CITY OF ABSECON
COUNTY OF ATLANTIC, NEW JERSEY

FOR THE YEAR ENDED DECEMBER 31, 2024

CITY OF ABSECON
COUNTY OF ATLANTIC

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CITY OF ABSECON
COUNTY OF ATLANTIC

PART I

INDEPENDENT AUDITOR'S REPORTS AND FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2024

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INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members
of the City Council
City of Absecon
Absecon, New Jersey

Opinions

We have audited the accompanying financial statements of the various funds and account group of the City of Absecon, which comprise the statements of assets, liabilities, reserves and fund balance – regulatory basis as of December 31, 2024 and 2023, 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, 2024, 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 City of Absecon, as of December 31, 2024 and 2023, 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, 2024, 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 City of Absecon, as of December 31, 2024 and 2023, 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 City of Absecon 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 City of Absecon, on the basis of the financial reporting provisions of the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of the Division of Local Government Services, Department of Community Affairs, State of New Jersey. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

Responsibilities of Management for the Financial Statements

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control(s) relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City of Absecon'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 City of Absecon'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 City of Absecon's basic financial statements. The accompanying supplemental schedules presented for the various funds and letter of comments and recommendations section are presented for purposes of additional analysis as required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and are not a required part of the basic financial statements. The schedule of state financial assistance, as required by New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid* are also presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements of each of the respective individual funds and account group taken as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated August 7, 2025, on our consideration of the City of Absecon'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 City of Absecon'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 City of Absecon'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
August 7, 2025

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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 City Council
City of Absecon
Absecon, New Jersey 08201

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 City of Absecon, as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the City of Absecon's basic financial statements, and have issued our report thereon dated August 7, 2025. Our report indicated that the City of Absecon'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 City of Absecon'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 City of Absecon's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Absecon's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We consider the deficiency in internal control described in the accompanying schedule of findings and questioned costs to be a significant deficiency as Finding No. 2024-001.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Absecon's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or an other matter 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 and questioned costs as Finding No. 2024-001.

We also noted certain other matters that are not required to be reported under *Government 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.

City of Absecon's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the City of Absecon's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The City of Absecon'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 City of Absecon'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 City of Absecon'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
August 7, 2025

BASIC FINANCIAL STATEMENTS

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EXHIBIT A

CITY OF ABSECON
COUNTY OF ATLANTIC, NEW JERSEY
CURRENT FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES
AND FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2024 AND 2023

	Reference	2024	2023
Assets			
Operating Fund:			
Cash - Treasurer	A-4	$ 6,101,262.74	$ 6,972,465.39
Change Fund	A	650.00	650.00
Due To/From State of New Jersey -			
Seniors' and Veterans' Deductions	A-5	418.06	1,453.42
		6,102,330.80	6,974,568.81
Receivables With Full Reserves:			
Delinquent Property Taxes Receivable	A-6	189,298.11	149,226.48
Tax Title Liens Receivable	A-7	174,034.07	159,913.94
Property Acquired for Taxes - Assessed Valuation	A	416,200.00	416,200.00
Due From:			
Animal Control Trust	A	174.73	-
Grant Fund	A-19	59,537.80	81,560.52
		839,244.71	806,900.94
Total Operating Fund		6,941,575.51	7,781,469.75
Grant Fund:			
Grants Receivable	A-20	3,232,752.14	2,721,913.46
Total Grant Fund		3,232,752.14	2,721,913.46
Total Assets		$ 10,174,327.65	$ 10,503,383.21

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

CITY OF ABSECON
COUNTY OF ATLANTIC, NEW JERSEY
CURRENT FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2024 AND 2023

	Reference	2024	2023
Liabilities, Reserves and Fund Balance			
Operating Fund:			
Appropriation Reserves	A-3, A-9	$ 663,959.86	$ 592,964.34
Encumbrances Payable	A-3, A-9	227,348.25	219,772.90
Prepaid Taxes	A-14	489,419.92	414,712.33
Tax Overpayments	A-15	14,551.48	18,352.19
Accounts Payable	A-13	8,857.43	54,255.30
County Taxes Payable	A-16	11,344.34	8,416.99
Local District School Tax Payable	A-17	2,582,102.99	2,583,111.03
Police Detail Payable	A-18	1,320.00	-
Due To State of New Jersey -			
Marriage Licenses	A-10	500.00	400.00
Uniform Construction Code - State Training Fees	A-11	4,067.00	3,865.00
Reserve for:			
Municipal Relief	A-12	-	78,695.54
		4,003,471.27	3,974,545.62
Reserve for Receivables	A	839,244.71	806,900.94
Fund Balance	A-1	2,098,859.53	3,000,023.19
		2,938,104.24	3,806,924.13
Total Operating Fund		6,941,575.51	7,781,469.75
Grant Fund:			
Reserve for Grants:			
Unappropriated	A-21	-	2,291.67
Appropriated	A-22	2,751,872.28	2,527,152.91
Interfund Payable - Current Fund	A-19	59,537.80	81,560.52
Encumbrances Payable	A-23	421,342.06	110,908.36
Total Grant Fund		3,232,752.14	2,721,913.46
Total Liabilities, Reserves and Fund Balance		$ 10,174,327.65	$ 10,503,383.21

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

EXHIBIT A-1

CITY OF ABSECON
COUNTY OF ATLANTIC, NEW JERSEY
CURRENT FUND
STATEMENTS OF OPERATIONS AND CHANGES IN FUND BALANCE
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2024 AND 2023

	2024	2023
Revenue and Other Income Realized:		
Fund Balance Utilized	$ 1,915,000.00	$ 1,780,000.00
Miscellaneous Revenue Anticipated	4,277,588.83	3,235,401.41
Receipts From Delinquent Taxes	143,254.65	168,049.92
Receipts From Current Taxes	24,181,415.20	23,893,940.12
Non-Budget Revenue	98,348.76	118,372.79
Other Credits To Income:		
Unexpended Balance of Appropriation Reserves	480,382.84	618,876.00
Tax Overpayment Canceled	3,800.71	-
Interfunds Returned - Grant Fund	22,022.72	-
Miscellaneous Adjustment	2,207.00	-
Total Revenue	31,124,020.71	29,814,640.24
Expenditures:		
Budget Appropriations	13,472,751.59	11,663,427.79
County Taxes	4,208,635.71	4,246,067.57
Local District School Tax	12,417,278.00	12,419,294.00
Amount Due County for Added and Omitted Taxes	11,344.34	8,416.99
Interfunds Advanced	174.73	81,560.52
Total Expenditures	30,110,184.37	28,418,766.87
Excess in Revenue	1,013,836.34	1,395,873.37
Fund Balance, January 1	3,000,023.19	3,384,149.82
	4,013,859.53	4,780,023.19
Decreased By:		
Utilized as Anticipated Revenue	1,915,000.00	1,780,000.00
Fund Balance, December 31	$ 2,098,859.53	$ 3,000,023.19

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

CITY OF ABSECON
COUNTY OF ATLANTIC, NEW JERSEY
CURRENT FUND
STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2024

	Budget	Appropriated by N.J.S.A. 40A:47-87	Realized	Excess/ (Deficit)
Surplus Anticipated	$ 1,915,000.00	$ -	$ 1,915,000.00	$ -
Miscellaneous Revenues:				
Licenses:				
Alcoholic Beverages	10,000.00	-	10,200.00	200.00
Other	15,000.00	-	15,693.00	693.00
Fees and Permits	47,000.00	-	60,411.80	13,411.80
Fines and Costs:				
Municipal Court	90,000.00	-	108,579.09	18,579.09
Interest and Costs on Taxes	46,000.00	-	47,137.60	1,137.60
Interest on Investments and Deposits	128,000.00	-	128,728.03	728.03
Cable Television Franchise Fees	36,358.88	-	36,358.88	-
Communications Tower Rental	114,000.00	-	130,026.09	16,026.09
Energy Receipts Tax (P.L. 1997, Ch. 62 & 67)	763,461.00	-	763,461.55	0.55
Watershed Aid	3,337.00	-	3,337.00	-
Reserve for Municipal Relief Aid	78,695.54	-	78,695.54	-
Uniform Construction Code Fees	165,000.00	-	158,025.00	(6,975.00)
N.J. Transportation Trust Fund Authority Act	269,995.00	1,003,028.00	1,273,023.00	-
Recycling Tonnage Grant	-	12,444.72	12,444.72	-
Body Armor Fund	2,291.67	2,379.41	4,671.08	-
Stormwater Grant	25,000.00	-	25,000.00	-
Fire Grant SCBA	21,000.00	-	21,000.00	-
U Drive/Text/Pay	5,600.00	-	5,600.00	-
Drive Sober or Get Pulled Over	-	6,300.00	6,300.00	-
Atlantic County Utilities Authority - Green Team Mini Grant	-	400.00	400.00	-
Bulletproof Vest Partnership Grant	-	4,444.36	4,444.36	-
Clean Communities Program	-	27,025.54	27,025.54	-
Click It or Ticket	-	3,500.00	3,500.00	-
COPS Grant Hiring Program	-	500,000.00	500,000.00	-
County of Atlantic Road Resurfacing	-	105,500.00	105,500.00	-
Speed/Aggressive Driving Enforcement Mobilization	-	8,400.00	8,400.00	-
Local Recreation Improvement Grant	-	71,000.00	71,000.00	-
Uniform Fire Safety Act	17,000.00	-	18,557.15	1,557.15
Occupancy Tax	250,000.00	-	229,333.29	(20,666.71)
Library Building Rent	31,250.00	-	31,250.00	-
Community Champions	8,000.00	-	12,300.00	4,300.00
PILOT - Conifer Realty	43,000.00	-	38,122.11	(4,877.89)
Redevelopment Zone Payments - Firestone	20,000.00	-	20,664.73	664.73
Redevelopment Zone Payments - White Horse	67,000.00	-	68,399.27	1,399.27
Crown Signing Bonus	50,000.00	-	50,000.00	-
General Capital Fund Balance	200,000.00	-	200,000.00	-
Total Miscellaneous Revenues	2,506,989.09	1,744,422.03	4,277,588.83	26,177.71
Receipts From Delinquent Taxes	160,000.00	-	143,254.65	(16,745.35)
Amount to be Raised by Taxes for Support of Municipal Budget	7,698,271.93	-	8,096,088.61	397,816.68
Budget Totals	12,280,261.02	1,744,422.03	14,431,932.09	407,249.04
Non-Budget Revenue	-	-	98,348.76	98,348.76
	$ 12,280,261.02	$ 1,744,422.03	$ 14,530,280.85	$ 505,597.80

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

CITY OF ABSECON
COUNTY OF ATLANTIC, NEW JERSEY
CURRENT FUND
STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2024

Analysis of Realized Revenue

Revenue From Collections		$ 24,181,415.20
Allocated To:		
Local District School	$ 12,417,278.00	
County Taxes	4,219,980.05	
		16,637,258.05
Balance for Support of Municipal Budget Purposes		7,544,157.15
Add: Appropriation Reserve for Uncollected Taxes		551,931.46
Amount for Support of Municipal Budget Appropriations		$ 8,096,088.61

Analysis of Non-Budget Revenue

Miscellaneous Revenue Not Anticipated:	
Redevelopment Zone Payments - Chipotle	$ 8,344.09
Miscellaneous Reimbursements	2,737.98
Building Inspections	1,821.00
Auction Proceeds	3,701.43
Police Off-Duty Administrative Fees	31,567.60
Senior and Veteran Administrative Fee	1,334.95
Miscellaneous	48,133.18
Recycling	533.80
Statutory Excess - Animal Control	174.73
	$ 98,348.76

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

EXHIBIT A-3

CITY OF ABSECON
COUNTY OF ATLANTIC, NEW JERSEY
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2024

	Appropriations		Expended			Unexpended
	Original Budget	Budget After Modifications	Paid or Charged	Encumbered	Reserved	Balance Canceled
GENERAL GOVERNMENT						
Administration and Executive:						
Salaries and Wages	$ 31,000.000	$ 31,000.000	$ 30,090.610	$ -	$ 909.390	$ -
Other Expenses	30,000.00	7,000.00	5,457.42	1,037.00	505.58	-
ALL Departments Purchasing						
Other Expenses	55,000.00	55,000.00	48,824.41	3,763.97	2,411.62	-
Mayor & Council:						
Salaries and Wages	77,500.00	77,500.00	77,298.00	-	202.00	-
Other Expenses	3,000.00	3,000.00	1,986.24	-	1,013.76	-
Municipal Clerk:						
Salaries and Wages	107,000.00	107,000.00	105,788.63	-	1,211.37	-
Other Expenses	8,500.00	8,500.00	5,450.30	-	3,049.70	-
Elections:						
Other Expenses	12,000.00	12,000.00	12,000.00	-	-	-
Financial Administration:						
Salaries and Wages	97,000.00	97,000.00	95,071.26	-	1,928.74	-
Other Expenses	10,000.00	8,000.00	6,832.44	-	1,167.56	-
Audit Services:						
Other Expenses	27,000.00	27,000.00	27,000.00	-	-	-
Tax Collection Administration:						
Salaries and Wages	77,000.00	77,000.00	73,034.32	-	3,965.68	-
Other Expenses	8,000.00	8,000.00	7,094.64	100.00	805.36	-
Tax Assessment Administration:						
Salaries and Wages	59,000.00	59,000.00	57,374.67	-	1,625.33	-
Other Expenses	7,000.00	7,000.00	4,880.88	-	2,119.12	-
Information Technology:						
Salaries and Wages	67,000.00	67,000.00	66,343.05	-	656.95	-
Other Expenses	105,000.00	105,000.00	75,625.78	6,089.56	23,284.66	-
Legal Services:						
Other Expenses	120,000.00	80,000.00	70,461.79	-	9,538.21	-

