

TOWNSHIP OF JACKSON

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

**TOWNSHIP OF JACKSON
COUNTY OF OCEAN**

TABLE OF CONTENTS

	EXHIBIT	PAGE
PART I		
Independent Auditor's Report		1
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>		5
Financial Statements – Regulatory Basis:		
<u>Current Fund:</u>		
Statements of Assets, Liabilities, Reserves & Fund Balance – Regulatory Basis	A	9
Statements of Operations and Changes in Fund Balance – Regulatory Basis	A-1	11
Statement of Revenues – Regulatory Basis	A-2	12
Statement of Expenditures – Regulatory Basis	A-3	15
<u>Trust Fund:</u>		
Statements of Assets, Liabilities, Reserves & Fund Balance – Regulatory Basis	B	24
Statements of Operations and Changes in Fund Balance – Regulatory Basis	B-1	26
Statement of Revenues – Regulatory Basis	B-2	27
Statement of Expenditures – Regulatory Basis	B-3	28
<u>General Capital Fund:</u>		
Statements of Assets, Liabilities, Reserves & Fund Balance – Regulatory Basis	C	29
Statement of Fund Balance	C-1	30
<u>Public Assistance Fund</u>		
Statements of Assets, Liabilities, Reserves & Fund Balance – Regulatory Basis	D	31
<u>General Fixed Assets Account Group:</u>		
Statements of Fixed Assets & Fund Balance - Regulatory Basis	E	32
<u>Payroll Fund:</u>		
Statements of Assets & Liabilities - Regulatory Basis	F	33
Notes to Financial Statements		37
Supplemental Exhibits:		
<u>Current Fund:</u>		
Schedule of Cash & Cash Equivalents	A-4	77
Schedule of Due from State - P.L. 1971, C.20	A-5	78
Schedule of Taxes Receivable & Analysis of Property Tax Levy	A-6	79
Schedule of Tax Title Liens	A-7	80
Schedule of Property Acquired for Taxes	A-8	80
Schedule of Revenue Accounts Receivable	A-9	81
Schedule of 2021 Appropriations Reserves	A-10	82
Schedule of Accounts Payable	A-11	85

**TOWNSHIP OF JACKSON
COUNTY OF OCEAN**

TABLE OF CONTENTS

	EXHIBIT	PAGE
<u>Current Fund (continued):</u>		
Schedule of Reserve for Encumbrances	A-12	85
Schedule of Prepaid Taxes	A-13	86
Schedule of Tax Overpayments	A-14	86
Schedule of County Taxes Payable	A-15	87
Schedule of Local School District Tax Payable	A-16	87
Schedule of Special District Taxes Payable	A-17	88
Schedule of Due to State of New Jersey – Construction Fees	A-18	88
Schedule of Due to State of New Jersey – Marriage Licenses	A-19	88
Schedule of Reserve for Revaluation Program	A-20	89
Schedule of Due to Municipal Open Space Trust Fund	A-21	89
Schedule of Reserve for Garden State Trust Fund	A-22	89
Schedule of Reserve for State Board of Taxation Appeals	A-23	90
Schedule of Reserve for Master Plan	A-24	90
Schedule of Reserve Other	A-25	90
Schedule of Reserve for COAH State Plan	A-26	91
Schedule of Reserve for FEMA Reimbursement	A-27	91
Schedule of Reserve for Police Cars	A-28	91
Schedule of Reserve for Legal Settlement	A-29	91
Schedule of Interfunds – Other Funds	A-30	92
Schedule of Federal & State Grant Fund Due from Current	A-31	93
Schedule of State & Federal Grants Receivable	A-32	94
Schedule of State & Federal Grants Appropriated	A-33	95
Schedule of State & Federal Grants Unappropriated	A-34	97
Schedule of Reserve for Encumbrances	A-35	97
Schedule of Reserve for Deferred Charges	A-36	98
<u>Trust Fund:</u>		
Schedule of Cash - Treasurer	B-4	101
Schedule of Due to State of New Jersey – Animal Control	B-5	102
Schedule of Reserve for Animal Control Expenditures	B-6	102
Schedule of Interfund – Current Fund	B-7	103
Schedule of Due from County of Ocean – Community Development Block Grant	B-8	103
Schedule of Various Reserves	B-9	104
Schedule of Funds Held by Trustee - LOSAP	B-10	105
Schedule of Reserve for Length of Service Award Program	B-11	105
<u>General Capital Fund:</u>		
Schedule of Cash & Cash Equivalents	C-2	109
Analysis of Cash & Cash Investments	C-3	110
Schedule of Deferred Charges to Future Taxation – Funded	C-4	111
Schedule of Deferred Charges to Future Taxation – Unfunded	C-5	112
Schedule of General Serial Bonds	C-6	113
Schedule of Improvement Authorizations	C-7	114

**TOWNSHIP OF JACKSON
COUNTY OF OCEAN**

TABLE OF CONTENTS

	EXHIBIT	PAGE
<u>General Capital Fund (continued):</u>		
Schedule of Reserve for Encumbrances	C-8	115
Schedule of Capital Improvement Fund	C-9	115
Schedule of Reserve for Debt Service - Open Space Bonds	C-10	116
Schedule of Reserve for Debt Service - Other	C-11	116
Schedule of Reserve for Fire Damage - Annex Building	C-12	116
Schedule of Reserve for Fire Damage - New Building	C-13	116
Schedule of Reserve for Fire Damage - Road Construction	C-14	116
Schedule of NJEIT Loan Payable	C-15	117
Schedule of Bonds and Notes Authorized But Not Issued	C-16	118
Schedule of Accounts Receivable - MUA	C-17	119
Schedule of Reserve for MUA Receivable	C-18	119
Schedule of Interfunds – Current Fund	C-19	120
 <u>Public Assistance Fund:</u>		
Schedule of Cash	D-1	123
Schedule of Reserve for Public Assistance	D-2	123
 <u>General Fixed Assets Fund:</u>		
Schedule of Investment in Fixed Assets	E-1	127
 PART II		
 <u>Single Audit Section:</u>		
Independent Auditor's Report on Compliance for Each Major Program and On		
Internal Control Over Compliance Required by NJ OMB Circular 15-08		133
Schedule of Expenditures of State Financial Assistance		137
Schedule of Expenditures of Federal Awards		138
Notes to Schedule of Expenditures of Federal Awards and		140
State Financial Assistance		
Schedule of Findings & Questioned Costs		142
Summary Schedule of Prior Audit Findings & Questioned Costs as		
Prepared by Management		146
 PART III		
 Letter of Comments and Recommendations -Regulatory Basis		
Officials in Office and Surety Bonds		149
General Comments		151
Other Comments		152
Recommendations		152
Acknowledgement		153

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**TOWNSHIP OF JACKSON
COUNTY OF OCEAN**

PART I

**INDEPENDENT AUDITOR'S REPORT
AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

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INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members
of the Council
Township of Jackson
Jackson, New Jersey

Opinions

We have audited the accompanying financial statements of the various funds and account group of the Township of Jackson, which comprise the statements of assets, liabilities, reserves and fund balance – regulatory basis as of December 31, 2022 and 2021, and the related statements of operations and changes in fund balance – regulatory basis for the years then ended and the statements of revenues – regulatory basis and statement of expenditures – regulatory basis for the year ended December 31, 2022, and the related notes to the financial statements.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets, liabilities, reserves and fund balance – regulatory basis of the Township of Jackson, as of December 31, 2022 and 2021, and the results of its operations and changes in fund balance – regulatory basis for the years then ended and the statements of revenues – regulatory basis, statements of expenditures – regulatory basis for the year ended December 31, 2022, in accordance with the financial reporting provisions of the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note 1.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

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

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and in compliance with audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. 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 of Jackson and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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

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

Responsibilities of Management for the Financial Statements

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

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 opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey 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 generally accepted auditing standards, *Government Auditing Standards*, and audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, 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(s) relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Township of Jackson's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Township of Jackson's ability to continue as a going concern for a reasonable period of time.

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Township of Jackson's basic financial statements. The accompanying supplemental schedules presented for the various funds and letter of comments and recommendations section are presented for purposes of additional analysis as required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and are not a required part of the basic financial statements. The schedules of expenditures of federal awards and state financial assistance, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid* are also presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements of each of the respective individual funds and account group taken as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated July 11, 2023, on our consideration of the Township of Jackson'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 of Jackson'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 of Jackson's internal control over financial reporting and compliance.

Respectfully submitted,

HOLMAN FRENIA ALLISON, P.C.

Jerry W. Conaty
Certified Public Accountant
Registered Municipal Accountant
RMA No. 581

Lakewood, New Jersey
July 11, 2023

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

Honorable Mayor and Members
of the Township Council
Township of Jackson
County of Ocean
Jackson, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the financial statements - regulatory basis of the Township of Jackson, as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements, and have issued our report thereon dated July 11, 2023. Our report indicated that the Township's financial statements were not prepared in accordance with accounting principles generally accepted in the United States of America but rather prepared in accordance with the regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

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 entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Township's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. 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 and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Township's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey in considering the Township's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.

Jerry W. Conaty
Certified Public Accountant
Registered Municipal Accountant
RMA No. 581

Lakewood, New Jersey
July 11, 2023

BASIC FINANCIAL STATEMENTS

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**TOWNSHIP OF JACKSON
CURRENT FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES
AND FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2022 AND 2021**

	REFERENCE	2022	2021
ASSETS			
Regular Fund:			
Cash -Treasurer	A-4	\$ 26,577,079.87	\$ 25,731,042.59
Cash - Change Fund	A	1,565.00	1,565.00
Due from State of New Jersey:			
Senior Citizen & Veteran Deductions	A-5	14,523.86	14,744.40
Total Regular Fund		26,593,168.73	25,747,351.99
Receivables & Other Assets With Full Reserves:			
Delinquent Property Taxes Receivable	A-6	2,003,345.43	1,259,401.62
Tax Title Liens Receivable	A-7	3,935,487.28	3,977,885.11
Property Acquired for Taxes at Assessed Valuation	A-8	6,247,100.00	6,247,100.00
Revenue Accounts Receivable	A-9	45,538.42	33,482.22
Interfunds Receivable	A-30	27,436.86	846,493.95
Total Receivables & Other Assets With Full Reserves		12,258,907.99	12,364,362.90
Deferred Charges:			
Emergency N.J.S. 40A:4-46	A-36	150,000.00	-
Total Deferred Charges		150,000.00	-
Total Regular Fund, Receivables & Other Assets With Full Reserves		39,002,076.72	38,111,714.89
State & Federal Grants:			
Grants Receivable	A-32	1,227,775.02	1,043,669.58
Due from Current Fund	A-31	2,575,155.92	896,692.85
Total State & Federal Grants		3,802,930.94	1,940,362.43
Total Assets		\$ 42,805,007.66	\$ 40,052,077.32

The Accompanying Notes to the Financial Statements are an integral part of this Statement.

**TOWNSHIP OF JACKSON
CURRENT FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES
AND FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2022 AND 2021**

	REFERENCE	2022	2021
LIABILITIES RESERVES & FUND BALANCE			
Regular Fund:			
Liabilities:			
Appropriation Reserves	A-3,A-10	\$ 2,380,029.20	\$ 1,853,181.48
Reserves for Encumbrances	A-12	1,287,526.07	1,343,855.82
Accounts Payable	A-11	555,661.84	801,803.28
Prepaid Taxes	A-13	1,020,303.88	1,021,430.43
Tax Overpayments	A-14	14,119.67	362,266.34
County Taxes Payable	A-15	298,445.54	272,637.90
Due State of New Jersey - Construction Fees	A-18	29,300.00	42,559.00
Due State of New Jersey - Marriage License Fees	A-19	-	1,730.00
Reserve for Revaluation Program	A-20	5,743.40	5,743.40
Reserve for Garden State Trust Fund	A-22	0.95	30,394.95
Reserve for State Board of Taxation Appeals	A-23	463,782.95	463,782.95
Reserve for Master Plan	A-24	3,112.48	3,112.48
Reserve Other	A-25	176,979.00	2,117.88
Reserve for COAH State Plan	A-26	915,250.00	915,250.00
Reserve for FEMA Reimbursements	A-27	56,727.20	56,727.20
Reserve for Police Cars	A-28	242,981.58	179,514.79
Reserve for Skate Park	A	2,118.00	2,118.00
Reserve for Legal Settlement	A-29	150,377.95	-
Interfund Payable	A-30	2,576,189.92	897,060.92
Total Liabilities		10,178,649.63	8,255,286.82
Reserve for Receivables & Other Assets	A	12,258,907.99	12,364,362.90
Fund Balance	A-1	16,564,519.10	17,492,065.17
Total Regular Funds		39,002,076.72	38,111,714.89
Federal & State Grants:			
Appropriated Reserves	A-33	446,237.64	808,745.30
Unappropriated Reserves	A-34	2,495,135.29	2,044.79
Reserves for Encumbrances	A-35	861,558.01	1,129,572.34
Total State & Federal Grants		3,802,930.94	1,940,362.43
Total Liabilities, Reserves & Fund Balance		\$ 42,805,007.66	\$ 40,052,077.32

The Accompanying Notes to the Financial Statements are an integral part of this Statement.

**TOWNSHIP OF JACKSON
CURRENT FUND
STATEMENTS OF OPERATIONS AND CHANGES IN FUND BALANCE
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021**

		2022	2021
Revenue & Other Income Realized:			
Fund Balance Utilized	A-2	\$ 9,167,000.00	\$ 5,950,000.00
Miscellaneous Revenue Anticipated	A-2	12,949,718.65	10,848,960.46
Receipts From Delinquent Taxes	A-2	1,503,977.55	1,640,294.38
Receipts From Current Taxes	A-2	175,309,033.06	171,172,819.76
Nonbudget Revenue	A-2	1,064,567.23	2,055,140.61
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves	A-10	1,778,326.19	2,713,521.35
Cancelled Accounts Payable	A-11	403,351.71	4,997.34
Prior Year Interfunds Liquidated	A-1	819,057.09	383.02
Cancellation of Grant Appropriation Reserves	A-29	10,596.24	21,285.29
Total Revenue & Other Income Realized		203,005,627.72	194,407,402.21
Expenditures:			
Operations Within "CAPS":			
Salaries and Wages	A-3	22,840,651.72	21,505,677.76
Other Expenses	A-3	12,996,230.45	12,436,680.01
Deferred Charges & Statutory Expenditures Within "CAPS"	A-3	6,520,713.32	6,107,816.46
Operations Excluded from "CAPS":			
Salaries and Wages	A-3	385,868.99	390,952.41
Other Expenses	A-3	733,658.36	1,220,234.74
Capital Improvements - Excluded from "CAPS"	A-3	6,525,000.00	2,175,000.00
Municipal Debt Service Excluded From "CAPS"	A-3	3,141,162.61	3,446,217.78
Local District School Taxes	A-16	98,359,695.00	96,659,901.00
Fire District Taxes	A-17	8,139,430.13	7,148,805.53
County Taxes	A-15	32,845,444.08	31,289,100.67
Amount Due County for Added & Omitted Taxes	A-15	298,445.55	272,637.91
Municipal Open Space Taxes	A-21	2,096,188.05	2,069,288.05
Prior Year Interfunds Advanced	A-1	-	29.11
Prior Year Senior Citizen Deductions Disallowed	A-5	2,250.00	3,289.04
Interfunds Loaned	A-1	-	827,930.00
Refund of Prior Year Revenue		22,718.45	-
Cancellation of Grant Receivable	A-32	8,717.08	15,502.35
Total Expenditures		194,916,173.79	185,569,062.82
Excess in Revenue		8,089,453.93	8,838,339.39
Expenditures Included Above which are by Statute			
Deferred Charges to budgets of Succeeding Years	A	150,000.00	-
Statutory Excess to Fund Balance		8,239,453.93	8,838,339.39
Fund Balance January 1	A	17,492,065.17	14,603,725.78
Total		25,731,519.10	23,442,065.17
Decreased by: Utilized as Revenue	A-2	9,167,000.00	5,950,000.00
Balance December 31	A	\$ 16,564,519.10	\$ 17,492,065.17

The Accompanying Notes to the Financial Statements are an integral part of this Statement.

**TOWNSHIP OF JACKSON
CURRENT FUND
STATEMENT OF REVENUES
FOR THE YEAR ENDED DECEMBER 31, 2022**

	ANTICIPATED BUDGET	ADDED PER N.J.S.40A:4-87	REALIZED	EXCESS OR (DEFICIT)
Fund Balance Anticipated	\$ 9,167,000.00		\$ 9,167,000.00	
Miscellaneous Revenue:				
Licenses:				
Alcoholic Beverages	39,050.00	-	39,250.00	200.00
Other	26,000.00	-	27,769.00	1,769.00
Fees & Permits	310,000.00	-	401,080.06	91,080.06
Fines & Costs:				
Municipal Court	310,000.00	-	412,611.72	102,611.72
Interest & Cost on Taxes	425,000.00	-	630,332.15	205,332.15
Interest on Investments & Deposits	100,000.00	-	583,167.02	483,167.02
Energy Receipts Taxes	3,352,149.00	-	3,352,149.00	-
Garden State Trust	56,290.00	-	56,290.00	-
Garden State Excess Over Anticipated	30,394.00	-	30,394.00	-
Uniform Construction Code Fees	2,373,000.00	-	3,917,066.00	1,544,066.00
Shared Service Agreement - BOE	107,659.56	71,773.03	179,432.59	-
Clean Communities Program	-	119,285.95	119,285.95	-
Rutgers Stormwater Mangement	-	367,075.00	367,075.00	-
Recycling Tonnage Grant	23,719.05	-	23,719.05	-
Municipal Alliance on Alcoholism & Drug Abuse	-	24,512.57	24,512.57	-
Safe & Secure Communities Program	15,555.00	-	15,555.00	-
Body Armor Replacement Grant-State	3,949.75	-	3,949.75	-
Cops in Shops/ Summer Shore	-	3,360.00	3,360.00	-
Alcohol Education and Rehabilitation Fund	2,044.79	-	2,044.79	-
Drive Sober or Get Pulled Over - Statewide Crackdown	-	10,500.00	10,500.00	-
Distracted Driving Crackdown - Text	7,000.00	-	7,000.00	-
Click It or Ticket	-	8,750.00	8,750.00	-
Handicapped Recreation Opportunities Grant	-	15,000.00	15,000.00	-
OC Office of Senior Services Information Assistance	17,700.00	-	17,700.00	-
OC Office of Senior Services Donation & Project	10.00	-	10.00	-
Crash Abatement Tactics Grant	54,000.00	-	54,000.00	-
Reserve- American Rescue Plan-ARP	2,444,000.00	-	2,444,000.00	-
Cablevision Franchise Fee	201,215.00	-	201,215.00	-
Title Micellaneous- PlayBall By Chick-Fil-A	-	2,500.00	2,500.00	-
Total	9,898,736.15	622,756.55	12,949,718.65	2,428,225.95
Receipts from Delinquent Taxes	950,000.00	-	1,503,977.55	553,977.55
Amount to be Raised by Support of Municipal Budget:				
Local Tax for Municipal Purposes Including				
Reserve for Uncollected Taxes	34,641,046.55	-	35,856,083.83	1,215,037.28
Budget Totals	54,656,782.70	622,756.55	59,476,780.03	4,197,240.78
Nonbudget Revenues	-	-	1,064,567.23	1,064,567.23
Total	\$ 54,656,782.70	\$ 622,756.55	\$ 60,541,347.26	\$ 5,261,808.01

The Accompanying Notes to the Financial Statements are an integral part of this Statement.

**TOWNSHIP OF JACKSON
CURRENT FUND
STATEMENT OF REVENUES
FOR THE YEAR ENDED DECEMBER 31, 2022**

ANALYSIS OF REALIZED REVENUES

Allocation of Current Tax Collections:	
Revenue From Collections	<u>\$ 175,309,033.06</u>
Net Revenue From Collections	175,309,033.06
Allocated to School, County, Municipal Open Space & Special Districts	<u>141,739,202.81</u>
Balance for Support of Municipal Budget Appropriations	33,569,830.25
Increased by Appropriation for Uncollected Taxes	<u>2,286,253.58</u>
Amount for Support of Municipal Budget Appropriations	<u><u>\$ 35,856,083.83</u></u>
Receipts from Delinquent Taxes:	
Delinquent Tax Collections	\$ 1,195,040.36
Tax Title Lien Collections	<u>308,937.19</u>
Total	<u><u>\$ 1,503,977.55</u></u>
Construction Code Official:	
Plumbing Fees & Permits	\$ 343,492.00
Electrical Fees & Permits	662,115.00
Building Inspector Fees & Permits	2,048,958.00
Fire Inspection Fees & Permits	223,535.00
TCO, CCO & COMM	31,055.00
Building Fines & Penalties	6,291.00
Commercial CCO	3,922.00
Elevator Inspections	140.00
Housing Inspections	178,750.00
Housing Resale CCOS	141,800.00
Misc Other	<u>277,008.00</u>
Total Construction Code Official	<u><u>\$ 3,917,066.00</u></u>
Other Fees & Permits:	
Public Works	\$ 108,021.00
Forester	7,540.00
Police Department	29,621.70
Zoning Board	77,428.33
Planning Board	157,244.03
Vital Statistics	<u>21,225.00</u>
Total Other Fees & Permits	<u><u>\$ 401,080.06</u></u>

**TOWNSHIP OF JACKSON
CURRENT FUND
STATEMENT OF REVENUES
FOR THE YEAR ENDED DECEMBER 31, 2022**

ANALYSIS OF NONBUDGET REVENUE

Miscellaneous Revenue Not Anticipated:	
Administration Fees	\$ 222.00
Administrative Fee - Senior Citizen's & Veteran's	7,410.00
Auction Proceeds	60,075.00
Bid Specs	3,650.00
Clerk	8,731.47
Gas & Fuel Reimbursements	19,281.93
Inspection Fines	400.00
Insurance Reimbursement	3,549.41
Miscellaneous	78,553.29
Motor Vehicle Inspection Fines	400.00
Non Sufficient Funds	1,260.00
Ocean County Rent of Polling Places	1,400.00
Planning & Zoning	1,523.00
Planning & Zoning Surcharge	7,212.80
Police Alarm Fines	325.00
Rental Registration	142,400.00
Shared Services	15,210.83
Solar Farm Lease	120,000.00
Surcharge O/S Employment	312,945.09
Tax Collector Fees	6,370.35
Foreclosure Costs Tax Collector	10,530.00
Telephone Revenue	41,288.44
Tower Rental	109,613.28
Vacant Property Registration	47,750.00
Windsor Crescent Property Tax	64,465.34
	<hr/>
Total Miscellaneous Revenue Not Anticipated	<u><u>\$ 1,064,567.23</u></u>

**TOWNSHIP OF JACKSON
CURRENT FUND
STATEMENT OF EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2022**

	APPROPRIATIONS		EXPENDED				CANCELLED
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	ENCUMBERED	RESERVED		
OPERATIONS - Within "CAPS"							
General Government:							
Administrative Executive:							
Salaries and Wages	\$ 318,510.00	\$ 348,132.12	\$ 348,122.20	\$ 9.92	\$ -	\$ -	-
Other Expenses	127,810.00	125,810.00	50,548.37	15,363.50	59,898.13	-	-
Township Council:							
Salaries and Wages	44,340.00	44,340.00	44,339.88	-	0.12	-	-
Other Expenses	900.00	900.00	100.00	34.00	766.00	-	-
Mayor:							
Salaries and Wages	54,000.00	54,000.00	29,499.96	-	24,500.04	-	-
Other Expenses	4,200.00	4,200.00	1,545.00	1,140.00	1,515.00	-	-
Human Services:							
Salaries and Wages	127,900.00	133,496.15	132,766.81	-	729.34	-	-
Other Expenses	24,480.00	24,480.00	19,490.35	2,610.94	2,378.71	-	-
Municipal Clerk:							
Salaries and Wages	296,969.00	293,160.76	263,585.67	-	29,575.09	-	-
Other Expenses	95,400.00	103,900.00	88,628.51	13,070.15	2,201.34	-	-
Election:							
Salaries and Wages	3,700.00	4,025.00	3,989.15	-	35.85	-	-
Other Expenses	8,100.00	8,100.00	-	7,960.89	139.11	-	-
Financial Administration:							
Salaries and Wages	402,522.00	410,986.62	380,591.46	-	30,395.16	-	-
Other Expenses	31,898.00	31,898.00	12,980.19	16,592.85	2,324.96	-	-
Audit Services:							
Other Expenses	48,700.00	48,700.00	-	48,700.00	-	-	-
Data Processing:							
Salaries and Wages	139,470.00	155,141.82	153,658.05	-	1,483.77	-	-
Other Expenses	129,782.45	129,782.45	90,856.87	11,743.65	27,181.93	-	-
Collection of Taxes:							
Salaries and Wages	341,057.09	346,557.84	337,888.31	-	8,669.53	-	-
Other Expenses	30,785.00	30,785.00	19,873.85	5,424.15	5,487.00	-	-

The Accompanying Notes to the Financial Statements are an integral part of this Statement.

