

*TOWNSHIP OF MARLBORO*

*COUNTY OF MONMOUTH*

*REPORT OF AUDIT*

*2022*

*NISIVOCIA LLP  
CERTIFIED PUBLIC ACCOUNTANTS*

TOWNSHIP OF MARLBORO

COUNTY OF MONMOUTH

REPORT OF AUDIT

2022

TOWNSHIP OF MARLBORO  
TABLE OF CONTENTS  
YEAR ENDED DECEMBER 31, 2022

<u>Part I – Financial Statements and Supplementary Data</u>	<u>Page</u>
Independent Auditors' Report	1-3
<u>Financial Statements</u>	<u>Exhibit</u>
<u>Current Fund</u>	
Comparative Balance Sheet – Regulatory Basis	A
Comparative Statement of Operations and Change in Fund Balance – Regulatory Basis	A-1
Statement of Revenue – Regulatory Basis	A-2
Statement of Expenditures – Regulatory Basis	A-3
<u>Trust Funds</u>	
Comparative Balance Sheet – Regulatory Basis	B
<u>General Capital Fund</u>	
Comparative Balance Sheet – Regulatory Basis	C
Statement of Fund Balance – Regulatory Basis	C-1
<u>Recreation and Swim Utility Fund</u>	
Comparative Balance Sheet – Regulatory Basis	D
Comparative Statement of Operations and Change in Fund Balance - Recreation and Swim	
Utility Operating Fund – Regulatory Basis	D-1
Statement of Capital Fund Balance - Recreation and Swim Utility Capital Fund - Regulatory Basis	D-1A
Statement of Revenue - Recreation and Swim Utility Operating Fund – Regulatory Basis	D-2
Statement of Expenditures - Recreation and Swim Utility Operating Fund – Regulatory Basis	D-3
<u>Water Utility Fund</u>	
Comparative Balance Sheet	E
Comparative Statement of Operations and Change in Fund Balance - Water Utility Operating Fund –	
Regulatory Basis	E-1
Statement of Capital Fund Balance - Water Utility Capital Fund – Regulatory Basis	E-1A
Statement of Revenue - Water Utility Operating Fund – Regulatory Basis	E-2
Statement of Expenditures - Water Utility Operating Fund – Regulatory Basis	E-3
<u>General Fixed Assets Account Group</u>	
Comparative Balance Sheet – Regulatory Basis	F
	<u>Page</u>
<u>Notes to Financial Statements</u>	1-33
<u>Supplementary Data</u>	
Officials in Office and Surety Bonds	1

TOWNSHIP OF MARLBORO  
TABLE OF CONTENTS  
YEAR ENDED DECEMBER 31, 2022  
 (Continued)

<u>Part I – Financial Statements and Supplementary Data (Cont’d)</u>	<u>Schedule</u>
<u>Current Fund</u>	
Schedule of Cash - Treasurer	A-4
Schedule of Cash - Collector	A-5
Schedule of Cash - Federal and State Grant Funds (Not Applicable)	A-6
Schedule of Taxes Receivable and Analysis of Property Tax Levy	A-7
Schedule of Tax Title Liens	A-8
Schedule of Revenue Accounts Receivable	A-9
Schedule of 2021 Appropriation Reserves	A-10
Schedule of Local School District Taxes Payable	A-11
Schedule of Regional High School Taxes Payable	A-12
Schedule of Special District Taxes Payable	A-13
Schedule of Grants Receivable – Federal and State Grant Fund	A-14
Schedule of Appropriated Reserves – Federal and State Grant Fund	A-15
Schedule of Unappropriated Reserves – Federal and State Grant Fund	A-16
 <u>Trust Funds</u>	
Schedule of Cash - Treasurer	B-1
Schedule of Reserve for Animal Control Fund Expenditures	B-2
 <u>General Capital Fund</u>	
Schedule of Cash - Treasurer	C-2
Analysis of General Capital Cash	C-3
Schedule of Deferred Charges to Future Taxation - Unfunded	C-4
Schedule of Improvement Authorizations	C-5
Schedule of Capital Improvement Fund	C-6
Schedule of Bond Anticipation Notes	C-7
Schedule of General Serial Bonds	C-8
Schedule of Green Trust Loan Program Payable	C-9
Schedule of Bonds and Notes Authorized but not Issued	C-10
 <u>Recreation and Swim Utility Fund</u>	
Schedule of Cash - Treasurer – Recreation and Swim Utility Fund	D-4
Analysis of Recreation and Swim Capital Cash - Recreation and Swim Utility Capital Fund	D-5
Schedule of Fixed Capital - Recreation and Swim Utility Capital Fund	D-6
Schedule of Fixed Capital Authorized and Uncompleted - Recreation and Swim Utility Capital Fund	D-7
Schedule of 2021 Appropriation Reserves - Recreation and Swim Utility Operating Fund	D-8
Schedule of Improvement Authorizations - Recreation and Swim Utility Capital Fund	D-9
Schedule of Capital Improvement Fund - Recreation and Swim Utility Capital Fund	D-10
Schedule of Reserve for Amortization – Recreation and Swim Utility Capital Fund	D-11
Schedule of Deferred Reserve for Amortization – Recreation and Swim Utility Capital Fund	D-12
Schedule of Serial Bonds Payable – Recreation and Swim Utility Capital Fund	D-13
Schedule of Bond Anticipation Notes - Recreation and Swim Utility Capital Fund (Not Applicable)	D-14
Schedule of Bonds and Notes Authorized but Not Issued - Recreation and Swim Utility Capital Fund	D-15

TOWNSHIP OF MARLBORO  
TABLE OF CONTENTS  
YEAR ENDED DECEMBER 31, 2022  
(Continued)

<u>Part I – Financial Statements and Supplementary Data (Cont’d)</u>	<u>Schedule</u>
<u>Water Utility Fund</u>	
Schedule of Cash - Treasurer - Water Utility Fund	E-4
Schedule of Cash - Collector - Water Utility Operating Fund	E-4A
Analysis of Water Capital Cash - Water Utility Capital Fund	E-5
Schedule of Consumer Accounts Receivable - Water Utility Operating Fund	E-6
Schedule of Fixed Capital - Water Utility Capital Fund	E-7
Schedule of Fixed Capital Authorized and Uncompleted - Water Utility Capital Fund	E-8
Schedule of 2021 Appropriation Reserves - Water Utility Operating Fund	E-9
Schedule of Improvement Authorizations - Water Utility Capital Fund	E-10
Schedule of Capital Improvement Fund - Water Utility Capital Fund	E-11
Schedule of Deferred Reserve for Amortization - Water Utility Capital Fund	E-12
Schedule of Reserve for Amortization – Water Capital Fund	E-12A
Schedule of Bond Anticipation Notes - Water Utility Capital Fund	E-13
Schedule of Serial Bonds Payable – Water Capital Fund	E-14
Schedule of New Jersey Environmental Infrastructure Loans Payable - Water Utility Capital Fund	E-15
Schedule of Bonds and Notes Authorized but not Issued - Water Utility Capital Fund	E-16
<u>Part II – Single Audit</u>	<u>Page</u>
Schedule of Expenditures of Federal Awards	1
Schedule of Expenditures of State Awards	2
Notes to Schedules of Expenditures of Federal and State Awards	3
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Governmental Auditing Standards	4-5
Report on Compliance For Each Major Federal Program; Report on Internal Control Over Compliance Required by the Uniform Guidance and NJOMB 15-08	6-8
Schedule of Findings and Responses	9-10
Summary Schedule of Prior Audit Findings	11
<u>Part III – Comments and Recommendations</u>	<u>Page</u>
Comments and Recommendations	12-15
Summary of Recommendations	16

TOWNSHIP OF MARLBORO

PART I

FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

YEAR ENDED DECEMBER 31, 2022

Independent Auditors' Report

The Honorable Mayor and Members  
of the Township Council  
Township of Marlboro  
Marlboro, New Jersey

**Report on the Audit of the Financial Statements**

***Opinions***

We have audited the financial statements – *regulatory basis* - of the various funds and account group of Marlboro Township, in the County of Monmouth (the "Township") as of and for the year ended December 31, 2022, and the related notes to the financial statements, as listed in the table of contents.

***Unmodified Opinions on Regulatory Basis of Accounting***

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of each fund and account group of the Township as of December 31, 2022, and the results of operations and changes in fund balance, where applicable, of such funds and account group, thereof for the year then ended in accordance with the accounting practices prescribed or permitted, as described in Note 1, by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division").

***Adverse Opinion on U.S. Generally Accepted Accounting Principles***

In our opinion, because of the significance of the matter discussed in the Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles section of our report, the accompanying financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of each fund and account group of the Township as of December 31, 2022, or the changes in financial position or where applicable, cash flows thereof for the year then ended.

***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS), 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 Township, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

The Honorable Mayor and Members  
of the Township Council  
Township of Marlboro  
Page 2

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

As described in Note 1 of the financial statements, the financial statements are prepared by the Township on the basis of the financial reporting provisions prescribed or permitted 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 the Division's regulatory basis of accounting and the budget laws of New Jersey.

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

### ***Other Matters***

The financial statements of the Township as of December 31, 2021 were audited by other auditors whose report dated August 31, 2022 expressed an unmodified opinion on those statements.

### ***Responsibilities of Management for the Financial Statements***

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

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 Township's internal control. Accordingly, no such opinion is expressed.



The Honorable Mayor and Members  
of the Township Council  
Township of Marlboro  
Page 3

- 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 Township’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 of the various funds and account group that collectively comprise the Township’s financial statements. The supplementary data schedules listed in the table of contents and the schedules of expenditures of federal and state awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (“Uniform Guidance”) and New Jersey’s OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, are presented for purposes of additional analysis and are not a required part of the 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 various fund and account group financial statements. The information has been subjected to the auditing procedures applied in the audit of the various fund financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the various fund and account group financial statements or to the various fund and account group financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary data schedules and the schedules of expenditures of federal and state awards are fairly stated, in all material respects, in relation to the various fund and account group 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 June 23, 2023 on our consideration of the Township’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 Township’s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Township’s internal control over financial reporting and compliance.

June 23, 2023  
Mount Arlington, New Jersey

*Nisivoccia LLP*  
NISIVOCCIA LLP

*Valerie A. Dolan*

Valerie A. Dolan  
Registered Municipal Accountant No. 548  
Certified Public Accountant

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH  
2022  
CURRENT FUND

TOWNSHIP OF MARLBORO  
CURRENT FUND  
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

	Ref.	December 31,	
		2022	2021
<u>ASSETS</u>			
Current Fund:			
Cash and Cash Equivalents	A-4	\$ 27,812,086.26	\$ 24,970,566.93
Investments - Bond Anticipation Notes		8,000,000.00	8,000,000.00
Change Fund		1,100.00	1,100.00
Petty Cash		600.00	400.00
		<u>35,813,786.26</u>	<u>32,972,066.93</u>
Receivables and Other Assets with Full Reserves:			
Delinquent Property Taxes Receivable	A-7	819,679.01	861,265.73
Tax Title Liens Receivable	A-8	1,113,503.58	1,058,073.41
Property Acquired for Taxes at Assessed Valuation		802,400.00	802,400.00
Revenue Accounts Receivable	A-9	31,335.15	29,788.58
Prepaid Regional School District Taxes	A-12	134,647.11	
Total Receivables and Other Assets with Full Reserves	A	<u>2,901,564.85</u>	<u>2,751,527.72</u>
Deferred Charges:			
Special Emergency Authorization (NJSA 40A:4-46)			43,891.00
Total Regular Fund		<u>38,715,351.11</u>	<u>35,767,485.65</u>
Federal and State Grant Fund:			
Grants Receivable	A-14	74,165.40	64,974.74
Due from Current Fund	A	2,550,159.17	2,618,963.02
Total Federal and State Grant Fund		<u>2,624,324.57</u>	<u>2,683,937.76</u>
TOTAL ASSETS		<u>\$ 41,339,675.68</u>	<u>\$ 38,451,423.41</u>

TOWNSHIP OF MARLBORO  
CURRENT FUND  
COMPARATIVE BALANCE SHEET - REGULATORY BASIS  
(Continued)

	Ref.	December 31,	
		2022	2021
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Current Fund:			
Liabilities:			
Appropriation Reserves	A-3	\$ 2,570,041.63	\$ 2,167,618.58
Encumbrances	A-3	2,196,366.15	1,488,229.15
		<u>4,766,407.78</u>	<u>3,655,847.73</u>
Due Federal and State Grant Fund	A	2,550,159.17	2,618,963.02
Due State of New Jersey:			
Senior Citizens' and Veterans' Deductions		14,592.76	10,637.28
Marriage License Fees			1,475.00
Unclaimed Funds			834.12
County Added and Omitted Taxes Payable		86,222.72	88,920.08
Local School District Taxes Payable	A-11	9,327,629.50	8,576,939.50
Regional School Taxes Payable	A-12		438,715.89
Third Party Tax Title Liens Payable		27,516.46	45,317.25
Prepaid Taxes		1,185,981.69	1,278,455.39
Tax Overpayments		5,323.37	14,511.91
Accounts Payable		398,841.57	608,595.23
Reserve for:			
Traffic Lights		4,000.00	4,362.00
Insurance Proceeds		522,786.86	274,151.02
Liquor Licenses		243,000.00	243,000.00
Refund of Revenue		175.00	1,199.00
FEMA Reimbursements		1,118,282.52	739,691.54
Pending Tax Appeals		750,000.00	750,000.00
Western Monmouth Utility Authority Charges at Tax Sale		55,172.48	2,551.25
Municipal Relief Fund Aid		118,357.20	
		<u>21,174,449.08</u>	<u>19,354,167.21</u>
Reserve for Receivables and Other Assets	A	2,901,564.85	2,751,527.72
Fund Balance	A-1	14,639,337.18	13,661,790.72
Total Regular Fund		<u>38,715,351.11</u>	<u>35,767,485.65</u>
Federal and State Grant Fund:			
Encumbrances Payable	A-15	74,268.14	173,806.70
Appropriated Reserves	A-15	446,211.76	310,769.81
Unappropriated Reserves	A-16	2,103,844.67	2,199,361.25
Total Federal and State Grant Fund		<u>2,624,324.57</u>	<u>2,683,937.76</u>
TOTAL LIABILITIES, RESERVES AND FUND BALANCE		<u>\$ 41,339,675.68</u>	<u>\$ 38,451,423.41</u>

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

TOWNSHIP OF MARLBORO  
CURRENT FUND  
COMPARATIVE STATEMENT OF OPERATIONS  
AND CHANGE IN FUND BALANCE - REGULATORY BASIS

	Ref.	Year Ended December 31,	
		2022	2021
<u>Revenue and Other Income Realized</u>			
Fund Balance Utilized	\$	5,900,000.00	\$ 5,600,000.00
Miscellaneous Revenue Anticipated		6,843,921.88	5,549,225.52
Receipts from Current Taxes		172,154,250.17	169,203,763.02
Receipts from Delinquent Taxes		864,819.57	1,140,862.63
Nonbudget Revenue		1,353,451.69	622,788.18
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves		2,080,436.77	2,925,462.81
Federal and State Grant Fund Appropriated Reserves Cancelled		161.01	855.06
Accounts Payable Cancelled		174,673.18	35,121.61
Reserve for Traffic Lights Cancelled		362.00	
Reserve for Refund of Revenue Cancelled		1,024.00	
Interfunds Returned			200,000.00
Total Income		189,373,100.27	185,278,078.83
<u>Expenditures</u>			
Budget and Emergency Appropriations - Municipal Purposes		39,755,477.19	37,821,058.79
County Tax		22,450,066.76	22,999,914.44
County Tax for Added and Omitted Taxes		86,222.72	88,920.08
Local School District Taxes		80,701,477.00	79,200,098.00
Regional District School Taxes		35,081,655.00	34,367,124.00
Special District Taxes		3,533,040.24	3,467,784.00
Local Open Space Taxes		730,351.86	728,188.68
Federal and State Grant Fund Grants Receivable Canceled		19,975.51	
Senior Citizens and Veterans Deductions Cancelled		2,640.42	
Refund of Prior Year Revenue			24,234.19
Interfunds Advanced		134,647.11	
Total Expenditures		182,495,553.81	178,697,322.18
Excess in Revenues		6,877,546.46	6,580,756.65
Adjustments Before Fund Balance:			
Expenditures Included Above Which Are by Statute			
Deferred Charges to Budget of Succeeding Year			43,891.00
Statutory Excess to Fund Balance		6,877,546.46	6,624,647.65
<u>Fund Balance</u>			
Balance January 1		13,661,790.72	12,637,143.07
		20,539,337.18	19,261,790.72
Decreased by:			
Utilized as Anticipated Revenue		5,900,000.00	5,600,000.00
Balance December 31	A	\$ 14,639,337.18	\$ 13,661,790.72

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

TOWNSHIP OF MARLBORO  
CURRENT FUND  
STATEMENT OF REVENUE - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2022

	Budget	Added by N.J.S.A. 40A:4-87	Realized	Excess or Deficit *
Fund Balance Anticipated	\$ 5,900,000.00		\$ 5,900,000.00	
Miscellaneous Revenue:				
Licenses:				
Alcoholic Beverages	41,630.00		42,750.00	\$ 1,120.00
Other	20,000.00		24,130.00	4,130.00
Fees and Permits - Other	720,000.00		805,714.06	85,714.06
Fines and Costs - Municipal Court	243,100.00		407,924.62	164,824.62
Interest and Costs on Taxes	320,000.00		236,090.09	83,909.91 *
Interest on Investments and Deposits	60,000.00		300,294.17	240,294.17
Cell Tower Rental	282,500.00		390,290.36	
Energy Receipts Tax	2,268,949.00		2,268,949.00	
Cable Franchise Fees	200,000.00		211,880.98	11,880.98
Uniform Fire Safety Act	80,727.00		90,393.47	9,666.47
Reserve for Payment of Debt Service	50,000.00		50,000.00	
Capital Surplus Anticipated	150,000.00		150,000.00	
Local Fiscal Recovery Funds - Deferred Charge	43,891.00		43,891.00	
Local Fiscal Recovery Funds - Government Services	891,689.58		891,689.58	
Payment in Lieu of Taxes	500,000.00		589,198.70	89,198.70
Highway Safety Fund		\$ 23,601.00	23,601.00	
Clean Communities Grant	91,932.25	95,258.58	187,190.83	
State Body Armor Grant	3,078.23		3,078.23	
Recycling Tonnage Grant	32,898.25	23,822.28	56,720.53	
Click It or Ticket		7,000.00	7,000.00	
Distracted Driving Grant		10,500.00	10,500.00	
National Opioid Settlement Grant		32,635.26	32,635.26	
Farmland Preservation Plan Grant		20,000.00	20,000.00	
	<u>6,000,395.31</u>	<u>212,817.12</u>	<u>6,843,921.88</u>	<u>630,709.45</u>
Receipt from Delinquent Taxes	<u>750,000.00</u>		<u>864,819.57</u>	<u>114,819.57</u>
Amount to be Raised by Taxes for Support of Municipal Budget:				
Local Tax for Municipal Purposes	<u>29,871,619.56</u>		<u>32,246,758.21</u>	<u>2,375,138.65</u>
Budget Totals	<u>42,522,014.87</u>	<u>212,817.12</u>	<u>45,855,499.66</u>	<u>\$ 3,120,667.67</u>
Nonbudget Revenue			<u>1,353,451.69</u>	
	<u>\$ 42,522,014.87</u>	<u>\$ 212,817.12</u>	<u>\$ 47,208,951.35</u>	

TOWNSHIP OF MARLBORO  
CURRENT FUND  
STATEMENT OF REVENUE - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2022  
(Continued)

Allocation of Current Tax Collections:

Revenue from Collection of Current Taxes	\$ 172,154,250.17
Allocated to County, Local School District, Regional High School, Fire Districts, and Local Open Space Taxes	<u>142,582,813.58</u>
Balance for Support of Municipal Budget	29,571,436.59
Add: Appropriation "Reserve for Uncollected Taxes"	<u>2,675,321.62</u>
Realized for Support of Municipal Budget	<u><u>\$ 32,246,758.21</u></u>

Receipts from Delinquent Taxes:

Delinquent Tax Collections	\$ 838,237.05
Tax Title Lien Collections	<u>26,582.52</u>
Realized for Support of Municipal Budget	<u><u>\$ 864,819.57</u></u>

Analysis of Nonbudget Revenue:

Miscellaneous Revenue Not Anticipated:	
Reimbursement-Escrow Inspections	\$ 4,179.00
(Farmers Market Fees	11,270.00
ICommunity Garden Fees	4,720.00
^Copies	3,034.55
(Property Maintenance Liens	5.00
IMobile Home Park Rental	30,000.00
^Scrap Metal/Recycling	14,078.87
€Homeowners Mail Reimbursement	1,071.00
Reimbursement of Expenses	84,030.87
Auction Proceeds	64,461.00
Cancellation of Trust Balances per Resolution:	
Court Bail Reserve	2,737.00
Marlboro Knolls Reserve	2,575.24
Water Escrow Deposits Reserve	131,360.13
Township Escrow Deposits Reserve	40,031.84
Performance Bonds Reserve	11,364.64
Road Opening Deposits Reserve	505,722.85
Police Evidence Reserve	77.90
Administrative Fee - Senior Citizens & Veterans Deductions	3,359.88
Indirect Costs - Uniform Construction Code	320,715.93
Other Miscellaneous Revenue	<u>115,537.47</u>
	\$ 1,350,333.17
Tax Collector:	
Other Miscellaneous Revenue	<u>3,118.52</u>
	<u><u>\$ 1,353,451.69</u></u>

TOWNSHIP OF MARLBORO  
CURRENT FUND  
STATEMENT OF EXPENDITURES - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2022

	Appropriation		Expended By		Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Reserved	
<b>GENERAL GOVERNMENT:</b>					
General Administration:					
Salaries and Wages	\$ 307,465.09	\$ 307,465.09	\$ 298,596.77	\$ 8,868.32	
Other Expenses	91,916.31	109,416.31	98,078.36	11,337.95	
Mayor and Council:					
Salaries and Wages	97,311.73	97,311.73	97,311.73	131.73	
Other Expenses	7,829.75	7,829.75	7,698.02		
Municipal Clerk:					
Salaries and Wages	190,310.00	195,310.00	192,771.58	2,538.42	
Other Expenses	59,034.54	59,034.54	34,222.47	24,812.07	
Financial Administration:					
Salaries and Wages	201,191.77	191,191.77	188,657.35	2,534.42	
Other Expenses	25,232.06	15,232.06	9,931.41	5,300.65	
Annual Audit:					
Other Expenses	32,510.19	32,510.19	32,235.19	275.00	
Central Computer:					
Salaries and Wages	146,765.70	146,765.70	140,522.71	6,242.99	
Other Expenses	233,197.74	233,197.74	191,640.42	41,557.32	
Tax Collector:					
Salaries and Wages	160,448.46	165,448.46	158,828.77	6,619.69	
Other Expenses	43,722.28	33,722.28	22,449.27	11,273.01	
Tax Assessment Administration:					
Salaries and Wages	148,848.70	148,848.70	140,564.27	8,284.43	
Other Expenses	55,694.75	35,694.75	30,141.15	5,553.60	
Engineering Services and Costs:					
Salaries and Wages	282,821.83	282,821.83	270,385.62	12,436.21	
Other Expenses	115,570.98	115,570.98	112,588.06	2,982.92	



TOWNSHIP OF MARLBORO  
CURRENT FUND  
STATEMENT OF EXPENDITURES - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2022  
(Continued)

	Appropriation		Expended By		Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Reserved	
<b>GENERAL GOVERNMENT (CONT'D):</b>					
Economic Development:					
Other Expenses	\$ 20,376.50	\$ 20,376.50	\$ 15,635.29	\$ 4,741.21	
Legal Services and Costs:					
Other Expenses	213,638.72	206,138.72	195,281.09	10,857.63	
Cable Studio:					
Other Expenses	57,507.12	57,507.12	53,052.50	4,454.62	
Inter-Governmental Relations:					
Other Expenses	9,736.45	9,736.45	1,577.50	8,158.95	
Historic Sites Commission:					
Other Expenses	1,050.00	1,050.00		1,050.00	
Ethics Commission:					
Other Expenses	16,170.00	41,170.00	37,029.00	4,141.00	
Open Space Committee:					
Other Expenses	504.75	504.75	68.75	436.00	
Affordable Housing:					
Salaries and Wages	17,500.00	17,500.00	17,500.00		
<b>LAND USE ADMINISTRATION:</b>					
Planning Board:					
Salaries and Wages	76,183.78	76,183.78	75,183.76	1,000.02	
Other Expenses	18,886.00	18,886.00	18,476.97	409.03	
Contractual	80,171.00	80,171.00	76,400.01	3,770.99	
Zoning Board of Adjustment:					
Salaries and Wages	171,986.31	140,986.31	129,350.22	11,636.09	
Other Expenses	51,862.79	51,862.79	39,683.71	12,179.08	

TOWNSHIP OF MARLBORO  
CURRENT FUND  
STATEMENT OF EXPENDITURES - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2022  
(Continued)

	Appropriation		Expended By		Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Reserved	
<b>INSURANCE:</b>					
Workers' Compensation Insurance	\$ 503,991.13	\$ 453,991.13	\$ 442,982.27	\$ 11,008.86	
Liability Insurance	598,259.78	598,259.78	581,012.70	17,247.08	
Group Insurance for Employees	2,960,494.20	2,860,494.20	2,571,865.99	288,628.21	
Health Insurance Waivers	68,400.00	75,400.00	57,947.10	17,452.90	
<b>PUBLIC SAFETY:</b>					
Police:					
Salaries and Wages	9,528,354.75	9,778,354.75	9,560,381.10	217,973.65	
Other Expenses	585,352.00	585,352.00	530,154.24	55,197.76	
Emergency Management Services:					
Salaries and Wages	56,440.00	31,440.00	19,333.34	12,106.66	
Other Expenses	19,472.96	19,472.96	5,484.54	13,988.42	
Aid to Volunteer Ambulance Companies	60,000.00	60,000.00	60,000.00		
Municipal Prosecutor:					
Salaries and Wages	31,524.12	31,524.12	31,524.12		
Other Expenses	3,000.00	3,000.00	3,000.00		
<b>PUBLIC WORKS:</b>					
Street and Road Repairs and Maintenance:					
Salaries and Wages	1,884,014.03	1,884,014.03	1,802,405.40	81,608.63	
Other Expenses	179,957.67	179,957.67	133,534.11	46,423.56	
Snow Removal:					
Salaries and Wages	211,000.00	211,000.00	105,940.92	105,059.08	
Other Expenses	208,145.42	208,145.42	67,208.95	140,936.47	
Other Expenses - LFRF Grant	891,689.58	891,689.58	809,410.37	82,279.21	
Public Works:					
Other Salaries and Wages	181,667.16	181,667.16	177,522.89	4,144.27	
Other Expenses	11,288.30	11,288.30	3,334.97	7,953.33	

TOWNSHIP OF MARLBORO  
CURRENT FUND  
STATEMENT OF EXPENDITURES - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2022  
(Continued)

	Appropriation		Expended By		Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Reserved	
<b>PUBLIC WORKS: (CONT'D)</b>					
Shade Tree Commission:					
Salaries and Wages	\$ 10,560.00	\$ 10,560.00	\$ 8,070.54	\$ 2,489.46	
Other Expenses	9,498.50	9,498.50	7,285.33	2,213.17	
Solid Waste Collection:					
Salaries and Wages	29,000.00	39,000.00	33,871.66	5,128.34	
Other Expenses	1,038,849.85	928,849.85	891,216.22	37,633.63	
Public Buildings and Grounds:					
Salaries and Wages	295,551.40	345,551.40	325,043.30	20,508.10	
Other Expenses	288,940.26	248,940.26	231,221.36	17,718.90	
Vehicle Maintenance:					
Salaries and Wages	545,188.21	545,188.21	437,326.35	107,861.86	
Other Expenses	338,808.00	353,808.00	353,622.96	185.04	
Community Services Act	143,505.00	143,505.00		143,505.00	
<b>HEALTH AND HUMAN SERVICES:</b>					
Registrar:					
Salaries and Wages	23,500.00	23,500.00	23,500.00		
Other Expenses	1,172.75	1,172.75	882.55	290.20	
Drug Abuse Control:					
Salaries and Wages	11,500.00	21,500.00	15,021.27	6,478.73	
Other Expenses	13,150.60	13,150.60	5,450.00	7,700.60	
Environmental Health Services:					
Salaries and Wages	2,000.00	2,000.00	2,000.00		
Other Expenses	1,175.00	1,175.00	375.00	800.00	
Animal Control:					
Other Expenses	46,231.24	46,231.24	46,231.24		

TOWNSHIP OF MARLBORO  
CURRENT FUND  
STATEMENT OF EXPENDITURES - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2022  
(Continued)