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

CITY OF ABSECON
COUNTY OF ATLANTIC, NEW JERSEY
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2024

	Appropriations		Expended			Unexpended
	Original Budget	Budget After Modifications	Paid or Charged	Encumbered	Reserved	Balance Canceled
Engineering Services:						
Other Expenses	100,000.00	120,000.00	29,800.00	-	90,200.00	-
Land Use Administration:						
Planning Board:						
Salaries and Wages	17,000.00	17,000.00	14,491.32	-	2,508.68	-
Other Expenses	5,000.00	5,000.00	984.00	-	4,016.00	-
Zoning Board:						
Salaries and Wages	6,000.00	6,000.00	4,802.74	-	1,197.26	-
Other Expenses	1,000.00	1,000.00	280.00	-	720.00	-
Insurance:						
Worker's Compensation Insurance	378,000.00	378,000.00	378,000.00	-	-	-
Other Insurance	72,000.00	59,000.00	58,306.00	-	694.00	-
Health Insurance	704,000.00	669,000.00	667,979.90	863.00	157.10	-
Public Safety:						
Police:						
Salaries and Wages	3,232,000.00	3,232,000.00	2,970,730.51	-	261,269.49	-
Other Expenses	102,000.00	102,000.00	77,191.31	15,415.93	9,392.76	-
Office of Emergency Management:						
Salaries and Wages	4,000.00	4,000.00	4,000.00	-	-	-
Other Expenses	1,000.00	1,000.00	-	-	1,000.00	-
Fire Department:						
Other Expenses	70,000.00	70,000.00	44,020.01	25,368.24	611.75	-
Other Expenses - Hydrant Service	120,000.00	120,000.00	100,117.26	-	19,882.74	-
Municipal Prosecutor's Office:						
Other Expenses	27,000.00	27,000.00	21,000.00	1,800.00	4,200.00	-
Municipal Court:						
Salaries and Wages	133,000.00	133,000.00	132,547.20	-	452.80	-
Other Expenses	7,000.00	7,000.00	5,784.94	-	1,215.06	-
Public Defender:						
Other Expenses	7,200.00	7,200.00	6,600.00	600.00	-	-

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

EXHIBIT A-3

CITY OF ABSECON
COUNTY OF ATLANTIC, NEW JERSEY
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2024

	Appropriations		Expended			Unexpended
	Original Budget	Budget After Modifications	Paid or Charged	Encumbered	Reserved	Balance Canceled
Uniform Fire Safety Act:						
Salaries and Wages	16,000.00	16,000.00	15,449.96	-	550.04	-
Other Expenses	3,500.00	3,500.00	2,867.84	595.26	36.90	-
Public Works Functions:						
Public Works:						
Salaries and Wages	265,000.00	265,000.00	253,653.40	-	11,346.60	-
Other Expenses	225,000.00	285,000.00	218,010.51	52,287.60	14,701.89	-
Sanitation Trash Removal:						
Tipping Fees	700,000.00	700,000.00	638,085.29	57,936.41	3,978.30	-
Recycling Collection	163,000.00	163,000.00	148,877.61	13,906.38	216.01	-
Vehicle Maintenance:						
Other Expenses	100,000.00	125,000.00	107,573.03	2,374.55	15,052.42	-
Animal Control Services:						
Other Expenses	8,400.00	8,400.00	7,700.00	700.00	-	-
Ambulance Service:						
Other Expenses	155,000.00	155,000.00	154,992.00	-	8.00	-
Parks and Recreation:						
Recreation:						
Salaries and Wages	6,000.00	6,000.00	6,000.00	-	-	-
Other Expenses	37,000.00	37,000.00	29,895.00	-	7,105.00	-
Public Events:						
Other Expenses	55,500.00	48,500.00	31,398.96	875.62	16,225.42	-
Uniform Construction Code - Appropriations						
Offset by Dedicated Revenues (N.J.A.C. 5:23-4.17):						
Code Enforcement and Construction:						
Salaries and Wages	150,000.00	150,000.00	141,243.65	-	8,756.35	-
Other Expenses	10,000.00	10,000.00	5,392.31	-	4,607.69	-

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

CITY OF ABSECON
COUNTY OF ATLANTIC, NEW JERSEY
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2024

	Appropriations		Expended			Unexpended
	Original Budget	Budget After Modifications	Paid or Charged	Encumbered	Reserved	Balance Canceled
Unclassified:						
Utilities:						
Electricity	160,000.00	160,000.00	140,419.73	9,801.10	9,779.17	-
Water	35,000.00	45,000.00	38,901.29	-	6,098.71	-
Telephone	50,000.00	40,000.00	33,504.65	637.64	5,857.71	-
Street Lighting	245,000.00	260,000.00	232,098.25	23,497.06	4,404.69	
Natural Gas	45,000.00	45,000.00	26,189.92	6,303.55	12,506.53	-
Gasoline	80,000.00	80,000.00	54,936.71	3,395.38	21,667.91	-
Contingent	2,000.00	2,000.00	-	-	2,000.00	-
Total Operations - Within "CAPS"	8,398,600.00	8,398,600.00	7,574,439.74	227,348.25	596,812.01	-
Detail:						
Salaries and Wages	4,344,500.00	4,344,500.00	4,047,919.32	-	296,580.68	-
Other Expenses	4,054,100.00	4,054,100.00	3,526,520.42	227,348.25	300,231.33	-
Deferred Charges and Statutory Expenditures - Municipal Within "CAPS"						
Contribution To:						
Public Employees' Retirement System	153,349.00	153,349.00	153,349.00	-	-	-
Social Security System (O.A.S.I.)	335,000.00	335,000.00	296,799.19	-	38,200.81	-
Police & Firemen's Retirement System	863,389.00	863,389.00	863,389.00	-	-	-
Unemployment Insurance	15,000.00	15,000.00	13,750.50	-	1,249.50	-
Defined Contribution Retirement Program	7,000.00	7,000.00	5,539.26	-	1,460.74	-
Total Deferred Charges and Statutory Expenditures - Municipal - Within "CAPS"	1,373,738.00	1,373,738.00	1,332,826.95	-	40,911.05	-

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

EXHIBIT A-3

CITY OF ABSECON
COUNTY OF ATLANTIC, NEW JERSEY
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2024

	Appropriations		Expended			Unexpended
	Original Budget	Budget After Modifications	Paid or Charged	Encumbered	Reserved	Balance Canceled
Total General Appropriations for Municipal Purposes - Within "CAPS"	9,772,338.00	9,772,338.00	8,907,266.69	227,348.25	637,723.06	-
Operations Excluded from "CAPS"						
Length of Service Awards Program (LOSAP)	26,000.00	26,000.00	-	-	26,000.00	-
Shared Service Agreements:						
Township of Galloway - Dispatch Services	440,000.00	440,000.00	439,763.20	-	236.80	-
Total Other Operations - Excluded from "CAPS"	466,000.00	466,000.00	439,763.20	-	26,236.80	-
Public and Private Programs Offset By Revenues:						
Click It or Ticket	-	3,500.00	3,500.00	-	-	-
New Jersey Transportation Trust Fund Authority Act	269,995.00	1,273,023.00	1,273,023.00	-	-	-
COPS Grant Hiring Program	-	500,000.00	500,000.00	-	-	-
Drive Sober or Get Pulled Over	-	6,300.00	6,300.00	-	-	-
Clean Communities Grant	-	27,025.54	27,025.54	-	-	-
Body Armor Replacement Fund	2,291.67	4,671.08	4,671.08	-	-	-
Bulletproof Vest Partnership Grant	-	4,444.36	4,444.36	-	-	-
Recycling Tonnage Grant	-	12,444.72	12,444.72	-	-	-
Atlantic County Utilities Authority:						
Green Team Mini Grant	-	400.00	400.00	-	-	-
Stormwater Grant	25,000.00	25,000.00	25,000.00	-	-	-
Local Recreation Improvement Grant	-	71,000.00	71,000.00	-	-	-
Fire Grant SCBA	21,000.00	21,000.00	21,000.00	-	-	-
Speed/Aggressive Driving Enforcement Mobilization	-	8,400.00	8,400.00	-	-	-
U Drive/Text/Pay	5,600.00	5,600.00	5,600.00	-	-	-
County of Atlantic Road Resurfacing	-	105,500.00	105,500.00	-	-	-
Total Public and Private Programs Offset By Revenues	323,886.67	2,068,308.70	2,068,308.70	-	-	-
Total Operations - Excluded from "CAPS"	789,886.67	2,534,308.70	2,508,071.90	-	26,236.80	-
Detail:						
Other Expenses	789,886.67	2,534,308.70	2,508,071.90	-	26,236.80	-

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

EXHIBIT A-3

CITY OF ABSECON
COUNTY OF ATLANTIC, NEW JERSEY
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2024

	Appropriations		Expended			Unexpended
	Original Budget	Budget After Modifications	Paid or Charged	Encumbered	Reserved	Balance Canceled
Capital Improvements - Excluded From "CAPS"						
Capital Improvement Fund	50,000.00	50,000.00	50,000.00	-	-	-
Total Capital Improvements - Excluded From "CAPS"	50,000.00	50,000.00	50,000.00	-	-	-
Municipal Debt Service - Excluded From "CAPS"						
Payment of Bond Principal	635,000.00	635,000.00	635,000.00	-	-	-
Interest on Bonds	481,104.89	481,104.89	481,104.89	-	-	-
Total Municipal Debt Service - Excluded From "CAPS"	1,116,104.89	1,116,104.89	1,116,104.89	-	-	-
Total General Appropriations for Municipal Purposes - Excluded From "CAPS"	1,955,991.56	3,700,413.59	3,674,176.79	-	26,236.80	-
Subtotal General Appropriations	11,728,329.56	13,472,751.59	12,581,443.48	227,348.25	663,959.86	-
Reserve for Uncollected Taxes	551,931.46	551,931.46	551,931.46	-	-	-
Total General Appropriations	$ 12,280,261.02	$ 14,024,683.05	$ 13,133,374.94	$ 227,348.25	$ 663,959.86	$ -

Analysis of Paid or Charged:	
Cash Disbursements	$ 10,513,134.78
Reserve for:	
Uncollected Taxes	551,931.46
Grants Appropriated	2,068,308.70
	$ 13,133,374.94

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

EXHIBIT B

CITY OF ABSECON
COUNTY OF ATLANTIC, NEW JERSEY
TRUST FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES
AND FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2024 AND 2023

	Reference	2024	2023
Assets			
Animal Control Trust Fund:			
Cash	B-1	$ 2,559.33	$ 2,063.94
Total Animal Control Fund		2,559.33	2,063.94
Trust - Other Funds:			
Cash	B-1	740,187.47	827,660.02
Small Cities Revolving Loan Receivable	B-4	105,048.20	105,048.20
Total Trust - Other Fund		845,235.67	932,708.22
Length of Service Award Program Fund ("LOSAP"):			
Investments	B-7	667,781.82	609,844.95
Total LOSAP		667,781.82	609,844.95
Total Assets		$ 1,515,576.82	$ 1,544,617.11

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

CITY OF ABSECON
COUNTY OF ATLANTIC, NEW JERSEY
TRUST FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES
AND FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2024 AND 2023

	Reference	2024	2023
Liabilities, Reserves and Fund Balance			
Animal Control Trust Fund:			
Due To:			
Current Fund	B-3	$ 174.73	$ -
State - Registration Fees	B-2	-	29.40
Reserve for Animal Control Fund Expenditures	B-3	2,384.60	2,034.54
Total Animal Control Fund		2,559.33	2,063.94
Trust - Other Funds:			
Reserve for Small Cities Revolving Loan Fund	B-4	105,048.20	105,048.20
Reserve for Payroll Deductions Payable	B-5	6,212.76	885.58
Various Reserves	B-6	733,974.71	826,774.44
Total Trust - Other Fund		845,235.67	932,708.22
Length of Service Award Program Fund ("LOSAP"):			
Reserve for LOSAP	B-8	667,781.82	609,844.95
Total LOSAP		667,781.82	609,844.95
Total Liabilities, Reserves and Fund Balance		$ 1,515,576.82	$ 1,544,617.11

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

EXHIBIT C

CITY OF ABSECON
COUNTY OF ATLANTIC, NEW JERSEY
GENERAL CAPITAL FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES
AND FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2024 AND 2023

	Reference	2024	2023
Assets			
Cash - Treasurer	C-2,C-3	$ 1,185,789.11	$ 2,372,478.72
Grants Receivable	C-4	320,000.00	320,000.00
Deferred Charges To Future Taxation:			
Funded	C-5	15,335,000.00	15,970,000.00
Unfunded	C-6	950,000.00	-
Total Assets		$ 17,790,789.11	$ 18,662,478.72
Liabilities, Reserves and Fund Balance			
Serial Bonds	C-7	$ 15,335,000.00	$ 15,970,000.00
Reserve for Encumbrances	C-8	1,460,993.15	619,325.88
Improvement Authorizations:			
Funded	C-8	606,442.08	1,825,607.58
Unfunded	C-8	340,808.62	-
Capital Improvement Fund	C-9	9,350.00	9,350.00
Fund Balance	C-1	38,195.26	238,195.26
Total Liabilities, Reserves and Fund Balance		$ 17,790,789.11	$ 18,662,478.72

There were bonds and notes authorized but not issued on December 31, 2024 of $950,000.00 and $0 on December 31, 2023.