TOWNSHIP OF JACKSON
CURRENT FUND
STATEMENT OF EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2022

	APPROPRIATIONS		EXPENDED			
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	ENCUMBERED	RESERVED	CANCELLED
Assessment of Taxes:						
Salaries and Wages	461,061.44	466,916.99	456,441.13	-	10,475.86	-
Other Expenses	49,910.00	40,410.00	20,132.55	17,253.64	3,023.81	-
Purchasing:						
Salaries and Wages	122,678.48	85,678.48	50,740.32	-	34,938.16	-
Other Expenses	40,196.88	40,196.88	37,776.38	284.68	2,135.82	-
Legal Services & Costs:						
Other Expenses	600,000.00	740,000.00	498,550.84	32,344.67	209,104.49	-
Engineering Services & Costs:						
Salaries and Wages	27,835.52	13,835.52	-	-	13,835.52	-
Other Expenses	217,050.00	217,050.00	106,266.86	21,060.14	89,723.00	-
Historical Commission:						
Other Expenses	100.00	100.00	-	-	100.00	-
Community Alliance-Alcoholism & Drugs:						
Salaries and Wages	1,140.00	1,140.00	-	-	1,140.00	-
Other Expenses	100.00	100.00	-	-	100.00	-
Mayor's Community Advisory Board:						
Other Expenses	50.00	50.00	-	-	50.00	-
Economic Development Advisory Board:						
Other Expenses	1,175.00	1,175.00	-	-	1,175.00	-
Housing and Inspection Code						
Salaries and Wages	85,760.00	58,760.00	44,260.20	-	14,499.80	-
Other Expenses	7,075.00	7,075.00	599.15	296.41	6,179.44	-
Land Use Administration:						
Planning/Zoning Boards:						
Salaries and Wages	343,774.03	343,774.03	336,064.66	-	7,709.37	-
Other Expenses	133,600.00	133,600.00	77,565.35	13,205.00	42,829.65	-
Maintenance of Tax Maps:						
Other Expenses	20,000.00	29,500.00	24,259.00	5,241.00	-	-
Code Enforcement - Other:						
Rent Leveling Board:						
Salaries and Wages	3,145.00	3,145.00	900.00	-	2,245.00	-
Other Expenses	36,050.00	36,050.00	16,723.63	825.00	18,501.37	-

The Accompanying Notes to the Financial Statements are an integral part of this Statement.

**TOWNSHIP OF JACKSON
CURRENT FUND
STATEMENT OF EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2022**

	APPROPRIATIONS		EXPENDED			
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	ENCUMBERED	RESERVED	CANCELLED
Code Enforcement - Other:						
Salaries and Wages	547,901.53	552,591.82	544,719.46	-	7,872.36	-
Other Expenses	25,100.00	25,100.00	17,180.19	3,212.91	4,706.90	-
Commercial Building Standards:						
Salaries and Wages	12,000.00	12,000.00	5,600.00	-	6,400.00	-
Other Expenses	1,350.00	1,350.00	-	-	1,350.00	-
Unsafe Structures Committee						
Other Expenses	20,000.00	20,000.00	-	-	20,000.00	-
Going Green Committee						
Other Expenses	100.00	100.00	-	-	100.00	-
Insurance:						
General Liability	871,342.00	871,342.00	810,422.52	12,500.00	48,419.48	-
Workers Compensation	539,327.00	539,327.00	539,327.00	-	-	-
Employee Group Health	4,300,000.00	4,300,000.00	3,995,803.79	-	304,196.21	-
Health Benefit Waiver	104,000.00	104,000.00	86,656.93	-	17,343.07	-
Unemployment Trust Fund	10,000.00	10,000.00	-	-	10,000.00	-
Public Safety Functions:						
Police Department:						
Salaries and Wages	13,750,470.77	13,691,718.86	13,454,664.75	-	237,054.11	-
Other Expenses	770,802.12	950,802.12	561,467.00	363,414.00	25,921.12	-
Police Dispatch/911:						
Salaries and Wages	567,679.19	574,258.35	502,279.11	-	71,979.24	-
Emergency Management:						
Salaries and Wages	15,640.00	15,640.00	9,855.63	-	5,784.37	-
Other Expenses	23,450.00	23,450.00	2,446.67	6,222.51	14,780.82	-
Municipal Prosecutor:						
Other Expenses	45,000.00	45,000.00	36,666.63	3,333.38	4,999.99	-
Juvenile Conference Committee:						
Salaries and Wages	1,300.00	1,300.00	-	-	1,300.00	-
Other Expenses	-	-	-	-	-	-

**TOWNSHIP OF JACKSON
CURRENT FUND
STATEMENT OF EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2022**

	APPROPRIATIONS		EXPENDED			
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	ENCUMBERED	RESERVED	CANCELLED
Public Works Functions:						
Streets & Roads Maintenance:						
Salaries and Wages	1,379,099.42	1,372,977.02	1,247,465.59	-	125,511.43	-
Other Expenses	251,775.00	251,775.00	173,133.61	48,047.89	30,593.50	-
Snow Removal:						
Other Expenses	210,000.00	210,000.00	206,031.51	3,968.49	(0.00)	-
Shade Tree Commission:						
Salaries and Wages	1,250.00	1,250.00	810.00	-	440.00	-
Other Expenses	7,650.00	7,650.00	3,894.80	936.75	2,818.45	-
Solid Waste Collection:						
Salaries and Wages	208,622.94	208,622.94	203,826.08	-	4,796.86	-
Other Expenses	622,300.00	622,300.00	559,264.99	60,500.00	2,535.01	-
Buildings & Grounds:						
Salaries and Wages	767,735.07	777,653.29	714,376.73	-	63,276.56	-
Other Expenses	323,050.00	323,050.00	218,049.35	84,018.16	20,982.49	-
Vehicle Maintenance:						
Salaries and Wages	391,430.00	398,333.00	379,360.99	-	18,972.01	-
Other Expenses	224,550.00	224,550.00	145,033.05	71,617.86	7,899.09	-
Community Services Act:						
Other Expenses	150,000.00	150,000.00	-	150,000.00	-	-
Health & Human Services Functions:						
Public Health Services:						
Salaries and Wages	7,500.00	7,500.00	7,259.58	-	240.42	-
Other Expenses	800.00	800.00	545.40	198.00	56.60	-
Relocation Assistance:						
Other Expenses	2,000.00	2,000.00	-	-	2,000.00	-
Environmental Health Services-						
Environmental Commission:						
Salaries and Wages	1,300.00	1,300.00	945.00	-	355.00	-
Other Expenses	450.00	450.00	29.92	-	420.08	-
Animal Control Services:						
Salaries and Wages	185,101.54	187,288.69	172,150.55	-	15,138.14	-
Other Expenses	37,875.00	37,875.00	22,267.25	10,136.53	5,471.22	-

The Accompanying Notes to the Financial Statements are an integral part of this Statement.

**TOWNSHIP OF JACKSON
CURRENT FUND
STATEMENT OF EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2022**

	APPROPRIATIONS		EXPENDED			
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	ENCUMBERED	RESERVED	CANCELLED
Parks & Recreation Functions:						
Recreation Services & Programs:						
Salaries and Wages	142,079.73	143,224.34	132,357.73	-	10,866.61	-
Other Expenses	24,400.00	24,400.00	16,076.69	5,136.16	3,187.15	-
Office for the Golden Age:						
Salaries and Wages	292,655.22	277,422.67	254,062.10	-	23,360.57	-
Other Expenses	31,525.00	31,525.00	23,602.49	3,989.50	3,933.01	-
Handicapped Committee:						
Salaries and Wages	29,147.00	29,147.00	26,751.16	-	2,395.84	-
Other Expenses	4,400.00	4,400.00	1,167.33	-	3,232.67	-
Park Maintenance:						
Other Expenses	195,000.00	195,000.00	129,206.33	13,243.68	52,549.99	-
Municipal Court Functions:						
Municipal Court:						
Salaries and Wages	372,126.00	377,126.00	369,462.74	-	7,663.26	-
Other Expenses	27,890.00	27,890.00	10,655.63	3,014.95	14,219.42	-
Public Defender:						
Other Expenses	36,000.00	36,000.00	36,000.00	-	-	-
Other Common Operating Functions:						
Salary & Wage Adjustment:						
Salaries and Wages	158,000.00	34,782.11	-	-	34,782.11	-
Accumulated Leave Compensation-Sick Trust:						
Other Expenses	200,000.00	200,000.00	200,000.00	-	-	-
Utility Expenses & Bulk Purchases:						
Electricity	349,000.00	326,000.00	267,625.99	30,362.61	28,011.40	-
Street Lighting	460,000.00	483,000.00	437,612.66	42,148.97	3,238.37	-
Telecommunication Costs	55,000.00	55,000.00	25,552.05	934.63	28,513.32	-
Telecommunication Costs-Lease Obligation	36,000.00	36,000.00	36,000.00	-	-	-
Natural Gas	130,000.00	130,000.00	94,656.57	22,127.12	13,216.31	-

The Accompanying Notes to the Financial Statements are an integral part of this Statement.

**TOWNSHIP OF JACKSON
CURRENT FUND
STATEMENT OF EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2022**

	APPROPRIATIONS		EXPENDED			
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	ENCUMBERED	RESERVED	CANCELLED
Fuel & Petroleum Products	527,000.00	569,000.00	477,644.99	56,417.32	34,937.69	-
Landfill/Solid Waste:						
Landfill/Solid Waste Disposal Costs:						
Other Expenses	279,000.00	279,000.00	221,143.88	25,849.12	32,007.00	-
Legler Landfill - Postclosure Monitoring:						
Other Expenses	33,000.00	33,000.00	26,106.29	6,623.71	270.00	-
Uniform Construction Code-Appropriations Offset by Dedicated Revenues(NJAC5:23-4.17):						
Construction Code Department:						
Salaries and Wages	1,506,250.75	1,413,425.30	1,133,545.77	-	279,879.53	-
Other Expenses	81,232.00	91,232.00	71,770.89	8,239.50	11,221.61	-
Total Operations Including Contingent Within "CAPS"	35,728,882.17	35,836,882.17	32,261,280.07	1,249,344.42	2,326,257.68	-
Detail:						
Salaries and Wages	23,111,151.72	22,840,651.72	21,742,340.77	-	1,098,310.95	-
Other Expenses	12,617,730.45	12,996,230.45	10,518,939.30	1,249,344.42	1,227,946.73	-
Deferred Charges & Statutory Expenditures Municipal Within "CAPS":						
Statutory Expenditures:						
Public Employees' Retirement System	1,188,175.32	1,188,175.32	1,188,175.32	-	-	-
Social Security System (O.A.S.I.)	1,750,000.00	1,792,000.00	1,752,594.36	-	39,405.64	-
Police & Firemen's Retirement System	3,525,718.00	3,525,718.00	3,525,718.00	-	-	-
Defined Contribution Retirement Program	14,820.00	14,820.00	10,460.12	-	4,359.88	-

The Accompanying Notes to the Financial Statements are an integral part of this Statement.

**TOWNSHIP OF JACKSON
CURRENT FUND
STATEMENT OF EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2022**

	APPROPRIATIONS		EXPENDED			
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	ENCUMBERED	RESERVED	CANCELLED
Total Deferred Charges & Statutory Expenditures Within "CAPS"	6,478,713.32	6,520,713.32	6,476,947.80	-	43,765.52	-
Total General Appropriations for Municipal Purposes Within "CAPS"	42,207,595.49	42,357,595.49	38,738,227.87	1,249,344.42	2,370,023.20	-
OPERATIONS - EXCLUDED FROM "CAPS"						
Implementation of 911 Emergency:						
Salaries & Wages	189,226.40	189,226.40	189,226.40	-	-	-
LOSAP	35,000.00	35,000.00	-	35,000.00	-	-
Recycling Tonnage Tax	12,000.00	12,000.00	7,318.35	3,181.65	1,500.00	-
Shared Service Agreement-BOE/Police SRO	107,659.56	179,432.59	179,432.59	-	-	-
Supplemental Fire Services Programs:						
Fire District Tax Obligations	13,026.00	13,026.00	13,026.00	-	-	-
Public & Private Programs Offset by Revenues:						
OC Office of Senior Services-Information Assistance:						
Salaries and Wages	17,210.00	17,210.00	17,210.00	-	-	-
Other Expenses	500.00	500.00	500.00	-	-	-
Safe & Secure Communities Program	15,555.00	15,555.00	15,555.00	-	-	-
Municipal Alliance on Alcohol & Drug Abuse:						
County Grant	-	17,497.00	17,497.00	-	-	-
Local Matching Funds		4,374.25	4,374.25	-	-	-
DMHAS Youth Leadership Grant		7,015.57	7,015.57	-	-	-
State of NJ Body Armor Grant	3,949.75	3,949.75	3,949.75	-	-	-
Clean Communities Grant	-	119,285.95	119,285.95	-	-	-
Matching Funds for Grants	15,880.25	8,506.00	-	-	8,506.00	-
Click It or Ticket	-	8,750.00	8,750.00	-	-	-

**TOWNSHIP OF JACKSON
CURRENT FUND
STATEMENT OF EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2022**

	APPROPRIATIONS		EXPENDED			
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	ENCUMBERED	RESERVED	CANCELLED
Distracted Driving Crackdown	7,000.00	7,000.00	7,000.00	-	-	-
Alcohol Education and Rehabilitation	2,044.79	2,044.79	2,044.79	-	-	-
COPS in Shops Summer Shore Initiative	-	3,360.00	3,360.00	-	-	-
Drive Sober or Get Pulled Over	-	10,500.00	10,500.00	-	-	-
SNY Play Ball by Chick-Fil-A TriState Grant	-	2,500.00	2,500.00	-	-	-
Handicapped Recreation Opportunities Grant:						
State Share	-	15,000.00	15,000.00	-	-	-
Local Share	-	3,000.00	3,000.00	-	-	-
Crash Abatement Tactics Grant	54,000.00	54,000.00	54,000.00	-	-	-
Rutgers Uni/Stormwater Mgmt-BMP Implementation	-	352,075.00	352,075.00	-	-	-
Rutgers Uni/Stormwater Mgmt for Jackson Twp	-	15,000.00	15,000.00	-	-	-
Recycling Tonnage Grant	23,719.05	23,719.05	23,719.05	-	-	-
Total Operations Excluded from "CAPS"	496,770.80	1,119,527.35	1,071,339.70	38,181.65	10,006.00	-
Detail:						
Salaries and Wages	390,650.96	385,868.99	385,868.99	-	-	-
Other Expenses	106,119.84	733,658.36	685,470.71	38,181.65	10,006.00	-
Capital Improvements - Excluded from "CAPS":						
Capital Improvement Fund	5,500,000.00	5,500,000.00	5,500,000.00	-	-	-
Building Department-New Building	25,000.00	25,000.00	25,000.00	-	-	-
Road Construction or Reconstruction	1,000,000.00	1,000,000.00	1,000,000.00	-	-	-
Total Capital Improvement Excluded from "CAPS"	6,525,000.00	6,525,000.00	6,525,000.00	-	-	-

The Accompanying Notes to the Financial Statements are an integral part of this Statement.

**TOWNSHIP OF JACKSON
CURRENT FUND
STATEMENT OF EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2022**

	APPROPRIATIONS		EXPENDED			
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	ENCUMBERED	RESERVED	CANCELLED
Municipal Debt Service - Excluded from "CAPS":						
Payment of Bond Principal	2,625,000.00	2,625,000.00	2,625,000.00	-	-	-
Interest on Bonds	491,525.00	491,525.00	491,525.00	-	-	-
Loan Repayment for Principal and Interest						
Jet Vac/Sweeper	24,637.83	24,637.83	24,637.61	-	0.00	0.22
Total Capital Improvements, Municipal Debt Service, Deferred Charges & Judgements Excluded from "CAPS"	3,141,162.83	3,141,162.83	3,141,162.61	-	0.00	0.22
Total General Appropriations Excluded from "CAPS"	10,162,933.63	10,785,690.18	10,737,502.31	38,181.65	10,006.00	0.22
Subtotal General Appropriations	52,370,529.12	53,143,285.67	49,475,730.18	1,287,526.07	2,380,029.20	0.22
Reserve For Uncollected Taxes	2,286,253.58	2,286,253.58	2,286,253.58	-	-	-
Total General Appropriations	\$ 54,656,782.70	\$ 55,429,539.25	\$ 51,761,983.76	\$ 1,287,526.07	\$ 2,380,029.20	\$ 0.22
Budget	\$ 54,656,782.70					
Added by N.J.S. 40A:4-46	150,000.00					
Added by N.J.S. 40A:4-87	622,756.55					
Total	\$ 55,429,539.25					
Reserve for Uncollected Taxes			\$ 2,286,253.58			
Appropriated Reserves for Federal & State Grants			682,336.36			
Deferred Charges - Emergency			150,000.00			
Cash Disbursements			48,643,393.82			
Total			\$ 51,761,983.76			

The Accompanying Notes to the Financial Statements are an integral part of this Statement.

**TOWNSHIP OF JACKSON
TRUST FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES
AND FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2022 AND 2021**

	REFERENCE	<u>2022</u>	<u>2021</u>
ASSETS			
Animal Control Trust Fund:			
Cash	B-4	\$ 60,057.96	\$ 57,840.91
Total Animal Control Trust Fund		<u>60,057.96</u>	<u>57,840.91</u>
Open Space Trust Fund:			
Cash	B-4	<u>6,772,260.59</u>	<u>6,723,556.37</u>
Total Open Space Trust Fund		<u>6,772,260.59</u>	<u>6,723,556.37</u>
Trust Other Funds:			
Cash	B-4	20,652,470.03	18,851,149.63
Due from County of Ocean - Community Development Block Grant	B-8	<u>423,590.23</u>	<u>379,799.59</u>
Total Trust Other Funds		<u>21,076,060.26</u>	<u>19,230,949.22</u>
Length of Service Awards Program (LOSAP)			
Investments Held by Trustee	B-10	<u>165,374.94</u>	<u>189,358.54</u>
Total Assets		<u><u>\$ 28,073,753.75</u></u>	<u><u>\$ 26,201,705.04</u></u>

The Accompanying Notes to the Financial Statements are an integral part of this Statement.

**TOWNSHIP OF JACKSON
TRUST FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES
AND FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2022 AND 2021**

	REFERENCE	2022	2021
LIABILITIES & RESERVES			
Animal Control Trust Fund:			
Due to State of New Jersey	B-5	\$ -	\$ 10.20
Reserve for Animal Control Expenditures	B-6	<u>60,057.96</u>	<u>57,830.71</u>
Total Animal Control Trust Fund		<u>60,057.96</u>	<u>57,840.91</u>
Open Space Trust Fund:			
Due to Current Fund	A	-	827,930.00
Reserve for Open Space	B-1	<u>6,772,260.59</u>	<u>5,895,626.37</u>
Total Open Space Trust Fund		<u>6,772,260.59</u>	<u>6,723,556.37</u>
Trust Other Funds:			
Various Reserves	B-9	21,072,560.94	19,212,753.34
Due to Current Fund	B-7	<u>3,499.32</u>	<u>18,195.88</u>
Total Trust Other Funds		<u>21,076,060.26</u>	<u>19,230,949.22</u>
Length of Service Awards Program (LOSAP)			
Reserve for LOSAP	B-11	<u>165,374.94</u>	<u>189,358.54</u>
Total Liabilities & Reserves		<u><u>\$ 28,073,753.75</u></u>	<u><u>\$ 26,201,705.04</u></u>

The Accompanying Notes to the Financial Statements are an integral part of this Statement.

**TOWNSHIP OF JACKSON
OPEN SPACE TRUST FUND
STATEMENTS OF OPERATIONS AND CHANGES IN FUND BALANCE
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021**

		2022	2021
Revenue & Other Income Realized:			
Amount to be Raised by Taxation	B-2	\$ 2,078,321.72	\$ 2,053,821.26
Added & Omitted Levy	B-2	17,866.33	15,466.79
Miscellaneous Revenue Not Anticipated	B-2	59,150.90	123,914.51
		<hr/>	<hr/>
Total Revenue & Other Income Realized		2,155,338.95	2,193,202.56
		<hr/>	<hr/>
Expenditures:			
Development of Lands for Recreation & Conservation	B-3	104,000.00	158,423.00
Debt Service	B-3	327,450.00	323,950.00
Reserve for Future Use	B-3	847,254.73	214,625.20
		<hr/>	<hr/>
Total Expenditures		1,278,704.73	696,998.20
		<hr/>	<hr/>
Statutory Excess to Fund Balance		876,634.22	1,496,204.36
		<hr/>	<hr/>
Fund Balance January 1	B	5,895,626.37	4,399,422.01
		<hr/>	<hr/>
Balance December 31	B	\$ 6,772,260.59	\$ 5,895,626.37
		<hr/> <hr/>	<hr/> <hr/>

The Accompanying Notes to the Financial Statements are an integral part of this Statement.

**TOWNSHIP OF JACKSON
OPEN SPACE TRUST FUND
STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2022**

	ANTICIPATED BUDGET	REALIZED	EXCESS OR (DEFICIT)
Amount to be Raised by Taxation	\$ 2,078,321.72	\$ 2,078,321.72	\$ -
Added & Omitted Levy	-	17,866.33	17,866.33
Miscellaneous Revenue Not Anticipated	-	59,150.90	59,150.90
	<hr/>		
Total	<u>\$ 2,078,321.72</u>	<u>\$ 2,155,338.95</u>	<u>\$ 77,017.23</u>

The Accompanying Notes to the Financial Statements are an integral part of this Statement.