	Appropriation		Expended By		Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Reserved	
<b>RECREATION AND EDUCATION:</b>					
Recreation:					
Salaries and Wages	\$ 457,391.34	\$ 442,391.34	\$ 356,560.67	\$ 85,830.67	
Other Expenses	287,880.36	287,880.36	141,961.88	145,918.48	
Teen Program:					
Other Expenses	5,175.00	5,175.00	1,840.34	3,334.66	
Park Maintenance:					
Salaries and Wages	386,124.92	386,124.92	362,574.75	23,550.17	
Other Expenses	335,466.48	248,466.48	230,431.06	18,035.42	
Municipal Library:					
Other Expenses	13,500.00	13,500.00	10,944.93	2,555.07	
<b>MUNICIPAL COURT &amp; PUBLIC DEFENDER:</b>					
Municipal Court:					
Salaries and Wages	387,539.17	387,539.17	355,869.66	31,669.51	
Other Expenses	77,223.46	77,223.46	58,573.74	18,649.72	
Public Defender:					
Other Expenses	18,000.00	18,000.00	8,875.00	9,125.00	
<b>UTILITIES:</b>					
Electricity	291,570.69	291,570.69	290,439.97	1,130.72	
Street Lighting	601,497.00	601,497.00	541,585.87	59,911.13	
Telephone	294,987.88	294,987.88	262,513.43	32,474.45	
Water	34,050.00	44,050.00	36,125.00	7,925.00	
Gas	66,250.00	89,250.00	87,178.00	2,072.00	
Postage	33,100.00	33,100.00	29,999.89	3,100.11	
Sewerage Processing and Disposal	11,500.00	11,500.00	11,140.00	360.00	
Gasoline	409,235.00	509,235.00	503,276.85	5,958.15	
Landfill/Solid Waster Disposal Costs	213,305.00	213,305.00	165,185.25	48,119.75	

TOWNSHIP OF MARLBORO  
CURRENT FUND  
STATEMENT OF EXPENDITURES - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2022  
(Continued)

	Appropriation		Expended By		Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Reserved	
UNIFORM CONSTRUCTION CODE:					
Fire Safety:					
Salaries and Wages	\$ 267,328.39	\$ 255,328.39	\$ 231,169.96	\$ 24,158.43	
Other Expenses	24,436.12	24,436.12	12,358.28	12,077.84	
UNCLASSIFIED:					
Accumulated Leave Compensation	1,000.00	1,000.00		1,000.00	
Total Operations Within "CAPS"	27,933,688.02	27,933,688.02	25,728,627.27	2,205,060.75	
Contingent	2,500.00	2,500.00		2,500.00	
Total Operations Including Contingent Within "CAPS"	27,536,806.62	27,519,306.62	25,331,952.14	2,187,354.48	
Salaries and Wages	16,109,516.86	16,346,516.86	15,557,788.71	788,728.15	
Other Expenses	11,824,171.16	11,589,671.16	10,170,838.56	1,416,332.60	
Deferred Charges & Statutory Expenditures - Municipal Within "CAPS":					
Prior Year Bills	1,000.00	1,000.00			\$ 1,000.00
Statutory Expenditures - Contributions to:					
Public Employees' Retirement System	1,333,000.00	1,333,000.00	1,332,014.86	985.14	
Social Security System (O.A.S.I.)	1,317,160.27	1,317,160.27	1,138,833.52	178,326.75	
Police and Firemen's Retirement System of NJ	2,704,000.00	2,704,000.00	2,673,304.71	30,695.29	
Unemployment Compensation Insurance	1,000.00	1,000.00	1,000.00		
Defined Contribution Retirement System	1,000.00	1,000.00	392.44	607.56	
Total Deferred Charges and Statutory Expenditures - Municipal Within "CAPS"	5,357,160.27	5,357,160.27	5,145,545.53	210,614.74	1,000.00
Total General Appropriations for Municipal Purposes Within "CAPS"	33,293,348.29	27,936,188.02	25,728,627.27	2,207,560.75	

TOWNSHIP OF MARLBORO  
CURRENT FUND  
STATEMENT OF EXPENDITURES - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2022  
(Continued)

	Appropriation		Expended By		Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Reserved	
Operations Excluded from "CAPS":					
Length of Service Awards Program	\$ 80,000.00	\$ 80,000.00	\$ 65,451.40	\$ 14,548.60	
Police Dispatch 911:					
Salaries and Wages	876,190.86	876,190.86	811,326.66	64,864.20	
Other Expenses	214,203.38	214,203.38	168,481.03	45,722.35	
SFSP Fire District Payments	11,000.00	11,000.00	10,583.00	417.00	
Group Insurance for Employees (P.L. 2007, c.162)	26,313.99	26,313.99		26,313.99	
Public and Private Programs Offset by Revenues:					
Highway Safety Fund (NJSA 40A:4-87 +\$23,601.00)	91,932.25	23,601.00	23,601.00		
Clean Communities Grant (NJSA 40A:4-87 +\$95,258.58)		187,190.83	187,190.83		
Click It or Ticket (NJSA 40A:4-87 +\$7,000.00)		7,000.00	7,000.00		
Distracted Driving Grant (NJSA 40A:4-87 +\$10,500.00)		10,500.00	10,500.00		
National Opioid Settlement (NJSA 40A:4-87 +\$32,635.26)		32,635.26	32,635.26		
Farmland Preservation Plan Grant (NJSA 40A:4-87 +\$20,000.00)		20,000.00	20,000.00		
State Body Armor Grant	3,078.23	3,078.23	3,078.23		
Recycling Tonnage Grant (NJSA 40A:4-87 +\$23,822.28)	32,898.25	56,720.53	56,720.53		
Total Operations Excluded from "CAPS"	1,335,616.96	1,548,434.08	1,396,567.94	151,866.14	
Detail:					
Salaries and Wages	876,190.86	876,190.86	811,326.66	64,864.20	
Other Expenses	459,426.10	672,243.22	585,241.28	87,001.94	
Operations Excluded from "CAPS" (Cont'd):					
Capital Improvements - Excluded from "CAPS":					
Capital Improvement Fund	300,000.00	300,000.00	300,000.00		
Total Capital Improvements - Excluded from "CAPS"	300,000.00	300,000.00	300,000.00		

TOWNSHIP OF MARLBORO  
CURRENT FUND  
STATEMENT OF EXPENDITURES - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2022  
(Continued)

	Appropriation		Expended By		Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Reserved	
Municipal Debt Service - Excluded from "CAPS":					
Payment of Bond Principal	\$ 3,410,000.00	\$ 3,410,000.00	\$ 3,403,067.00		\$ 6,933.00
Payment of Bond Anticipation Notes and Capital Notes	1.00	1.00			1.00
Interest on Bonds	1,224,400.00	1,224,400.00	930,042.50		294,357.50
Interest on Notes	1.00	1.00			1.00
Green Trust Loan Program:					
Loan Repayments for Principal and Interest	28,935.00	28,935.00	28,864.55		70.45
Capital Lease Obligations:					
Principal	203,000.00	203,000.00	201,883.16		1,116.84
Interest	7,500.00	7,500.00	6,946.61		553.39
<b>Total Municipal Debt Service - Excluded from "CAPS"</b>	<b>4,873,837.00</b>	<b>4,873,837.00</b>	<b>4,570,803.82</b>		<b>303,033.18</b>
Deferred Charges - Excluded from "CAPS":					
Special Emergency Authorizations-LFRF Grant	43,891.00	43,891.00	43,891.00		
<b>Total Deferred Charges - Excluded from "CAPS"</b>	<b>43,891.00</b>	<b>43,891.00</b>	<b>43,891.00</b>		
<b>Total General Appropriations - Excluded from "CAPS"</b>	<b>6,553,344.96</b>	<b>12,079,431.35</b>	<b>11,412,917.29</b>	<b>\$ 362,480.88</b>	<b>304,033.18</b>
Subtotal General Appropriations	39,846,693.25	40,059,510.37	37,185,435.56	2,570,041.63	304,033.18
Reserve for Uncollected Taxes	2,675,321.62	2,675,321.62	2,675,321.62		
<b>Total General Appropriations</b>	<b>\$ 42,522,014.87</b>	<b>\$ 42,734,831.99</b>	<b>\$ 39,860,757.18</b>	<b>\$ 2,570,041.63</b>	<b>\$ 304,033.18</b>

Ref.

A

TOWNSHIP OF MARLBORO  
CURRENT FUND  
STATEMENT OF EXPENDITURES - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2022  
(Continued)

		Analysis of	
	Ref.	Budget After Modification	Paid or Charged
Adopted Budget		\$ 42,522,014.87	
Added by NJSA 40A:4-87		212,817.12	
		\$ 42,734,831.99	
Reserve for Uncollected Taxes			\$ 2,675,321.62
Reserve for Encumbrances	A		2,196,366.15
Due Federal and State Grant Fund			340,725.85
Deferred Charges			43,891.00
Cash Disbursed			37,980,487.30
			43,236,791.92
Less: Appropriation Refunds Received			3,376,034.74
			\$ 39,860,757.18

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



TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH  
2022  
TRUST FUNDS

TOWNSHIP OF MARLBORO  
TRUST FUNDS  
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

	Ref.	December 31,	
		2022	2021
<u>ASSETS</u>			
Animal Control Fund:			
Cash and Cash Equivalents	B-1	\$ 61,158.67	\$ 70,813.47
		<u>61,158.67</u>	<u>70,813.47</u>
Escrow Trust Fund:			
Cash and Cash Equivalents	B-1	2,868,068.98	2,543,659.06
		<u>2,868,068.98</u>	<u>2,543,659.06</u>
Open Space Trust Fund:			
Cash and Cash Equivalents	B-1	3,428,997.03	3,705,826.46
		<u>3,428,997.03</u>	<u>3,705,826.46</u>
Other Trust Funds:			
Cash and Cash Equivalents	B-1	11,685,953.39	14,264,172.53
Change Fund		200.00	200.00
		<u>11,686,153.39</u>	<u>14,264,372.53</u>
<b>TOTAL ASSETS</b>		<u><u>\$18,044,378.07</u></u>	<u><u>\$ 20,584,671.52</u></u>
<u>LIABILITIES AND RESERVES</u>			
Animal Control Fund:			
Due State of New Jersey		\$ 27.60	\$ 4.80
Encumbrances Payable		9,223.73	7,184.93
Reserve for Animal Control Expenditures	B-2	51,907.34	63,623.74
		<u>61,158.67</u>	<u>70,813.47</u>
Escrow Trust Fund:			
Encumbrances Payable			96,321.17
Reserve for Developer's Escrow Expenditures		2,868,068.98	2,447,337.89
		<u>2,868,068.98</u>	<u>2,543,659.06</u>
Open Space Trust Fund:			
Encumbrances Payable			12,525.84
Reserve for Open Space Expenditures		3,428,997.03	3,693,300.62
		<u>3,428,997.03</u>	<u>3,705,826.46</u>

TOWNSHIP OF MARLBORO  
TRUST FUNDS  
COMPARATIVE BALANCE SHEET - REGULATORY BASIS  
(Continued)

	Ref.	December 31,	
		2022	2021
<u>LIABILITIES AND RESERVES (Cont'd)</u>			
Other Trust Funds:			
Due State of New Jersey - Uniform Construction Code	\$	41,259.00	\$ 32,330.00
Encumbrances Payable			846,219.77
Reserve for Fire Safety		82,649.10	53,624.10
Reserve for Stormwater Management		487,534.52	185,694.62
Reserve for Affordable Housing Trust		4,231,237.68	7,074,823.57
Reserve for Uniform Construction Code		1,374,427.58	913,087.38
Reserve for Unemployment		235,446.43	179,766.16
Reserve for Law Enforcement		403,901.49	280,505.05
Reserve for Donations		101,379.19	51,635.77
Reserve for Tree Bank		436,514.96	461,740.46
Municipal Court:			
Reserve for Court Bail			2,737.00
Reserve for Parking Offense Adjudication Act		4,967.36	5,180.24
Reserve for Public Defender		2,605.10	4,605.10
Reserve for Marlboro Knolls			2,575.24
Reserve for Accumulated Absences		656,781.33	530,780.97
Reserve for Storm Recovery		1,828,163.15	1,026,493.75
Reserve for Joint Insurance Refunds		280,696.31	350,505.40
Reserve for Unclaimed Monies		15,118.79	13,790.04
Reserve for Police Outside Duty		54,085.57	60,312.62
Reserve for Escrow		40,000.00	211,391.97
Reserve for Affordable Housing Special Master		13,425.00	13,425.00
Reserve for Third Party Liens		22,035.83	22,035.83
Reserve for Road Opening		19,825.00	522,047.85
Reserve for Performance Bonds		20,000.00	31,364.64
Reserve for Tax Sale Premiums		1,334,100.00	1,387,700.00
		<u>11,686,153.39</u>	<u>14,264,372.53</u>
<b>TOTAL LIABILITIES AND RESERVES</b>		<u><u>\$ 18,044,378.07</u></u>	<u><u>\$ 20,584,671.52</u></u>

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

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH  
2022  
GENERAL CAPITAL FUND

TOWNSHIP OF MARLBORO  
GENERAL CAPITAL FUND  
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

	Ref.	December 31,	
		2022	2021
<u>ASSETS</u>			
Cash and Cash Equivalents	C-2	\$ 8,005,699.42	\$ 12,148,543.73
Green Acres Loan Receivable		276,299.00	276,299.00
Lease Proceeds Receivable			323,792.56
Grants Receivable:			
New Jersey Department of Transportation		2,015,300.21	2,114,810.05
Monmouth County		345,000.00	345,000.00
NJ DGLS Recreation Improvements		75,000.00	
Body Worn Camera Grant		205,838.00	205,838.00
Deferred Charges to Future Taxation:			
Funded		39,448,183.96	43,688,504.32
Unfunded	C-4	24,745,975.62	15,931,078.80
<u>TOTAL ASSETS</u>		<u>\$ 75,117,296.21</u>	<u>\$ 75,033,866.46</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Serial Bonds Payable	C-8	\$ 39,243,000.00	\$ 43,253,000.00
Bond Anticipation Notes Payable	C-7	8,000,000.00	8,000,000.00
Green Trust Loan Program Payable	C-9		28,437.20
Capital Lease Payable		205,183.96	407,067.12
Improvement Authorizations:			
Funded	C-5	8,628,287.38	10,041,272.89
Unfunded	C-5	10,864,616.15	6,442,552.15
Capital Improvement Fund	C-6	1,809.00	125,177.00
Reserve for:			
Traffic Light - Ryan Road		36,290.85	30,995.85
Pleasant Valley Road Improvements		6,120.63	6,120.63
Payment of Debt Service		43,071.61	93,071.61
Encumbrances		7,074,754.05	6,106,762.03
Sidewalks - Tennent Road		1,723.68	1,723.68
Emerald Hills		42,902.91	42,902.91
Union Hill - Costco		95,044.90	95,044.90
Station Road Improvements		26,222.75	
Fund Balance	C-1	848,268.34	359,738.49
<u>TOTAL LIABILITIES, RESERVES AND FUND BALANCE</u>		<u>\$ 75,117,296.21</u>	<u>\$ 75,033,866.46</u>

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

TOWNSHIP OF MARLBORO  
GENERAL CAPITAL FUND  
STATEMENT OF FUND BALANCE - REGULATORY BASIS

	<u>Ref.</u>	
Balance December 31, 2021	C	\$ 359,738.49
Increased by:		
Improvement Authorizations Cancelled		<u>638,529.85</u>
		998,268.34
Decreased by:		
Utilized as Anticipated Revenue in Current Fund Budget		<u>150,000.00</u>
Balance December 31, 2022	C	<u><u>\$ 848,268.34</u></u>

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

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH  
2022  
RECREATION AND SWIM UTILITY FUND

TOWNSHIP OF MARLBORO  
RECREATION AND SWIM UTILITY FUND  
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

		December 31	
		2022	Restated 2021
<u>ASSETS</u>	<u>Ref.</u>		
Operating Fund:			
Cash and Cash Equivalents:	D-4	\$ 1,325,699.83	\$ 130,218.20
		1,325,699.83	130,218.20
Deferred Charges:			
Emergency Authorization			438,950.17
Special Emergency Authorization			700,000.00
Total Deferred Charges			1,138,950.17
		1,325,699.83	1,269,168.37
Capital Fund:			
Cash and Cash Equivalents	D-4	222,634.91	201,796.91
Fixed Capital	D-6	3,446,793.21	3,446,793.21
Fixed Capital Authorized and Uncompleted	D-7	1,575,119.22	1,368,691.32
Total Capital Fund		5,244,547.34	5,017,281.44
<u>TOTAL ASSETS</u>		\$ 6,570,247.17	\$ 6,286,449.81



TOWNSHIP OF MARLBORO  
RECREATION AND SWIM UTILITY FUND  
COMPARATIVE BALANCE SHEET - REGULATORY BASIS  
(Continued)

		December 31	
		2022	Restated 2021
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>Ref.</u>		
<b>Operating Fund:</b>			
Appropriation Reserves:			
Unencumbered	D-3;D-8	\$ 45,806.45	\$ 288,480.36
Encumbered	D-3;D-8	218,450.13	311,317.56
Total Appropriation Reserves		264,256.58	599,797.92
Prepaid Participation Fees			26,527.48
Prepaid Membership Fees			19,030.00
Accrued Interest on Bonds		4,127.08	4,832.30
		268,383.66	650,187.70
Fund Balance	D-1	1,057,316.17	618,980.67
Total Operating Fund		1,325,699.83	1,269,168.37
<b>Capital Fund:</b>			
Serial Bonds	D-13	859,000.00	954,000.00
Improvement Authorizations:			
Funded	D-9	140,862.57	186,262.60
Unfunded	D-9	461,937.26	283,877.33
Capital Improvement Fund	D-10	25,914.00	
Reserve to Pay Debt Service		9,160.36	9,160.36
Reserve for Encumbrances		61,228.04	4,122.04
Reserve for Amortization	D-11	3,078,550.45	3,078,550.45
Deferred Reserve for Amortization	D-12	576,303.88	483,000.00
Fund Balance	D-1A	31,590.78	18,308.66
Total Capital Fund		5,244,547.34	5,017,281.44
<u>TOTAL LIABILITIES, RESERVES AND FUND BALANCE</u>		\$ 6,570,247.17	\$ 6,286,449.81

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

TOWNSHIP OF MARLBORO  
RECREATION AND SWIM UTILITY OPERATING FUND  
COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE IN  
FUND BALANCE - REGULATORY BASIS

	Ref.	Year Ended December 31	
		2022	2021
<u>Revenue and Other Income Realized</u>			
Fund Balance Utilized			\$ 875.68
Budgeted Revenue		\$ 2,897,408.86	986,469.78
Nonbudget Revenue		6,758.56	422,239.03
Other Credits to Income:			
Cancellation of Accounts Payable			1,000.00
Unexpended Balance of Appropriation Reserves		423,277.80	268,647.31
Total Income		3,327,445.22	1,679,231.80
<u>Expenditures</u>			
Budget and Emergency Appropriations:			
Operating		1,544,350.84	1,634,167.90
Capital Improvements		38,500.00	1.00
Debt Service		117,302.28	100,491.32
Deferred Charges and Statutory Expenditures		1,188,956.60	11,255.95
Total Expenditures		2,889,109.72	1,745,916.17
Excess/(Deficit) in Revenue		438,335.50	(66,684.37)
Adjustments to Income Before Fund Balance:			
Expenditures Included Above Which are by Statute			
Deferred Charges to Budget of Succeeding Year			438,950.17
Statutory Excess to Fund Balance		438,335.50	372,265.80
<u>Fund Balance</u>			
Balance January 1	D	618,980.67	247,590.55
		1,057,316.17	619,856.35
Decreased by:			
Utilized by Recreation and Swim Utility Operating Budget			875.68
Balance December 31	D	\$ 1,057,316.17	\$ 618,980.67

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

TOWNSHIP OF MARLBORO  
RECREATION AND SWIM UTILITY CAPITAL FUND  
STATEMENT OF FUND BALANCE - REGULATORY BASIS

	<u>Ref.</u>	
Balance December 31, 2021	E	\$ 18,308.66
Increased by:		
Improvement Authorizations Cancelled		<u>13,282.12</u>
Balance December 31, 2022	E	<u><u>\$ 31,590.78</u></u>

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

TOWNSHIP OF MARLBORO  
RECREATION AND SWIM UTILITY OPERATING FUND  
STATEMENT OF REVENUE - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2022

	Anticipated	Realized	Excess or Deficit*
Program Revenue	\$ 1,406,753.88	\$ 1,172,654.30	\$ 234,099.58 *
Additional Program Fees	585,804.39	585,804.39	
LFRF - Deferred Charge - Summer Program	438,950.17	438,950.17	
LFRF - Deficit in Operations - Summer Program	700,000.00	700,000.00	
	3,131,508.44	2,897,408.86	234,099.58 *
Nonbudget Revenue		6,758.56	6,758.56
	\$ 3,131,508.44	\$ 2,904,167.42	\$ 227,341.02 *
<u>Ref.</u>			
 <u>Program Revenue:</u>			
Collections	\$ 1,127,096.82		
Prepaid Participation Fees Applied	26,527.48		
Prepaid Membership Fees Applied	19,030.00		
		\$ 1,172,654.30	
 <u>Nonbudget Revenue:</u>			
Interest on Investments		\$ 6,758.56	

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

TOWNSHIP OF MARLBORO  
RECREATION AND SWIM UTILITY OPERATING FUND  
STATEMENT OF EXPENDITURES - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2022

	Appropriation		Expended by			Unexpended Balance Cancelled
	Budget	Budget After Modification	Paid or Charged	Reserved		
Operating:						
Salaries and Wages	\$ 716,319.04	\$ 716,319.04	\$ 640,419.68	\$ 899.36	\$ 75,000.00	
Other Expenses	1,103,031.80	1,053,031.80	865,766.34	37,265.46	150,000.00	
Capital Improvements:						
Capital Improvement Fund	37,500.00	37,500.00	37,500.00	1,000.00		
Capital Outlay	1,000.00	1,000.00				
Debt Service:						
Payment of Bond Principal	95,000.00	95,000.00	95,000.00			
Interest on Bonds	39,700.00	39,700.00	22,302.28		17,397.72	
Interest on Notes	1.00	1.00			1.00	
Deferred Charges and Statutory Expenditures:						
Deferred Charges to Future Revenue :						
Emergency Authorization -						
Summer Programming LFRF	438,950.17	438,950.17	438,950.17			
Deficit in Operations LFRF	700,000.00	700,000.00	700,000.00			
Statutory Expenditures:						
Contribution to:						
Public Employee Retirement System	1.60	1.60		1.60		
Social Security System	3.83	50,003.83	43,363.80	6,640.03		
Unemployment Compensation Insurance	1.00	1.00	1.00			
Total Recreation and Swim Utility Appropriations	\$ 3,131,508.44	\$ 3,131,508.44	\$ 2,843,303.27	\$ 45,806.45	\$ 242,398.72	

Ref.

D

TOWNSHIP OF MARLBORO  
RECREATION AND SWIM UTILITY OPERATING FUND  
STATEMENT OF EXPENDITURES - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2022  
(Continued)

	<u>Ref.</u>	<u>Analysis of Paid or Charged</u>
Cash Disbursed		\$ 1,465,600.69
Encumbrances Payable	D	218,450.13
Accrued Interest on Bonds		22,302.28
Deferred Charges - Summer Programming LFRF		438,950.17
Deferred Charges - Deficit in Operations LFRF		<u>700,000.00</u>
		2,845,303.27
Less: Appropriation Refunds		<u>2,000.00</u>
		<u><u>\$ 2,843,303.27</u></u>

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

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH  
2022  
WATER UTILITY FUND

TOWNSHIP OF MARLBORO  
WATER UTILITY FUND  
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

		December 31	
	<u>Ref.</u>	2022	Restated 2021
<u>ASSETS</u>			
Operating Fund:			
Cash and Cash Equivalents:			
Treasurer	E-4	\$ 7,265,991.48	\$ 5,235,416.53
Change Fund		400.00	400.00
Investments - Bond Anticipation Notes		3,000,000.00	3,000,000.00
		10,266,391.48	8,235,816.53
Receivables and Other Assets with Full Reserves:			
Consumer Accounts Receivable	E-6	324,026.04	346,688.35
		324,026.04	346,688.35
Total Operating Fund		10,590,417.52	8,582,504.88
Capital Fund:			
Cash and Cash Equivalents	E-4	1,160,815.01	2,591,448.77
New Jersey Infrastructure Bank Loan Receivable			168,730.00
Fixed Capital	E-7	51,120,699.22	34,255,183.31
Fixed Capital Authorized and Uncompleted	E-8	23,532,337.14	36,591,522.41
Total Capital Fund		75,813,851.37	73,606,884.49
<u>TOTAL ASSETS</u>		\$ 86,404,268.89	\$ 82,189,389.37



TOWNSHIP OF MARLBORO  
WATER UTILITY FUND  
COMPARATIVE BALANCE SHEET - REGULATORY BASIS  
(Continued)

	Ref.	December 31	
		2022	Restated 2021
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Operating Fund:			
Appropriation Reserves:			
Unencumbered	E-3; E-9	\$ 1,014,022.56	\$ 1,005,192.25
Encumbered	E-3; E-9	1,118,511.37	1,192,103.30
		<u>2,132,533.93</u>	<u>2,197,295.55</u>
Accounts Payable - Vendors			90,032.18
Accrued Interest on Bonds, Loans, and Notes		108,809.72	110,651.81
Water Rent Overpayments		36,865.11	30,984.09
Reserve for Escrow		206,545.10	206,437.67
Reserve for Water Claims		72,000.71	114,679.27
		<u>2,556,754.57</u>	<u>2,750,080.57</u>
Reserve for Receivables	D	324,026.04	346,688.35
Fund Balance	E-1	<u>7,709,636.91</u>	<u>5,485,735.96</u>
Total Operating Fund		<u>10,590,417.52</u>	<u>8,582,504.88</u>
Capital Fund:			
Serial Bonds	E-14	10,330,000.00	11,535,000.00
Bond Anticipation Notes Payable	E-13	3,000,000.00	3,000,000.00
New Jersey Infrastructure Bank Loans and Notes Payable	E-15	13,905,805.21	14,796,012.32
Improvement Authorizations:			
Funded	E-10	790,594.32	983,502.16
Unfunded	E-10	4,883,394.00	4,644,042.11
Reserve for Encumbrances	E-10	4,502,876.46	2,194,072.67
Capital Improvement Fund	E-11	50,000.00	50,000.00
Deferred Reserve for Amortization	E-12	4,804,316.31	4,313,792.70
Reserve for Amortization	E-12A	33,154,467.70	31,879,131.95
Reserve to Pay Debt Service		198,030.69	184,484.69
Fund Balance	E-1A	<u>194,366.68</u>	<u>26,845.89</u>
Total Capital Fund		<u>75,813,851.37</u>	<u>73,606,884.49</u>
<u>TOTAL LIABILITIES, RESERVES AND FUND BALANCE</u>		<u>\$ 86,404,268.89</u>	<u>\$ 82,189,389.37</u>

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

TOWNSHIP OF MARLBORO  
WATER UTILITY OPERATING FUND  
COMPARATIVE STATEMENT OF OPERATIONS  
AND CHANGE IN FUND BALANCE - REGULATORY BASIS

	Ref.	Year Ended December 31,	
		2022	2021
<u>Revenue and Other Income Realized</u>			
Fund Balance Utilized		\$ 2,970,226.58	\$ 1,999,297.54
Water Rents		11,664,707.30	9,804,342.26
Connection Fees		395,747.36	144,110.72
Other Operating Revenues		45,218.87	34,083.16
Solar Renewable Energy Credits		238,758.50	231,627.00
Nonbudget Revenue		33,467.12	11,794.75
Other Credits to Income:			
Accounts Payable Cancelled		3,270.01	26,977.43
Unexpended Balance of Appropriation Reserves		1,736,469.73	1,192,725.09
		<u>17,087,865.47</u>	<u>13,444,957.95</u>
<u>Expenditures</u>			
Budget Expenditures:			
Operating		9,348,887.99	8,486,842.76
Capital Improvements		20,000.00	20,000.00
Debt Service		2,442,212.36	2,330,914.67
Deferred Charges and Statutory Expenditures		82,637.59	78,553.78
		<u>11,893,737.94</u>	<u>10,916,311.21</u>
Excess in Revenues		5,194,127.53	2,528,646.74
<u>Fund Balance</u>			
Balance January 1	E	5,485,735.96	4,956,386.76
		<u>10,679,863.49</u>	<u>7,485,033.50</u>
Decreased by:			
Utilized by Water Utility Operating Budget		2,970,226.58	1,999,297.54
		<u>2,970,226.58</u>	<u>1,999,297.54</u>
Balance December 31	E	<u>\$ 7,709,636.91</u>	<u>\$ 5,485,735.96</u>

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

TOWNSHIP OF MARLBORO  
WATER UTILITY CAPITAL FUND  
STATEMENT OF CAPITAL FUND BALANCE - REGULATORY BASIS

	<u>Ref.</u>		
Balance December 31, 2021	E	\$	26,845.89
Increased by:			
Improvement Authorizations Cancelled			<u>167,520.79</u>
Balance December 31, 2022	E	\$	<u><u>194,366.68</u></u>

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

TOWNSHIP OF MARLBORO  
WATER UTILITY OPERATING FUND  
STATEMENT OF REVENUE - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2022

	<u>Anticipated</u>	<u>Realized</u>	<u>Excess</u>
Fund Balance Anticipated	\$ 2,970,226.58	\$ 2,970,226.58	
Rents	8,800,000.00	11,664,707.30	\$ 2,864,707.30
Connection Fees	100,000.00	395,747.36	295,747.36
Other Operating Revenues	25,000.00	45,218.87	20,218.87
Solar Renewable Energy Credits	150,000.00	238,758.50	88,758.50
Miscellaneous Revenue	10,000.00	33,467.12	23,467.12
	<u>\$ 12,055,226.58</u>	<u>\$ 15,348,125.73</u>	<u>\$ 3,292,899.15</u>

Analysis of Revenue - Rents

Collections	\$ 11,633,723.21
Overpayments Applied	<u>30,984.09</u>
	<u>\$ 11,664,707.30</u>

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

TOWNSHIP OF MARLBORO  
WATER UTILITY OPERATING FUND  
STATEMENT OF EXPENDITURES - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2022

	Appropriation		Expended by		Unexpended Balance Cancelled
	Budget	Budget After Modification	Paid or Charged	Reserved	
Operating:					
Salaries and Wages	\$ 1,080,196.45	\$ 1,080,196.45	\$ 958,457.34	\$ 121,739.11	
Other Expenses	8,268,691.54	8,268,691.54	7,424,751.73	843,939.81	
Capital Improvements:					
Capital Outlay	20,000.00	20,000.00	7,950.00	12,050.00	
Debt Service:					
Payment on Bond Principal	1,205,000.00	1,205,000.00	1,205,000.00		
Interest on Bonds	517,700.00	517,700.00	364,447.04		\$ 153,252.96
Interest on Notes	1.00	1.00			1.00
NJEIT:					
Loan Principal	725,000.00	733,500.00	728,380.11		5,119.89
Loan Interest	156,000.00	147,500.00	144,385.21		3,114.79
Deferred Charges and Statutory Expenditures:					
Statutory Expenditures:					
Contribution to:					
Public Employees' Retirement System	1.60	1.60		1.60	
Social Security System (O.A.S.I.)	82,634.99	82,634.99	46,342.95	36,292.04	
Unemployment Insurance	1.00	1.00	1.00		
	<u>\$ 12,055,226.58</u>	<u>\$ 12,055,226.58</u>	<u>\$ 10,879,715.38</u>	<u>\$ 1,014,022.56</u>	<u>\$ 161,488.64</u>

Ref.