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

EXHIBIT C-1

CITY OF ABSECON
COUNTY OF ATLANTIC, NEW JERSEY
GENERAL CAPITAL FUND
STATEMENT OF FUND BALANCE
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2024

Balance, December 31, 2023	$ 238,195.26
Decreased By:	
Anticipated in Current Fund Revenue	200,000.00
Balance, December 31, 2024	$ 38,195.26

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

EXHIBIT D

CITY OF ABSECON
COUNTY OF ATLANTIC, NEW JERSEY
SEWER UTILITY FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2024 AND 2023

	Reference	2024	2023
Assets			
Operating Fund:			
Cash - Treasurer	D-5	$ 1,303,055.51	$ 1,070,415.41
		1,303,055.51	1,070,415.41
Receivables With Full Reserves:			
Sewer Consumer Accounts Receivable	D-7	51,353.48	47,378.93
		51,353.48	47,378.93
Total Operating Fund		1,354,408.99	1,117,794.34
Capital Fund:			
Cash	D-5, D-6	29,917.40	29,917.40
Fixed Capital	D-8	3,959,307.36	3,959,307.36
Total Capital Fund		3,989,224.76	3,989,224.76
Total Assets		$ 5,343,633.75	$ 5,107,019.10

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

EXHIBIT D

CITY OF ABSECON
COUNTY OF ATLANTIC, NEW JERSEY
SEWER UTILITY FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES
AND FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2024 AND 2023

	Reference	2024	2023
Liabilities, Reserves and Fund Balances			
Operating Fund:			
Appropriation Reserves	D-4, D-9	$ 262,726.52	$ 103,809.65
Encumbrances Payable	D-4, D-9	141,101.83	45,906.83
Sewer Rent Overpayments	D-10	12,240.87	12,312.71
Prepaid Sewer Rents	D-11	442,648.11	421,769.51
		858,717.33	583,798.70
Reserve for Receivables	D	51,353.48	47,378.93
Fund Balance	D-1	444,338.18	486,616.71
Total Operating Fund		1,354,408.99	1,117,794.34
Capital Fund:			
Capital Improvement Fund	D-12	27,814.11	27,814.11
Reserve for Amortization	D-13	3,959,307.36	3,959,307.36
Fund Balance	D-2	2,103.29	2,103.29
Total Capital Fund		3,989,224.76	3,989,224.76
Total Liabilities, Reserves and Fund Balances		$ 5,343,633.75	$ 5,107,019.10

There were no bonds and notes authorized but not issued on December 31, 2024 and 2023.

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

EXHIBIT D-1

CITY OF ABSECON
COUNTY OF ATLANTIC, NEW JERSEY
SEWER UTILITY FUND
STATEMENTS OF OPERATIONS AND CHANGES IN FUND BALANCE
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2024 AND 2023

	2024	2023
Revenue and Other Income Realized:		
Fund Balance Utilized	$ 250,000.00	$ 419,000.00
Sewer Rents	2,053,270.94	1,759,121.58
Miscellaneous Revenue Anticipated	74,079.29	52,400.83
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	80,398.40	61,193.82
Cancelled Accounts Payable	71.15	-
Total Revenue	2,457,819.78	2,291,716.23
Expenditures:		
Operating	1,977,000.00	2,072,000.00
Capital Improvements	190,000.00	60,000.00
Deferred Charges and Statutory Expenditures	83,000.00	83,000.00
Rent Overpayments Refunded	98.31	-
Total Expenditures	2,250,098.31	2,215,000.00
Excess in Revenue	207,721.47	76,716.23
Fund Balance, January 1	486,616.71	828,900.48
	694,338.18	905,616.71
Decreased By:		
Utilized as Anticipated Revenue	250,000.00	419,000.00
Fund Balance, December 31	$ 444,338.18	$ 486,616.71

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

EXHIBIT D-2

CITY OF ABSECON
COUNTY OF ATLANTIC, NEW JERSEY
SEWER UTILITY FUND
STATEMENT OF FUND BALANCE -
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2024

Balance, December 31, 2024 & 2023	$ 2,103.29

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

CITY OF ABSECON
COUNTY OF ATLANTIC, NEW JERSEY
SEWER UTILITY FUND
STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2024

	Budget	Realized	Excess/ (Deficit)
Fund Balance Anticipated	$ 250,000.00	$ 250,000.00	$ -
Sewer Rents	2,000,000.00	2,053,270.94	53,270.94
Miscellaneous Revenue Not Anticipated	-	74,079.29	74,079.29
	$ 2,250,000.00	$ 2,377,350.23	$ 127,350.23

Analysis of Rents:	
Cash Receipts	$ 1,620,172.37
Prepaid Rents Applied	421,769.51
Overpayments Applied	11,329.06
	$ 2,053,270.94
Miscellaneous:	
Interest on Investments	$ 13,074.09
Bad Check Fees	360.00
Sewer Lateral Fees	1,700.00
Interest on Delinquent Accounts	58,945.20
	$ 74,079.29

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

EXHIBIT D-4

CITY OF ABSECON
COUNTY OF ATLANTIC, NEW JERSEY
SEWER UTILITY FUND
STATEMENT OF APPROPRIATIONS - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2024

	Appropriations		Expended		
	Original Budget	Budget After Modifications	Paid or Charged	Encumbered	Reserved
Operating:					
Salaries and Wages	$ 425,000.00	$ 425,000.00	$ 414,442.47	$ -	$ 10,557.53
Other Expenses	1,552,000.00	1,552,000.00	1,343,724.31	2,801.83	205,473.86
Total Operating	1,977,000.00	1,977,000.00	1,758,166.78	2,801.83	216,031.39
Capital Improvements:					
Capital Outlay	130,000.00	130,000.00	2,100.00	93,200.00	34,700.00
Sewer System Improvements	60,000.00	60,000.00	4,200.00	45,100.00	10,700.00
Total Capital Improvements	190,000.00	190,000.00	6,300.00	138,300.00	45,400.00
Statutory Expenditures:					
Contributions To:					
Public Employees' Retirement System	50,000.00	50,000.00	50,000.00	-	-
Social Security System (O.A.S.I.)	33,000.00	33,000.00	31,704.87	-	1,295.13
Total Statutory Expenditures	83,000.00	83,000.00	81,704.87	-	1,295.13
Total Water Utility Appropriations	$ 2,250,000.00	$ 2,250,000.00	$ 1,846,171.65	$ 141,101.83	$ 262,726.52

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

EXHIBIT G

CITY OF ABSECON
COUNTY OF ATLANTIC, NEW JERSEY
GENERAL FIXED ASSETS ACCOUNT GROUP
STATEMENT OF ASSETS, LIABILITIES, RESERVES
AND FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2024 AND 2023

	Reference	2024	2023
Assets			
Land & Land Improvements	G-1	$ 30,401,300.00	$ 30,401,300.00
Buildings & Improvements	G-1	12,173,575.69	12,173,575.69
Machinery, Vehicles & Equipment	G-1	4,863,561.59	4,722,002.60
Total Assets		$ 47,438,437.28	$ 47,296,878.29
Fund Balance			
Investment in Fixed Assets	G-1	$ 47,438,437.28	$ 47,296,878.29
Total Fund Balance		$ 47,438,437.28	$ 47,296,878.29

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

CITY OF ABSECON
COUNTY OF ATLANTIC, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

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Note 1. Summary of Significant Accounting Policies

Description of Financial Reporting Entity

The City of Absecon, County of Atlantic, New Jersey is governed by the Mayor-Council form of government, with a mayor and a 7-member City Council. Administrative responsibilities are assigned to the City Administrator. Policy is determined by Council and the Administrator is responsible for carrying out such policy.

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 City are not presented in accordance with GAAP (as discussed below). Therefore, the City had no component units as defined by GASB Statement No. 14, as amended by GASB Statements 39, 61, 80, 90 and 97.

Basis of Accounting, Measurement Focus and Basis of Presentation - The financial statements of the City 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 City accounts for its financial transactions through the use of separate funds, which are described as follows:

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

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

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

Sewer Utility Operating and Capital Funds – These funds accounts for utility operations that are financed through user fees. The funds are operated on a basis similar to private business enterprises where the intent is that the costs of providing the utility to the general public be financed through user fees. Operations relating to the acquisition of capital facilities for utility purposes are recorded in the Utility Capital 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 City.

Note 1. Summary of Significant Accounting Policies (continued)

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

An extension of the statutory dates for introduction, approval and adoption of the municipal budget may be granted by the Director of Local Government Services, with the permission of the Local Finance Board. Budgets are adopted on the same basis of accounting utilized for the preparation of the City'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 with the exception of LOSAP investments which are reported at fair value. 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.

The cash management plan adopted by the City 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.

Note 1. Summary of Significant Accounting Policies (continued)

Leases Receivable – The City's leases receivable are measured at the value of lease payments expected to be received during the lease term. Lease payments are recorded as revenue in the period in which they are received. The leases receivable are not recorded on the various statements of assets, liabilities, reserves and net position in accordance with the regulatory basis of accounting.

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 City 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 City 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 City'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.

Utility Fixed Assets – Property and equipment purchases by a utility fund are recorded in the utility capital account at cost and are adjusted for disposition. The amounts shown do not represent replacement cost or current value. The reserve for amortization and deferred reserve for amortization in the utility capital fund represent the cost of the utility fixed assets reduced by the outstanding balances of bonds, loans, notes, or other borrowings that are attributable to the acquisition, construction or improvement of those assets.

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 City 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.

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 and Utility Operating Funds 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 City's budget. Receivables for property taxes are recorded with offsetting reserves on the statement of assets, liabilities, reserves and fund balance of the City's Current Fund; accordingly, such amounts are not recorded as revenue until collected. Other amounts that are due the City, which are susceptible to accrual are also recorded as receivables with offsetting reserves and recorded as revenues when received.

Sewer Utility Revenues – Utility charges are levied quarterly based upon a flat service charge and if applicable, an excess consumption or usage charge. Revenues from these sources are recognized on a cash basis. Receivables that are susceptible to accrual are recorded with offsetting reserves on the balance sheet of the City's Sewer utility operating fund.

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 City's annual budget, but also the amounts required in support of the budgets of the County of Atlantic and the Local 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 Atlantic. Operations is charged for the amount due the County for the year, based upon the ratables required to be certified to the County Board of Taxation by January 10th of the current year. In addition, operations is charged for the County share of Added and Omitted Taxes certified to the County Board of Taxation by October 10th of the current year and due to be paid to the County by February 15th of the following year.

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

Deferred School Taxes – School taxes raised in advance in the Current Fund for a school fiscal year (July 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 City's annual budget protects the City 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.

Note 1. Summary of Significant Accounting Policies (continued)

Expenditures – Expenditures are recorded on the "budgetary" basis of accounting. Generally, expenditures are recorded when paid. However, for charges to amounts appropriated for “other expenses”, an amount is encumbered through the issuance of a numerically controlled purchase order or when a contract is executed in accordance with N.J.A.C. 5:30-5.2. When encumbered charges are paid, the amount encumbered is simultaneously liquidated in its original amount. Encumbrances are offset by an account entitled reserve for encumbrances. The reserve is classified as a cash liability under New Jersey municipal accounting. At December 31, this reserve represents the portion of appropriation reserves that has been encumbered and is subject to the same statutory provisions as appropriation reserves.

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

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

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

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

Accounting Pronouncements Adopted in Current Year

The following GASB Statements became effective for the fiscal year ended December 31, 2024:

- 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. Management has determined that the implementation of this Statement did not have a significant impact on the City’s financial statements.
- Statement No. 101, *Compensated Absences.* The requirements of this Statement are effective for fiscal years beginning after December 15, 2023. Implementation of this Statement resulted in additional footnote disclosures on the City’s financial statements. See Note 16 for further detail.

