

**TOWNSHIP OF LITTLE EGG HARBOR**

**AUDIT REPORT FOR THE YEAR  
ENDED DECEMBER 31, 2021**

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**TOWNSHIP OF LITTLE EGG HARBOR**

**COUNTY OF OCEAN**

**TABLE OF CONTENTS**

**PART I**

	<b>EXHIBIT</b>	<b>PAGE</b>
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

**CURRENT FUND**

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	14

**TRUST FUNDS**

Statements of Assets, Liabilities, Reserves & Fund Balance – Regulatory Basis	B	18
---	---	----

**GENERAL CAPITAL FUND**

Statements of Assets, Liabilities, Reserves & Fund Balance – Regulatory Basis	C	19
Statement of Fund Balance- Regulatory Basis	C-1	20

**PAYROLL FUND**

Statements of Assets and Liabilities - Regulatory Basis	D	21
---	---	----

**GENERAL FIXED ASSETS ACCOUNT GROUP**

Statements of Assets & Liabilities Balance - Regulatory Basis	E	22
Notes to Financial Statements		25

**SUPPLEMENTARY EXHIBITS**

**CURRENT FUND**

Schedule of Cash- Treasurer	A-4	67
Schedule of Taxes Receivable and Analysis of Property Tax Levy	A-5	68
Schedule of Tax Title Liens	A-6	69
Schedule of Property Acquired for Taxes	A-7	69
Schedule of Revenue Accounts Receivable	A-8	70
Schedule of 2019 Appropriation Reserves	A-9	71
Schedule of Local District Tax	A-10	74
Schedule of Regional High School Tax Payable	A-11	74
Schedule of Various Reserves	A-12	75
Grant Fund- Schedule of State and Federal Grants Receivable	A-13	76
Grant Fund- Schedule of State and Federal Grants - Appropriated	A-14	77
Grant Fund- Schedule of State and Federal Grants - Unappropriated	A-15	78

**TOWNSHIP OF LITTLE EGG HARBOR**

**COUNTY OF OCEAN**

**TABLE OF CONTENTS**

	<b>EXHIBIT</b>	<b>PAGE</b>
<b>TRUST FUNDS</b>		
Schedule of Cash - Treasurer	B-1	81
Schedule of Cash - Tax Title Lien Redemption	B-2	81
Schedule of Cash - Animal Control	B-3	82
Schedule of Reserve for Dog Fund Expenditures	B-4	82
Schedule of Deposits for Redemption of Tax Sale Certificates	B-5	82
Schedule of Reserve for Escrow Deposits	B-6	83
Schedule of Reserve for Forfeited Property	B-7	83
Schedule of Reserve for Recreation	B-8	84
Schedule of Reserve for Open Space	B-9	84
Schedule of Reserve for Community Center	B-10	84
Schedule of Reserve for Federal Law Enforcement Funds	B-11	85
Schedule of Reserve for Sick and Vacation Time	B-12	85
Schedule of Reserve for COAH	B-13	86
Schedule of Reserve for Police Evidence Deposits	B-14	86
Schedule of Reserve for Veterans Park Donations	B-15	87
Schedule of Reserve for Fire Safety - Dedicated Penalty	B-16	87
Statement of Assessments Receivable	B-17	88
Dedicated Assessment Budget	B-18	89
Schedule of Assessment Serial Bonds	B-19	90

**GENERAL CAPITAL FUND**

Schedule of Cash - Treasurer	C-2	93
Analysis of Cash	C-3	94
Schedule of Deferred Charges to Future Taxation - Funded	C-4	96
Schedule of Deferred Charges to Future Taxation - Unfunded	C-5	97
Schedule of Capital Improvement Fund	C-6	98
Schedule of Improvement Authorizations	C-7	99
Schedule of Bond Anticipation Notes	C-8	100
Schedule of General Serial Bonds	C-9	101
Schedule of Green Trust Loans Payable	C-10	102
Schedule of NJEIT Loan	C-11	103
Schedule of Bond and Notes Authorized But Not Issued	C-12	104

**PAYROLL FUND**

Statement of Payroll Fund Cash	D-1	107
Statement of Payroll Taxes Payable	D-2	107

**PART II**

Schedule of Financial Statement Findings	111
Summary Schedule of Prior Year Audit Findings	114

**PART III**

Letter of Comments and Recommendations - Regulatory Basis:	
Officials in Office	117
General Comments	119
Other Comments (Findings)	120
Recommendations	121
Acknowledgment	121

**TOWNSHIP OF LITTLE EGG HARBOR  
COUNTY OF OCEAN**

**PART I**

**INDEPENDENT AUDITOR'S REPORTS  
AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021**

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## INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members  
of the Township Committee  
Township of Little Egg Harbor  
Little Egg Harbor, New Jersey

### Opinions

We have audited the accompanying financial statements of the various funds and account group of the Township of Little Egg Harbor, which comprise the statements of assets, liabilities, reserves and fund balance – regulatory basis as of December 31, 2021 and 2020, 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, 2021, 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 Little Egg Harbor, as of December 31, 2021 and 2020, 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, 2021, 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 Little Egg Harbor, as of December 31, 2021 and 2020, 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 Little Egg Harbor 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 Little Egg Harbor, 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 controls 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 Little Egg Harbor'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 Little Egg Harbor'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 Little Egg Harbor'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. 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 April 26, 2023, on our consideration of the Township of Little Egg Harbor'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 Little Egg Harbor'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 Little Egg Harbor'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  
April 26, 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 Committee  
Township of Little Egg Harbor  
County of Ocean  
Little Egg Harbor, 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 Little Egg Harbor, as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements, and have issued our report thereon dated April 26, 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 preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control, described in the accompanying schedule of financial statement findings as Finding No. 2021-001 through 2021-003 that we consider to be significant deficiencies.

## **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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and which are described in the accompanying schedule of financial statement findings as Finding No. 2021-001 through 2021-003.

We noted certain other matters that are not required to be reported under *Governmental Auditing Standards*, that we reported to management in the accompanying letter of comments and recommendations section of this report as required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

## **Township of Little Egg Harbor's Response to Findings**

*Government Auditing Standards* requires the auditor to perform limited procedures on the Township of Little Egg Harbor's response to the findings identified in our audit is described in the accompanying schedule of financial statement findings. The Township's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

## **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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  
April 26, 2023

**BASIC FINANCIAL STATEMENTS**

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**TOWNSHIP OF LITTLE EGG HARBOR  
CURRENT FUND  
STATEMENTS OF ASSETS, LIABILITIES, RESERVES  
AND FUND BALANCE - REGULATORY BASIS  
DECEMBER 31, 2021 AND 2020**

ASSETS	REFERENCE	2021	2020
Operating Fund:			
Cash:			
Treasurer	A-4	\$ 10,038,278.48	\$ 7,276,845.98
Change Fund	A	<u>1,800.00</u>	<u>1,800.00</u>
Total Cash		<u>10,040,078.48</u>	<u>7,278,645.98</u>
Other Receivables:			
Due From State of New Jersey	A	<u>223,077.44</u>	<u>231,561.00</u>
Total Other Receivables		<u>223,077.44</u>	<u>231,561.00</u>
Receivables & Other Assets With Full Reserves:			
Delinquent Property Taxes Receivable	A-5	55,848.61	39,085.58
Tax Title Liens Receivable	A-6	766,776.72	991,159.98
Property Acquired/Assessed Valuation	A-7	5,757,700.00	5,757,700.00
Revenue Accounts Receivable	A-8	6,931.56	6,931.56
Due from Trust Other	B	10,381.37	10,171.37
Due from Trust Assessment	B	<u>-</u>	<u>54,096.41</u>
Total Receivables		<u>6,597,638.26</u>	<u>6,859,144.90</u>
Special Emergency Appropriations:			
Community Disaster Loan	A	<u>-</u>	<u>4,396,882.83</u>
Total Deferred Charges		<u>-</u>	<u>4,396,882.83</u>
Total Operating Fund Assets		<u>16,860,794.18</u>	<u>18,766,234.71</u>
Federal & State Grant Fund:			
Cash - Treasurer	A-4	129,340.63	182,880.41
Grants Receivable	A-13	995,281.55	629,126.30
Deferred Charge - Expenditure without Appropriation	A-14	48,179.00	-
Due from Current Fund	A	<u>1,224,146.97</u>	<u>43,848.30</u>
Total Federal & State Grant Fund Assets		<u>2,396,948.15</u>	<u>855,855.01</u>
Total Assets		<u>\$ 19,257,742.33</u>	<u>\$ 19,622,089.72</u>

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

**TOWNSHIP OF LITTLE EGG HARBOR  
CURRENT FUND  
STATEMENTS OF ASSETS, LIABILITIES, RESERVES  
AND FUND BALANCE - REGULATORY BASIS  
DECEMBER 31, 2021 AND 2020**

LIABILITIES RESERVES & FUND BALANCE	REFERENCE	2021	2020
Operating Fund:			
Appropriation Reserve:			
Encumbered	A-3	\$ 247,068.04	\$ 134,205.05
Unencumbered	A-3	1,032,977.42	1,367,925.96
Prepaid Taxes	A-4	913,005.95	844,352.01
Tax Overpayments	A	228,404.92	329,633.79
Accounts Payable	A	5,107.82	5,107.82
Due County for Added & Omitted Taxes	A	50,712.17	53,968.17
Due Municipal Open Space Tax Fund	B	1,202.70	965.76
Local School Taxes Payable	A-10	2,123,396.98	1,981,853.50
Regional School Taxes Payable	A-11	-	763,734.04
Due Bass River - UCC Fees	A	1,613.30	1,045.00
Due to State - DCA Training Fees	A	21,774.30	13,322.00
Due General Capital Fund	C	-	56,833.00
Due to Grant Fund	A	1,224,146.97	43,848.30
Due to Payroll	D	3,358.54	3,373.54
Due to Trust Assessment	B	995,842.06	-
Reserve for Insurance Proceeds	A-12	2,419.00	2,419.00
Reserve for Reassessment	A-12	100,047.00	100,047.00
Reserve for Closed Escrow Accounts	A-12	54,052.92	54,052.92
Reserve for Retail Mercantile Licenses	A-12	350.00	350.00
Reserve for FEMA Proceeds	A-12	3,722.78	3,722.78
CDL - Loan Payable	A	-	4,220,140.75
CDL - Interest Payable	A	-	176,742.08
		<hr/>	<hr/>
Total Operating Liabilities		7,009,202.87	10,157,642.47
		<hr/>	<hr/>
Reserve for Receivables	A	6,597,638.26	6,859,144.90
Fund Balance	A-1	3,253,953.05	1,749,447.34
		<hr/>	<hr/>
Total Operating Fund		16,860,794.18	18,766,234.71
		<hr/>	<hr/>
Federal & State Grant Fund:			
Reserve for State Grants:			
Appropriated Reserves	A-14	2,112,373.88	698,754.03
Unappropriated Reserves	A-15	158,471.32	35,334.18
Encumbrances Payable	A-14	126,102.95	121,766.80
		<hr/>	<hr/>
Total Federal & State Grant Fund		2,396,948.15	855,855.01
		<hr/>	<hr/>
Total Liabilities Reserve & Fund Balance		\$ 19,257,742.33	\$ 19,622,089.72
		<hr/>	<hr/>

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



**TOWNSHIP OF LITTLE EGG HARBOR  
CURRENT FUND  
STATEMENTS OF OPERATIONS AND CHANGES  
IN FUND BALANCE - REGULATORY BASIS  
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020**

	2021	2020
Revenue & Other Income Realized:		
Fund Balance Utilized	\$ 1,300,000.00	\$ 1,300,000.00
Miscellaneous Revenues Anticipated	5,868,804.56	3,766,913.55
Receipts From Delinquent Taxes	346,984.06	208,539.64
Receipts From Current Taxes	63,010,251.31	61,875,520.33
Nonbudget Revenues	379,370.37	277,641.95
Other Credits to Income:		
Interfunds Returned	37,628.60	-
Unexpended Balance of Appropriation Reserves	943,584.79	907,959.72
	<u>71,886,623.69</u>	<u>68,336,575.19</u>
Total Revenue & Other Income		
Expenditures:		
Budget & Emergency Appropriations:		
Appropriations Within "CAPS":		
Operations:		
Salaries and Wages	9,399,900.00	9,254,300.00
Other Expenses	8,485,150.00	8,277,650.00
Deferred Charges & Statutory Expenditures	2,886,195.00	2,646,749.00
Appropriations Excluded From "CAPS":		
Operations:		
Salaries and Wages	475,000.00	475,000.00
Other Expenses	1,924,108.24	578,254.64
Capital Improvement Fund	100,000.00	100,000.00
Municipal Debt Service	2,168,230.77	2,102,467.77
Deferred Charges	57,772.89	56,833.00
County Taxes	9,873,504.94	9,910,535.32
Local District School Tax	14,347,145.00	14,081,011.00
Regional High School Tax	17,358,754.00	17,375,144.00
Special District Taxes	1,756,957.00	1,598,112.00
Municipal Open Space	234,679.19	233,918.97
Cancel Prior Year Taxes Realized	14,720.95	186,821.40
Interfund Advances	-	506.82
	<u>69,082,117.98</u>	<u>66,877,303.92</u>
Total Expenditures		
Statutory Excess to Fund Balance	2,804,505.71	1,459,271.27
Fund Balance January 1,	<u>1,749,447.34</u>	<u>1,590,176.07</u>
Total	4,553,953.05	3,049,447.34
Decreased by: Utilized as Anticipated Revenue	<u>1,300,000.00</u>	<u>1,300,000.00</u>
Fund Balance December 31,	<u>\$ 3,253,953.05</u>	<u>\$ 1,749,447.34</u>

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

**TOWNSHIP OF LITTLE EGG HARBOR**  
**CURRENT FUND**  
**STATEMENT OF REVENUES - REGULATORY BASIS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	ANTICIPATED BUDGET	ADDED BY N.J.S.40A:4-87	REALIZED	EXCESS OR (DEFICIT)
Fund Balance Anticipated	\$ 1,300,000.00	\$ -	\$ 1,300,000.00	\$ -
Miscellaneous Revenues:				
Licenses:				
Alcoholic Beverages	10,500.00	-	10,814.00	314.00
Other	185,000.00	-	330,646.50	145,646.50
Municipal Court	170,000.00	-	102,228.77	(67,771.23)
Interest & Cost on Taxes	100,000.00	-	313,402.57	213,402.57
Payments in Lieu of Taxes	85,000.00	-	102,917.01	17,917.01
Energy Receipts Tax	1,299,939.00	-	1,299,939.00	-
Uniform Construction Code Fees	435,000.00	-	511,343.50	76,343.50
Garden State Trust	149,117.00	-	229,633.00	80,516.00
Tower Rental	175,000.00	-	270,579.93	95,579.93
SRO Reimbursement	250,000.00	-	252,835.32	2,835.32
CATV Franchise Fees	83,500.00	-	83,982.87	482.87
Ocean County CARES Act Funding	364,755.94	-	426,608.85	61,852.91
Shared Svc - Ocean Twp CFO	60,000.00	-	60,000.00	-
Additional Revenues Offset With Appropriations:				
American Rescue Funds	-	1,136,281.83	1,136,281.83	-
Safe & Secure Communities	32,400.00	-	32,400.00	-
CDBG	-	35,000.00	35,000.00	-
Recycling Tonnage	-	33,491.41	33,491.41	-
NJ Clean Smart Start	-	283,800.00	283,800.00	-
Sustainable Jersey Grant	-	5,000.00	5,000.00	-
NJ DOT Municipal Aid Road Grant 2020	347,900.00	-	347,900.00	-
Total Miscellaneous	3,748,111.94	1,493,573.24	5,868,804.56	627,119.38
Receipts from Delinquent Taxes	25,000.00	-	346,984.06	321,984.06
Subtotal General Revenues	5,073,111.94	1,493,573.24	7,515,788.62	949,103.44
Amount to be Raised by Taxes for Support to Municipal				
Budget - Local Tax for Municipal Purposes	19,378,350.09	-	19,882,877.32	504,527.23
Budget Totals	24,451,462.03	1,493,573.24	27,398,665.94	1,453,630.67
Nonbudget Revenues	-	-	379,370.37	379,370.37
Total	\$ 24,451,462.03	\$ 1,493,573.24	\$ 27,778,036.31	\$ 1,833,001.04

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

**TOWNSHIP OF LITTLE EGG HARBOR  
CURRENT FUND  
STATEMENT OF REVENUES - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2021**

**ANALYSIS OF REALIZED REVENUE**

**Allocation of Current Tax Collections:**

Revenue From Collections	\$ 63,010,251.31
Allocated to - School, County & Special District Taxes	<u>43,571,040.13</u>
Balance for Support of Municipal Budget Revenues	19,439,211.18
Add: Appropriation - "Reserve for Uncollected Taxes"	<u>443,666.14</u>
Amount for Support of Municipal Budget Appropriations	<u><u>\$ 19,882,877.32</u></u>

**Receipts From Delinquent Taxes:**

Tax Title Lien Collections	<u>\$ 346,984.06</u>
Total Receipts From Delinquent Taxes	<u><u>\$ 346,984.06</u></u>

**Analysis of Nonbudget Revenue:**

Treasurer:	
Insurance Reimbursements	\$ 124,994.38
Interest on Investments and Deposits	17,432.38
Trash Cans	22,639.08
Shared Service Labor Charges	14,333.25
Yard Rental - ACE	10,500.00
Prior Year Expense Reimbursement	3,667.68
Miscellaneous	11,357.18
Recycling Receipts	23,538.35
Miscellaneous Tax Collector	123,926.07
Sale of Property	25,052.00
Federal Revenue Sharing	<u>1,930.00</u>
Total Analysis of Nonbudget Revenue	<u><u>\$ 379,370.37</u></u>

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

**TOWNSHIP OF LITTLE EGG HARBOR  
CURRENT FUND  
STATEMENT OF EXPENDITURES - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2021**