**TOWNSHIP OF JACKSON
OPEN SPACE TRUST FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2022**

	APPROPRIATIONS		EXPENDED	
	BUDGET	BUDGET AFTER MODIFICATION	PAID OR CHARGED	RESERVED
Development of Lands for Recreation and Conservation:				
Other Expenses	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00	\$ -
Acquisition of Lands for Recreation and Conservation	500,000.00	500,000.00	4,000.00	496,000.00
Total Development of Lands for Recreation and Conservation	600,000.00	600,000.00	104,000.00	496,000.00
Debt Service:				
Payment of Bond Principal	270,000.00	270,000.00	270,000.00	-
Interest on Bonds	57,450.00	57,450.00	57,450.00	-
Total Debt Service	327,450.00	327,450.00	327,450.00	-
Reserve for Future Use	1,150,871.72	1,150,871.72	847,254.73	303,616.99
Total	\$ 2,078,321.72	\$ 2,078,321.72	\$ 1,278,704.73	\$ 799,616.99

**TOWNSHIP OF JACKSON
GENERAL CAPITAL FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES
AND FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2022 AND 2021**

ASSETS	REFERENCE	2022	2021
Cash & Cash Equivalents	C-2	\$ 6,482,383.90	\$ 5,851,541.32
Accounts Receivable - MUA	C-17	121,000.00	-
Deferred Charges to Future Taxation:			
Funded	C-4	16,505,925.63	19,421,028.46
Unfunded	C-5	9,156,143.00	6,156,143.00
Total Assets		<u>\$ 32,265,452.53</u>	<u>\$ 31,428,712.78</u>
LIABILITIES, RESERVES & FUND BALANCE			
General Serial Bond	C-6	\$ 16,315,000.00	\$ 19,210,000.00
NJEIT Loans Payable	C-15	190,925.63	211,028.46
Improvement Authorizations:			
Funded	C-7	3,186,741.58	3,204,190.26
Unfunded	C-7	2,037,964.65	2,671,993.21
Reserve for Encumbrances	C-8	4,625,083.07	4,002,041.79
Interfund Payable	C-19	22,903.54	-
Capital Improvement Fund	C-9	4,574,571.83	963,196.83
Reserve for Debt Service - Open Space Bonds	C-10	845,770.57	845,770.57
Reserve for Debt Service - Other	C-11	167,044.59	167,044.59
Reserve for Fire Damage - Annex Building	C-12	3,217.61	3,217.61
Reserve for Debt Service - New Building	C-13	75,000.00	50,000.00
Reserve for MUA Receivable	C-18	121,000.00	-
Fund Balance	C-1	100,229.46	100,229.46
Total Liabilities, Reserves & Fund Balance		<u>\$ 32,265,452.53</u>	<u>\$ 31,428,712.78</u>

There were Bonds & Notes Authorized but not issued on December 31, 2022 of \$9,156,143.00 and on December 31, 2021 was \$6,156,143.00.

**TOWNSHIP OF JACKSON
GENERAL CAPITAL FUND
STATEMENT OF FUND BALANCE
FOR THE YEAR ENDED DECEMBER 31, 2022**

Balance December 31, 2022 and 2021

\$ 100,229.46

**TOWNSHIP OF JACKSON
PUBLIC ASSISTANCE FUND
STATEMENTS OF ASSETS AND RESERVES - REGULATORY BASIS
DECEMBER 31, 2022 AND 2021**

ASSETS	REFERENCE	<u>2022</u>	<u>2021</u>
Cash & Cash Equivalents	D-1	<u>\$ 30,090.28</u>	<u>\$ 29,902.28</u>
Total Assets		<u><u>\$ 30,090.28</u></u>	<u><u>\$ 29,902.28</u></u>
RESERVES			
Reserve for Public Assistance	D-2	<u>\$ 30,090.28</u>	<u>\$ 29,902.28</u>
Total Reserves		<u><u>\$ 30,090.28</u></u>	<u><u>\$ 29,902.28</u></u>

The Accompanying Notes to the Financial Statements are an integral part of this Statement.

**TOWNSHIP OF JACKSON
GENERAL FIXED ASSETS ACCOUNT GROUP
STATEMENTS OF GENERAL FIXED ASSETS
AND FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2022 AND 2021**

ASSETS	REFERENCE	2022	2021
Land	E-1	\$ 55,144,900.00	\$ 55,144,900.00
Building & Building Improvements	E-1	50,768,875.00	50,760,875.00
Machinery & Equipment	E-1	22,559,519.00	22,054,256.00
Total		<u>\$ 128,473,294.00</u>	<u>\$ 127,960,031.00</u>
INVESTMENT IN FIXED ASSETS			
Investment in Fixed Assets	E	<u>\$ 128,473,294.00</u>	<u>\$ 127,960,031.00</u>

The Accompanying Notes to the Financial Statements are an integral part of this Statement.

**TOWNSHIP OF JACKSON
PAYROLL FUND
STATEMENTS OF ASSETS AND LIABILITIES - REGULATORY BASIS
DECEMBER 31, 2022 AND 2021**

ASSETS	<u>2022</u>	<u>2021</u>
Cash	<u>\$ 9,529.05</u>	<u>\$ 17,027.30</u>
Total Assets	<u><u>\$ 9,529.05</u></u>	<u><u>\$ 17,027.30</u></u>
LIABILITIES		
Payroll Deductions Payable	<u>\$ 9,529.05</u>	<u>\$ 17,027.30</u>
Total Liabilities	<u><u>\$ 9,529.05</u></u>	<u><u>\$ 17,027.30</u></u>

The Accompanying Notes to the Financial Statements are an integral part of this Statement.

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**TOWNSHIP OF JACKSON
COUNTY OF OCEAN**

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

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TOWNSHIP OF JACKSON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

Note 1. Summary of Significant Accounting Policies

Description of Financial Reporting Entity

This report includes the financial statements of the Township of Jackson (the “Township”), within the County of Ocean, in the State of New Jersey and reflects the activities of the municipality which is under the control of the Mayor and Township Council. The financial statements of the Board of Education, First Aid Organization and Fire Districts are reported separately since their activities are administered by separate boards.

The Township’s governing body is also responsible for appointing the board members of the Jackson Township Municipal Utilities Authority, but the Township’s accountability for this organization does not extend beyond making the appointments.

The financial statements of the component unit of the Township of Jackson are not presented in accordance with Governmental Accounting Standards Board Statement No. 14, as amended by GASB Statements 39, 61, 80, 90, and 97. If the provisions of these GASB statements had been complied with, the financial statements of the following component unit would have been either blended or discretely presented with the financial statements of the County, the primary government:

Jackson Township Municipal Utilities Authority

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

In accordance with the “Requirements”, the Township accounts for its financial transactions through the use of separate funds, which are described as follows:

Current Fund – This fund accounts for revenues and expenditures for governmental operations of a general nature, including federal and state grant funds.

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

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

Public Assistance Fund – This fund accounts for receipt and disbursement of funds that provide assistance to certain residents of the Township.

TOWNSHIP OF JACKSON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

Note 1. Summary of Significant Accounting Policies (continued)

General Fixed Asset Account Group – The Fixed Asset Account Group of accounts is utilized to account for property, land, buildings, and equipment that have been acquired by other funds of the Township.

Payroll Fund – This fund accounts for the receipt and disbursements of funds used to meet obligations to employees and payroll tax liability.

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

An extension of the statutory dates for introduction, approval and adoption of the municipal budget may be granted by the Director of Local Government Services, with the permission of the Local Finance Board. Budgets are adopted on the same basis of accounting utilized for the preparation of the Township's financial statements. Once a budget is approved, it may be amended after November 1 by a resolution adopted by the governing body.

Cash, Cash Equivalents and Investments - Cash and Cash equivalents include petty cash, change funds and cash on deposit with public depositories. All certificates of deposit are recorded as cash regardless of the date of maturity. Under GAAP, investments are reported at fair value but under regulatory basis of accounting, investments are stated at cost. Therefore, unrealized gains or losses on investments have not been recorded.

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

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

TOWNSHIP OF JACKSON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

Note 1. Summary of Significant Accounting Policies (continued)

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

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

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

General Fixed Assets – Accounting for governmental fixed assets, as required by *N.J.A.C.5:30-5.6*, differs in certain respects from accounting principles generally accepted in the United States of America. In accordance with the regulations, all local units, including municipalities, must maintain a general fixed assets reporting system that establishes and maintains a physical inventory of nonexpendable, tangible property as defined and limited by the U.S. Office of Management and Budget Circular A-87 (Attachment B, Section 19), except that the useful life of such property is at least five years. The Township has adopted a capitalization threshold of \$5,000.00, the maximum amount allowed by the Circular. Generally, assets are valued at historical cost; however, assets acquired prior to December 31, 1985 are valued at actual historical cost or estimated historical cost. In some instances, assets are valued at the assessed valuation of the property at the time of acquisition, which approximates fair value. No depreciation of general fixed assets is recorded. Donated general fixed assets are recorded at their acquisition value as of the date of the transaction. Interest costs relative to the acquisition of general fixed assets are recorded as expenditures when paid. Public domain ("infrastructure") general fixed assets consisting of certain improvements such as roads, bridges, curbs and gutters, streets and sidewalks and drainage systems are not capitalized. Expenditures for construction in progress are recorded in the capital funds until such time as the construction is completed and put into operation. The Township is required to maintain a subsidiary ledger detailing fixed assets records to control additions, retirements, and transfers of fixed assets. In addition, a statement of general fixed assets, reflecting the activity for the year, must be included in the Township's basic financial statements.

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

Foreclosed property – Foreclosed Property or "Property Acquired for Taxes" is recorded in the Current Fund at the assessed valuation when such property was acquired and is fully reserved. Ordinarily it is the intention of the Township to resell foreclosed property in order to recover all or a portion of the delinquent taxes or assessments and to return the property to a taxpaying basis. For this reason, the value of foreclosed property has not been included in the General Fixed Assets Account Group. If such property is converted to a municipal use, it will be recorded in the General Fixed Assets Account Group.

TOWNSHIP OF JACKSON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

Note 1. Summary of Significant Accounting Policies (continued)

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

Fund Balance – Fund Balance included in the Current Fund represent the amount available for anticipation as revenue in future years' budgets, with certain restrictions.

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

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

County Taxes – The municipality is responsible for levying, collecting and remitting County taxes for the County of Ocean. Operations is charged for the amount due the County for the year, based upon the ratables required to be certified to the County Board of Taxation by January 10th of the current year. In addition, operations is charged for the County share of Added and Omitted Taxes certified to the County Board of Taxation by October 10th of the current year and due to be paid to the County by February 15th of the following year.

School Taxes – The municipality is responsible for levying, collecting and remitting school taxes for the Township of Jackson School District. Operations are charged for the full amount required to be raised from taxation to operate the local school district July 1 to June 30.

Deferred School Taxes – School taxes raised in advance in the Current Fund for a school fiscal year (July 1 to June 30) which remain unpaid at December 31 of the calendar year levied may be deferred to fund balance to the extent of not more than 50% of the annual levy providing no requisition has been made by the school district for such amount. The Township did not defer School Taxes for the year ended December 31, 2022.

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

TOWNSHIP OF JACKSON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

Note 1. Summary of Significant Accounting Policies (continued)

Expenditures – are recorded on the “budgetary” basis of accounting. Generally, expenditures are recorded when an amount is encumbered through the issuance of a numerically controlled purchase order or when a contract is executed as required by Technical Accounting Directive No. 85-1. When an expenditure is paid, the amount encumbered is simultaneously liquidated in its original amount. Encumbrances are offset by an account entitled reserve for encumbrances. The reserve is classified as a cash liability under New Jersey municipal accounting. At December 31, this reserve represents the portion of appropriation reserves that has been encumbered and is subject to the same statutory provisions as appropriation reserves. Appropriations for interest payments on outstanding general capital bonds and notes are provided on the cash basis.

Appropriation Reserves – Appropriation reserves covering unexpended appropriation balances are automatically created at year-end and recorded as liabilities, except for amounts, which may be cancelled by the governing body. Appropriation reserves and reserve for encumbrances at current year end are available until December 31st of the succeeding year to meet specific claims, commitments or contracts incurred during the preceding year. Any unspent balances at this time are lapsed appropriation reserves and recorded as income.

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

Compensated Absences – Expenditures relating to obligations for unused vested accumulated vacation and sick leave are not recorded until paid; however, municipalities may establish and budget reserve funds subject to NJSA 40A:4-39 for the future payment of compensated absences.

Recent Accounting Pronouncements – The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. GASB adopts accounting statements to be used by governmental units when reporting financial position and results of operations in accordance with accounting principles generally accepted in the United States of America (GAAP). The municipalities in the State of New Jersey do not prepare their financial statements in accordance with GAAP and thus do not comply with all of the GASB pronouncements.

Accounting Pronouncements Adopted in Current Year

The following GASB Statements became effective for the fiscal year ended December 31, 2022:

- Statement No. 87, *Leases*.
- Statement No. 93, *Replacement of Interbank Offered Rates*.
- Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans – an amendment of GASB Statements No. 14 and No. 84 and a supersession of GASB Statement No. 32*. Requirements of this pronouncement related to paragraphs 4 and 5 were implemented in the prior year.

Management has determined that the implementation of these Statements did not have a significant impact on the Township’s financial statements.

**TOWNSHIP OF JACKSON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

Note 1. Summary of Significant Accounting Policies (continued)

Accounting Pronouncements Effective in Future Reporting Periods

The following accounting pronouncements will become effective in future reporting periods:

- Statement No. 96, *Subscription-Based Information Technology Arrangements*. The requirements of this Statement are effective for fiscal years beginning after June 15, 2022.
- Statement No. 100, *Accounting Changes and Error Corrections – an amendment of GASB Statement No. 62*. The requirements of this Statement are effective for fiscal years beginning after June 15, 2023.
- Statement No. 101, *Compensated Absences*. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023.

Management has not yet determined the potential impact these Statements will have on the Township's financial statements.

Note 2. Deposits and Investments

The Township is governed by the deposit and investment limitations of New Jersey state law.

Deposits

Custodial Credit Risk Related to Deposits - Custodial credit risk is the risk that, in the event of a bank failure, the Township's deposits may not be returned. Although the Township does not have a formal policy regarding custodial credit risk, NJSA 17:9-41 et seq. requires that the governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). GUDPA is a supplemental insurance program set forth by the New Jersey Legislature to protect the deposits of local governmental agencies. The program is administered by the Commissioner of the New Jersey Department of Banking and Insurance. Under the Act, the first \$250,000 of governmental deposits in each insured depository is protected by FDIC. Public funds owned by the Township in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings, bail funds or funds that may pass to the Township relative to the happening of a future condition. Such funds are shown as Uninsured and Uncollateralized in the schedule below.

As of December 31, 2022, the Township's bank balance of \$60,845,973.79 was insured or collateralized as follows:

Insured under FDIC and GUDPA	\$ 4,124,394.51
NJ Cash Management Fund	32,066,033.84
Uninsured and Uncollateralized	<u>24,655,545.44</u>
	<u><u>\$ 60,845,973.79</u></u>

TOWNSHIP OF JACKSON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

Note 2. Deposits and Investments (continued)

Investments

Under the regulatory basis of accounting, investments are measured at cost in the Township's financial statements. However, had the financial statements been prepared in accordance with generally accepted accounting principles (GAAP), investments would be reported at fair value (except for fully benefit-responsive investment contracts, which would be reported at contract value). Contract value is the relevant measure for the portion of the Length of Service Awards Program (LOSAP) Plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants normally would receive if they were to initiate permitted transactions under the terms of the LOSAP Plan.

Investments at Fair Value – The fair value measurements of investments are required to be reported based on the hierarchy established by GAAP. Under GAAP, investments are required to be categorized based on the fair value of inputs of Levels 1, 2 and 3. Under Level 1 inputs, investments are required to be categorized based on quoted market prices in active markets for identical investments. Level 2 inputs are based primarily on using observable measurement criteria, including quoted market prices of similar investments in active and inactive markets and other observable corroborated factors. Level 3 inputs are assets measured at fair value on a recurring basis using significant unobservable measurement criteria based on the best information available. As of December 31, 2022, the Township had no investments held at Level 2 or 3.

Following is a description of the valuation methodologies used for investments measured at fair value:

Mutual Funds: Valued at quoted market prices which represent the net asset value ("NAV") shares held by the Township at year-end.

The Township's fair value, hierarchy level and maturities of its investments at December 31, 2022 was as follows:

	Carrying Value	Fair Value as of December 31, 2021		Investment Less Than 1 Year
		Level 1	Total	
<u>Investment Type</u>				
Mutual Funds	\$ 104,524.39	\$ 104,524.39	\$ 104,524.39	\$ 104,524.39
	<u>\$ 104,524.39</u>	<u>\$ 104,524.39</u>	<u>\$ 104,524.39</u>	<u>\$ 104,524.39</u>
<u>Fund</u>				
Trust Fund - LOSAP (Fair Value)	\$ 104,524.39	\$ 104,524.39	\$ 104,524.39	\$ 104,524.39
	<u>\$ 104,524.39</u>	<u>\$ 104,524.39</u>	<u>\$ 104,524.39</u>	<u>\$ 104,524.39</u>

Investments at Contract Value - The Township held a fully benefit-responsive investment contract with the Lincoln Financial Group (Lincoln) totaling \$60,850.55 as of December 31, 2022. Lincoln Financial Group maintains the contributions in the group fixed annuity contract (fixed account). The account is credited with earnings on the underlying investments and charged for participant withdrawals and administrative expenses. The traditional investment contract held by the Township is a guaranteed investment contract. The contract issuer is contractually obligated to repay the principal and interest at a specified interest rate that is guaranteed to the LOSAP Plan. The Township's ability to receive amounts

**TOWNSHIP OF JACKSON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

Note 2. Deposits and Investments (continued)

due in accordance with the fully benefit-responsive investment contract is dependent on the contract issuer's ability to meet its financial obligations. The fixed account continues in-force until they are terminated by Lincoln Financial Group or the LOSAP Plan and do not define a maturity date.

No events are probable of occurring that might limit the ability of the LOSAP Plan to transact at contract value with the contract issuer and also limit the ability of the LOSAP Plan to transact at contract value with participants. This contract meets the fully benefit-responsive investment contract criteria and therefore is reported at contract value. The total Trust Fund LOSAP value held by the Township at December 31, 2022 was as follows:

Trust Fund - LOSAP (Fair Value)	104,524.39
Trust Fund - LOSAP (Contract Value)	<u>60,850.55</u>
Total Trust Fund - LOSAP	<u>\$ 165,374.94</u>

Custodial credit risk related to Investments - This is the risk that in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, the Township will not be able to recover the value of its investment or collateral securities that are in the possession of another party. Other than the rules and regulations promulgated by N.J.S.A. 40A:5-15.1, the Township has no investment policy to limit exposure to custodial credit risk.

Interest rate risk - This is the risk that changes in interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. Other than the rules and regulations promulgated by N.J.S.A. 40A:5-15.1, the Township does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit risk - Credit risk is the risk that an issuer to an investment will not fulfill its obligation to the holder of the investment. This is measured by assignment of a rating by a nationally recognized rating organization. U.S. Government securities or obligations explicitly guaranteed by the U.S. government are not considered to have credit risk exposure. As of December 31, 2022, the Township's investments had the following ratings:

Concentration of Credit Risk – Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. Other than the rules and regulations promulgated by N.J.S.A. 40A; 5-15.1, the Township's investment policies place no limit in the amount the Township may invest in any one issuer. More than 5% of the Township's investments are in mutual funds and fixed account investment contract. These investments represent 100% of the Township's total investments.

**TOWNSHIP OF JACKSON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

Note 3. Property Taxes

The following is a three-year comparison of certain statistical information relative to property taxes and property tax collections for the current and previous two years.

	<u>2022</u>	<u>2021</u>	<u>2020</u>
Tax Rate	<u>\$ 2.424</u>	<u>\$ 2.400</u>	<u>\$ 2.368</u>
Apportionment of Tax Rate:			
Municipal	0.500	0.501	0.492
Municipal Open Space	0.030	0.030	0.020
County General	0.474	0.457	0.466
Local School	1.420	1.412	1.390

Assessed Valuation

<u>Year</u>	<u>Amount</u>
2022	\$ 6,927,739,073.00
2021	6,839,028,189.00
2020	6,833,295,262.00

Comparison of Tax Levies and Collections

<u>Year</u>	<u>Tax Levy</u>	<u>Cash Collections</u>	<u>Percentage Of Collection</u>
2022	\$ 177,659,830.75	\$ 175,309,033.06	98.67%
2021	172,938,340.34	171,172,819.76	98.97%
2020	169,423,568.30	167,298,278.93	98.74%

Delinquent Taxes and Tax Title Liens

<u>Year</u>	<u>Tax Title Liens</u>	<u>Delinquent Taxes</u>	<u>Total Delinquent</u>	<u>Percentage Of Tax Levy</u>
2022	\$ 3,935,487.28	\$ 2,003,345.43	\$ 5,938,832.71	3.34%
2021	3,977,885.11	1,259,401.62	5,237,286.73	3.03%
2020	3,802,244.19	1,716,652.01	5,518,896.20	3.26%

**TOWNSHIP OF JACKSON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

Note 3. Property Taxes (continued)

Number of Tax Title Liens

<u>Year</u>	<u>Number</u>
2022	127
2021	146
2020	156

The last tax sale was held on December 15, 2022.

Note 4. Property Acquired By Tax Title Lien Liquidation

The value of properties acquired by liquidation of tax title liens based on the last assessed valuation of such properties as of December 31, was as follows:

<u>Year</u>	<u>Amount</u>
2022	\$ 6,247,100.00
2021	6,247,100.00
2020	6,251,500.00

Note 5. Fund Balances Appropriated

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

<u>Year</u>	<u>Balance December 31,</u>	<u>Utilized in Budget of Succeeding Year</u>	<u>Percentage of Fund Balance Used</u>
Current Fund:			
2022	\$ 16,564,519.10	\$ 8,208,200.00	49.55%
2021	17,492,065.17	9,167,000.00	52.41%
2020	14,603,725.78	5,950,000.00	40.74%

Note 6. Disaggregated Receivable and Payable Balances

There are no significant components of receivable and payable balances reported in the financial statements.

TOWNSHIP OF JACKSON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

Note 7. Interfund Receivables, Payables and Transfers

The following interfund balances were recorded in the various statements of assets liabilities, reserves and fund balances at December 31, 2022:

Fund	Interfund Receivable	Interfund Payable
Current Fund	\$ 27,436.86	\$ 2,576,189.92
State and Federal Grant Fund	2,575,155.92	-
Trust Other Fund	-	3,499.32
Capital Fund	-	22,903.54
	<u>\$ 2,602,592.78</u>	<u>\$ 2,602,592.78</u>

The interfund receivables and payables above predominately resulted from payment made by certain funds on behalf of other funds. All interfund balances are expected to be repaid within one year.

A summary of interfund transfers is as follows:

Fund	Transfers In	Transfers Out
Current Fund	\$ 827,930.00	\$ 5,500,000.00
Open Space Trust Fund	-	827,930.00
General Capital Fund	<u>5,500,000.00</u>	<u>-</u>
	<u>\$ 6,327,930.00</u>	<u>\$ 6,327,930.00</u>

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them (i.e. interest earning), (2) provide cash flow to other funds to temporary finance expenditures that are on a reimbursable basis (i.e. grants), (3) when no bank account exists for a fund, and (4) utilizing surplus or fund balance from one fund as budgeted revenue in another.

Note 8. Fixed Assets

The following is a summary of changes in the General Fixed Assets Account Group for the year ended December 31, 2022.

	Balance December 31, <u>2021</u>	<u>Additions</u>	<u>Deletions</u>	Balance December 31, <u>2022</u>
Land	\$ 55,144,900.00	\$ -	\$ -	\$ 55,144,900.00
Buildings and Improvements	50,760,875.00	8,000.00	-	50,768,875.00
Machinery & Equipment	<u>22,054,256.00</u>	<u>960,889.00</u>	<u>455,626.00</u>	<u>22,559,519.00</u>
	<u>\$ 127,960,031.00</u>	<u>\$ 968,889.00</u>	<u>\$ 455,626.00</u>	<u>\$ 128,473,294.00</u>

TOWNSHIP OF JACKSON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

Note 9. Pension Obligations

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 PERS, please refer to Division's Comprehensive Annual Financial Report (CAFR) which can be found at <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:

<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

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to tiers 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tiers 1 and 2 members before reaching age 60, tiers 3 and 4 with 25 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 55 to age 60 if they have at least 25 years of service. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

Basis of Presentation - The schedules of employer and nonemployer allocations and the schedules of pension amounts by employer and nonemployer (collectively, the Schedules) present amounts that are considered elements of the financial statements of PERS or its participating employers. Accordingly, they do not purport to be a complete presentation of the financial position or changes in financial position of PERS or the participating employers, or the State. The accompanying Schedules were prepared in accordance with U.S. generally accepted accounting principles. Such preparation requires management of PERS to make a number of estimates and assumptions relating to the reported amounts. Due to the inherent nature of these estimates, actual results could differ from those estimates.

