.19
1297-21	Purchase of Block 14, Lot 15.01 & 15.03 commonly known as 90 New Providence Road & 903 Mountain Avenue	8/17/21	513,750.00						
1299-21	Pagers for Fire Department	9/21/21	17,415.00						
1305-21	Resurfacing of Constitution Plaze, Rolling Rock Road, & Birch Hill Road	12/21/21	385,000.00	385,000.00				385,000.00	
1308-22	Various Public Improvements	3/15/22	1,098,000.00	44,071.00	1,043,000.00		1,086,946.56		124.44
1311-22	Desktop Replacements, Leaf & Chipping Box, Downtown Improvements, and Electronic Equipment for Construction Department	4/19/22	50,000.00	33,277.60			6,777.60	26,500.00	
1320-23	Various Capital Expenditures	5/16/23	200,000.00			200,000.00	123,047.70		76,952.30
1321-23	Various Public Improvements	5/16/23	1,100,000.00			1,100,000.00	376,251.63		723,748.37
1324-23	Phase Two Construction of DPW Garage	12/19/23	490,000.00			490,000.00		490,000.00	
1325-23	Resurfacing of Short Dr., Friar Ln., Kings Ct., Justin Pl. & Queens Ln.	12/19/23	445,852.00			445,852.00		445,852.00	
				$ 866,514.02	$ 1,145,401.99	$ 2,235,852.00	$ 2,085,222.66	$ 1,347,352.01	$ 815,193.34
			REF.	C	C		C-7	C:C-3	C:C-5

Deferred Charges to Future Taxation - Unfunded	C-5	$ 1,047,000.00
Capital Improvement Fund	C-6	543,000.00
State Aid Receivable	C-9	445,852.00
Miscellaneous Reserve	C-17	200,000.00
		$ 2,235,852.00

"C-9"

BOROUGH OF MOUNTAINSIDE

GENERAL CAPITAL FUND

SCHEDULE OF STATE AID RECEIVABLE

	REF.	
Balance, December 31, 2022	C	$ 994,033.58
Increased by:		
Grant Awarded	C-8	445,852.00
		$ 1,439,885.58
Decreased by:		
Received	C-2	298,563.83
Balance, December 31, 2023	C	$ 1,141,321.75

ANALYSIS OF BALANCE

New Jersey Department of Transportation:	
Ordinance #1267-18	61,131.25
Ordinance #1278-20	147,902.33
Ordinance #1289-21	101,436.17
Ordinance #1305-21	385,000.00
Ordinance #1325-23	168,500.00
Ordinance #1325-23	277,352.00
	$ 1,141,321.75