OPERATIONS	APPROPRIATIONS		EXPENDED			CANCEL
	BUDGET	BUDGET AFTER MODIFICATION	PAID	ENCUMBERED	RESERVED	
<b>General Government:</b>						
General Administration:						
Salaries and Wages	\$ 75,000.00	\$ 75,000.00	\$ 70,081.35	\$ -	\$ 4,918.65	\$ -
Other Expenses	6,500.00	6,500.00	3,642.34	274.88	2,582.78	-
Mayor and Committee:						
Salaries and Wages	68,000.00	68,000.00	65,909.11	-	2,090.89	-
Other Expenses	7,000.00	7,000.00	540.98	487.25	5,971.77	-
Municipal Clerk:						
Salaries and Wages	270,000.00	257,000.00	215,751.32	-	41,248.68	-
Other Expenses	75,500.00	75,500.00	70,024.13	4,556.75	919.12	-
Financial Administration (Treasury):						
Salaries and Wages	315,000.00	315,000.00	290,472.35	-	24,527.65	-
Other Expenses	42,000.00	42,000.00	37,479.82	1,147.55	3,372.63	-
Audit Services:						
Other Expenses	60,000.00	60,000.00	55,600.00	-	4,400.00	-
Revenue Administration (Tax Collection):						
Salaries and Wages	208,000.00	221,000.00	220,641.26	-	358.74	-
Other Expenses:						
Tax Sale Costs	10,000.00	10,000.00	231.08	1,527.59	8,241.33	-
Miscellaneous Other Expenses	22,000.00	22,000.00	17,025.56	114.45	4,859.99	-
Tax Assessment Administration:						
Salaries and Wages	218,000.00	239,000.00	237,978.58	-	1,021.42	-
Other Expenses	9,000.00	9,000.00	7,266.96	1,733.04	-	-
Liquidation of Tax Title Liens & Foreclosed Property - Other Expenses	3,000.00	3,000.00	-	-	3,000.00	-
Legal Services (Legal Department):						
Other Expenses	325,000.00	355,000.00	334,298.53	-	20,701.47	-
Engineering Services:						
Other Expenses	150,000.00	120,000.00	95,944.72	-	24,055.28	-
<b>Land Use Administration:</b>						
Planning Board:						
Salaries and Wages	8,000.00	8,000.00	7,413.68	-	586.32	-
Other Expenses	2,500.00	2,500.00	2,001.74	-	498.26	-
Zoning Board of Adjustment:						
Salaries and Wages	8,000.00	8,000.00	7,713.68	-	286.32	-
Other Expenses	8,000.00	8,000.00	3,004.04	331.07	4,664.89	-
Zoning Officer:						
Salaries and Wages	294,000.00	296,000.00	292,712.59	-	3,287.41	-
Other Expenses	31,000.00	31,000.00	16,907.96	8,360.74	5,731.30	-
<b>Insurance:</b>						
Unemployment Insurance	42,000.00	42,000.00	33,221.20	-	8,778.80	-
Group Insurance for Employees	3,400,000.00	3,370,000.00	3,272,199.44	-	97,800.56	-
Other Insurance: JIF, Surety, Workers Comp	533,500.00	533,500.00	533,051.00	-	449.00	-

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

**TOWNSHIP OF LITTLE EGG HARBOR  
CURRENT FUND  
STATEMENT OF EXPENDITURES - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2021**

OPERATIONS	APPROPRIATIONS		PAID	EXPENDED		CANCEL
	BUDGET	BUDGET AFTER MODIFICATION		ENCUMBERED	RESERVED	
<b>Public Safety Functions:</b>						
Police Department:						
Salaries and Wages	5,700,000.00	5,730,000.00	5,705,945.18	-	24,054.82	-
Other Expenses	418,500.00	418,500.00	213,752.89	143,598.40	61,148.71	-
Office of Emergency Management						
Salaries and Wages	22,500.00	22,500.00	22,500.00	-	-	-
Other Expenses	1,750.00	1,750.00	-	-	1,750.00	-
Aid to Volunteer Fire Company	2,400.00	2,400.00	2,400.00	-	-	-
First Aid Squad Contribution	70,000.00	70,000.00	-	-	70,000.00	-
Municipal Prosecutor:						
Other Expenses	55,000.00	55,000.00	41,250.00	-	13,750.00	-
<b>Public Works Functions:</b>						
Streets & Roads Maintenance:						
Salaries and Wages	318,000.00	298,000.00	284,405.74	-	13,594.26	-
Other Expenses	80,000.00	80,000.00	44,095.00	8,907.19	26,997.81	-
Solid Waste Sanitation:						
Salaries and Wages	282,000.00	311,000.00	307,380.30	-	3,619.70	-
Other Expenses	140,000.00	150,000.00	123,407.07	4,319.08	22,273.85	-
Bulk Property Maintenance Pick-Up	115,000.00	92,000.00	-	-	92,000.00	-
Solid Waste Recycling:						
Salaries and Wages	340,000.00	336,000.00	331,539.65	-	4,460.35	-
Other Expenses	28,000.00	31,000.00	25,517.88	2,105.12	3,377.00	-
Buildings & Grounds:						
Salaries and Wages	175,000.00	183,000.00	178,409.11	-	4,590.89	-
Other Expenses	150,000.00	150,000.00	124,580.93	10,669.17	14,749.90	-
Vehicle Maintenance:						
Salaries and Wages	170,000.00	170,000.00	168,030.05	-	1,969.95	-
Other Expenses	155,000.00	165,000.00	138,375.01	21,974.37	4,650.62	-
Municipal Services Act:						
Other Expenses	60,000.00	60,000.00	963.14	-	59,036.86	-
County Mosquito Control Agency:						
Other Expenses	25,000.00	25,000.00	1,398.20	-	23,601.80	-
<b>Health &amp; Human Services:</b>						
Public Health Services (Board of Health):						
Salaries and Wages	1,200.00	1,200.00	-	-	1,200.00	-
Other Expenses	5,000.00	5,000.00	2,224.70	191.93	2,583.37	-
Environmental Health Services:						
Salaries and Wages	1,200.00	1,200.00	-	-	1,200.00	-
Other Expenses	5,000.00	5,000.00	895.65	-	4,104.35	-
Animal Control Services:						
Other Expenses	50,000.00	50,000.00	39,262.00	-	10,738.00	-
Contributions to Social Service Agencies - Statutory:						
Providence House	2,000.00	2,000.00	-	-	2,000.00	-
On Point Assistance Program	40,000.00	40,000.00	17,500.00	-	22,500.00	-

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

**TOWNSHIP OF LITTLE EGG HARBOR  
CURRENT FUND  
STATEMENT OF EXPENDITURES - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2021**

OPERATIONS	APPROPRIATIONS		EXPENDED			CANCEL
	BUDGET	BUDGET AFTER MODIFICATION	PAID	ENCUMBERED	RESERVED	
<b>Park &amp; Recreation Functions:</b>						
Recreation Services & Programs:						
Salaries and Wages	144,000.00	131,000.00	123,974.37	-	7,025.63	-
Other Expenses	27,000.00	27,000.00	9,495.18	1,115.63	16,389.19	-
Senior Center/Community Activities						
Other Expenses	2,500.00	2,500.00	-	-	2,500.00	-
<b>Utility Expenses &amp; Bulk Purchases:</b>						
Electricity	185,000.00	185,000.00	153,448.72	-	31,551.28	-
Street Lighting	425,000.00	425,000.00	410,655.85	-	14,344.15	-
Telephone	190,000.00	190,000.00	143,468.60	636.88	45,894.52	-
Fuel Oil/Natural Gas	42,000.00	42,000.00	30,960.61	9,424.86	1,614.53	-
Gasoline	240,000.00	240,000.00	210,954.99	22,806.30	6,238.71	-
<b>Landfill/Solid Waste Disposal Costs:</b>						
Sanitary Landfill	950,000.00	950,000.00	950,000.00	-	-	-
<b>Uniform Construction Code Enforcement Functions:</b>						
Construction Code Official:						
Salaries and Wages	410,000.00	387,000.00	374,582.72	-	12,417.28	-
Other Expenses	31,000.00	31,000.00	21,651.18	1,578.88	7,769.94	-
<b>Municipal Court:</b>						
Salaries and Wages	342,000.00	342,000.00	313,587.07	-	28,412.93	-
Other Expenses	25,000.00	25,000.00	9,841.32	1,206.91	13,951.77	-
Public Defender:						
Other Expenses	45,000.00	45,000.00	31,957.50	-	13,042.50	-
<b>Other Common Operating Functions (Unclassified):</b>						
Municipal Alliance Council	17,000.00	17,000.00	-	-	17,000.00	-
Celebration of Public Events:						
Other Expenses	6,000.00	6,000.00	-	-	6,000.00	-
Accumulated Sick & Vacation Func	150,000.00	150,000.00	150,000.00	-	-	-
Reserve for Disputed Contracts	50,000.00	50,000.00	34,903.66	-	15,096.34	-
<b>Total Operations Within "CAPS"</b>	<b>17,885,050.00</b>	<b>17,885,050.00</b>	<b>16,634,427.69</b>	<b>247,068.04</b>	<b>1,003,554.27</b>	<b>-</b>
Detail:						
Salaries and Wages	9,369,900.00	9,399,900.00	9,219,028.11	-	180,871.89	-
Other Expenses	8,515,150.00	8,485,150.00	7,415,399.58	247,068.04	822,682.38	-
Deferred Charges & Statutory Expenditures -						
Municipal Within "CAPS":						
Statutory Expenditures:						
Social Security System (O.A.S.I.)	750,000.00	750,000.00	750,000.00	-	-	-
Defined Contribution Retirement Program	5,000.00	5,000.00	1,791.60	-	3,208.40	-
Police & Firemen's Retirement						
Pension	1,561,131.00	1,561,131.00	1,561,131.00	-	-	-
Public Employees Retirement						
System	570,064.00	570,064.00	570,064.00	-	-	-
<b>Total Deferred Charges &amp; Statutory Expenditures Within "CAPS"</b>	<b>2,886,195.00</b>	<b>2,886,195.00</b>	<b>2,882,986.60</b>	<b>-</b>	<b>3,208.40</b>	<b>-</b>
<b>Total General Appropriations for Municipal Purposes Within "CAPS"</b>	<b>20,771,245.00</b>	<b>20,771,245.00</b>	<b>19,517,414.29</b>	<b>247,068.04</b>	<b>1,006,762.67</b>	<b>-</b>

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

**TOWNSHIP OF LITTLE EGG HARBOR  
CURRENT FUND  
STATEMENT OF EXPENDITURES - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2021**

OPERATIONS	APPROPRIATIONS		EXPENDED			CANCEL
	BUDGET	BUDGET AFTER MODIFICATION	PAID	ENCUMBERED	RESERVED	
Operations Excluded From "CAPS":						
Public & Private Programs Offset by Revenues						
American Rescue Plan	-	1,136,281.83	1,136,281.83	-	-	-
Recycling Tonnage	-	33,491.41	33,491.41	-	-	-
NJ CleanSmart Start	-	283,800.00	283,800.00	-	-	-
Sustainable Jersey	-	5,000.00	5,000.00	-	-	-
Safe & Secure Communities	32,400.00	32,400.00	32,400.00	-	-	-
CDBG	-	35,000.00	35,000.00	-	-	-
NJ DOT Municipal Aid Road Grant	347,900.00	347,900.00	347,900.00	-	-	-
<b>Police Dispatch/911:</b>						
Salaries and Wages	475,000.00	475,000.00	456,414.53	-	18,585.47	-
Other Expenses	5,000.00	5,000.00	1,310.72	-	3,689.28	-
Supplemental Aid to Fire Districts	5,235.00	5,235.00	5,235.00	-	-	-
Shared Svc - CFO Waretown	40,000.00	40,000.00	36,060.00	-	3,940.00	-
<b>Total Operations Excluded from "CAPS"</b>	<b>905,535.00</b>	<b>2,399,108.24</b>	<b>2,372,893.49</b>	<b>-</b>	<b>26,214.75</b>	<b>-</b>
Detail:						
Salaries and Wages	475,000.00	475,000.00	456,414.53	-	18,585.47	-
Other Expenses	461,340.79	1,924,108.24	1,916,478.96	-	7,629.28	-
<b>Capital Improvements - Excluded from "CAPS":</b>						
Capital Improvement Fund	100,000.00	100,000.00	100,000.00	-	-	-
<b>Total Capital Improvements - Excluded from CAPS</b>	<b>100,000.00</b>	<b>100,000.00</b>	<b>100,000.00</b>	<b>-</b>	<b>-</b>	<b>-</b>
Municipal Debt Service - Excluded From "CAPS"						
Payment of Bond Principal	1,620,000.00	1,620,000.00	1,620,000.00	-	-	-
Interest on Bonds	350,050.00	350,050.00	350,050.00	-	-	-
Interest on Notes	70,887.00	70,887.00	65,887.00	-	-	5,000.00
NJ Infrastructure Bank	116,759.00	116,759.00	116,747.97	-	-	11.03
Green Acres Trust Loan Program:						
Principal & Interest	15,547.00	15,547.00	15,545.80	-	-	1.20
<b>Total Municipal Debt Service Excluded From "CAPS"</b>	<b>2,173,243.00</b>	<b>2,173,243.00</b>	<b>2,168,230.77</b>	<b>-</b>	<b>-</b>	<b>5,012.23</b>
<b>Deferred Charges - Excluded from "CAPS":</b>						
Ordinance 09-06	56,832.00	56,832.00	56,832.00	-	-	-
Ordinance 11-15	940.89	940.89	940.89	-	-	-
<b>Total Deferred Charges - Municipal - Excluded from CAPS:</b>	<b>57,772.89</b>	<b>57,772.89</b>	<b>57,772.89</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total General Appropriations Excluded From "CAPS"</b>	<b>3,236,550.89</b>	<b>4,730,124.13</b>	<b>4,698,897.15</b>	<b>-</b>	<b>26,214.75</b>	<b>5,012.23</b>
Subtotal General Appropriations	24,007,795.89	25,501,369.13	24,216,311.44	247,068.04	1,032,977.42	5,012.23
Reserve For Uncollected Taxes	443,666.14	443,666.14	443,666.14	-	-	-
<b>Total General Appropriations</b>	<b>\$ 24,451,462.03</b>	<b>\$ 25,945,035.27</b>	<b>\$ 24,659,977.58</b>	<b>\$ 247,068.04</b>	<b>\$ 1,032,977.42</b>	<b>\$ 5,012.23</b>

Adopted Budget	\$ 24,451,462.03
Added by N.J.S.40A:4-87	1,493,573.24
<b>Total</b>	<b>\$ 25,945,035.27</b>
Federal & State Grants	\$ 1,873,873.24
Reserve for Uncollected Taxes	443,666.14
Deferred Charges	57,772.89
Refunds	(704,660.28)
Disbursed	22,989,325.59
<b>Total</b>	<b>\$ 24,659,977.58</b>

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

**TOWNSHIP OF LITTLE EGG HARBOR  
TRUST FUND  
STATEMENT OF ASSETS, LIABILITIES, RESERVES  
AND FUND BALANCE - REGULATORY BASIS  
DECEMBER 31, 2021 AND 2020**

ASSETS	REFERENCE	2021	2020
Assessment Fund:			
Cash	B-1	\$ 54,096.41	\$ 54,096.41
Assessments Receivable	B-17	2,747,135.12	-
Due From Current Fund	A	<u>995,842.06</u>	<u>-</u>
Total Assessment Fund		<u>3,797,073.59</u>	<u>54,096.41</u>
Animal Control Trust:			
Cash	B-3	<u>36.00</u>	<u>18.00</u>
		<u>36.00</u>	<u>18.00</u>
Other Funds:			
Cash - Treasurer	B-1	3,197,634.50	3,081,391.56
Cash - Collector	B-2	1,814,449.95	1,757,357.35
Due from Current Fund	A	<u>1,202.70</u>	<u>965.76</u>
Total Other Funds		<u>5,013,287.15</u>	<u>4,839,714.67</u>
Total Assets		<u>\$ 8,810,396.74</u>	<u>\$ 4,893,829.08</u>
LIABILITIES, RESERVES & FUND BALANCE			
Assessment Fund:			
Due to Current Fund	A	\$ -	\$ 54,096.41
Due to Capital Fund	C	137,509.28	
Prospective Assessments Funded	B	284,564.31	-
Assessment Bonds Payable	B-19	<u>3,375,000.00</u>	<u>-</u>
Total Assessment Fund		<u>3,797,073.59</u>	<u>54,096.41</u>
Animal Control Trust:			
Reserve for Dog Fund	B-3	<u>36.00</u>	<u>18.00</u>
Total Animal Control Fund		<u>36.00</u>	<u>18.00</u>
Other Funds:			
Reserves for:			
Deposits for Tax Title Redemptions	B-5	1,814,449.95	1,757,357.35
Escrow Deposits	B-6	1,676,653.11	1,563,002.81
Forfeited Property	B-7	58,741.85	61,441.17
Recreation Trust	B-8	2,057.05	2,057.05
Open Space	B-9	1,348,542.76	1,275,695.87
Community Center	B-10	3,582.88	3,582.88
Federal Forfeiture Law Enforcement Funds	B-11	4,745.94	4,740.48
Sick/Vacation Funds	B-12	12,918.95	95,445.62
COAH Funds	B-13	62,802.49	40,824.27
Police Evidence Deposits	B-14	3,352.80	3,352.80
Veterans Park Donations	B-15	4,910.00	11,895.00
Division of Fire Safety - Dedicated Penalties	B-16	9,500.00	9,500.00
POAA Funds	B	648.00	648.00
Due to Current Fund	A	<u>10,381.37</u>	<u>10,171.37</u>
Total Other Funds		<u>5,013,287.15</u>	<u>4,839,714.67</u>
Total Liabilities, Reserves & Fund Balance		<u>\$ 8,810,396.74</u>	<u>\$ 4,893,829.08</u>

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



**TOWNSHIP OF LITTLE EGG HARBOR**  
**GENERAL CAPITAL FUND**  
**STATEMENT OF ASSETS, LIABILITIES, RESERVES**  
**AND FUND BALANCE - REGULATORY BASIS**  
**DECEMBER 31, 2021 AND 2020**

ASSETS	REFERENCE	2021	2020
Cash & Cash Equivalents	C-2	\$ 5,798,583.31	\$ 1,249,885.06
Due from Assessment Trust Fund	B	137,509.28	-
Due from Current Fund	A	-	56,833.00
Deferred Charges to Future Taxation:			
Funded	C-4	11,628,747.61	17,152,653.41
Unfunded	C-5	22,356,865.05	9,628,647.22
Prospective Assessment to be Raised by Taxation	C	<u>10,075,000.00</u>	<u>4,100,000.00</u>
 Total Assets		 <u>\$ 49,996,705.25</u>	 <u>\$ 32,188,018.69</u>
 <b>LIABILITIES, RESERVES &amp; FUND BALANCE</b>			
Bond Anticipation Notes Payable	C-8	\$ 9,631,250.00	\$ 3,214,000.00
General Serial Bond	C-9	9,670,000.00	15,040,000.00
Green Trust Loan Payable	C-10	156,943.01	230,748.57
NJEIT Loan Payable	C-11	1,801,804.60	1,881,904.84
Capital Improvement Fund	C-6	182,544.00	240,044.00
Encumbrances Payable	C-7	42,414.00	-
Due To Ocean County - CDBG	C	3,722.00	3,722.00
Improvement Authorizations:			
Funded	C-7	796,003.51	857,556.16
Unfunded	C-7	17,498,786.91	6,481,805.90
Reserve for Debt Service - Premiums on BANS	C	55,050.69	55,050.69
Reserve for Prospective Assessment to be Raised by Taxation	C	10,075,000.00	4,100,000.00
Fund Balance	C-1	<u>83,186.53</u>	<u>83,186.53</u>
 Total Liabilities, Reserves & Fund Balance		 <u>\$ 49,996,705.25</u>	 <u>\$ 32,188,018.69</u>

There were bonds and notes authorized but not issued at December 31, 2021 and 2020 in the amount of \$12,725,615.05 and \$6,277,138.00, respectively.