Note 1. Summary of Significant Accounting Policies (continued)

Accounting Pronouncements Effective in Future Reporting Periods

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

- Statement No. 102, *Certain Risk Disclosures.* The requirements of this Statement are effective for fiscal years beginning after June 15, 2024.
- Statement No. 103, *Financial Reporting Model Improvements.* The requirements of this Statement are effective for fiscal years beginning after June 15, 2025.
- Statement No. 104, *Disclosure of Certain Capital Assets.* The requirements of this Statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter.

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

Note 2. Deposits and Investments

The City 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 City's deposits may not be returned. Although the City 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 City 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 City relative to the happening of a future condition. Such funds are shown as Uninsured and Uncollateralized in the schedule below.

As of December 31, 2024, the City's bank balance of $9,682,504.75 was insured or collateralized as follows:

Insured under FDIC and GUDPA	$ 9,332,333.93
Uninsured and Uncollateralized	350,170.82
	$ 9,682,504.75

Investments

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

Note 2. Deposits and Investments (continued)

Investments at Fair Value – The fair value measurements of investments are required to be reported based on the hierarchy established by GAAP. Under GAAP, investments are required to be categorized based on the fair value of inputs of Levels 1, 2 and 3. Under Level 1 inputs, investments are required to be categorized based on quoted market prices in active markets for identical investments. Level 2 inputs are based primarily on using observable measurement criteria, including quoted market prices of similar investments in active and inactive markets and other observable corroborated factors. Level 3 inputs are assets measured at fair value on a recurring basis using significant unobservable measurement criteria based on the best information available. As of December 31, 2024, the City had no investments held at Level 2 or 3.

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

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

Money Market Funds: Valued at the quoted NAV of shares held by the City at year-end.

	Carrying Value	Fair Value as of December 31, 2024		Investment Maturities (in
		Level 1	Total	Less Than 1 Year
Investment type				
Money Markets	$ 4,192.87	$ 4,192.87	$ 4,192.87	$ 4,192.87
Mutual Funds	605,063.00	605,063.00	605,063.00	605,063.00
	$ 609,255.87	$ 609,255.87	$ 609,255.87	$ 609,255.87
Trust Fund - LOSAP	$ 609,255.87	$ 609,255.87	$ 609,255.87	$ 609,255.87
	$ 609,255.87	$ 609,255.87	$ 609,255.87	$ 609,255.87

Investments at Contract Value - The City held a fully benefit-responsive investment contract with the Lincoln Financial Group (Lincoln) totaling $58,525.95 as of December 31, 2024. Lincoln maintains the contributions in the group fixed annuity contract (fixed account). The account is credited with earnings on the underlying investments and charged for participant withdrawals and administrative expenses. The traditional investment contract held by the City is a guaranteed investment contract. The contract issuer is contractually obligated to repay the principal and interest at a specified interest rate that is guaranteed to the LOSAP Plan. The City's ability to receive amounts due in accordance with the fully benefit-responsive investment contract is dependent on the contract issuer's ability to meet its financial obligations. The fixed account continues in-force until they are terminated by Lincoln or the LOSAP Plan and do not define a maturity date. The City does not policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

No events are probable of occurring that might limit the ability of the LOSAP Plan to transact at contract value with the contract issuer and also limit the ability of the LOSAP Plan to transact at contract value with participants. This contract meets the fully benefit-responsive investment contract criteria and therefore is reported at contract value. The total Trust Fund LOSAP value held by the City at December 31, 2024 was as follows:

Note 2. Deposits and Investments (continued)

Trust Fund - LOSAP (Fair Value)	$ 609,255.87
Trust Fund - LOSAP (Contract Value)	58,525.95
Total Trust Fund - LOSAP	$ 667,781.82

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

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

Credit risk - Credit risk is the risk that an issuer to an investment will not fulfill its obligation to the holder of the investment. This is measured by assignment of a rating by a nationally recognized rating organization. U.S. Government securities or obligations explicitly guaranteed by the U.S. government are not considered to have credit risk exposure.

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

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.

Comparison Schedule of Tax Rates

	2024	2023	2022
Tax Rate	$ 3.346	$ 3.323	$ 3.306
Apportionment of Tax Rate:			
Municipal	$ 1.059	$ 1.019	$ 1.019
County General	0.579	0.587	0.562
Local School	1.708	1.717	1.725

Note 3. Property Taxes (continued)

Assessed Valuation

Year	Amount
2024	$ 727,055,300.00
2023	723,339,500.00
2022	720,397,500.00

Comparison of Tax Levies and Collections

Year	Tax Levy	Cash Collections	Percentage Of Collection
2024	$ 24,392,789.99	$ 24,181,415.20	99.13%
2023	24,083,840.10	23,893,940.12	99.21%
2022	23,894,845.40	23,691,315.29	99.14%

Delinquent Taxes and Tax Title Liens

Year	Tax Title Liens	Delinquent Taxes	Total Delinquent	Percentage Of Tax Levy
2024	$ 174,034.07	$ 189,298.11	$ 363,332.18	1.49%
2023	159,913.94	149,226.48	309,140.42	1.28%
2022	150,246.73	172,102.56	322,349.29	1.35%

Number of Tax Title Liens

Year	Number
2024	32
2023	32
2022	34

Note 4. Property Acquired By Tax Title Lien Liquidation

The value of property acquired by liquidation of tax title liens on December 31, on the basis of the last assessed valuation of such properties, for the current and previous two years was as follows:

Year	Amount
2024	$ 416,200.00
2023	416,200.00
2022	416,200.00

Note 5. Utility Service Charges

The following are three-year comparisons of utility charges (rents) and collections for the current and previous two years.

Year	Beginning Balance	Sewer Charges	Total	Cash Collections	Percentage Of Collection
2024	$ 47,378.93	$ 2,050,500.00	$ 2,097,878.93	$ 2,053,270.94	97.87%
2023	51,107.84	1,755,392.67	1,806,500.51	1,759,121.58	97.37%
2022	41,948.33	1,828,719.34	1,870,667.67	1,819,559.83	97.26%

Note 6. 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:

Year	Balance December 31,	Utilized in Budget of Succeeding Year	Percentage of Fund Balance Used
Current Fund:			
2024	$ 2,098,859.53	$ 1,500,000.00	71.47%
2023	3,000,023.19	1,915,000.00	63.83%
2022	3,384,149.82	1,780,000.00	52.60%
Water/Sewer Utility Operating Fund:			
2024	$ 444,338.18	$ 173,000.00	38.93%
2023	486,616.71	250,000.00	51.38%
2022	828,900.48	419,000.00	50.55%

Note 7. Disaggregated Receivable and Payable Balances

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

Note 8. 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, 2024:

Fund	Interfund Receivable	Interfund Payable
Current Fund	$ 59,712.53	$ -
State and Federal Grant Fund	-	59,537.80
Animal Control Trust	-	174.73
	$ 59,712.53	$ 59,712.53

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.

Note 8. Interfund Receivables, Payables and Transfers (continued)

A summary of interfund transfers is as follows:

Fund	Transfers In	Transfers Out
Current Fund	$ 1,555,178.35	$ 1,583,330.36
State and Federal Grant Fund	1,533,155.63	1,555,178.35
Animal Control Trust	174.73	-
General Capital Fund	50,000.00	-
	$ 3,138,508.71	$ 3,138,508.71

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

Note 9. Lease Receivable

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 City's assets related to leases receivable. In accordance with New Jersey accounting principles, future lease payments owed to the City are not reported as an asset in the accompanying financial statements. At December 31, 2024 the City had leases receivable as follows:

- On October 1, 2021, the City entered into a ten-year lease agreement with the County of Atlantic for the lease of the former City Library Building. Under the lease, the County of Atlantic will pay semi-annual payments in the amount of $15,625.00 until October 1, 2031. The estimated lease receivable at December 31, 2024 totaled $187,500.00. The City recognized revenue during the year ended December 31, 2024 totaling $31,250.00.
- On January 11, 2024, the City entered into a five-year lease agreement a vendor for the lease of a communications tower located on property owned by the City. Under the lease, the vendor will pay a $50,000.00 signing bonus and monthly payments in the amount of $3.200.00 until December 1, 2028. The estimated lease receivable at December 31, 2024 totaled $153,600.00. The City recognized revenue during the year ended December 31, 2024 totaling $88,400.00.

Note 10. Fixed Assets

The following is a summary of changes in the General Fixed Assets Account Group for the year ended December 31, 2024.

	Balance 2023	Additions	Balance 2024
Land & Improvements	$ 30,401,300.00	$ -	$ 30,401,300.00
Buildings & Improvements	12,173,575.69	-	12,173,575.69
Machinery, Vehicles & Equipment	4,722,002.60	141,558.99	4,863,561.59
	$ 47,296,878.29	$ 141,558.99	$ 47,438,437.28

Note 11. Pension Obligations

A. Public Employees' Retirement System (PERS)

As of the date of this report, the New Jersey Division of Pension and Benefits has not provided updated actuarial valuations for pension obligations for the Public Employees' Retirement System (PERS) for year ended June 30, 2024. The New Jersey Division of Pension and Benefits will post these reports on their website as they are made available. The footnote below includes the most current information made publicly available, which had a reporting date of June 30, 2023.

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:

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

Basis of Presentation - The schedules of employer and nonemployer allocations and the schedules of pension amounts by employer and nonemployer (collectively, the Schedules) present amounts that are considered elements of the financial statements of PERS or its participating employers. Accordingly, they do not purport to be a complete presentation of the financial position or changes in financial position of PERS or the participating employers. 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.

Note 11. Pension Obligations (continued)

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

Contributions - The contribution policy for PERS is set by *N.J.S.A. 43:15A* and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount, which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For the fiscal year 2023, the State's pension contribution was less than the actuarial determined amount. The local employers' contribution amounts are based on an actuarially determined rate, which includes the normal cost and unfunded accrued liability. 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, 2023, the City's contractually required contribution to PERS plan was $203,349.

Components of Net Pension Liability - At December 31, 2023, the City's proportionate share of the PERS net pension liability was $2,203,758. The net pension liability was measured as of June 30, 2023. 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, 2022, which was rolled forward to June 30, 2023. The City's proportion of the net pension liability was based on the City's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2023. The City's proportion measured as of June 30, 2023, was 0.0152147290% which was a decrease of 0.0041487683% from its proportion measured as of June 30, 2022.

Balances at December 31, 2023 and December 30, 2022

	12/31/2023	12/30/2022
Actuarial valuation date (including roll forward)	June 30, 2023	June 30, 2022
Deferred Outflows of Resources	$ 196,009	$ 419,834
Deferred Inflows of Resources	702,679	483,591
Net Pension Liability	2,203,758	2,922,218
City's portion of the Plan's total Net Pension Liability	0.01521%	0.01936%

Pension Expense/(Credit) and Deferred Outflows/Inflows of Resources - At December 31, 2023, the City's proportionate share of the PERS expense/(credit), calculated by the plan as of the June 30, 2023 measurement date is ($72,197).

At December 31, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

Note 11. Pension Obligations (continued)

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected and Actual Experience	$ 21,071	$ 9,008
Changes of Assumptions	4,841	133,557
Net Difference between Projected and Actual Earnings on Pension Plan Investments	10,149	-
Changes in Proportion and Differences between City Contributions and Proportionate Share of Contributions	159,948	560,114
	$ 196,009	$ 702,679

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:

Year Ending June 30,	Amount
2024	$ (196,383)
2025	(144,975)
2026	10,719
2027	(96,274)
2028	(79,757)
	$ (506,670)

Special Funding Situation – Under N.J.S.A. 43:15A-15, local participating employers are responsible for their own contributions based on actuarially determined amounts, except where legislation was passed which legally obligated the State if certain circumstances occurred. The legislation which legally obligates the State, are Chapter 366, P.L. 2001 and Chapter 133, P.L. 2001.

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 has no proportionate share of the PERS net pension liability attributable to the City as of December 31, 2023. At December 31, 2023, the State's proportionate share of the PERS expense, associated with the City, calculated by the plan as of the June 30, 2023 measurement date was $6,873.

Note 11. Pension Obligations (continued)

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

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

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

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, 2022 valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2021.

Long-Term Expected Rate of Return - In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2023) 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, 2023 are summarized in the following table:

Note 11. Pension Obligations (continued)

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. Equity	28.00%	8.98%
Non-U.S. Developed Markets Equity	12.75%	9.22%
International Small Cap Equity	1.25%	9.22%
Emerging Markets Equity	5.50%	11.13%
Private Equity	13.00%	12.50%
Real Estate	8.00%	8.58%
Real Assets	3.00%	8.40%
High Yield	4.50%	6.97%
Private Credit	8.00%	9.20%
Investment Grade Credit	7.00%	5.19%
Cash Equivalents	2.00%	3.31%
U.S. Treasuries	4.00%	3.31%
Risk Mitigation Strategies	3.00%	6.21%
	100.00%	

Discount Rate - The discount rate used to measure the total pension liability was 7.00% as of June 30, 2023. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be based on 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments to determine the total pension liability.