**TOWNSHIP OF JACKSON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

Note 9. Pension Obligations (continued)

A. Public Employees' Retirement System (PERS) (continued)

Contributions - The contribution policy for PERS is set by *N.J.S.A. 43:15A* and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount, which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability.

Funding for noncontributory group insurance benefits is based on actual claims paid. For the fiscal year 2022, the State's pension contribution was less than the actuarial determined amount. The local employers' contribution amounts are based on an actuarially determined rate, which includes the normal cost and unfunded accrued liability. 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. For the year ended December 31, 2021, the Township's contractually required contribution to PERS plan was \$1,306,067.

Components of Net Pension Liability - At December 31, 2022, the Township's proportionate share of the PERS net pension liability was \$15,630,134. The net pension liability was measured as of June 30, 2022. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from 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 the Township's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2022. The Township's proportion measured as of June 30, 2022, was 0.1035699654% which was an increase of 0.0027078157% from its proportion measured as of June 30, 2021.

Balances at December 31, 2022 and December 31, 2021

	<u>12/31/2022</u>	<u>12/30/2021</u>
Actuarial valuation date (including roll forward)	June 30, 2022	June 30, 2021
Deferred Outflows of Resources	\$ 1,935,548	\$ 1,307,553
Deferred Inflows of Resources	2,945,793	8,226,968
Net Pension Liability	15,630,134	11,948,634
Township's portion of the Plan's total Net Pension Liability	0.10357%	0.10086%

Pension Expense/(Credit) and Deferred Outflows/Inflows of Resources - At December 31, 2022, the Township's proportionate share of the PERS expense/(credit), calculated by the plan as of the June 30, 2022 measurement date is (\$919,948). This expense/(credit) is not recognized by the Township because of the regulatory basis of accounting as described in Note 1, but as previously mentioned the Township contributed \$1,306,067 to the plan in 2022.

TOWNSHIP OF JACKSON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

Note 9. Pension Obligations (continued)

A. Public Employees' Retirement System (PERS) (continued)

At December 31, 2022, the Township reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between Expected and Actual Experience	\$ 112,811	\$ 99,483
Changes of Assumptions	48,427	2,340,450
Net Difference between Projected and Actual Earnings on Pension Plan Investments	646,917	-
Changes in Proportion and Differences between Township Contributions and Proportionate Share of Contributions	<u>1,127,393</u>	<u>505,860</u>
	<u>\$ 1,935,548</u>	<u>\$ 2,945,793</u>

The Township will amortize the above sources of deferred outflows and inflows related to PERS over the following number of years:

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Differences between Expected and Actual Experience		
Year of Pension Plan Deferral:		
June 30, 2017	5.48	-
June 30, 2018	-	5.63
June 30, 2019	5.21	-
June 30, 2020	5.16	-
June 30, 2021	-	5.13
June 30, 2022	-	5.04
Changes of Assumptions		
Year of Pension Plan Deferral:		
June 30, 2017	-	5.48
June 30, 2018	-	5.63
June 30, 2019	-	5.21
June 30, 2020	-	5.16
June 30, 2021	5.13	-
June 30, 2022	-	5.04

**TOWNSHIP OF JACKSON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

Note 9. Pension Obligations (continued)

A. Public Employees' Retirement System (PERS) (continued)

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Net Difference between Projected and Actual Earnings on Pension Plan Investments		
Year of Pension Plan Deferral:		
June 30, 2018	-	5.00
June 30, 2019	5.00	-
June 30, 2020	5.00	-
June 30, 2021	-	5.00
June 30, 2022	5.00	-
Changes in Proportion and Differences between Contributions and Proportionate Share of Contributions		
Year of Pension Plan Deferral:		
June 30, 2017	5.48	5.48
June 30, 2018	5.63	5.63
June 30, 2019	5.21	5.21
June 30, 2020	5.16	5.16
June 30, 2021	5.13	5.13
June 30, 2022	5.04	5.04

The following is a summary of the deferred outflows of resources and deferred inflows of resources related to PERS that will be recognized in future periods:

<u>Year Ending December 31,</u>	<u>Amount</u>
2023	\$ (1,216,430)
2024	(558,754)
2025	(208,808)
2026	851,039
2027	<u>122,708</u>
	<u>\$ (1,010,245)</u>

Special Funding Situation – Under N.J.S.A. 43:15A-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, are Chapter 366, P.L. 2001 and Chapter 133, P.L. 2001.

**TOWNSHIP OF JACKSON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

Note 9. Pension Obligations (continued)

A. Public Employees' Retirement System (PERS) (continued)

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 non-employer contributing entity. Since the local participating employers do not contribute under this legislation directly to the plan (except for employer specific financed amounts), there is no net pension liability to report in the financial statements of the local participating employers related to this legislation. At December 31, 2022, the State's proportionate share of the PERS expense, associated with the Township, calculated by the plan as of the June 30, 2021 measurement date was \$32,886.

Actuarial Assumptions - The total pension asset/(liability) as of the measurement date was determined by using an actuarial valuation as noted in the table below, with update procedures used to roll forward the total pension liability to the measurement date. The actuarial valuations used the following actuarial assumptions:

Inflation:	
Price	2.75%
Wage	3.25%
Salary Increases:	
	2.75 - 6.55%
	Based on Years of Service
Investment Rate of Return	7.00%
Mortality Rate Table	
PERS	Pub-2010 General Below-Median Income Employee mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021
Period of Actuarial Experience	
Study upon which Actuarial	
Assumptions were Based	July 1, 2018 - June 30, 2021

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

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

TOWNSHIP OF JACKSON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

Note 9. Pension Obligations (continued)

A. Public Employees' Retirement System (PERS) (continued)

Long-Term Expected Rate of Return - In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2022) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return for each major asset class included in PERS's 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	<u>3.00%</u>	4.91%
	<u>100.00%</u>	

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 on 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make 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 JACKSON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

Note 9. Pension Obligations (continued)

A. Public Employees' Retirement System (PERS) (continued)

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 net pension liability calculated using the discount rate as disclosed above, 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 (6.00%) or 1-percentage-point higher (8.00%) than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Township's Proportionate Share of the Net Pension Liability	\$ 20,250,201	\$ 15,630,134	\$ 11,943,294

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

As of the date of this report, the New Jersey Division of Pension and Benefits has not provided updated actuarial valuations for pension obligations for the Police and Firemen's Retirement System (PFRS) for year ended June 30, 2022. The New Jersey Division of Pension and Benefits will post these reports on their website as they are made available. The footnote below includes the most current information made publicly available, which had a reporting date of June 30, 2021.

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 PFRS, please refer to the Division's Comprehensive Annual Financial Report (CAFR) which can be found at <http://www.state.nj.us/treasury/pensions/annual-reports.shtml>.

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

TOWNSHIP OF JACKSON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

Note 9. Pension Obligations (continued)

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

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 if 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.

Basis of Presentation - The schedule of employer and nonemployer allocations and the schedule of pension amounts by employer and nonemployer (collectively, the Schedules) present amounts that are considered elements of the financial statements of PFRS, its participating employers or the State as a nonemployer contributing entity. Accordingly, they do not purport to be a complete presentation of the financial position or changes in financial position of PFRS, the participating employers, or the State. The accompanying Schedules were prepared in accordance with U.S. generally accepted accounting principles. Such preparation requires management of PFRS to make a number of estimates and assumptions relating to the reported amounts. Due to the inherent nature of these estimates, actual results could differ from those estimates.

Contributions - The contribution policy for PFRS is set by *N.J.S.A. 43:16A* and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's contribution amount is based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. 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 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. For the year ended December 31, 2021, the Township's contractually required contributions to PFRS plan was \$3,525,718.

Net Pension Liability and Pension Expense - At December 31, 2021 the Township's proportionate share of the PFRS net pension liability was \$22,111,367. The net pension liability was measured as of June 30, 2021. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of July 1, 2020, to the measurement date of June 30, 2021. The Township's proportion of the net pension liability was based on the Township's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2021. The Township's proportion measured as of June 30, 2021, was 0.3025161695%, which was an increase of 0.0141556212% from its proportion measured as of June 30, 2020.

**TOWNSHIP OF JACKSON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

Note 9. Pension Obligations (continued)

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

Balances at December 31, 2021 and December 31, 2020

	<u>12/31/2021</u>	<u>12/30/2020</u>
Actuarial valuation date (including roll forward)	June 30, 2021	June 30, 2020
Deferred Outflows of Resources	\$ 2,920,446	\$ 3,688,950
Deferred Inflows of Resources	19,445,842	11,103,820
Net Pension Liability	22,111,367	37,259,986
Township's portion of the Plan's total net pension Liability	0.30252%	0.28836%

Pension Expense/(Credit) and Deferred Outflows/Inflows of Resources – At December 31, 2021, the Township's proportionate share of the PFRS expense/(credit), calculated by the plan as of the June 30, 2021 measurement date was (\$2,511,498). This expense/(credit) is not recognized by the Township because of the regulatory basis of accounting as described in Note 1, but as previously mentioned the Township contributed \$3,525,718 to the plan in 2021.

At December 31, 2021, the Township had deferred outflows of resources and deferred inflows of resources related to PFRS from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between Expected and Actual Experience	\$ 252,264	\$ 2,648,713
Changes of Assumptions	117,657	6,626,675
Net Difference between Projected and Actual Earnings on Pension Plan Investments	-	9,422,373
Changes in Proportion and Differences between Township Contributions and Proportionate Share of Contributions	<u>2,550,525</u>	<u>748,081</u>
	<u>\$ 2,920,446</u>	<u>\$ 19,445,842</u>

**TOWNSHIP OF JACKSON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

Note 9. Pension Obligations (continued)

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

The Township will amortize the above sources of deferred outflows and inflows related to PFRS over the following number of years:

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Differences between Expected and Actual Experience		
Year of Pension Plan Deferral:		
June 30, 2016	-	5.58
June 30, 2017	5.59	-
June 30, 2018	5.73	-
June 30, 2019	-	5.92
June 30, 2020	5.90	-
June 30, 2021	-	6.17
Changes of Assumptions		
Year of Pension Plan Deferral:		
June 30, 2016	5.58	-
June 30, 2017	-	5.59
June 30, 2018	-	5.73
June 30, 2019	-	5.92
June 30, 2020	-	5.90
June 30, 2021	6.17	-
Net Difference between Projected and Actual Earnings on Pension Plan Investments		
Year of Pension Plan Deferral:		
June 30, 2017	-	5.00
June 30, 2018	-	5.00
June 30, 2019	5.00	-
June 30, 2020	5.00	-
June 30, 2021	-	5.00
Changes in Proportion and Differences between Contributions and Proportionate Share of Contributions		
Year of Pension Plan Deferral:		
June 30, 2016	5.58	5.58
June 30, 2017	5.59	5.59
June 30, 2018	5.73	5.73
June 30, 2019	5.92	5.92
June 30, 2020	5.90	5.90
June 30, 2021	6.17	6.17

**TOWNSHIP OF JACKSON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

Note 9. Pension Obligations (continued)

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

The following is a summary of the deferred outflows of resources and deferred inflows of resources related to PFRS that will be recognized in future periods:

Year Ending	
<u>Dec 31,</u>	<u>Amount</u>
2022	\$ (9,935,885)
2023	(3,485,839)
2024	(2,710,272)
2025	(1,413,027)
2026	<u>1,019,627</u>
	<u><u>\$ (16,525,396)</u></u>

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 non-employer contributing entity. Since the local participating employers do not contribute under this legislation directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers related to this legislation.

Additionally, the State's proportionate share of the PFRS net pension liability attributable to the Township is \$6,218,817 as of December 31, 2021. The net pension liability was measured as of June 30, 2021. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of July 1, 2020, to the measurement date of June 30, 2021. The State's proportion 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. The State's proportion measured as of June 30, 2021 was 0.3025161695%, which was an increase of 0.0141556212% from its proportion measured as of June 30, 2020, which is the same proportion as the Township's. At December 31, 2021, the Township's and the State of New Jersey's proportionate share of the PFRS net pension liability were as follows:

**TOWNSHIP OF JACKSON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

Note 9. Pension Obligations (continued)

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

Township's Proportionate Share of Net Pension Liability	\$ 22,111,367
State of New Jersey's Proportionate Share of Net Pension Liability Associated with the Township	<u>6,218,817</u>
	<u><u>\$ 28,330,184</u></u>

At December 31, 2021, the State's proportionate share of the PFRS expense, associated with the Township, calculated by the plan as of the June 30, 2021 measurement date was \$692,595.

Actuarial Assumptions - The total pension asset/(liability) as of the measurement date was determined by using an actuarial valuation as noted in the table below, with update procedures used to roll forward the total pension liability to the measurement date. The actuarial valuations used the following actuarial assumptions:

Inflation

Price	2.75%
Wage	3.25%

Salary Increases:

Through all future years	3.25 - 15.25%
	Based on Years of Service

Investment Rate of Return	7.00%
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Mortality Rate Table

PFRS	Pub-2010 Safety Employee mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021
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Period of Actuarial Experience

Study upon which Actuarial Assumptions were Based	July 1, 2013 - June 30, 2018
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**TOWNSHIP OF JACKSON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

Note 9. Pension Obligations (continued)

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

Pre-retirement mortality rates were based on the Pub-2010 Safety Employee mortality table with a 105.6% adjustment for males and 102.5% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. For healthy annuitants, post-retirement mortality rates were based on the Pub-2010 Safety Retiree Below-Median Income Weighted mortality table with a 96.7% adjustment for males and 96.0% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. For beneficiaries, the Pub-2010 General Retiree Below-Median Income Weighted mortality table was used, unadjusted, and with future improvement from the base year of 2010 on a generational basis. Disability rates were based on the Pub-2010 Safety Disabled Retiree mortality table with a 152.0% adjustment for males and 109.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2021.

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

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

<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 Markets Equity	13.50%	8.71%
Emerging Markets Equity	5.50%	10.96%
Private Equity	13.00%	11.30%
Real Estate	8.00%	9.15%
Real Assets	3.00%	7.40%
High Yield	2.00%	3.75%
Private Credit	8.00%	7.60%
Investment Grade Credit	8.00%	1.68%
Cash Equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	0.95%
Risk Mitigation Strategies	3.00%	3.35%
	<u>100.00%</u>	

**TOWNSHIP OF JACKSON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

Note 9. Pension Obligations (continued)

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

Discount Rate - The discount rate used to measure the total pension liability was 7.00% as of 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 on 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments to determine 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 net pension liability calculated using the discount rate as disclosed above, 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 (6.00%) or 1-percentage-point higher (8.00%) than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Township's Proportionate Share of the Net Pension Liability	\$ 33,575,419	\$ 22,111,367	\$ 12,568,782
State of New Jersey's Proportionate Share of Net Pension Liability associated with the Township	<u>9,443,079</u>	<u>6,218,817</u>	<u>3,534,967</u>
	<u><u>\$ 43,018,498</u></u>	<u><u>\$ 28,330,184</u></u>	<u><u>\$ 16,103,749</u></u>

Related Party Investments - The Division of Pensions and Benefits does not invest in securities issued by the Township.

TOWNSHIP OF JACKSON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

Note 10. Postemployment Benefits Other Than Pensions

As of the date of this report, the New Jersey Division of Pension and Benefits has not provided updated actuarial valuations for pension obligations for the year ended June 30, 2022. The New Jersey Division of Pension and Benefits will post these reports on their website as they are made available. The footnote below includes the most current information made publicly available, which had a reporting date of June 30, 2021.

General Information about the OPEB Plan

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) Comprehensive Annual Financial Report (CAFR), which can be found at <https://www.state.nj.us/treasury/pensions/financial-reports.shtml>.

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

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

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

**TOWNSHIP OF JACKSON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

Note 10. Postemployment Benefits Other Than Pensions (continued)

Basis of Presentation

The schedule of employer and nonemployer allocations and the schedule of OPEB amounts by employer and nonemployer (collectively, the Schedules) present amounts that are considered elements of the financial statements of its participating employers or the State as a nonemployer contributing entity. Accordingly, they do not purport to be a complete presentation of the financial position or changes in financial position of the participating employers or the State. The accompanying Schedules were prepared in accordance with U.S. generally accepted accounting principles. Such preparation requires management of the Plan to make a number of estimates and assumptions relating to the reported amounts. Due to the inherent nature of these estimates, actual results could differ from those estimates.

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. For the special funding situation and the nonspecial funding situation, the total OPEB liabilities for the year ended June 30, 2021 were \$3,872,142,278 and \$14,177,910,609, respectively. The nonspecial funding situation's net OPEB liability, deferred outflows of resources, deferred inflows of resources, and OPEB (benefit) 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 have been rounded for presentation purposes; therefore, amounts presented in the schedule of OPEB amounts by employer and nonemployer may result in immaterial differences.

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. 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 JACKSON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

Note 10. Postemployment Benefits Other Than Pensions (continued)

The participating employer allocations included in the supplemental schedule of employer special funding allocations and the supplemental schedule of special funding amounts by employer for each employer are provided as each employer is required to record in their financial statements, as an expense and corresponding revenue, their proportionate share of the OPEB expense allocated to the State of New Jersey under the special funding situation and include their proportionate share of the collective net OPEB liability in their respective notes to their financial statements. For this purpose, the proportionate share was developed based on eligible plan members subject to the special funding situation. This data takes into account active members from both participating and non-participating employer locations and retired members currently receiving OPEB benefits.

Additionally, the State's proportionate share of the OPEB liability attributable to the Township is \$34,932,585 as of December 31, 2021. The OPEB liability was measured as of June 30, 2021. The total OPEB liability used to calculate the OPEB liability was determined using update procedures to roll forward the total OPEB liability from an actuarial valuation as of July 1, 2020, to the measurement date of June 30, 2021. The State's proportion of the OPEB liability associated with the Township was based on a projection of the Township's long-term share of contributions to the OPEB plan relative to the projected contributions of all participating members, actuarially determined. The State's proportion measured as of June 30, 2021 was 0.904670999%, which was an increase of 0.2995829949% from its proportion measured as of June 30, 2020, which is the same proportion as the Township's. At December 31, 2021, the Township's and the State of New Jersey's proportionate share of the OPEB liability were as follows:

State of New Jersey's	
Proportionate Share of OPEB Liability	
Associated with the Township	\$ 34,932,585

At December 31, 2021, the State's proportionate share of the OPEB (credit)/expense, associated with the Township, calculated by the plan as of the June 30, 2021 measurement date was (\$4,766,682).

TOWNSHIP OF JACKSON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

Note 11. Municipal Debt

The following schedule represents the Township's summary of debt, as filed in the Township's Annual Debt Statement required by the Local Bond Law of New Jersey for the current and two previous years:

	<u>2022</u>	<u>2021</u>	<u>2020</u>
Issued:			
General:			
Bonds, Notes and Loans	\$ 16,505,925.63	\$ 19,421,028.46	\$ 22,321,131.29
Total Debt Issued	16,505,925.63	19,421,028.46	22,321,131.29
Authorized but not issued:			
General:			
Bonds, Notes and Loans	9,156,143.00	6,156,143.00	2,462,566.00
Total Authorized But Not Issued	9,156,143.00	6,156,143.00	2,462,566.00
Total Gross Debt	<u>\$ 25,662,068.63</u>	<u>\$ 25,577,171.46</u>	<u>\$ 24,783,697.29</u>
Deductions:			
General:			
Funds Temporarily Held			
to pay Bonds & Notes	1,012,815.16	1,012,815.16	1,112,815.16
Open Space Trust (40A:2-44h)	1,785,000.00	2,055,000.00	2,315,000.00
Total Deductions	2,797,815.16	3,067,815.16	3,527,815.16
Total Net Debt	<u>\$ 22,864,253.47</u>	<u>\$ 22,509,356.30</u>	<u>\$ 21,355,882.13</u>

Summary of Statutory Debt Condition - Annual Debt Statement

The following schedule is a summary of the previous schedule and is prepared in accordance with the required method of setting up the Annual Debt Statement:

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Local School Debt	\$ 36,865,000.00	\$ 36,865,000.00	\$ -
General Debt	25,662,068.63	2,797,815.16	22,864,253.47
	<u>\$ 62,527,068.63</u>	<u>\$ 39,662,815.16</u>	<u>\$ 22,864,253.47</u>

TOWNSHIP OF JACKSON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

Note 11. Municipal Debt (continued)

Net Debt \$22,864,253.47 divided by the average Equalized Valuation Basis per N.J.S.A 40A:2-2 as amended, \$8,811,056,735.33, equals 0.259% New Jersey statute 40A:2-6, as amended, limits the debt of a Municipality to 3.5% of the last three preceding year's average equalized valuations of real estate, including improvements and the assessed valuation of Class II Railroad Property. The remaining borrowing power in dollars at December 31, 2022 is calculated as follows:

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

3 1/2% of Equalized Valuation Basis (Municipal)	\$ 308,386,985.74
Net Debt	<u>22,864,253.47</u>
Remaining Borrowing Power	<u><u>\$ 285,522,732.27</u></u>

General Debt

A. Serial Bonds Payable

On July 23, 2014, the Township issued \$5,845,000.00 of General Obligation Bonds. The General Obligation Bonds were issued at interest rates varying from 2.00% to 3.00% and mature in 2025.

On February 2, 2016, the Township issued \$7,100,000.00 of General Bonds. The General Refunding Bonds were issued at interest rates varying from 2.00% to 4.00% and mature in 2028.

During 2016, the Township issued \$5,858,000.00 of General Bonds. The General Obligation bonds were issued at interest rates varying from 2.00% to 4.00% and mature in 2023.

During 2020, the Township issued \$13,640,000.00 of General Bonds. The General Obligation bonds were issued at interest rates varying from 2.00% to 4.00% and mature in 2033.

Principal and interest due on the outstanding bonds is as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 2,980,000.00	\$ 473,550.00	\$ 3,453,550.00
2024	1,890,000.00	388,950.00	2,278,950.00
2025	1,900,000.00	327,412.50	2,227,412.50
2026	1,325,000.00	264,450.00	1,589,450.00
2027	1,360,000.00	213,950.00	1,573,950.00
2028-2032	5,765,000.00	446,950.00	6,211,950.00
2033	1,095,000.00	10,950.00	1,105,950.00
	<u>\$ 16,315,000.00</u>	<u>\$ 2,126,212.50</u>	<u>\$ 18,441,212.50</u>

**TOWNSHIP OF JACKSON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

Note 11. Municipal Debt (continued)

B. Bond Anticipation Notes Payable – Short Term Debt

As of December 31, 2022, the Township did not have any Bond Anticipation notes outstanding.

C. Bonds and Notes Authorized But Not Issued

As of December 31, 2022, the Township had \$9,156,143.00 in various General Capital bonds and notes authorized but not issued.

D. Loans Payable

New Jersey Environmental Infrastructure Trust

In 2017 the Township finalized one loan agreement with the State of New Jersey Department of Environmental Protection, pursuant to the 2017A-1 New Jersey Environmental Infrastructure Trust Financing Program.

The loan consists of two agreements, a Trust Loan Agreement of \$145,000.00 to be repaid over a 14-year period at interest rates ranging from 3.00% to 5.00%, and a no interest Fund Loan Agreement of \$148,175.00 to be repaid over a 14-year period. The proceeds of the loans are to provide for the acquisition of a Jet Vac and Sweeper for use by the Township.