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

**TOWNSHIP OF LITTLE EGG HARBOR  
GENERAL CAPITAL FUND  
STATEMENT OF FUND BALANCE - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2021**

Balance December 31, 2020 & 2021

\$ 83,186.53

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

**TOWNSHIP OF LITTLE EGG HARBOR**  
**PAYROLL FUND**  
**STATEMENT OF ASSETS, LIABILITIES, RESERVES**  
**AND FUND BALANCE - REGULATORY BASIS**  
**DECEMBER 31, 2021 AND 2020**

ASSETS	REFERENCE	2021	2020
Cash - Treasurer	D-1	\$203,758.14	\$ 210,736.55
Due from Current Fund	A	<u>3,358.54</u>	<u>3,373.54</u>
Total		<u><u>\$207,116.68</u></u>	<u><u>\$ 214,110.09</u></u>
 LIABILITIES			
Payroll Taxes Payable	D-2	<u>\$207,116.68</u>	<u>\$ 214,110.09</u>
Total		<u><u>\$207,116.68</u></u>	<u><u>\$ 214,110.09</u></u>

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

**TOWNSHIP OF LITTLE EGG HARBOR  
GENERAL FIXED ASSETS ACCOUNT GROUP  
STATEMENT OF FIXED ASSETS AND  
FUND BALANCE - REGULATORY BASIS  
DECEMBER 31, 2021 AND 2020**

ASSETS	2021	2020
Land and Improvements	\$ 7,916,096.10	\$ 7,832,945.54
Building	10,633,720.00	10,633,720.00
Equipment	<u>14,986,811.91</u>	<u>14,259,611.71</u>
Total	<u><u>\$ 33,536,628.01</u></u>	<u><u>\$ 32,726,277.25</u></u>
FUND BALANCE		
Investment in Fixed Assets	<u><u>\$ 33,536,628.01</u></u>	<u><u>\$ 32,726,277.25</u></u>

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

**TOWNSHIP OF LITTLE EGG HARBOR  
COUNTY OF OCEAN**

**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021**

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**TOWNSHIP OF LITTLE EGG HARBOR  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021**

**Note 1. Summary of Significant Accounting Policies**

**Description of Financial Reporting Entity** - The Township of Little Egg Harbor was incorporated in 1798 and is located in the Ocean County, New Jersey. The population according to the 2010 census was 20,065.

The form of Government is known as a Township pursuant to N.J.S.A.40A:63-1 et seq. The government consists of five (5) Committee Members who are elected at large to three (3) year staggered terms. The Mayor is elected from and by the Members of the Committee and serves a one (1) year term. Under the statutes the Mayor is the head of the government and acts as the executive branch. The Committee acts as the legislative branch of government and has executive powers not assigned to the Mayor.

**Component Units** - GASB Statement 14, as amended by GASB Statements 39, 61, 80, 90 and 97, establishes criteria to be used in determining the component units, which should be included in the financial statements of a primary government. The financial statements of the Township are not presented in accordance with GAAP (as discussed below). If the provisions of these GASB statements had been complied with, the financial statements of the following components unit would have been either blended or discretely presented with the financial statements of the Township, the primary government:

Little Egg Harbor Municipal Utilities Authority  
823 Radio Road  
Post Office Box 660  
Little Egg Harbor, New Jersey 08087-0660

Annual financial reports may be inspected directly at the office of this component unit during regular business hours.

**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.

**Trust Assessment Fund**– This fund accounts for the financing of local improvements deemed to benefit the properties against which assessments are levied.

**TOWNSHIP OF LITTLE EGG HARBOR  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021**

**Note 1. Summary of Significant Accounting Policies (continued):**

**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.

**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 receipts and disbursements of funds used to meet obligations to employees and payroll tax liabilities.

**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 10<sup>th</sup> 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 LITTLE EGG HARBOR  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021**

**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 LITTLE EGG HARBOR  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021**

**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 overexpenditures of legally adopted budget appropriations or emergency appropriations made in accordance with *N.J.S.A.40A:4-46* et seq. Deferred charges are subsequently raised as items of appropriation in budgets of succeeding years.

**Fund Balance** – Fund Balance included in the Current Fund represent the amount available for anticipation as revenue in future year’s 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, Fire Districts, Little Egg Harbor Township School and the Pineland’s Regional 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 10<sup>th</sup> of the current year. In addition, operations is charged for the County share of Added and Omitted Taxes certified to the County Board of Taxation by October 10<sup>th</sup> of the current year and due to be paid to the County by February 15<sup>th</sup> of the following year.

**School Taxes** – The municipality is responsible for levying, collecting and remitting school taxes for the Little Egg Harbor Township School District and the Pinelands Regional School District. Operations are charged for the full amount required to be raised from taxation to operate the local and regional school district July 1<sup>st</sup> to June 30<sup>th</sup>.

**Deferred School Taxes** – School taxes raised in advance in the Current Fund for a school fiscal year (July I 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.

**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.

**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.

**TOWNSHIP OF LITTLE EGG HARBOR  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021**

**Note 1. Summary of Significant Accounting Policies (continued):**

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 31<sup>st</sup> 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 year ended December 31, 2021:

Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*. The requirements of this Statement are effective for reporting periods beginning after December 15, 2020.

Statement No. 93, *Replacement of Interbank Offered Rates*. The requirements of this Statement, except for paragraphs 11b, 13, and 14 are effective for reporting periods beginning after June 15, 2020.

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

Accounting Pronouncements Effective in Future Reporting Periods

Statement No. 87, *Leases*. The requirements of this Statement are effective for fiscal years beginning after June 15, 2021.

**TOWNSHIP OF LITTLE EGG HARBOR  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021**

**Note 1. Summary of Significant Accounting Policies (continued):**

Statement No. 96, *Subscription-Based Information Technology Arrangements*. The requirements of this Statement are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter.

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 section 1, paragraph 4 are effective immediately. All other requirements will be effective for reporting periods beginning June 15, 2021.

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, and all reporting periods thereafter. Earlier application is encouraged.

Statement No. 101, *Compensated Absences*. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter. Earlier application is encouraged.

Management has determined the implementation of certain provisions within this Statement did not have a significant impact 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, 2021, the Township’s bank balance of \$21,489,699.89 was insured or collateralized as follows:

Insured under FDIC and GUDPA	\$ 16,342,133.09
Uninsured and Uncollateralized	<u>5,147,566.80</u>
	<u><u>\$ 21,489,699.89</u></u>

**TOWNSHIP OF LITTLE EGG HARBOR  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021**

**Note 2. Deposits and Investments (continued)**

**Investments**

The Township had no investments as of December 31, 2021.

**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.

	<b><u>Comparison Schedule of Tax Rates</u></b>		
	<u>2021</u>	<u>2020</u>	<u>2019</u>
Tax Rate	<u>\$ 2.619</u>	<u>\$ 2.585</u>	<u>\$ 2.480</u>
Apportionment of Tax Rate:			
Municipal	0.840	0.811	0.743
County General	0.421	0.424	0.422
Local School	0.615	0.604	0.594
Regional School	0.743	0.746	0.721

**Assessed Valuation**

<u>Year</u>	<u>Amount</u>
2021	\$ 2,334,764,899.00
2020	2,329,532,059.00
2019	2,327,945,017.00

**Comparison of Tax Levies and Collections**

<u>Year</u>	<u>Tax Levy</u>	<u>Cash Collections</u>	<u>Percentage Of Collection</u>
2021	\$ 63,245,127.87	\$ 63,010,251.31	99.62%
2020	62,173,471.20	61,875,520.33	99.52%
2019	59,716,900.22	59,370,635.81	99.42%

**TOWNSHIP OF LITTLE EGG HARBOR  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021**

**Note 3. Property Taxes (continued):**

**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>
2021	\$ 766,776.72	\$ 55,848.61	\$ 822,625.33	1.30%
2020	991,159.98	39,085.58	1,030,245.56	1.66%
2019	896,191.57	78,738.69	974,930.26	1.63%

**Number of Tax Title Liens**

<u>Year</u>	<u>Number</u>
2021	193
2020	196
2019	179

The last tax sale was held on December 16, 2021.

**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>
2021	\$ 5,757,700.00
2020	5,757,700.00
2019	5,757,700.00

**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>
<b>Current Fund:</b>			
2021	\$ 3,253,953.05	\$ 1,390,000.00	42.72%
2020	1,749,447.34	1,300,000.00	74.31%
2019	1,590,176.07	1,300,000.00	81.75%

**TOWNSHIP OF LITTLE EGG HARBOR  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021**

**Note 6. Disaggregated Receivable and Payable Balances**

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

**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, 2021:

<b>Fund</b>	<b>Interfund Receivable</b>	<b>Interfund Payable</b>
Current Fund	\$ 10,381.37	\$ 2,224,550.27
State and Federal Grant Fund	1,224,146.97	-
Trust Other Fund	1,202.70	10,381.37
Trust Assessment Fund	995,842.06	137,509.28
General Capital Fund	137,509.28	-
Payroll Fund	3,358.54	-
	<u>\$ 2,372,440.92</u>	<u>\$ 2,372,440.92</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:

<b>Fund</b>	<b>Transfers In</b>	<b>Transfers Out</b>
Current Fund	\$ 2,230,237.14	\$ 56,848.00
State and Federal Grant Fund	-	1,180,298.67
Trust Assessment Fund	-	1,049,938.47
Open Space Trust Fund	-	100,000.00
General Capital Fund	156,833.00	-
Payroll Fund	15.00	-
	<u>\$ 2,387,085.14</u>	<u>\$ 2,387,085.14</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.

**TOWNSHIP OF LITTLE EGG HARBOR  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021**

**Note 8. Fixed Assets**

The following is a summary of changes in the General Fixed Assets Account Group for the year ended December 31, 2021.

	Balance December 31, <u>2020</u>	<u>Additions</u>	Balance December 31, <u>2021</u>
Land and Improvements	\$ 7,832,945.54	\$ 83,150.56	\$ 7,916,096.10
Buildings	10,633,720.00	-	10,633,720.00
Machinery & Equipment	14,259,611.71	727,200.20	14,986,811.91
	<u>\$ 32,726,277.25</u>	<u>\$ 810,350.76</u>	<u>\$ 33,536,628.01</u>

**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 Annual Comprehensive Financial Report (ACFR) 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 1/55<sup>th</sup> of final average salary for each year of service credit is available to tiers 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60<sup>th</sup> of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and 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.



**TOWNSHIP OF LITTLE EGG HARBOR  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021**

**Note 9. Pension Obligations (continued):**

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

**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. 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.

**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 2021, 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 \$590,407.00.

**Components of Net Pension Liability** - At December 31, 2021, the Township's proportionate share of the PERS net pension liability was \$5,972,299.00. 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, which was rolled forward to 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 0.0504140398% which was a decrease of .001696498% from its proportion measured as of June 30, 2020.

**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	\$ 583,607.00	\$ 1,416,696.00
Deferred Inflows of Resources	4,277,886.00	3,988,247.00
Net Pension Liability	5,972,299.00	8,497,866.00
Township's portion of the Plan's total Net Pension Liability	0.05041%	0.05211%

**TOWNSHIP OF LITTLE EGG HARBOR  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021**

**Note 9. Pension Obligations (continued):**

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

**Pension Expense/(Credit) and Deferred Outflows/Inflows of Resources** - At December 31, 2021, the Township's proportionate share of the PERS credit, calculated by the plan as of the June 30, 2021 measurement date is (\$812,062.00). This 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 \$590,407.00 to the plan in 2021.

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

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between Expected and Actual Experience	\$ 94,191.00	\$ 42,755.00
Changes of Assumptions	31,104.00	2,126,177.00
Net Difference between Projected and Actual Earnings on Pension Plan Investments	-	1,573,260.00
Changes in Proportion and Differences between Township Contributions and Proportionate Share of Contributions	458,312.00	535,694.00
	\$ 583,607.00	\$ 4,277,886.00

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

**TOWNSHIP OF LITTLE EGG HARBOR  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021**

**Note 9. Pension Obligations (continued):**

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

	<b><u>Deferred Outflow of Resources</u></b>	<b><u>Deferred Inflow of Resources</u></b>
Differences between Expected and Actual Experience		
Year of Pension Plan Deferral:		
June 30, 2015	5.72	-
June 30, 2016	5.57	-
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	-
Changes of Assumptions		
Year of Pension Plan Deferral:		
June 30, 2016	5.57	-
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
Net Difference between Projected and Actual Earnings on Pension Plan Investments		
Year of Pension Plan Deferral:		
June 30, 2014	-	5.00
June 30, 2015	-	5.00
June 30, 2016	5.00	-
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	5.57	5.57
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

**TOWNSHIP OF LITTLE EGG HARBOR  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021**

**Note 9. Pension Obligations (continued):**

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

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:

<b>Year Ending</b>	<b><u>June 30,</u></b>	<b><u>Amount</u></b>
2022		\$ (1,329,818)
2023		(934,542)
2024		(789,033)
2025		(544,361)
2026		<u>(96,525)</u>
		<u><u>\$ (3,694,279)</u></u>

**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 2026	2.00 - 6.00% Based on Years of Service
Thereafter	3.00 - 7.00% Based on Years of Service
Investment Rate of Return	7.00%
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, 2014 - June 30, 2018

**TOWNSHIP OF LITTLE EGG HARBOR  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021**

**Note 9. Pension Obligations (continued):**

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

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, 2020 valuation were based on the results of an actuarial experience study for the period July 1, 2014 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 PERS'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%
	100.00%	

**TOWNSHIP OF LITTLE EGG HARBOR  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021**

**Note 9. Pension Obligations (continued):**

**A. Public Employees' Retirement System (PERS) (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 78% 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.

**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:

	<b>1% Decrease <u>(6.00%)</u></b>	<b>Current Discount Rate <u>(7.00%)</u></b>	<b>1% Increase <u>(8.00%)</u></b>
Township's Proportionate Share of the Net Pension Liability	\$ 8,219,758	\$ 5,972,299	\$ 4,182,704

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

**Plan Description** – The State of New Jersey, Police and Firemen's Retirement System (PFRS) is a cost-sharing multiple-employer defined benefit pension plan administered by the State of New Jersey, Division of Pensions and Benefits (the Division). For additional information about PFRS, please refer to the Division's Annual Comprehensive Financial Report (ACFR) 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 LITTLE EGG HARBOR  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021**

**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 2020, 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 \$1,600,750.00.

**Net Pension Liability and Pension Expense** - At December 31, 2021 the Township's proportionate share of the PFRS net pension liability was \$10,039,025.00. 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 0.1373486928%, which was a decrease of 0.0023909893% from its proportion measured as of June 30, 2020.

**TOWNSHIP OF LITTLE EGG HARBOR  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021**

**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	\$ 1,254,655.00	\$ 2,860,117.00
Deferred Inflows of Resources	2,306,415.00	5,167,700.00
Net Pension Liability	10,039,025.00	18,056,210.00
Township's portion of the Plan's total net pension Liability	0.13735%	0.13974%

**Pension Expense/(Credit) and Deferred Outflows/Inflows of Resources** – At December 31, 2021, the Township's proportionate share of the PFRS credit, calculated by the plan as of the June 30, 2021 measurement date was (\$277,123.00). This 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 \$1,600,750.00 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	\$ 114,533	\$ 314,130
Changes of Assumptions	53,419	785,905
Net Difference between Projected and Actual Earnings on Pension Plan Investments	-	1,117,466
Changes in Proportion and Differences between Township Contributions and Proportionate Share of Contributions	1,086,703	88,914
	<u>\$ 1,254,655</u>	<u>\$ 2,306,415</u>

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



**TOWNSHIP OF LITTLE EGG HARBOR  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021**

**Note 9. Pension Obligations (continued):**

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

	<b><u>Deferred Outflow of Resources</u></b>	<b><u>Deferred Inflow of Resources</u></b>
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 LITTLE EGG HARBOR  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021**

**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:

<b>Year Ending</b>		
<b><u>June 30,</u></b>	<b><u>Amount</u></b>	
2022	\$	(415,170)
2023		(745,558)
2024		(340,500)
2025		164,066
2026		<u>285,402</u>
	<b>\$</b>	<b><u><u>(1,051,760)</u></u></b>

**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 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 \$2,823,474.00 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 0.1373485947%, which was a decrease of 0.0023909893% 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's Proportionate Share of Net Pension Liability	\$ 10,039,025.00
State of New Jersey's Proportionate Share of Net Pension Liability Associated with the Township	<u>2,823,474.00</u>
	<b><u><u>\$ 12,862,499.00</u></u></b>

**TOWNSHIP OF LITTLE EGG HARBOR  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021**

**Note 9. Pension Obligations (continued):**

**B. Police and Firemen’s Retirement System (PFRS) (continued):**

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 \$314,453.00.