Sensitivity of the City's proportionate share of the Net Pension Liability to Changes in the Discount Rate - The following presents the City's proportionate share of the net pension liability calculated using the discount rate as disclosed above, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00%) or 1-percentage-point higher (8.00%) than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
City's Proportionate Share of the Net Pension Liability	$ 2,893,011	$ 2,203,758	$ 1,651,506

Note 11. Pension Obligations (continued)

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

As of the date of this report, the New Jersey Division of Pension and Benefits has not provided updated actuarial valuations for pension obligations for the Police and Firemen's Retirement System (PFRS) for year ended June 30, 2024. The New Jersey Division of Pension and Benefits will post these reports on their website as they are made available. The footnote below includes the most current information made publicly available, which had a reporting date of June 30, 2023.

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:

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

Service retirement benefits are available at age 55 and are generally determined to be 2% of final compensation for each year of creditable service, as defined, up to 30 years plus 1% for each year of service in excess of 30 years. Members may seek special retirement after achieving 25 years of creditable service, in which benefits would equal 65% (tiers 1 and 2 members) and 60% (tier 3 members) of final compensation plus 1 % for each year 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.

Note 11. Pension Obligations

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

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 2023, the State contributed an amount more 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, 2023, the City's contractually required contributions to PFRS plan was $863,389.

Net Pension Liability and Pension Expense - At December 31, 2023 the City's proportionate share of the PFRS net pension liability was $7,166,008. The net pension liability was measured as of June 30, 2023. 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, 2022, to the measurement date of June 30, 2022. The City's proportion of the net pension liability was based on the City's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2023. The City's proportion measured as of June 30, 2023, was 0.0648578900%, which was an increase of 0.00076003% from its proportion measured as of June 30, 2022.

Balances at December 31, 2023 and December 31, 2022

	12/31/2023	12/31/2022
Actuarial valuation date (including roll forward)	June 30, 2023	June 30, 2022
Deferred Outflows of Resources	$ 1,026,246	$ 1,513,407
Deferred Inflows of Resources	853,646	1,407,697
Net Pension Liability	7,166,008	7,336,844
City's portion of the Plan's total net pension Liability	0.06486%	0.06410%

Pension Expense/(Credit) and Deferred Outflows/Inflows of Resources – At December 31, 2023, the City's proportionate share of the PFRS expense/(credit), calculated by the plan as of the June 30, 2023 measurement date was $625,761. This expense/(credit) is not recognized by the City because of the regulatory basis of accounting as described in Note 1, but as previously mentioned the City contributed $863,389 to the plan in 2023.

At December 31, 2023, the City had deferred outflows of resources and deferred inflows of resources related to PFRS from the following sources:

Note 11. Pension Obligations (continued)

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected and Actual Experience	$ 306,834	$ 341,755
Changes of Assumptions	15,467	483,877
Net Difference between Projected and Actual Earnings on Pension Plan Investments	364,951	-
Changes in Proportion and Differences between City Contributions and Proportionate Share of Contributions	338,994	28,014
	$ 1,026,246	$ 853,646

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

Year Ending December 31,	Amount
2024	$ (216,680)
2025	(205,435)
2026	492,787
2027	25,162
2028	75,414
Thereafter	1,352
	$ 172,600

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, deferred outflows of resources, or deferred inflows of resources to report in the financial statements of the local participating employers related to the legislation. However, the notes to the financial statements of the local participating employers must disclose the portion of the non-employer contributing entities' total proportionate share of the collective net pension liability that is associated with the local participating employer. In addition, each local participating employer must recognize pension expense associated with the employers as well as revenue in an amount equal to the non-employer contributing entities' total proportionate share of the collective pension expense associated with the local participating employer.

Note 11. Pension Obligations (continued)

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

Additionally, the State's proportionate share of the PFRS net pension liability attributable to the City is $1,320,420 as of December 31, 2023. The net pension liability was measured as of June 30, 2023. 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, 2022, to the measurement date of June 30, 2023. The State's proportion of the net pension liability associated with the City was based on a projection of the City'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, 2023 was 0.0648578%, which was an increase of 0.00076003% from its proportion measured as of June 30, 2022, which is the same proportion as the City's. At December 31, 2023, the City's and the State of New Jersey's proportionate share of the PFRS net pension liability were as follows:

City's Proportionate Share of Net Pension Liability	$ 7,166,008
State of New Jersey's Proportionate Share of Net Pension Liability Associated with the City	1,320,420
	$ 8,486,428

At December 31, 2023, the State's proportionate share of the PFRS expense, associated with the City, calculated by the plan as of the June 30, 2023 measurement date was $150,195.

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

Inflation	
Price	2.75%
Wage	3.25%
Salary Increases:	
Through	All future years
	3.25 - 16.25%
	Based on Years of Service
Investment Rate of Return	7.00%

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

The actuarial assumptions used in the July 1, 2022 valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2021.

Note 11. Pension Obligations (continued)

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

Long-Term Expected Rate of Return - In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2023) 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, 2023 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. Equity	28.00%	8.98%
Non-U.S. Developed Markets Equity	12.75%	9.22%
International Small Cap Equity	1.25%	9.22%
Emerging Markets Equity	5.50%	11.13%
Private Equity	13.00%	12.50%
Real Estate	8.00%	8.58%
Real Assets	3.00%	8.40%
High Yield	4.50%	6.97%
Private Credit	8.00%	9.20%
Investment Grade Credit	7.00%	5.19%
Cash Equivalents	2.00%	3.31%
U.S. Treasuries	4.00%	3.31%
Risk Mitigation Strategies	3.00%	6.21%
	100.00%	

Discount Rate - The discount rate used to measure the total pension liability was 7.00% as of June 30, 2023. 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 City's proportionate share of the Net Pension Liability to Changes in the Discount Rate - The following presents the City's proportionate share of the net pension liability calculated using The discount rate as disclosed above, as well as what the City'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:

Note 11. Pension Obligations (continued)

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

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
City's Proportionate Share of the Net Pension Liability	$ 9,984,577	$ 7,166,008	$ 4,818,813
State of New Jersey's Proportionate Share of Net Pension Liability associated with the City	1,839,775	1,320,420	887,922
	$ 11,824,352	$ 8,486,428	$ 5,706,735

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

Note 12. Postemployment Benefits Other Than Pensions

As of the date of this report, the New Jersey Division of Pension and Benefits has not provided updated actuarial valuations for pension obligations for the year ended June 30, 2024. The New Jersey Division of Pension and Benefits will post these reports on their website as they are made available. The footnote below includes the most current information made publicly available, which had a reporting date of June 30, 2023.

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.

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

Note 12. Postemployment Benefits Other Than Pensions (continued):

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.

Allocation Methodology

GASB Statement No. 75 requires participating employers in the Plan to recognize their proportionate share of the collective net OPEB liability, collective deferred outflows of resources, collective deferred inflows of resources, and collective OPEB (benefit) expense. The special funding situation's and nonspecial funding situation's net OPEB liability, deferred outflows of resources, deferred inflows of resources, and OPEB (benefit) expense are based on separately calculated total OPEB liabilities. For the special funding situation and the nonspecial funding situation, the total OPEB liabilities for the year ended June 30, 2023 were $3,461,898,890 and $11,427,677,896, respectively. The nonspecial funding situation's net OPEB liability, deferred outflows of resources, deferred inflows of resources, and OPEB (benefit) expense are further allocated to employers based on the ratio of the plan members of an individual employer to the total members of the Plan's nonspecial funding situation during the measurement period July 1, 2022 through June 30, 2023. 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.

Note 12. Postemployment Benefits Other Than Pensions (continued):

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

Additionally, the State's proportionate share of the OPEB liability attributable to the City is $8,860,971 as of December 31, 2023. The OPEB liability was measured as of June 30, 2023. 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, 2022, to the measurement date of June 30, 2023. The State's proportion of the OPEB liability associated with the City was based on a projection of the City'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, 2023 was 0.2539620031%, which was a decrease of 0.025849995% from its proportion measured as of June 30, 2022, which is the same proportion as the City's. At December 31, 2023, the City's and the State of New Jersey's proportionate share of the OPEB liability were as follows:

State of New Jersey's Proportionate Share of OPEB Liability Associated with the Borough	$	8,860,971

At December 31, 2023, the State's proportionate share of the OPEB expense/(credit) and related revenue, associated with the City, calculated by the plan as of the June 30, 2023 measurement date was $(1,606,667).

Note 13. Municipal Debt

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

	2024	2023	2022
Issued:			
General:			
Bonds, Notes and Loans	$ 15,335,000.00	$ 15,970,000.00	$ 15,169,000.00
Total Debt Issued	15,335,000.00	15,970,000.00	15,169,000.00
Authorized but not issued:			
General:			
Bonds, Notes and Loans	950,000.00	-	-
Total Authorized But Not Issued	950,000.00	-	-
Total Gross Debt	$ 16,285,000.00	$ 15,970,000.00	$ 15,169,000.00
Total Net Debt	$ 16,285,000.00	$ 15,970,000.00	$ 15,169,000.00

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:

	Gross Debt	Deductions	Net Debt
General	$ 16,285,000.00	$ -	$ 16,285,000.00
School Purposes	2,390,000.00	2,390,000.00	-
	$ 18,675,000.00	$ 2,390,000.00	$ 16,285,000.00

Net Debt $16,285,000.00 divided by the average Equalized Valuation Basis per N.J.S.A 40A:2-2 as amended, $955,272,951.67 equals 1.705%. 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, 2024 is calculated as follows:

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

3 1/2% of Equalized Valuation Basis (Municipal)	$ 33,434,553.31
Net Debt	16,285,000.00
Remaining Borrowing Power	$ 17,149,553.31

Note 13. Municipal Debt (continued)

Self-Liquidating Sewer Utility Calculation per N.J.S.A. 40A:2-46

Cash Receipts From Fees, Rents or Other Charges for the Year	$ 2,377,350.23
Deductions:	
Operating and Maintenance Costs	2,250,000.00
Excess/(Deficit) in Revenue	$ 127,350.23

General Debt

A. Serial Bonds Payable

On July 30, 2020, the City issued $11,455,000.00 of General Improvement Bonds. The bonds were issued at interest rates varying from 2.000% to 4.000% and mature on July 15, 2045

On September 12, 2023, the City issued $5,345,000.00 of General Obligation Bonds. The Bonds were issued at an interest rate of 4.000% and mature on September 15, 2033.

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

Year	Principal	Interest	Total
2025	$ 785,000.00	$ 461,643.76	$ 1,246,643.76
2026	855,000.00	430,243.76	1,285,243.76
2027	890,000.00	396,043.76	1,286,043.76
2028	930,000.00	360,443.76	1,290,443.76
2029	1,005,000.00	323,243.76	1,328,243.76
2030-2034	4,995,000.00	1,038,068.80	6,033,068.80
2035-2039	2,675,000.00	510,468.80	3,185,468.80
2040-2044	2,675,000.00	235,612.52	2,910,612.52
2045	525,000.00	11,812.50	536,812.50
	$ 15,335,000.00	$ 3,767,581.42	$ 19,102,581.42

C. Bonds and Notes Authorized But Not Issued

As of December 31, 2024, the City had $950,000.00 in bonds and notes authorized but not issued.

Note 13. Municipal Debt (Continued):

Summary of Debt Principal

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

	Balance December 31, 2023	Accrued/ Increases	Retired/ Decreases	Balance December 31, 2024	Balance Due Within One Year
General Capital:					
General Bonds	$ 15,970,000.00	$ -	$ 635,000.00	$ 15,335,000.00	$ 785,000.00
Bonds and Notes Anticipated but not Issued	-	950,000.00	-	950,000.00	-
	$ 15,970,000.00	$ 950,000.00	$ 635,000.00	$ 16,285,000.00	$ 785,000.00

Note 14. Deferred School Taxes

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

	Balance, December 31,	
Local School Taxes	2024	2023
Total Balance of Local Tax	$ 6,208,638.93	$ 6,209,646.97
Deferred Taxes	3,626,535.94	3,626,535.94
Local Tax Payable	$ 2,582,102.99	$ 2,583,111.03

Note 15. Deferred Compensation Salary Account

The City 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 City or its creditors. Since the City does not have a fiduciary relationship with the Plan, the balances and activities of the Plan are not reported in the City's financial statements.

Note 16. Accrued Sick, Vacation and Compensation Time

GASB Statement No. 101, *Compensated Absences*, requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. The liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means.

Note 16. Accrued Sick, Vacation and Compensation Time (continued):

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 City's liability related to unused vacation, sick pay and compensation time. The City 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 absence amount is not reported as a liability in the accompanying financial statements.

Under current policies and in accordance with N.J.S.A. 40A:9-10.2, unused sick leave is paid at an agreed upon rate upon separation of employment. Excess unused sick leave above the statutory cap is not paid out upon separation and lapses unless used. However, a liability is recognized under GASB 101 to the extent such leave is expected to be used as time off. It is estimated that accrued benefits for compensated absences, in accordance with GASB Statement No. 101, are valued at $1,216.850.08 at December 31, 2024.

This estimate includes leave that is expected to be paid upon separation from service, and sick leave and compensation time to the extent that such leave is more likely than not to be used by employees as paid time off, based on historical usage patterns.