E

TOWNSHIP OF MARLBORO  
WATER UTILITY OPERATING FUND  
STATEMENT OF EXPENDITURES - REGULATORY BASIS  
YEAR ENDED DECEMBER 31, 2022  
(Continued)

	<u>Ref.</u>	<u>Analysis of</u>	
		<u>Budget After Modification</u>	<u>Paid or Charged</u>
Adopted Budget	E-3	<u>\$ 12,055,226.58</u>	
		<u>\$ 12,055,226.58</u>	
Cash Disbursed	E-4		\$ 9,631,173.13
Accrued Interest on Bonds			364,447.04
Encumbrances	E		<u>1,118,511.37</u>
			11,114,131.54
Less: Appropriation Refunds			<u>234,416.16</u>
			<u>\$ 10,879,715.38</u>

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

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH  
2022  
GENERAL FIXED ASSETS ACCOUNT GROUP

TOWNSHIP OF MARLBORO  
GENERAL FIXED ASSETS ACCOUNT GROUP  
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

	December 31,	
	2022	2021
<u>ASSETS</u>		
Land	\$ 72,437,771.00	\$ 72,437,771.00
Buildings and Improvements	13,773,627.18	13,773,627.18
Equipment	21,950,349.86	22,089,000.55
<u>TOTAL ASSETS</u>	<u>\$ 108,161,748.04</u>	<u>\$ 108,300,398.73</u>
<u>RESERVES</u>		
Reserve for Fixed Assets	\$ 108,161,748.04	\$ 108,300,398.73
<u>TOTAL RESERVES</u>	<u>\$ 108,161,748.04</u>	<u>\$ 108,300,398.73</u>

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



TOWNSHIP OF MARLBORO  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2022

Note 1: Summary of Significant Accounting Policies

A. Reporting Entity

Except as noted below, the financial statements of the Township of Marlboro include every board, body, officer or commission supported and maintained wholly or in part by funds appropriated by the Township of Marlboro, as required by N.J.S. 40A:5-5. Accordingly, the financial statements of the Township of Marlboro do not include the operations of the volunteer ambulance squad.

Governmental Accounting Standards Board ("GASB") Codification Section 2100, "Defining the Financial Reporting Entity" establishes standards to determine whether a governmental component unit should be included in the financial reporting entity. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. In addition, component units can be other organizations for which the nature and significance of their relationship with a primary government are such that exclusion would cause the reporting entity's financial statements to be misleading. The primary government is financially accountable if it appoints a voting majority of the organization's governing body and (1) it is able to impose its will on that organization or (2) there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government. A legally separate, tax-exempt organization should be reported as a component unit of a reporting entity if all of the following criteria are met: (1) The economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units, or its constituents. (2) The primary government, or its component units, is entitled to, or has the ability to otherwise access, a majority of the economic resources received or held by the separate organization. (3). The economic resources received or held by an individual organization that the specific primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to that primary government. As the financial reporting entity was established in accordance with New Jersey statutes, the requirements of GASB Codification Section 2100 were not followed and, accordingly, the reporting entity could be different from accounting principles generally accepted in the United States of America.

B. Description of Funds

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

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

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

TOWNSHIP OF MARLBORO  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2022  
(Continued)

Note 1: Summary of Significant Accounting Policies (Cont'd)

B. Description of Funds (Cont'd)

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

Recreation and Swim Utility Operating and Capital Funds - Account for the operations and acquisition of capital facilities of the municipally operated recreation and swim utility.

Water Utility Operating and Capital Funds - Account for the operations and acquisition of capital facilities of the municipally owned water utility.

General Fixed Assets Account Group - Estimated values of land, buildings and certain fixed assets of the Township as discussed in Note 1E - "Other Significant Accounting Policies".

C. Basis of Accounting

Basis of accounting refers to when revenue and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

The following is a summary of the significant accounting policies.

Revenue is recorded when received in cash except for certain amounts which may be due from the State of New Jersey. Federal and state grants are generally recognized on the cash basis, except for certain assistance which is not realized until anticipated in the Township's budget in the Current Fund. Grant revenue is realized in the Capital Funds when improvements are authorized. The amounts recorded as property taxes receivable have not been included in revenue. Amounts that are due to the municipality, which are susceptible of accrual, are recorded as receivables with offsetting reserves in the Current Fund.

Expenditures are generally charged to operations based on budgeted amounts. Exceptions to this general rule include:

1. Accumulated unpaid vacation, sick pay and other employee benefit amounts are not accrued.
2. Prepaid expenses, such as insurance premiums applicable to subsequent periods, are charged to current budget appropriations in total.
3. Principal and interest on long-term debt are recognized when due.

TOWNSHIP OF MARLBORO  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2022  
 (Continued)

Note 1: Summary of Significant Accounting Policies (Cont'd)

C. Basis of Accounting (Cont'd)

Expenditures, if any, in excess of appropriations, appropriation reserves or ordinances become deferred charges which must be raised by future taxes. Outstanding encumbrances at December 31 are reported as a cash liability in the financial statements and constitute part of the statutory appropriation reserve balance. Appropriation reserves covering unexpended appropriation balances are automatically created at December 31 of each year and recorded as liabilities, except for amounts which may be cancelled 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.

Had the Township's financial statements been prepared under accounting principles generally accepted in the United States of America, encumbrances would not be considered as expenditures; appropriation reserves would not be recorded; revenue susceptible to accrual would have been reflected without offsetting reserves; federal and state grants and assistance would be recognized when earned, not when awarded or budgeted; inventories would not be reflected as expenditures at the time of purchase, investments would generally be stated at fair value, a financed purchases payable would be recorded for financed purchase agreements which the Township acquires and owns a fixed asset and fixed assets purchased by the Utility Funds would be depreciated and the Township's net pension and OPEB liability and related deferred inflows and outflows, where applicable, would be recorded.

D. Deferred Charges to Future Taxation

The General Capital Fund balance sheet includes both funded and unfunded deferred charges. Funded means that bonds have been issued and are being paid off on a serial basis. Unfunded means that the debt has been authorized but not permanently financed. A municipality can eliminate an unfunded deferred charge by raising it in the budget or collecting a grant. The unfunded deferred charge may also be funded by selling bonds, by loans, or by financed purchase agreements.

E. Other significant accounting policies include:

Management Estimates – The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of revenue and expenditures/expenses during the period reported. Actual results could differ from those estimates.

Cash and cash equivalents – Amounts include petty cash, change funds, amounts on deposit, and short-term investments with original maturities of three months or less.

Investments – Investments are stated at cost.

Grants Receivable – Grants receivable represent total grant awarded less amounts collected to date. Because the amount of grant funds to be collected are dependent on the total costs eligible for reimbursement, the actual amount collected may be less than the total amounts awarded.

TOWNSHIP OF MARLBORO  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2022  
(Continued)

Note 1: Summary of Significant Accounting Policies (Cont'd)

E. Other significant accounting policies include: (Cont'd)

Allowance for Uncollectible Accounts – No allowance for uncollectible accounts has been recorded as all amounts are considered collectible.

Compensated Absences - Expenditures relating to unused vested accumulated vacation and sick pay are not recorded until paid.

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

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

Inventories of Supplies - The costs of inventories of supplies for all funds are recorded as expenditures at the time individual items are purchased. The costs of inventories are not included on the various balance sheets, except for the Utility Operating Funds. The amounts reflected as inventories on the Utility Fund balance sheets are offset by reserves.

General Fixed Assets (Unaudited) - In accordance with New Jersey Administrative Code accounting requirements, as promulgated by the Division of Local Government Services, the Township has developed a fixed assets accounting and reporting system based on the following:

General fixed assets are recorded at cost, except for land which is recorded at estimated historical cost. Infrastructure assets are not included in general fixed assets, as per state directive. Major renewals and betterments are charged to the asset accounts; maintenance and minor repairs and replacements, which do not improve or extend the lives of the respective assets, are expensed currently. Donated fixed assets are valued at their acquisition value on the date donated. No depreciation has been provided for on general fixed assets. The total value recorded for general fixed assets is offset by a "Reserve for Fixed Assets." When properties are retired or otherwise disposed of, the asset and the reserve are adjusted accordingly. Assets recorded in the general fixed assets account group may also be recorded in the Current Fund, General Capital Fund, and Water Utility and Recreation and Swim Utility Funds. The values recorded in the general fixed assets account group and the current and capital funds may not always agree due to differences in valuation methods, timing of recognition of assets, and the recognition of infrastructures. Fixed assets are reviewed for impairment.

Property and equipment purchased by the Recreation and Swim Pool and Water Utility Funds are recorded in the capital account at cost and are adjusted for disposition and abandonment. The amounts shown do not purport to represent replacement costs or current value. Contributions in aid of construction are not capitalized. The balances in the Reserve for Amortization and Deferred Reserve for Amortization accounts in the Utility Capital Funds represent charges to operations for the costs of acquisitions of property, equipment and improvements. The Utility Funds do not record depreciation on fixed assets.

TOWNSHIP OF MARLBORO  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2022  
(Continued)

Note 1: Summary of Significant Accounting Policies (Cont'd)

F. Budgets/Budgetary Controls

The annual appropriated budgets are usually prepared in the first quarter for current operating, utility, and Open Space Trust Funds. The budgets are submitted to the governing body and the Division of Local Government Services. Budgets are prepared using the cash basis of accounting. The legal level of budgetary control is established at the line item accounts within each fund. Line-item accounts are defined as the lowest (most specific) level of detail as established pursuant to the flexible chart of accounts referenced in N.J.S.A. 40A. All budget amendments/transfers must be approved by the Township during the year.

Note 2: Long-Term Debt

The Local Bond Law governs the issuance of bonds to finance general Township capital expenditures. All bonds are retired in serial installments within the statutory period of usefulness. All bonds issued by the Township are general obligation bonds. The Township's full faith and credit and taxing power has been pledged to the payment of the general obligation debt principal and interest.

Summary of Municipal Debt

	December 31,		
	2022	2021	2020
<u>Issued</u>			
General:			
Bonds, Notes and Loans	\$ 47,243,000	\$ 51,281,437	\$ 47,152,314
Recreation and Swim Utility:			
Bonds	859,000	954,000	1,029,000
Water Utility:			
Bonds, Loans, and Notes	27,235,805	29,331,012	28,235,943
Total Issued	<u>75,337,805</u>	<u>81,566,449</u>	<u>76,417,257</u>
<u>Authorized but not Issued:</u>			
General:			
Bonds and Notes	16,745,976	7,931,079	9,422,140
Recreation and Swim Utility:			
Bonds and Notes	508,058	299,934	299,934
Water Utility:			
Bonds and Notes	9,458,447	5,231,009	4,700,748
Total Authorized but not Issued	<u>26,712,481</u>	<u>13,462,022</u>	<u>\$ 14,422,822</u>

TOWNSHIP OF MARLBORO  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2022  
(Continued)

Note 2: Long-Term Debt (Cont'd)

Summary of Municipal Debt (Cont'd)

	<u>December 31,</u>		
	<u>2022</u>	<u>2021</u>	<u>2020</u>
<u>Less:</u>			
General:			
Reserve to Pay Debt Service	\$ 43,072	\$ 93,072	\$ 90,726
Recreation and Swim Utility:			
Reserve to Pay Debt Service	9,160	9,160	1,059
Water Utility:			
Reserve to Pay Debt Service	198,031	184,485	182,064
	<u>250,263</u>	<u>286,717</u>	<u>273,849</u>
Net Bonds, Notes and Loans Issued and Authorized but not Issued	<u>\$ 101,800,023</u>	<u>\$ 94,741,754</u>	<u>\$ 90,566,230</u>

Summary of Statutory Debt Condition - Annual Debt Statement

The summarized statement of debt condition, which follows, is prepared in accordance with the required method of setting up the Annual Debt Statement as of December 31, 2022 and indicates a statutory net debt of .729%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
School District Debt	\$ 3,224,059	\$ 3,224,059	
Water and Recreation Utility Debt	38,061,310	38,061,310	
General Debt	<u>63,988,976</u>	<u>43,072</u>	<u>\$ 63,945,904</u>
	<u>\$ 105,274,345</u>	<u>\$ 41,328,441</u>	<u>\$ 63,945,904</u>

Net Debt \$63,945,904 divided by Average Equalized Valuation Basis per N.J.S. 40A:2-2 as amended, \$8,773,263,079 = .729%.

TOWNSHIP OF MARLBORO  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2022  
(Continued)

Note 2: Long-Term Debt (Cont'd)

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

3-1/2% Average Equalized Valuation of Real Property	\$ 307,064,208
Net Debt	<u>63,945,904</u>
Remaining Borrowing Power	<u>\$ 243,118,304</u>

Calculation of "Self-Liquidating Purpose", Recreation and Swim Utility Per N.J.S. 40A:2-45

Cash Receipts from Fees, Rents or Other Charges for Year	\$ 2,904,167
Deductions:	
Operating and Maintenance Costs	\$ 1,594,357
Debt Service	<u>117,302</u>
	<u>1,711,659</u>
Excess in Revenue	<u>\$ 1,192,508</u>

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

Cash Receipts from Fees, Rents or Other Charges for Year	\$ 15,348,126
Deductions:	
Operating and Maintenance Costs	\$ 9,431,526
Debt Service	<u>2,442,212</u>
	<u>11,873,738</u>
Excess in Revenue	<u>\$ 3,474,388</u>

Footnote: If there is an "excess in revenue", all such utility debt is deductible. If there is a "deficit", then utility debt is not deductible to the extent of 20 times such deficit amount, or the total amount of debt service for that fund, whichever is less.

The foregoing debt information is in agreement with the Annual Debt Statement filed by the Chief Financial Officer.

TOWNSHIP OF MARLBORO  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2022  
(Continued)

Note 2: Long-Term Debt (Cont'd)

Summary of Municipal Debt Issued and Outstanding - Prior Year

Fund	Balance 12/31/2020	Additions	Retirements	Balance 12/31/2021
Serial Bonds:				
General Capital Fund	\$ 36,143,000	\$ 10,415,000	\$ 3,305,000	\$ 43,253,000
Recreation and Swim Utility Capital Fund	869,000	160,000	75,000	954,000
Water Utility Capital Fund	9,870,000	2,735,000	1,070,000	11,535,000
Bond Anticipation Notes:				
General Capital Fund	10,953,000	8,000,000	10,953,000	8,000,000
Recreation and Swim Utility Capital Fund	160,000		160,000	
Water Utility Capital Fund	2,850,000	3,000,000	2,850,000	3,000,000
Loans Payable:				
General Capital Fund:				
Green Trust Loan	56,314		27,877.00	28,437
Water Utility Capital Fund:				
Infrastructure Bank Loan	14,608,090		719,931	13,888,159
Note Payable:				
Water Utility Capital Fund	907,853			907,853
	<u>\$ 76,417,257</u>	<u>\$ 24,310,000</u>	<u>\$ 19,160,808</u>	<u>\$ 81,566,449</u>

Summary of Municipal Debt Issued and Outstanding - Current Year

Fund	Balance 12/31/2021	Additions	Retirements	Balance 12/31/2022
Serial Bonds:				
General Capital Fund	\$ 43,253,000		\$ 4,010,000	\$ 39,243,000
Recreation and Swim Utility Capital Fund	954,000		95,000	859,000
Water Utility Capital Fund	11,535,000		1,205,000	10,330,000
Bond Anticipation Notes:				
General Capital Fund	8,000,000	\$ 8,000,000	8,000,000	8,000,000
Water Utility Capital Fund	3,000,000	3,000,000	3,000,000	3,000,000
Loans Payable:				
General Capital Fund:				
Green Trust Loan	28,437		28,437	
Water Utility Capital Fund:				
Infrastructure Bank Loan	13,888,159	746,026	728,380	13,905,805
Note Payable:				
Water Utility Capital Fund	907,853		907,853	
	<u>\$ 81,566,449</u>	<u>\$ 11,746,026</u>	<u>\$ 17,974,670</u>	<u>\$ 75,337,805</u>



TOWNSHIP OF MARLBORO  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2022  
(Continued)

Note 2: Long-Term Debt (Cont'd)

At December 31, 2022, the Township had debt issued and outstanding described as follows:

<u>General Capital Serial Bonds</u>			
<u>Purpose</u>	<u>Final Maturity</u>	<u>Rate</u>	
General Obligation Bonds	10/15/30	2.00-3.00%	\$ 11,695,000
Refunding Bonds	10/01/25	4.00%	4,802,000
Open Space Refunding Bonds	10/01/25	4.00%	606,000
General Obligation Bonds	05/01/38	3.00-5.00%	12,315,000
General Obligation Bonds	05/01/32	2.00-3.00%	9,825,000
			<u>39,243,000</u>

<u>General Capital Bond Anticipation Notes</u>			
<u>Purpose</u>	<u>Final Maturity</u>	<u>Rate</u>	
Acquisition of Land	05/31/23	0%	275,000
Various Capital Improvements	05/31/23	0%	788,000
Various Capital Improvements	05/31/23	0%	1,920,000
Various Capital Improvements	05/31/23	0%	3,020,000
Various Capital Improvements	05/31/23	0%	1,997,000
			<u>8,000,000</u>

<u>Recreation and Swim Utility Capital Serial Bonds</u>			
<u>Purpose</u>	<u>Final Maturity</u>	<u>Rate</u>	
General Improvements	10/15/30	2.00-3.00%	714,000
General Improvements	05/01/31	2.00-3.00%	145,000
			<u>859,000</u>

<u>Water Utility Capital Serial Bonds</u>			
<u>Purpose</u>	<u>Final Maturity</u>	<u>Rate</u>	
Water Utility Improvements	10/15/30	2.00-3.00%	1,598,000
Water Utility Refunding Bonds	10/01/25	4.00%	287,000
Water Utility Improvements	05/01/38	3.00-5.00%	2,320,000
Water Utility Refunding Bonds	12/01/35	3.00-4.00%	3,500,000
Water Utility Improvements	05/01/36	2.00-3.00%	2,625,000
			<u>10,330,000</u>

TOWNSHIP OF MARLBORO  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2022  
(Continued)

Note 2: Long-Term Debt (Cont'd)

At December 31, 2022, the Township had debt issued and outstanding described as follows:

<u>Water Utility Capital Bond Anticipation Notes</u>			
<u>Purpose</u>	<u>Final Maturity</u>	<u>Rate</u>	
System Improvements	05/31/23	0%	\$ 692,000
System Improvements	05/31/23	0%	1,151,000
System Improvements	05/31/23	0%	1,157,000
			<u>3,000,000</u>
<u>Water Utility Capital Infrastructure Trust Loans</u>			
<u>Purpose</u>	<u>Final Maturity</u>	<u>Rate</u>	
Tennent Road Water Treatment Plant	08/01/32	3.00- 5.00%	1,005,000
Harbor Road Water Treatment Plant	08/01/45	2.00- 5.00%	2,530,000
Harbor Road Pump Station	08/01/51	3.25- 5.00%	370,000
			<u>3,905,000</u>
<u>Water Utility Capital Infrastructure Fund Loans</u>			
<u>Purpose</u>	<u>Final Maturity</u>	<u>Rate</u>	
Tennent Road Water Treatment Plant	08/01/32	0%	2,525,493
Harbor Road Water Treatment Plant	08/01/45	0%	7,107,736
Harbor Road Pump Station	08/01/51	0%	367,576
			<u>10,000,805</u>
Total Debt Issued and Outstanding			<u>\$ 75,337,805</u>

Schedule of Annual Debt Service For Principal and Interest for the Next Five Years and Thereafter for Bonded Debt Issued and Outstanding

<u>Calendar Year</u>	<u>General</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	
2023	\$ 4,109,000	\$ 1,135,532	\$ 5,244,532
2024	4,185,000	997,472	5,182,472
2025	4,249,000	855,147	5,104,147
2026	3,500,000	705,337	4,205,337
2027	3,535,000	608,488	4,143,488
2028-2032	14,755,000	1,662,590	16,417,590
2033-2037	4,100,000	464,688	4,564,688
2038	810,000	13,669	823,669
	<u>\$ 39,243,000</u>	<u>\$ 6,442,923</u>	<u>\$ 45,685,923</u>

TOWNSHIP OF MARLBORO  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2022  
(Continued)

Note 2: Long-Term Debt (Cont'd)

Schedule of Annual Debt Service For Principal and Interest for the Next Five Years and Thereafter for Bonded Debt and Loans Issued and Outstanding (Cont'd)

Calendar Year	Recreation and Swim Utility Bonds		Total
	Principal	Interest	
2023	\$ 85,000	\$ 20,195	\$ 105,195
2024	115,000	18,420	133,420
2025	95,000	15,995	110,995
2026	75,000	13,895	88,895
2027	115,000	12,170	127,170
2028-2031	374,000	19,860	393,860
	<u>\$ 859,000</u>	<u>\$ 100,535</u>	<u>\$ 959,535</u>

Calendar Year	Water Utility Bonds		Total
	Principal	Interest	
2023	\$ 1,246,000	\$ 309,926	\$ 1,555,926
2024	840,000	263,287	1,103,287
2025	831,000	236,336	1,067,336
2026	745,000	209,046	954,046
2027	755,000	185,671	940,671
2028-2032	3,478,000	590,551	4,068,551
2033-2037	2,290,000	161,619	2,451,619
2038	145,000	2,447	147,447
	<u>\$ 10,330,000</u>	<u>\$ 1,958,883</u>	<u>\$ 12,288,883</u>

Calendar Year	Water Utility Infrastructure Trust Loan		Total
	Principal	Interest	
2023	\$ 747,605	\$ 153,823	\$ 901,428
2024	757,605	145,573	903,178
2025	762,605	137,623	900,228
2026	772,605	131,323	903,928
2027	782,605	124,573	907,178
2028-2032	3,900,285	521,743	4,422,028
2033-2037	2,201,409	379,808	2,581,217
2038-2042	2,336,409	259,558	2,595,967
2043-2047	1,513,977	94,579	1,608,556
2048-2051	130,700	12,476	143,176
	<u>\$ 13,905,805</u>	<u>\$ 1,214,658</u>	<u>\$ 15,866,884</u>

TOWNSHIP OF MARLBORO  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2022  
 (Continued)

Note 2: Long-Term Debt (Cont'd)

State of New Jersey Environmental Infrastructure Trust Loans

The Township has entered into three loan agreements funded by the New Jersey Environmental Infrastructure Trust Fund. The loans have been recorded in the Water Utility Capital Fund. The first loan is dated May 22, 2013 for Tennent Road Water Treatment Plant. The agreement provides for an interest-bearing loan from the Trust not to exceed \$1,635,000 at interest from 3.00% to 5.00% and an interest free loan not to exceed \$5,119,693. The second loan is dated May 26, 2016 for Harbor Road Water Treatment Plant. This agreement provides for an interest-bearing loan from the Trust not to exceed \$2,910,000 at interest from 2.00% to 5.00% and an interest free loan not to exceed \$9,185,000. The third loan is dated May 2022 and provides for an interest-bearing loan from the trust not to exceed \$370,000 at interest from 3.25% to 5.00% and an interest free loan not to exceed \$376,026.

Note 3: Fund Balances Appropriated

Fund balances at December 31, 2022, which were included in the introduced budget as anticipated revenue for the year ending December 31, 2023 budget, were as follows:

Current Fund	\$ 6,100,000
Recreation and Swim Utility Operating Fund	724,280
Water Utility Operating Fund	3,306,065

Note 4: Local and Regional High School District Taxes

Regulations provide for the deferral of not more than 50% of the annual levy when school taxes are raised for a school year and have not been requisitioned by the school district. The Township of Marlboro has not elected to defer school taxes in 2022.

Note 5: Pension Plans

Township employees participate in one of the two contributory, defined benefit public employee retirement systems: the State of New Jersey Public Employee’s Retirement System (PERS) or the State of New Jersey Police and Firemen’s Retirement System (PFRS); or the Defined Contribution Retirement Program (DCRP), a tax-qualified defined contribution money purchase pension plan under Internal Revenue Code (IRC) 401(a).

A. Public Employees’ Retirement System (PERS)

Plan Description

The State of New Jersey, Public Employees’ Retirement System (PERS) is a cost-sharing multiple-employer defined benefit pension plan administered by the State of New Jersey, Division of Pensions and Benefits (the Division). For additional information about the PERS, please refer to the Division’s annual financial report which can be found at [www.state.nj.us/treasury/pensions/annual-reports.shtml](http://www.state.nj.us/treasury/pensions/annual-reports.shtml).

The vesting and benefit provisions are set by N.J.S.A. 43:15A. PERS provides retirement, death and disability benefits. All benefits vest after ten years of service. The following represents the membership tiers for PERS:

TOWNSHIP OF MARLBORO  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2022  
(Continued)

Note 5: Pension Plans (Cont'd)

A. Public Employees' Retirement System (PERS) (Cont'd)

Plan Description (Cont'd)

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

Benefits Provided

Service retirement benefits of 1/55<sup>th</sup> of final average salary for each year of service credit is available to Tiers 1 and 2 members upon reaching age 60 and to Tier 3 members upon reaching age 62. Service retirement benefits of 1/60<sup>th</sup> of final average salary for each year of service credit is available to Tier 4 members upon reaching age 62 and to Tier 5 members upon reaching age 65. Early retirement benefits are available to Tiers 1 and 2 members before reaching age 60, to Tiers 3 and 4 with 25 or more years of service credit before age 62 and Tier 5 with 30 or more years of service credit before age 65. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the age at which a member can receive full early retirement benefits in accordance with their respective tier. Tier 1 members can receive an unreduced benefit from age 50 to age 60 if they have at least 25 years of service. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

Contributions

The contribution policy for PERS is set by N.J.S.A. 43:15A and requires contributions by active members and contributing members. 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 insurance benefits is based on actual claims paid. The local employers' contribution amounts are based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PERS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets.

Township contributions to PERS amounted to \$1,332,015 for 2022. During the fiscal year ended June 30, 2022, the State of New Jersey contributed \$33,334 to the PERS for normal pension benefits on behalf of the Township.

The employee contribution rate was 7.50% effective July 1, 2018.

TOWNSHIP OF MARLBORO  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2022  
(Continued)

Note 5: Pension Plans (Cont'd)

A. Public Employees' Retirement System (PERS) (Cont'd)

Special Funding Situation

A special funding situation exists for certain local employers of the PERS. The State of New Jersey, as a nonemployer, is required to pay the additional costs incurred by local employers Chapter 133, P.L. 2001. The special funding situation for Chapter 133, P.L. 2001 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 and 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 State special funding situation for the fiscal year ending June 30, 2022, is the actuarially determined contribution amount that the State owes for the fiscal year ending June 30, 2022. The pension expense is deemed to be a State administrative expense due to the special funding situation.