**Actuarial Assumptions** - The collective pension asset/(liability) as of the measurement date was determined by an actuarial valuation as of July 1, 2020, which was rolled forward to June 30, 2021. This actuarial valuation used the following actuarial assumptions:

Inflation Rate	2.75%
Salary Increases:	3.25 - 15.25%
	Based on Years of Service
Investment Rate of Return	7.00%

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

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

**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:

**TOWNSHIP OF LITTLE EGG HARBOR  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021**

**Note 9. Pension Obligations (continued):**

**B. Police and Firemen’s Retirement System (PFRS) (continued):**

<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%
	100.00%	

**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:

**TOWNSHIP OF LITTLE EGG HARBOR  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021**

**Note 9. Pension Obligations (continued):**

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

	<b>1% Decrease (6.00%)</b>	<b>Current Discount Rate (7.00%)</b>	<b>1% Increase (8.00%)</b>
Township's Proportionate Share of the Net Pension Liability	\$ 15,243,945.00	\$ 10,039,025.00	\$ 5,706,491.00
State of New Jersey's Proportionate Share of Net Pension Liability associated with the Township	<u>4,287,357.00</u>	<u>2,823,474.00</u>	<u>1,604,950.00</u>
	<u>\$ 19,531,302.00</u>	<u>\$ 12,862,499.00</u>	<u>\$ 7,311,441.00</u>

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

**Note 10. 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>2021</u>	<u>2020</u>	<u>2019</u>
<b>Issued:</b>			
General:			
Bonds, Notes and Loans	\$ 21,259,997.61	\$ 20,366,653.41	\$ 24,427,429.35
Total Debt Issued	<u>21,259,997.61</u>	<u>20,366,653.41</u>	<u>24,427,429.35</u>
<b>Authorized but not issued:</b>			
General:			
Bonds, Notes and Loans	<u>12,725,615.05</u>	<u>6,277,137.94</u>	<u>6,229,377.17</u>
Total Authorized But Not Issued	<u>12,725,615.05</u>	<u>6,277,137.94</u>	<u>6,229,377.17</u>
<b>Total Gross Debt</b>	<u>\$ 33,985,612.66</u>	<u>\$ 26,643,791.35</u>	<u>\$ 30,656,806.52</u>
<b>Deductions:</b>			
General:			
Funds on Hand For Payment of Bonds and Notes:			
Reserve for Debt Service	<u>55,050.69</u>	<u>55,050.69</u>	<u>55,050.69</u>
Total Deductions	<u>55,050.69</u>	<u>55,050.69</u>	<u>55,050.69</u>
<b>Total Net Debt</b>	<u>\$ 33,930,561.97</u>	<u>\$ 26,588,740.66</u>	<u>\$ 30,601,755.83</u>

**TOWNSHIP OF LITTLE EGG HARBOR  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021**

**Note 10. Municipal Debt (continued):**

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	\$ 16,815,000.00	\$ 16,815,000.00	\$ -
Regional School Debt	39,008,191.83	39,008,191.83	-
General Debt	33,985,612.66	55,050.69	33,930,561.97
	<u>\$ 89,808,804.49</u>	<u>\$ 55,878,242.52</u>	<u>\$ 33,930,561.97</u>

Net Debt \$33,930,561.97 divided by the average Equalized Valuation Basis per N.J.S.A 40A:2-2 as amended, \$2,565,038,980.33, equals 1.323%. 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, 2021 is calculated as follows:

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

3 1/2% of Equalized Valuation Basis (Municipal)	\$ 89,776,364.31
Net Debt	<u>33,930,561.97</u>
Remaining Borrowing Power	<u>\$ 55,845,802.34</u>

**General Debt**

**A. Serial Bonds Payable**

On February 1, 2010, the Township issued \$3,275,000 of General Obligation Refunding Bonds. The General Obligation Refunding Bonds were issued at interest rates varying from 3.75% to 5.00% and matured on August 1, 2021.

On May 2, 2012, the Township issued \$5,260,000 of General Obligation Refunding Bonds. The General Obligation Refunding Bonds were issued at interest rates varying from 2.00% to 4.00% and mature on November 11, 2023.

On February 2, 2017, the Township issued \$4,500,000 of General Obligation Bonds. The General Obligation Bonds were issued at interest rates varying from 2.00% to 3.00% and mature on February 1, 2027.

On August 1, 2019, the Township issued \$6,280,000 of General Obligation Bonds. The General Obligation Bonds were issued at interest rates varying from 3.00% to 4.00% and mature on August 15, 2028.

**TOWNSHIP OF LITTLE EGG HARBOR  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021**

**Note 10. Municipal Debt (continued):**

Principal and interest due on the outstanding general obligation bonds are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 1,595,000.00	\$ 292,925.00	\$ 1,887,925.00
2023	1,775,000.00	245,325.00	2,020,325.00
2024	1,370,000.00	188,950.00	1,558,950.00
2025	1,370,000.00	139,650.00	1,509,650.00
2026	1,370,000.00	98,550.00	1,468,550.00
2027-2030	2,190,000.00	57,450.00	2,247,450.00
	<u>\$ 9,670,000.00</u>	<u>\$ 1,022,850.00</u>	<u>\$ 10,692,850.00</u>

**B. Bond Anticipation Notes Payable – Short Term Debt**

The following is a summary of bond anticipation notes payable accounted for in the General Capital Fund at December 31, 2021:

<u>Description</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Rate</u>	Balance December 31, <u>2021</u>
Series 2021 A	7/12/2021	7/12/2022	0.260%	\$ 4,928,750.00
Series 2021 C	8/11/2021	7/12/2022	0.250%	4,702,500.00
				<u>\$ 9,631,250.00</u>

The purpose of these short-term borrowings was to provide resources for general capital construction, acquisitions or improvement projects and other purposes permitted by State Local Bond Law NJSA 40A:2 et. seq.

**C. Bonds and Notes Authorized But Not Issued**

As of December 31, 2021, the Township had \$12,725,615.05 in various General Capital bonds and notes authorized but not issued.

**TOWNSHIP OF LITTLE EGG HARBOR  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021**

**Note 10. Municipal Debt (continued):**

**D. Loans Payable**

As of December 31, 2021, the Township had \$156,943.01 in Green Trust Loans Payable outstanding. Principal and interest due on the loans payable are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 59,743.12	\$ 2,763.86	62,506.98
2023	29,293.06	1,797.74	31,090.80
2024	29,882.07	1,209.73	31,091.80
2025	22,709.90	607.90	23,317.80
2026	15,314.86	230.12	15,544.98
	<u>\$ 156,943.01</u>	<u>\$ 6,609.35</u>	<u>\$ 163,552.36</u>

**E. NJEIT Loans Payable**

During 2020, the Township entered into a loan agreement with the State of New Jersey Department of Environmental Protection, pursuant to the 2020 New Jersey Environmental Infrastructure Trust Financing Program. The Trust Loan Agreement of \$1,915,305 is to be repaid over a twenty year period at interest rates ranging from 2.125% to 5.00% for the \$930,000 Trust Loan portion, and 0% for the \$985,305 Fund Loan portion. The proceeds of the loans were to fund Township-wide drainage projects. As of December 31, 2021, the balances were \$900,000 and \$901,804.60 respectively.

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 85,100.24	\$ 32,368.76	\$ 117,469.00
2023	85,100.24	30,618.76	115,719.00
2024	85,100.24	28,868.76	113,969.00
2025	90,100.24	27,118.76	117,219.00
2026	90,100.24	25,118.76	115,219.00
2027-2031	495,501.20	92,343.80	587,845.00
2032-2036	535,501.20	44,668.78	580,169.98
2037-2039	335,301.00	9,637.52	344,938.52
	<u>\$ 1,801,804.60</u>	<u>\$ 290,743.90</u>	<u>\$ 2,092,548.50</u>



**TOWNSHIP OF LITTLE EGG HARBOR  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021**

**Note 10. Municipal Debt (continued):**

**F. Trust Assessment Bonds Payable**

On July 1, 2020, the Township issued \$3,750,000 of General Obligation Assessment Bonds. The General Obligation Assessment Bonds were issued at interest rates varying from 2.00% to 4.00% and mature on July 15, 2030. During the year ended December 31, 2021 these Assessment bonds were transferred to the Assessment Trust Fund.

Principal and interest due on the outstanding assessment bonds are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 375,000.00	\$ 105,000.00	\$ 480,000.00
2023	375,000.00	97,500.00	472,500.00
2024	375,000.00	82,500.00	457,500.00
2025	375,000.00	67,500.00	442,500.00
2026	375,000.00	52,500.00	427,500.00
2027-2030	1,500,000.00	86,250.00	1,586,250.00
	<u>\$ 3,375,000.00</u>	<u>\$ 491,250.00</u>	<u>\$ 3,866,250.00</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, <u>2020</u>	Accrued/ <u>Increases</u>	Retired/ <u>Decreases</u>	Balance December 31, <u>2021</u>	Balance Due Within <u>One Year</u>
General Capital:					
General Bonds	\$ 15,040,000.00	\$ -	\$ 5,370,000.00	\$ 9,670,000.00	\$ 1,595,000.00
Bond Anticipation Notes	3,214,000.00	12,845,250.00	6,428,000.00	9,631,250.00	9,631,250.00
Green Trust Loans	230,748.57	-	73,805.56	156,943.01	59,743.12
NJEIT Loan Payable	1,881,904.84	-	80,100.24	1,801,804.60	85,100.24
Assessment Trust:					
Assessment Bonds	-	3,750,000.00	375,000.00	3,375,000.00	375,000.00
	<u>\$ 20,366,653.41</u>	<u>\$ 16,595,250.00</u>	<u>\$ 12,326,905.80</u>	<u>\$ 24,634,997.61</u>	<u>\$ 11,746,093.36</u>

**TOWNSHIP OF LITTLE EGG HARBOR  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021**

**Note 11. Deferred School Taxes**

School taxes have been raised and the liability deferred by statutes. The balance of unpaid local taxes levied, amount deferred and the amount reported as a liability (payable) at December 31, 2021 are as follows:

<u>Local Taxes</u>	Balance, December 31,	
	<u>2021</u>	<u>2020</u>
Total Balance of Local Tax	\$ 7,359,693.98	\$ 7,218,150.50
Deferred Taxes	5,236,297.00	5,236,297.00
Local Tax Payable	\$ 2,123,396.98	\$ 1,981,853.50

**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 \$2,218,149.83 at December 31, 2021.

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, 2021, the Township has reserved in the Other Trust Fund \$12,918.95 to fund compensated absences in accordance with NJSA 40A:4-39.

**TOWNSHIP OF LITTLE EGG HARBOR  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021**

**Note 14. 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, 2021 the Township estimates that no material liabilities will result from such audits.

Litigation

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

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. There are no significant pending tax appeals as of December 31, 2021.

**Note 15. Postemployment Benefits Other Than Pensions – State Plan**

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

**TOWNSHIP OF LITTLE EGG HARBOR  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021**

**Note 15. Postemployment Benefits Other Than Pensions – State Plan (continued)**

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.

**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.

**TOWNSHIP OF LITTLE EGG HARBOR  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021**

**Note 15. Postemployment Benefits Other Than Pensions – State Plan (continued):**

**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 expense (benefit) 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 \$3,872,142,278.00 and \$14,177,910,609.00, respectively. The nonspecial funding situation's net OPEB liability, deferred outflows of resources, deferred inflows of resources, and OPEB expense (benefit) 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. The participating 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.

Additionally, the State's proportionate share of the OPEB liability attributable to the Township is \$10,693,645.00 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 0.2769400119%, which was an increase of 0.0917090067% 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:

**TOWNSHIP OF LITTLE EGG HARBOR  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021**

**Note 15. Postemployment Benefits Other Than Pensions – State Plan (continued):**

State of New Jersey's	
Proportionate Share of OPEB Liability	
Associated with the Township	\$ 10,693,645.00

At December 31, 2021, the State’s proportionate share of the OPEB benefit, associated with the Township, calculated by the plan as of the June 30, 2021 measurement date was (\$1,459,188.00).

**Note 16. Postemployment Benefits Other Than Pensions – Local Plan**

**General Information about the OPEB Plan**

The financial statements of the Township are not prepared in accordance with Governmental Accounting Standards Board (GASB) Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other than Pensions. The following information is provided in accordance with the requirements of the Statement and has been implemented prospectively.

The Township of Little Egg Harbor provides post-employment medical, prescription drug, dental, and vision benefits to eligible retired employees and their spouses until Medicare age is attained by either the retired employee or the spouse in the case of spousal coverage. The Township of Little Egg Harbor pays 100% of the insurance cost for the retiree.

**Employees and Retirees Covered** – At December 31, 2021, the following employees were covered by the Township plan:

<u>Participant Data</u>	<u>Amount</u>
Active Employees	119
Retired Employees	34
Total Membership Count	153

**Actuarial Assumptions and Other Inputs**

This valuation has been conducted as of December 31, 2021 based on census, plan design and premium information provided by the Township. Census includes 34 retired participants (including spouses) and 119 active participants. The Measurement Date, for each fiscal year is as of the end of the prior year. Thus, the Total OPEB Liability for fiscal year ending December 31, 2021 of \$26,467,890.00 is measured at December 31, 2021 as allowed under GASB 75.

**TOWNSHIP OF LITTLE EGG HARBOR  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021**

**Note 16. Postemployment Benefits Other Than Pensions – Local Plan (continued):**

The values are determined in accordance with GASB 75 including the Individual Entry Age Normal Cost method with the normal cost determined as a percentage of pay. Standard roll forward and backward techniques were used to adjust valuation dates to measurement dates. The following assumptions and other inputs applied to all periods in the measurement, unless otherwise specified:

Actuarial Cost Method	Entry Age Normal
Discount Rate	Based on S&P Municipal Bond 20 Year High-Grade Bond Index Rate of 2.25% as of 12/31/2021
Inflation Rate	3.00%
Salary Increases	3.00%
Health Care Cost Trend	8.00% Decreasing to 5.00% ultimate
Rates of Mortality	RP 2006 w/ MP-2019 projection
Rates of Retirement	Rates start at age 55 & 10 years or 20 years
Rates of Disability	None assumed
Retiree Participation	100.00% of eligible retirees are assumed to elect to participate in the plan
Investment Rate of Return	2.25%
Asset Valuation Method	Market

**Discount Rate** – The discount rate is the single rate that reflects (1) the long-term expected rate of return on the OPEB plan investments that are expected to be used to finance the payments of benefits, to the extent that the OPEB plan’s fiduciary net position is projected to be sufficient to make projected benefit payments and OPEB plan assets are expected to be invested using a strategy to achieve that return and (2) a yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of Aa, to the extent that the conditions for use of the long-term expected rate of return are not met. For the total OPEB liability calculation as of December 31, 2021, the discount rate utilized was 2.25%.

**Changes in the Total OPEB Liability** – The changes to the total OPEB Liability during the year ending December 31, 2021 were as follows:

**TOWNSHIP OF LITTLE EGG HARBOR  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021**

**Note 16. Postemployment Benefits Other Than Pensions – Local Plan (continued):**

**Total OPEB Liability**

Balance, January 1, 2021	\$ 26,945,168.00
Changes for the Year:	
Service Cost	684,775.00
Interest Cost	509,153.00
Changes of Assumptions	(664,864.00)
Difference between Actual and Expected	121,987.00
Benefits Paid (implicit)	<u>(1,128,329.00)</u>
Net Changes	<u>(477,278.00)</u>
Balance, December 31, 2021	<u>\$ 26,467,890.00</u>

**Sensitivity of the Total OPEB Liability to Changes in the Discount Rate**

The following presents the total OPEB liability of the Township, as well as what the Township's total OPEB liability would be, if it were calculated using a discount rate that is 1-percentage-point lower (1.25 percent) or 1-percentage pointer higher (3.25 percent) that the current discount rate:

	<b>December 31, 2021</b>		
	At 1% Decrease (1.25%)	At Discount Rate (2.25%)	At 1% Increase (3.25%)
Total OPEB Liability	\$ 28,545,446.00	\$ 26,467,890.00	\$ 24,390,336.00

The following presents the total OPEB liability of the Township, as well as what the Township's total OPEB liability would be, if it were calculated using a healthcare cost trend rate that is 1-percentage-point lower or 1-percentage pointer higher that the current healthcare cost trend rate:

	<b>December 31, 2021</b>		
	1% Decrease	Healthcare Cost Trend Rate *	1% Increase
Total OPEB Liability	\$ 23,700,663.00	\$ 26,467,890.00	\$ 29,757,039.00



**TOWNSHIP OF LITTLE EGG HARBOR  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021**

**Note 16. Postemployment Benefits Other Than Pensions – Local Plan (continued):**

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

For the year ended December 31, 2021, the Township’s OPEB expense was estimated to be \$1,491,942.00. At December 31, 2021, the Township reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected and Actual Experience	\$ 200,688.00	\$ 39,538.00
Changes of Assumptions	2,660,223.00	598,378.00
Net Difference Between Projected and Actual Earnings of OPEB Plan Investments	-	-
	\$ 2,860,911.00	\$ 637,916.00

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

Fiscal Year Ending June 30,	
2022	\$ 298,014.00
2023	298,014.00
2024	298,014.00
2025	298,014.00
2026	298,014.00
Thereafter	732,938.00
	\$ 2,223,008.00

**TOWNSHIP OF LITTLE EGG HARBOR  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021**

**Note 16. Postemployment Benefits Other Than Pensions – Local Plan (continued):**

**Other Supplementary Information**

	Fiscal Year Ending December 31,		
	2021	2020	2019
<b>Total OPEB Liability</b>			
Service Cost	\$ 684,775.00	\$ 606,129.00	\$ 550,776.00
Interest	509,153.00	766,550.00	817,098.00
Difference Between Expected and Actual Experience	121,987.00	(49,422.00)	3,507.00
Changes in Assumptions	(664,864.00)	2,651,670.00	769,839.00
Benefit Payments	<u>(1,128,329.00)</u>	<u>(1,087,137.00)</u>	<u>(1,063,164.00)</u>
Net Change in Total OPEB Liability	(477,278.00)	2,887,790.00	1,078,056.00
<b>Total OPEB Liability - Beginning</b>	<u>26,945,168.00</u>	<u>24,057,378.00</u>	<u>22,979,322.00</u>
<b>Total OPEB Liability - Ending</b>	<u>\$ 26,467,890.00</u>	<u>\$ 26,945,168.00</u>	<u>\$ 24,057,378.00</u>
Total Covered Employee Payroll	\$ 10,871,668.00	\$ 10,561,876.00	\$ 10,213,028.00
Net OPEB Liability as a Percentage of Payroll	243.46%	255.12%	235.56%

**Note 17. Community Disaster Loan**

On April 5, 2013, the Township submitted a formal request for a FEMA Community Disaster Loan (CDL) in the amount of \$4,319,506.00 in relation to Hurricane Sandy losses and expenditures. On March 28, 2013, the Township approved a resolution to amend the 2013 Budget by \$1,750,000.00, the amount of the CDL that was awarded in 2013. During 2014, an additional \$1,500,000.00 was received. During 2015, an additional \$1,000,000.00 was received.