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 20,102.83	\$ 4,100.00	\$ 24,202.83
2024	20,102.83	3,600.00	23,702.83
2025	20,102.83	3,100.00	23,202.83
2026	20,102.83	2,600.00	22,702.83
2027	20,102.83	2,100.00	22,202.83
2028-2031	90,411.48	5,400.00	95,811.48
	<u>\$ 190,925.63</u>	<u>\$ 20,900.00</u>	<u>\$ 211,825.63</u>

Summary of Principal Debt

A summary of the changes in long-term and short-term debt of the Township is as follows:

	Balance December 31, 2021	Accrued/ Increases	Retired/ Decreases	Balance December 31, 2022	Balance Due Within One Year
General Capital:					
General Bonds	\$ 19,210,000.00	\$ -	\$ 2,895,000.00	\$ 16,315,000.00	\$ 2,895,000.00
Loans	211,028.46	-	20,102.83	190,925.63	20,102.83
Authorized but Not Issued	6,156,143.00	3,000,000.00	-	9,156,143.00	-
	<u>\$ 25,577,171.46</u>	<u>\$ 3,000,000.00</u>	<u>\$ 2,915,102.83</u>	<u>\$ 25,662,068.63</u>	<u>\$ 2,915,102.83</u>

TOWNSHIP OF JACKSON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

Note 12. Deferred Compensation Salary Account

The Township offers its employees a Deferred Compensation Plan in accordance with Internal Revenue Code Section 457 which has been approved by the Director of the Division of Local Government Services. The Plan, available to all full-time employees at their option, permits employees to defer a portion of their salary to future years. The deferred compensation is not available to participants until termination, retirement, death or unforeseeable emergency. Amounts deferred under Section 457 plans must be held in trust for the exclusive benefits of participating employees and not be accessible by the Township or its creditors. Since the Township does not have a fiduciary relationship with the Plan, the balances and activities of the Plan are not reported in the Township's financial statements.

Note 13. Accrued Sick, Vacation and Compensation Time

As discussed in Note 1 and in accordance with accounting principles prescribed by the State of New Jersey, the cash basis of accounting is followed for recording the Township's liability related to unused vacation, sick pay and compensation time. The Township permits certain employees within limits to accumulate unused vacation, sick pay and compensation time, which may be taken as time off or paid at a later date at an agreed upon rate. In accordance with New Jersey accounting principles, this unused accumulated absences amount is not reported as a liability in the accompanying financial statements. It is estimated that accrued benefits for compensated absences are valued at \$3,321,927.83 at December 31, 2022.

The Township has established a Trust Fund in accordance with NJSA 40A:4-39 to set aside funds for future payments of compensated absences. As of December 31, 2022, the Township has reserved in the Other Trust Fund \$223,773.14 to fund compensated absences in accordance with NJSA 40A:4-39.

Note 14. 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.

Joint Insurance Pool

The Township is a member of the Municipal Excess Liability Joint Insurance Fund. The Fund provides the Township with the following coverage

Worker's Compensation	\$ 1,700,000
General Liability	\$ 20,000,000
Employer's Liability	\$ 1,700,000
Auto Liability	\$ 300,000
Flood	\$ 100,000,000
Property/Boiler and Machinery	\$ 125,000,000
Public Officials Liability	\$ 2,000,000
Environmental Impairment Liability	\$ 1,000,000

Contributions to the Funds are payable in one installment and are based on actuarial assumptions determined by the Funds' actuaries. The Fund publishes its own financial report for the year ended December 31, 2022 which can be obtained on the Fund's website.

TOWNSHIP OF JACKSON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

Note 14. Risk Management (continued)

New Jersey Unemployment Compensation Insurance

The Township has elected to fund its New Jersey Unemployment Compensation Insurance under the “Reimbursement Method”. Under this plan, the Township is required to reimburse the New Jersey Unemployment Trust Fund, dollar-for-dollar, for unemployment benefits paid to its former employees who were laid off or furloughed and charged to its account with the State. The Township is billed quarterly for amounts due to the State. The following is a summary of Township contributions, reimbursements to the State for benefits paid and the ending balance of the Township’s unemployment trust fund for the current and previous two years:

<u>Year</u>	<u>Amount</u>		
	<u>Contributions</u>	<u>Reimbursed</u>	<u>Ending Balance</u>
2022	\$ 36,483.55	\$ 7,943.97	\$ 388,082.08
2021	48,956.76	6,620.89	359,542.50
2020	34,464.34	24,830.19	317,206.63

Note 15. Contingencies

Grantor Agencies

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

Litigation

The Township is currently a Defendant in a number of lawsuits filed under the Religious Land Use and Institutional Persons Act (RLUIPA) in Federal Court as well as State Court. These allegations include asserted violations of Constitutional Rights. The Township does maintain insurance for these types of claims, and it is uncertain at this juncture if said coverage will be sufficient to cover any and all claims, etc. These matters range from having just been filed to ongoing discovery. The Township is vigorously defending against each of these allegations and is working to obtain amicable resolutions thereof in a way which would be advantageous to the Township and its' tax payers. At this juncture, it is impossible to determine or estimate the amount of any potential loss which would not be covered by insurance with respect to any of these claims.

Tax Appeals

Losses arising from tax appeals are recognized at the time a decision is rendered by an administrative or judicial body; however, municipalities may establish reserves transferred from tax collections or by budget appropriation for future payments of tax appeal losses.

As of December 31, 2022, there were certain tax appeals on file against the Township related to 2015 through 2021 tax years. The Township has estimated the potential exposure to the Township from such appeals is approximately \$463,782.95.

**TOWNSHIP OF JACKSON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

Note 16. Tax Abatements

The Township is authorized by the New Jersey Housing and Mortgage Financing Act Law of 1983, N.J.S.A. 55:14K-1 et seq. (hereinafter "HMFA Law"), and a Resolution of the Council dated March 13, 2007, to enter into property tax abatement agreements for the purpose of attracting affordable housing. The exemption of the projects from real property taxation subject to this law shall not extend beyond the date on which the Agency Mortgage is paid in full, which according to the HMFA Law, may not exceed fifty (50) years.

For the year ended December 31, 2022, the Township abated property taxes totaling \$357,812.66 under this program, including the following tax abatement agreement that exceeded 10 percent of the total, which is the percentage the Township considers to be material for purposes of individual disclosure:

<u>Recipient</u>	<u>Purpose</u>	<u>Amount Abated</u>	<u>Pilot Billings</u>
Windsor Crescent LLC	Affordable Housing	\$ 357,812.66	\$ 64,465.34
		<u>\$ 357,812.66</u>	<u>\$ 64,465.34</u>

Note 17. Length of Service Awards Program

The Township's length of service awards program ("LOSAP") is reported in the Township's trust fund Statement of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis. The LOSAP provides tax deferred income benefits to active volunteer firefighters and emergency medical personnel.

The tax deferred income benefits for the active volunteer firefighters and emergency medical personnel serving the residents the of the Township come from contributions made solely by the governing body of the Township, on behalf of those volunteers who meet the criteria of a plan created by that governing body. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

Contributions - If an active member meets the year of active service requirement, a length of service awards program must provide a benefit between the minimum contribution of \$100.00 and a maximum contribution of \$1,150.00 per year. While the maximum amount is established by statute, it is subject to periodic increases that are related to the consumer price index (N.J.S.A. 40A:14-185(f)). The Division of Local Government Services of the State of New Jersey will issue the permitted maximum annually. The Township elected to contribute \$1,150.00 for the year ended December 31, 2022 per eligible volunteer, into the Plan, depending on how many years the volunteer has served, however, during the year ended December 31, 2022, the Township contributed a total of \$0.00 to the plan. Participants direct the investment of the contributions into various investment options offered by the Plan. The Township has no authorization to direct investment contributions on behalf of eligible volunteers nor has the ability to purchase or sell investment options offered by the Plan. The types of investment options, and the administering of such investments, rests solely with the plan administrator.

Participant Accounts - Each participant's account is credited with the Township's contribution and Plan earnings, and charged with administrative expenses. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account. The Township has placed the amounts deferred, including earnings, in a trust maintained by a third-party administrator for the exclusive benefit of the plan participants and their beneficiaries. Such funds, although subject to the claims of the

TOWNSHIP OF JACKSON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

Note 17. Length of Service Awards Program (continued)

Township's creditors until distributed as benefit payments, are not available for funding the operations of the Township. The funds may also be used to pay the administrative fees charged by the Plan Administrator. Lincoln Financial Group ("Plan Administrator"), an approved Length of Service Awards Program provider, is the administrator of the Plan. The Township's practical involvement in administering the Plan is essentially limited to verifying the eligibility of each participant and remitting the funds to the Plan Administrator.

Vesting - Benefits, plus actual earnings thereon, are one hundred percent (100%) vested after five (5) years of service.

Payment of Benefits - Upon retirement or disability, participants may select various payout options, which include lump sum, periodic, or annuity payments. In the case of death, with certain exceptions, any amount invested under the participant's account is paid to the beneficiary or the participant's estate. In the event of an unforeseeable emergency, as outlined in the Plan document, a participant or a beneficiary entitled to vested accumulated deferrals may request the local plan administrator to payout a portion of vested accumulated deferrals. During the year ended December 31, 2022 payouts of \$0.00 were made to vested participants.

Forfeited Accounts – During the year ended December 31, 2022, no accounts were forfeited.

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

Note 18. Subsequent Events

Management has reviewed and evaluated all events and transactions that occurred between December 31, 2022 and July 11, 2023, the date that the financial statements were available for issuance, for possible disclosure and recognition in the financial statements. No significant subsequent events were noted.

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SUPPLEMENTAL EXHIBITS

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CURRENT FUND

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**TOWNSHIP OF JACKSON
CURRENT FUND
SCHEDULE OF CASH AND CASH EQUIVALENTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

Balance December 31, 2021		\$ 25,732,607.59
Increased by Receipts:		
Nonbudget Revenues	\$ 1,064,567.23	
Taxes Receivable	175,121,313.53	
Tax Title Liens	308,937.19	
Tax Overpayments	14,119.67	
Revenue Accounts Receivable	9,775,893.99	
American Rescue Plan - Trust	2,444,000.00	
Prepaid Taxes	1,020,162.70	
State of New Jersey (Ch.29, P.L.1971)	359,300.00	
Interfunds	5,148,995.38	
Reserve for Police Cars	219,477.60	
Reserve Other	174,861.12	
Reserve for Legal Settlement	377.95	
Due to State of New Jersey - Construction Fees	232,302.00	
Due to State of New Jersey - Marriage Licenses	2,875.00	
	<hr/>	
Total Receipts		<hr/> 195,887,183.36
Subtotal		221,619,790.95
Decreased by Disbursements:		
2022 Appropriations	48,643,393.82	
2021 Reserved Appropriations	1,193,845.88	
Accounts Payable	67,654.95	
Tax Overpayments	351,151.44	
County Taxes Payable	33,118,081.99	
Local School District Tax	98,359,695.00	
Special District Taxes	8,139,430.13	
Municipal Open Space Trust Fund Taxes	2,096,188.05	
Reserve for Police Cars	156,010.81	
Prepaid Taxes	10,973.72	
Refund of Prior Year Revenue	22,718.45	
Due to State of New Jersey - Construction Fees	245,561.00	
Due to State of New Jersey - Marriage Licenses	4,605.00	
Interfunds	2,633,400.84	
	<hr/>	
Total Disbursements		<hr/> 195,042,711.08
Balance December 31, 2022		<hr/> <hr/> \$ 26,577,079.87

**TOWNSHIP OF JACKSON
CURRENT FUND
SCHEDULE OF DUE FROM STATE - P.L. 1971, C.20
FOR THE YEAR ENDED DECEMBER 31, 2022**

Balance December 31, 2021		\$	14,744.40
Increased by:			
Deductions per Tax Duplicate:			
Senior Citizens	\$	43,250.00	
Veterans		315,500.00	
Deductions Allowed by Tax Collector:			
2022 Senior Citizen Deductions		4,250.00	
2022 Veteran Deductions		8,000.00	
			<u>371,000.00</u>
			385,744.40
Decreased by:			
Received from State of New Jersey		359,300.00	
Deductions Disallowed by Tax Collector:			
Current Year Senior Citizens & Veterans		9,670.54	
Prior Years Senior Citizens & Veterans		2,250.00	
			<u>371,220.54</u>
Balance December 31, 2022		\$	<u><u>14,523.86</u></u>

TOWNSHIP OF JACKSON
CURRENT FUND
SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY
FOR THE YEAR ENDED DECEMBER 31, 2022

YEAR	BALANCE DECEMBER 31, 2021	2022 LEVY	ADDED TAXES	COLLECTED		DUE FROM STATE OF NEW JERSEY	CANCELED	TRANSFERRED TO TAX TITLE LIENS	BALANCE DECEMBER 31, 2022
				2021	2022				
2017	\$ 2,227.65	\$ -	\$ -	\$ -	\$ 870.72	\$ -	\$ -	\$ -	\$ 1,356.93
2019	3,319.69	-	-	-	3,319.69	-	-	-	-
2020	11,855.75	-	-	-	10,407.78	-	-	-	1,447.97
2021	1,241,998.53	-	-	-	1,180,442.17	(2,250.00)	47,468.82	2,421.89	13,915.65
Total	1,259,401.62	-	-	-	1,195,040.36	(2,250.00)	47,468.82	2,421.89	16,720.55
2022	-	176,081,100.26	1,578,730.49	1,021,430.43	173,926,273.17	361,329.46	104,697.58	259,475.23	1,986,624.88
Total	\$ 1,259,401.62	\$ 176,081,100.26	\$ 1,578,730.49	\$ 1,021,430.43	\$ 175,121,313.53	\$ 359,079.46	\$ 152,166.40	\$ 261,897.12	\$ 2,003,345.43

ANALYSIS OF 2022 PROPERTY TAX LEVY

General Purpose	\$ 167,941,670.13
Special District Tax	8,139,430.13
Added Taxes (54:4-63.1 et seq)	1,578,730.49
Total	<u>\$ 177,659,830.75</u>
TAX LEVY:	
Local School Tax	\$ 98,359,695.00
County Taxes (Abstract)	
County Added & Omitted Taxes	33,143,889.63
Special District Taxes	8,139,430.13
Municipal Open Space	2,096,188.05
Local Tax for Municipal Purposes	34,641,046.55
Add: Additional Taxes Levied	1,279,581.39
Total	<u>\$ 177,659,830.75</u>

**TOWNSHIP OF JACKSON
CURRENT FUND
SCHEDULE OF TAX TITLE LIENS
FOR THE YEAR ENDED DECEMBER 31, 2022**

Balance December 31, 2021		\$ 3,977,885.11
Increased by:		
Transfer from Taxes Receivable	\$ 261,897.12	
Interest & Costs on Taxes	<u>4,642.24</u>	
		<u>266,539.36</u>
		4,244,424.47
Decreased by:		
Collections	<u>308,937.19</u>	
		<u>308,937.19</u>
Balance December 31, 2022		<u><u>\$ 3,935,487.28</u></u>

**SCHEDULE OF PROPERTY ACQUIRED FOR TAXES
FOR THE YEAR ENDED DECEMBER 31, 2022**

Balance December 31, 2021	\$ 6,247,100.00
Decreased by:	
Adjustment	<u>-</u>
Balance December 31, 2022	<u><u>\$ 6,247,100.00</u></u>

**TOWNSHIP OF JACKSON
CURRENT FUND
SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2022**

	BALANCE DECEMBER 31, 2021	ACCRUED IN 2022	COLLECTED	BALANCE DECEMBER 31, 2022
Clerk:				
Alcoholic Beverage Licenses	\$ -	\$ 39,250.00	\$ 39,250.00	\$ -
Other Licenses	-	27,769.00	27,769.00	-
Fees & Permits	-	401,080.06	401,080.06	-
Municipal Court:				
Fines & Costs	33,482.22	424,667.92	412,611.72	45,538.42
Tax Collector:				
Interest & Costs on Taxes	-	630,332.15	630,332.15	-
Interest on Investments & Deposits	-	583,167.02	583,167.02	-
Energy Receipts Tax	-	3,352,149.00	3,352,149.00	-
Garden State Trust Fund	-	56,290.00	56,290.00	-
Garden State Excess Over Anticipated	-	30,394.00	30,394.00	-
Uniform Construction Code Fees	-	3,917,066.00	3,917,066.00	-
Cablevision Franchise Fee	-	201,215.00	201,215.00	-
Shared Service Agreement - BOE	-	179,432.59	179,432.59	-
Reserve - American Rescue Plan-ARP	-	2,444,000.00	2,444,000.00	-
Total	<u>\$ 33,482.22</u>	<u>\$ 12,286,812.74</u>	<u>\$ 12,274,756.54</u>	<u>\$ 45,538.42</u>

Cash Receipts	\$ 9,775,893.99
Garden State Excess Over Anticipated	30,394.00
Due From General Capital - Interest	24,468.55
American Rescue Plan - Trust	<u>2,444,000.00</u>
Total	<u>\$ 12,274,756.54</u>

**TOWNSHIP OF JACKSON
CURRENT FUND
SCHEDULE OF 2021 APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2022**

	BALANCE DECEMBER 31, 2021	RESERVE FOR ENCUMBRANCES	BALANCE AFTER TRANSFERS	PAID OR CHARGED	BALANCE LAPSED
General Government:					
Administrative Executive:					
Salaries and Wages	\$ 621.78	\$ -	\$ 621.78	\$ -	\$ 621.78
Other Expenses	37,901.53	3,783.00	41,684.53	2,828.36	38,856.17
Human Services:					
Salaries and Wages	10,046.19	-	10,046.19	412.53	9,633.66
Other Expenses	514.25	3,714.67	4,228.92	3,316.17	912.75
Township Council:					
Salaries and Wages	0.12	-	0.12		0.12
Other Expenses	665.00	100.00	765.00	100.00	665.00
Election:					
Salaries and Wages	3.10	-	3.10	-	3.10
Municipal Clerk:					
Salaries and Wages	874.63	-	874.63	154.07	720.56
Other Expenses	1,739.52	5,746.41	7,485.93	1,556.80	5,929.13
Mayor Office:					
Salaries and Wages	9,519.19	-	9,519.19	-	9,519.19
Other Expenses	1,505.00	-	1,505.00	-	1,505.00
Financial Administration:					
Salaries and Wages	6,260.64	-	6,260.64	-	6,260.64
Other Expenses	4,680.87	12,311.95	16,992.82	12,311.95	4,680.87
Audit Services:					
Other Expenses	-	48,200.00	48,200.00	48,200.00	-
Data Processing:					
Salaries and Wages	2,104.61	-	2,104.61	571.73	1,532.88
Other Expenses	2,383.03	25,317.43	27,700.46	16,920.77	10,779.69
Collection of Taxes:					
Salaries and Wages	1,454.28	-	1,454.28	305.33	1,148.95
Other Expenses	12,683.16	2,352.51	15,035.67	2,294.44	12,741.23
Assessment of Taxes:					
Salaries and Wages	447.81	-	1,947.81	1,688.70	259.11
Other Expenses	4,464.49	17,683.82	20,648.31	5,531.74	15,116.57
Purchasing:					
Salaries and Wages	755.65	-	755.65	192.93	562.72
Other Expenses	617.87	2,000.00	2,617.87	2,000.00	617.87
Legal Services & Costs:					
Other Expenses	37,220.98	66,879.50	174,100.48	147,422.83	26,677.65
Engineering Services & Costs:					
Salaries and Wages	17,554.50	-	12,554.50	-	12,554.50
Other Expenses	61,118.77	5,351.54	66,470.31	60,660.76	5,809.55
Historical Commission:					
Other Expenses	100.00	-	100.00	-	100.00
Community Alliance-Alcoholism & Drugs:					
Salaries and Wages	1,140.00	-	1,140.00	-	1,140.00
Other Expenses	100.00	-	100.00	-	100.00
Mayor's Community Advisory Board:					
Other Expenses	50.00	-	50.00	-	50.00
Economic Development Advisory Board	1,175.00	-	1,175.00	-	1,175.00
Housing and Inspection Code					
Salaries and Wages	65,214.82	-	51,214.82	-	51,214.82
Other Expenses	3,540.46	-	3,540.46	106.74	3,433.72
Planning/Zoning Boards:					
Salaries and Wages	1,921.72	-	1,921.72	(826.86)	2,748.58
Other Expenses	17,248.33	28,068.83	45,317.16	33,464.29	11,852.87

**TOWNSHIP OF JACKSON
CURRENT FUND
SCHEDULE OF 2021 APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2022**

	BALANCE DECEMBER 31, 2021	RESERVE FOR ENCUMBRANCES	BALANCE AFTER TRANSFERS	PAID OR CHARGED	BALANCE LAPSED
Maintenance of Tax Maps:					
Other Expenses	-	12,837.50	12,837.50	2,767.50	10,070.00
Rent Leveling Board:					
Salaries and Wages	2,095.00	-	2,095.00	-	2,095.00
Other Expenses	21,509.20	-	21,509.20	1,343.33	20,165.87
Code Enforcement - Other:					
Salaries and Wages	3,593.45	-	3,593.45	2,627.19	966.26
Other Expenses	476.54	3,928.39	4,404.93	3,789.74	615.19
Commercial Building Standards:					
Salaries and Wages	12,000.00	-	12,000.00	-	12,000.00
Other Expenses	1,350.00	-	1,350.00	-	1,350.00
Unsafe Structures Committee:					
Other Expenses	13,000.00	-	13,000.00	-	13,000.00
Insurance:					
General Liability	42,207.52	10,000.00	52,207.52	12,500.00	39,707.52
Employee Group Health	323,834.72	-	307,834.72	364.57	307,470.15
Health Benefit Waiver	3,031.61	-	3,031.61	-	3,031.61
Unemployment Trust Fund	10,000.00	-	10,000.00	-	10,000.00
Police Department:					
Salaries and Wages	232,594.20	-	225,594.20	43,300.94	182,293.26
Other Expenses	31,755.64	259,492.73	291,248.37	288,322.01	2,926.36
Police Dispatch/911:					
Salaries and Wages	76,083.43	-	73,083.43	11,775.62	61,307.81
Emergency Management:					
Salaries and Wages	7,755.54	-	7,755.54	-	7,755.54
Other Expenses	5,207.86	16,416.78	21,624.64	15,871.78	5,752.86
Municipal Prosecutor:					
Other Expenses	10,000.00	3,333.37	13,333.37	3,333.33	10,000.04
Juvenile Conference Committee:					
Salaries and Wages	1,300.00	-	1,300.00	-	1,300.00
Other Expenses	25.00	-	25.00	-	25.00
Streets & Roads Maintenance:					
Salaries and Wages	103,884.03	-	100,884.03	4,563.52	96,320.51
Other Expenses	18,236.41	116,285.52	134,521.93	99,069.49	35,452.44
Snow Removal:					
Other Expenses	-	60,835.08	60,835.08	204.44	60,630.64
Shade Tree Commission:					
Salaries and Wages	205.00	-	205.00	-	205.00
Other Expenses	4,661.25	342.50	5,003.75	685.00	4,318.75
Solid Waste Collection:					
Salaries and Wages	267.98	-	867.98	600.74	267.24
Other Expenses	26,766.45	50,722.00	76,888.45	50,722.00	26,166.45
Buildings & Grounds:					
Salaries and Wages	15,835.38	-	15,835.38	12,942.77	2,892.61
Other Expenses	17,268.90	90,107.45	107,376.35	104,898.85	2,477.50
Vehicle Maintenance:					
Salaries and Wages	8,706.74	-	8,706.74	2,174.05	6,532.69
Other Expenses	45,758.36	64,116.65	109,875.01	43,354.90	66,520.11
Community Services Act:					
Other Expenses	-	150,000.00	150,000.00	150,000.00	-
Public Health Services:					
Salaries and Wages	0.10	-	0.10	-	0.10
Other Expenses	359.00	-	359.00	-	359.00
Environmental Health Services-					
Environmental Commission:					
Salaries and Wages	360.00	-	360.00	-	360.00
Other Expenses	321.70	-	321.70	-	321.70
Animal Control Services:					
Salaries and Wages	7,766.57	-	7,766.57	2,571.51	5,195.06
Other Expenses	12,629.46	10,113.56	22,743.02	8,687.28	14,055.74