The City adopted GASB Statement No. 101 during the year ended December 31, 2024. As a result, the compensated absences liability disclosed above reflects the revised recognition criteria under this standard.

Note 17. Risk Management

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

Joint Insurance Pool

The City is a member of the Atlantic County Municipal Joint Insurance Fund. The Fund provides the City with the following primary coverage and limits:

Crime	$50,000
Commercial General Liability	$300,000
Law Enforcement Professional Liability	$300,000
Bodily Injury and Property Damage Liability (Auto)	$300,000
Workers Compensation	$300,000
Environmental Legal Liability	Various

The following "excess" coverage and limits are provided to the Fund's member local units by their membership in the Municipal Excess Liability Joint Insurance Fund (MEL):

Worker's Compensation	$5,000,000
Commercial General Liability	$5,000,000
Law Enforcement Professional Liability	$5,000,000
Employer's Liability	$5,000,000
Auto Liability	$5,000,000
Crime	$1,000,000

Note 17. Risk Management (continued)

Contributions to the Funds are payable in two installments and are based on actuarial assumptions determined by the Funds' actuaries. The Fund publishes its own financial report for the year ended December 31, 2024 which can be obtained on the Fund's website.

New Jersey Unemployment Compensation Insurance

The City has elected to fund its New Jersey Unemployment Compensation Insurance under the "Reimbursement Method". Under this plan, the City is required to reimburse the New Jersey Unemployment Trust Fund, dollar-for-dollar, for unemployment benefits paid to its former employees who were laid off or furloughed and charged to its account with the State. The City is billed quarterly for amounts due to the State.

Note 18. Contingencies

Grantor Agencies

The City 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.

Litigation

The City is a defendant in several legal proceedings that are in various stages of litigation. It is believed that the outcome, or exposure to the City, 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, 2024.

Note 19. Length of Service Awards Program

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

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

Note 19. Length of Service Awards Program (continued)

Contributions - If an active member meets the year of active service requirement, a length of service awards program must provide a benefit between the minimum contribution of $100 and a maximum contribution of $1,150.00 per year. While the maximum amount is established by statute, it is subject to periodic increases that are related to the consumer price index (N.J.S.A. 40A:14-185(f)). The Division of Local Government Services of the State of New Jersey will issue the permitted maximum annually. The City elected to contribute between $550.05 and $1,686.82 for the year ended December 31, 2024 per eligible volunteer, into the Plan, depending on how many years the volunteer has served. During the year ended December 31, 2024, the City contributed a total of $34,217.74 to the plan. Participants direct the investment of the contributions into various investment options offered by the Plan.

The City has no authorization to direct investment contributions on behalf of eligible volunteers nor has the ability to purchase or sell investment options offered by the Plan. The types of investment options, and the administering of such investments, rests solely with the plan administrator.

Participant Accounts - Each participant's account is credited with the City's contribution and Plan earnings, and charged with administrative expenses. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account. The City has placed the amounts deferred, including earnings, in a trust maintained by a third-party administrator for the exclusive benefit of the plan participants and their beneficiaries. Such funds, although subject to the claims of the City's creditors until distributed as benefit payments, are not available for funding the operations of the City. The funds may also be used to pay the administrative fees charged by the Plan Administrator. Lincoln Financial Group ("Plan Administrator"), an approved Length of Service Awards Program provider, is the administrator of the Plan. The City's practical involvement in administering the Plan is essentially limited to verifying the eligibility of each participant and remitting the funds to the Plan Administrator.

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

Payment of Benefits - Upon retirement or disability, participants may select various payout options, which include lump sum, periodic, or annuity payments. In the case of death, with certain exceptions, any amount invested under the participant's account is paid to the beneficiary or the participant's estate. In the event of an unforeseeable emergency, as outlined in the Plan document, a participant or a beneficiary entitled to vested accumulated deferrals may request the local plan administrator to payout a portion of vested accumulated deferrals. During the year ended December 31, 2024 payouts of $87,285.19 were made to vested participants.

Forfeited Accounts – During the year ended December 31, 2024, no accounts were forfeited.

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

Note 20. Subsequent Events

Management has reviewed and evaluated all events and transactions that occurred between December 31, 2024 and August 7, 2025, the date the financial statements were available to be issuance, for possible disclosure and recognition in the financial statements. No items of significance were noted.

SUPPLEMENTARY SCHEDULES

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CURRENT FUND

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EXHIBIT A-4

CITY OF ABSECON
COUNTY OF ATLANTIC, NEW JERSEY
CURRENT FUND
SCHEDULE OF CASH - TREASURER
FOR THE YEAR ENDED DECEMBER 31, 2024

	Current Fund	
Balance, December 31, 2023		$ 6,972,465.39
Increased By Receipts:		
Taxes Receivable	$ 23,844,242.88	
Revenue Accounts Receivable	2,130,584.59	
Miscellaneous Revenue Not Anticipated	98,348.76	
Due To/From:		
State of New Jersey - Senior Citizens' and Veterans' Deductions	66,750.00	
State of New Jersey - Marriage Licenses	1,400.00	
State of New Jersey - State Training Fees	11,916.00	
Federal and State Grant Fund	1,555,178.35	
Prepaid Taxes	489,419.92	
Police Detail	97,670.25	
		28,295,510.75
		35,267,976.14
Decreased By Disbursements:		
2024 Appropriations	10,513,134.78	
2023 Appropriation Reserves	329,680.27	
Accounts Payable	48,072.00	
County Taxes Payable	4,217,052.70	
Local District School Tax Payable	12,418,286.04	
Police Detail	96,350.25	
Due To/From:		
State of New Jersey - Marriage Licenses	900.00	
State of New Jersey - State Training Fees	9,907.00	
Federal and State Grant Fund	1,533,155.63	
Animal Control Trust Fund	174.73	
		29,166,713.40
Balance, December 31, 2024		$ 6,101,262.74

CITY OF ABSECON
COUNTY OF ATLANTIC, NEW JERSEY
CURRENT FUND
SCHEDULE OF DUE (TO)/FROM STATE OF NEW JERSEY -
SENIOR CITIZENS' AND VETERANS' DEDUCTIONS
FOR THE YEAR ENDED DECEMBER 31, 2024

Balance, December 31, 2023		$ 1,453.42
Increased By:		
Veterans' and Senior Citizens' Billings	$ 66,000.00	
Veterans' Deductions Allowed	2,156.46	
		68,156.46
		69,609.88
Decreased By:		
Veterans and Senior Deductions Disallowed	2,441.82	
Cash Received From State of New Jersey	66,750.00	
		69,191.82
Balance, December 31, 2024		$ 418.06

EXHIBIT A-6

CITY OF ABSECON
COUNTY OF ATLANTIC, NEW JERSEY
CURRENT FUND
SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY
FOR THE YEAR ENDED DECEMBER 31, 2024

Year	Balance December 31, 2023	2024 Levy	Added	Collections 2023	Collections 2024	Transfer to Tax Title Liens	Due From State of New Jersey	Adjustments & Cancellations	Balance December 31, 2024
2021	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ (3,398.26)	$ 3,398.26
2022	-	-	-	-	-	-	-	(5,167.28)	5,167.28
2023	149,226.48	-	-	-	143,254.65	-	-	777.98	5,193.85
2024	-	24,327,270.46	65,519.53	414,712.33	23,700,988.23	14,120.13	65,714.64	21,715.94	175,538.72
	$ 149,226.48	$ 24,327,270.46	$ 65,519.53	$ 414,712.33	$ 23,844,242.88	$ 14,120.13	$ 65,714.64	$ 13,928.38	$ 189,298.11

Analysis of Property Tax Levy

Tax Yield			
General Purpose Tax		$ 24,327,270.46	
Added Taxes (R.S. 54-4-63, 1 et seq.)		65,519.53	
			$ 24,392,789.99
Tax Levy			
Local District School Tax		$ 12,417,278.00	
County Taxes:			
County Tax	$ 3,713,841.19		
County Library Tax	268,032.76		
County Health Tax	179,038.28		
County Open Space Tax	47,723.48		
Due County for Added and Omitted Taxes	11,344.34		
		4,219,980.05	
Local Tax for Municipal Purposes	7,698,271.93		
Add: Additional Tax Levied	57,260.01		
		7,755,531.94	
			$ 24,392,789.99

CITY OF ABSECON
COUNTY OF ATLANTIC, NEW JERSEY
CURRENT FUND
SCHEDULE OF TAX TITLE LIENS
FOR THE YEAR ENDED DECEMBER 31, 2024

Balance, December 31, 2023	$ 159,913.94
Increased By:	
Transfers from Taxes Receivable	14,120.13
Balance, December 31, 2024	$ 174,034.07

EXHIBIT A-8

CITY OF ABSECON
COUNTY OF ATLANTIC, NEW JERSEY
CURRENT FUND
SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2024

	Balance December 31, 2023	Accrued in 2024	Collections	Balance December 31, 2024
Miscellaneous Revenues:				
Licenses:				
Alcoholic Beverages	$ -	$ 10,200.00	$ 10,200.00	$ -
Other	-	15,693.00	15,693.00	-
Fees and Permits	-	60,411.80	60,411.80	-
Fines and Costs:				
Municipal Court	-	108,579.09	108,579.09	-
Interest and Costs on Taxes	-	47,137.60	47,137.60	-
Interest on Investments and Deposits	-	128,728.03	128,728.03	-
Cable Television Franchise Fees	-	36,358.88	36,358.88	-
Communications Tower Rental	-	130,026.09	130,026.09	-
Energy Receipts Tax (P.L. 19979, Ch. 62 & 67)	-	763,461.55	763,461.55	-
Watershed Aid	-	3,337.00	3,337.00	-
Reserve for Municipal Relief Aid	-	78,695.54	78,695.54	-
Uniform Construction Code Fees	-	158,025.00	158,025.00	-
Uniform Fire Safety Act	-	18,557.15	18,557.15	-
Occupancy Tax	-	229,333.29	229,333.29	-
Library Building Rent	-	31,250.00	31,250.00	-
Community Champions	-	12,300.00	12,300.00	-
PILOT - Conifer Realty	-	38,122.11	38,122.11	-
Redevelopment Zone Payments	-	89,064.00	89,064.00	-
Crown Signing Bonus	-	50,000.00	50,000.00	-
General Capital Fund Balance	-	200,000.00	200,000.00	-
	$ -	$ 2,209,280.13	$ 2,409,280.13	$ -

Cash Receipts	$ 2,130,584.59
Reserve for Municipal Relief Fund Aid	78,695.54
	$ 2,409,280.13

EXHIBIT A-9

CITY OF ABSECON
COUNTY OF ATLANTIC, NEW JERSEY
CURRENT FUND
SCHEDULE OF 2023 APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2024

	Balance, December 31, 2023	Encumbrances	Balance after Modifications	Paid or Charged	Lapsed
GENERAL GOVERNMENT					
General Administration:					
Salaries and Wages	$ 196.80	$ -	$ 196.80	$ -	$ 196.80
Other Expenses	13,171.58	12,000.00	25,171.58	12,000.00	13,171.58
All Departments Purchasing					
Other Expenses	-	-	-	1,542.61	8,270.74
Mayor and Council:					
Salaries and Wages	953.29	-	953.29	-	953.29
Other Expenses	534.95	-	534.95	-	534.95
Municipal Clerk:					
Salaries and Wages	3,237.83	-	3,237.83	-	3,237.83
Other Expenses	2,781.59	-	2,781.59	132.64	2,648.95
Elections:					
Other Expenses	4,340.51	-	4,340.51	-	4,340.51
Financial Administration:					
Salaries and Wages	1,344.04	-	1,344.04	-	1,344.04
Other Expenses	2,134.22	1,214.00	3,348.22	1,214.00	2,134.22
Tax Collection Administration:					
Salaries and Wages	1,081.43	-	1,081.43	-	1,081.43
Other Expenses	2,356.82	-	2,356.82	-	2,356.82
Tax Assessment Administration;					
Salaries and Wages	738.35	-	738.35	-	738.35
Other Expenses	485.58	36.96	522.54	160.96	361.58
Information Technology:					
Salaries and Wages	9,677.75	-	9,677.75	-	9,677.75
Other Expenses	13,968.02	-	13,968.02	1,182.90	12,785.12
Legal Services:					
Other Expenses	70,009.23	-	70,009.23	15,185.00	54,824.23
Engineering Services:					
Other Expense	111,387.75	2,000.00	94,387.75	12,205.25	82,182.50
Land Use Administration:					
Planning Board:					
Salaries and Wages	2,317.14	-	2,317.14	-	2,317.14
Other Expenses	5,412.60	-	5,412.60	676.00	4,736.60
Zoning Board:					
Salaries and Wages	1,007.83	-	1,007.83	-	1,007.83
Other Expenses	930.00	-	930.00	300.00	630.00
Insurance:					
General Liability Insurance	732.00	-	732.00	-	732.00
Employee Group Insurance	54,903.54	844.00	55,747.54	844.00	54,903.54
Public Safety:					
Police Department:					
Salaries and Wages	19,151.23	-	35,151.23	33,448.17	1,703.06
Other Expenses	9,566.63	17,684.44	27,251.07	18,573.84	8,677.23
Office of Emergency Management:					
Other Expenses	1,000.00	-	1,000.00	-	1,000.00
Fire Department:					
Other Expenses	558.78	19,962.86	20,521.64	20,457.35	64.29
Other Expenses - Fire Hydrant Service	32.40	9,247.30	9,279.70	9,247.30	32.40
Municipal Prosecutor's Office:					
Other Expenses	1,450.00	1,800.00	3,250.00	1,800.00	1,450.00