The interest rate on the loan is the U.S. Treasury rate for 5-year maturities on the date the Promissory Note is executed, in this case June 13, 2013 when the interest rate was 0.625%. The term of the loan is usually 5 years, but may be extended. Interest accrues on the funds as they are disbursed. On September 30, 2021 Congress enacted The Extending Government Funding and Delivering Emergency Assistance Act providing for the forgiveness of Community Disaster Loans held by local municipal governments. The Township's remaining balance as of September 30, 2021 of \$4,220,140.75 has been cancelled and will not have to be repaid.

**Note 18. Commitments**

The Township has contractual commitments at December 31, 2021 to various vendors which are recorded as encumbrances in the General Fund in the amount of \$247,068.04, the Grant Fund in the amount of \$126,102.95 and the General Capital fund in the amount of \$42,414.00.

**TOWNSHIP OF LITTLE EGG HARBOR  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021**

**Note 19. Subsequent Events**

Management has reviewed and evaluated all events and transactions that occurred between December 31, 2021 and April 26, 2023, the date that the financial statements were available for issuance, for possible disclosure and recognition in the financial statements.

On June 14, 2022, the Township adopted an Ordinance providing for road improvements to various roads located in the Township, appropriating \$1,500,000.00 therefor and authorizing the issuance of \$1,425,000.00 bonds or notes to finance the same.

On March 9, 2023, the Township adopted an Ordinance providing for the acquisition of various trucks and equipment for the Township, appropriating \$1,000,000.00 therefor and authorizing the issuance of \$950,000.00 bonds or notes to finance the same.

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**SUPPLEMENTARY EXHIBITS**

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**CURRENT FUND**

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**TOWNSHIP OF LITTLE EGG HARBOR**  
**CURRENT FUND**  
**SCHEDULE OF CASH - TREASURER**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	<u>CURRENT FUND</u>	<u>STATE &amp; FEDERAL GRANT FUND</u>
Balance December 31, 2020	\$ 7,276,845.98	\$ 182,880.41
Increased by Receipts:		
Taxes Receivable	\$ 61,990,790.61	\$ -
Tax Title Liens Receivable	346,984.06	-
Due From State - Senior Citizen & Veteran Deductions	291,969.19	-
Revenue Accounts Receivable	3,994,931.32	-
Miscellaneous Revenue Not Anticipated	379,370.37	-
Prepaid Taxes	913,005.95	-
Tax Overpayments	201,722.25	-
Refunds of Current Year Appropriations	704,660.28	-
Due Bass River	2,534.00	-
Construction Fees Due State of New Jersey	28,737.00	-
Transferred from State & Federal Fund	1,180,298.67	-
Due from Trust Assessment	1,049,938.47	-
Federal & State Grants Unappropriated	-	123,137.14
Federal & State Grants Receivable	-	1,507,717.99
Total Receipts	<u>71,084,942.17</u>	<u>1,630,855.13</u>
Subtotal	<u>78,361,788.15</u>	<u>1,813,735.54</u>
Decreased by Disbursements:		
2021 Appropriations	22,989,325.59	-
Appropriation Reserves	556,577.22	-
County Taxes Payable	9,822,792.77	-
Due County for Added & Omitted Taxes	53,968.17	-
Local District School Tax	14,205,601.52	-
Regional High School Tax	18,122,488.04	-
Special District Taxes	1,756,957.00	-
Municipal Open Space Taxes	234,442.25	-
Construction Fees Due State of NJ	21,898.00	-
Bass River Construction Fees	1,965.70	-
Refund Tax Overpayments	500,645.41	-
Due Payroll	15.00	-
Due Capital Fund	56,833.00	-
Due to/from Current Fund	-	1,180,298.67
Encumbrances Payable	-	121,766.80
Federal & State Grants - Appropriated	-	382,329.44
Total Disbursements	<u>68,323,509.67</u>	<u>1,684,394.91</u>
Balance December 31, 2021	<u>\$ 10,038,278.48</u>	<u>\$ 129,340.63</u>

**TOWNSHIP OF LITTLE EGG HARBOR  
CURRENT FUND  
SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY  
FOR THE YEAR ENDED DECEMBER 31, 2021**

YEAR	BALANCE DECEMBER 31, 2020	2021 LEVY	ADDED TAXES	COLLECTED 2021	SENIOR CITIZENS & VETERANS	OVERPAYMENT APPLIED	OVERPAYMENT CREATED	CANCELED	TRANSFERRED TO TAX TITLE LIENS	BALANCE DECEMBER 31, 2021
2009	\$ 4.65	-	\$ -	-	-	\$ -	-	\$ -	-	\$ 4.65
2010	5.01	-	-	-	-	-	-	-	-	5.01
2011	5.16	-	-	-	-	-	-	-	-	5.16
2012	1,252.58	-	-	-	-	-	-	-	-	1,252.58
2013	2,512.40	-	-	-	-	-	-	-	-	2,512.40
2014	3,294.56	-	-	-	-	-	-	-	-	3,294.56
2015	3,478.60	-	-	1,716.67	(250.00)	20,142.06	21,608.73	-	-	3,478.60
2016	3,436.72	-	-	250.00	(250.00)	33,248.61	33,248.61	-	-	3,436.72
2017	3,640.77	-	-	250.00	(250.00)	32,983.17	32,983.17	-	-	3,640.77
2018	3,655.23	-	-	250.00	(250.00)	11,990.00	11,990.00	-	-	3,655.23
2019	6,591.02	-	-	2,209.74	(250.00)	12,922.50	31,393.32	18,673.32	-	4,428.78
2020	11,208.88	-	11,940.04	11,292.11	(5,693.14)	65,479.91	69,288.75	7,478.76	-	13,880.03
Total	39,085.58	-	11,940.04	15,968.52	(6,943.14)	176,766.25	200,512.58	26,152.08	-	39,594.49
2021	-	62,929,828.17	315,299.70	61,974,822.09	290,428.77	18,110.58	117,462.14	106,973.25	111,649.19	16,254.12
Total	\$ 39,085.58	\$62,929,828.17	\$ 327,239.74	\$ 844,352.01	\$ 283,485.63	\$ 194,876.83	\$ 317,974.72	\$ 133,125.33	\$ 111,649.19	\$ 55,848.61

**ANALYSIS OF 2021 PROPERTY TAX LEVY:**

**Tax Yield:**

General Property Tax	\$ 61,172,871.17
Special District	1,756,957.00
Added Taxes (54:4-63.1 et. seq.)	<u>\$ 63,245,127.87</u>
<b>Total Tax Yield</b>	<u>\$ 63,245,127.87</u>

**Tax Levy:**

Local School District Tax (Abstract)	\$ 14,347,145.00
Regional High School Tax (Abstract)	17,358,754.00
Municipal Open Space (Abstract)	233,476.49
Municipal Open Space (Added)	1,202.70
County Taxes:	
County Tax (Abstract)	\$ 8,216,891.97
County Library Tax (Abstract)	896,449.12
County Health Services (Abstract)	412,438.13
County Open Space	297,013.55
Due County for Added Taxes (54:4-63.1 et. seq.)	<u>50,712.17</u>
<b>Total County Taxes</b>	9,873,504.94
Fire District #1 (Amount Certified)	641,416.00
Fire District #2 (Amount Certified)	641,941.00
Fire District #3 (Amount Certified)	<u>473,600.00</u>
<b>Total Special District Taxes</b>	1,756,957.00
Local Tax for Municipal Purposes	19,378,350.09
Add: Additional Tax Levied	<u>295,737.65</u>
<b>Total Tax Levy</b>	<u>\$ 63,245,127.87</u>

**TOWNSHIP OF LITTLE EGG HARBOR  
CURRENT FUND  
SCHEDULE OF TAX TITLE LIENS  
FOR THE YEAR ENDED DECEMBER 31, 2021**

Balance December 31, 2020		\$ 991,159.98
Increased by:		
Transfers from Taxes Receivable	\$ 111,649.19	
Adjustment	10,951.61	122,600.80
		<hr/>
Subtotal		1,113,760.78
Decreased by:		
Collections		346,984.06
		<hr/>
Balance December 31, 2021		<u><u>\$ 766,776.72</u></u>

**SCHEDULE OF PROPERTY ACQUIRED FOR TAXES  
(AT ASSESSED VALUATION)  
FOR THE YEAR ENDED DECEMBER 31, 2021**

Balance December 31, 2020 & 2021	<u><u>\$ 5,757,700</u></u>
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**TOWNSHIP OF LITTLE EGG HARBOR  
CURRENT FUND  
STATEMENT OF REVENUE ACCOUNTS RECEIVABLE  
FOR THE YEAR ENDED DECEMBER 31, 2021**

	BALANCE DECEMBER 31, 2020	ACCRUED IN 2021	TREASURER	BALANCE DECEMBER 31, 2021
Miscellaneous Revenue Anticipated:				
Licenses - Alcoholic Beverages	\$ -	\$ 10,814.00	\$ 10,814.00	\$ -
Fees & Permits	-	330,646.50	330,646.50	-
Municipal Court	6,931.56	102,228.77	102,228.77	6,931.56
Interest & Costs on Taxes	-	313,402.57	313,402.57	-
Payments in Lieu of Taxes	-	102,917.01	102,917.01	-
Energy Receipts Tax	-	1,299,939.00	1,299,939.00	-
Garden State Trust	-	229,633.00	229,633.00	-
Uniform Construction Code Fees	-	511,343.50	511,343.50	-
Shared Svc - Ocean Twp CFO	-	60,000.00	60,000.00	-
Tower Rental	-	270,579.93	270,579.93	-
SRO Officer	-	252,835.32	252,835.32	-
Cable TV	-	83,982.87	83,982.87	-
Ocean County CARES Act Funding	-	426,608.85	426,608.85	-
	<hr/>			
Total	\$ 6,931.56	\$ 3,994,931.32	\$ 3,994,931.32	\$ 6,931.56
	<hr/>			
			\$ 3,994,931.32	
			<u>\$ 3,994,931.32</u>	

**TOWNSHIP OF LITTLE EGG HARBOR  
CURRENT FUND  
SCHEDULE OF 2020 APPROPRIATION RESERVES  
FOR THE YEAR ENDED DECEMBER 31, 2021**

	BALANCE DECEMBER 31, 2020	BALANCE AFTER TRANSFERS	PAID OR CHARGED	BALANCE LAPSED
<b>General Government:</b>				
General Administration:				
Salaries and Wages	\$ 17,461.64	\$ 17,461.64	\$ 2,410.46	\$ 15,051.18
Other Expenses	4,642.00	4,802.00	2,400.03	2,401.97
Mayor and Committee:				
Salaries and Wages	1,155.78	1,155.78	-	1,155.78
Other Expenses	2,735.00	2,735.00	-	2,735.00
Municipal Clerk:				
Salaries and Wages	16,660.48	16,660.48	1,438.96	15,221.52
Other Expenses	15,236.90	15,845.13	1,084.56	14,760.57
Financial Administration (Treasury):				
Salaries and Wages	9,596.22	9,596.22	-	9,596.22
Other Expenses	2,200.37	6,797.43	6,797.43	-
Audit Services:				
Other Expenses	3,800.00	3,800.00	3,800.00	-
Revenue Administration (Tax Collection):				
Salaries and Wages	10,721.59	10,721.59	10,721.59	-
Other Expenses:				
Tax Sale Costs	5,189.07	34,953.92	29,985.25	4,968.67
Miscellaneous Other Expenses	5,082.19	7,478.07	2,542.43	4,935.64
Tax Assessment Administration:				
Salaries and Wages	6,749.34	6,749.34	-	6,749.34
Other Expenses	1,614.94	5,053.39	3,438.45	1,614.94
Liquidation of Tax Title Liens & Foreclosed:				
Property- Other Expenses	2,973.70	2,973.70	-	2,973.70
Legal Services (Legal Department):				
Other Expenses	51,840.03	51,840.03	27,879.81	23,960.22
Engineering Services:				
Other Expenses	51,574.71	51,574.71	11,109.75	40,464.96
<b>Land Use Administration:</b>				
Planning Board:				
Salaries and Wages	706.50	706.50	-	706.50
Other Expenses	1,157.50	1,157.50	-	1,157.50
Zoning Board of Adjustment:				
Salaries and Wages	506.50	506.50	-	506.50
Other Expenses	5,034.00	5,034.00	952.85	4,081.15
Zoning Officer:				
Salaries and Wages	5,364.35	5,364.35	1,410.82	3,953.53
Other Expenses	14,864.84	15,392.73	498.86	14,893.87
<b>Insurance:</b>				
Group Insurance for Employees	68,648.79	68,648.79	-	68,648.79
Health Benefit Waiver	15,597.04	15,597.04	5,000.00	10,597.04
Unemployment Insurance	13,464.69	13,464.69	-	13,464.69
Other Insurance: JIF, Surety WC	630.00	630.00	-	630.00
<b>Public Safety Functions:</b>				
Police Department:				
Salaries and Wages	34,078.27	34,078.27	34,078.27	-
Other Expenses	111,680.69	137,367.08	52,202.37	85,164.71
Office of Emergency Management:				
Other Expenses	85.04	85.04	-	85.04
First Aid Squad Contribution	70,000.00	70,000.00	70,000.00	-
Municipal Prosecutor:				
Other Expenses	6,500.00	6,500.00	3,750.00	2,750.00

**TOWNSHIP OF LITTLE EGG HARBOR  
CURRENT FUND  
SCHEDULE OF 2020 APPROPRIATION RESERVES  
FOR THE YEAR ENDED DECEMBER 31, 2021**

	BALANCE DECEMBER 31, 2020	BALANCE AFTER TRANSFERS	PAID OR CHARGED	BALANCE LAPSED
<b>Public Works Functions:</b>				
Streets & Roads Maintenance:				
Salaries and Wages	23,186.82	23,186.82	-	23,186.82
Other Expenses	28,810.74	44,275.78	16,896.91	27,378.87
Solid Waste Sanitation:				
Salaries and Wages	14,161.44	14,161.44	14,161.44	-
Other Expenses	42,569.52	48,012.02	8,157.43	39,854.59
Bulk Property Maintenance Pick-Up	70,000.00	70,000.00	-	70,000.00
Solid Waste Recycling:				
Salaries and Wages	24,115.26	24,115.26	3,058.13	21,057.13
Other Expenses	10,253.99	13,606.66	6,003.36	7,603.30
Buildings & Grounds:				
Salaries and Wages	1,125.14	1,125.14	1,125.14	-
Other Expenses	13,772.97	22,606.63	20,700.35	1,906.28
Vehicle Maintenance:				
Salaries and Wages	13,721.52	13,721.52	904.31	12,817.21
Other Expenses	30,538.62	48,233.03	26,223.12	22,009.91
Municipal Services Act:				
Other Expenses	41,802.83	41,802.83	16,736.13	25,066.70
County Mosquito Control Agency:				
Other Expenses	24,375.00	24,405.00	30.00	24,375.00
<b>Health &amp; Human Services:</b>				
Public Health Services (Board of Health):				
Salaries and Wages	1,200.00	1,200.00	-	1,200.00
Other Expenses	3,229.00	3,229.00	600.00	2,629.00
Environmental Health Services:				
Salaries and Wages	1,200.00	1,200.00	-	1,200.00
Other Expenses	1,500.00	1,500.00	-	1,500.00
Animal Control Services:				
Other Expenses	9,984.00	9,984.00	348.00	9,636.00
Contributions to Social Service Agencies - Statutory:				
Providence House	2,000.00	2,000.00	-	2,000.00
On-Point	10,000.00	10,000.00	10,000.00	-
<b>Park &amp; Recreation Functions:</b>				
Recreation Services & Programs:				
Salaries and Wages	5,790.72	5,790.72	1,225.40	4,565.32
Other Expenses	17,261.69	18,994.19	232.50	18,761.69
Senior Center/Community Activities:				
Other Expenses	1,600.00	1,600.00	-	1,600.00
<b>Utility Expenses &amp; Bulk Purchases:</b>				
Electricity	31,354.32	31,354.32	16,258.30	15,096.02
Street Lighting	27,526.66	27,526.66	27,526.66	-
Telephone	56,754.88	56,754.88	29,205.29	27,549.59
Fuel Oil/Natural Gas	5,302.18	6,444.69	4,704.78	1,739.91
Gasoline	97,615.81	109,851.90	24,659.98	85,191.92
<b>Uniform Construction Code Enforcement Functions:</b>				
Construction Code Official:				
Salaries and Wages	3,567.05	3,567.05	-	3,567.05
Other Expenses	6,718.61	7,591.85	832.64	6,759.21
<b>Municipal Court:</b>				
Salaries and Wages	27,171.09	27,171.09	1,415.19	25,755.90
Other Expenses	16,529.09	16,752.77	223.68	16,529.09
Public Defender:				
Other Expenses	16,535.00	16,535.00	5,830.00	10,705.00

**TOWNSHIP OF LITTLE EGG HARBOR  
CURRENT FUND  
SCHEDULE OF 2020 APPROPRIATION RESERVES  
FOR THE YEAR ENDED DECEMBER 31, 2021**