Pension Liabilities and Pension Expense

At June 30, 2022, the Township's liability was \$15,842,781 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2021 which was rolled forward to June 30, 2022. The Township's proportion of the net pension liability was based on a projection of the Township's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2022, the Township's proportion was 0.105%, which was a decrease of 0.004% from its proportion measured as of June 30, 2021. The Township has rolled forward the net pension liability as of June 30, 2021 with no adjustments. The State of New Jersey Public Employee's Retirement System's (PERS) valuation cycle is July 1 instead of December 31. The roll forward methodology puts them a year in arrears in terms of valuation.

There was no state proportionate share of net pension liability attributable to the Township as of June 30, 2022.

For the year ended December 31, 2022, the Township recognized actual pension expense in the amount of \$1,332,015.

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 was rolled forward to June 30, 2022. This actuarial valuation used the following actuarial assumptions:

Inflation Rate:	
Price	2.75%
Wage	3.25%
Salary Increases	2.75 – 6.55% based on years of service
Investment Rate of Return	7.00%

TOWNSHIP OF MARLBORO  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2022  
(Continued)

Note 5: Pension Plans (Cont'd)

A. Public Employees' Retirement System (PERS) (Cont'd)

Actuarial Assumptions (Cont'd)

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 a 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.

Long Term Expected Rate of Return

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equity	27.00%	8.12%
Non-U.S. Developed Markets Equity	13.50%	8.38%
Emerging Markets 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. Treasuries	4.00%	1.75%
Risk Mitigation Strategies	3.00%	4.91%

TOWNSHIP OF MARLBORO  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2022  
(Continued)

Note 5: Pension Plans (Cont'd)

A. Public Employees' Retirement System (PERS) (Cont'd)

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 nonemployer contributing entity will be based upon 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.

Sensitivity of the Township's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

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

	June 30, 2022		
	At 1% Decrease (6.00%)	At Current Discount Rate (7.00%)	At 1% Increase (8.00%)
Township's proportionate share of the Net Pension Liability	\$ 20,353,333	\$ 15,842,781	\$ 12,004,120

Pension Plan Fiduciary Net Position

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

B. Police and Firemen's Retirement System (PFRS)

Plan Description

The State of New Jersey Police and Firemen's Retirement System (PFRS) is a cost-sharing multiple-employer defined benefit pension plan administered by the State of New Jersey Division of Pensions and Benefits (the Division). For additional information about the PFRS, please refer to the Division's annual financial report which can be found at [www.state.nj.us/treasury/pensions/annual-reports.shtml](http://www.state.nj.us/treasury/pensions/annual-reports.shtml).



TOWNSHIP OF MARLBORO  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2022  
 (Continued)

Note 5: Pension Plans (Cont'd)

B. Police and Firemen’s Retirement System (PFRS) (Cont'd)

Benefits Provided

The vesting and benefit provisions are set by N.J.S.A. 43:16A. The PFRS provides retirement, death and disability benefits. All benefits vest after ten years of service, except for disability benefits, which vest after 4 years of service.

The following represents the membership tiers for PFRS:

<u>Tier</u>	<u>Definition</u>
1	Members who were enrolled prior to May 22, 2010
2	Members who were eligible to enroll on or after May 22, 2010 and prior to June 28, 2011
3	Members who were eligible to enroll on or after June 28, 2011

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

Contributions

The contribution policy for PFRS is set by N.J.S.A. 43:16A and requires contributions by active members and contributing members. 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 costs and unfunded accrued liability. For fiscal year 2021, the State contributed an amount less than the actuarially determined amount.

The Local employers’ contribution amounts are based on an actuarially determined rate, which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PFRS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual amounts over a period of 15 years beginning with the payments due in the fiscal year ended June 30, 2012 will be adjusted by the rate of return on the actuarial value of the assets.

TOWNSHIP OF MARLBORO  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2022  
(Continued)

Note 5: Pension Plans (Cont'd)

B. Police and Firemen's Retirement System (PFRS) (Cont'd)

Special Funding Situation

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

Township contributions to PFRS amounted to \$2,673,305 for the year ended December 31, 2022. During the fiscal year ended June 30, 2021, the State of New Jersey contributed \$388,534 to the PFRS for normal pension benefits on behalf of the Township, which is less than the contractually required contribution of \$498,120.

The employee contributions for PFRS are 10.00% of employees' annual compensation, as defined.

Pension Liabilities and Pension Expense

At June 30, 2021, the Township's liability for its proportionate share of the net pension liability was \$15,902,687. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2020 which was rolled forward to June 30, 2021. The Township's proportionate share of the net pension liability was based on a projection of the Township's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2021, the State's proportion was 0.2176%, which was a decrease of 0.0042% from its proportion measured as of June 30, 2020. The Township has rolled forward the net pension liability as of June 30, 2021 with no adjustments. The State of New Jersey Police and Firemen's Retirement System (PFRS)' valuation cycle is July 1 instead of December 31. The roll forward methodology puts them a year in arrears in terms of valuation. The Division of Local Government Services, Department of Community Services, State of New Jersey is permitting municipalities to include the June 30, 2021 pension information in the Notes to the Financial Statements as the June 30, 2022 has not been released as of the date of this audit.

TOWNSHIP OF MARLBORO  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2022  
(Continued)

Note 5: Pension Plans (Cont'd)

B. Police and Firemen’s Retirement System (PFRS) (Cont'd)

Pension Liabilities and Pension Expense (Cont'd)

Additionally, the State’s proportionate share of the net pension liability attributable to the Township is \$4,472,628 as of June 30, 2021. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2020 which was rolled forward to June 30, 2021. The State's proportionate share of the net pension liability associated with the Township was based on a projection of the Township's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2021, the State's proportion was 0.2176%, which was a decrease of 0.0042% from its proportion measured as of June 30, 2020 which is the same proportion as the Township’s. The Township has rolled forward the net pension liability as of June 30, 2021 with no adjustments. The State of New Jersey Police and Firemen’s Retirement System (PFRS)’ valuation cycle is July 1 instead of December 31. The roll forward methodology puts them a year in arrears in terms of valuation.

Township's Proportionate Share of the Net Pension Liability	\$ 15,902,687
State's Proportionate Share of the Net Pension Liability Associated with the Township	<u>4,472,628</u>
Total Net Pension Liability	<u>\$ 20,375,315</u>

For the year ended December 31, 2022, the Township recognized total pension expense of \$2,673,305.

Actuarial Assumptions

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

Inflation Rate	2.75%
Salary Increases:	
Through all future years	3.25% - 15.25% 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, 2020 valuation were based on the results of an actuarial experience study for the period July 1, 2013 to June 30, 2018.

TOWNSHIP OF MARLBORO  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2022  
(Continued)

Note 5: Pension Plans (Cont'd)

B. Police and Firemen's Retirement System (PFRS) (Cont'd)

Long Term Expected Rate of Return

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equity	27.00%	8.09%
Non-U.S. Developed Market Equity	13.50%	8.71%
Emerging Markets Equity	5.50%	10.96%
Private Equity	13.00%	11.30%
Real Assets	3.00%	7.40%
Real Estate	8.00%	9.15%
High Yield	2.00%	3.75%
Private Credit	8.00%	7.60%
Investment Grade Credit	8.00%	1.68%
Cash Equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	0.95%
Risk Mitigation Strategies	3.00%	3.35%

Discount Rate – PFRS

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2021. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be based upon 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.

TOWNSHIP OF MARLBORO  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2022  
 (Continued)

Note 5: Pension Plans (Cont'd)

B. Police and Firemen’s Retirement System (PFRS) (Cont'd)

Sensitivity of the Total Net Pension Liability (including the State’s proportionate share of the net pension liability attributable to the Township) to Changes in the Discount Rate

The following presents the total net pension liability (including the State’s proportionate share of the net pension liability attributable to the Township) as of June 30, 2021 calculated using the discount rate as disclosed above, as well as what the collective net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	June 30, 2021		
	At 1% Decrease (6.00%)	At Current Discount Rate (7.00%)	At 1% Increase (8.00%)
Township's proportionate share of the NPL and the State's proportionate share of the Net Pension Liability associated with the Township	\$ 30,939,278	\$ 20,375,315	\$ 11,581,956

Pension Plan Fiduciary Net Position - PFRS

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

C. Defined Contribution Retirement Program (DCRP)

Prudential Financial jointly administers the DCRP investments with the NJ Division of Pensions and Benefits. If an employee is ineligible to enroll in the PERS or PFRS, the employee may be eligible to enroll in the DCRP. DCRP provides eligible members with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Vesting is immediate upon enrollment for members of the DCRP.

The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, issues publicly available financial reports that include the financial statements and required supplementary information of the DCRP. The financial reports may be obtained by writing to the State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, PO Box 295, Trenton, New Jersey, 08625-0295.

Employers are required to contribute at an actuarially determined rate. Employee contributions are based on percentages of 5.50% for DCRP of employees’ annual compensation, as defined. The DCRP was established July 1, 2007, under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007 and expanded under the provisions of Chapter 89, P.L. 2008. Employee contributions for DCRP are matched by a 3% employer contribution.

For DCRP, the Township recognized pension expense of \$392 for the year ended December 31, 2022. Employee contributions to DCRP amounted to \$720 for the year ended December 31, 2022.

TOWNSHIP OF MARLBORO  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2022  
(Continued)

Note 6: Selected Tax Rate Information

Property taxes are levied as of January 1 on property values assessed as of October 1<sup>st</sup> of the previous calendar year. The final tax bill is usually mailed on or before June 14<sup>th</sup> or upon receipt of a certified tax rate from the County with payments due August 1<sup>st</sup> and November 1<sup>st</sup>. This tax bill also included the preliminary billing for the first half of the subsequent year which is equal to one half of the total tax for the preceding year and divided into two quarterly payments which are due February 1<sup>st</sup> and May 1<sup>st</sup>. A ten-day grace period is granted by the adoption of a resolution of the governing body. Taxes are not considered delinquent and there is no imposition of interest charges until after the ten-day grace period. A year-end penalty is assessed for any unpaid taxes in excess of \$10,000 at the end of the fiscal year (December 31<sup>st</sup>). Unpaid taxes of the prior year may be included in a tax sale which results in a lien against the property. The tax sale can be completed at any time during the following year as long as publication and notice requirements are met.

	<u>2022</u>	<u>2021</u>	<u>2020</u>
<u>Tax Rate</u>	\$ 2.313	\$ 2.287	\$ 2.263
<u>Apportionment of Tax Rate</u>			
Municipal	\$ 0.419	\$ 0.411	\$ 0.403
County	0.308	0.316	0.322
Local School	1.106	1.088	1.072
Regional High School	0.480	0.472	0.466
<u>Assessed Valuations</u>			
2022	\$ 7,301,546,320		
2021		\$ 7,281,886,820	
2020			\$ 7,245,302,300

Comparison of Tax Levies and Collections Currently

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

<u>Year</u>	<u>Tax Levy</u>	<u>Currently</u>	
		<u>Cash Collections</u>	<u>Percentage of Collection</u>
2022	\$ 173,106,519	\$ 172,154,250	99.45%
2021	170,697,091	169,553,763	99.33%
2020	168,061,414	166,871,095	99.29%

Also, increases in future tax levies can also be warranted if revenue sources outside of those directly generated by the municipality, such as federal or state aid, should decline without corresponding decreases in budgeted expenditures.

TOWNSHIP OF MARLBORO  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2022  
(Continued)

Note 7: Cash and Cash Equivalents

Cash and cash equivalents include petty cash, change funds, amounts in deposits, money market accounts, and short-term investments with original maturities of three months or less.

Investments are stated at cost. The Township classifies certificates of deposit which have original maturity dates of more than three months but less than twelve months from the date of purchase, as investments.

GASB requires disclosure of the level of custodial credit risk assumed by the Township in its cash, cash equivalents and investments, if those items are uninsured or unregistered. Custodial risk is the risk that in the event of bank failure, the government's deposits may not be returned.

Interest Rate Risk – In accordance with its cash management plan, the Township ensures that any deposit or investments matures within the time period that approximates the prospective need for the funds, deposited or invested, so that there is not a risk to the market value of such deposits or investments.

Credit Risk – The Township limits its investments to those authorized in its cash management plan which are permitted under state statutes as detailed in the section of this note on investments.

Custodial Credit Risk – The Township's policy with respect to custodial credit risk requires that the Township ensures that Township funds are only deposited in financial institutions in which NJ municipalities are permitted to invest their funds.

Deposits:

New Jersey statutes permit the deposit of public funds in institutions located in New Jersey, which are insured by the Federal Deposit Insurance Corporation (FDIC), or by any other agencies of the United States that insure deposits or the State of New Jersey Cash Management Fund.

New Jersey statutes require public depositories to maintain collateral for deposits of public funds that exceed insurance limits as follows:

The market value of the collateral must equal 5% of the average daily balance of public funds; and in addition

If the public funds deposited exceed 75% of the capital funds of the depository, the depository must provide collateral having a market value at least equal to 100% of the amount exceeding 75%.

All collateral must be deposited with the Federal Reserve Bank, the Federal Home Loan Bank Board or a banking institution that is a member of the Federal Reserve System and has capital funds of not less than \$25,000,000.

Investments:

New Jersey statutes permit the Township to purchase the following types of securities:

- (1) Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;

TOWNSHIP OF MARLBORO  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2022  
(Continued)

Note 7: Cash and Cash Equivalents (Cont'd)

Investments: (Cont'd)

- (2) Government money market mutual funds;
- (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 the date of purchase, issued by New Jersey school districts, municipalities, counties, and entities subject to the "Local Authorities Fiscal Control Law" P.L. 1983, c. 313 (C.40A:5A-1 et seq.) Other bonds or obligations having a maturity date not more than 397 days from the date of purchase may be approved by the Division of Local Government Services in the Department of Community Affairs for investment by local units;
- (6) Local government investment pools;
- (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 a. or are bonds or other obligations, having a maturity date not more than 397 days from the date of purchase, issued by New Jersey school districts, municipalities, counties and entities subject to the "Local Authorities Fiscal Control Law", P.L. 1983 c.313 (C.40A:5A-1 et seq.);
  - (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.17:9-41); and
  - (e) a master repurchase agreement providing for the custody and security of collateral is executed.



TOWNSHIP OF MARLBORO  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2022  
(Continued)

Note 7: Cash and Cash Equivalents (Cont'd)

Investments (Cont'd)

As of December 31, 2022, cash and cash equivalents of the Township of Marlboro consisted of the following:

<u>Fund</u>	<u>Bank Accounts</u>	<u>Cash on Hand</u>	<u>Investments</u>	<u>Totals</u>
Current	\$ 27,812,086	\$ 1,700	\$ 8,000,000	\$ 35,813,786
Animal Control Trust	61,159			61,159
Escrow Trust	2,868,069			2,868,069
Open Space Trust	3,428,997			3,428,997
Other Trust	11,685,953	200		11,686,153
General Capital	8,005,699			8,005,699
Recreation & Swim Utility Operating	1,325,700			1,325,700
Recreation & Swim Utility Capital	222,635			222,635
Water Utility Operating	7,265,991	400	3,000,000	10,266,391
Water Utility Capital	1,160,815			1,160,815
	<u>\$ 63,837,104</u>	<u>\$ 2,300</u>	<u>\$ 11,000,000</u>	<u>\$ 74,839,404</u>

The carrying amount of the Township of Marlboro's cash and cash equivalents at December 31, 2022, was \$74,839,404 and the bank balance was \$63,683,967. There was an investment of \$8,000,000 from the Current Fund issued by the Township's General Capital Fund in a Bond Anticipation Note at 0.00% interest, due on May 31, 2023. There was an investment of \$3,000,000 from the Water Utility Operating Fund issued by the Township's Water Utility Capital Fund in a Bond Anticipation Note at 0.00% interest, due June 1, 2023.

Note 8: Accrued Sick and Vacation Benefits

The Township has permitted employees to accrue unused sick pay, which may be taken as time off or paid upon retirement or separation at the employee's current rate upon such termination, subject to the provisions of PL 2010 c.3. It is estimated that the current cost of such unpaid compensation would approximate \$2,692,698. This amount is not reported either as an expenditure or liability. However, it is expected that the cost of such unpaid compensation would be included in the Township's budget operating expenditures in the year in which it is used. This amount is partially funded in the Reserve for Accumulated Absences of \$656,781 on the Trust Funds balance sheet at December 31, 2022.

Note 9: Risk Management

The Township is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Health benefits are provided to employees through the State of New Jersey health benefits plan.

The Township of Marlboro is a member of the Monmouth County Municipal Joint Insurance Fund. This fund is both an insured and self-administered group of municipalities established for the purpose of providing certain low-cost insurance coverage for member municipalities in order to keep local property taxes at a minimum.

TOWNSHIP OF MARLBORO  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2022  
(Continued)

Note 9: Risk Management (Cont'd)

The following coverages are offered by these funds to its members:

- a.) Workers' Compensation and Employers' Liability
- b.) Liability Other Than Motor Vehicles
- c.) Property Damage Other Than Motor Vehicles
- d.) Motor Vehicle
- e.) Environmental

As a member of this Fund, the Township could be subject to supplemental assessments in the event of deficiencies. If the assets of the Funds were to be exhausted, members would become responsible for their respective shares of the Fund's liabilities.

This Fund can declare and distribute dividends to members upon approval of the State of New Jersey Department of Banking and Insurance. These distributions are divided amongst the members in the same ratio as their individual assessment relates to the total assessment of the membership body. In accordance with the Governmental Accounting Standards Board, these distributions are used to reduce the amount recorded for membership expense in the year in which the distribution was declared.

The Fund's financial statements for the year ended December 31, 2022 were unavailable at the time of this audit. Selected financial information for the Fund as of December 31, 2021 is as follows:

	<u>Monmouth County Municipal Joint Insurance Fund</u>
Total Assets	<u>\$ 30,101,946</u>
Net Position	<u>\$ 12,985,715</u>
Total Revenue	<u>\$ 15,663,789</u>
Total Expenses	<u>\$ 15,195,972</u>
Change in Net Position	<u>\$ 467,817</u>
Members Dividends	<u>\$ 1,339,383</u>

Financial statements for the Fund are available at the offices of the Fund's Executive Director:

PERMA  
9 Campus Drive, Suite 216  
Parsippany, NJ 07054  
(201) 881-7632

New Jersey Unemployment Compensation Insurance

The Township has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan, the Township 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 Township is billed quarterly for amounts due to the State.

TOWNSHIP OF MARLBORO  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2022  
 (Continued)

Note 9: Risk Management (Cont'd)

The following is a summary of Township and employee contributions, interest earned and reimbursements to the State for benefits paid and the ending balance of the Township’s trust fund for the current and previous two years:

Year	Township Contributions	CARES Act	Employee Contributions	Amount Reimbursed	Ending Balance
2020	\$ 1,594	\$ 62,239	\$ 23,159	\$ 137,994	\$ 82,680
2021	90,228	6,905	565	612	179,766
2022	1,983		54,321	624	235,446

Note 10: Contingencies

The Township is periodically involved in lawsuits arising in the normal course of business, including claims for disputes over contract awards. In the opinion of management, the ultimate outcome of these lawsuits will not have a material adverse effect on the Township's financial position as of December 31, 2022.

Amounts received or receivable from grantors, principally the federal and state governments are, subject to regulatory requirements and adjustments by the agencies. Any disallowed claims, including amounts previously recognized by the Township as revenue would constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantors cannot be determined at this time, although Township officials expect such amounts, if any, to be immaterial.

Various tax appeals on assessed valuations have been filed against the Township and are awaiting tax court decisions. The ultimate outcome and effect of such appeals have not been determined; however, the Township Tax Assessor will aggressively defend the Township's assessments. The Township has established a reserve in the amount of \$750,000 which it feels should be sufficient to cover these tax appeals.

Note 11: Open Space Trust Fund

The Township of Marlboro created an Open Space Trust Fund with a tax levy of \$.01 per \$100 of assessed valuation. The funds collected are used to acquire and maintain open space property in the Township. The balances of the Open Space Trust Fund at December 31, 2022 and 2021 were \$3,428,997 and \$3,693,301 respectively.

Note 12: Economic Dependency

The Township of Marlboro receives a substantial amount of support from federal and state governments. A significant reduction in the level of support, if this were to occur, may have an effect on the Township’s programs and activities.

Note 13: Deferred Compensation Plan

The Township offers its employees a deferred compensation plan created in accordance with Internal Revenue Code 457. This plan, which is administered by AXA Equitable and Nationwide Retirement Solutions, permits participants to defer a portion of their salary until future years. Amounts deferred under the plan are not available to employees until termination, retirement, death or unforeseeable emergency.

TOWNSHIP OF MARLBORO  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2022  
(Continued)

Note 14: Interfund Receivables and Payables

The following interfund balances remained on the balance sheet at December 31, 2022:

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
Current Fund		\$ 2,550,159
Federal and State Grant Fund	\$ 2,550,159	
	<u>\$ 2,550,159</u>	<u>\$ 2,550,159</u>

The Current Fund interfund payable represents the cash balance due Federal and State Grant Fund at year end.

Note 15: Postemployment Benefits Other Than Pensions (OPEB)

State Health Benefit Local Government Retired Employees Plan

General Information about the OPEB Plan

Plan Description

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. For additional information about the Plan, please refer to the State of New Jersey (the State), Division of Pensions and Benefits' (the Division) annual financial report, which can be found at [www.state.nj.us/treasury/pensions/financial-reports.shtml](http://www.state.nj.us/treasury/pensions/financial-reports.shtml).

Benefits Provided

The Plan provides medical and prescription drug coverage to retirees and their 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.

TOWNSHIP OF MARLBORO  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2022  
 (Continued)

Note 15: Postemployment Benefits Other Than Pensions (OPEB) (Cont'd)

State Health Benefit Local Government Retired Employees Plan (Cont'd)

General Information about the OPEB Plan (Cont'd)

Benefits Provided (Cont'd)

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.

Contributions

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

Special Funding Situation

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. For New Jersey local governments who report under the regulatory basis of accounting, the net OPEB liability and related deferred inflows are not recorded in the financial statements and there is only note disclosure of this information. Since the local participating employers do not contribute under this legislation directly to the plan, there is no net OPEB liability, deferred outflows of resources, or deferred inflows of resources to report in the financial statements of the local participating employers related to this legislation. However, the notes to the financial statements of the local participating employers must disclose the portion of the nonemployer contributing entities' total proportionate share of the collective net OPEB liability that is associated with the local participating employer.

TOWNSHIP OF MARLBORO  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2022  
 (Continued)

Note 15: Postemployment Benefits Other Than Pensions (OPEB) (Cont'd)

State Health Benefit Local Government Retired Employees Plan (Cont'd)

General Information about the OPEB Plan (Cont'd)

Allocation Methodology

GASB Statement No. 75 requires participating employers in the Plan to recognize their proportionate share of the collective net OPEB liability, collective deferred outflows of resources, collective deferred inflows of resources, and collective OPEB (benefit)/expense. The special funding situation's and nonspecial funding situation's net OPEB liability, deferred outflows of resources, deferred inflows of resources, and OPEB (benefit)/expense are based on separately calculated total OPEB liabilities. The nonspecial funding situation's net OPEB liability, deferred outflows of resources, deferred inflows of resources, and OPEB expense are further allocated to employers based on the ratio of the plan members of an individual employer to the total members of the Plan's nonspecial funding situation during the measurement period July 1, 2020 through June 30, 2021. Employer and nonemployer allocation percentages were rounded for presentation purposes; therefore, amounts presented in the schedule of OPEB amounts by employer and nonemployer may result in immaterial differences.

OPEB Expense

The Township has rolled forward the net OPEB liability as of June 30, 2021 with no adjustments. The Division of Local Government Services, Department of Community Affairs, State of New Jersey, is permitting municipalities and counties to include the June 30, 2021 OPEB information in the Notes to the Financial Statements as the June 30, 2022 information has not been released as of the date of this report.

The total OPEB liability as of June 30, 2021 was determined by an actuarial valuation as of June 30, 2020, which was rolled forward to June 30, 2021. The Township's share of the liability is \$-0-.

The State's proportionate share of the net OPEB liability attributable to the Township at June 30, 2021 was \$25,189,491. At June 30, 2021, the State's proportion related to the Township was 0.652348% which was an increase of 0.211910% from its proportion measured as of June 30, 2020. This is the percentage of the total State Share of the net OPEB liability of the Plan.

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.

Inflation Rate	2.50%
Salary Increases*:	
Public Employees' Retirement System (PERS)	
Initial fiscal year applied:	
Rate through 2026	2.00% - 6.00%
Rate thereafter	3.00% - 7.00%
Police and Firemen's Retirement System (PFRS)	
Rate for all future years	3.25% - 15.25%

\* - Salary increases are based on years of service within the respective plan.

TOWNSHIP OF MARLBORO  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2022  
(Continued)

Note 15: Postemployment Benefits Other Than Pensions (OPEB) (Cont'd)

State Health Benefit Local Government Retired Employees Plan (Cont'd)

Actuarial Assumptions and Other Inputs (Cont'd)

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

Actuarial assumptions used in the June 30, 2020 valuation were based on the results of the PFRS and PERS experience studies prepared for July 1, 2013 to June 30, 2018 and July 1, 2014 – June 30, 2018, respectively.

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

Health Care Trend Assumptions

For pre-Medicare medical benefits, the trend rate is initially 5.65% for fiscal year 2021 and decreases to a 4.5% long term trend rate after seven years. For PPO post 65 medical benefits, the trend rate is initially 13.08% and decreases to a 4.5% long term trend rate starting with fiscal year 2032 and later. For HMO Post 65 medical benefits, the trend rate is initially 13.76% and decreases to a 4.50% long term trend rate starting with fiscal year 2032 and later. For prescription drug benefits, the initial trend rate is 6.75% for fiscal year 2021 and decreases to a 4.5% long term rate after seven years.

Discount Rate

The discount rate for June 30, 2021 was 2.16%. This represents the municipal bond 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 16: Fixed Assets

The following is a summarization of the activity of the Township’s fixed assets for the year ended December 31, 2022:

	Balance Dec. 31, 2021	Additions	Deletions	Balance Dec. 31, 2022
Land	\$ 72,437,771			\$ 72,437,771
Building and Improvements	13,773,627			13,773,627
Equipment	22,089,001	\$ 1,013,386	\$ 1,152,037	21,950,350
	<u>\$ 108,300,399</u>	<u>\$ 1,013,386</u>	<u>\$ 1,152,037</u>	<u>\$ 108,161,748</u>

TOWNSHIP OF MARLBORO  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2022  
 (Continued)

Note 17: Tax Abatements

As of January 12, 2011, the Township provides a tax abatement to an urban renewal entity for housing development in the Township pursuant to the authority contained in Section 18 of the Limited Dividend Law (N.J.S.A. 55:16-18), Section 30 of the HFA Law (N.J.S.A. 55:14J-30) and a resolution of the Mayor and Township Council and with the approval of the New Jersey Housing Finance Agency (NJHFA) as provided under Section 30(b) of the NJHFA law. In consideration of the full abatement of taxes, the housing corporation is required to pay to the Township an annual service charge for municipal services. The annual service charge made by the nonprofit housing corporation will be made as follows:

Market Rate Units:

- (A) For each of the first nine (9) years from the Initial Improvement Completion Date the Annual Service Charge shall be equal to ten (10%) of the Annual Gross Revenue;
- (B) For each of the years ten (10) through thirteen (13) from the Initial Improvement Completion Date, the Annual Service Charge shall be equal to the greater of ten percent (10%) of the Annual Gross Revenue or twenty percent (20%) of the real property taxes otherwise due on the value of the Land and the Improvements;
- (C) For each of the years fourteen (14) through eighteen (18) from the Initial Improvement Completion Date, the Annual Service Charge shall be equal to the greater of ten percent (10%) of the Annual Gross Revenue or forty percent (40%) of the real property taxes otherwise due on the value of the Land and the Improvements;
- (D) For each of the years nineteen (19) through twenty-two (22) from the Initial Improvement Completion Date, the Annual Service Charge shall be equal to the greater of ten percent (10%) of the Annual Gross Revenue or sixty percent (60%) of the real property taxes otherwise due on the value of the Land and the Improvements; and
- (E) For each of the years twenty-three (23) from the Initial Improvement Completion Date through the term of this Financial Agreement, if applicable, the Annual Service Charge shall be equal to the greater of ten percent (10%) of the Annual Gross Revenue or eighty percent (80%) of the real property taxes otherwise due on the value of the Land and the Improvements.

Affordable Units:

- (A) For each of the first nine (9) years from the Initial Improvement Completion Date the Annual Service Charge shall be equal to seven and a half (7.5%) of the Annual Gross Revenue;
- (B) For each of the years ten (10) through thirteen (13) from the Initial Improvement Completion Date, the Annual Service Charge shall be equal to the greater of seven and a half percent (7.5%) of the Annual Gross Revenue or twenty percent (20%) of the real property taxes otherwise due on the value of the Land and the Improvements;
- (C) For each of the years fourteen (14) through eighteen (18) from the Initial Improvement Completion Date, the Annual Service Charge shall be equal to the greater of seven and a half (7.5%) of the Annual Gross Revenue or forty percent (40%) of the real property taxes otherwise due on the value of the Land and the Improvements;
- (D) For each of the years nineteen (19) through twenty-two (22) from the Initial Improvement Completion Date, the Annual Service Charge shall be equal to the greater of seven and a half (7.5%) of the Annual Gross Revenue or sixty percent (60%) of the real property taxes otherwise due on the value of the Land and the Improvements; and
- (E) For each of the years twenty-three (23) from the Initial Improvement Completion Date through the term of this Financial Agreement, if applicable, the Annual Service Charge shall be equal to the greater of ten percent (7.5%) of the Annual Gross Revenue or eighty percent (80%) of the real property taxes otherwise due on the value of the Land and the Improvements.