**TOWNSHIP OF JACKSON
CURRENT FUND
SCHEDULE OF 2021 APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2022**

	BALANCE DECEMBER 31, 2021	RESERVE FOR ENCUMBRANCES	BALANCE AFTER TRANSFERS	PAID OR CHARGED	BALANCE LAPSED
Going Green Committee:					
Other Expenses	100.00	-	100.00	-	100.00
Recreation Services & Programs:					
Salaries and Wages	7,633.85	-	7,633.85	1,524.47	6,109.38
Other Expenses	9,187.86	4,028.69	13,216.55	3,908.62	9,307.93
Office for the Golden Age:					
Salaries and Wages	41,368.06	-	40,368.06	2,440.34	37,927.72
Other Expenses	459.42	4,847.59	5,307.01	3,788.72	1,518.29
Handicapped Committee:					
Salaries and Wages	3,093.19	-	3,093.19	1,572.02	1,521.17
Other Expenses	4,294.76	-	4,294.76	-	4,294.76
Park Maintenance:					
Other Expenses	3,048.99	9,952.84	13,001.83	4,723.84	8,277.99
Municipal Court:					
Salaries and Wages	10,986.61	-	10,986.61	2,720.68	8,265.93
Other Expenses	19,023.80	860.65	19,884.45	353.35	19,531.10
Salary & Wage Adjustment					
Salaries and Wages	26,459.42	-	26,459.42	-	26,459.42
Postage & Photocopy:					
Other Expenses	5,323.33	4,562.00	9,885.33	2,562.00	7,323.33
Utility Expenses & Bulk Purchases:					
Electricity	17,728.26	35,174.63	52,902.89	9,951.98	42,950.91
Street Lighting	2,037.34	73,519.62	75,556.96	73,646.69	1,910.27
Telecommunication Costs	17,866.87	4,014.32	21,881.19	682.18	21,199.01
Natural Gas	21,607.47	14,472.66	36,080.13	13,113.08	22,967.05
Fuel & Petroleum Products	20,134.29	38,492.69	58,626.98	22,793.15	35,833.83
Landfill/Solid Waste Disposal Costs:					
Other Expenses	10,500.00	40,640.22	51,140.22	9,644.03	41,496.19
Legler Landfill - Postclosure Monitoring:					
Other Expenses	6,400.01	5,247.40	11,647.41	5,247.40	6,400.01
Uniform Construction Code:					
Construction Code Department:					
Salaries and Wages	156,917.66	-	138,917.66	6,739.03	132,178.63
Other Expenses	10,666.83	1,000.82	11,667.65	10,716.47	951.18
Statutory Expenditures:					
Social Security System (O.A.S.I.)	84,707.72	-	81,707.72	1,034.98	80,672.74
Defined Contribution					
Retirement Program	527.75	-	527.75	-	527.75
Relocation Assistance	2,000.00		2,000.00	-	2,000.00
LOSAP	-	35,000.00	35,000.00	35,000.00	-
Recycling Tonnage Tax	500.00	2,000.50	2,500.50	864.23	1,636.27
Matching Funds for Grants	4,133.64	-	4,133.64	-	4,133.64
Total General Appropriations	\$ 1,853,181.47	\$ 1,343,855.82	\$ 3,197,037.29	\$ 1,418,711.10	\$ 1,778,326.19
				Cash Disbursements	\$ 1,193,845.88
				Accounts Payable	224,865.22
				Total	\$ 1,418,711.10

**TOWNSHIP OF JACKSON
CURRENT FUND
SCHEDULE OF ACCOUNTS PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2022**

Balance December 31, 2021		\$	801,803.28
Increased by:			
Appropriation Reserves Charged			<u>224,865.22</u>
			1,026,668.50
Decreased by:			
Cash Disbursed	\$	67,654.95	
Cancelled		<u>403,351.71</u>	
			<u>471,006.66</u>
Balance December 31, 2022		\$	<u><u>555,661.84</u></u>

**SCHEDULE OF RESERVE FOR ENCUMBRANCES
FOR THE YEAR ENDED DECEMBER 31, 2022**

Balance December 31, 2021		\$	1,343,855.82
Increased by:			
2022 Budget Appropriations			<u>1,287,526.07</u>
Subtotal			2,631,381.89
Decreased by:			
Transfer to Appropriation Reserves			<u>1,343,855.82</u>
Balance December 31, 2022		\$	<u><u>1,287,526.07</u></u>

**TOWNSHIP OF JACKSON
CURRENT FUND
SCHEDULE OF PREPAID TAXES
FOR THE YEAR ENDED DECEMBER 31, 2022**

Balance December 31, 2021		\$ 1,021,430.43
Increased by:		
2022 Tax Collections on 2023 Taxes	\$ 1,020,162.70	
Overpayments Transferred to 2023 Taxes	11,114.90	
	<u>1,031,277.60</u>	
		2,052,708.03
Decreased by:		
Cash Disbursements	10,973.72	
Applied to 2022 Taxes Receivable	1,021,430.43	
	<u>1,032,404.15</u>	
Balance December 31, 2022		<u><u>\$ 1,020,303.88</u></u>

**SCHEDULE OF TAX OVERPAYMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

Balance December 31, 2021		\$ 362,266.34
Increased by:		
Overpayments Created		<u>14,119.67</u>
		376,386.01
Decreased by:		
Overpayments Transferred to Prepaid Taxes	11,114.90	
Cash Refunds	351,151.44	
	<u>362,266.34</u>	
Balance December 31, 2022		<u><u>\$ 14,119.67</u></u>

**TOWNSHIP OF JACKSON
CURRENT FUND
SCHEDULE OF COUNTY TAXES PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2022**

Balance December 31, 2021		\$ 272,637.90
Increased by:		
County Tax	\$ 27,655,819.77	
County Library Tax	2,721,694.98	
County Health Tax	1,437,295.80	
County Open Space Preservation Tax	1,030,633.53	
Due County for Added & Omitted Taxes	<u>298,445.55</u>	
		<u>33,143,889.63</u>
		33,416,527.53
Decreased by:		
Payments		<u>33,118,081.99</u>
Balance December 31, 2022		<u><u>\$ 298,445.54</u></u>

**SCHEDULE OF LOCAL DISTRICT SCHOOL TAX PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2022**

Balance December 31, 2021		\$ -
Increased by:		
Levy - Calendar Year 2022		<u>98,359,695.00</u>
		98,359,695.00
Decreased by:		
Disbursed		<u>98,359,695.00</u>
Balance December 31, 2022		<u><u>\$ -</u></u>

**TOWNSHIP OF JACKSON
CURRENT FUND
SCHEDULE OF SPECIAL DISTRICT TAXES PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2022**

Balance December 31, 2021	\$ -
Increased by:	
Fire Districts Levy:	
Cassville Fire District #2	\$ 2,147,647.00
Hulsles Corner Fire District #3	3,953,241.00
Jackson Mills Fire District #4	<u>2,038,542.13</u>
	<u>8,139,430.13</u>
	8,139,430.13
Decreased by:	
Disbursed	<u>8,139,430.13</u>
Balance December 31, 2022	<u><u>\$ -</u></u>

**SCHEDULE OF DUE TO STATE OF NEW JERSEY - CONSTRUCTION FEES
FOR THE YEAR ENDED DECEMBER 31, 2022**

Balance December 31, 2021	\$ 42,559.00
Increased by:	
Collections	<u>232,302.00</u>
	274,861.00
Decreased by:	
Disbursed	<u>245,561.00</u>
Balance December 31, 2022	<u><u>\$ 29,300.00</u></u>

**SCHEDULE OF DUE TO STATE OF NEW JERSEY - MARRIAGE LICENSE FEES
FOR THE YEAR ENDED DECEMBER 31, 2022**

Balance December 31, 2021	\$ 1,730.00
Increased by:	
Collections	<u>2,875.00</u>
	4,605.00
Decreased by:	
Disbursed	<u>4,605.00</u>
Balance December 31, 2022	<u><u>\$ -</u></u>

**TOWNSHIP OF JACKSON
CURRENT FUND
SCHEDULE OF RESERVE FOR REVALUATION PROGRAM
FOR THE YEAR ENDED DECEMBER 31, 2022**

Balance December 31, 2022 and 2021	<u><u>\$ 5,743.40</u></u>
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**SCHEDULE OF DUE TO MUNICIPAL OPEN SPACE TRUST FUND
FOR THE YEAR ENDED DECEMBER 31, 2022**

Balance December 31, 2021	\$ -
Increased by:	
Open Space Tax	\$ 2,078,321.72
Added & Omitted Taxes	<u>17,866.33</u>
	<u>2,096,188.05</u>
	2,096,188.05
Decreased by:	
Cash Disbursed	<u>2,096,188.05</u>
Balance December 31, 2022	<u><u>\$ -</u></u>

**SCHEDULE OF RESERVE FOR GARDEN STATE TRUST FUND
FOR THE YEAR ENDED DECEMBER 31, 2022**

Balance December 31, 2021	\$ 30,394.95
Decreased by:	
Utilized as Anticipated Revenue	<u>30,394.00</u>
Balance December 31, 2022	<u><u>\$ 0.95</u></u>

**TOWNSHIP OF JACKSON
CURRENT FUND
SCHEDULE OF RESERVE FOR STATE BOARD OF TAXATION APPEALS
FOR THE YEAR ENDED DECEMBER 31, 2022**

Balance December 31, 2022 and 2021	<u><u>\$ 463,782.95</u></u>
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**SCHEDULE OF RESERVE FOR MASTER PLAN
FOR THE YEAR ENDED DECEMBER 31, 2022**

Balance December 31, 2022 and 2021	<u><u>\$ 3,112.48</u></u>
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**SCHEDULE OF RESERVE OTHER
FOR THE YEAR ENDED DECEMBER 31, 2022**

Balance December 31, 2021	\$ 2,117.88
Increased by:	
Cash Receipts	<u>174,861.12</u>
Balance December 31, 2022	<u><u>\$ 176,979.00</u></u>

EXHIBIT A-26

**TOWNSHIP OF JACKSON
CURRENT FUND
SCHEDULE OF RESERVE FOR COAH STATE PLAN
FOR THE YEAR ENDED DECEMBER 31, 2022**

Balance December 31, 2022 and 2021	\$ 915,250.00
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EXHIBIT A-27

**SCHEDULE OF RESERVE FOR FEMA REIMBURSEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

Balance December 31, 2022 and 2021	\$ 56,727.20
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EXHIBIT A-28

**SCHEDULE OF RESERVE FOR POLICE CARS
FOR THE YEAR ENDED DECEMBER 31, 2022**

Balance December 31, 2021	\$ 179,514.79
Increased by:	
Cash Receipts	219,477.60
	398,992.39
Decreased by:	
Cash Disbursements	156,010.81
	156,010.81
Balance December 31, 2022	\$ 242,981.58

EXHIBIT A-29

**SCHEDULE OF RESERVE FOR LEGAL SETTLEMENT
FOR THE YEAR ENDED DECEMBER 31, 2022**

Balance December 31, 2021	\$ -
Increased by:	
Emergency Appropriation	150,000.00
Interest Income	377.95
	377.95
Balance December 31, 2022	\$ 150,377.95

**TOWNSHIP OF JACKSON
CURRENT FUND
SCHEDULE OF INTERFUNDS - OTHER FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022**

	FEDERAL & STATE GRANT FUND	OPEN SPACE	GENERAL CAPITAL	TRUST OTHER	TOTAL
Balance December 31, 2021					
Interfunds Receivable (Payable)	<u>\$ (896,692.85)</u>	<u>\$ 827,930.00</u>	<u>\$ -</u>	<u>\$ 18,195.88</u>	<u>\$ (50,566.97)</u>
Increased by:					
Anticipated Revenue	674,962.11	-	-	-	674,962.11
Interest Income	-	-	22,903.54	-	22,903.54
Cash Disbursements	1,302,262.11	-	-	1,331,138.73	2,633,400.84
Cancellation of Appropriation Reserves	<u>10,596.24</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,596.24</u>
Subtotal	<u>1,987,820.46</u>	<u>-</u>	<u>22,903.54</u>	<u>1,331,138.73</u>	<u>3,341,862.73</u>
Decreased by:					
Cash Collections:					
Grants Receivable	333,140.05	-	-	-	333,140.05
Unappropriated Funds	2,642,090.04	-	-	-	2,642,090.04
Interfunds Liquidated	-	827,930.00	-	1,345,835.29	2,173,765.29
Grant Appropriations	682,336.36	-	-	-	682,336.36
Cancellation of Grant Receivables	<u>8,717.08</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,717.08</u>
Subtotal	<u>3,666,283.53</u>	<u>827,930.00</u>	<u>-</u>	<u>1,345,835.29</u>	<u>5,840,048.82</u>
Balance December 31, 2022					
Interfunds Receivable (Payable)	<u>\$ (2,575,155.92)</u>	<u>\$ -</u>	<u>\$ 22,903.54</u>	<u>\$ 3,499.32</u>	<u>\$ (2,548,753.06)</u>
Due From Developers Escrow				\$ 2,065.33	
Due From General Trust				2,467.99	
Due To Parks & Recreation				<u>(1,034.00)</u>	
Total				<u>\$ 3,499.32</u>	

**TOWNSHIP OF JACKSON
FEDERAL AND STATE GRANT FUND
SCHEDULE OF DUE FROM CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2022**

Balance December 31, 2021		\$	896,692.85
Increased by:			
Deposited in Current Fund:			
Unappropriated Reserves	\$	2,642,090.04	
Grants Receivable		333,140.05	
Cancellation of Grants Receivable		8,717.08	
2022 Budget Appropriations		<u>682,336.36</u>	
			<u>3,666,283.53</u>
			4,562,976.38
Decreased by:			
Disbursed by Current Fund:			
Appropriated Reserves		1,302,262.11	
Cancellation of Appropriated Reserves		10,596.24	
2022 Anticipated Revenue		<u>674,962.11</u>	
			<u>1,987,820.46</u>
Balance December 31, 2022		\$	<u><u>2,575,155.92</u></u>

**TOWNSHIP OF JACKSON
FEDERAL AND STATE GRANT FUND
SCHEDULE OF STATE AND FEDERAL GRANTS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2022**

	BALANCE DECEMBER 31, 2021	2022 ANTICIPATED REVENUE	CASH RECEIVED	TRANSFER FROM UNAPPROPRIATED RESERVE	CANCELLED	BALANCE DECEMBER 31, 2022
State Grants:						
NJ-DOT Municipal Aid - 2021	\$ 372,200.00	\$ -	\$ -	-	\$ -	\$ 372,200.00
NJ-DOT Municipal Aid - 2020	106,250.00	-	-	-	-	106,250.00
NJ-DOT Municipal Aid - Brewers Bridge III - 2019	93,750.00	-	-	-	-	93,750.00
NJ-DOT Municipal Aid- Woodlane/New Central '18	100,000.00	-	-	-	-	100,000.00
NJUCF Stewardship Grant-Ash Tree Survey - 2021	20,000.00	-	-	-	-	20,000.00
Recycling Tonnage - 2022	-	23,719.05	-	23,719.05	-	-
Body Worn Camera Grant - 2021	273,092.00	-	163,855.20	-	-	109,236.80
Pedestrian Safety Grant - 2021	6,840.00	-	6,235.00	-	605.00	-
NJ Handicapped Recreational Opportunities - 2021	6,753.50	-	6,753.50	-	-	-
NJ Handicapped Recreational Opportunities - 2022	-	15,000.00	15,000.00	-	-	-
Municipal Alliance Alcohol & Drug Alliance - 2021	23,369.08	-	4,646.95	-	5,872.08	12,850.05
Municipal Alliance Alcohol & Drug Alliance - 2022	-	17,497.00	-	-	-	17,497.00
Municipal Alliance Alcohol & Drug Alliance/DMHAS Youth - 20	-	7,015.57	-	-	-	7,015.57
Safe & Secure Neighborhood - 2021	7,777.50	-	7,777.50	-	-	-
Safe & Secure Neighborhood - 2022	-	15,555.00	7,050.75	-	-	8,504.25
Alcohol Education and Rehabilitation Fund - 2021	-	2,044.79	-	2,044.79	-	-
Clean Communities - 2021	-	119,285.95	-	119,285.95	-	-
Body Armor Replacement Grant - 2021	-	3,949.75	-	3,949.75	-	-
Crash Abatement Tactics Grant - 2022	-	54,000.00	53,370.00	-	630.00	-
Rutgers Storm Water Mangement 2022	-	367,075.00	-	-	-	367,075.00
Homeland Security - 2020	18,000.00	-	18,000.00	-	-	-
SNY Playball by Chick-Fil-A	-	2,500.00	2,500.00	-	-	-
Total State	1,028,032.08	627,642.11	285,188.90	148,999.54	7,107.08	1,214,378.67
Federal Grants:						
Bullet Proof Vest 2021	7,237.50	-	4,341.15	-	-	2,896.35
Cops in Shops Summer/Shore Initiative - 2022	-	3,360.00	3,360.00	-	-	-
Drive Sober or Get Pulled Over - 2021	8,400.00	-	8,400.00	-	-	-
Drive Sober or Get Pulled Over - 2022	-	10,500.00	-	-	-	10,500.00
OC Office of Senior Services - Information Assistance Grant - 202	-	17,710.00	17,710.00	-	-	-
Click It or Ticket - 2022	-	8,750.00	7,140.00	-	1,610.00	-
Distracted Drive Crackdown - 2022	-	7,000.00	7,000.00	-	-	-
Total Federal	15,637.50	47,320.00	47,951.15	-	1,610.00	13,396.35
Total	\$ 1,043,669.58	\$ 674,962.11	\$ 333,140.05	\$ 148,999.54	\$ 8,717.08	\$ 1,227,775.02

TOWNSHIP OF JACKSON
FEDERAL AND STATE GRANT FUND
SCHEDULE OF STATE AND FEDERAL GRANTS - APPROPRIATED
FOR THE YEAR ENDED DECEMBER 31, 2022

	BALANCE DECEMBER 31, 2021	TRANSFERRED FROM 2022 BUDGET	PRIOR YEAR ENCUMBRANCES	EXPENDED	RESERVE FOR ENCUMBRANCES	CANCELLED	BALANCE DECEMBER 31, 2022
State Grants:	\$	\$	\$	\$	\$	\$	\$
Recycling Tonnage Grant - 2009	0.34	-	-	0.34	-	-	-
Recycling Tonnage Grant - 2010	109.84	-	-	109.84	-	-	-
Recycling Tonnage Grant - 2011	4,576.14	-	2,576.78	5,578.41	-	-	1,574.51
Recycling Tonnage Grant - 2012	49,031.10	-	-	46,002.53	-	-	3,028.57
Recycling Tonnage Grant - 2014	0.15	-	-	0.15	-	-	-
Recycling Tonnage Grant - 2015	87,406.87	-	-	25,850.15	127.99	-	61,428.73
Recycling Tonnage Grant - 2016	76,648.12	-	-	99.00	-	-	76,549.12
Recycling Tonnage Grant - 2018	48,115.29	-	-	295.00	-	-	47,820.29
Recycling Tonnage Grant - 2020	10,367.46	-	-	-	-	-	10,367.46
Recycling Tonnage Grant - 2021	23,011.77	-	-	-	-	-	23,011.77
Recycling Tonnage Grant - 2022	-	23,719.05	-	-	-	-	23,719.05
Body Armor Replacement Grant - 2021	362.57	-	1,447.05	1,809.62	-	-	-
Body Armor Replacement Grant - 2022	-	3,949.75	-	3,949.75	-	-	-
Drunk Driving Enforcement Fund -2019	886.75	-	179.00	717.00	348.75	-	-
Drunk Driving Enforcement Fund -2020	7,270.45	-	-	2,315.00	1,125.45	-	3,830.00
Drunk Driving Enforcement Fund -2021	6,703.32	-	-	2,970.00	138.95	-	3,594.37
Alcohol Education & Rehabilitation - 2013	190.01	-	-	-	-	-	190.01
Alcohol Education & Rehabilitation - 2016	2,534.13	-	-	-	-	-	2,534.13
Alcohol Education & Rehabilitation - 2017	8,032.26	-	-	-	-	-	8,032.26
Alcohol Education & Rehabilitation - 2019	4,174.25	-	-	-	-	-	4,174.25
Alcohol Education & Rehabilitation - 2020	1,687.87	-	-	-	-	-	1,687.87
Alcohol Education & Rehabilitation - 2021	3,000.74	2,044.79	-	-	-	-	3,595.53
Clean Communities Program - 2020	-	-	2,893.45	1,450.00	-	-	-
Clean Communities Program - 2021	14,490.00	-	23,628.93	2,893.45	500.00	-	10.44
Clean Communities Program - 2022	-	119,285.95	-	37,608.49	8,635.18	-	70,347.21
Recycling Mini Grant	950.35	-	1,956.00	40,303.56	-	-	950.35
Body Worn Camera Grant - 2021	-	-	273,092.00	1,956.00	-	-	-
Stormwater Management	371.60	-	-	273,092.00	-	-	371.60
Going Green Sustainable/Small Cities 2012	1,000.00	-	-	-	-	-	1,000.00
NJ-DOT Municipal Aid - Brewers Bridge III - 2019	-	-	375,000.00	375,000.00	-	-	-
NJ-DOT Municipal Aid - 2020	-	-	425,000.00	261,022.43	163,977.57	-	-
NJ-DOT Municipal Aid - 2021	372,200.00	-	-	-	372,200.00	-	-
Municipal Alliance - 2020/2021	7,751.24	-	-	-	-	7,751.24	-
Municipal Alliance - 2021/2022	15,174.41	-	5,227.34	20,025.68	-	-	376.07
Municipal Alliance - 2022/2023	-	-	-	7,798.68	6,669.08	-	14,419.06
Safe and Secure Neighborhood - 2021	3,888.75	-	-	3,888.75	-	-	-
Safe and Secure Neighborhood - 2022	-	15,555.00	-	10,939.50	-	-	4,615.50
NJ Handicapped Recreational Opportunities - 2021	4,939.07	-	211.30	5,150.37	-	-	(0.00)
NJ Handicapped Recreational Opportunities - 2022	-	18,000.00	-	18,000.00	-	-	-
NJUCF Stewardship Grant-Ash Tree Survey - 2021	20,000.00	-	-	8,900.50	5,199.50	-	5,900.00
Pedestrian Safety Grant - 2021	4,680.00	-	-	4,075.00	-	605.00	-
SNY Playball by Chick-Fil-A	-	2,500.00	-	-	-	-	2,500.00
Rutgers Stormwater Management - 2022	-	367,075.00	-	1,436.50	302,439.50	-	63,199.00
Total State Grants	779,554.85	581,016.36	1,111,211.85	1,163,237.70	861,361.97	8,356.24	438,827.15

TOWNSHIP OF JACKSON
FEDERAL AND STATE GRANT FUND
SCHEDULE OF STATE AND FEDERAL GRANTS - APPROPRIATED
FOR THE YEAR ENDED DECEMBER 31, 2022