	BALANCE DECEMBER 31, 2020	BALANCE AFTER TRANSFERS	PAID OR CHARGED	BALANCE LAPSED
<b>Other Common Operating Functions (Unclassified):</b>				
Municipal Alliance Council	9,075.00	9,075.00	-	9,075.00
Celebration of Public Events:				
Other Expenses	6,000.00	6,000.00	-	6,000.00
Reserve for Disputed Contracts	50,000.00	50,000.00	49,985.59	14.41
<b>Deferred Charges &amp; Statutory Expenditures -</b>				
<b>Municipal Within "CAPS":</b>				
Social Security System (O.A.S.I.)	30,930.26	30,930.26	-	30,930.26
Defined Contributions Retirement Program	3,765.00	3,765.00	-	3,765.00
Operations Excluded From "CAPS"				
Police Dispatch/911:				
Salaries and Wages	28,144.75	28,144.75	-	28,144.75
Other Expenses	1,184.83	1,184.83	-	1,184.83
Total	<u>\$ 1,367,925.96</u>	<u>\$ 1,502,131.01</u>	<u>\$ 558,546.22</u>	<u>\$ 943,584.79</u>

Appropriation Reserves	\$ 1,367,925.96
Reserve for Encumbrances	<u>134,205.05</u>
	<u>\$ 1,502,131.01</u>

Accounts Payable	\$ 1,969.00
Cash Disbursements	<u>556,577.22</u>
	<u>\$ 558,546.22</u>

**TOWNSHIP OF LITTLE EGG HARBOR  
CURRENT FUND  
SCHEDULE OF LOCAL DISTRICT TAX  
FOR THE YEAR ENDED DECEMBER 31, 2021**

Balance December 31, 2020		
School Tax Deferred	\$ 5,236,297.00	
School Tax Payable	<u>1,981,853.50</u>	7,218,150.50
Increased by Levy:		
School Year July 1, 2021 - June 30, 2022		<u>14,347,145.00</u>
Subtotal		21,565,295.50
Decreased by:		
Payments		<u>14,205,601.52</u>
Subtotal		7,359,693.98
Balance December 31, 2021		
School Tax Deferred	5,236,297.00	
School Tax Payable	<u>2,123,396.98</u>	
Balance December 31, 2021		<u><u>\$ 7,359,693.98</u></u>

**ANALYSIS OF AMOUNT CHARGED TO OPERATIONS**

2021 Payments	\$ 14,205,601.52
Less School Taxes Payable at December 31, 2020	(1,981,853.50)
Plus School Taxes Payable at December 31, 2021	<u>2,123,396.98</u>
Amount Charged to 2021 Operations	<u><u>\$ 14,347,145.00</u></u>

**SCHEDULE OF REGIONAL HIGH SCHOOL TAX PAYABLE  
FOR THE YEAR ENDED DECEMBER 31, 2021**

Balance December 31, 2020	\$ 763,734.04
Increased by:	
Levy - Calendar Year 2021	<u>17,358,754.00</u>
Subtotal	18,122,488.04
Decreased by:	
Payments	<u>18,122,488.04</u>
Balance December 31, 2021	<u><u>\$ -</u></u>



**TOWNSHIP OF LITTLE EGG HARBOR**  
**CURRENT FUND**  
**SCHEDULE OF VARIOUS RESERVES**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	BALANCE DECEMBER 31, <u>2020 &amp; 2021</u>
Reserve for Sandy Insurance Proceeds	\$ 2,419.00
Reserve for Closed Escrow Accounts	54,052.92
Reserve for Retail Mercantile Licenses	350.00
Reserve for Reassessment	100,047.00
Reserve for FEMA Proceeds	<u>3,722.78</u>
	<u><u>\$ 160,591.70</u></u>

**TOWNSHIP OF LITTLE EGG HARBOR  
CURRENT FUND  
SCHEDULE OF STATE AND FEDERAL GRANTS RECEIVABLE  
FOR THE YEAR ENDED DECEMBER 31, 2021**

GRANT	BALANCE DECEMBER 31, 2020	ANTICIPATED REVENUE	RECEIVED	TRANSFERRED FROM UNAPPROPRIATED	ADJUSTMENT	BALANCE DECEMBER 31, 2021
NJOEM Grant	\$ 6,203.35	\$ -	-	\$ -	\$ -	\$ 6,203.35
CDBG - 2015	19,226.71	-	-	-	-	19,226.71
966 Reimbursement Grant	9,376.42	-	-	-	-	9,376.42
Neighborhood Community Revitalization Grant	2,464.22	-	-	-	-	2,464.22
Child Restraint Grant	2,500.00	-	-	-	-	2,500.00
Bulletproof Vest Partnership Grant	6,207.81	-	-	-	-	6,207.81
Post Sandy Planning Assistance	93,854.18	-	-	-	-	93,854.18
NJDEP Living Shore Grant	172,049.12	-	18,838.75	-	-	153,210.37
NJDOT - Iowa Court	111,606.00	-	111,606.00	-	-	-
Safe and Secure 2021	-	32,400.00	-	-	-	32,400.00
CDBG 2019	35,000.00	-	35,000.00	-	-	-
NJDOT - Great Bay Blvd	110,000.00	-	110,000.00	-	-	-
NJDOT - Sea Breeze	-	347,900.00	-	-	-	347,900.00
NJOEM Grant	638.49	-	-	-	-	638.49
Safe and Secure Communities 2020	60,000.00	-	60,000.00	-	-	-
Recycling Tonnage	-	33,491.41	33,491.41	-	-	-
NJ Clean Smart Start	-	283,800.00	-	-	-	283,800.00
Sustainable Jersey	-	5,000.00	2,500.00	-	-	2,500.00
Body Worn Camera Grant	-	-	-	-	-	-
American Rescue Plan	-	1,136,281.83	1,136,281.83	-	-	-
CDBG 2020	-	35,000.00	-	-	-	35,000.00
<b>Total</b>	<b>\$ 629,126.30</b>	<b>\$ 1,873,873.24</b>	<b>\$ 1,507,717.99</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 995,281.55</b>

**TOWNSHIP OF LITTLE EGG HARBOR**  
**CURRENT FUND**  
**SCHEDULE OF RESERVES FOR STATE AND FEDERAL GRANTS - APPROPRIATED**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

APPROPRIATION	BALANCE DECEMBER 31, 2020	2021 BUDGET APPROPRIATION	EXPENDED	DEFERRED CHARGE EXPENDITURE WITHOUT APPROPRIATION	BALANCE DECEMBER 31, 2021
<b>State:</b>					
Alcohol Education & Rehabilitation	\$ 1,631.95	\$ -	\$ -	\$ -	\$ 1,631.95
NJOEM Grant	20.95	-	-	-	20.95
Drunk Driving Enforcement Fund	497.95	-	-	-	497.95
Clean Communities Program - 2018	36,711.42	-	28,147.83	-	8,563.59
NJDOT Municipal Aid Program - 2014	188,119.25	-	-	-	188,119.25
Recycling Tonnage Grant - 2017	13,854.95	-	13,854.95	-	-
Recycling Tonnage Grant - 2018	30,928.59	-	30,928.59	-	-
Recycling Tonnage	-	33,491.41	-	-	33,491.41
Child Restraint Grant	2,500.00	-	-	-	2,500.00
Safe and Secure Communities	12,540.00	-	-	-	12,540.00
966 Reimbursement	15,582.77	-	-	-	15,582.77
Coastal Zone Management	2,597.75	-	-	-	2,597.75
Municipal Access Plan	15,000.00	-	-	-	15,000.00
Post Sandy Planning Assistance	48,073.26	-	-	-	48,073.26
NJDEP Living Shoreline	59,044.12	-	8,993.10	-	50,051.02
Department of Justice Grant	625.25	-	-	-	625.25
NJDOT - Iowa Court	12,048.32	-	-	-	12,048.32
Recycling Tonnage 2019	31,839.12	-	22,785.60	-	9,053.52
Clean Communities 2019	58,471.27	-	-	-	58,471.27
NJDOT - Sea Breeze	-	347,900.00	283,543.32	-	64,356.68
NJOEM Grant	638.49	-	-	-	638.49
Body Armor Grant 2020	1,880.32	-	-	-	1,880.32
Safe and Secure Communities	10,000.00	32,400.00	37,000.00	-	5,400.00
Clean Communities - 2020	52,720.73	-	-	-	52,720.73
NJ Clean Start	-	283,800.00	-	-	283,800.00
Sustainable Jersey	-	5,000.00	-	-	5,000.00
Body Worn Camera Grant	-	-	48,179.00	48,179.00	-
<b>Total State</b>	<b>595,326.46</b>	<b>702,591.41</b>	<b>473,432.39</b>	<b>48,179.00</b>	<b>872,664.48</b>
<b>Federal:</b>					
CDBG 2015	30,493.42	-	-	-	30,493.42
National Wildlife Refuge	4,670.00	-	-	-	4,670.00
CDBG 2014	31,062.15	-	-	-	31,062.15
CDBG 2019 Grant	35,000.00	-	35,000.00	-	-
CDBG 2020	-	35,000.00	-	-	35,000.00
American Rescue Funds	-	1,136,281.83	-	-	1,136,281.83
<b>Total Federal</b>	<b>101,225.57</b>	<b>1,171,281.83</b>	<b>35,000.00</b>	<b>-</b>	<b>1,237,507.40</b>
<b>Local:</b>					
Refuge Revenue Sharing Act	2,202.00	-	-	-	2,202.00
<b>Total Local</b>	<b>2,202.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,202.00</b>
<b>Total</b>	<b>\$ 698,754.03</b>	<b>\$ 1,873,873.24</b>	<b>\$ 508,432.39</b>	<b>\$ 48,179.00</b>	<b>\$ 2,112,373.88</b>
			Cash Disbursements	\$ 382,329.44	
			Encumbrances	126,102.95	
			<b>Total</b>	<b>\$ 508,432.39</b>	

**TOWNSHIP OF LITTLE EGG HARBOR**  
**FEDERAL AND STATE GRANT FUND**  
**SCHEDULE OF RESERVES FOR STATE GRANTS - UNAPPROPRIATED**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

GRANT	BALANCE DECEMBER 31, 2020	RECEIVED	BALANCE DECEMBER 31, 2021
State Grants:			
Department of Justice Grant	\$ 3,245.00	\$ -	\$ 3,245.00
Recycling Tonnage Grant	31,839.12	-	31,839.12
AERF	250.06	-	250.06
State of NJ Body Armor	-	3,200.84	3,200.84
Clean Communities	-	56,108.30	56,108.30
Body Worn Camera Program	-	61,140.00	61,140.00
Body Armor	-	2,688.00	2,688.00
	<hr/>	<hr/>	<hr/>
	\$ 35,334.18	\$ 123,137.14	\$ 158,471.32
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**TRUST FUND**

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**TOWNSHIP OF LITTLE EGG HARBOR  
TRUST FUND  
SCHEDULE OF CASH - TREASURER  
FOR THE YEAR ENDED DECEMBER 31, 2021**

	TRUST OTHER	TRUST ASSESSMENT
Balance December 31, 2020	\$ 3,081,391.56	\$ 54,096.41
Increased by Receipts:		
Escrow Fees	\$ 846,562.36	\$ -
Open Space	234,151.98	-
Forfeited Funds	91.03	-
COAH Fees	21,978.22	-
Sick/Vacation Funds	150,000.00	-
Federal Forfeiture	5.46	-
Veterans Park	3,500.00	-
Interfunds Received	1,175.76	-
	1,257,464.81	-
Subtotal	4,338,856.37	54,096.41
Decreased by Disbursements:		
Escrow Fees	732,912.06	-
Open Space	162,507.79	-
Sick/Vacation Funds	232,526.67	-
Veterans Park	10,485.00	-
Forfeited Funds	2,790.35	-
	1,141,221.87	-
Balance December 31, 2021	\$ 3,197,634.50	\$ 54,096.41

**SCHEDULE OF CASH - COLLECTOR - TAX TITLE LIEN REDEMPTION  
FOR THE YEAR ENDED DECEMBER 31, 2021**

Balance December 31, 2020	\$ 1,757,357.35
Increased by Receipts:	
Deposits for Redemption of Tax Sale Certificates	3,226,140.62
Subtotal	4,983,497.97
Decreased by Disbursements:	
Refunds - Tax Sale Certificates Redeemed	3,169,048.02
Balance December 31, 2021	\$ 1,814,449.95

**TOWNSHIP OF LITTLE EGG HARBOR  
TRUST FUND  
SCHEDULE OF CASH - ANIMAL CONTROL  
FOR THE YEAR ENDED DECEMBER 31, 2021**

Balance December 31, 2020		\$ 18.00
Increased by Receipts:		
Dog License Fees	\$ 7,815.60	
State Dog License Fees	1,547.40	9,363.00
Subtotal		9,381.00
Decreased by Disbursements:		
Disbursements to State of New Jersey	1,545.00	
Disbursements for Dog License Expenses	7,800.00	9,345.00
Balance December 31, 2021		<u>\$ 36.00</u>

**SCHEDULE OF RESERVE FOR DOG FUND EXPENDITURES  
FOR THE YEAR ENDED DECEMBER 31, 2021**

Balance December 31, 2020		\$ 18.00
Increased by:		
Dog Licenses		9,363.00
Subtotal		9,381.00
Decreased by:		
Expenditures		9,345.00
Balance December 31, 2021		<u>\$ 36.00</u>

**LICENSE FEES COLLECTED**

YEAR	AMOUNT
2020	\$ 8,088.00
2019	8,862.00
Total	<u>\$ 16,950.00</u>

**SCHEDULE OF DEPOSITS FOR REDEMPTION OF TAX SALE CERTIFICATES  
FOR THE YEAR ENDED DECEMBER 31, 2021**

Balance December 31, 2020		\$ 1,757,357.35
Increased by Receipts:		
Deposits Received - Collector		3,226,140.62
Subtotal		4,983,497.97
Decreased by Disbursements:		
Refunds - Tax Sale Certificates		3,169,048.02
Balance December 31, 2021		<u>\$ 1,814,449.95</u>



**TOWNSHIP OF LITTLE EGG HARBOR  
TRUST FUND  
SCHEDULE OF RESERVE FOR ESCROW DEPOSITS  
FOR THE YEAR ENDED DECEMBER 31, 2021**

Balance December 31, 2020	\$ 1,563,002.81
Increased by:	
Escrow Deposits Received	846,562.36
Subtotal	2,409,565.17
Decreased by:	
Disbursements	732,912.06
Balance December 31, 2021	\$ 1,676,653.11

**SCHEDULE OF RESERVE FOR FORFEITED PROPERTY  
FOR THE YEAR ENDED DECEMBER 31, 2021**

Balance December 31, 2020	\$ 61,441.17
Increased by:	
Cash Receipts	91.03
Subtotal	61,532.20
Decreased by:	
Disbursements	2,790.35
Balance December 31, 2021	\$ 58,741.85

EXHIBIT B-8

**TOWNSHIP OF LITTLE EGG HARBOR  
SCHEDULE OF RESERVE FOR RECREATION  
FOR THE YEAR ENDED DECEMBER 31, 2021**

Balance December 31, 2020 & 2021 \$ 2,057.05

EXHIBIT B-9

**SCHEDULE OF RESERVE FOR OPEN SPACE  
FOR THE YEAR ENDED DECEMBER 31, 2021**

Balance December 31, 2020 \$ 1,275,695.87

Increased by:

Tax Levy - Due from Current Fund	\$ 1,202.70	
Tax Levy - Cash Receipts	233,476.49	
Cash Receipts Interest Earnings	675.49	235,354.68

Subtotal 1,511,050.55

Decreased by:

Disbursements 162,507.79

Balance December 31, 2021 \$ 1,348,542.76

EXHIBIT B-10

**SCHEDULE OF RESERVE FOR COMMUNITY CENTER  
FOR THE YEAR ENDED DECEMBER 31, 2021**

Balance December 31, 2020 & 2021 \$ 3,582.88

**TOWNSHIP OF LITTLE EGG HARBOR  
SCHEDULE OF RESERVE FOR FEDERAL FORFEITURE LAW ENFORCEMENT FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2021**

Balance December 31, 2020		\$	4,740.48
Increased by:			
Receipts			<u>5.46</u>
Balance December 31, 2021		\$	<u><u>4,745.94</u></u>
	RECAP		
	Dept of Justice	\$	1,982.41
	Dept of Homeland Security		<u>2,763.53</u>
	Total	\$	<u><u>4,745.94</u></u>

**SCHEDULE OF RESERVE FOR SICK AND VACATION TIME TRUST FUND  
FOR THE YEAR ENDED DECEMBER 31, 2021**

Balance December 31, 2020		\$	95,445.62
Increased by:			
Receipts			<u>150,000.00</u>
Subtotal			245,445.62
Decreased by:			
Disbursements			<u>232,526.67</u>
Balance December 31, 2021		\$	<u><u>12,918.95</u></u>

**TOWNSHIP OF LITTLE EGG HARBOR  
SCHEDULE OF RESERVE FOR COAH TRUST FUND  
FOR THE YEAR ENDED DECEMBER 31, 2021**

Balance December 31, 2020	\$ 40,824.27
Increased by:	
Receipts	<u>21,978.22</u>
Balance December 31, 2021	<u><u>\$ 62,802.49</u></u>

**SCHEDULE OF RESERVE FOR POLICE EVIDENCE DEPOSITS  
FOR THE YEAR ENDED DECEMBER 31, 2021**

Balance December 31, 2020 & 2021	<u><u>\$ 3,352.80</u></u>
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**TOWNSHIP OF LITTLE EGG HARBOR  
SCHEDULE OF RESERVE FOR VETERANS PARK DONATIONS  
FOR THE YEAR ENDED DECEMBER 31, 2021**

Balance December 31, 2020	\$ 11,895.00
Increased by:	
Receipts	<u>3,500.00</u>
Subtotal	15,395.00
Decreased by:	
Disbursements	<u>10,485.00</u>
Balance December 31, 2021	<u><u>\$ 4,910.00</u></u>