TOWNSHIP OF MARLBORO  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2022

(Continued)

Note 17: Tax Abatements (Cont'd)

In the event that the annual gross revenue, in any given year, shall be less than the aggregate annual rent, the Township may, at its sole option, terminate this financial agreement and the tax exemption granted herein and the redevelopment area included in the improvements, shall be assessed and taxed according to the general law applicable to all other non-exempt property located within the Township. The financial agreement shall not be in effect for a period longer than thirty-five years from the date of the initial improvement completion.

The Township recognized revenue in the amount of \$589,199 from this annual service charge or payment in lieu of taxes which is recorded as anticipated revenue in the Current Fund. The taxes which would have been paid on this property for 2022 without the abatement would have been \$501,655 of which \$90,875 would have been for the local municipal tax and municipal open space tax.

Note 18: Solar Renewable Energy Credit

The Township receives an annual Solar Renewable Energy Credit (SREC) for one solar farm built on Township property at the Harbor Road water treatment plant. The Township has 5 unsold SREC's as of December 31, and collected SREC's totaling \$238,758.50 for 1,093 sold in 2022 in the Water Utility Operating Fund.

Note 19: Prior Year Adjustment

An adjustment was made to accurately reflect the Reserve for Amortization and Deferred Reserve for Amortization for the Recreation and Swim Utility and the Water Utility Funds.

	December 31, 2021 as Previously Reported	Adjustment	Balance December 31, 2021 as Restated
Recreation and Swim Utility Capital Fund:			
Reserve for Amortization	\$ 3,561,550.45	\$ (483,000.00)	\$ 3,078,550.45
Deferred Reserve for Amortization	\$ -0-	\$ 483,000.00	\$ 483,000.00
Water Utility Capital Fund:			
Reserve for Amortization	\$ 35,892,924.65	\$ (4,013,792.70)	\$ 31,879,131.95
Deferred Reserve for Amortization	\$ 300,000.00	\$ 4,013,792.70	\$ 4,313,792.70

SUPPLEMENTARY DATA

TOWNSHIP OF MARLBORO  
OFFICIALS IN OFFICE AND SURETY BONDS  
YEAR ENDED DECEMBER 31, 2022

Name	Title	Amount of Bond
Jonathan Hornik	Mayor	*
Juned Qazi	Council President	*
Antoinette DiNuzzo	Council Vice President	*
Michael Milman	Councilperson	*
Randi Marder	Councilperson	*
Michael Scalea	Councilperson	*
Jonathan Capp	Business Administrator	*
Lori Russo	Chief Financial Officer	*
Susan A. Branagan	Township Clerk	*
Colleen Dolan	Tax Collector	*
Kristy Meyers	Court Administrator	*
James Newman	Municipal Judge	*

All bonds were examined and were properly executed.

A public employee dishonesty blanket bond covering Municipal employees in the amount of \$50,000 was in effect with the Monmouth County Municipal Joint Insurance Fund. There are blanket bonds for secondary coverage with the Municipal Excess Liability Joint Insurance Fund in the amount of \$950,000 for Public Employees and \$3,000,000 for Public Officials. Both of these bonds are subject to deductibles based upon other required coverages.

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH  
2022  
CURRENT FUND

TOWNSHIP OF MARLBORO  
CURRENT FUND  
SCHEDULE OF CASH - TREASURER

	<u>Ref.</u>	
Balance December 31, 2021	A	\$ 24,970,566.93
Increased by Receipts:		
Tax Collector	\$ 173,938,438.70	
Revenue Accounts Receivable	5,331,525.36	
Miscellaneous Revenue Not Anticipated	1,350,333.17	
Due Federal and State Grant Fund:		
Grants Receivable	38,118.22	
Unappropriated Grant Funds	2,252,455.63	
Reserve for WMUA Charges at Tax Sale	56,322.01	
Reserve for FEMA	598,035.22	
Reserve for Municipal Property Tax Relief	118,357.20	
Reserve for Insurance Proceeds	405,467.95	
Due to County - Pilot Payment	31,010.46	
Due State of New Jersey:		
Marriage License Fees	1,325.00	
Unclaimed Property	731.33	
Senior Citizens' and Veterans' Deductions	167,993.83	
Appropriation Refunds	3,376,034.74	
Appropriation Reserve Refunds	425.00	
	187,666,573.82	212,637,140.75

TOWNSHIP OF MARLBORO  
CURRENT FUND  
SCHEDULE OF CASH - TREASURER  
(Continued)

Ref.

Decreased by Disbursements:

2022 Appropriation Expenditures	\$	37,980,487.30
2021 Appropriation Reserve Expenditures		1,487,920.91
Accounts Payable		122,995.53
Local School District Taxes		79,950,787.00
Regional High School Taxes		35,655,018.00
County Taxes		22,538,986.84
County Pilot Payment		31,010.46
Special District Taxes		3,533,040.24
Refund of Tax Overpayments		39,303.92
Due Federal and State Grant Fund:		
Appropriation Grant Reserve Expenditures		304,661.45
Due Other Trust Funds:		
Municipal Open Space Tax Levy		730,351.86
Reserve for Tax Sale Premium		410,100.00
Due Recreation and Swim Utility Operating Fund:		
Local Fiscal Recovery Funds - Special Emergency		700,000.00
Local Fiscal Recovery Funds - Deferred Charge		438,950.17
Due State of New Jersey:		
Marriage License Fees		2,800.00
Unclaimed Property		1,565.45
Reserve for Insurance Proceeds		156,832.11
Reserve for Third Party Liens		516,898.23
Reserve for WMUA Charges at Tax Sale		3,700.78
Reserve for FEMA Reimbursements		219,444.24
Increase in Petty Cash		200.00

\$ 184,825,054.49

Balance December 31, 2022

A

\$ 27,812,086.26

TOWNSHIP OF MARLBORO  
CURRENT FUND  
SCHEDULE OF CASH - COLLECTOR  
YEAR ENDED DECEMBER 31, 2022

## Increased by Receipts:

Taxes Receivable	\$ 171,502,633.44	
Interest and Costs on Taxes	236,090.09	
2023 Prepaid Taxes	1,185,981.69	
Tax Overpayments	74,835.00	
Third Party Tax Title Liens	499,097.44	
Tax Title Liens	26,582.52	
Premium on Tax Sale Certificates	410,100.00	
Miscellaneous Revenue Not Anticipated	<u>3,118.52</u>	
		\$ 173,938,438.70

## Decreased by Disbursements:

Payments to Municipal Treasurer		<u>\$ 173,938,438.70</u>
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CURRENT FUND  
SCHEDULE OF CASH - FEDERAL AND STATE GRANT FUNDS  
YEAR ENDED DECEMBER 31, 2022

NOT APPLICABLE

TOWNSHIP OF MARLBORO  
CURRENT FUND  
SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY

Year	Balance		2022 Levy	Collections		Over-payments Applied	State of NJ Senior Citizens' and Veterans' Deductions	Canceled	Transferred to Tax Title Liens	Balance Dec. 31, 2022
	Dec. 31, 2021	Added Taxes		2021	2022					
2020	\$ 250.00			\$ 250.00						
2021	861,015.73	\$ 25,784.29		837,987.05			\$ (2,640.42)	\$ 47,478.37	\$ 3,975.02	
2022	861,265.73	25,784.29	\$ 173,106,519.25	170,664,396.39		\$ 44,719.62	166,678.77	55,486.49	77,103.58	\$ 819,679.01
	\$ 861,265.73	\$ 25,784.29	\$ 173,106,519.25	\$ 171,502,633.44		\$ 44,719.62	\$ 164,038.35	\$ 102,964.86	\$ 81,078.60	\$ 819,679.01

Ref.            A

Analysis of 2022 Property Tax Levy

General Purpose Tax	\$ 168,919,039.22
Special District Tax	3,533,040.24
Added and Omitted Taxes	654,439.79
	<u>\$ 173,106,519.25</u>

Tax Levy:

Local School District Taxes	\$ 80,701,477.00
Regional High School Taxes	35,081,655.00
Special District Tax	3,533,040.24
Municipal Open Space Taxes	730,351.86
County Taxes:	
County Taxes	\$ 18,321,208.00
County Library	377,566.49
County Health	1,376,966.27
County Open Space	2,374,326.00
County Added & Omitted Taxes	86,222.72
	<u>22,536,289.48</u>
	<u>142,582,813.58</u>
Local Tax for Municipal Purposes Levied	29,871,620.00
Add: Additional Tax Levied	<u>652,085.67</u>
	<u>\$ 173,106,519.25</u>

A



TOWNSHIP OF MARLBORO  
CURRENT FUND  
SCHEDULE OF TAX TITLE LIENS

	<u>Ref.</u>	
Balance December 31, 2021	A	\$ 1,058,073.41
Increased by:		
Transfer from Taxes Receivable		\$ 81,078.60
Interest and Costs Accrued at Tax Sale		<u>934.09</u>
		<u>82,012.69</u>
		<u>1,140,086.10</u>
Decreased by:		
Cash Collections		<u>26,582.52</u>
Balance December 31, 2022	A	<u><u>\$ 1,113,503.58</u></u>

TOWNSHIP OF MARLBORO  
CURRENT FUND  
SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE

	<u>Balance</u> <u>Dec. 31, 2021</u>	<u>Accrued in</u> <u>2022</u>	<u>Collected by</u> <u>Treasurer</u>	<u>Balance</u> <u>Dec. 31, 2022</u>
Clerk:				
Licenses:				
Alcoholic Beverage		\$ 42,750.00	\$ 42,750.00	
Other		24,130.00	24,130.00	
Fees and Permits		805,714.06	805,714.06	
Municipal Court:				
Fines and Costs	\$ 29,788.58	409,471.19	407,924.62	\$ 31,335.15
Cable Television Franchise Fees		211,880.98	211,880.98	
Cell Tower Rental		390,290.36	390,290.36	
Interest on Investments and Deposits		300,294.17	300,294.17	
Energy Receipts Taxes		2,268,949.00	2,268,949.00	
Uniform Fire Safety		90,393.47	90,393.47	
Payment in Lieu of Taxes		589,198.70	589,198.70	
Reserve for Debt Service		50,000.00	50,000.00	
General Capital Surplus Anticipated		150,000.00	150,000.00	
	<u>\$ 29,788.58</u>	<u>\$ 5,333,071.93</u>	<u>\$ 5,331,525.36</u>	<u>\$ 31,335.15</u>
<u>Ref.</u>	A			A

TOWNSHIP OF MARLBORO  
CURRENT FUND  
SCHEDULE OF 2021 APPROPRIATION RESERVES  
YEAR ENDED DECEMBER 31, 2022

	Balance Dec. 31, 2021	Balance After Modification	Paid or Charged	Balance Lapsed
GENERAL GOVERNMENT:				
General Administration:				
Salaries and Wages	\$ 29,259.15	\$ 29,259.15	\$ 3,600.00	\$ 25,659.15
Other Expenses	78,444.76	78,444.76	13,463.69	64,981.07
Mayor and Council:				
Salaries and Wages	824.08	824.08	824.08	
Other Expenses	3,321.75	3,321.75	741.15	2,580.60
Town Council	1,086.25	1,086.25	180.90	905.35
Municipal Clerk:				
Salaries and Wages	6,732.97	6,732.97		6,732.97
Other Expenses	14,378.10	14,378.10	8,023.80	6,354.30
Financial Administration:				
Salaries and Wages	10,344.23	10,344.23	6,443.51	3,900.72
Other Expenses	2,528.29	2,528.29	737.50	1,790.79
Annual Audit	1,150.99	1,150.99		1,150.99
Central Computer Services:				
Salaries and Wages	8,519.40	8,519.40	7,689.97	829.43
Other Expenses	83,897.69	83,897.69	65,826.40	18,071.29
Ethics Commission:				
Other Expenses	4,233.00	4,233.00	3,763.00	470.00
Tax Assessor:				
Salaries and Wages	4,117.60	4,117.60	2,026.06	2,091.54
Other Expenses	32,555.48	32,555.48	8,526.10	24,029.38
Collection of Taxes:				
Salaries and Wages	9,835.82	9,835.82	3,658.53	6,177.29
Other Expenses	15,309.53	15,309.53	2,088.00	13,221.53
Legal Services and Costs:				
Other Expenses	69,008.70	69,008.70	18,319.30	50,689.40
Cable Studio:				
Other Expenses	6,519.29	6,519.29	2,416.66	4,102.63
Engineering Services and Costs:				
Salaries and Wages	11,714.68	11,714.68	3,880.01	7,834.67
Other Expenses	21,483.73	21,483.73	21,388.73	95.00
Economic Development:				
Other Expenses	565.10	565.10		565.10
Intergovernmental Relations:				
Other Expenses	10,132.45	10,132.45		10,132.45
Historic Sites Commission:				
Other Expenses	1,450.00	1,450.00		1,450.00
Open Space Committee:				
Other Expenses	504.75	504.75		504.75

TOWNSHIP OF MARLBORO  
CURRENT FUND  
SCHEDULE OF 2021 APPROPRIATION RESERVES  
YEAR ENDED DECEMBER 31, 2022

(Continued)

	Balance Dec. 31, 2021	Balance After Modification	Paid or Charged	Balance Lapsed
GENERAL GOVERNMENT: (Cont'd)				
Affordable Housing:				
Salaries and Wages	\$ 3,000.00	\$ 3,000.00	\$ 884.70	\$ 2,115.30
LAND USE ADMINISTRATION:				
Planning Board:				
Salaries and Wages	1,621.52	1,621.52		1,621.52
Other Expenses	6,964.19	6,964.19	48.60	6,915.59
Planning Board - Contractual:				
Other Expenses	55,130.50	55,130.50	15,971.00	39,159.50
Zoning Board of Adjustment:				
Salaries and Wages	2,903.03	2,903.03		2,903.03
Other Expenses	14,988.02	14,988.02	6,203.62	8,784.40
INSURANCE:				
Group Health Insurance	129,016.99	48,016.99	785.00	47,231.99
General Liability Insurance	21,800.01	21,800.01		21,800.01
Worker's Compensation Insurance	4,005.99	4,005.99		4,005.99
Health Benefit Waiver	16,872.80	16,872.80	900.00	15,972.80
PUBLIC SAFETY:				
Municipal Prosecutor:				
Salaries and Wages	624.24	624.24	312.12	312.12
Other Expenses	1,878.00	1,878.00		1,878.00
Fire Prevention Bureau:				
Salaries and Wages	7,096.25	7,096.25	3,835.08	3,261.17
Other Expenses	17,205.92	17,205.92	2,708.00	14,497.92
Police:				
Salaries and Wages	70,042.36	70,042.36	13,375.87	56,666.49
Other Expenses	282,144.19	282,144.19	105,969.29	176,174.90
Emergency Management Services:				
Salaries and Wages	6,906.17	6,906.17		6,906.17
Other Expenses	46,295.81	46,295.81	39,577.85	6,717.96
911 Expenses:				
Salaries and Wages	61,768.76	61,768.76	4,955.66	56,813.10
Other Expenses	78,308.92	138,308.92	1,588.00	136,720.92
Public Employees' Retirement System	95,683.65	95,683.65	13,750.00	81,933.65
Police and Firemen's Retirement System of NJ	9,756.20	9,756.20		9,756.20
Defined Contribution Retirement Program	812.50	812.50		812.50
LOSAP	10,502.68	30,502.68		30,502.68
S.F.S.F. Other Expenses	417.00	417.00		417.00

TOWNSHIP OF MARLBORO  
CURRENT FUND  
SCHEDULE OF 2021 APPROPRIATION RESERVES  
YEAR ENDED DECEMBER 31, 2022  
(Continued)

	Balance Dec. 31, 2021	Balance After Modification	Paid or Charged	Balance Lapsed
<b>PUBLIC WORKS:</b>				
Solid Waste/Recycling:				
Salaries and Wages	\$ 3,408.54	\$ 3,408.54		\$ 3,408.54
Other Expenses	93,293.75	93,293.75	\$ 1,961.69	91,332.06
Street and Road Repairs and Maintenance:				
Salaries and Wages	119,603.30	119,603.30	63,655.67	55,947.63
Other Expenses	58,103.54	58,103.54	4,506.18	53,597.36
Snow Removal:				
Salaries and Wages	128,540.77	128,540.77	128,540.77	
Other Expenses	271,042.01	271,042.01	271,042.01	
Shade Tree Committee:				
Salaries and Wages	192.44	192.44		192.44
Other Expenses	5,628.21	5,628.21	151.94	5,476.27
Public Works - Other:				
Salaries and Wages	8,712.25	8,712.25	2,182.05	6,530.20
Other Expenses	6,299.25	6,299.25	3,551.50	2,747.75
Community Services Act:				
Other Expenses	127,505.00	127,505.00	126,884.00	621.00
Public Buildings and Grounds:				
Salaries and Wages	32,746.22	32,746.22	11,787.46	20,958.76
Other Expenses	85,080.97	85,080.97	28,551.70	56,529.27
Vehicle Maintenance:				
Salaries and Wages	37,046.42	37,046.42	22,626.56	14,419.86
Other Expenses	100,931.40	100,931.40	26,739.39	74,192.01
<b>HEALTH AND HUMAN SERVICES:</b>				
Public Health Services - Registrar:				
Other Expenses	417.75	417.75		417.75
Environmental Health Services:				
Other Expenses	670.00	670.00		670.00
Animal Control:				
Salaries and Wages	12,641.41	12,641.41		12,641.41
Other Expenses	32,403.06	32,403.06	545.30	31,857.76
<b>RECREATION AND EDUCATION:</b>				
Park Maintenance:				
Salaries and Wages	34,900.46	34,900.46	15,203.24	19,697.22
Other Expenses	93,497.61	93,497.61	19,073.26	74,424.35
Recreation:				
Salaries and Wages	43,353.36	43,353.36	3,382.10	39,971.26
Other Expenses	117,770.03	117,770.03	12,434.97	105,335.06
Municipal Library:				
Other Expenses	9,423.42	9,423.42	8,257.93	1,165.49

TOWNSHIP OF MARLBORO  
CURRENT FUND  
SCHEDULE OF 2021 APPROPRIATION RESERVES  
YEAR ENDED DECEMBER 31, 2022  
(Continued)

	<u>Balance</u> <u>Dec. 31, 2021</u>	<u>Balance After</u> <u>Modification</u>	<u>Paid or</u> <u>Charged</u>	<u>Balance</u> <u>Lapsed</u>
RECREATION AND EDUCATION: (Cont'd)				
Teen Program:				
Other Expenses	\$ 1,592.68	\$ 1,592.68	\$ 1,050.80	\$ 541.88
MUNICIPAL COURT & PUBLIC DEFENDER:				
Municipal Court:				
Salaries and Wages	34,142.31	34,142.31	1,970.22	32,172.09
Other Expenses	57,664.22	57,664.22	9,557.77	48,106.45
Public Defender:				
Salaries and Wages	186.79	186.79	93.23	93.56
Other Expenses	8,550.00	8,550.00	8,550.00	
UTILITIES:				
Telephone	95,177.39	95,177.39	10,200.97	84,976.42
Electricity	84,162.37	84,162.37	5,586.79	78,575.58
Gasoline	64,216.26	64,216.26	44,682.37	19,533.89
Water	7,707.48	7,707.48	1,941.41	5,766.07
Street Lighting	146,326.92	146,326.92	61,986.91	84,340.01
Natural Gas	13,744.94	14,744.94	13,847.59	897.35
Sewage Processing and Disposal	1,861.00	1,861.00	1,309.00	552.00
Landfill/Solid Waste Disposal Costs	63,608.68	63,608.68	3,094.00	60,514.68
Postage	1,532.03	1,532.03		1,532.03
Accumulated Absences Compensation	276,000.00	276,000.00	276,000.00	
Contingent	2,500.00	2,500.00		2,500.00
	<u>\$ 3,655,847.73</u>	<u>\$ 3,655,847.73</u>	<u>\$ 1,575,410.96</u>	<u>\$ 2,080,436.77</u>

Analysis of Balance December 31, 2021:

	<u>Ref.</u>	
Encumbered	A	\$ 1,488,229.15
Unencumbered	A	<u>2,167,618.58</u>
		<u>\$ 3,655,847.73</u>

Cash Disbursed	\$ 1,487,920.91
Accounts Payable	87,915.05
	<u>1,575,835.96</u>
Less: Appropriation Reserve Refunds Received	425.00
	<u>\$ 1,575,410.96</u>

TOWNSHIP OF MARLBORO  
CURRENT FUND  
SCHEDULE OF LOCAL SCHOOL DISTRICT TAXES PAYABLE

	<u>Ref.</u>	
Balance, December 31, 2021	A	\$ 8,576,939.50
Increased by:		
Levy - Calendar Year 2022		<u>80,701,477.00</u>
		89,278,416.50
Decreased by:		
Payments to Local School District		<u>79,950,787.00</u>
Balance, December 31, 2022	A	<u>\$ 9,327,629.50</u>

TOWNSHIP OF MARLBORO  
CURRENT FUND  
SCHEDULE OF REGIONAL HIGH SCHOOL TAXES PAYABLE

Balance, December 31, 2021	A	\$ 438,715.89
Increased by:		
Levy - Calendar Year 2022		<u>35,081,655.00</u>
		35,520,370.89
Decreased by:		
Payments to Regional High School District		<u>35,655,018.00</u>
Balance/(Prepaid) December 31, 2022	A	<u><u>\$ (134,647.11)</u></u>



TOWNSHIP OF MARLBORO  
CURRENT FUND  
SCHEDULE OF SPECIAL DISTRICT TAXES  
YEAR ENDED DECEMBER 31, 2022

Increased by:	
Levy - Calendar Year 2022	<u>\$ 3,533,040.24</u>
Decreased by:	
Payments to Fire Districts	<u>\$ 3,533,040.24</u>

TOWNSHIP OF MARLBORO  
 FEDERAL AND STATE GRANT FUND  
SCHEDULE OF GRANTS RECEIVABLE

Grant Description	Balance Dec. 31, 2021	Accrued in 2022	Received	Transfer from Unappropriated Reserves	Canceled to Current Fund Operations	Balance Dec. 31, 2022
2018 Highway Safety Grant	\$ 19,975.51				\$ 19,975.51	\$ 500.00
2019 ANJEC Open Space Stewardship	500.00					4,104.65
2019 Bulletproof Vest Partnership	4,104.65					21,694.58
2021 Bulletproof Vest Partnership	21,694.58					
2021 Recycling Tonnage		\$ 32,898.25		\$ 32,898.25		
2021 Clean Communities		91,932.25		91,932.25		
2022 Municipal Alliance	18,700.00		\$ 14,434.83			4,265.17
2022 State Body Armor		3,078.23		3,078.23		
2022 Recycling Tonnage		23,822.28		23,822.28		
2022 Clean Communities		95,258.58		95,258.58		
2022 Highway Traffic Safety Grant		23,601.00				23,601.00
2022 Click it or Ticket		7,000.00				
2022 Distracted Driving		10,500.00		10,500.00		
2022 National Opioid Settlement		32,635.26		15,951.87		
2022 Farmland Preservation Plan Grant		20,000.00				20,000.00
	<u>\$ 64,974.74</u>	<u>\$ 340,725.85</u>	<u>\$ 38,118.22</u>	<u>\$ 273,441.46</u>	<u>\$ 19,975.51</u>	<u>\$ 74,165.40</u>

Ref. A A

TOWNSHIP OF MARLBORO  
FEDERAL AND STATE GRANT FUND  
SCHEDULE OF APPROPRIATED RESERVES

Grant Description	Balance	Prior Year	Transferred from	Expended	Current Year	Cancelled	Balance
	Dec. 31, 2021	Encumbrances	2022 Budget				
Green Team	\$ 1,289.59						\$ 1,289.59
2013 Recycling Tonnage	95.00			95.00			
2014 Alcohol Ed Rehab	780.06						780.06
2014 Drunk Driving Enforcement Fund	339.59						
2015 Recycling Tonnage		\$ 8,544.37		219.58	\$ 120.01		
2015 Clean Communities		613.72		8,544.37			
2016 Recycling Tonnage Grant		33,928.86		613.72			
2016 Clean Communities		23.43		33,928.86			
2016 Municipal Alliance Cash Match				23.43			
2017 Recycling Tonnage Grant	8,121.79	34,807.62		7,475.04			646.75
2017 Clean Communities		8.00		34,807.62			
2018 Recycling Tonnage Grant	26,943.44			585.50	5.04		
2018 Clean Communities	45,910.80	14,583.25		4,818.44	22,125.00		
2018 Highway Safety Grant	161.01			14,583.25	45,910.80		
2019 Recycling Tonnage Grant	119,530.65					\$ 161.01	
2019 Clean Communities							
2019 ANJEC Open Space Stewardship Grant		68,177.70					
2020 Recycling Tonnage Grant	1,500.00			80,540.00	540.00		38,450.65
2020 Clean Communities	23,300.10			46,797.82	4,378.64		17,001.24
2020 Drunk Driving Enforcement Fund	37,227.45			255.50	1,128.24		116.26
2020 Sustainable Jersey Grant	16,245.16	425.75					23,300.10
2019 Bulletproof Vest Partnership	2,000.00			16,394.57	60.41		37,227.45
2021 Bulletproof Vest Partnership	72.05			1,126.00			215.93
2021 Municipal Alliance	9,000.58	12,694.00		72.05			874.00
2021 Recycling Tonnage Grant	17,670.00			19,604.68			2,089.90
2021 Clean Communities			\$ 32,898.25	13,628.75			4,041.25
2022 Recycling Tonnage Grant			91,932.25				32,898.25
2022 Clean Communities			23,822.28				91,932.25
2022 State Body Armor Replacement			95,258.58				23,822.28
2022 Distracted Driving Grant			3,078.23	3,047.27			95,258.58
2022 National Opioid Settlement			10,500.00	10,500.00			30.96
			32,635.26				32,635.26

TOWNSHIP OF MARLBORO  
FEDERAL AND STATE GRANT FUND  
SCHEDULE OF APPROPRIATED RESERVES  
(Continued)

Grant Description	Balance Dec. 31, 2021	Prior Year Encumbrances Returned	Transferred from 2022 Budget Appropriations	Expended	Current Year Encumbrance	Cancelled	Balance Dec. 31, 2022
2022 Click it or Ticket			\$ 7,000.00	\$ 7,000.00			\$ 23,601.00
2022 Highway Safety Grant			23,601.00				20,000.00
2022 Farmland Preservation Plan Grant			20,000.00				
	<u>\$ 310,769.81</u>	<u>\$ 173,806.70</u>	<u>\$ 340,725.85</u>	<u>\$ 304,661.45</u>	<u>\$ 74,268.14</u>	<u>\$ 161.01</u>	<u>\$ 446,211.76</u>
	A						A
	<u>Ref.</u>						

TOWNSHIP OF MARLBORO  
FEDERAL AND STATE GRANT FUND  
SCHEDULE OF UNAPPROPRIATED RESERVES

Grant Description	Balance Dec. 31, 2021	Received	Transferred to:			Balance Dec. 31, 2022
			Current Fund	Recreation and Swim Utility Operating Fund		
Recycling Tonnage Grant	\$ 32,898.25	\$ 23,822.28	\$ 56,720.53			
Clean Communities Program	91,932.25	95,258.58	187,190.83			
Body Armor Replacement		7,392.15	3,078.23		\$	4,313.92
Distracted Driver Grant		10,500.00	10,500.00			
Local Fiscal Recovery Funds	2,074,530.75	2,074,530.75	935,580.58	\$ 1,138,950.17		2,074,530.75
National Opioid Settlement		15,951.87	15,951.87			
Donation from Ray Catena		25,000.00				25,000.00
	<u>\$ 2,199,361.25</u>	<u>\$ 2,252,455.63</u>	<u>\$ 1,209,022.04</u>	<u>\$ 1,138,950.17</u>		<u>\$ 2,103,844.67</u>

Ref.