EXHIBIT A-9

CITY OF ABSECON
COUNTY OF ATLANTIC, NEW JERSEY
CURRENT FUND
SCHEDULE OF 2023 APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2024

	Balance, December 31, 2023	Encumbrances	Balance after Modifications	Paid or Charged	Lapsed
Municipal Court:					
Salaries and Wages	1,883.88	-	1,883.88	-	1,883.88
Other Expenses	15.27	-	15.27	15.27	-
Public Defender:					
Other Expenses	-	600.00	600.00	600.00	-
Uniform Fire Safety Act:					
Salaries and Wages	1,307.78	-	1,307.78	-	1,307.78
Other Expenses	325.86	117.23	443.09	-	443.09
Public Works:					
Public Works:					
Salaries and Wages	38,983.52	-	38,983.52	-	38,983.52
Other Expenses	5,512.90	1,829.34	10,342.24	10,084.63	257.61
Sanitation Trash Removal:					
Tipping Fees	21,077.06	57,083.10	78,160.16	57,083.10	21,077.06
Contractual	2,179.83	13,451.71	15,631.54	13,451.71	2,179.83
Vehicle Maintenance:					
Other Expenses	20,135.86	3,587.16	23,723.02	6,621.73	17,101.29
Street Lighting:					
Other Expenses	2,950.05	21,590.88	24,540.93	24,540.93	-
Health and Human Services:					
Animal Control Services:					
Other Expenses	-	700.00	700.00	700.00	-
Parks and Recreation:					
Recreation:					
Other Expenses	17,685.00	-	17,685.00	5,000.00	12,685.00
Public Events:					
Other Expenses	17,763.80	4,244.33	22,008.13	4,960.21	17,047.92
Uniform Construction Code - Appropriations					
Offset by Dedicated Revenues (N.J.A.C. 5:23-4.17):					
Code Enforcement and Construction:					
Salaries and Wages	13,821.69	-	13,821.69	-	13,821.69
Other Expenses	7,091.69	-	7,091.69	-	7,091.69
Unclassified:					
Utilities:					
Electricity	-	4,124.18	4,124.18	4,124.18	-
Water	5,832.83	1,092.88	6,925.71	1,466.81	5,458.90
Telephone	18,407.49	3,245.25	21,652.74	6,380.58	15,272.16
Natural Gas	1,367.61	-	1,367.61	1,367.61	-
Gasoline	17,273.72	5,865.62	23,139.34	5,865.62	17,273.72
Office Supplies/Maintenance:					
Other Expenses	9,464.00	349.35	9,813.35	-	-
Contingent	1,949.14	-	1,949.14	954.43	994.71
Total Operations Including Contingent Within CAPS	540,490.87	182,670.59	723,161.46	272,186.83	450,974.63
Deferred Charges and Statutory Expenditures Within CAPS:					
Contribution To:					
Social Security System	21,931.27	-	21,931.27	2,551.14	19,380.13
Unemployment Insurance	1,664.90	-	1,664.90	-	1,664.90
Defined Contribution Retirement Program	2,557.20	-	2,557.20	-	2,557.20
Total Deferred Charges and Statutory Expenditures	26,153.37	-	26,153.37	2,551.14	23,602.23

EXHIBIT A-9

CITY OF ABSECON
COUNTY OF ATLANTIC, NEW JERSEY
CURRENT FUND
SCHEDULE OF 2023 APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2024

	Balance, December 31, 2023	Encumbrances	Balance after Modifications	Paid or Charged	Lapsed
Total General Appropriations Within CAPS	566,644.24	182,670.59	749,314.83	274,737.97	474,576.86
Appropriations Excluded from CAPS:					
Length of Service Awards Program	25,397.69	602.31	26,000.00	21,116.43	4,883.57
Shared Service Agreements:					
Township of Galloway - Dispatch Services	859.60	-	859.60	-	859.60
Total Operations - Excluded from "CAPS"	26,257.29	602.31	26,859.60	21,116.43	5,743.17
Capital Improvements Excluded from CAPS:					
Recreation Improvements	-	36,500.00	36,500.00	36,500.00	-
Public Safety - Fire Equipment & Improvements	62.81	-	62.81	-	62.81
Total Capital Improvement Excluded from CAPS	62.81	36,500.00	36,562.81	36,500.00	62.81
Total General Appropriations	$ 592,964.34	$ 219,772.90	$ 812,737.24	$ 332,354.40	$ 480,382.84

Appropriation Reserves	$ 592,964.34	
Encumbrances Payable	219,772.90	
	$ 812,737.24	
Cash Disbursed		$ 329,680.27
Transferred To Accounts Payable		2,674.13
		$ 332,354.40

EXHIBIT A-10

CITY OF ABSECON
COUNTY OF ATLANTIC, NEW JERSEY
CURRENT FUND
SCHEDULE OF DUE TO STATE - MARRIAGE LICENSES
FOR THE YEAR ENDED DECEMBER 31, 2024

Balance, December 31, 2023		$ 400.00
Increased By:		
Cash Receipts		1,400.00
		1,800.00
Decreased By:		
Disbursements	$ 900.00	
Miscellaneous Adjustment	400.00	
		1,300.00
Balance, December 31, 2024		$ 500.00

EXHIBIT A-11

CITY OF ABSECON
COUNTY OF ATLANTIC, NEW JERSEY
CURRENT FUND
SCHEDULE OF DUE TO STATE - STATE TRAINING FEES
FOR THE YEAR ENDED DECEMBER 31, 2024

Balance, December 31, 2023		$ 3,865.00
Increased By:		
Cash Receipts		11,916.00
		15,781.00
Decreased By:		
Disbursements	$ 9,907.00	
Miscellaneous Adjustment	1,807.00	
		11,714.00
Balance, December 31, 2024		$ 4,067.00

EXHIBIT A-12

CITY OF ABSECON
COUNTY OF ATLANTIC, NEW JERSEY
CURRENT FUND
SCHEDULE OF RESERVE FOR MUNICIPAL RELIEF FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2024

Balance, December 31, 2023	$	78,695.54
Decreased By:		
Budgeted Revenue		78,695.54
Balance, December 31, 2024	$	-

EXHIBIT A-13

CITY OF ABSECON
COUNTY OF ATLANTIC, NEW JERSEY
CURRENT FUND
SCHEDULE OF ACCOUNTS PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2024

Balance, December 31, 2023	$	54,255.30
Increased by:		
Current Year Payables		2,674.13
		56,929.43
Decreased By:		
Cash Disbursements		48,072.00
Balance, December 31, 2024	$	8,857.43

EXHIBIT A-14

CITY OF ABSECON
COUNTY OF ATLANTIC, NEW JERSEY
CURRENT FUND
SCHEDULE OF PREPAID TAXES
FOR THE YEAR ENDED DECEMBER 31, 2024

Balance, December 31, 2023	$ 414,712.33
Increased By:	
Cash Receipts	489,419.92
	904,132.25
Decreased By:	
Applied To Taxes Receivable	414,712.33
Balance, December 31, 2024	$ 489,419.92

EXHIBIT A-15

CITY OF ABSECON
COUNTY OF ATLANTIC, NEW JERSEY
CURRENT FUND
SCHEDULE OF TAX OVERPAYMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Balance, December 31, 2023	$	18,352.19
Decreased By:		
Cancelled		3,800.71
Balance, December 31, 2024	$	14,551.48

EXHIBIT A-16

CITY OF ABSECON
COUNTY OF ATLANTIC, NEW JERSEY
CURRENT FUND
SCHEDULE OF COUNTY TAXES PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2024

Balance, December 31, 2023		$ 8,416.99
Increased By:		
2024 Tax Levy:		
County Tax	$ 3,713,841.19	
County Library Tax	268,032.76	
County Health Tax	179,038.28	
County Open Space Tax	47,723.48	
Added and Omitted Taxes	11,344.34	
		4,219,980.05
		4,228,397.04
Decreased By:		
Cash Disbursed		4,217,052.70
Balance, December 31, 2024		$ 11,344.34

EXHIBIT A-17

CITY OF ABSECON
COUNTY OF ATLANTIC, NEW JERSEY
CURRENT FUND
SCHEDULE OF LOCAL DISTRICT SCHOOL TAX
FOR THE YEAR ENDED DECEMBER 31, 2024

Balance, December 31, 2023		
School Tax Payable	$ 2,583,111.03	
School Tax Deferred	3,626,535.94	
		$ 6,209,646.97
Increased By:		
Levy - School Year July 1, 2024 to June 30, 2025		12,417,278.00
		18,626,924.97
Decreased By:		
Cash Disbursed		12,418,286.04
Balance, December 31, 2024		
School Tax Payable	2,582,102.99	
School Tax Deferred	3,626,535.94	
Balance, December 31, 2024		$ 6,208,638.93

2024 Liability for Local District School Tax

Tax Payable, December 31, 2024	$ 2,582,102.99	
Tax Paid	12,418,286.04	
		$ 15,000,389.03
Less:		
Tax Payable, December 31, 2023		2,583,111.03
Amount Charged to 2024 Operations		$ 12,417,278.00

CITY OF ABSECON
COUNTY OF ATLANTIC, NEW JERSEY
CURRENT FUND
SCHEDULE OF POLICE DETAIL PAYABLE (RECEIVABLE)
FOR THE YEAR ENDED DECEMBER 31, 2024

Balance, December 31, 2023	$ -
Increased By:	
Cash Receipts	97,670.25
	97,670.25
Decreased By:	
Disbursements	96,350.25
Balance, December 31, 2024	$ 1,320.00

EXHIBIT A-19

CITY OF ABSECON
COUNTY OF ATLANTIC, NEW JERSEY
GRANT FUND
SCHEDULE OF DUE FROM CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2024

Balance, December 31, 2023		$ (81,560.52)
Increased By:		
Cash Receipts	$ 1,555,178.35	
Anticipated Revenue Realized	2,068,308.70	
		3,623,487.05
		3,541,926.53
Decreased By:		
Cash Disbursements	1,533,155.63	
2024 Budget Appropriations	2,068,308.70	
		3,601,464.33
Balance, December 31, 2024		$ (59,537.80)

EXHIBIT A-20

CITY OF ABSECON
COUNTY OF ATLANTIC, NEW JERSEY
GRANT FUND
SCHEDULE OF GRANTS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2024

	Balance December 31, 2023	2024 Budget Revenue Realized	Received	Transferred From Unappropriated Reserves	Balance December 31, 2024
Federal:					
Community Development Block Grant	$ 50,900.00	$ -	$ -	$ -	$ 50,900.00
Drive Sober or Get Pulled Over	6,930.00	6,300.00	4,480.00	-	8,750.00
Bulletproof Vest Partnership Grant	9,484.45	4,444.36	5,562.93	-	8,365.88
Click It or Ticket	2,520.00	3,500.00	3,430.00	-	2,590.00
Distracted Driving Statewide Crackdown Grant	3,500.00	-	-	-	3,500.00
Sub-Total Federal	73,334.45	14,244.36	13,472.93	-	74,105.88
State:					
Fire Grant SCBA	-	21,000.00	-	-	21,000.00
U Drive/Text/Pay	-	5,600.00	4,935.00	-	665.00
COPS Grant Hiring Program	-	500,000.00	-	-	500,000.00
Speed/Aggressive Driving Enforcement Mobilization	-	8,400.00	8,400.00	-	-
Clean Communities Grant	-	27,025.54	27,025.54	-	-
Recycling Tonnage Grant	0.01	12,444.72	12,444.72	-	0.01
State of N.J. Shore Pedestrian Awareness Campaign	245.00	-		-	245.00
N.J. DCA - LEAP Implementation Program	201,364.00	-	201,364.00	-	-
N.J. DOT Trust Fund Authority Act	302,970.00	1,273,023.00	877,308.00	-	698,685.00
Streetscape Improvement - Phase 4	525,000.00	-	392,448.75	-	132,551.25
Body Armor Replacement	-	4,671.08	2,379.41	2,291.67	-
Pedestrian Safety Improvements	619,000.00	-	-	-	619,000.00
Stormwater Grant	-	25,000.00	15,000.00	-	10,000.00
Local Recreation Improvement Grant	-	71,000.00	-	-	71,000.00
Sub-Total State	1,648,579.01	1,948,164.34	1,541,305.42	2,291.67	2,053,146.26
Local:					
Atlantic County Shore Road Grant	1,000,000.00	-	-	-	1,000,000.00
Atlantic County Utilities Authority:					
Green Team Mini Grant	-	400.00	400.00	-	-
County of Atlantic Road Resurfacing	-	105,500.00	-	-	105,500.00
Sub-Total Local	1,000,000.00	105,900.00	400.00	-	1,105,500.00
Total	$ 2,721,913.46	$ 2,068,308.70	$ 1,555,178.35	$ 2,291.67	$ 3,232,752.14