**SCHEDULE OF RESERVE FOR FIRE SAFETY - DEDICATED PENALTY  
FOR THE YEAR ENDED DECEMBER 31, 2021**

Balance December 31, 2020 & 2021	<u><u>\$ 9,500.00</u></u>
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**TOWNSHIP OF LITTLE EGG HARBOR  
STATEMENT OF ASSESSMENTS RECEIVABLE  
FOR THE YEAR ENDED DECEMBER 31, 2021**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	DATE OF CONFIRMATION	ANNUAL INSTALLMENTS	BALANCE DECEMBER 31, 2020	CONFIRMED	BILLING ADJUSTMENTS	RECEIVED	BALANCE DECEMBER 31, 2021
2018-12	Osbourm Island Maintenance Dredging	1/14/2021	10	\$ -	\$ 1,688,866.46	\$ -	\$ 564,341.89	\$ 1,124,524.57
2019-07	Mystic Island Dredging - Radio Road East	1/14/2021	10	-	2,538,642.82	10,268.00	926,300.27	1,622,610.55
Total				\$ -	\$ 4,227,509.28	\$ 10,268.00	\$ 1,490,642.16	\$ 2,747,135.12

**TOWNSHIP OF LITTLE EGG HARBOR  
DEDICATED ASSESSMENT BUDGET  
FOR THE YEAR ENDED DECEMBER 31, 2021**

REVENUES	ANTICIPATED	RECOGNIZED	EXCESS
DEDICATED REVENUES:			
ASSESSMENT CASH	\$ 487,500.00	\$ 1,490,642.16	\$ 1,003,142.16
INTEREST AND COST	-	46,796.31	46,796.31
	<hr/>		
TOTAL	\$ 487,500.00	\$ 1,537,438.47	\$ 1,049,938.47
	<hr/> <hr/>		

APPROPRIATION OF ASSESSMENT DEBT	BUDGETED	EXPENDED	RESERVE
BOND PRINCIPAL	\$ 375,000.00	\$ 375,000.00	\$ -
INTEREST ON NOTES	112,500.00	112,500.00	-
	<hr/>		
TOTAL	\$ 487,500.00	\$ 487,500.00	\$ -
	<hr/> <hr/>		

**TOWNSHIP OF LITTLE EGG HARBOR  
ASSESSMENT TRUST FUND  
SCHEDULE OF ASSESSMENT SERIAL BONDS  
AT DECEMBER 31, 2021**

PURPOSE	DATE OF ISSUE	AMOUNT OF ORIGINAL ISSUE	MATURITIES OF BONDS OUTSTANDING			INTEREST RATE	BALANCE DECEMBER 31, 2020	INCREASED	DECREASED	BALANCE DECEMBER 31, 2021
			DATE	AMOUNT	DECEMBER 31, 2021					
General Obligation Assessment Bonds	7/1/2020	\$ 3,750,000.00	7/15/22	\$ 375,000.00	2.000%	\$ -	\$ 3,750,000.00	\$ 375,000.00	\$ 3,375,000.00	
			7/15/23	375,000.00	4.000%					
			7/15/24	375,000.00	4.000%					
			7/15/25	375,000.00	4.000%					
			7/15/26	375,000.00	4.000%					
			7/15/27	375,000.00	3.000%					
			7/15/28	375,000.00	3.000%					
			7/15/29	375,000.00	2.000%					
			7/15/30	375,000.00	2.000%					
		Totals	\$ -	\$ 3,750,000.00	\$ 375,000.00	\$ 3,375,000.00			\$ 3,375,000.00	

Paid from Current Fund		
Assesment Trust	\$ 375,000.00	
Total	\$ 375,000.00	



**GENERAL CAPITAL FUND**

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**TOWNSHIP OF LITTLE EGG HARBOR  
SCHEDULE OF CASH - TREASURER  
FOR THE YEAR ENDED DECEMBER 31, 2021**

Balance December 31, 2020		\$ 1,249,885.06
Increased by Receipts:		
Received from Open Space Fund	\$ 100,000.00	
Capital Improvement Fund	100,000.00	
Due from Current Fund	114,605.89	
BAN Issued	12,845,250.00	<u>13,159,855.89</u>
Subtotal		14,409,740.95
Decreased by Disbursements:		
Improvement Authorizations	2,183,157.64	
BAN Paid	6,428,000.00	<u>8,611,157.64</u>
Balance December 31, 2021		<u><u>\$ 5,798,583.31</u></u>

**TOWNSHIP OF LITTLE EGG HARBOR  
GENERAL CAPITAL FUND  
ANALYSIS OF CASH  
AT DECEMBER 31, 2021**

	BALANCE (OVERDRAFT) DECEMBER 31, 2020	BOND ANTICIPATION NOTES/BONDS	RECEIPTS		DISBURSEMENTS		TRANSFERS		BALANCE (OVERDRAFT) DECEMBER 31, 2021
			MISCELLANEOUS		IMPROVEMENT AUTHORIZATIONS		MISCELLANEOUS		
			MISCELLANEOUS				FROM	TO	
Fund Balance	\$ 83,186.53	-	\$ -	-	\$ -	-	-	\$ -	\$ 83,186.53
Capital Improvement Fund	240,044.00	-	100,000.00	-	-	157,500.00	-	-	182,544.00
Reserve for Debt Service - BAN Premiums	55,050.69	-	-	-	-	-	-	-	55,050.69
Due Current Fund	(56,833.00)	-	114,605.89	-	-	57,772.89	-	-	-
Due Open Space Trust Fund	-	-	100,000.00	-	-	100,000.00	-	-	-
Due To Trust Assessment	-	-	-	-	-	137,509.28	-	-	(137,509.28)
Due to County - CDBG	3,722.00	-	-	-	-	-	-	-	3,722.00
<b>IMPROVEMENT AUTHORIZATIONS:</b>									
<b>ORDINANCE</b>									
NUMBER									
09-06	Improvements to Frog Pond Road	-	-	-	-	-	-	56,832.00	-
11-15	Various Capital Improvements	-	-	-	-	-	-	940.89	-
13-14	Various Capital Improvements	-	-	-	-	-	-	-	(8,215.05)
14-10	Various Capital Improvements	3,028,000.00	-	-	-	3,028,000.00	-	-	460,783.65
16-05	Various Capital Improvements	-	-	-	4,450.00	-	-	-	440,893.68
17-08	Various Capital Improvements	-	-	-	33,282.42	-	-	-	185,013.74
Subtotal		3,028,000.00	314,605.89	37,732.42	3,028,000.00	452,782.17	57,772.89		1,265,469.96

**TOWNSHIP OF LITTLE EGG HARBOR  
GENERAL CAPITAL FUND  
ANALYSIS OF CASH  
AT DECEMBER 31, 2021**

ORDINANCE NUMBER	BALANCE (OVERDRAFT) DECEMBER 31, 2020	BOND ANTICIPATION NOTES/BONDS	RECEIPTS		DISBURSEMENTS		TRANSFERS		BALANCE (OVERDRAFT) DECEMBER 31, 2021
			MISCELLANEOUS	AUTHORIZATIONS	IMPROVEMENT	MISCELLANEOUS	FROM	TO	
18-12	(98,866.46)	-	-	-	-	-	-	98,866.46	-
18-13	238,821.09	3,400,000.00	-	81,537.11	-	3,400,000.00	-	-	157,283.98
19-07	(38,642.82)	-	-	-	-	-	-	38,642.82	-
19-08	74,145.33	-	-	372.50	-	-	-	-	73,772.83
19-11	(342,716.45)	361,000.00	-	2,434.04	-	-	-	-	15,849.51
19-12	45,142.51	-	-	-	-	-	-	-	45,142.51
20-02	(82,546.89)	209,000.00	-	96,100.80	-	-	-	-	30,352.31
20-03	77.50	-	-	15,160.04	-	-	-	-	(15,082.54)
20-09	51,800.98	2,802,500.00	-	98,891.85	-	-	-	-	2,755,409.13
20-10	(3,685.50)	-	-	424,537.11	-	-	-	-	(428,222.61)
20-14	22,750.00	432,250.00	-	315,282.31	-	-	-	-	139,717.69
21-02	-	712,500.00	-	625,053.93	-	-	-	37,500.00	124,946.07
21-06	-	1,900,000.00	-	85,668.69	-	-	-	100,000.00	1,914,331.31
21-09	-	-	-	204,954.45	-	-	-	-	(204,954.45)
21-10	-	-	-	112,281.83	-	-	-	-	(112,281.83)
21-16	-	-	-	83,150.56	-	-	-	120,000.00	36,849.44
Subtotal	(133,720.71)	9,817,250.00	-	2,145,425.22	-	3,400,000.00	-	395,009.28	4,533,113.35
Total Analysis of Cash	\$ 1,249,885.06	\$ 12,845,250.00	\$ 314,605.89	\$ 2,183,157.64	\$ 6,428,000.00	\$ 452,782.17	\$ 452,782.17	\$ 452,782.17	\$ 5,798,583.31

**TOWNSHIP OF LITTLE EGG HARBOR  
GENERAL CAPITAL FUND  
SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - FUNDED  
FOR THE YEAR ENDED DECEMBER 31, 2021**

Balance December 31, 2020		\$ 17,152,653.41
Decreased by:		
Budget Appropriation to Pay General Serial Bonds	\$ 1,620,000.00	
Assessment Appropriation to pay Serial Bonds	3,750,000.00	
Green Trust Loan Bonds	73,805.56	
NJEIT - Fund Loan	80,100.24	5,523,905.80
		<hr/>
Balance December 31, 2021		<u>\$ 11,628,747.61</u>

**TOWNSHIP OF LITTLE EGG HARBOR  
GENERAL CAPITAL FUND  
SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED  
FOR THE YEAR ENDED DECEMBER 31, 2021**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	ANALYSIS OF BALANCE DECEMBER 31, 2021							
		BALANCE DECEMBER 31, 2020	2021 AUTHORIZATIONS	ASSESSMENT CONFIRMED	DEFERRED CHARGE RAISED	BALANCE DECEMBER 31, 2021	UNEXPENDED IMPROVEMENT AUTHORIZATION	BOND ANTICIPATION NOTES	
09-06	Improvements to Frog Pond Road	\$ 56,832.00	\$ -	\$ -	\$ 56,832.00	\$ -	\$ -	\$ -	
11-15	Various Capital Improvements	940.89	-	-	940.89	-	-	-	
13-14	Various Capital Improvements	8,215.05	-	-	-	8,215.05	-	-	
14-10	Various Capital Improvements	1,871,500.00	-	-	-	1,871,500.00	357,500.00	1,514,000.00	
18-12	Dredging Osborn Island	98,866.46	-	98,866.46	-	-	-	-	
18-13	Various General Improvements	1,973,150.00	-	-	-	1,973,150.00	273,150.00	1,700,000.00	
19-07	Dredging Mystic Island Phase I	38,642.82	-	38,642.82	-	-	-	-	
19-11	Preliminary Dredging Expenses	361,000.00	-	-	-	361,000.00	-	361,000.00	
20-02	Paving and Improve Various Streets	209,000.00	-	-	-	209,000.00	-	209,000.00	
20-03	Improvements Community Center	61,750.00	-	-	-	61,750.00	46,667.46	15,082.54	
20-09	Beach Replenishment	2,802,500.00	-	-	-	2,802,500.00	-	2,802,500.00	
20-10	Mystic Drainage Improvements Phase II	1,714,000.00	-	-	-	1,714,000.00	1,285,777.39	428,222.61	
21-18	Mystic Drainage Improvements Phase II	-	236,000.00	-	-	236,000.00	236,000.00	-	
20-14	Township-wide Drainage Projects	432,250.00	-	-	-	432,250.00	-	432,250.00	
21-02	Acquisition of PW Equip	-	712,500.00	-	-	712,500.00	-	712,500.00	
21-06	Improvements to Rec Fields	-	1,900,000.00	-	-	1,900,000.00	-	1,900,000.00	
21-09	Mystic West Phase I Dredging (Local)	-	8,550,000.00	-	-	8,550,000.00	8,345,045.55	204,954.45	
21-10	Atlantis Dredging (Local)	-	1,525,000.00	-	-	1,525,000.00	1,412,718.17	112,281.83	
<b>Total</b>		<b>\$ 9,628,647.22</b>	<b>\$ 12,923,500.00</b>	<b>\$ 137,509.28</b>	<b>\$ 57,772.89</b>	<b>\$ 22,356,865.05</b>	<b>\$ 11,956,858.57</b>	<b>\$ 768,756.48</b>	<b>\$ 9,631,250.00</b>

Bond Premium Used to Pay BAN \$ 350,000.00  
 Total \$ 350,000.00

Improvement Authorizations Unfunded \$ 17,450,178.76  
 Less - Unexpended Proceeds of Bond Anticipation  
 Notes Issued:  
 Ordinance 2014-10 460,783.65  
 Ordinance 2018-13 155,483.98  
 Ordinance 2019-11 15,849.51  
 Ordinance 2020-02 30,352.31  
 Ordinance 2020-09 2,706,800.98  
 Ordinance 2020-14 139,717.69  
 Ordinance 2021-06 84,332.07  
 Ordinance 2021-09 1,900,000.00  
**\$ 11,956,858.57**

**TOWNSHIP OF LITTLE EGG HARBOR  
GENERAL CAPITAL FUND  
SCHEDULE OF CAPITAL IMPROVEMENT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2021**

Balance December 31, 2020	\$ 240,044.00
Increased By:	
Transfer from Current Fund Budget	<u>100,000.00</u>
Subtotal	340,044.00
Decreased By:	
Appropriated to Finance Improvement Authorizations	<u>157,500.00</u>
Balance December 31, 2021	<u><u>\$ 182,544.00</u></u>



**TOWNSHIP OF LITTLE EGG HARBOR  
GENERAL CAPITAL FUND  
STATEMENT OF IMPROVEMENT AUTHORIZATIONS  
FOR THE YEAR ENDED DECEMBER 31, 2021**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	ORDINANCE DATE	ORDINANCE AMOUNT	BALANCE DECEMBER 31, 2020		2021 AUTHORIZATIONS	EXPENDED	CURRENT YEAR ENCUMBRANCES PAYABLE	BALANCE DECEMBER 31, 2021	
				FUNDED	UNFUNDED				FUNDED	UNFUNDED
14-10	Various Capital Improvements	7/10/14	1,970,000.00	\$ -	\$ 818,283.65	\$ -	-	\$ -	\$ -	\$ 818,283.65
16-05	Various Capital Improvements	9/08/16	3,495,000.00	445,343.68	-	-	4,450.00	-	440,893.68	-
17-08	Various Capital Improvements	7/13/17	1,705,000.00	218,296.16	-	-	33,282.42	-	185,013.74	-
18-13	Various General Improvements	10/11/18	2,077,000.00	-	511,971.09	-	81,537.11	1,800.00	-	428,633.98
19-08	Additional Improvements Veterans Park	4/11/19	240,000.00	74,145.33	-	-	372.50	-	73,772.83	-
19-11	Preliminary Dredging Expenses	7/11/19	380,000.00	-	18,283.55	-	2,434.04	-	-	15,849.51
19-12	Improvements Little Treasures Park	7/11/19	200,000.00	45,142.51	-	-	-	-	45,142.51	-
20-02	Paving and Improve Various Streets	5/14/20	220,000.00	-	126,453.11	-	96,100.80	-	-	30,352.31
20-03	Improvements Community Center	5/14/20	65,000.00	77.50	61,750.00	-	15,160.04	-	-	46,667.46
20-09	Beach Replenishment	9/10/20	2,950,000.00	51,800.98	2,802,500.00	-	98,891.85	-	-	2,755,409.13
20-10	Mystic Drainage Improvements Phase II	9/10/20	1,714,000.00	-	1,710,314.50	-	424,537.11	-	-	1,285,777.39
21-18	Mystic Drainage Improvements Phase II	8/9/21	236,000.00	-	-	236,000.00	-	-	-	236,000.00
20-14	Township-wide Drainage Projects	11/12/20	455,000.00	22,750.00	432,250.00	-	315,282.31	-	-	139,717.69
21-02	Acquisition of PW Equip	3/11/21	750,000.00	-	-	750,000.00	625,053.93	40,614.00	-	84,332.07
21-06	Improvements to Rec Fields	4/8/21	2,000,000.00	-	-	2,000,000.00	85,668.69	-	14,331.31	1,900,000.00
21-09	Mystic West Phase I Dredging (Local)	6/10/21	8,550,000.00	-	-	8,550,000.00	204,954.45	-	-	8,345,045.55
21-10	Atlantis Dredging (Local)	6/10/21	1,525,000.00	-	-	1,525,000.00	112,281.83	-	-	1,412,718.17
21-16	Acquisition of Property	9/9/21	120,000.00	-	-	120,000.00	83,150.56	-	36,849.44	-
Total				\$ 857,556.16	\$ 6,481,805.90	\$ 13,181,000.00	\$ 2,183,157.64	\$ 42,414.00	\$ 796,003.51	\$ 17,498,786.91

Deferred Charges to Future Taxation - Unfunded	\$ 12,687,500.00
Capital Improvement Fund	157,500.00
Open Space Trust Fund	336,000.00
	<u>\$ 13,181,000.00</u>