A

A

Appropriated Reserve	\$ 273,441.46
Anticipated Revenue	935,580.58
	<u>\$ 1,209,022.04</u>

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH  
2022  
TRUST FUNDS

TOWNSHIP OF MARLBORO  
TRUST FUNDS  
SCHEDULE OF CASH - TREASURER

Ref.	Animal Control Fund	Other Trust Funds	Open Space	Developer's Escrow
Balance December 31, 2021	\$ 70,813.47	\$ 14,264,172.53	\$ 3,705,826.46	\$ 2,543,659.06
Increased by Receipts:				
Animal Control License Fees:				
Dog License Fees	\$ 22,618.00			
Cat License Fees	1,098.20			
State Dog License Fees	3,120.00			
Late, Impound and Boarding Fees	5,036.48			
Interlocal - Matawan	17,879.67			
Budgeted Contribution - Current Fund	46,231.24			
Escrow Deposits				\$ 1,626,404.10
Interest on Municipal Open Space Deposits			\$ 4,204.84	
Other Municipal Open Space Deposits			772,646.65	
Due to/from State of New Jersey - UCC				
Uniform Construction Code Deposits		\$ 114,880.00		
Law Enforcement Deposits		2,180,834.00		
Affordable Housing Deposits		122,056.97		
Reserve for Storm Water Management		463,875.15		
Fire Safety Deposits		310,839.90		
Municipal Court:		29,025.00		
Parking Offense Adjudication Act		66.00		
Public Defender		1,000.00		
Recreation Donations		8,000.00		
Unemployment Insurance		56,304.27		
Joint Insurance Refunds		63,676.00		
Police Outside Duty		1,230,846.29		
Police Explorer Donations		19,325.00		
Storm Recovery		343,498.58		
Accumulated Absences		276,000.00		
Road Opening		3,500.00		
Unclaimed Monies		2,339.75		
K-9 Unit Donations		10,222.00		
Municipal Alliance Donations		1,802.44		
	95,983.59	5,238,091.35	776,851.49	1,626,404.10
	166,797.06	19,502,263.88	4,482,677.95	4,170,063.16

TOWNSHIP OF MARLBORO  
TRUST FUNDS  
SCHEDULE OF CASH - TREASURER  
(Continued)

Ref.	Animal Control Fund	Other Trust Funds	Open Space	Developer's Escrow
Decreased by Disbursements:				
Administrative Expenses	\$ 102,541.19			
Due to State of New Jersey Escrow	3,097.20			\$ 1,301,994.18
Law Enforcement		\$ 21,887.19		
Affordable Housing		3,421,599.83		
State Unemployment Insurance		624.00		
Reserve for Storm Water Management		9,000.00		
Fire Safety		15,619.20		
Municipal Open Space			\$ 1,053,680.92	
Due to/from State of New Jersey - Uniform Construction Code		105,951.00		
Uniform Construction Code Disbursements		1,832,159.88		
Court Bail		2,737.00		
Tree Bank		25,225.50		
Unclaimed Monies		1,011.00		
Storm Recovery		81,930.07		
Marlboro Knolls		2,575.24		
Water Escrow		131,360.13		
Township Escrow		40,031.84		
Accumulated Absences		148,662.86		
Performance Bonds		11,364.64		
Road Opening		505,722.85		
Reserve for Tax Sale Premiums		70,300.00		
Public Defender Fees		3,810.00		
Parking Offense Adjudication Act		278.88		
Police Outside Duty		1,238,410.12		
Joint Insurance Refunds		133,485.09		
Donations		12,564.17		
	<u>\$ 105,638.39</u>	<u>\$ 7,816,310.49</u>	<u>\$ 1,053,680.92</u>	<u>\$ 1,301,994.18</u>
Balance December 31, 2022	<u>\$ 61,158.67</u>	<u>\$ 11,685,953.39</u>	<u>\$ 3,428,997.03</u>	<u>\$ 2,868,068.98</u>

B



TOWNSHIP OF MARLBORO  
ANIMAL CONTROL FUND  
SCHEDULE OF RESERVE FOR ANIMAL CONTROL FUND EXPENDITURES

	<u>Ref.</u>	
Balance December 31, 2021	B	\$ 63,623.74
Increased by:		
Animal Control License Fees:		
Received:		
Dog Licenses		\$ 22,618.00
Cat Licenses		1,098.20
Late, Impound and Boarding Fees		5,036.48
Interlocal Agreement - Matawan		17,879.67
Current Fund Budget Appropriation		46,231.24
Transferred from Encumbrances		7,184.93
		100,048.52
		163,672.26
Decreased by:		
Transfer to Reserve for Encumbrances		9,223.73
Animal Control Expenditures		102,541.19
		111,764.92
Balance December 31, 2022	B	\$ 51,907.34

License Fees Collected:

<u>Year</u>		
2020		\$ 27,853.00
2021		25,472.45
		\$ 53,325.45
Maximum Allowable Reserve		\$ 53,325.45

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH  
2022  
GENERAL CAPITAL FUND

TOWNSHIP OF MARLBORO  
GENERAL CAPITAL FUND  
SCHEDULE OF CASH - TREASURER

	<u>Ref.</u>	
Balance December 31, 2021	C	\$ 12,148,543.73
Increased by:		
Budget Appropriation:		
Capital Improvement Fund		\$ 300,000.00
Bond Anticipation Notes Reissued		8,000,000.00
Lease Proceeds Receivable		323,792.56
New Jersey Department of Transportation Grant		99,509.84
		<u>8,723,302.40</u>
		<u>20,871,846.13</u>
Decreased by:		
Improvement Authorizations		4,640,067.96
Bond Anticipation Notes Matured		8,000,000.00
Encumbrances Payable		26,078.75
Reserve to Pay Debt Service - Anticipated in Current Fund		50,000.00
Fund Balance Anticipated in Current Fund		150,000.00
		<u>12,866,146.71</u>
Balance December 31, 2022	C	<u>\$ 8,005,699.42</u>

TOWNSHIP OF MARLBORO  
GENERAL CAPITAL FUND  
ANALYSIS OF CASH

	Balance/ (Deficit) Dec. 31, 2021	Receipts			Disbursements			Transfers		Balance/ (Deficit) Dec. 31, 2022
		Bond Anticipation Notes	Budget Appropriation	Miscellaneous	Improvement Authorizations	Bond Anticipation Notes	Miscellaneous	From	To	
Fund Balance	\$ 359,738.49									
Capital Improvement Fund	125,177.00		\$ 300,000.00			\$ 150,000.00	\$ 423,368.00	\$ 638,529.85	\$ 848,268.34	
State of New Jersey Grants Receivable:										
NJ Department of Transportation:	(2,114,810.05)		\$ 99,509.84						(2,015,300.21)	
Monmouth County	(345,000.00)								(345,000.00)	
Recreation Improvements Grant	(205,838.00)						75,000.00		(75,000.00)	
Body Worn Camera Grant	(276,299.00)								(205,838.00)	
Green Acres Loan Receivable	(323,792.56)		323,792.56						(276,299.00)	
Lease Proceeds Receivable										
Reserve for:										
Traffic Light - Ryan Road	30,995.85							5,295.00	36,290.85	
Pleasant Valley Road Improvements	6,120.63								6,120.63	
Payment of Debt Service	93,071.61					50,000.00			43,071.61	
Sidewalks - Tenment Road	1,723.68								1,723.68	
Emerald Hills	42,902.91								42,902.91	
Union Hill Costco	95,044.90								95,044.90	
Station Road Improvements						26,078.75		52,301.50	26,222.75	
Encumbrances	6,106,762.03						6,106,762.03	7,074,754.05	7,074,754.05	
Ord. No.	Improvement Description									
02-21	Various Improvements							5,779.60	574.50	
04-01	Hawkins Rd. Park						42,470.00		1,999.22	
05-19	Computer Operated Signs						5,004.00		10,817.23	
05-36	Various Improvements						22,996.86		29,651.00	
06-19	Various Improvements						105.89		(3,337.17)	
07-12	Various Capital Improvements						46,961.66		41,536.74	
11-02	Various Capital Improvements						67,282.52		54,218.58	
11-04	Acquisition of Land								5,025.25	
12-07	Athletic Fields								5,212.10	
12-08	Various Capital Improvements						21,240.62		5,162,423.74	
12-11	Various Capital Improvements						54,784.25			
12-12	COAH Hamilton Park Improvements						110.87		1,456,000.00	
12-13	Various Capital Improvements						134,953.96		28,047.78	
13-08	Various Capital Improvements						124,557.15			
14-03	Various Capital Improvements						9,732.31		900.00	
14-13	Taylor Road Drainage Improvements						8,332.31			
14-22	Leach Fields - Hamilton Park						8,335.44		172,978.15	
15-02	Various Capital Improvements						169,456.06		50,055.23	
15-14	Improvements to Texas Road								15,513.35	
16-02	Various Capital Improvements						110,251.95		176,204.21	
16-12	Acquisition of Open Space						898.00		6,255.17	

TOWNSHIP OF MARLBORO  
GENERAL CAPITAL FUND  
ANALYSIS OF CASH  
(Continued)

Ord. No.	Improvement Description	Receipts				Disbursements				Balance/ (Deficit) Dec. 31, 2022	
		Balance/ (Deficit) Dec. 31, 2021	Bond Anticipation Notes	Budget Appropriation	Miscellaneous	Improvement Authorizations	Bond Anticipation Notes	Miscellaneous	Transfers From		To
17-02	Various Capital Improvements	\$ 111,100.58				\$ 2,838.87			\$ 81,376.02	\$ 10,115.86	\$ 37,001.55
17-10	Improvements to Intersection of Route 520/3	23,750.00									23,750.00
18-01	Various Capital Improvements	(67,220.88)	\$ 788,000.00			132,395.10	\$ 788,000.00		237,689.96	371,376.30	(65,929.64)
18-04	Improvement to H&L Fields	15,547.02								35,844.00	51,391.02
18-07	Acquisition of Open Space	250,000.00									250,000.00
18-11	NJDOT 2018 Road Program	20,352.75									20,352.75
19-01	Various Capital Improvements	356,198.19	1,920,000.00			272,053.74	1,920,000.00		165,877.25	411,780.63	330,047.83
19-04	Acquisition of Police Cars	5,249.37							5,249.37		
19-10	Streambank Stabilization								30,558.80	30,558.80	
19-11	Sidewalk Extension Project	875,000.00									875,000.00
20-05	Various Capital Improvements	(819,112.90)	3,020,000.00			763,186.70	3,020,000.00		521,691.49	1,277,102.03	(826,889.06)
20-08	Lease Purchase of Police Cars	16.05				88,764.00			22,657.61	111,405.56	
20-09	Preservation of Open Space					149,217.45			13,987.52	163,204.97	
20-10	Marlboro Road Program					111,500.67			103,499.33	215,000.00	
20-16	NJDOT Route 79 Design Assist					132,896.57			360,013.48	492,910.05	
21-04	Various Capital Improvements	(1,055,100.64)	1,997,000.00			2,221,842.53	1,997,000.00		697,886.06	2,485,543.95	(1,489,283.28)
21-09	Improvement to Union Hill Road	205,000.00				132,707.78			72,292.22		
21-10	Open Space (Open Space Trust)	270,374.00				252,852.12			15,074.36	184,620.36	17,521.88
21-11	Acquisition of Police Cars	7,982.00				177,528.00			1,000.00		41,750.00
21-18	Streambank Stabilization	47,750.00				5,000.00			205,838.00		
21-19	Body Worn Camera Grant	205,838.00									148,750.00
21-22	NJDOT 2021 Road Program (Ryan Road)	251,900.00				148.50			103,001.50	75,000.00	476.51
22-02	Improvement to Recreation Facilities					121,178.83			74,523.49	423,368.00	(3,869,786.73)
22-07	Various Capital Improvements					450.00			4,171,975.90		
22-10	Acquisition of Police Cars								9,950.00		(10,400.00)
		\$ 12,148,543.73	\$ 8,000,000.00	\$ 3,000,000.00	\$ 423,302.40	\$ 4,640,067.96	\$ 8,000,000.00	\$ 226,078.75	\$ 14,318,413.93	\$ 14,318,413.93	\$ 8,005,699.42

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

Ord. No.	Improvement Description	Balance Dec. 31, 2021	2022 Authorizations	Improvement Authorizations Cancelled	Balance Dec. 31, 2022	Bond Anticipation Notes	Analysis of Balance	
							Expenditures	Unexpended Improvement Authorizations
07-12	Various Capital Improvements	\$ 720,847.62			\$ 720,847.62		\$ 3,337.17	\$ 717,510.45
11-04	Acquisition of Land	275,625.00			275,625.00	\$ 275,000.00		625.00
12-08	Various Capital Improvements	36,351.88		\$ 36,351.88				
13-08	Various Capital Improvements	10,278.60		5,278.60	5,000.00			5,000.00
17-02	Various Capital Improvements	652.00			652.00			652.00
18-01	Various Capital Improvements	1,363,344.70		10,708.70	1,352,636.00	788,000.00	65,929.64	498,706.36
19-01	Various Capital Improvements	2,078,690.00			2,078,690.00	1,920,000.00		158,690.00
20-05	Various Capital Improvements	4,936,350.00			4,936,350.00	3,020,000.00	826,889.06	1,089,460.94
21-04	Various Capital Improvements	5,601,689.00			5,601,689.00	1,997,000.00	1,489,283.28	2,115,405.72
21-18	Streambank Stabilization Projects	907,250.00			907,250.00			907,250.00
22-07	Various Capital Improvements		\$ 8,667,236.00		8,667,236.00		3,869,786.73	4,797,449.27
22-10	Acquisition of Police Cars		200,000.00		200,000.00		10,400.00	189,600.00
		<u>\$ 15,931,078.80</u>	<u>\$ 8,867,236.00</u>	<u>\$ 52,339.18</u>	<u>\$ 24,745,975.62</u>	<u>\$ 8,000,000.00</u>	<u>\$ 6,265,625.88</u>	<u>\$ 10,480,349.74</u>
		C			C			
Ref.								
	Improvement Authorizations - Unfunded							\$ 10,864,616.15
	Ordinance 11-04 (Acquisition of Land)							(54,218.58)
	Ordinance 19-01 (Various Capital Improvements)							(330,047.83)
								<u>\$ 10,480,349.74</u>

TOWNSHIP OF MARLBORO  
GENERAL CAPITAL FUND  
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

Ord. No.	Improvement Description	Date	Ordinance Amount	Balance December 31, 2021		Prior Year Encumbrances Returned	Other Financing Sources	2022 Authorizations		Paid or Charged	Cancelled	Balance December 31, 2022	
				Funded	Unfunded			Deferred Charges to Future Taxation - Unfunded	Funded			Unfunded	
02-21	Various Improvements	07/18/02	\$ 253,000.00			\$ 5,779.60		\$ 5,779.60					
04-01	Hawkins Rd. Park	03/11/04	59,764.00			574.50						\$ 574.50	
05-19	Computer Operated Signs	06/02/05	45,000.00	\$ 44,469.22				42,470.00				1,999.22	
05-36	Various Improvements	10/06/05	2,195,000.00	19,507.23				8,690.00				10,817.23	
06-19	Various Improvements	08/10/06	3,686,000.00	16,280.00				37,851.86				29,651.00	
07-12	Various Capital Improvements	06/06/07	5,500,000.00	118.33	\$ 720,847.62			6,725.39					\$ 717,510.45
11-02	Various Capital Improvements	03/03/11	2,970,473.00	86,536.74				1,961.66			\$ 45,000.00	41,536.74	
11-04	Acquisition of Land	03/03/11	2,992,500.00		97,334.58			124,368.52					54,843.58
12-07	Athletic Fields	05/03/12	380,000.00					5,025.25				5,025.25	
12-08	Various Capital Improvements	06/13/12	2,879,221.00	23,860.22				1,186.25			56,406.25	5,212.10	
12-11	Various Capital Improvements	05/17/12	5,275,000.00	5,162,423.74				54,784.25				5,162,423.74	
12-12	COAH Hamilton Park Improvements	05/17/12	424,000.00					110.87					
12-13	Various Capital Improvements	05/17/12	1,456,000.00	1,456,000.00				14,800.97			125,431.59	1,456,000.00	5,000.00
13-08	Various Capital Improvements	06/11/13	3,081,900.00	120,550.99	10,278.60			16,373.52			108,183.63	28,047.78	
14-03	Various Capital Improvements	02/20/14	3,343,449.00	136,965.61				9,732.31					
14-13	Taylor Road Drainage Improvements	05/15/14	470,000.00	8,832.31				9,187.44					
14-22	Leach Fields - Hamilton Park	09/04/14	720,000.00	181,196.95				968.64					
15-02	Various Capital Improvements	02/02/15	4,606,410.00	210,099.96				9,411.33			155,566.92	50,053.23	
15-14	Improvements to Texas Road	09/24/15	240,000.00	15,513.35				176,204.21				15,513.35	
16-02	Various Capital Improvements	02/25/16	3,341,669.00	261,905.30				4,680.51			105,571.44	6,255.17	
16-12	Acquisition of Open Space	10/20/16	8,500,000.00	7,153.17				898.00				37,001.55	652.00
17-02	Various Capital Improvements	03/02/17	3,394,162.00	111,100.58	652.00			6,071.37			78,143.52	23,750.00	
17-10	Improvements to Intersection of Route 520/3	10/19/17	23,750.00	23,750.00				370,085.06			10,708.70	51,391.02	498,706.36
18-01	Various Capital Improvements	02/15/18	7,846,708.00		508,123.82			35,844.00				250,000.00	
18-04	Improvement to H&L Fields	02/15/18	494,477.02	15,547.02								20,352.75	
18-07	Acquisition of Open Space	02/15/18	250,000.00	250,000.00									
18-11	NJDOT 2018 Road Program	05/17/18	35,000.00	20,352.75									
19-01	Various Capital Improvements	02/21/19	6,979,662.00		514,888.19			437,930.99			5,249.37		
19-04	Acquisition of Police Cars	02/21/19	190,000.00	5,249.37									
19-10	Streambank Stabilization	08/15/19	720,236.00					30,558.80					
19-11	Sidewalk Extension Project	10/03/19	875,000.00	875,000.00									
20-05	Various Capital Improvements	04/23/20	5,196,158.00		1,097,237.10			1,284,878.19			607.61	875,000.00	1,089,460.94
20-08	Lease Purchase of Police Cars	04/23/20	220,000.00	16.05				110,814.00					
20-09	Preservation of Open Space	04/23/20	200,000.00					163,204.97					
20-10	Marlboro Road Program	04/23/20	215,000.00					215,000.00					
20-16	NJDOT Route 79 Design Assist	12/17/20	492,910.05					492,910.05					
21-04	Various Capital Improvements	03/04/21	5,896,518.00		2,549,588.36			2,919,728.59					2,115,405.72
21-09	Improvement to Union Hill Road	03/04/21	205,000.00	205,000.00				205,000.00					
21-10	Open Space (Open Space Trust)	03/04/21	270,374.00	270,374.00				252,852.12				17,521.88	
21-11	Acquisition of Police Cars	03/04/21	195,000.00	7,982.00				192,602.36					
21-18	Streambank Stabilization	08/19/21	955,000.00	47,750.00				6,000.00				41,750.00	907,250.00
21-19	Body Worn Camera Grant	09/09/21	205,838.00	205,838.00				205,838.00					
21-22	NJDOT 2021 Road Program (Ryan Road)	12/16/21	251,900.00	251,900.00				103,150.00				148,750.00	

TOWNSHIP OF MARLBORO  
GENERAL CAPITAL FUND  
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

Ord. No.	Improvement Description	Date	Ordinance	Balance December 31, 2021		Prior Year Encumbrances Returned	2022 Authorizations		Paid or Charged	Cancelled	Balance December 31, 2022	
				Funded	Unfunded		Other Financing Sources	Deferred Charges to Future Taxation - Unfunded			Funded	Unfunded
22-02	Improvement to Recreation Facilities	02/10/22	\$ 75,000.00				\$ 75,000.00	\$ 74,523.49		\$ 476.51		
22-07	Various Capital Improvements	07/21/22	9,090,604.00				423,368.00	4,293,154.73			\$ 4,797,449.27	
22-10	Acquisition of Police Cars	07/21/22	200,000.00				200,000.00	10,400.00			189,600.00	
				\$ 10,041,272.89	\$ 6,442,552.15	\$ 6,049,165.53	\$ 498,368.00	\$ 8,867,236.00	\$ 11,714,822.01	\$ 690,869.03	\$ 8,628,287.38	\$ 10,864,616.15
			<u>Ref.</u>		C	C					C	C
							Capital Improvement Fund \$ 423,368.00					
							Local Recreation Improvement Grant 75,000.00					
							<u>\$ 498,368.00</u>					
								<u>Ref.</u>				
							Cash Disbursed \$ 4,640,067.96					
							Encumbrances C 7,074,754.05					
							<u>\$ 11,714,822.01</u>					
								Fund Balance \$ 638,529.85				
								Deferred Charges to Future Taxation Unfunded 52,339.18				
								<u>\$ 690,869.03</u>				



TOWNSHIP OF MARLBORO  
GENERAL CAPITAL FUND  
SCHEDULE OF CAPITAL IMPROVEMENT FUND

	<u>Ref.</u>	
Balance December 31, 2021	C	\$ 125,177.00
Increased by:		
2022 Budget Appropriation		<u>300,000.00</u>
		425,177.00
Decreased by:		
Appropriation to Finance Improvement Authorizations		<u>423,368.00</u>
Balance December 31, 2022	C	<u><u>\$ 1,809.00</u></u>

TOWNSHIP OF MARLBORO  
GENERAL CAPITAL FUND  
SCHEDULE OF BOND ANTICIPATION NOTES

Ord. No.	Improvement Authorization	Issue of Original Note	Date of		Maturity	Interest Rate	Balance Dec. 31, 2021	Issued	Matured	Balance Dec. 31, 2022
			Issue							
2011-04	Acquisition of Land	11/15/2019	5/14/2020	5/14/2021	1.75%	\$ 275,000.00	\$ 275,000.00		\$ 275,000.00	
			6/1/2022	5/31/2023	0.00%					
2018-01	Various Capital Improvements	11/15/2019	5/14/2020	5/14/2021	1.75%	788,000.00	788,000.00	788,000.00	788,000.00	
			6/1/2022	5/31/2023	0.00%					
2019-01	Various Capital Improvements	11/15/2019	5/14/2020	5/14/2021	1.75%	1,920,000.00	1,920,000.00	1,920,000.00	1,920,000.00	
			6/1/2022	5/31/2023	0.00%					
2020-05	Various Capital Improvements	12/1/2021	12/1/2021	6/1/2022	0.00%	3,020,000.00	3,020,000.00	3,020,000.00	3,020,000.00	
			6/1/2022	5/31/2023	0.00%					
2021-04	Various Capital Improvements	12/1/2021	12/1/2021	6/1/2022	0.00%	1,997,000.00	1,997,000.00	1,997,000.00	1,997,000.00	
			6/1/2022	5/31/2023	0.00%					
							C			
							Ref.			
							C			
							Renewed			
							C			
							Renewed			
							C			

TOWNSHIP OF MARLBORO  
GENERAL CAPITAL FUND  
SCHEDULE OF GENERAL SERIAL BONDS

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds		Interest Rate	Balance Dec. 31, 2021	Matured	Balance Dec. 31, 2022
			Outstanding Date	Amount				
2015 General Obligation Bonds	12/17/2015	\$ 17,970,000.00	10/15/23	\$ 1,150,000.00	2.00%	\$ 12,745,000.00	\$ 1,050,000.00	\$ 11,695,000.00
			10/15/24	1,200,000.00	2.13%			
			10/15/25	1,350,000.00	2.25%			
			10/15/26	1,600,000.00	2.38%			
			10/15/27	1,600,000.00	2.50%			
			10/15/28	1,600,000.00	2.50%			
			10/15/29	1,600,000.00	2.50%			
		10/15/30	1,595,000.00	3.00%				
2017 Refunding Bonds	9/14/2017	8,207,000.00	10/01/23	1,687,000.00	4.00%	6,508,000.00	1,706,000.00	4,802,000.00
			10/01/24	1,683,000.00	4.00%			
			10/01/25	1,432,000.00	4.00%			
2017 Open Space Refunding Bonds	9/14/2017	1,006,000.00	10/01/23	202,000.00	4.00%	810,000.00	204,000.00	606,000.00
			10/01/24	202,000.00	4.00%			
			10/01/25	202,000.00	4.00%			
2018 General Obligation Bonds	5/9/2018	14,010,000.00	05/01/23	480,000.00	5.00%	12,775,000.00	460,000.00	12,315,000.00
			05/01/24	510,000.00	5.00%			
			05/01/25	675,000.00	5.00%			
			05/01/26	820,000.00	5.00%			
			05/01/27	820,000.00	4.00%			
			05/01/28	820,000.00	4.00%			
			05/01/29	820,000.00	4.00%			
			05/01/30	820,000.00	3.00%			
			05/01/31	820,000.00	3.00%			
			05/01/32	820,000.00	3.00%			
			05/01/33	820,000.00	3.00%			
		05/01/34	820,000.00	3.13%				
		05/01/35	820,000.00	3.13%				
		05/01/36	820,000.00	3.25%				
		05/01/37	820,000.00	3.25%				
		05/01/38	810,000.00	3.38%				

TOWNSHIP OF MARLBORO  
GENERAL CAPITAL FUND  
SCHEDULE OF GENERAL SERIAL BONDS  
(Continued)

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds		Interest Rate	Balance Dec. 31, 2021	Matured	Balance Dec. 31, 2022
			Outstanding	Dec. 31, 2022				
2021 General Obligation Bonds	5/13/2021	\$ 10,415,000.00	05/01/23	\$ 590,000.00	3.00%	\$ 10,415,000.00	\$ 590,000.00	\$ 9,825,000.00
			05/01/24	590,000.00	2.00%			
			05/01/25	590,000.00	2.00%			
			05/01/26	1,080,000.00	2.00%			
			05/01/27	1,115,000.00	2.00%			
			05/01/28	1,175,000.00	2.00%			
			05/01/29	1,175,000.00	2.00%			
			05/01/30	1,170,000.00	2.00%			
			05/01/31	1,170,000.00	2.00%			
			05/01/32	1,170,000.00	2.00%			
						<u>\$ 43,253,000.00</u>	<u>\$ 4,010,000.00</u>	<u>\$ 39,243,000.00</u>

Ref.