BOROUGH OF MOUNTAINSIDE

GENERAL CAPITAL FUND

SCHEDULE OF BOND ANTICIPATION NOTES

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	DATE OF ISSUE OF ORIGINAL NOTE	DATE OF ISSUE	DATE OF MATURITY	INTEREST RATE	BALANCE DECEMBER 31, 2022	INCREASED	DECREASED	BALANCE DECEMBER 31, 2023
	General Improvements:								
1250-16	Various Public Improvements	10/27/16	10/21/22	07/20/23	5.00%	$ 261,604.00	$	$ 261,604.00	$
1256-17	Various Public Improvements	10/27/17	10/21/22	07/20/23	5.00%	732,048.00		732,048.00	
1264-18	Various Infrastructure Improvements	05/01/18	10/21/22	07/20/23	5.00%	789,228.00		789,228.00	
1273-19	Various Infrastructure Improvements	05/01/19	10/21/22	07/20/23	5.00%	522,642.00		522,642.00	
1281-20	Various Public Improvements	05/01/20	10/21/22	07/20/23	5.00%	900,623.00		900,623.00	
1288-20	Acquisition of Equipment/Machinery & New Fire Truck	04/30/21	10/21/22	07/20/23	5.00%	863,855.00		863,855.00	
1294-21	Various Public Improvements	04/30/21	10/21/22	07/20/23	5.00%	855,000.00		855,000.00	
1308-22	Various Public Improvements	10/21/22	10/21/22	07/20/23	5.00%	1,043,000.00		1,043,000.00	
1256-17	Various Public Improvements	10/27/17	07/20/23	7/19/2024	5.00%		333,578.00		333,578.00
1264-18	Various Infrastructure Improvements	05/01/18	07/20/23	7/19/2024	5.00%		767,304.00		767,304.00
1273-19	Various Infrastructure Improvements	05/01/19	07/20/23	7/19/2024	5.00%		487,088.00		487,088.00
1281-20	Various Public Improvements	05/01/20	07/20/23	7/19/2024	5.00%		851,246.00		851,246.00
1288-20	Acquisition of Equipment/Machinery & New Fire Truck	04/30/21	07/20/23	7/19/2024	5.00%		818,422.00		818,422.00
1294-21	Various Public Improvements	04/30/21	07/20/23	7/19/2024	5.00%		821,289.00		821,289.00
1308-22	Various Public Improvements	10/21/22	07/20/23	7/19/2024	5.00%		1,042,073.00		1,042,073.00
1321-23	Various Public Improvements	7/20/2023	07/20/23	7/19/2024	5.00%		1,047,000.00		1,047,000.00
						$ 5,968,000.00	$ 6,168,000.00	$ 5,968,000.00	$ 6,168,000.00
					REF.	C	C-2		C:C-5
			Paid by Budget Appropriation		C-5			$ 847,000.00	
			Cash Disbursements		C-2			5,121,000.00	
								$ 5,968,000.00	

"C-11"

BOROUGH OF MOUNTAINSIDE

GENERAL CAPITAL FUND

SCHEDULE OF RESERVE FOR PRELIMINARY EXPENSES - LEVI CORY PARK

	REF.	
Balance, December 31, 2023 and December 31, 2022	C	$ 16,286.28

"C-12"

BOROUGH OF MOUNTAINSIDE

GENERAL CAPITAL FUND

SCHEDULE OF RESERVE FOR LADY LOURDES

	REF.		
Balance, December 31, 2022	C	$	25,000.00
Decreased by:			
Cash Disbursements	C-2	$	8,728.75
Balance, December 31, 2023	C	$	16,271.25

"C-13"

SCHEDULE OF RESERVE FOR PRELIMINARY CHARGES - POOL RENOVATION

Balance, December 31, 2023 and December 31, 2022	C	$	9,075.02

"C-14"

BOROUGH OF MOUNTAINSIDE

GENERAL CAPITAL FUND

SCHEDULE OF DUE SWIMMING POOL UTILITY OPERATING FUND

	REF.	
Balance, December 31, 2023 and December 31, 2022	C	$ 0.00

"C-15"

BOROUGH OF MOUNTAINSIDE

GENERAL CAPITAL FUND

SCHEDULE OF RESERVE FOR DPW GARAGE

	REF.		
Balance, December 31, 2022	C	$	1,146,087.29
Decreased by:			
Cash Disbursements	C-2	$	22,631.15
Balance, December 31, 2023	C	$	1,123,456.14

"C-16"

SCHEDULE OF RESERVE FOR MISCELLANEOUS CAPITAL

Balance, December 31, 2022	C	$	10,000.00
Decreased by:			
Cash Disbursements	C-2	$	10,000.00

"C-17"

BOROUGH OF MOUNTAINSIDE

GENERAL CAPITAL FUND

SCHEDULE OF SALE OF ASSETS FOR DPW GARAGE

Increased by:		
Cash Receipts	C-2	$ 200,000.00
Decreased by:		
Cash Disbursements	C-8	$ 200,000.00

"D-5"

BOROUGH OF MOUNTAINSIDE

SWIMMING POOL UTILITY FUND

SCHEDULE OF SWIMMING POOL UTILITY CASH

	REF.		OPERATING
Balance, December 31, 2022	D	$	168,033.24
Increased by Receipts:			
Membership Fees	D-3	$	264,810.50
Miscellaneous	D-3		45,751.77
Appropriation Refunds	D-4		4,400.00
		$	314,962.27
Decreased by Disbursements:			
2023 Appropriations	D-4	$	299,719.54
2022 Appropriation Reserves	D-7		47,543.04
		$	347,262.58
Balance, December 31, 2023	D	$	135,732.93