**TOWNSHIP OF LITTLE EGG HARBOR  
GENERAL CAPITAL FUND  
STATEMENT OF BOND ANTICIPATION NOTES  
AT DECEMBER 31, 2021**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	DATE OF ORIGINAL ISSUE	AMOUNT		DATE OF ISSUE	DATE OF MATURITY	INTEREST RATE	BALANCE			
			OF ORIGINAL ISSUE	DATE OF MATURITY				DECEMBER 31, 2020	INCREASED	DECREASED	BALANCE DECEMBER 31, 2021
14-10	Various Capital Improvements	8/01/19	\$ 1,514,000	4/15/20	4/14/21	2.050%	\$ 1,514,000.00		\$ 1,514,000.00	\$ -	
				4/14/21	7/13/21	0.500%		1,514,000.00	1,514,000.00	-	
				7/12/21	7/12/22	0.260%		-	1,514,000.00	-	1,514,000.00
18-13	Various Capital Improvements	8/01/19	1,200,000	4/15/20	4/14/21	2.050%	1,700,000.00		1,700,000.00	-	
				4/14/21	7/13/21	0.500%		1,700,000.00	1,700,000.00	-	
				7/12/21	7/12/22	0.260%		1,700,000.00	-	1,700,000.00	
19-11	Preliminary Dredging Expenses	7/12/21	361,000	7/12/21	7/12/22	0.260%	-	361,000.00	-	361,000.00	
20-2	Paving and Improvements to Various Streets	7/12/21	209,000	7/12/21	7/12/22	0.260%	-	209,000.00	-	209,000.00	
20-9	Beach Replenishment Project	7/12/21	2,802,500	8/11/21	7/12/22	0.250%	-	2,802,500.00	-	2,802,500.00	
20-14	Township Wide Drainage Projects	7/12/21	432,250	7/12/21	7/12/22	0.260%	-	432,250.00	-	432,250.00	
21-02	Acquisition of PW Equipment	7/12/21	712,500	7/12/21	7/12/22	0.260%	-	712,500.00	-	712,500.00	
21-6	Improvements to Rec Fields	7/12/21	1,900,000	8/11/21	7/12/22	0.250%	-	1,900,000.00	-	1,900,000.00	
<b>Total</b>								<b>\$ 3,214,000.00</b>	<b>\$ 12,845,250.00</b>	<b>\$ 6,428,000.00</b>	<b>\$ 9,631,250.00</b>
									\$ 6,428,000.00	\$ 6,428,000.00	
									6,417,250.00	-	
								<u>\$ 12,845,250.00</u>	<u>\$ 6,428,000.00</u>		

**TOWNSHIP OF LITTLE EGG HARBOR  
GENERAL CAPITAL FUND  
SCHEDULE OF GENERAL SERIAL BONDS  
AT DECEMBER 31, 2021**

PURPOSE	DATE OF ISSUE	AMOUNT OF ORIGINAL ISSUE	MATURITIES OF BONDS OUTSTANDING			INTEREST RATE	BALANCE DECEMBER 31, 2020	DECREASED	BALANCE DECEMBER 31, 2021
			DATE	AMOUNT	DECEMBER 31, 2021				
General Obligation Refunding Bonds	2/1/2010	\$ 3,275,000.00	08/01/21	\$ 295,000.00	5.000%	\$ 295,000.00	\$ 295,000.00	\$ -	
General Obligation Refunding Bonds	5/2/2012	5,260,000.00	11/15/22	520,000.00	3.000%	1,555,000.00	525,000.00	1,030,000.00	
			11/15/23	510,000.00	2.750%				
General Obligation Bonds	2/2/2017	4,500,000.00	2/01/22	550,000.00	2.000%	3,575,000.00	275,000.00	3,300,000.00	
			2/01/23	550,000.00	2.000%				
			2/01/24	550,000.00	3.000%				
			2/01/25	550,000.00	3.000%				
			2/01/26	550,000.00	3.000%				
			2/01/27	550,000.00	3.000%				
General Obligation Bonds	8/1/2019	6,280,000.00	8/15/22	525,000.00	4.000%	5,865,000.00	525,000.00	5,340,000.00	
			8/15/23	715,000.00	4.000%				
			8/15/24	820,000.00	4.000%				
			8/15/25	820,000.00	3.000%				
			8/15/26	820,000.00	3.000%				
			8/15/27	820,000.00	3.000%				
			8/15/28	820,000.00	3.000%				
General Obligation Assessment Bonds	7/1/2020	3,750,000.00	7/15/22	375,000.00	2.000%	3,750,000.00	3,750,000.00	-	
			7/15/23	375,000.00	4.000%				
			7/15/24	375,000.00	4.000%				
			7/15/25	375,000.00	4.000%				
			7/15/26	375,000.00	4.000%				
			7/15/27	375,000.00	3.000%				
			7/15/28	375,000.00	3.000%				
			7/15/29	375,000.00	2.000%				
			7/15/30	375,000.00	2.000%				
<b>Totals</b>							<b>\$ 15,040,000.00</b>	<b>\$ 5,370,000.00</b>	<b>\$ 9,670,000.00</b>
Paid from Current Fund							\$ 1,620,000.00	\$ 3,750,000.00	
Assessment Trust							\$ 3,750,000.00		
<b>Total</b>							<b>\$ 5,370,000.00</b>	<b>\$ 5,370,000.00</b>	

**TOWNSHIP OF LITTLE EGG HARBOR  
GENERAL CAPITAL FUND  
SCHEDULE OF GREEN TRUST LOAN PAYABLE  
AT DECEMBER 31, 2021**

PURPOSE	DATE OF ISSUE	AMOUNT OF ORIGINAL ISSUE	MATURITIES OF BONDS OUTSTANDING			INTEREST RATE	BALANCE DECEMBER 31, 2020	DECREASED	BALANCE DECEMBER 31, 2021
			DATE	AMOUNT	DECEMBER 31, 2021				
Open Space	10/22/02	\$ 255,220.00	2022	\$ 15,635.47	\$ 30,962.87	\$ 15,327.40	\$ 15,635.47		
			2023						
Recreation Complex	7/18/02	500,000.00	2022	15,391.88	45,719.96	30,328.08	15,391.88		
			2023						
Municipal Complex	9/7/05	250,000.00	2022	14,572.00	66,582.00	14,285.00	52,297.00		
			2023	14,865.00					
			2024	15,164.00					
			2025	7,696.00					
Construction of Softball Field & Tot Lot	11/27/06	250,000.00	2022	14,143.77	87,483.74	13,865.08	73,618.66		
			2023	14,428.06					
			2024	14,718.07					
			2025	15,013.90					
			2026	15,315.68					
Total							\$ 230,748.57	\$ 73,805.56	\$ 156,943.01

TOWNSHIP OF LITTLE EGG HARBOR  
 GENERAL CAPITAL FUND  
 SCHEDULE OF NJET LOAN  
 AT DECEMBER 31, 2021

PURPOSE	DATE OF ISSUE	AMOUNT OF ORIGINAL ISSUE	MATURITIES OF BONDS OUTSTANDING		INTEREST RATE	BALANCE DECEMBER 31, 2020	DECREASED	BALANCE DECEMBER 31, 2021		
			DATE	AMOUNT						
NJ Infrastructure Bank Series 2020A-1 Bank Loan Agreement	5/13/20	930,000.00	8/1/2022	35,000.00	5.000%	930,000.00	30,000.00	900,000.00		
			8/1/2023	35,000.00	5.000%					
			8/1/2024	35,000.00	5.000%					
			8/1/2025	40,000.00	5.000%					
			8/1/2026	40,000.00	5.000%					
			8/1/2027	45,000.00	5.000%					
			8/1/2028	45,000.00	5.000%					
			8/1/2029	50,000.00	5.000%					
			8/1/2030	50,000.00	5.000%					
			8/1/2031	55,000.00	4.000%					
			8/1/2032	55,000.00	2.125%					
			8/1/2033	55,000.00	2.250%					
			8/1/2034	55,000.00	2.375%					
		8/1/2035	60,000.00	2.375%						
		8/1/2036	60,000.00	2.500%						
		8/1/2037	60,000.00	2.500%						
		8/1/2038	65,000.00	2.625%						
		8/1/2039	60,000.00	2.625%						
						951,904.84	50,100.24	901,804.60		
NJ Infrastructure Bank Series 2020A-1 -02AB Fund Loan			2/1/2022	16,700.08	0.000%					
			8/1/2022	33,400.16	0.000%					
			2/1/2023	16,700.08	0.000%					
			8/1/2023	33,400.16	0.000%					
			2/1/2024	16,700.08	0.000%					
			8/1/2024	33,400.16	0.000%					
			2/1/2025	16,700.08	0.000%					
			8/1/2025	33,400.16	0.000%					
			2/1/2026	16,700.08	0.000%					
			8/1/2026	33,400.16	0.000%					
			2/1/2027	16,700.08	0.000%					
			8/1/2027	33,400.16	0.000%					
			2/1/2028	16,700.08	0.000%					
			8/1/2028	33,400.16	0.000%					
			2/1/2029	16,700.08	0.000%					
			8/1/2029	33,400.16	0.000%					
			2/1/2030	16,700.08	0.000%					
			8/1/2030	33,400.16	0.000%					
			2/1/2031	16,700.08	0.000%					
			8/1/2031	33,400.16	0.000%					
			2/1/2032	16,700.08	0.000%					
			8/1/2032	33,400.16	0.000%					
			2/1/2033	16,700.08	0.000%					
			8/1/2033	33,400.16	0.000%					
			2/1/2034	16,700.08	0.000%					
			8/1/2034	33,400.16	0.000%					
			2/1/2035	16,700.08	0.000%					
			8/1/2035	33,400.16	0.000%					
			2/1/2036	16,700.08	0.000%					
			8/1/2036	33,400.16	0.000%					
			2/1/2037	16,700.08	0.000%					
			8/1/2037	33,400.16	0.000%					
			2/1/2038	16,700.08	0.000%					
			8/1/2038	33,400.16	0.000%					
			2/1/2039	16,700.08	0.000%					
			8/1/2039	33,400.44	0.000%					
Total								\$ 1,881,904.84	\$ 80,100.24	\$ 1,801,804.60

**TOWNSHIP OF LITTLE EGG HARBOR  
GENERAL CAPITAL FUND  
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED  
AT DECEMBER 31, 2021**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	BALANCE DECEMBER 31, 2020	2021 AUTHORIZATIONS/ INCREASES	PAID BY BUDGET APPROPRIATION	NOTES/LOANS ISSUED	BALANCE DECEMBER 31, 2021
09-06	Improvements to Frog Pond Road	\$ 56,832.00	\$ -	\$ 56,832.00	\$ -	\$ -
11-15	Various Capital Improvements	940.89	-	940.89	-	-
13-14	Various Capital Improvements	8,215.05	-	-	-	8,215.05
14-10	Various Capital Improvements	357,500.00	-	-	-	357,500.00
18-13	Various Capital Improvements	273,150.00	-	-	-	273,150.00
19-11	Preliminary Expenses Potential Dredging	361,000.00	-	-	361,000.00	-
20-02	Paving and Improve Various Roads	209,000.00	-	-	209,000.00	-
20-03	Improvements to Community Center	61,750.00	-	-	-	61,750.00
20-09	Beach Replenishment	2,802,500.00	-	-	2,802,500.00	-
20-10	Mystic Drainage Improvements Phase II	1,714,000.00	-	-	-	1,714,000.00
20-14	Township-wide Drainage Projects	432,250.00	-	-	432,250.00	-
21-18	Mystic Drainage Improvements Phase II	-	236,000.00	-	-	236,000.00
21-02	Various Public Works Equipment	-	712,500.00	-	712,500.00	-
21-06	Renovations and Improve Rec Complex	-	1,900,000.00	-	1,900,000.00	-
21-09	Mystic Island Ph I Dredging (Local)	-	8,550,000.00	-	-	8,550,000.00
21-10	Atlantis Dredging (Local)	-	1,525,000.00	-	-	1,525,000.00
Total		\$ 6,277,137.94	\$ 12,923,500.00	\$ 57,772.89	\$ 6,417,250.00	\$ 12,725,615.05

Authorized in the Current Year

\$ 12,923,500.00

\$ 12,923,500.00

**PAYROLL FUND**

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**TOWNSHIP OF LITTLE EGG HARBOR  
PAYROLL FUND  
STATEMENT OF PAYROLL FUND CASH  
FOR THE YEAR ENDED DECEMBER 31, 2021**

Balance December 31, 2020		\$ 210,736.55
Increased by:		
Receipts		<u>13,819,074.48</u>
Subtotal		14,029,811.03
Decreased by:		
Disbursements:		
Net Pay	\$ 6,481,928.56	
Payment to Agencies	7,344,124.33	<u>13,826,052.89</u>
Balance December 31, 2021		<u><u>\$ 203,758.14</u></u>

**STATEMENT OF PAYROLL TAXES PAYABLE  
FOR THE YEAR ENDED DECEMBER 31, 2021**

Balance December 31, 2020		\$ 214,110.09
Increased by:		
Payroll Deductions		<u>7,337,130.92</u>
Subtotal		7,551,241.01
Decreased by:		
Disbursements		<u>7,344,124.33</u>
Balance December 31, 2021		<u><u>\$ 207,116.68</u></u>

**ANALYSIS OF BALANCE**

Federal Tax Liability		\$ 91,293.84
State Tax Liability		35,460.86
PERS		30,790.17
PFRS		49,545.21
AFSCME		<u>26.60</u>
Balance December 31, 2021		<u><u>\$ 207,116.68</u></u>

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**TOWNSHIP OF LITTLE EGG HARBOR**

**PART II**

**SCHEDULE OF FINANCIAL STATEMENT FINDINGS -  
GOVERNMENT AUDITING STANDARDS**

**FOR THE YEAR ENDED DECEMBER 31, 2021**

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**TOWNSHIP OF LITTLE EGG HARBOR  
SCHEDULE OF FINANCIAL STATEMENT FINDINGS  
FOR THE YEAR ENDED DECEMBER 31, 2021**

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.

**Finding 2021-001:**

Criteria or specific requirement:

The Township's internal control policies are required to promote operational efficiency and effectiveness, provide reliable financial information, safeguard assets and records, encourage adherence to prescribed policies and comply with laws and regulations.

Condition:

During our audit we noted that the Township is not maintaining a complete and accurate general ledger in accordance with the financial reporting provisions of the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

Context:

The Township did not record activity in its general ledger system causing subsidiary ledgers to be out-of-balance with the Township's financial statements. Numerous entries were required to bring the Township's general ledger into compliance at year end.

Effect or potential effect:

The Township does not have proper support for general ledger balances and transactions.

Cause:

Lack of oversight over the financial reporting process.

Recommendation:

That the Township implement internal controls to ensure that a complete and accurate general ledger is maintained and financial reports are reviewed regularly for accuracy.

View of responsible official:

The responsible official agrees with this finding and will address the matter as part of their corrective action plan.

**Finding 2021-002:**

Criteria or specific requirement:

As a function of effective internal controls, an accurate general ledger should be maintained and cash accounts should be reconciled on a timely basis.

**TOWNSHIP OF LITTLE EGG HARBOR  
SCHEDULE OF FINANCIAL STATEMENT FINDINGS  
FOR THE YEAR ENDED DECEMBER 31, 2021**

**Finding 2021-002 (continued):**

Condition:

During our testing it was noted that bank reconciliations were not performed on a timely basis.

Context:

The Township did not complete five bank reconciliations on a timely basis and did not record the corresponding activity within the general ledger system causing cash balances to disagree with the Township's financial statements. Numerous entries were required to bring the Township's general ledger into compliance at year end.

Effect or potential effect:

Misstatement of cash and potentially over-expending bank accounts.

Cause:

The Township did not properly record activity and failed to monitor cash balances.

Recommendation:

That bank reconciliations be completely accurately and timely.

View of responsible official:

The responsible official agrees with this finding and will address the matter as part of their corrective action plan.

**Finding 2021-003:**

Criteria or specific requirement:

N.J.S.A. 40A:4-87 states that municipalities may approve the insertion of an appropriation item of an amount equal to any such special item of revenue making such item of revenue available for expenditure by resolution. Municipalities must send two (2) certified copies of the resolution adopted for this purpose and all supporting documentation to the Director of the Division of Local Government Services for approval.

Condition:

During our testing it was noted that the resolution to insert the Body Worn Camera Grant into the budget had not been sent to the Division of Local Government Services for approval.

Context:

The Township expended funds against the Body Worn Camera Grant but not send the resolution to insert the grant into the budget to the Division of Local Government Services for approval resulting in a deferred charge to the subsequent year's budget.

**TOWNSHIP OF LITTLE EGG HARBOR  
SCHEDULE OF FINANCIAL STATEMENT FINDINGS  
FOR THE YEAR ENDED DECEMBER 31, 2021**

**Finding 2021-003 (continued):**

Effect or potential effect:

Non-compliance with N.J.S.A. 40A:4-87.

Cause:

Lack of management oversight.

Recommendation:

That the Township raise the deficit in the Grant Fund in the subsequent year budget.

View of responsible official:

The responsible official agrees with this finding and will address the matter as part of their corrective action plan.

**TOWNSHIP OF LITTLE EGG HARBOR  
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS  
FOR THE YEAR ENDED DECEMBER 31, 2021**

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**

No Prior Year Findings.



**TOWNSHIP OF LITTLE EGG HARBOR**

**PART III**

**LETTER OF COMMENTS AND RECOMMENDATIONS – REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2021**

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**TOWNSHIP OF LITTLE EGG HARBOR**  
**OFFICIALS IN OFFICE AND SURETY BONDS**

The following officials were in office at December 31, 2021:

<u>Name</u>	<u>Title</u>
John Kehm, Jr.	Mayor
Blaise Scibetta	Deputy Mayor
Lisa Stevens	Committeewoman
Raymond Gormley	Committeeman
Barbara Jo Crea	Committeewoman
Rodney Haines	Chief Financial Officer / Interim Business Administrator
Kelly Lettera	Township Clerk
Dayna Wilson	Tax Collector/Tax Search Officer
Alina Bertram	Court Administrator
Damian G. Murray	Judge

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Honorable Mayor and Members  
of the Township Committee  
Township of Little Egg Harbor  
County of Ocean  
Little Egg Harbor, 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, 2021.

#### **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 \$17,500.00 for the year ended December 31, 2021.

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 1, 2021 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 governing body of the Township of Little Egg Harbor, 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 governing body of the Township of Little Egg Harbor, 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):**

#### **Finding 2021-001** (*Finding 2021-001 in the Schedule of Financial Statement Findings section*)

The Township is not maintaining a complete and accurate general ledger in accordance with the financial reporting provisions of the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

#### **Finding 2021-002** (*Finding 2021-002 in the Schedule of Financial Statement Findings section*)

Bank reconciliations were not performed on a timely basis.

#### **Finding 2021-003** (*Finding 2021-003 in the Schedule of Financial Statement Findings section*)

The Township expended funds against the Body Worn Camera Grant but not send the resolution to insert the grant into the budget to the Division of Local Government Services for approval

**RECOMMENDATIONS:**

**Finding 2021-001**

That the Township implement internal controls to ensure that a complete and accurate general ledger is maintained and financial reports are reviewed regularly for accuracy.

**Finding 2021-002**

That bank reconciliations be completely accurately and timely.

**Finding 2021-003**

That the Township raise the deficit in the Grant Fund in the subsequent year budget.

**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  
April 26, 2023