C

C

Paid by Current Fund Budget Appropriation	\$ 3,403,067.00
Paid by Open Space Trust Fund	606,933.00
	<u>\$ 4,010,000.00</u>

TOWNSHIP OF MARLBORO  
GENERAL CAPITAL FUND  
SCHEDULE OF GREEN TRUST LOAN PROGRAM PAYABLE

<u>Improvement Description</u>	<u>Balance Dec. 31, 2021</u>	<u>Matured</u>	<u>Balance Dec. 31, 2022</u>
Municipal Park Development	<u>\$ 28,437.20</u>	<u>\$ 28,437.20</u>	<u>\$ -0-</u>
<u>Ref.</u>	C		C

TOWNSHIP OF MARLBORO  
GENERAL CAPITAL FUND  
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

Ord. No.	Improvement Description	Balance	2022	Improvement	Balance
		Dec. 31, 2021	Improvement Authorizations	Authorizations	Dec. 31, 2022
2007-12	Various Capital Improvements	\$ 720,847.62			\$ 720,847.62
2011-04	Acquisition of Land	625.00			625.00
2012-08	Various Capital Improvements	36,351.88	\$	36,351.88	
2013-08	Various Capital Improvements	10,278.60		5,278.60	5,000.00
2017-02	Various Capital Improvements	652.00			652.00
2018-01	Various Capital Improvements	575,344.70		10,708.70	564,636.00
2019-01	Various Capital Improvements	158,690.00			158,690.00
2020-05	Various Capital Improvements	1,916,350.00			1,916,350.00
2021-04	Various Capital Improvements	3,604,689.00			3,604,689.00
2021-18	Streambank Stabilization	907,250.00			907,250.00
2022-07	Various Capital Improvements		\$ 8,667,236.00		8,667,236.00
2022-10	Acquisition of Police Cars		200,000.00		200,000.00
		<u>\$ 7,931,078.80</u>	<u>\$ 8,867,236.00</u>	<u>\$ 52,339.18</u>	<u>\$ 16,745,975.62</u>

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH  
2022  
RECREATION AND SWIM UTILITY FUND

TOWNSHIP OF MARLBORO  
RECREATION AND SWIM UTILITY FUNDS  
SCHEDULE OF CASH - TREASURER

	<u>Ref.</u>	<u>Operating</u>	<u>Capital</u>
Balance December 31, 2021	D	\$ 130,218.20	\$ 201,796.91
Increased by Receipts:			
Program Revenue		\$ 1,127,096.82	
Additional Program Fees		585,804.39	
Due from Federal and State Grant Fund:			
American Rescue Plan Act Grants		1,138,950.17	
Interest on Investments		6,758.56	
2022 Budget Appropriation:			
Capital Improvement Fund			\$ 37,500.00
2022 Appropriation Refunds		<u>2,000.00</u>	
		<u>2,860,609.94</u>	<u>37,500.00</u>
		2,990,828.14	239,296.91
Decreased by Disbursements:			
2022 Budget Appropriations		1,465,600.69	
2021 Appropriation Reserves		176,520.12	
Accrued Interest on Bonds		23,007.50	
Improvement Authorizations			<u>16,662.00</u>
		<u>1,665,128.31</u>	<u>16,662.00</u>
Balance December 31, 2022	D	<u>\$ 1,325,699.83</u>	<u>\$ 222,634.91</u>



TOWNSHIP OF MARLBORO  
RECREATION AND SWIM UTILITY CAPITAL FUND  
ANALYSIS OF RECREATION AND SWIM CAPITAL CASH

	Balance Dec. 31, 2021	Receipts		Disbursements		Transfers		Balance Dec. 31, 2022
		Budget Appropriation	Improvement Authorizations	From	To			
Fund Balance	\$ 18,308.66	\$ 37,500.00		\$ 11,586.00	\$ 13,282.12		\$ 31,590.78	
Capital Improvement Fund	9,160.36			4,122.04	61,228.04		25,914.00	
Reserve to Pay Debt Service	4,122.04						9,160.36	
Reserve for Encumbrances							61,228.04	
Ord. No.	Improvement Description							
2005-37	Various Swim Pool Facility Improvements						359.36	
2012-09	Various Swim Pool Facility Improvements		\$ 132.00	6,100.00	240.00		4,058.55	
2013-09	Various Swim Pool Facility Improvements			3,050.00			(3,156.75)	
2014-04	Various Swim Pool Facility Improvements			40,282.12	1,529.00		136,438.70	
2015-08	Marlboro Country Park			2,353.04	2,353.04		5.96	
2019-03	Various Recreation Improvements		16,080.00	4,291.00			(19,716.09)	
2020-07	Various Recreation Improvements			1,143.00			(17,093.00)	
2022-09	Recreation and Swim Utility Improvements		450.00	17,291.00	11,586.00		(6,155.00)	
		\$ 201,796.91	\$ 37,500.00	\$ 90,218.20	\$ 90,218.20	\$ 222,634.91		

TOWNSHIP OF MARLBORO  
RECREATION AND SWIM UTILITY CAPITAL FUND  
SCHEDULE OF FIXED CAPITAL

	<u>Balance</u> <u>Dec. 31, 2021</u>	<u>Balance</u> <u>Dec. 31, 2022</u>
Water connection charges	\$ 6,330.00	\$ 6,330.00
Sewer connection charges	3,423.00	3,423.00
Equipment & fixtures	179,271.59	179,271.59
Sprinkler System	12,250.00	12,250.00
Vehicle	17,745.00	17,745.00
Swimming pool & improvements	2,773,486.30	2,773,486.30
Flume slide	204,287.32	204,287.32
Park Improvements	250,000.00	250,000.00
	<u>\$ 3,446,793.21</u>	<u>\$ 3,446,793.21</u>
<u>Ref.</u>	D	D

TOWNSHIP OF MARLBORO  
RECREATION AND SWIM UTILITY CAPITAL FUND  
SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED

Ord. No.	Improvement Description	Ordinance		Balance Dec. 31, 2021	2022 Improvement Authorizations	Improvement Authorizations Cancelled	Balance Dec. 31, 2022
		Date	Amount				
2005-37	Various Swim Pool Facility Improvements	9/22/2005	\$ 446,250.00	\$ 29,495.32			\$ 29,495.32
2012-09	Various Swim Pool Facility Improvements	5/3/2012	136,475.00	136,475.00	\$ 16,637.98		119,837.02
2013-09	Various Swim Pool Facility Improvements	4/4/2013	71,085.00	71,085.00			71,085.00
2014-04	Various Swim Pool Facility Improvements	2/20/2014	773,530.00	773,530.00	13,282.12		760,247.88
2019-03	Various Improvements to the Recreation Utility	2/21/2019	140,702.00	143,702.00			143,702.00
2020-07	Various Improvements to the Recreation Utility	4/23/2020	214,404.00	214,404.00			214,404.00
2022-09	Recreation and Swim Utility Improvements	7/21/2022	236,348.00				236,348.00
				<u>\$ 1,368,691.32</u>	<u>\$ 236,348.00</u>	<u>\$ 29,920.10</u>	<u>\$ 1,575,119.22</u>

Ref.

D

D

TOWNSHIP OF MARLBORO  
RECREATION AND SWIM UTILITY OPERATING FUND  
SCHEDULE OF 2021 APPROPRIATION RESERVES  
FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>Balance Dec. 31, 2021</u>	<u>Balance After Modification</u>	<u>Paid or Charged</u>	<u>Balance Lapsed</u>
Operating:				
Salaries and Wages	\$ 108,083.67	\$ 108,083.67		\$ 108,083.67
Other Expenses	477,899.94	477,899.94	\$ 176,520.12	301,379.82
Capital Improvements:				
Capital Outlay	1.00	1.00		1.00
Statutory Expenditures:				
Contribution to:				
Public Employee Retirement Plan	1.37	1.37		1.37
Social Security System (OASI)	13,811.94	13,811.94		13,811.94
	<u>\$ 599,797.92</u>	<u>\$ 599,797.92</u>	<u>\$ 176,520.12</u>	<u>\$ 423,277.80</u>

	<u>Ref.</u>	
<u>Balance December 31, 2021</u>		
Unencumbered	D	\$ 288,480.36
Encumbered	D	<u>311,317.56</u>
		<u>\$ 599,797.92</u>



TOWNSHIP OF MARLBORO  
RECREATION AND SWIM UTILITY CAPITAL FUND  
SCHEDULE OF CAPITAL IMPROVEMENT FUND

	<u>Ref.</u>	
Balance December 31, 2021	D	\$ -0-
Increased by:		
2022 Budget Appropriation		<u>37,500.00</u>
		37,500.00
Decreased by:		
Appropriation to Finance Improvement Authorizations		<u>11,586.00</u>
Balance December 31, 2022	D	<u><u>25,914.00</u></u>

TOWNSHIP OF MARLBORO  
RECREATION AND SWIM UTILITY CAPITAL FUND  
SCHEDULE OF RESERVE FOR AMORTIZATION

	<u>Ref.</u>	
Balance December 31, 2021 - Restated	D	\$ 3,078,550.45
Balance December 31, 2022	D	<u>\$ 3,078,550.45</u>

TOWNSHIP OF MARLBORO  
RECREATION AND SWIM UTILITY CAPITAL FUND  
SCHEDULE OF DEFERRED RESERVE FOR AMORTIZATION

Ord. No.	Improvement Description	Restated Balance Dec. 31, 2021	2022 Authorizations	Paid By Budget Appropriation	Improvement Authorization Cancelled	Balance Dec. 31, 2022
2005-37	Various Swim Pool Facility Improvements	\$ 142,148.73		\$ 27,958.86		\$ 170,107.59
2012-09	Various Swim Pool Facility Improvements	44,708.07		8,793.51		53,501.58
2013-09	Various Swim Pool Facility Improvements	19,106.01		3,757.91		22,863.92
2014-04	Various Swim Pool Facility Improvements	277,037.19		54,489.72	\$ 13,282.12	318,244.79
2022-09	Recreation and Swim Utility Improvements		\$ 11,586.00			11,586.00
		<u>\$ 483,000.00</u>	<u>\$ 11,586.00</u>	<u>\$ 95,000.00</u>	<u>\$ 13,282.12</u>	<u>\$ 576,303.88</u>

Ref.

D

D



TOWNSHIP OF MARLBORO  
RECREATION AND SWIM UTILITY CAPITAL FUND  
SCHEDULE OF SERIAL BONDS PAYABLE

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding Dec. 31, 2022		Interest Rate	Balance Dec. 31, 2021	Matured	Balance Dec. 31, 2022	
			Date	Amount					
General Improvements	12/17/2015	\$ 1,264,000.00	10/15/2023	\$ 70,000.00	2.000%				
			10/15/2024	100,000.00	2.130%				
			10/15/2025	80,000.00	2.250%				
			10/15/2026	60,000.00	2.380%				
			10/15/2027	100,000.00	2.500%				
			10/15/2028	100,000.00	2.500%				
			10/15/2029	100,000.00	2.500%				
			10/15/2030	104,000.00	3.000%	\$ 794,000.00	\$ 80,000.00	\$ 714,000.00	
General Improvements	5/13/2021	160,000.00	5/1/2023	15,000.00	3.000%				
			5/1/2024	15,000.00	2.000%				
			5/1/2025	15,000.00	2.000%				
			5/1/2026	15,000.00	2.000%				
			5/1/2027	15,000.00	2.000%				
			5/1/2028	15,000.00	2.000%				
			5/1/2029	15,000.00	2.000%				
			5/1/2030	20,000.00	2.000%				
			5/1/2031	20,000.00	2.000%	160,000.00	15,000.00	145,000.00	
						\$ 954,000.00	\$ 95,000.00	\$ 859,000.00	

Ref.

D

D

TOWNSHIP OF MARLBORO  
RECREATION AND SWIM UTILITY CAPITAL FUND  
SCHEDULE OF BOND ANTICIPATION NOTES  
FOR THE YEAR ENDED DECEMBER 31, 2022

NOT APPLICABLE

TOWNSHIP OF MARLBORO  
RECREATION AND SWIM UTILITY CAPITAL FUND  
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

Ord. No.	Improvement Description	Balance		Authorizations		Balance Dec. 31, 2022
		Dec. 31, 2021	Authorizations Cancelled	2022 Authorizations		
2005-37	Various Swim Pool Facility Improvements	\$ 5,738.08				\$ 5,738.08
2012-09	Various Swim Pool Facility Improvements	19,475.00	\$ 16,637.98			2,837.02
2013-09	Various Swim Pool Facility Improvements	6,085.00				6,085.00
2014-04	Various Swim Pool Facility Improvements	15,530.00				15,530.00
2019-03	Various Improvements to the Recreation Utility	38,702.00				38,702.00
2020-07	Various Improvements to the Recreation Utility	214,404.00				214,404.00
2022-09	Recreation and Swim Utility Improvements			\$ 224,762.00		224,762.00
		<u>\$ 299,934.08</u>	<u>\$ 16,637.98</u>	<u>\$ 224,762.00</u>		<u>\$ 508,058.10</u>

TOWNSHIP OF MARLBORO  
COUNTY OF MONMOUTH  
2022  
WATER UTILITY FUND

TOWNSHIP OF MARLBORO  
WATER UTILITY FUNDS  
SCHEDULE OF CASH - TREASURER

	<u>Ref.</u>	<u>Operating</u>	<u>Capital</u>
Balance December 31, 2021	E	\$ 5,235,416.53	\$ 2,591,448.77
Increased by Receipts:			
Water Utility Collector	\$	12,111,554.55	
Interest on Investments		33,467.12	
Appropriation Refunds		234,416.16	
Appropriation Reserve Refunds		16,207.73	
Improvement Authorization Refund			\$ 1,465.60
Solar Renewable Energy Credits		238,758.50	
Reserve for Escrow		107.43	
Reserve for Water Claims		63,725.32	
NJEIT Loan Receivable			12,928.00
		<u>12,698,236.81</u>	<u>14,393.60</u>
		17,933,653.34	2,605,842.37
Decreased by Disbursements:			
2022 Budget Appropriations		9,631,173.13	
2021 Appropriation Reserves		477,033.55	
Accounts Payable		86,762.17	
Improvement Authorizations Expenditures			1,445,027.36
Accrued Interest on Bonds		366,289.13	
Reserve for Water Claims		106,403.88	
		<u>10,667,661.86</u>	<u>1,445,027.36</u>
Balance December 31, 2022	E	<u>\$ 7,265,991.48</u>	<u>\$ 1,160,815.01</u>





TOWNSHIP OF MARLBORO  
WATER UTILITY OPERATING FUND  
SCHEDULE OF CONSUMER ACCOUNTS RECEIVABLE

	<u>Balance</u> <u>Dec. 31, 2021</u>	<u>2022</u> <u>Charges</u>	<u>Collections</u>	<u>Overpayments</u> <u>Applied</u>	<u>Balance</u> <u>Dec. 31, 2022</u>
Water Rents	\$ 346,688.35	\$ 11,642,044.99	\$ 11,633,723.21	\$ 30,984.09	\$ 324,026.04
Miscellaneous		45,218.87	45,218.87		
	<u>\$ 346,688.35</u>	<u>\$ 11,687,263.86</u>	<u>\$ 11,678,942.08</u>	<u>\$ 30,984.09</u>	<u>\$ 324,026.04</u>

Ref.            E

E

Miscellaneous:

Sprinkler Systems, Fire Hydrant Service and Other Fees	\$ 29,923.56
Interest on Delinquent Rents	<u>15,295.31</u>
	<u>\$ 45,218.87</u>



TOWNSHIP OF MARLBORO  
WATER UTILITY CAPITAL FUND  
SCHEDULE OF FIXED CAPITAL

	Balance Dec. 31, 2021	Transfer From Fixed Capital Authorized and Uncompleted	Improvement Authorizations Cancelled	Balance Dec. 31, 2022
Miscellaneous	\$ 32,967,341.00	\$ 840,000.00	\$ 11,424.76	\$ 33,795,916.24
Water Tank Evaluation	3,200.00			3,200.00
Improvements to Generators	1,040.00			1,040.00
Asphalt Hot Patcher	13,211.40			13,211.40
Vehicle Equipment	3,894.44	207,200.00		211,094.44
Radio Equipment	4,496.47			4,496.47
Improvements to Distribution System	544,750.00			544,750.00
Well Redevelopment and Rehabilitation	141,750.00	397,280.00		539,030.00
Water Meter Replacement	210,000.00			210,000.00
GIS Plan of Water System	52,500.00			52,500.00
Acquisition of Easement	13,000.00			13,000.00
Water Interconnection		26,000.00		26,000.00
Water Treatment Plant		12,775,914.29		12,775,914.29
MIS Equipment		5,100.00		5,100.00
Office Equipment		3,060.00		3,060.00
In-House Materials		891,870.50		891,870.50
Pump Station Improvements		1,749,811.00		1,749,811.00
Acquisition of Land	300,000.00		19,295.12	280,704.88
	<u>\$ 34,255,183.31</u>	<u>\$ 16,896,235.79</u>	<u>\$ 30,719.88</u>	<u>\$ 51,120,699.22</u>

E

E

TOWNSHIP OF MARLBORO  
WATER UTILITY CAPITAL FUND  
SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED

Ord. No.	Improvement Description	Balance Dec. 31, 2021	2022 Authorizations	Transfer to Fixed Capital	Improvement Authorizations Cancelled	Balance Dec. 31, 2022
2009-46	Various Capital Improvements	\$ 840,000.00		\$ 840,000.00		
2012-26	Water Treatment Plant	7,600,000.00				\$ 7,600,000.00
2013-10	Various Capital Improvements	682,550.00			\$ 1,949.88	680,600.12
2014-05	Various Capital Improvements	770,346.16				770,346.16
2014-06	Water Treatment Plant	11,500,000.00		11,400,584.63	99,415.37	
2015-03	Various Capital Improvements	427,530.50		415,237.98	12,292.52	
2015-04	Water Treatment Plant	900,000.00		900,000.00		
2016-03	Various Capital Improvements	543,920.00		527,925.24	15,994.76	
2017-03	Various Capital Improvements	1,643,365.00			106,557.25	1,536,807.75
2018-02	Various Capital Improvements	2,400,949.79			15,894.68	2,385,055.11
2019-02	System Improvements	3,035,111.00		2,647,487.94	387,623.06	
2020-06	System Improvements	2,318,950.00			23,666.00	2,295,284.00
2020-13	Water Treatment Plant	165,000.00		165,000.00		
2021-05	System Improvements	3,763,800.00				3,763,800.00
2022-08	System Improvements		\$ 4,500,444.00			4,500,444.00
		\$ 36,591,522.45	\$ 4,500,444.00	\$ 16,896,235.79	\$ 663,393.52	\$ 23,532,337.14

Ref.

E

E

TOWNSHIP OF MARLBORO  
WATER UTILITY OPERATING FUND  
SCHEDULE OF 2021 APPROPRIATION RESERVES  
YEAR ENDED DECEMBER 31, 2022

	<u>Balance</u> <u>Dec. 31, 2021</u>	<u>Balance</u> <u>After</u> <u>Modification</u>	<u>Paid or</u> <u>Charged</u>	<u>Balance</u> <u>Lapsed</u>
Operating:				
Salaries and Wages	\$ 105,246.92	\$ 105,246.92	\$ 17,843.94	\$ 87,402.98
Other Expenses	2,039,110.14	2,039,110.14	441,303.84	1,597,806.30
Capital Improvements:				
Capital Outlay	20,000.00	20,000.00		20,000.00
Deferred Charges/Statutory Expenditures:				
Statutory Expenditures:				
Contribution to:				
Public Employees' Retirement System	1.37	1.37		1.37
Social Security System (O.A.S.I)	32,937.12	32,937.12	1,678.04	31,259.08
	<u>\$ 2,197,295.55</u>	<u>\$ 2,197,295.55</u>	<u>\$ 460,825.82</u>	<u>\$ 1,736,469.73</u>

	<u>Ref.</u>	
<u>Balance December 31, 2021</u>		
Unencumbered	E	\$ 1,005,192.25
Encumbered	E	<u>1,192,103.30</u>
		<u>\$ 2,197,295.55</u>

Cash Disbursed	\$ 477,033.55
Refunds	<u>(16,207.73)</u>
	<u>\$ 460,825.82</u>



TOWNSHIP OF MARLBORO  
WATER UTILITY CAPITAL FUND  
SCHEDULE OF CAPITAL IMPROVEMENT FUND

	<u>Ref.</u>		
Balance December 31, 2021	E	\$	50,000.00
Balance December 31, 2022	E	\$	<u>50,000.00</u>

TOWNSHIP OF MARLBORO  
WATER UTILITY CAPITAL FUND  
SCHEDULE OF DEFERRED RESERVE FOR AMORTIZATION

Ord. No.	Improvement Description	Restated Balance Dec. 31, 2021	Payment of Bonds and Loan Principal	Improvement Authorization Cancelled	Balance Dec. 31, 2022
N/A	Various Water Improvements	\$ 4,013,792.70	\$ 658,044.40	\$ 167,520.79	\$ 4,504,316.31
11-12	Acquisition of Land	300,000.00			300,000.00
		<u>\$ 4,313,792.70</u>	<u>\$ 658,044.40</u>	<u>\$ 167,520.79</u>	<u>\$ 4,804,316.31</u>

Ref.

D

D

TOWNSHIP OF MARLBORO  
WATER UTILITY CAPITAL FUND  
SCHEDULE OF RESERVE FOR AMORTIZATION

	<u>Ref.</u>	
Balance December 31, 2021 - Restated	D	\$ 31,879,131.95
Increased by:		
Budget Appropriations:		
Payment of Bond Principal	\$ 888,800.00	
Payment of NJEIT Loan Principal	386,535.75	
		<u>1,275,335.75</u>
Balance December 31, 2022	D	<u>\$ 33,154,467.70</u>

TOWNSHIP OF MARLBORO  
WATER UTILITY CAPITAL FUND  
SCHEDULE OF BOND ANTICIPATION NOTES  
YEAR ENDED DECEMBER 31, 2022

Ord. No.	Improvement Authorization	Date of		Interest Rate	Balance Dec. 31, 2021	Issued	Matured	Balance Dec. 31, 2022
		Issue	Maturity					
2019-02	System Improvements	12/1/2021	6/1/2021	0.00%	\$ 692,000.00	\$ 692,000.00	\$ 692,000.00	\$ 692,000.00
			6/1/2022	0.00%				
2020-06	System Improvements	12/1/2021	6/1/2021	0.00%	1,151,000.00	1,151,000.00	1,151,000.00	1,151,000.00
			6/1/2022	0.00%				
2021-05	System Improvements	12/1/2021	6/1/2021	0.00%	1,157,000.00	1,157,000.00	1,157,000.00	1,157,000.00
			6/1/2022	0.00%				
					<u>\$3,000,000.00</u>	<u>\$3,000,000.00</u>	<u>\$3,000,000.00</u>	<u>\$3,000,000.00</u>
				<u>Ref.</u>	<u>E</u>			<u>E</u>
					<u>Renewed</u>	<u>\$3,000,000.00</u>	<u>\$3,000,000.00</u>	<u>\$3,000,000.00</u>



TOWNSHIP OF MARLBORO  
WATER UTILITY CAPITAL FUND  
SCHEDULE OF SERIAL BONDS PAYABLE

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds			Interest Rate	Balance Dec. 31, 2021	Matured	Balance Dec. 31, 2022
			Outstanding Date	Amount	Dec. 31, 2022				
Water Utility Improvements	12/17/2015	\$ 2,723,000.00	10/15/2023	\$ 200,000.00	2.00%	\$ 1,798,000.00	\$ 200,000.00	\$ 1,598,000.00	
			10/15/2024	200,000.00	2.13%				
			10/15/2025	200,000.00	2.25%				
			10/15/2026	200,000.00	2.38%				
			10/15/2027	200,000.00	2.50%				
			10/15/2028	200,000.00	2.50%				
			10/15/2029	200,000.00	2.50%				
			10/15/2030	198,000.00	3.00%				
Water Utility Refunding Bonds	9/14/2017	467,000.00	10/1/2023	96,000.00	4.00%	377,000.00	90,000.00	287,000.00	
			10/1/2024	95,000.00	4.00%				
			10/1/2025	96,000.00	4.00%				
Water Utility Improvements	4/24/2018	2,915,000.00	5/1/2023	145,000.00	5.00%	2,460,000.00	140,000.00	2,320,000.00	
			5/1/2024	145,000.00	5.00%				
			5/1/2025	145,000.00	5.00%				
			5/1/2026	145,000.00	5.00%				
			5/1/2028	145,000.00	4.00%				
			5/1/2029	145,000.00	4.00%				
			5/1/2030	145,000.00	3.00%				
			5/1/2031	145,000.00	3.00%				
			5/1/2032	145,000.00	3.00%				
			5/1/2033	145,000.00	3.00%				
		5/1/2034	145,000.00	3.13%					
		5/1/2035	145,000.00	3.13%					
		5/1/2036	145,000.00	3.25%					
		5/1/2037	145,000.00	3.25%					
		5/1/2038	145,000.00	3.38%					

TOWNSHIP OF MARLBORO  
WATER UTILITY CAPITAL FUND  
SCHEDULE OF SERIAL BONDS PAYABLE

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds		Interest Rate	Balance Dec. 31, 2021	Matured	Balance Dec. 31, 2022
			Outstanding Date	Amount Dec. 31, 2022				
Water Utility Refunding Bonds	9/4/2019	\$ 5,370,000.00	12/1/2023	\$ 695,000.00	4.00%	\$ 4,165,000.00	\$ 665,000.00	\$ 3,500,000.00
			12/1/2024	190,000.00	4.00%			
			12/1/2025	195,000.00	4.00%			
			12/1/2026	205,000.00	4.00%			
			12/1/2027	215,000.00	4.00%			
			12/1/2028	220,000.00	4.00%			
			12/1/2029	230,000.00	4.00%			
			12/1/2030	235,000.00	3.00%			
			12/1/2031	250,000.00	3.00%			
			12/1/2032	260,000.00	3.00%			
			12/1/2033	260,000.00	3.00%			
			12/1/2034	270,000.00	3.00%			
			12/1/2035	275,000.00	3.00%			
Water Utility Improvements	4/28/2021	2,735,000.00	5/1/2023	110,000.00	3.00%	2,735,000.00	110,000.00	2,625,000.00
			5/1/2024	210,000.00	2.00%			
			5/1/2025	195,000.00	2.00%			
			5/1/2026	195,000.00	2.00%			
			5/1/2027	195,000.00	2.00%			
			5/1/2028	195,000.00	2.00%			
			5/1/2029	195,000.00	2.00%			
			5/1/2030	190,000.00	2.00%			
			5/1/2031	190,000.00	2.00%			
			5/1/2032	190,000.00	2.00%			
			5/1/2033	190,000.00	2.00%			
			5/1/2034	190,000.00	2.00%			
			5/1/2035	190,000.00	2.00%			
		5/1/2036	190,000.00	2.00%				
						<u>\$ 11,535,000.00</u>	<u>\$ 1,205,000.00</u>	<u>\$ 10,330,000.00</u>
						Ref.	E	E

TOWNSHIP OF MARLBORO  
WATER UTILITY CAPITAL FUND  
NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE LOANS PAYABLE

	Ref.	Total	Series 2013 New Jersey Environmental Infrastructure Loan Payable	Series 2016 New Jersey Environmental Infrastructure Loan Payable	Series 2022 New Jersey Environmental Infrastructure Loan Payable	Construction Financing Loan Program
Balance December 31, 2021	E	\$ 14,796,012.32	\$ 3,870,816.46	\$ 10,017,342.86		\$ 907,853.00
Increased by:						
Issued		753,547.04			\$ 753,547.04	
		<u>15,549,559.36</u>	<u>3,870,816.46</u>	<u>10,017,342.86</u>	<u>753,547.04</u>	<u>907,853.00</u>
Decreased by:						
Loans Paid by Operating Budget		728,380.15	340,323.36	379,606.73	8,450.06	
Charged to Ordinance 2014-06		7,521.00			7,521.00	
Refunded		907,853.00				907,853.00
		<u>907,853.00</u>				<u>907,853.00</u>
Balance December 31, 2022	E	<u>\$ 13,905,805.21</u>	<u>\$ 3,530,493.10</u>	<u>\$ 9,637,736.13</u>	<u>\$ 737,575.98</u>	<u>\$ -0-</u>

NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE LOANS PAYABLE (Series 2013)  
SCHEDULE OF PRINCIPAL AND INTEREST PAYMENTS OUTSTANDING DECEMBER 31, 2022

Payment Number	Maturity Date	Trust		Fund	Balance of Loan
		Interest	Principal	Principal	
					\$ 3,530,493.10
20	2/1/2023	\$ 19,277.50		\$ 86,774.45	3,443,718.65
21	8/1/2023	19,277.50	\$ 85,000.00	173,548.91	3,185,169.74
22	2/1/2024	17,152.50		86,774.45	3,098,395.29
23	8/1/2024	17,152.50	90,000.00	173,548.91	2,834,846.38
24	2/1/2025	14,902.50		86,774.45	2,748,071.93
25	8/1/2025	14,902.50	95,000.00	173,548.91	2,479,523.02
26	2/1/2026	13,477.50		86,774.45	2,392,748.57
27	8/1/2026	13,477.50	95,000.00	173,548.91	2,124,199.66
28	2/1/2027	12,052.50		86,774.45	2,037,425.21
29	8/1/2027	12,052.50	100,000.00	173,548.91	1,763,876.30
30	2/1/2028	10,552.50		86,774.45	1,677,101.85
31	8/1/2028	10,552.50	100,000.00	173,548.91	1,403,552.94
32	2/1/2029	9,052.50		86,774.45	1,316,778.49
33	8/1/2029	9,052.50	105,000.00	173,548.91	1,038,229.58
34	2/1/2030	7,477.50		86,774.45	951,455.13
35	8/1/2030	7,477.50	110,000.00	173,548.91	667,906.22
36	2/1/2031	5,827.50		86,774.45	581,131.77
37	8/1/2031	5,827.50	110,000.00	173,548.91	297,582.86
38	2/1/2032	4,177.50		86,774.45	210,808.41
39	8/1/2032	4,177.50	115,000.00	95,808.41	-0-
		<u>\$ 227,900.00</u>	<u>\$ 1,005,000.00</u>	<u>\$ 2,525,493.10</u>	

TOWNSHIP OF MARLBORO  
WATER UTILITY CAPITAL FUND  
NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE LOAN PAYABLE  
(Continued)

NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE LOANS PAYABLE (Series 2016)  
SCHEDULE OF PRINCIPAL AND INTEREST PAYMENTS OUTSTANDING DECEMBER 31, 2022