"D-6"

BOROUGH OF MOUNTAINSIDE

SWIMMING POOL UTILITY OPERATING FUND

SCHEDULE OF ACCOUNTS PAYABLE

	REF.		
Balance, December 31, 2022	D	$	47,399.76
Increased by:			
Charges to 2023 Budget	D-4		51,034.19
		$	98,433.95
Decreased by:			
Transferred to Appropriation Reserves	D-7		47,399.76
Balance, December 31, 2023	D	$	51,034.19

BOROUGH OF MOUNTAINSIDE

SWIMMING POOL UTILITY OPERATING FUND

SCHEDULE OF 2022 APPROPRIATION RESERVES

		BALANCE DECEMBER 31, 2022	ACCOUNTS PAYABLE	BALANCE AFTER TRANSFERS	PAID OR CHARGED	BALANCE LAPSED
Operating:						
Salaries and Wages	$	5,026.42	$	$ 5,026.42	$	$ 5,026.42
Other Expenses - Miscellaneous		3,369.08	35,364.76	38,733.84	35,420.76	3,313.08
Other Expenses - Materials and Supplies		20,000.00		20,000.00		20,000.00
Operating Total	$	28,395.50	$ 35,364.76	$ 63,760.26	$ 35,420.76	$ 28,339.50
Capital Improvements:						
Capital Outlay		20,234.00	12,035.00	32,269.00	12,122.28	20,146.72
Capital Improvements Total	$	20,234.00	$ 12,035.00	$ 32,269.00	$ 12,122.28	$ 20,146.72
	$	48,629.50	$ 47,399.76	$ 96,029.26	$ 47,543.04	$ 48,486.22
REF.		D	D-6		D-5	D-1

"D-8"

BOROUGH OF MOUNTAINSIDE

SWIMMING POOL UTILITY CAPITAL FUND

SCHEDULE OF RESERVE FOR AMORTIZATION

	REF.	
Balance, December 31, 2023 and December 31, 2022	D	$ 1,132,955.10

"D-9"

SCHEDULE OF FIXED CAPITAL

Balance, December 31, 2023 and December 31, 2022	D	$ 1,132,955.10

"D-10"

BOROUGH OF MOUNTAINSIDE

SWIMMING POOL UTILITY OPERATING FUND

SCHEDULE OF CHANGE FUNDS

	REF.	
Balance, December 31, 2023 and December 31, 2022	D	$ 50.00

PART III

BOROUGH OF MOUNTAINSIDE

STATISTICAL DATA

LIST OF OFFICIALS

COMMENTS AND RECOMMENDATIONS

YEAR ENDED DECEMBER 31, 2023

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

	YEAR 2023		YEAR 2022	
	AMOUNT	%	AMOUNT	%
REVENUE AND OTHER INCOME REALIZED				
Fund Balance Utilized	$ 2,344,694.00	5.32%	$ 3,082,000.00	6.80%
Miscellaneous - From Other Than Local Property Tax Levies	3,931,708.75	8.92%	4,394,371.21	9.70%
Collection of Delinquent Taxes and Tax Title Liens	212,384.32	0.48%	191,194.50	0.42%
Collection of Current Tax Levy	37,602,232.13	85.28%	37,635,633.69	83.08%
Total Income	$ 44,091,019.20	100.00%	$ 45,303,199.40	100.00%
EXPENDITURES				
Budget Expenditures:				
Municipal Purposes	$ 13,580,941.41	32.96%	$ 14,929,551.93	34.84%
County Taxes	8,961,436.57	21.75%	9,238,982.47	21.56%
Local School Taxes	18,665,472.00	45.30%	18,681,073.00	43.60%
Other Expenditures	250.45	0.00%	139.00	0.00%
Total Expenditures	$ 41,208,100.43	100.00%	$ 42,849,746.40	100.00%
Excess in Revenue	$ 2,882,918.77		$ 2,453,453.00	
Fund Balance, January 1	4,273,985.92		4,902,532.92	
	$ 7,156,904.69		$ 7,355,985.92	
Less: Utilization as Anticipated Revenue	2,344,694.00		3,082,000.00	
Fund Balance, December 31	$ 4,812,210.69		$ 4,273,985.92	

COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE
IN FUND BALANCE - SWIMMING POOL UTILITY OPERATING FUND

	YEAR 2023		YEAR 2022	
	AMOUNT	%	AMOUNT	%
REVENUE AND OTHER INCOME REALIZED				
Fund Balance Utilized	$ 65,000.00	15.33%	$ 118,357.00	18.04%
Membership Fees	264,810.50	62.45%	245,043.50	37.35%
Miscellaneous From Other Than Membership Fees	94,237.99	22.22%	292,680.98	44.61%
Total Income	$ 424,048.49	100.00%	$ 656,081.48	100.00%
EXPENDITURES				
Budget Expenditures:				
Operating	$ 320,000.00	84.21%	$ 310,737.96	52.80%
Capital Improvement	48,000.00	12.63%	48,000.00	8.16%
Deferred Charges and Statutory Expenditures	12,000.00	3.16%	229,762.04	39.04%
Total Expenditures	$ 380,000.00	100.00%	$ 588,500.00	100.00%
Excess in Revenue	$ 44,048.49		$ 67,581.48	
Fund Balance:				
Balance, January 1	72,053.98		122,829.50	
	$ 116,102.47		$ 190,410.98	
Decreased by:				
Utilized by Swimming Pool Operating Budget	65,000.00		118,357.00	
Fund Balance, December 31	$ 51,102.47		$ 72,053.98	

COMPARATIVE SCHEDULE OF TAX RATE INFORMATION

	2023	2022	2021
Tax Rate	$1.988	$1.997	$1.964
Appointment of Tax Rate:			
Municipal	0.496	0.488	0.479
Municipal Library	0.038	0.035	0.033
County	0.453	0.471	0.474
County Open Space	0.017	0.016	0.015
Local School	0.984	0.987	0.963

Assessed Valuation:

Year 2023	$ 1,898,285,219.00		
Year 2022		$ 1,893,980,896.00	
Year 2021			$ 1,892,520,787.00

COMPARISON OF TAX LEVIES AND COLLECTION CURRENTLY

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

		CURRENTLY	
YEAR	TAX LEVY	CASH COLLECTIONS	PERCENTAGE OF COLLECTION
2023	$ 37,859,596.72	$ 37,602,232.13	99.32%
2022	$ 37,880,801.30	$ 37,635,633.69	99.35%
2021	$ 37,212,018.46	$ 36,983,327.43	99.39%

DELINQUENT TAXES AND TAX TITLE LIENS

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

DECEMBER 31, YEAR	AMOUNT OF TAX TITLE LIENS	AMOUNT OF DELINQUENT TAXES	TOTAL DELINQUENT	PERCENTAGE OF TAX LEVY
2023	$ 27,464.10	$ 235,285.16	$ 262,749.26	0.69%
2022	$ 27,458.13	$ 212,134.32	$ 239,592.45	0.63%
2021	$ 27,452.13	$ 191,194.50	$ 218,646.63	0.59%

PROPERTY ACQUIRED BY TAX TITLE LIEN LIQUIDATION

The value of property acquired by liquidation of tax title liens on December 31st on the basis of the last assessed valuations of such properties was as follows:

YEAR	AMOUNT
2023	$ 3,875.00
2022	$ 3,875.00
2021	$ 3,875.00

EQUALIZED VALUATIONS – REAL PROPERTY

YEAR	AMOUNT
2023	$ 2,415,187,420.00
2022	$ 2,160,396,347.00
2021	$ 2,018,302,167.00

COMPARATIVE SCHEDULE OF FUND BALANCES

	YEAR	BALANCE DECEMBER 31	UTILIZED IN BUDGET OF SUCCEEDING YEAR
Current Fund	2023	$ 4,812,210.69	$ 2,567,194.00
	2022	$ 4,273,985.92	$ 2,344,694.00
	2021	$ 4,902,532.92	$ 3,082,000.00
	2020	$ 3,702,633.70	$ 2,329,490.71
	2019	$ 4,638,575.74	$ 3,233,239.44
Swim Pool Utility Operating Fund	2023	$ 51,102.47	$ 45,000.00
	2022	$ 72,053.98	$ 65,000.00
	2021	$ 122,829.50	$ 118,357.00
	2020	$ 157,275.35	$ 147,786.34
	2019	$ 182,211.71	$ 79,500.00