	BALANCE DECEMBER 31, 2021	TRANSFERRED FROM 2022 BUDGET	PRIOR YEAR ENCUMBRANCES	EXPENDED	RESERVE FOR ENCUMBRANCES	CANCELLED	BALANCE DECEMBER 31, 2022
Federal Grants:							
Ocean County Office of Senior Services - Information Systems Grant 2021	-	-	16,717.40	16,717.40	-	-	-
Federal Bureau of Justice - Bulletproof Vest Partnership - 2021	5,790.45	-	1,447.05	7,048.49	-	-	189.01
Click It or Ticket - 2022	-	8,750.00	-	7,140.00	-	1,610.00	-
Cops in Shops Summer/Shore Initiative - 2022	-	3,360.00	-	3,360.00	-	-	-
Crash Abatement Tactics Grant - 2022	-	54,000.00	-	53,370.00	-	630.00	-
Drive Sober or Get Pulled Over - 2021	5,400.00	-	-	5,400.00	-	-	-
Drive Sober or Get Pulled Over - 2022	-	10,500.00	-	3,500.00	-	-	7,000.00
OC Office of Sen Serv - Info Assist Grant - 2020	-	-	196.04	-	196.04	-	-
OC Office of Sen Serv - Info Assist Grant - 2022	-	17,710.00	-	17,488.52	-	-	221.48
Distracted Driving Crackdown '22	-	7,000.00	-	7,000.00	-	-	-
Homeland Security - 2020	18,000.00	-	-	18,000.00	-	-	-
Total Federal Grants	29,190.45	101,320.00	18,360.49	139,024.41	196.04	2,240.00	7,410.49
Totals	\$ 808,745.30	\$ 682,336.36	\$ 1,129,572.34	\$ 1,302,262.11	\$ 861,558.01	\$ 10,596.24	\$ 446,237.64

**TOWNSHIP OF JACKSON
FEDERAL AND STATE GRANT FUND
SCHEDULE OF STATE AND FEDERAL GRANTS - UNAPPROPRIATED
FOR THE YEAR ENDED DECEMBER 31, 2022**

	BALANCE DECEMBER 31, 2021	RECEIVED 2022	ANTICIPATED AS REVENUE	BALANCE DECEMBER 31, 2022
Alcohol Education & Rehabilitation	\$ 2,044.79	\$ 6,949.02	\$ 2,044.79	\$ 6,949.02
NJ Body Armor	-	9,982.62	3,949.75	6,032.87
Clean Communities	-	119,285.95	119,285.95	-
Recycling Tonnage	-	23,719.05	23,719.05	-
American Rescue Plan	-	2,427,285.00	-	2,427,285.00
Opioids Settlement	-	54,868.40	-	54,868.40
Total State	2,044.79	2,642,090.04	148,999.54	2,495,135.29
Total	\$ 2,044.79	\$ 2,642,090.04	\$ 148,999.54	\$ 2,495,135.29

**SCHEDULE OF RESERVE FOR ENCUMBRANCES
FOR THE YEAR ENDED DECEMBER 31, 2022**

Balance December 31, 2021	\$ 1,129,572.34
Increased by:	
Charged to Appropriation Reserves	861,558.01
	1,991,130.35
Decreased by:	
Applied to Appropriated Reserves	1,129,572.34
Balance December 31, 2022	\$ 861,558.01

TOWNSHIP OF JACKSON
CURRENT FUND
SCHEDULE OF DEFERRED CHARGES
FOR THE YEAR ENDED DECEMBER 31, 2022

DATE AUTHORIZED	PURPOSE	BALANCE DECEMBER 31, 2021	INCREASED	BALANCE DECEMBER 31, 2022
8/23/22	Emergency Litigation Settlement	\$ -	\$ 150,000.00	\$ 150,000.00
		\$ -	\$ 150,000.00	\$ 150,000.00

TRUST FUND

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**TOWNSHIP OF JACKSON
TRUST FUND
SCHEDULE OF CASH - TREASURER
FOR THE YEAR ENDED DECEMBER 31, 2022**

	ANIMAL CONTROL TRUST FUND	OPEN SPACE TRUST FUND	TRUST OTHER FUND
Balance December 31, 2021	\$ 57,840.91	\$ 6,723,556.37	\$ 18,851,149.63
Increased by Receipts:			
Reserve for Animal Control Trust Fund Expenditures	\$ 48,806.16		1,331,138.73
Interfund Due Current Various Reserves			12,089,000.25
Due from Ocean County Community Development Block Grant			112,271.36
Reserve for Open Space		2,155,338.95	
Due to State of New Jersey			
Total Receipts	<u>5,817.60</u>	<u>2,155,338.95</u>	<u>13,532,410.34</u>
Decreased by Disbursements:			
Due to State of New Jersey	5,827.80		
Animal Control Trust Fund Expenditures (R.S.4:19015.11)	46,578.91		1,345,835.29
Interfund - Current Fund Various Reserves		827,930.00	10,385,254.65
Reserve for Open Space		1,278,704.73	
Total Disbursements	<u>52,406.71</u>	<u>2,106,634.73</u>	<u>11,731,089.94</u>
Balance December 31, 2022	<u>\$ 60,057.96</u>	<u>\$ 6,772,260.59</u>	<u>\$ 20,652,470.03</u>

**TOWNSHIP OF JACKSON
ANIMAL CONTROL TRUST FUND
SCHEDULE OF DUE TO STATE OF NEW JERSEY
FOR THE YEAR ENDED DECEMBER 31, 2022**

Balance December 31, 2021	\$ 10.20
Increased by:	
Cash Receipts	<u>5,817.60</u>
Subtotal	5,827.80
Decreased by:	
Cash Disbursements	<u>5,827.80</u>
Balance December 31, 2022	<u><u>\$ -</u></u>

**SCHEDULE OF RESERVE FOR ANIMAL CONTROL FUND EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2022**

Balance December 31, 2021	\$ 57,830.71
Increased by:	
2022 Dog License Fees Collected	<u>48,806.16</u>
Subtotal	106,636.87
Decreased by:	
Expenditures Under R.S.4:19-15:11 - Cash	<u>46,578.91</u>
	<u>46,578.91</u>
Balance December 31, 2022	<u><u>\$ 60,057.96</u></u>

LICENSE FEES COLLECTED

YEAR	AMOUNT
2021	\$ 44,070.35
2020	<u>51,836.60</u>
Total	<u><u>\$ 95,906.95</u></u>

**TOWNSHIP OF JACKSON
TRUST OTHER FUND
SCHEDULE OF INTERFUND - CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2022**

Balance December 31, 2021	\$ 18,195.88
Increased by:	
Cash Receipts	<u>1,331,138.73</u>
	1,349,334.61
Decreased by:	
Cash Disbursements	<u>1,345,835.29</u>
Balance December 31, 2022	<u><u>\$ 3,499.32</u></u>

**SCHEDULE OF DUE FROM COUNTY OF OCEAN COMMUNITY DEVELOPMENT BLOCK GRANT
FOR THE YEAR ENDED DECEMBER 31, 2022**

Balance December 31, 2021	\$ 379,799.59
Increased by:	
Grant Awards 2022	<u>156,062.00</u>
	535,861.59
Decreased by:	
Cash Receipts	<u>112,271.36</u>
Balance December 31, 2022	<u><u>\$ 423,590.23</u></u>

Analysis of Balance, December 31, 2022

CT-1512-19	\$ 36,459.46
CT-1512-20	94,493.70
CT-1512-21	136,575.07
CT-1512-22	<u>156,062.00</u>
	<u><u>\$ 423,590.23</u></u>

**TOWNSHIP OF JACKSON
TRUST OTHER FUND
SCHEDULE OF VARIOUS RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2022**

	BALANCE DECEMBER 31, 2021	INCREASES	DECREASES	BALANCE DECEMBER 31, 2022
Reserve for:				
Municipal Alliance	\$ 1,519.27	\$ -	\$ -	\$ 1,519.27
Developer Escrow	5,777,592.93	3,301,345.66	1,525,174.17	7,553,764.42
Recreation Trust	158,337.29	520,940.06	464,063.08	215,214.27
Handicapped Commission	12,470.16	21,295.57	22,051.39	11,714.34
Tax Title Liens Premiums/ Redemptions	2,039,093.97	2,226,279.96	1,309,033.97	2,956,339.96
Unemployment Trust	359,542.50	36,483.55	7,943.97	388,082.08
Parking Offense Adjudication Act	2,650.00	54.00	-	2,704.00
Recycling Trust	209,974.14	180,632.30	8,872.68	381,733.76
Harmony Trust	474.00	-	-	474.00
Special Law Enforcement Fund	83,517.89	75,605.49	55,405.37	103,718.01
Public Defender Fees	10,432.09	43,067.50	26,000.00	27,499.59
Tree Escrow	649,748.24	127,286.00	210,747.25	566,286.99
Sick Leave Trust Fund	578,776.22	200,000.00	555,003.08	223,773.14
Off Duty Police	106,094.69	1,248,001.68	1,248,001.68	106,094.69
Youth Advisory	71.87	-	-	71.87
Management of Feral Cats	47.44	-	-	47.44
Snow Removal	1,808,351.63	256,298.08	244.83	2,064,404.88
C.O.A.H.	3,727,962.02	1,408,035.48	163,219.45	4,972,778.05
Clean Communities Donation	10,056.92	-	800.00	9,256.92
Developers Contribution Curbs & Sidewalks	403,520.64	144,225.00	-	547,745.64
Detention Basin	488,342.91	2,886.48	-	491,229.39
Community Development Block Grant	329,643.16	156,062.00	62,114.93	423,590.23
Police Donations	15,218.00	9,300.00	-	24,518.00
American Rescue Plan-ARP	2,439,315.36	7,514.58	2,446,829.94	-
Tax Sale Account	-	2,279,748.86	2,279,748.86	-
Total	<u>\$ 19,212,753.34</u>	<u>\$ 12,245,062.25</u>	<u>\$ 10,385,254.65</u>	<u>\$ 21,072,560.94</u>

**TOWNSHIP OF JACKSON
LENGTH OF SERVICE AWARD PROGRAM FUND ("LOSAP")
SCHEDULE OF FUNDS HELD BY TRUSTEE
FOR THE YEAR ENDED DECEMBER 31, 2022**

Balance December 31, 2021		\$ 189,358.54
Decreased by:		
Account Fees	550.00	
Loss on Investments	23,433.60	
	<u>23,983.60</u>	<u>23,983.60</u>
Balance December 31, 2022		<u><u>\$ 165,374.94</u></u>

**SCHEDULE OF RESERVE FOR LOSAP
FOR THE YEAR ENDED DECEMBER 31, 2022**

Balance December 31, 2021		\$ 189,358.54
Decreased by:		
Account Fees	550.00	
Loss on Investments	23,433.60	
	<u>23,983.60</u>	<u>23,983.60</u>
Balance December 31, 2022		<u><u>\$ 165,374.94</u></u>

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GENERAL CAPITAL FUND

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**TOWNSHIP OF JACKSON
GENERAL CAPITAL FUND
SCHEDULE OF CASH AND CASH EQUIVALENTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

Balance December 31, 2021		\$	5,851,541.32
Increased by:			
Interest of Investments	\$	22,903.54	
Reserve for Debt Service - New Building		25,000.00	
Reserve for Road Construction		1,000,000.00	
Capital Improvement Fund		<u>5,500,000.00</u>	
			<u>6,547,903.54</u>
			12,399,444.86
Decreased by:			
Improvement Authorizations		<u>5,917,060.96</u>	
			<u>5,917,060.96</u>
Balance December 31, 2022		\$	<u><u>6,482,383.90</u></u>

**TOWNSHIP OF JACKSON
GENERAL CAPITAL FUND
ANALYSIS OF GENERAL CAPITAL CASH AND INVESTMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

	BALANCE DECEMBER 31, 2022
Capital Improvement Fund	\$ 4,574,571.83
Reserve for Encumbrances	4,625,083.07
Capital Fund Balance	100,229.46
Reserve for Debt Service - Open Space Bonds	845,770.57
Reserve for Building Department Facilities	3,217.61
Reserve for Debt Service - Other	167,044.59
Reserve for Debt Service - New Building	75,000.00
Interfund Payable - Current	22,903.54
Improvement Authorizations:	
Ordinance Number: DESCRIPTION	
19-09(vi) Acquisition of Equipment for Public Works	5,000.00
19-09(vii) Acquisition of Passenger Bus for Senior Center	2,552.00
25-10 Municipal Capital Improvements	35,000.00
25-10 Public Works Equipment	5,500.00
20-14(i) Acquisition of DPW Equipment	9,676.53
20-14(iii) Acquisition of Senior Center Bus	5,317.70
21-15 Police Equipment	25,134.56
21-15 Various Building Improvements	5,000.00
17-16 DPW Equipment/Gas Boy - Cap Project	844.32
17-16 Misc. Public Works Projects/Repairs	10,000.00
17-16 Police CAD/Vehicles	10,338.43
17-16 Section 20 Costs	19,650.84
09-17 Road/SW/Drainage	39,793.11
09-17 DPW Projects & Repairs	372,017.77
09-17 Section 20 Costs	53,302.45
18-18 SR CTR Mini-Bus	26,704.00
18-18 Engineering	89,600.00
18-18 Various Building Improvements	41,250.00
18-18 Section 20 Costs	51,501.09
19-18 Road/SW/Drainage	16,567.20
26-18 Police Radio Tower	3,686.00
26-18 Section 20 Costs	685,247.67
22-19 DPW B & G	568,599.49
22-19 Engineering Road Drainage	227,022.12
22-19 Recreation Vehicles	4,536.00
22-19 Section 20 Costs	209,663.79
07-20 Road/SW/Drainage	(1,605,110.59)
07-20 Police Vehicles	(250,562.50)
07-20 Various Department Vehicles	(120,270.00)
07-20 Recreation/Turf Fields	(200,450.00)
07-20 Record Retention	(75,168.50)
07-20 DPW Vehicles & Equipment	(139,838.63)
07-20 Section 20 Costs	120,020.94
10-21 Police Equip Body Cameras & Section 20 Costs	(611,701.13)
11-21 Road/Sidewalk/Police/Rec/Section 20 Project Costs	(2,309,768.06)
18-22 Road/Drains/Sidewalk/Police/Rec/Section 20 Project Costs	(1,262,093.37)
	<u>\$ 6,482,383.90</u>

**TOWNSHIP OF JACKSON
GENERAL CAPITAL FUND
SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - FUNDED
FOR THE YEAR ENDED DECEMBER 31, 2022**

Balance December 31, 2021		\$ 19,421,028.46
Decreased by:		
Budget Appropriation to Pay Bonds	\$ 2,625,000.00	
Paid by Open Space Trust Fund	270,000.00	
Budget Appropriation to Pay NJEIT Loans Payable	20,102.83	
		<u>2,915,102.83</u>
Balance December 31, 2022		<u><u>\$ 16,505,925.63</u></u>

TOWNSHIP OF JACKSON
GENERAL CAPITAL FUND
SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED
FOR THE YEAR ENDED DECEMBER 31, 2022

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	BALANCE DECEMBER 31, 2021	2022 AUTHORIZATIONS	2022 DECREASED	BALANCE DECEMBER 31, 2022	BOND ANTICIPATION NOTES	EXPENDITURES	UNEXPENDED IMPROVEMENT AUTHORIZATIONS
07-20	Engineering Road Drainage	\$ 1,396,500.00	\$ -	\$ -	\$ 1,396,500.00	\$ -	\$ 1,325,810.59	\$ 70,689.41
07-20	Police Vehicles	237,500.00	-	-	237,500.00	-	237,500.00	-
07-20	Various Department Vehicles	114,000.00	-	-	114,000.00	-	114,000.00	-
07-20	Recreation/Turf Fields	190,000.00	-	-	190,000.00	-	190,000.00	-
07-20	Record Retention	71,250.00	-	-	71,250.00	-	71,250.00	-
07-20	DPW Vehicles & Equipment	133,000.00	-	-	133,000.00	-	132,523.63	476.37
07-20	Section 20 Costs	320,316.00	-	-	320,316.00	-	200,295.06	120,020.94
10-21	Police Equip Body Cameras & Section 20 Costs	836,435.00	-	-	836,435.00	-	611,881.13	224,553.87
11-21	Road/Sidewalk/Police/Rec/Section 20 Project Costs	2,857,142.00	-	-	2,857,142.00	-	2,309,768.06	547,373.94
18-22	Road/Drains/Sidewalk/Police/Rec/Section 20 Project Cost	-	3,000,000.00	-	3,000,000.00	-	1,925,149.88	1,074,850.12
Total		\$ 6,156,143.00	\$ 3,000,000.00	\$ -	\$ 9,156,143.00	\$ -	\$ 7,118,178.35	\$ 2,037,964.65

**TOWNSHIP OF JACKSON
GENERAL CAPITAL FUND
SCHEDULE OF GENERAL SERIAL BONDS
FOR THE YEAR ENDED DECEMBER 31, 2022**

IMPROVEMENT DESCRIPTION	ORIGINAL AMOUNT OF ISSUE	ORIGINAL DATE OF ISSUE	MATURITIES OF BONDS OUTSTANDING		INTEREST RATE	BALANCE DECEMBER 31, 2021	ISSUED	PAID	BALANCE DECEMBER 31, 2022
			PAYMENT DATE	PAYMENT AMOUNT					
General Obligation - Series 2014	5,485,000.00	7/23/2014	6/1/2023	600,000.00	2.125%	\$ 2,320,000.00	\$ -	\$ 520,000.00	\$ 1,800,000.00
			6/1/2024	600,000.00	2.25%				
			6/1/2025	600,000.00	2.375%				
General Bonds - Open Space - Series 2016	2,890,000.00	2/2/2016	12/1/2023	280,000.00	2.50%	2,055,000.00	-	270,000.00	1,785,000.00
			12/1/2024	285,000.00	2.50%				
			12/1/2025	295,000.00	2.75%				
			12/1/2026	300,000.00	2.75%				
			12/1/2027	310,000.00	3.00%				
			12/1/2028	315,000.00	3.00%				
General Obligation - Series 2016	5,858,000.00	11/30/2016	12/1/2023	1,100,000.00	2.125%	2,200,000.00	-	1,100,000.00	1,100,000.00
General Obligation - Series 2020	13,640,000.00	2/12/2020	2/1/2023	1,000,000.00	4.00%	12,635,000.00	-	1,005,000.00	11,630,000.00
			2/1/2024	1,005,000.00	4.00%				
			2/1/2025	1,005,000.00	4.00%				
			2/1/2026	1,025,000.00	4.00%				
			2/1/2027	1,050,000.00	4.00%				
			2/1/2028	1,070,000.00	4.00%				
			2/1/2029	1,095,000.00	3.00%				
			2/1/2030	1,095,000.00	3.00%				
			2/1/2031	1,095,000.00	2.00%				
			2/1/2032	1,095,000.00	2.00%				
			2/1/2033	1,095,000.00	2.00%				
Total						\$ 19,210,000.00	\$ -	\$ 2,895,000.00	\$ 16,315,000.00
Current Fund Budget Appropriation									
Open Space Trust Appropriation									
						\$ 2,625,000.00			
						\$ 270,000.00			
						\$ 2,895,000.00			

**TOWNSHIP OF JACKSON
GENERAL CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS
FOR THE YEAR ENDED DECEMBER 31, 2022**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	BALANCE DECEMBER 31, 2021		2022 AUTHORIZATIONS	RECLASS PRIOR YEAR ENCUMBRANCES	PAID OR CHARGED	RESERVE FOR ENCUMBRANCES	AUTHORIZATION CANCELLED/ (TRANSFERRED)	BALANCE DECEMBER 31, 2022	
		FUNDED	UNFUNDED						FUNDED	UNFUNDED
19-09(vi) 10-09(vii)	Acquisition of Equipment for Public Works Acquisition of Passenger Bus for Senior Center	\$ 5,000.00	\$ -	\$ -	\$ -	-	\$ -	-	\$ 5,000.00	\$ -
25-10	Municipal Capital Improvements	2,552.00	-	-	-	-	-	-	2,552.00	-
25-10	DPW Equipment	35,000.00	-	-	-	-	-	-	35,000.00	-
18-13(vii)	Section 20 Costs	5,500.00	-	-	-	-	-	-	5,500.00	-
20-14(iii)	Acquisition of Senior Center Bus	9,676.53	-	-	-	-	-	-	9,676.53	-
21-15	Police Equipment	5,317.70	-	-	-	-	-	-	5,317.70	-
21-15	Police Equipment	39,408.48	-	-	-	-	-	-	25,134.56	-
21-15	Various Building Improvements	5,000.00	-	-	-	-	-	-	5,000.00	-
17-16	DPW Equipment/Gas Boy - Cap Project	20,558.31	-	-	63,643.92	83,357.91	-	-	844.32	-
17-16	Misc. Public Works Projects/Repairs	10,000.00	-	-	5,432.00	5,432.00	-	-	10,000.00	-
17-16	Justice Complex	-	-	-	84,977.14	84,977.14	-	-	-	-
17-16	Police CAD/Vehicles	36,138.71	-	-	-	-	25,800.28	-	10,338.43	-
17-16	Section 20 Costs	19,650.78	-	-	38,452.74	36,200.21	2,252.47	-	19,650.84	-
09-17	Road/SW/Drainage	212,175.23	-	-	-	151,395.47	20,986.65	-	39,793.11	-
09-17	DPW Projects & Repairs	372,017.77	-	-	8,106.70	8,060.06	46.64	-	372,017.77	-
09-17	Section 20 Costs	63,702.45	-	-	55,655.50	25,254.58	40,800.92	-	53,302.45	-
18-18	SR CTR Mint-Bus	26,704.00	-	-	-	-	-	-	26,704.00	-
18-18	Engineering	89,600.00	-	-	-	-	-	-	89,600.00	-
18-18	Various Building Improvements	41,250.00	-	-	-	-	-	-	41,250.00	-
18-18	Section 20 Costs	51,501.09	-	-	-	-	-	-	51,501.09	-
19-18	Road/SW/Drainage	16,567.20	-	-	-	-	-	-	16,567.20	-
19-18	Section 20 Costs	-	-	-	111,659.86	110,999.83	660.03	-	-	-
26-18	Police Radio Tower	3,686.00	-	-	-	-	-	-	3,686.00	-
26-18	Section 20 Costs	685,247.67	-	-	-	-	-	-	685,247.67	-
22-19	Record Retention/Microfilming	13,000.00	-	-	76,551.06	36,459.59	53,091.47	-	-	-
22-19	DPW B & G	588,574.49	-	-	78,057.16	86,057.16	11,975.00	-	568,599.49	-
22-19	Engineering Road Drainage	404,135.25	-	-	392,229.16	181,291.90	388,050.39	-	227,022.12	-
22-19	Police Vehicles	70,000.00	-	-	-	25,328.86	44,671.14	-	-	-
22-19	Recreation Vehicles	4,536.00	-	-	-	-	-	-	4,536.00	-
22-19	Section 20 Costs	292,374.60	-	-	18,346.96	99,966.35	1,091.42	-	209,663.79	-
07-20	Engineering Road Drainage	(0.00)	70,689.41	-	332,851.27	322,022.27	10,829.00	-	(0.00)	70,689.41
07-20	Police Vehicles	0.00	470.42	-	-	-	470.42	-	0.00	-
07-20	Various Department Vehicles	-	76,429.14	-	-	-	-	-	-	-
07-20	Recreation/Turf Fields	10,000.00	190,000.00	-	-	-	200,000.00	-	-	-
07-20	Record Retention	3,750.00	71,250.00	-	-	-	75,000.00	-	-	-
07-20	DPW Vehicles & Equipment	(0.00)	476.37	-	10,243.50	10,243.50	-	-	(0.00)	476.37
07-20	Section 20 Costs	-	120,012.44	-	50,988.25	49,486.59	1,493.16	-	120,020.94	-
10-21	Police Equip Body Cameras & Section 20 Costs	180.00	316,411.16	-	563,296.84	623,941.96	31,212.17	-	180.00	224,553.87
11-21	Road/Sidewalk/Police/Rec/Section 20 Project Costs	61,386.00	1,826,254.27	-	2,111,549.73	1,693,902.18	1,757,913.88	-	-	547,373.94
18-22	Road/Drains/Sidewalk/Police/Rec/Section 20 Project Cost:	-	-	5,888,625.00	-	2,206,254.26	1,944,464.11	-	663,056.51	1,074,850.12
Total		\$ 3,204,190.26	\$ 2,671,993.21	\$ 5,888,625.00	\$ 4,002,041.79	\$ 5,917,060.96	\$ 4,625,083.07	\$ -	\$ 3,186,741.58	\$ 2,037,964.65