Payment Number	Maturity Date	Trust		Fund	Balance of Loan
		Interest	Principal	Principal	
					\$ 9,637,736.13
14	2/1/2023	\$ 49,574.38		\$ 103,202.24	9,534,533.89
15	8/1/2023	49,574.38	\$ 75,000.00	206,404.49	9,253,129.40
16	2/1/2024	47,699.38		103,202.24	9,149,927.16
17	8/1/2024	47,699.38	80,000.00	206,404.49	8,863,522.67
18	2/1/2025	46,099.38		103,202.24	8,760,320.43
19	8/1/2025	46,099.38	80,000.00	206,404.49	8,473,915.94
20	2/1/2026	44,499.38		103,202.24	8,370,713.70
21	8/1/2026	44,499.38	85,000.00	206,404.49	8,079,309.21
22	2/1/2027	42,799.38		103,202.24	7,976,106.97
23	8/1/2027	42,799.38	90,000.00	206,404.49	7,679,702.48
24	2/1/2028	40,999.38		103,202.24	7,576,500.24
25	8/1/2028	40,999.38	90,000.00	206,404.49	7,280,095.75
26	2/1/2029	40,099.38		103,202.24	7,176,893.51
27	8/1/2029	40,099.38	95,000.00	206,404.49	6,875,489.02
28	2/1/2030	39,149.38		103,202.24	6,772,286.78
29	8/1/2030	39,149.38	95,000.00	206,404.49	6,470,882.29
30	2/1/2031	38,199.38		103,202.24	6,367,680.05
31	8/1/2031	38,199.38	95,000.00	206,404.49	6,066,275.56
32	2/1/2032	37,190.00		103,202.24	5,963,073.32
33	8/1/2032	37,190.00	100,000.00	206,404.49	5,656,668.83
34	2/1/2033	35,690.00		103,202.24	5,553,466.59
35	8/1/2033	35,690.00	100,000.00	206,404.49	5,247,062.10
36	2/1/2034	34,190.00		103,202.24	5,143,859.86
37	8/1/2034	34,190.00	105,000.00	206,404.49	4,832,455.37
38	2/1/2035	32,615.00		103,202.24	4,729,253.13
39	8/1/2035	32,615.00	110,000.00	206,404.49	4,412,848.64
40	2/1/2036	30,965.00		103,202.24	4,309,646.40
41	8/1/2036	30,965.00	110,000.00	206,404.49	3,993,241.91
42	2/1/2037	28,765.00		103,202.24	3,890,039.67
43	8/1/2037	28,765.00	115,000.00	206,404.49	3,568,635.18
44	2/1/2038	26,465.00		103,202.24	3,465,432.94
45	8/1/2038	26,465.00	120,000.00	206,404.49	3,139,028.45
46	2/1/2039	24,065.00		103,202.24	3,035,826.21
47	8/1/2039	24,065.00	125,000.00	206,404.49	2,704,421.72
48	2/1/2040	21,565.00		103,202.24	2,601,219.48
49	8/1/2040	21,565.00	130,000.00	206,404.49	2,264,814.99
50	2/1/2041	18,965.00		103,202.24	2,161,612.75
51	8/1/2041	18,965.00	135,000.00	206,404.49	1,820,208.26
52	2/1/2042	16,265.00		103,202.24	1,717,006.02
53	8/1/2042	16,265.00	140,000.00	206,404.49	1,370,601.53
54	2/1/2043	13,465.00		103,202.24	1,267,399.29
55	8/1/2043	13,465.00	145,000.00	206,404.49	915,994.80
56	2/1/2044	10,565.00		103,202.24	812,792.56
57	8/1/2044	10,565.00	150,000.00	206,404.49	456,388.07
58	2/1/2045	7,565.00		103,202.24	353,185.83
59	8/1/2045	7,565.00	160,000.00	193,185.83	-0-
		<u>\$ 1,454,908.84</u>	<u>\$ 2,530,000.00</u>	<u>\$ 7,107,736.13</u>	

TOWNSHIP OF MARLBORO  
WATER UTILITY CAPITAL FUND  
NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE BANK LOAN PAYABLE  
(Continued)

NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE LOANS PAYABLE (Series 2022)  
SCHEDULE OF PRINCIPAL AND INTEREST PAYMENTS OUTSTANDING DECEMBER 31, 2022

Payment Number	Maturity Date	Trust		Fund	Balance of Loan
		Interest	Principal	Principal	
					\$ 737,575.98
2	2/1/2023	\$ 8,059.52		\$ 4,225.01	733,350.97
3	8/1/2023	8,059.52	\$ 5,000.00	8,450.02	719,900.95
4	2/1/2024	7,934.52		4,225.01	715,675.94
5	8/1/2024	7,934.52	5,000.00	8,450.02	702,225.92
6	2/1/2025	7,809.52		4,225.01	698,000.91
7	8/1/2025	7,809.52	5,000.00	8,450.02	684,550.89
8	2/1/2026	7,684.52		4,225.01	680,325.88
9	8/1/2026	7,684.52	10,000.00	8,450.02	661,875.86
10	2/1/2027	7,434.52		4,225.01	657,650.85
11	8/1/2027	7,434.52	10,000.00	8,450.02	639,200.83
12	2/1/2028	7,184.52		4,225.01	634,975.82
13	8/1/2028	7,184.52	10,000.00	8,450.02	616,525.80
14	2/1/2029	6,934.52		4,225.01	612,300.79
15	8/1/2029	6,934.52	10,000.00	8,450.02	593,850.77
16	2/1/2030	6,684.52		4,225.01	589,625.76
17	8/1/2030	6,684.52	10,000.00	8,450.02	571,175.74
18	2/1/2031	6,434.52		4,225.01	566,950.73
19	8/1/2031	6,434.52	10,000.00	8,450.02	548,500.71
20	2/1/2032	6,184.52		4,225.01	544,275.70
21	8/1/2032	6,184.52	10,000.00	8,450.02	525,825.68
22	2/1/2033	5,934.52		4,225.01	521,600.67
23	8/1/2033	5,934.52	10,000.00	8,450.02	503,150.65
24	2/1/2034	5,684.52		4,225.01	498,925.64
25	8/1/2034	5,684.52	10,000.00	8,450.02	480,475.62
26	2/1/2035	5,522.02		4,225.01	476,250.61
27	8/1/2035	5,522.02	10,000.00	8,450.02	457,800.59
28	2/1/2036	5,353.27		4,225.01	453,575.58
29	8/1/2036	5,353.27	10,000.00	8,450.02	435,125.56
30	2/1/2037	5,184.52		4,225.01	430,900.55
31	8/1/2037	5,184.52	10,000.00	8,450.02	412,450.53
32	2/1/2038	5,015.77		4,225.01	408,225.52
33	8/1/2038	5,015.77	15,000.00	8,450.02	384,775.50
34	2/1/2039	4,753.27		4,225.01	380,550.49
35	8/1/2039	4,753.27	15,000.00	8,450.02	357,100.47
36	2/1/2040	4,490.77		4,225.01	352,875.46
37	8/1/2040	4,490.77	15,000.00	8,450.02	329,425.44
38	2/1/2041	4,228.27		4,225.01	325,200.43
39	8/1/2041	4,228.27	15,000.00	8,450.02	301,750.41
40	2/1/2042	3,965.77		4,225.01	297,525.40
41	8/1/2042	3,965.77	15,000.00	8,450.02	274,075.38
42	2/1/2043	3,693.90		4,225.01	269,850.37
43	8/1/2043	3,693.90	15,000.00	8,450.02	246,400.35
44	2/1/2044	3,422.02		4,225.01	242,175.34
45	8/1/2044	3,422.02	15,000.00	8,450.02	218,725.32
46	2/1/2045	3,159.52		4,225.01	214,500.31
47	8/1/2045	3,159.52	15,000.00	8,450.02	191,050.29
48	2/1/2046	2,859.52		4,225.01	186,825.28
49	8/1/2046	2,859.52	15,000.00	8,450.02	163,375.26

TOWNSHIP OF MARLBORO  
WATER UTILITY CAPITAL FUND  
NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE BANK LOAN PAYABLE  
(Continued)

NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE LOANS PAYABLE (Series 2022)  
SCHEDULE OF PRINCIPAL AND INTEREST PAYMENTS OUTSTANDING DECEMBER 31, 2022

Payment Number	Maturity Date	Trust		Fund	Balance of Loan
		Interest	Principal	Principal	
50	2/1/2047	\$ 2,559.52		\$ 4,225.01	\$ 159,150.25
51	8/1/2047	2,559.52	\$ 20,000.00	8,450.02	130,700.23
52	2/1/2048	2,159.52		4,225.01	126,475.22
53	8/1/2048	2,159.52	20,000.00	8,450.02	98,025.20
54	2/1/2049	1,759.52		4,225.01	93,800.19
55	8/1/2049	1,759.52	20,000.00	8,450.02	65,350.17
56	2/1/2050	1,359.52		4,225.01	61,125.16
57	8/1/2050	1,359.52	20,000.00	8,450.02	32,675.14
58	2/1/2051	959.52		4,225.01	28,450.13
59	8/1/2051	959.52	20,000.00	8,450.13	-0-
		<u>\$ 299,733.77</u>	<u>\$ 370,000.00</u>	<u>\$ 367,575.98</u>	

TOWNSHIP OF MARLBORO  
WATER UTILITY CAPITAL FUND  
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

Ord. No.	Improvement Description	Balance Dec. 31, 2021	2022 Improvement Authorizations	Improvement Authorization Cancellations	Construction Financing Loan Refunded	Balance Dec. 31, 2022
2011-03	System Improvements	\$ 50.00				\$ 50.00
2012-26	Treatment Plant Const (Tennent Road)	77,741.00				77,741.00
2017-03	Various Capital Improvements	51.25				51.25
2018-02	Various Capital Improvements	455,949.75		\$ 15,888.18		440,061.57
2019-02	Various Improvements to the Water Utility	1,014,226.75		487,038.43		527,188.32
2020-06	Various Improvements to the Water Utility	1,167,950.00		23,666.00		1,144,284.00
2021-05	Various Improvements to the Water Utility	2,606,800.04			\$ 161,826.96	2,768,627.00
2022-08	Various Improvements to the Water Utility		\$ 4,500,444.00			4,500,444.00
		\$ 5,322,768.79	\$ 4,500,444.00	\$ 526,592.61	\$ 161,826.96	\$ 9,458,447.14

TOWNSHIP OF MARLBORO

PART II

SINGLE AUDIT

YEAR ENDED DECEMBER 31, 2022



TOWNSHIP OF MARLBORO  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2022

Federal Funding Department	Federal Program	Assistance Listing Number	Pass Through Entity ID	Grant Period		Grant Award Amount	Grant Receipts	Amount of Expenditures	Cumulative Expenditures	Amounts Provided to Subrecipients
				From	To					
U.S. Department of Justice: Office of Justice Program Total Department of Justice	Bulletproof Vest Partnership Grant	16.607	N/A	01/01/19	12/31/22	\$ 2,091.48		\$ 72.05	\$ 2,091.48	
				01/01/21	12/31/23	21,694.58		19,604.68	19,604.68	
								19,676.73	21,696.16	
US Department of Homeland Security: (Pass Through N.J. Office of Emergency Management)	F.E.M.A. Tropical Storm Isaias	97.036	100-066-1200- C73-069820	08/05/20	12/31/20	566,336.85	\$ 566,336.85	566,336.85 *	566,336.85	
Total U.S. Department of Homeland Security	F.E.M.A. Coronavirus Pandemic Homeland Security	97.036	100-066-1200 C50-063710	03/01/20	12/31/20	31,698.37	31,698.37	31,698.37 *	31,698.37	
						598,035.22	598,035.22	598,035.22		
U.S. Department of Transportation (Passed through New Jersey Department of Transportation)	Route 70 Sidewalk Extension Design	20.205	078-6300-480 IN3-370790	10/03/19	12/31/23	492,910.05	99,509.84			
							99,509.84			
							-0-		-0-	
Division of Highway Traffic Safety (Passed through New Jersey Department of Law and Public Safety)	Distracted Driving	20.616	100-066-1160 158-031030	01/01/15	12/31/22	10,500.00	10,500.00	10,500.00	10,500.00	
Total U.S. Department of Transportation	Click It or Ticket	20.600	100-066-1160 119-031750	01/01/21	12/31/22	7,000.00	7,000.00	7,000.00	7,000.00	
						117,009.84	17,500.00	17,500.00		
U.S. Department of Treasury: (Passed through the New Jersey Department of Community Affairs)	COVID-19 - Coronavirus State and Local Government Fiscal Recovery Funds	21.027	100-022-8030- 687-046010	3/1/20	12/31/23	4,149,061.50	2,074,530.75	2,074,530.75	2,074,530.75	
							2,074,530.75	2,074,530.75	2,074,530.75	
TOTAL FEDERAL AWARDS						\$ 2,772,075.81	\$ 2,709,742.70	\$ 2,694,262.13	\$ -0-	

N/A - Not Available/Applicable  
\* - Funds expended in a prior period.

TOWNSHIP OF MARLBORO  
SCHEDULES OF EXPENDITURES OF STATE AWARDS  
FOR THE YEARENDED DECEMBER 31, 2022

State Funding Department	State Program	State Grant Account Number	Grant Period		Grant Award Amount	Grant Receipts	Grant Expenditures	Cumulative Expenditures
			From	To				
Department of Environmental Protection:								
	Clean Communities Program	765-042-4900 004-178910	01/01/15	12/31/22	\$ 2,068.72	\$	613.72	\$ 2,068.72
			01/01/16	12/31/22	623.43		23.43	623.43
			01/01/17	12/31/23	36,701.58		585.50	36,696.54
			01/01/18	12/31/23	86,013.79		14,583.25	40,102.99
			01/01/19	12/31/23	95,842.74		46,797.82	74,462.86
			01/01/20	12/31/23	86,407.57			49,180.12
			01/01/22	12/31/23	95,258.58	\$ 95,258.58		
	Recycling Tonnage Grant	100-042-4910 224-238490	01/01/13	12/31/22	901.45		95.00	901.45
			01/01/15	12/31/22	17,540.56		8,544.37	17,540.56
			01/01/16	12/31/22	43,295.91		33,928.86	43,295.91
			01/01/17	12/31/22	34,807.62		34,807.62	34,807.62
			01/01/18	12/31/22	26,943.44		4,818.44	4,818.44
			01/01/19	12/31/22	119,530.65		80,540.00	80,540.00
			01/01/20	12/31/22	23,300.10			
			01/01/21	12/31/22	32,898.25			
			01/01/22	12/31/23	23,822.28	23,822.28		
Total Department of Environmental Protection						119,080.86	225,338.01	385,038.64
Department of the Treasury Passed through Monmouth County	Municipal Alliance	200-475- 665120-60	07/01/21	06/30/23	17,670.00		14,434.83	13,628.75
Total Department of the Treasury							14,434.83	13,628.75
Department of Law and Public Safety	Body Armor Replacement Fund	718-066-1020 001-090160	01/01/22	12/31/23	3,078.23	3,078.23	3,047.27	3,047.27
			01/01/23	12/31/23	4,313.92	4,313.92		
Total Department of Law & Public Safety	Drunk Driving Enforcement Fund	1110-206 030225-60	01/01/14	12/31/23	339.59		219.58	219.58
			01/01/20	12/31/22	18,414.14		16,394.57	18,137.80
Total Department of Law & Public Safety						7,392.15	19,661.42	21,404.65
<b>TOTAL STATE AWARDS</b>					<b>\$ 140,907.84</b>	<b>\$ 258,628.18</b>	<b>\$ 420,072.04</b>	

SEE NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS

TOWNSHIP OF MARLBORO  
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
YEAR ENDED DECEMBER 31, 2022

Note 1. BASIS OF PRESENTATION

The accompanying schedules of expenditures of federal and state awards (the “Schedules”) include the federal and state grant activity of the Township of Marlboro under programs of the federal and state governments for the year ended December 31, 2022. The information in these schedules is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (“Uniform Guidance”) and New Jersey's OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Because the schedules present only a selected portion of the operations of the Township, they are not intended to and do not present the financial position, changes in fund balance or cash flows of the Township.

Note 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the accompanying schedules of expenditures of federal and state awards are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts, if any, shown on the Schedules represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. Pass-through identifying numbers are presented where available. The Township has not elected to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

Note 3. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

Amounts reported in the accompanying schedules agree with the amounts reported in the related federal and state financial reports.

Note 4. STATE LOANS OUTSTANDING

The Township of Marlboro has the following loans outstanding as of December 31, 2022:

2013 New Jersey Environmental Infrastructure Trust Loan	\$ 3,530,493.10
2016 New Jersey Environmental Infrastructure Trust Loan	9,637,736.13
2022 New Jersey Environmental Infrastructure Trust Loan	737,575.98

The Township has entered into three loan agreements funded by the New Jersey Environmental Infrastructure Trust Fund. The loans have been recorded in the Water Utility Capital Fund. The first loan is dated May 22, 2013 for Tennent Road Water Treatment Plant. The agreement provides for an interest-bearing loan from the Trust not to exceed \$1,635,000 at interest from 3.00% to 5.00% and an interest free loan not to exceed \$5,119,693. The second loan is dated May 26, 2016 for Harbor Road Water Treatment Plant. This agreement provides for an interest-bearing loan from the Trust not to exceed \$2,910,000 at interest from 2.00% to 5.00% and an interest free loan not to exceed \$9,185,000. The third loan is dated May 2022 and provides for an interest-bearing loan from the trust not to exceed \$370,000 at interest from 3.25% to 5.00% and an interest free loan not to exceed \$376,026.

Report on Internal Control Over Financial Reporting  
And on Compliance and Other Matters Based on an Audit of Financial Statements  
Performed in Accordance with *Government Auditing Standards*

Independent Auditors' Report

The Honorable Mayor and Members  
of the Township Council  
Township of Marlboro  
Marlboro, New Jersey

We have audited, in accordance with auditing standards generally accepted in the United States of America, audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division"), and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements - *regulatory basis* - of the various funds of the Township of Marlboro, in the County of Monmouth (the "Township") as of and for the year ended December 31, 2022, and the related notes to the financial statements and have issued our report thereon dated June 23, 2023. These financial statements have been prepared in accordance with accounting practices prescribed or permitted by the Division to demonstrate compliance with the Division's regulatory basis of accounting, and the budget laws of New Jersey, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

**Report on Internal Control Over Financial Reporting**

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

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Township'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 or significant deficiencies may exist that were not identified.

The Honorable Mayor and Members  
of the Township Council  
Township of Marlboro  
Marlboro, New Jersey

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

As part of obtaining reasonable assurance about whether the Township's financial statements are free of 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 result of that testing, and not to provide an opinion on the effectiveness of the Township'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 Township's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

June 23, 2023  
Mount Arlington, New Jersey

*Nisiroccia LLP*  
NISIVOCCIA LLP

*Valerie A. Dolan*

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Valerie A. Dolan  
Registered Municipal Accountant No. 548  
Certified Public Accountant

Report on Compliance For Each Major Federal Program;  
Report on Internal Control Over Compliance Required by the Uniform Guidance and NJOMB 15-08

Independent Auditors' Report

The Honorable Mayor and Members  
of the Township Council  
Township of Marlboro  
Marlboro, New Jersey

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

We have audited the Township of Marlboro's (the "Township's") compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on the Township's major federal program for the year ended December 31, 2022. The Township's major federal program is identified in the summary of auditors' results section of the accompanying Schedule of Findings and Questioned Costs.

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

***Basis for Opinion on Each Major Federal Program***

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

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

***Responsibilities of Management for Compliance***

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

The Honorable Mayor and Members  
of the Township Council  
Township of Marlboro  
Marlboro, New Jersey  
Page 2

### ***Auditors' Responsibilities for the Audit of Compliance***

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

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we

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

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

### ***Report on Internal Control Over Compliance***

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

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

The Honorable Mayor and Members  
of the Township Council  
Township of Marlboro  
Marlboro, New Jersey  
Page 3

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

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

Mount Arlington, New Jersey  
June 23, 2023

*Nisivoccia LLP*  
NISIVOCCIA LLP

*Valerie A. Dolan*  
\_\_\_\_\_  
Valerie A. Dolan  
Registered Municipal Accountant #548  
Certified Public Accountant



TOWNSHIP OF MARLBORO  
SCHEDULE OF FINDINGS AND RESPONSES  
YEAR ENDED DECEMBER 31, 2022

Summary of Auditors' Results:

- The Independent Auditors' Report expresses a unmodified opinion on the Township's financial statements, prepared in accordance with accounting practices prescribed or permitted by the Division of Local Government Services, Department of Community Affairs, State of New Jersey to demonstrate compliance with the Division's regulatory basis of accounting and the budget laws of New Jersey.
- There were no material weaknesses or significant deficiencies disclosed during the audit of the financial statements as reported in the *Independent Auditors' 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*.
- No instances of noncompliance material to the financial statements of the Township which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
- The Township was not subject to the state single audit provisions of New Jersey's OMB Circular 15-08 for 2022 as state grant expenditures were less than the single audit threshold of \$750,000 identified in New Jersey's OMB Circular 15-08.
- There were no significant deficiencies or material weaknesses in internal control over the major federal program disclosed during the audit as reported in the *Independent Auditors' Report on Compliance For Each Major Federal Program; Report on Internal Control Over Compliance Required by the Uniform Guidance*.
- The auditor's report on compliance for its major federal program for the Township expresses an unmodified opinion on the major federal program.
- The audit did not disclose any audit findings which are required to be reported in accordance with 2 CFR 200.516(a) of the Uniform Guidance.
- The threshold for distinguishing between Type A and B federal programs was \$750,000.
- The Township was determined to not be a "low-risk" auditee for federal programs.
- The Township's program tested as a major federal program for the current year is as follows:

Federal:	Assistance Listing #	Program Disbursements
U.S. Department of Treasury: Passed thru New Jersey Department of Community Affairs) COVID-19 - Coronavirus State and Local Government Fiscal Recovery Funds	21.027	\$ 2,074,531

TOWNSHIP OF MARLBORO  
SCHEDULE OF FINDINGS AND RESPONSES  
YEAR ENDED DECEMBER 31, 2022  
(Continued)

Findings Related to Financial Statements Which are Required to be Reported in Accordance with Generally Accepted Auditing Standards:

- The audit did not disclose any findings required to be reported under Generally Accepted Government Auditing Standards:

Findings and Responses for Federal Awards:

- The audit did not disclose any findings or questioned costs for federal awards as defined in 2 CFR 200.516(a) of the Uniform Guidance.

Findings and Responses for State Awards:

- Not applicable - State award expenditures are less than the single audit threshold.

TOWNSHIP OF MARLBORO  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
FOR THE YEAR ENDED DECEMBER 31, 2022

There were no prior year findings.

TOWNSHIP OF MARLBORO

PART III

COMMENTS AND RECOMMENDATIONS

YEAR ENDED DECEMBER 31, 2022

TOWNSHIP OF MARLBORO  
COMMENTS AND RECOMMENDATIONS

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

N.J.S.A. 40A:11-3 states:

a. " When the cost or price of any contract awarded by the contracting agent in the aggregate does not exceed in a contract year the total sum of \$17,500, the contract may be awarded by a purchasing agent when so authorized by ordinance or resolution, as appropriate to the contracting unit, of the governing body of the contracting unit without public advertising for bids, except that the governing body of any contracting unit may adopt an ordinance or resolution to set a lower threshold for the receipt of public bids or the solicitation of competitive quotations. If the purchasing agent is qualified pursuant to Subsection b. of Section 9 of P.L. 1971, C.198 (N.J.S.A. 40A:11-9), the governing body of the contracting unit may establish that the bid threshold may be up to \$25,000. Such authorization may be granted for each contract or by a general delegation of the power to negotiate and award such contracts pursuant to this section.

b. Any contract made pursuant to this section may be awarded for a period of 24 consecutive months, except that contracts for professional services pursuant to subparagraph (i) of paragraph (a) of subsection (1) of section 5 of P.L. 1971, C.198 (N.J.S.A. 40A:11-5) may be awarded for a period not exceeding 12 consecutive months. The Division of Local Government Services shall adopt and promulgate rules and regulations concerning the methods of accounting for all contracts that do not coincide with the contracting unit's fiscal year.

c. The Governor, in consultation with the Department of the Treasury, shall, no later than March 1 of every fifth year beginning in the fifth year after the year in which P.L. 1999, C.440 takes effect, adjust the threshold amount and the higher threshold amount which the governing body is permitted to establish, as set forth in subsection a. of this section, or the threshold amount resulting from any adjustment under this subsection, in direct proportion to the rise or fall of the index rate as that term is defined in section 2 of P.L. 1971, C.198 (N.J.S.A. 40A:11-2), and shall round the adjustment to the nearest \$1,000. The Governor shall, no later than June 1 of every fifth year, notify each governing body of the adjustment. The adjustment shall become effective on July 1 of the year in which it is made."

N.J.S.A. 40A: 11-4 states: "Every contract awarded by the contracting agent for the provision or performance of any goods or services, the cost of which in the aggregate exceeds the bid threshold, shall be awarded only by resolution of the governing body of the contracting unit to the lowest responsible bidder after public advertising for bids and bidding therefore, except as is provided otherwise in this act or specifically by any other law. The governing body of a contracting unit may, by resolution approved by a majority of the governing body and subject to subsections b. and c. of this section, disqualify a bidder who would otherwise be determined to be the lowest responsible bidder, if the governing body finds that it has had prior negative experience with the bidder."

Effective July 1, 2020 and thereafter, the bid thresholds in accordance with N.J.S.A. 40A:11-3 are \$17,500 for a contracting unit without a qualified purchasing agent and \$44,000 for a contracting unit with a qualified purchasing agent.

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

TOWNSHIP OF MARLBORO  
COMMENTS AND RECOMMENDATIONS  
(Continued)

Contracts and Agreements Required to be Advertised for N.J.S.A. 40A:11-4 (Cont'd)

The minutes indicated that bids were requested by public advertising per N.J.S.A. 40A:11-4. The minutes also indicated that resolutions were adopted and advertised authorizing the awarding of contracts or agreements for "Professional Services" and "Extraordinary Unspecifiable Services" per N.J.S.A. 40A:11-5.

Inasmuch as the system of records did not provide for an accumulation of payments for categories for the performance of any work or 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. None were noted.

Collection of Interest on Delinquent Taxes and Assessments

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

On January 1, 2022, the governing body adopted the following resolution authorizing interest to be charged on delinquent taxes:

"The interest penalty for delinquent taxes to be charged by the Chief Revenue Collector for tax payment or utility rents shall be 8% per annum of the first \$1,500 and 18% per annum on any amount in excess of \$1,500 payable from the due dates. A penalty of up to 6% may be charged on any tax delinquency in excess of \$10,000 if not paid by the end of the fiscal year."

"No interest shall be charged if payment of any installment is made within ten (10) days after the date on which same is payable, said ten (10) days to be straight calendar days and if the tenth day falls on a Saturday, Sunday or Legal Holiday, then the grace period shall be extended to the next business day. After the ten (10) day "GRACE PERIOD", interest is charged from the due date."

Delinquent Taxes and Tax Title Liens

The last tax sale was held on December 7, 2022, and included all items which were eligible for sale.

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

<u>Year</u>	<u>Number of Liens</u>
2022	28
2021	28
2020	30

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.

TOWNSHIP OF MARLBORO  
COMMENTS AND RECOMMENDATIONS  
(Continued)

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 verification notices as follows:

<u>Type</u>	<u>Number Mailed</u>
Payments of 2022 and 2023 Taxes	25
Payments of Utility Charges	20
Delinquent Taxes	15
Delinquent Utility Charges	15
Tax Title Liens	5

New Jersey Administrative Code Accounting Requirements

The Division of Local Government Services has established three (3) accounting requirements which are prescribed in the New Jersey Administrative Code. They are as follows:

1. Maintenance of an encumbrance accounting system.
2. General ledger accounting and record system.
3. Fixed asset accounting and reporting system.

The Township is in compliance with these requirements.

Municipal Court

The report of the Municipal Court has been forwarded to the Division of Local Government Services and the Township Magistrate under separate cover. Reflected below is a summary of Receipts and Disbursements for the year ended December 31, 2022:

	<u>Balance</u>			<u>Balance</u>
	<u>Dec. 31, 2021</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Dec. 31, 2022</u>
State of New Jersey	\$ 15,716	\$ 255,724	\$ 252,246	\$ 19,194
County of Monmouth	20,462	265,914	266,628	19,748
Municipality	29,788	407,091	405,638	31,241
Conditional Discharge	137	88	225	
Conditional Dismissal		200	200	
POAA	4	82	66	20
Restitution	150	4,247	4,297	100
Weights and Measures	750	26,302	27,052	
Fish and Game		150	100	50
Public Defender		1,000	1,000	
Bail	30,550	125,999	133,474	23,075
	<u>\$ 97,557</u>	<u>\$ 1,086,797</u>	<u>\$ 1,090,926</u>	<u>\$ 93,428</u>

TOWNSHIP OF MARLBORO  
COMMENTS AND RECOMMENDATIONS  
(Continued)

Management Suggestion:

General, Water Utility, and Recreation and Swim Utility Capital Funds

There were several ordinances which are more than five years old. Additionally, some have a deficit cash balance at December 31, 2022. This situation arises when expenditures are made from an ordinance without funding. It is suggested that all capital ordinances be reviewed in 2023 and either be cancelled and/or funded.

Governmental Accounting Standards Board (GASB) Statements

GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Arrangements*, is effective for the year ended December 31, 2023. This statement addresses issues related to public-private and public-public partnership agreements (PPP's). A PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time. This statement also provides guidance for accounting and financial reporting for availability payment arrangements (APA's). An APA is an arrangement in which a government compensates an operator for services that may include designing, constructing, financing, maintaining, or operating an underlying nonfinancial asset for a period of time.

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements* (SBITA's), is effective for the year ended December 31, 2023. A SBITA is a contract that conveys control of the right to use another party's (a SBITA vendor) information technology software, alone or in combination with tangible capital assets as specified in the related contract for a period of time. It is likely that a SBITA software or similar spreadsheets will need to be utilized to perform the various calculations necessary to implement this standard.

COVID-19 Federal Funding

It is possible that the Township will undergo some review of its COVID-19 funding by the federal government. We strongly suggest that the Township ensures that these funds are utilized in accordance with the applicable federal requirements, especially with respect to procurement. Additionally, we strongly suggest that the Township ensures that these funds are separately accounted for in the Township's accounting records and that any applicable Township policies are current with respect to federal grant requirements.

Because of the nature of these funds being new programs, generally of a significant dollar amount, and some of which may be expended over a period of years, they may be subject to federal or state audit several years from now. It is important that the grant files maintained by local governments be complete, self-explanatory, and fully document the program(s) undertaken as part of the funding.



TOWNSHIP OF MARLBORO  
SUMMARY OF RECOMMENDATIONS

Recommendations:

None.