OFFICIALS IN OFFICE AND SURETY BONDS

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

NAME	TITLE	AMOUNT OF BOND	NAME OF SURETY
Paul N. Mirabelli	Mayor		
Steven Matejek	Councilman		
Deanna Andre	Councilwoman		
Donna Pacifico	Councilwoman		
Rachel Pater	Councilwoman		
Robert W. Messler	Councilman		
Rene Dierkes	Councilman		
Glenn Mortimer	Business Administrator	*	
Martha Lopez	Borough Clerk, Registrar of of Vital Statistics	*	
Jill Goode	Chief Financial Officer, Treasurer, Tax Collector	$1,000,000.00	MEL JIF
Justyna Zagorska	Assistant CFO / Accounts Payable	**	MEL JIF
Cynthia West	Court Administrator	**	MEL JIF
Frank Sahaj	Municipal Judge	**	MEL JIF
James Foerst	Municipal Prosecutor	**	MEL JIF
Joseph Giannuzzi	Police Chief	*	
John N. Post, Esq.	Borough Attorney	*	
Matthew Deanna	DPW Manager	*	
Joseph Ehrhardt	Construction Official	*	
Michael Frangella	Tax Assessor	*	
Frank Masella	Recreation Director	*	

All of the Bonds were examined and were properly executed.

*Public employees bonded by blanket position bond, from the Municipal Excess Liability Joint Insurance Fund, in force covering each employee for $1,000,000.

**Municipal Court employees bonded by blanket position bond, from the Municipal Excess Liability Joint Insurance Fund, in force covering each employee for $1,000,000.

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COMMENTS AND RECOMMENDATIONS

GENERAL COMMENTS

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

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

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

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

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

Resurfacing of Mill Lane & Rutgers Road
Paving Improvements of Various Streets

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

Our audit of expenditures did not reveal any individual payments, contracts or agreements in excess of $44,000.00 "for the performance of any work or the furnishing or hiring of any material or supplies," other than those where bids had been previously sought by public advertisement or where resolution had been previously adopted under the provisions of N.J.S.A. 40A:11-6.

The minutes indicate that resolutions authorizing contracts or agreements for "Professional Services" per N.J.S.A. 40A:11-5 were advertised during 2023 for the following professional services:

Auditor
Attorney
Engineer

COLLECTION OF INTEREST ON DELINQUENT TAXES AND ASSESSMENTS

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

The governing body on January 3, 2023 adopted the following resolution authorizing interest to be charged on delinquent taxes and assessments:

> "BE IT RESOLVED by the Governing Body of the Borough of Mountainside that the rate of interest on delinquent taxes and assessments owed to the said Borough of Mountainside, be and it hereby is set at eight percent (8%) on the first One Thousand Five Hundred Dollars ($1,500.00) of taxes due and eighteen percent (18%) of any amount in excess of One Thousand Five Hundred Dollars ($1,500.00). Such interest shall not be charged, however, on payments made within ten (10) days from the due date."
>
> "BE IT FURTHER RESOLVED there will be a six percent (6%) penalty on delinquency of Ten Thousand Dollars ($10,000.00) or more at the end of the calendar year."

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

DELINQUENT TAXES AND TAX TITLE LIENS

The last tax sale was held on December 7, 2021 and was complete. There were no tax sales held in 2022 or 2023.

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 on December 31 of the last three years:

YEAR	NUMBER OF LIENS
2023	3
2022	3
2021	3

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

VERIFICATION OF DELINQUENT TAXES AND OTHER CHARGES

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

TYPE	
Payments of 2024 Taxes	25
Payments of 2023 Taxes	25
Delinquent Taxes	25

RECOMMENDATIONS

NONE