Reserve for Road Construction \$ 1,000,000.00
Paid by Capital Improvement Fund 1,888,625.00
Deferred Charges To Future Taxation - Unfunded 3,000,000.00
\$ 5,888,625.00

**TOWNSHIP OF JACKSON
GENERAL CAPITAL FUND
SCHEDULE OF RESERVE FOR ENCUMBRANCES
FOR THE YEAR ENDED DECEMBER 31, 2022**

Balance December 31, 2021	\$ 4,002,041.79
Increased by:	
Charged to Improvement Authorizations	<u>4,625,083.07</u>
	8,627,124.86
Decreased by:	
Prior Year Encumbrance Canceled	<u>4,002,041.79</u>
Balance December 31, 2022	<u><u>\$ 4,625,083.07</u></u>

**SCHEDULE OF CAPITAL IMPROVEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2022**

Balance December 31, 2021	\$ 963,196.83
Increased by:	
2022 Budget Appropriation	<u>5,500,000.00</u>
	6,463,196.83
Decreased by:	
Appropriated to Finance Improvement Authorizations	<u>1,888,625.00</u>
Balance December 31, 2022	<u><u>\$ 4,574,571.83</u></u>

**TOWNSHIP OF JACKSON
GENERAL CAPITAL FUND
SCHEDULE OF RESERVE FOR DEBT SERVICE - OPEN SPACE BONDS
FOR THE YEAR ENDED DECEMBER 31, 2022**

Balance December 31, 2022 and 2021	\$ <u>845,770.57</u>
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**SCHEDULE OF RESERVE FOR DEBT SERVICE - OTHER
FOR THE YEAR ENDED DECEMBER 31, 2022**

Balance December 31, 2022 and 2021	\$ <u>167,044.59</u>
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**SCHEDULE OF RESERVE FOR FIRE DAMAGE - ANNEX BUILDING
FOR THE YEAR ENDED DECEMBER 31, 2022**

Balance December 31, 2022 and 2021	\$ <u>3,217.61</u>
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**SCHEDULE OF RESERVE FOR DEBT SERVICE - NEW BUILDING
FOR THE YEAR ENDED DECEMBER 31, 2022**

Balance December 31, 2021	\$ 50,000.00
Increased by:	
Cash Receipts	<u>25,000.00</u>
Balance December 31, 2022	<u>\$ 75,000.00</u>

**SCHEDULE OF RESERVE FOR ROAD CONSTRUCTION
FOR THE YEAR ENDED DECEMBER 31, 2022**

Balance December 31, 2021	\$ -
Increased by:	
Cash Receipts	<u>1,000,000.00</u>
Subtotal	1,000,000.00
Decreased by:	
Bond Ordinance #18-22	<u>1,000,000.00</u>
Balance December 31, 2022	<u>\$ -</u>

**TOWNSHIP OF JACKSON
GENERAL CAPITAL FUND
SCHEDULE OF NJEIT LOAN PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2022**

<u>DESCRIPTION</u>	<u>DATE OF ISSUE</u>	<u>ORIGINAL ISSUES</u>	<u>MATURITIES OF LOAN OUTSTANDING</u>			<u>INTEREST RATE</u>	<u>BALANCE</u>	<u>DECREASES</u>	<u>BALANCE</u>
			<u>DATE</u>	<u>DECEMBER 31, 2020</u>	<u>AMOUNT</u>		<u>DECEMBER 31, 2021</u>		<u>DECEMBER 31, 2022</u>
2017 Fund Loan	5/25/2017	\$ 148,175.00	2/1/20-31	\$	3,367.61	N/A	\$ 101,028.46	\$ 10,102.83	\$ 90,925.63
			8/1/20-31		6,735.22	N/A			
2017 Trust Loan	5/25/2017	145,000.00	8/1/19-25		10,000.00	5.00%	110,000.00	10,000.00	100,000.00
			8/1/26-29		10,000.00	3.00%			
			8/1/30-31		15,000.00	3.00%			
			Total				\$ 211,028.46	\$ 20,102.83	\$ 190,925.63

**TOWNSHIP OF JACKSON
GENERAL CAPITAL FUND
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED
AT DECEMBER 31, 2022**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	BALANCE DECEMBER 31, 2021	2022 AUTHORIZATIONS	BANS ISSUED	DEFERRED CHARGES FUNDED	CANCELLED	BALANCE DECEMBER 31, 2022
07-20	Road/SW/Drainage	\$ 1,675,800.00	\$ -	\$ -	\$ -	-	\$ 1,675,800.00
07-20	Police Vehicles	250,562.50	-	-	-	-	250,562.50
07-20	Various Department Vehicles	120,270.00	-	-	-	-	120,270.00
07-20	Recreation/Turf Fields	200,450.00	-	-	-	-	200,450.00
07-20	Record Retention	75,168.50	-	-	-	-	75,168.50
07-20	DPW Vehicles & Equipment	140,315.00	-	-	-	-	140,315.00
10-21	Police Equip Body Cameras & Section 20 Costs	836,435.00	-	-	-	-	836,435.00
11-21	Road/Sidewalk/Police/Rec/Section 20 Project Costs	2,857,142.00	-	-	-	-	2,857,142.00
18-22	Road/Drains/Sidewalk/Police/Rec/Section 20 Project Costs	-	3,000,000.00	-	-	-	3,000,000.00
Total		\$ 6,156,143.00	\$ 3,000,000.00	\$ -	\$ -	\$ -	\$ 9,156,143.00

**TOWNSHIP OF JACKSON
SCHEDULE OF ACCOUNTS RECEIVABLE - MUA
FOR THE YEAR ENDED DECEMBER 31, 2022**

Balance December 31, 2021	\$ -
Increased by:	
Anticipated Expenditures	<u>121,000.00</u>
Balance December 31, 2022	<u><u>\$ 121,000.00</u></u>

**SCHEDULE OF RESERVE FOR MUA RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2022**

Balance December 31, 2021	\$ -
Increased by:	
Current Advancement on MUA Shared Services Receivable	<u>121,000.00</u>
Balance December 31, 2022	<u><u>\$ 121,000.00</u></u>

**TOWNSHIP OF JACKSON
GENERAL CAPITAL FUND
SCHEDULE OF INTERFUND - CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2022**

Balance December 31, 2021	\$ -
Increased by:	
Cash Receipts	<u>22,903.54</u>
Balance December 31, 2022	<u><u>\$ 22,903.54</u></u>

PUBLIC ASSISTANCE FUND

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**TOWNSHIP OF JACKSON
PUBLIC ASSISTANCE FUND
SCHEDULE OF CASH
FOR THE YEAR ENDED DECEMBER 31, 2022**

Balance December 31, 2021	\$ 29,902.28
Increased by:	
Interest Earned	<u>188.00</u>
Balance December 31, 2022	<u><u>\$ 30,090.28</u></u>

**SCHEDULE OF RESERVE FOR PUBLIC ASSISTANCE
FOR THE YEAR ENDED DECEMBER 31, 2022**

Balance December 31, 2021	\$ 29,902.28
Increased by:	
Interest Earned	<u>188.00</u>
Balance December 31, 2022	<u><u>\$ 30,090.28</u></u>

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GENERAL FIXED ASSETS

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**TOWNSHIP OF JACKSON
GENERAL FIXED ASSETS GROUP
SCHEDULE OF INVESTMENTS IN GENERAL FIXED ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2022**

GENERL FIXED ASSETS	BALANCE DECEMBER 31, 2021	ADDITIONS	DELETIONS	BALANCE DECEMBER 31, 2022
Land	\$ 55,144,900.00	\$ -	\$ -	\$ 55,144,900.00
Building & Building Improvements	50,760,875.00	8,000.00	-	50,768,875.00
Machinery & Equipment	22,054,256.00	960,889.00	455,626.00	22,559,519.00
	<hr/>			
Total	\$ 127,960,031.00	\$ 968,889.00	\$ 455,626.00	\$ 128,473,294.00
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SINGLE AUDIT SECTION

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**TOWNSHIP OF JACKSON
COUNTY OF OCEAN**

PART II

**SINGLE AUDIT SECTION
FOR THE YEAR ENDED DECEMBER 31, 2022**

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

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

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

We have audited the Township of Jackson's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* and the *New Jersey State Aid/Grant Compliance Supplement* that could have a direct and material effect on each of the Township of Jackson's major federal and state programs for the year ended December 31, 2022. The Township of Jackson's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

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

Basis for Opinion on Each Major Federal and State Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*; and audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Our responsibilities under those standards, the Uniform Guidance and New Jersey OMB's Circular 15-08 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 of Jackson and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal and state program. Our audit does not provide a legal determination of the Township of Jackson'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 of Jackson's federal and state programs.

Auditor's Responsibilities for the Audit of Compliance

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

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance and New Jersey OMB's Circular 15-08, 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 of Jackson'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 of Jackson's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and New Jersey OMB's Circular 15-08, but not for the purpose of expressing an opinion on the effectiveness of the Township of Jackson'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.

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 and New Jersey OMB's Circular 15-08. Accordingly, this report is not suitable for any other purpose.

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.

Jerry W. Conaty
Certified Public Accountant
Registered Municipal Accountant
RMA No. 581

Lakewood, New Jersey
July 11, 2023

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TOWNSHIP OF JACKSON
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR YEAR ENDED DECEMBER 31, 2022

Schedule A

STATE GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE	STATE ACCOUNT NUMBER	GRANT/CONTRACT NUMBER	GRANT PERIOD	PROGRAM EXPENDITURES	PASSED THROUGH TO SUBRECIPIENTS	TOTAL PROGRAM EXPENDITURES
Department of Transportation:						
NJ-DOT Municipal Aid - 2020	*	480-078-6320-AN8	Open	\$ 261,022.43	- \$	261,022.43
NJ-DOT Municipal Aid- Brewers Bridge III	*	480-078-6320-ANP	Open	375,000.00	-	375,000.00
Total Department of Transportation				636,022.43	-	636,022.43
Department of Law and Public Safety						
Body Worn Camera	BFY21-100-066-1020-495	21-BWC-212	Various	273,092.00	-	273,092.00
Drunk Driving Enforcement	100-078-6400	Not Available	Various	6,002.00	-	6,002.00
Pedestrian Safety Grant	100-066-1160-131	Not Available	Various	4,075.00	-	4,075.00
Body Armor Replacement Grant	718-066-1020-001	Not Available	Various	5,759.37	-	5,759.37
Safe and Secure Community Grant	100-066-1020-232	21-1511 DCS	Various	14,828.25	-	14,828.25
Total Department of Public Safety				303,756.62	-	303,756.62
Other Grants						
Clean Communities	765-042-4900-004	Not Available	Various	80,805.50	-	80,805.50
Alcohol, Education & Rehab Grant	760-046-4240-001	Not Available	Various	1,450.00	-	1,450.00
Rutgers Stormwater Management	N/A	Not Available	Various	1,436.50	-	1,436.50
NJUCF Stewardship Grant - Ash Tree	N/A	Not Available	Various	8,900.50	-	8,900.50
Handicapped Recreation Opportunities	100-002-8050-035-F157-6121	220357/210201	Various	23,150.37	-	23,150.37
Municipal Alliance	100-082-2000-044	Not Available	Various	27,824.36	-	27,824.36
Recycling Tonnage Grant	100-042-4910-224	Not Available	Various	79,891.42	-	79,891.42
Total Other Grants				223,458.65	-	223,458.65
Total Expenditures of State Financial Assistance				\$ 1,163,237.70	\$ -	\$ 1,163,237.70
* Denotes Major Program						

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

FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE	FEDERAL ASSISTANCE LISTING NUMBER	AGENCY OR PASS-THROUGH NUMBER	GRANT PERIOD	PROGRAM EXPENDITURES	PASSED THROUGH TO SUBRECIPIENTS	TOTAL PROGRAM EXPENDITURES
Department of Justice:						
Direct Award:						
Bulletproof Vest Partnership Grant	16.607	N/A	01/01/22-12/31/22	\$ 7,048.49	-	7,048.49
Total Department of Justice				7,048.49	-	7,048.49
Department of Treasury:						
Direct Program:						
Coronavirus State and Local Fiscal Recovery Funds	21.027	100-022-8030-687	06/24/21-12/31/26	2,444,000.00	-	2,444,000.00
Total Department of Treasury				2,444,000.00	-	2,444,000.00
Department of Homeland Security:						
Pass-through Program From:						
State of NJ Department of Law & Safety:						
Homeland Security 2020	96.067	N/A	01/01/20-12/31/20	18,000.00	-	18,000.00
Total Department of Homeland Security				18,000.00	-	18,000.00
Department of Transportation:						
Pass-through Program From:						
Click It or Ticket	20.600	100-066-1160-167	01/01/22-12/31/22	7,140.00	-	7,140.00
Crash Abatement Tactics Grant	20.616	PT22 0304 01	01/01/22-12/31/22	53,370.00	-	53,370.00
Cops in Shops - Summer/Shore Initiative	20.616	100-66-1400-100-025	01/01/22-12/31/22	3,360.00	-	3,360.00
Drive Sober or Get Pulled Over - 2021	20.616	100-66-1160-100-157	01/01/22-12/31/22	5,400.00	-	5,400.00
Drive Sober or Get Pulled Over - 2022	20.616	100-66-1160-100-157	01/01/22-12/31/22	3,500.00	-	3,500.00
Distracted Driving Crackdown	20.616	100-066-1160-158	01/01/22-12/31/22	7,000.00	-	7,000.00
Total Department of Transportation				79,770.00	-	79,770.00

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

FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE	FEDERAL ASSISTANCE LISTING NUMBER	AGENCY OR PASS-THROUGH NUMBER	GRANT PERIOD	PROGRAM EXPENDITURES	PASSED THROUGH TO SUBRECIPIENTS	TOTAL PROGRAM EXPENDITURES
Department of Health & Human Services:						
Pass-through Program From:						
County of Ocean Office of Senior Services:						
Special Programs for the Aging - Title III, Part B -						
Grants for Supportive Services & Senior Centers:						
Information Systems Grant - 2021	93.044	16-044	01/01/21-12/31/21	16,717.40	-	16,717.40
Information Assist Grant - 2022	93.044	16-044	01/01/22-12/31/22	17,488.52	-	17,488.52
Total Department of Health & Human Services				34,205.92	-	34,205.92
Department of Housing & Urban Development						
Pass-through Program From:						
County of Ocean Planning Board:						
Community Development Block Grant						
Senior Center/Municipal Improvements- 2019	14.218	CT-1512-19	01/01/19-12/31/19	35,718.00	-	35,718.00
Senior Center Improvements- 2020	14.218	CT-1512-20	01/01/20-12/31/20	26,396.93	-	26,396.93
Total Department of Housing & Urban Development				62,114.93	-	62,114.93
Total Expenditures of Federal Awards				\$ 2,645,139.34	\$ -	\$ 2,645,139.34
<i>* Denotes Major Program</i>						

TOWNSHIP OF JACKSON
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND STATE
FINANCIAL ASSISTANCE
FOR THE YEAR ENDED DECEMBER 31, 2022

Note 1. Basis of Presentation

The accompanying schedules of expenditures of federal awards and state financial assistance present the activity of all federal awards and state financial assistance programs of the Township of Jackson. The Township is defined in Note 1 of the basic financial statements. The information in these schedules is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. All federal and state awards received directly from federal and state agencies, as well as federal awards and state financial assistance passed through other government agencies is included on the schedule of expenditures of federal awards and state financial assistance.

Note 2. Summary of Significant Accounting Policies

The accompanying schedules of federal awards and state financial assistance are presented using the modified accrual basis of accounting as promulgated by the State of New Jersey, Department of Community Affairs, Division of Local Government Services, which is described in the Notes to the Financial Statements, Note 1.

The amounts shown as current year expenditures represent only the federal and state grant portion of the program costs. Such expenditures are recognized following the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and State of New Jersey OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

The Township did not elect the 10-percent de minimis indirect cost rate as discussed in 2 CFR 200.414.

Note 3. Relationship to Basic Financial Statements

Amounts reported in the accompanying schedules agree with amounts reported in the Township's financial statements. Expenditures from awards are reported in the Township's financial statements as follows:

	<u>State</u>	<u>Federal</u>	<u>Total</u>
Current Fund	\$ -	\$ 2,444,000.00	\$ 2,444,000.00
State & Federal Grant Fund	1,163,237.70	139,024.41	1,302,262.11
Trust Fund	<u>-</u>	<u>62,114.93</u>	<u>62,114.93</u>
Total	<u>\$ 1,163,237.70</u>	<u>\$ 2,645,139.34</u>	<u>\$ 3,808,377.04</u>

*Federal monies in the current fund represent Coronavirus State and Local Fiscal Recovery funds utilized for revenue loss.

TOWNSHIP OF JACKSON
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND STATE
FINANCIAL ASSISTANCE
FOR THE YEAR ENDED DECEMBER 31, 2022

Note 4. Relationship to Federal and State Financial Reports

The regulations and guidelines governing the preparation of federal and state financial reports vary by federal and state agency and among programs administered by the same agencies. Accordingly, the amounts reported in the federal and state financial reports do not necessarily agree with the amounts reported in the accompanying Schedules, which is prepared on the modified accrual basis of accounting as explained in Note 2.

Note 5. Federal and State Loans Outstanding

The Township had no loan balances outstanding at December 31, 2022.

Note 6. Contingencies

Each of the grantor agencies reserves the right to conduct additional audits of the Township's grant program for economy, efficiency and program results. However, the Township administration does not believe such audits would result in material amounts of disallowed costs.

Note 7. Major Programs

Major programs are identified in the Summary of Auditor's Results section of the Schedule of Findings and Questioned Costs.

**TOWNSHIP OF JACKSON
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

Section I - Summary of Auditor's Results

Financial Statements

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

Federal Awards

Internal control over major programs:	
1) Material weakness(es) identified?	_____ yes <u> X </u> no
2) Significant deficiency(ies) identified?	_____ yes <u> X </u> none reported
Type of auditor's report issued on compliance for major programs	Unmodified
<hr/>	
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200 section .516(a) of Uniform Guidance?	_____ yes <u> X </u> no

Identification of major programs:

<u>Assistance Listing Number(s)</u>	<u>Name of Federal Program or Cluster</u>
21.027	Coronavirus State and Local Fiscal Recovery Funds

Dollar threshold used to determine Type A programs	\$ 750,000.00
<hr/>	
Auditee qualified as low-risk auditee?	_____ yes <u> X </u> no

**TOWNSHIP OF JACKSON
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

Section I - Summary of Auditor's Results (continued)

State Financial Assistance

Dollar threshold used to determine Type A programs \$ 750,000.00

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

Internal control over major programs:

1) Material weakness(es) identified? _____ yes X no

2) Significant deficiency(ies) identified? _____ yes X no

Type of auditor's report issued on compliance for major programs Unmodified

Any audit findings disclosed that are required to be reported
in accordance with New Jersey OMB's Circular 15-08? _____ yes X no

Identification of major programs:

State Grant/Project Number(s)

Name of State Program

20.205	New Jersey Department of Transportation - Municipal Aid

**TOWNSHIP OF JACKSON
SCHEDULE OF FINDINGS & QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

Section II – Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses and instances of noncompliance related to the basic financial statements that are required to be reported in accordance with *Government Auditing Standards* and with audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

None.

**TOWNSHIP OF JACKSON
SCHEDULE OF FINDINGS & QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

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

This section identifies the significant deficiencies, material weaknesses and instances of noncompliance, including questioned costs, related to the audit of major federal and state programs, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and New Jersey OMB's Circular 15-08.

FEDERAL AWARDS

None.

STATE FINANCIAL ASSISTANCE

None

TOWNSHIP OF JACKSON
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT
FOR THE YEAR ENDED DECEMBER 31, 2022

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

FINANCIAL STATEMENT FINDINGS

No Prior Year Findings.

FEDERAL AWARDS

N/A – No Federal Single Audit in prior year.

STATE FINANCIAL ASSISTANCE

N/A – No State Single Audit in prior year.

**TOWNSHIP OF JACKSON
COUNTY OF OCEAN**

PART III

**LETTER OF COMMENTS AND RECOMMENDATIONS - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2022**

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OFFICIALS IN OFFICE AND SURETY BONDS

The following officials were in office at December 31, 2022:

<u>Name</u>	<u>Title</u>
Michael Reina	Mayor
Martin Flemming	Councilmember
Steven Chisholm Jr.	Councilmember
Nino Borrelli	Councilmember
Samara O'Neil	Councilmember
Andrew Kern	Councilmember
Terence Wall	Administrator
Sharon Pinkava	Chief Financial Officer
Mary Moss	Township Clerk/Search Officer
Daniel Sahin	Magistrate
Camille Elluzzi	Court Administrator
Gregory P. McGuckin	Attorney

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Honorable Mayor and Members
of the Township Council
Township of Jackson
Jackson, New Jersey

In accordance with requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the following are the *General Comments* and *Recommendations* for the year ended December 31, 2022.

GENERAL COMMENTS:

Contracts and Agreements required to be advertised by (N.J.S.A.40A:11-4)

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

The bid threshold in accordance with *N.J.S.A. 40A:11-4* was \$44,000 for the year ended December 31, 2022.

It is pointed out that the governing body of the municipality has the responsibility of determining whether the expenditures in any category will exceed the statutory minimum within the fiscal year. Where question arises as to whether any contract or agreement might result in violation of the statute, the solicitor's opinion should be sought before a commitment is made.

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

Our examination of expenditures did not reveal any individual payments or contracts in excess of the bid threshold “for the performance of any work, or the furnishing of any materials, supplies or labor” other than those where bids had been previously sought by public advertisement or where a resolution had been previously adopted under the provisions of *N.J.S.A. 40A:11-6*.

Collection of Interest on Delinquent Taxes and Assessments

N.J.S.54:4-67, provides the method for authorizing interest and the maximum rates to be charged for the nonpayment of taxes or assessments on or before the date when they would become delinquent.

The governing body on January 3, 2022 adopted the following resolution authorizing interest to be charged on delinquent taxes:

NOW THEREFORE, BE IT RESOLVED, that if said taxes are deemed to be delinquent for non-payment of taxes, the Tax Collector shall charge eight (8%) percent per annum on the first \$1,500.00 of the delinquency, and eighteen (18%) percent per annum on any amount in excess of \$1,500.00; and

BE IT FURTHER RESOLVED, by the Township Council of the Township of Jackson, that the Tax Collector shall allow that no interest will be charged on payments received and made by the tenth calendar day following the date upon which the same became payable; and

BE IT FURTHER RESOLVED, by the Township Council of the Township of Jackson, that the Tax Collector shall charge, in addition to the interest for delinquent taxes, as noted above, a penalty of six (6%) percent of the amount of the delinquency in taxes in excess of \$10,000.00 to a taxpayer who fails to pay the delinquency prior to the end of the calendar year.

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

OTHER COMMENTS (FINDINGS):

None.

RECOMMENDATIONS:

None.

Appreciation

We express our appreciation for the assistance and courtesies extended to the members of the audit team.

Respectfully submitted,

HOLMAN FRENIA ALLISON, P. C.

Jerry W. Conaty
Certified Public Accountant
Registered Municipal Accountant
RMA No. 581

Lakewood, New Jersey
July 11, 2023