EXHIBIT A-21

CITY OF ABSECON
COUNTY OF ATLANTIC, NEW JERSEY
GRANT FUND
SCHEDULE OF RESERVE FOR GRANTS - UNAPPROPRIATED
FOR THE YEAR ENDED DECEMBER 31, 2024

	Balance December 31, 2023	Decreased By Budget Appropriation	Balance December 31, 2024
State:			
Body Armor Replacement	$ 2,291.67	$ 2,291.67	$ -
Total	$ 2,291.67	$ 2,291.67	$ -

EXHIBIT A-22

CITY OF ABSECON
COUNTY OF ATLANTIC, NEW JERSEY
GRANT FUND
SCHEDULE OF RESERVE FOR GRANTS - APPROPRIATED
FOR THE YEAR ENDED DECEMBER 31, 2024

	Balance December 31, 2023	Transferred From Reserve for Encumbrances	Transferred from 2024 Budget Appropriations	Paid or Charged	Transferred To Reserve for Encumbrances	Balance December 31, 2024
Federal:						
Bulletproof Vest Partnership Grant 2024	$ -	$ -	$ 4,444.36	$ -	$ -	$ 4,444.36
Bulletproof Vest Partnership Grant 2023	4,000.00	-	-	573.19	842.14	2,584.67
Bulletproof Vest Partnership Grant 2022	3,000.75	-	-	1,268.53	1,268.53	463.69
Bulletproof Vest Partnership Grant 2021	-	-	-	-	-	-
Drive Sober or Get Pulled Over 2024	-	-	6,300.00	2,800.00	-	3,500.00
Drive Sober or Get Pulled Over 2023	4,750.00	-	-	1,470.00	-	3,280.00
Drive Sober or Get Pulled Over 2022	-	-	-	-	-	-
Lead Grant	-	-	-	-	-	-
Distracted Driving Statewide Crackdown Grant 2023	525.00	-	-	-	-	525.00
Click It or Ticket 2024	-	-	3,500.00	3,430.00	-	70.00
Click It or Ticket 2023	1,785.00	-	-	-	-	1,785.00
Sub-Total Federal	14,060.75	-	14,244.36	9,541.72	2,110.67	16,652.72
State:						
COPS Grant Hiring Program	-	-	500,000.00	-	-	500,000.00
Fire Grant SCBA	-	-	21,000.00	21,000.00	-	-
Speed/Aggressive Driving Enforcement Mobilization	-	-	8,400.00	7,875.00	-	525.00
U Drive/Text/Pay	-	-	5,600.00	5,145.00	-	455.00
Clean Communities Program 2024	-	-	27,025.54	11,397.38	1,325.00	14,303.16
Clean Communities Program 2023	22,930.72	-	-	22,930.72	-	-
Clean Communities Program 2022	245.00	-	-	245.00	-	-
Drunk Driving Enforcement Fund 2023	-	14,088.36	-	14,088.36	-	-
N.J. DCA - LEAP Implementation Program	190,233.22	-	-	13,834.50		176,398.72

CITY OF ABSECON
COUNTY OF ATLANTIC, NEW JERSEY
GRANT FUND
SCHEDULE OF RESERVE FOR GRANTS - APPROPRIATED
FOR THE YEAR ENDED DECEMBER 31, 2024

	Balance December 31, 2023	Transferred From Reserve for Encumbrances	Transferred from 2024 Budget Appropriations	Paid or Charged	Transferred To Reserve for Encumbrances	Balance December 31, 2024
Streetscape Improvements Phase 4	422,000.00	54,400.00	-	471,200.00	5,200.00	-
N.J. DOT Trust Fund Authority Act	235,470.00	-	1,273,023.00	236,125.00	269,340.00	1,003,028.00
State of N.J. Shore Pedestrian Awareness Campaign	805.00	-	-	-	-	805.00
Recycling Tonnage Grant 2024	-	-	12,444.72	1,119.45	-	11,325.27
Recycling Tonnage Grant 2023	12,240.49	-	-	12,240.49	-	-
Recycling Tonnage Grant 2022	8,567.06	-	-	8,567.06	-	-
Body Worn Cameras	-	42,420.00	-	4,980.00	37,440.00	-
Body Armor Fund 2024	-	-	4,671.08	1,865.28	426.39	2,379.41
Body Armor Fund 2023	1,000.67	-	-	1,000.67	-	-
Stormwater Grant	-	-	25,000.00	-	-	25,000.00
Local Recreation Grant	-	-	71,000.00	71,000.00	-	-
Pedestrian Safety Improvements	619,000.00	-	-	619,000.00	-	-
Sub-Total State	1,512,492.16	110,908.36	1,948,164.34	1,523,613.91	313,731.39	1,734,219.56
Local:						
Atlantic County Shore Road Grant	1,000,000.00	-	-	-	-	1,000,000.00
Atlantic County Utilities Authority Mini Grant	500.00	-	-	-	-	500.00
Atlantic County Utilities Authority Green Team Mini Grant	100.00	-	400.00	-	-	500.00
County of Atlantic Road Resurfacing	-	-	105,500.00	-	105,500.00	-
Sub-Total Local	1,000,600.00	-	105,900.00	-	105,500.00	1,001,000.00
Total	$ 2,527,152.91	$ 110,908.36	$ 2,068,308.70	$ 1,533,155.63	$ 421,342.06	$ 2,751,872.28

CITY OF ABSECON
COUNTY OF ATLANTIC, NEW JERSEY
GRANT FUND
SCHEDULE OF RESERVE FOR ENCUMBRANCES
FOR THE YEAR ENDED DECEMBER 31, 2024

Balance, December 31, 2023	$	110,908.36
Increased By:		
Charged to Appropriated Reserves		421,342.06
		532,250.42
Decreased By:		
Transferred to Appropriated Reserves		110,908.36
Balance, December 31, 2024	$	421,342.06

TRUST FUND

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EXHIBIT B-1

CITY OF ABSECON
COUNTY OF ATLANTIC, NEW JERSEY
TRUST FUNDS
SCHEDULE OF CASH - TREASURER
FOR THE YEAR ENDED DECEMBER 31, 2024

	Animal Control Trust Fund		Other Trust Funds	
Balance, December 31, 2023		$ 2,063.94		$ 827,660.02
Increased By Receipts:				
Due To:				
State of New Jersey	190.80		-	
License Fees	1,333.40		-	
Payroll Deductions	-		5,071,722.08	
Various Reserves	-		403,409.66	
Total Receipts		1,524.20		5,475,131.74
Subtotal		3,588.14		6,302,791.76
Decreased By Disbursements:				
Due to State of New Jersey	224.20		-	
Expenditures	804.61		-	
Payroll Deductions	-		5,066,394.90	
Various Reserves	-		496,209.39	
Total Disbursements		1,028.81		5,562,604.29
Balance, December 31, 2024		$ 2,559.33		$ 740,187.47

EXHIBIT B-2

CITY OF ABSECON
COUNTY OF ATLANTIC, NEW JERSEY
ANIMAL CONTROL TRUST FUND
SCHEDULE OF DUE TO/(FROM) STATE OF NEW JERSEY
FOR THE YEAR ENDED DECEMBER 31, 2024

Balance, December 31, 2023		$ 29.40
Increased By:		
State Share of Dog License Fee	$ 190.80	
Adjustment	4.00	
		194.80
		224.20
Decreased By:		
Cash Disbursed		224.20
Balance, December 31, 2024		$ -

EXHIBIT B-3

CITY OF ABSECON
COUNTY OF ATLANTIC, NEW JERSEY
ANIMAL CONTROL TRUST FUND
SCHEDULE OF RESERVE FOR ANIMAL CONTROL FUND EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2024

Balance, December 31, 2023		$ 2,034.54
Increased By:		
Cat License Fees Collected	$ 110.00	
Dog License Fees Collected	1,223.40	
		1,333.40
		3,367.94
Decreased By:		
Expenditures	804.61	
Statutory Excess	174.73	
Adjustment	4.00	
		983.34
Balance, December 31, 2024		$ 2,384.60

License Fees Collected

2023	$ 1,011.60
2022	1,373.00
	$ 2,384.60

EXHIBIT B-4

CITY OF ABSECON
COUNTY OF ATLANTIC, NEW JERSEY
TRUST - OTHER FUND
SCHEDULE OF SMALL CITIES REVOLVING LOAN FUND
FOR THE YEAR ENDED DECEMBER 31, 2024

Balance, December 31, 2024 & 2023	$ 105,048.20

CITY OF ABSECON
COUNTY OF ATLANTIC, NEW JERSEY
TRUST - OTHER FUND
SCHEDULE OF PAYROLL DEDUCTIONS PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2024

Balance, December 31, 2023	$ 885.58
Increased By:	
Cash Receipts	5,071,722.08
	5,072,607.66
Decreased By:	
Cash Disbursements	5,066,394.90
Balance, December 31, 2024	$ 6,212.76

EXHIBIT B-6

CITY OF ABSECON
COUNTY OF ATLANTIC, NEW JERSEY
TRUST - OTHER FUND
SCHEDULE OF VARIOUS RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2024

	Balance December 31, 2023	Increased	Decreased	Balance December 31, 2024
Reserve for:				
Recreation Trust	$ 104,465.87	$ 64,507.80	$ 49,032.90	$ 119,940.77
Tax Title Lien Redemption	-	206,822.57	206,589.00	233.57
Tax Sale Premiums	322,700.00	19,400.00	136,100.00	206,000.00
Uniform Fire Safety Act Penalty Monies	3,619.69	500.00	-	4,119.69
Planning and Zoning	40,196.59	96,201.83	74,432.42	61,966.00
Parking Offense Adjudication Act	224.26	8.00	-	232.26
Law Enforcement Trust	56,394.76	4,578.76	10,576.14	50,397.38
Accumulated Absences	224,753.88	-	16,478.93	208,274.95
Small Cities Grant	44,980.61	573.58	-	45,554.19
Performance Bond	26,938.78	7,817.12	-	34,755.90
Security Deposits	2,500.00	3,000.00	3,000.00	2,500.00
	$ 826,774.44	$ 403,409.66	$ 496,209.39	$ 733,974.71

EXHIBIT B-7

CITY OF ABSECON
COUNTY OF ATLANTIC, NEW JERSEY
LENGTH OF SERVICE AWARDS PROGRAM FUND ("LOSAP")
SCHEDULE OF INVESTMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Balance, December 31, 2023		$ 609,844.95
Increased By:		
Participant Contribution	$ 34,217.74	
Appreciation on Investments	112,229.32	
		146,447.06
		756,292.01
Decreased By:		
Withdrawals	87,285.19	
Fees	1,225.00	
		88,510.19
Balance, December 31, 2024		$ 667,781.82

EXHIBIT B-8

CITY OF ABSECON
COUNTY OF ATLANTIC, NEW JERSEY
LENGTH OF SERVICE AWARDS PROGRAM FUND ("LOSAP")
SCHEDULE OF RESERVE FOR LOSAP
FOR THE YEAR ENDED DECEMBER 31, 2024

Balance, December 31, 2023		$ 609,844.95
Increased By:		
Participant Contribution	$ 34,217.74	
Appreciation on Investments	112,229.32	
		146,447.06
		756,292.01
Decreased By:		
Withdrawals	87,285.19	
Fees	1,225.00	
		88,510.19
Balance, December 31, 2024		$ 667,781.82

GENERAL CAPITAL FUND

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EXHIBIT C-2

CITY OF ABSECON
COUNTY OF ATLANTIC, NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF CASH - TREASURER
FOR THE YEAR ENDED DECEMBER 31, 2024

Balance, December 31, 2023		$ 2,372,478.72
Increased By:		
Capital Improvement Fund		50,000.00
		2,422,478.72
Decreased By:		
Fund Balance Anticipated as Current Fund Revenue	$ 200,000.00	
Improvement Authorizations	1,036,689.61	
		1,236,689.61
Balance, December 31, 2024		$ 1,185,789.11

CITY OF ABSECON
COUNTY OF ATLANTIC, NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF ANALYSIS OF GENERAL CAPITAL CASH
FOR THE YEAR ENDED DECEMBER 31, 2024

		Balance December 31, 2024
Fund Balance		$ 38,195.26
Capital Improvement Fund		9,350.00
Reserve for Encumbrances		1,460,993.15
Grants Receivable		(320,000.00)
Ordinance Number	Improvement Description	
2-2019 / 11-2019 / 5-2020	Acquisition of Property and Construction of a New Firehouse Building	5,540.46
6-2019 / 6-2020	Various Capital Improvements	1,691.16
7-2021 / 4-2022	Various Capital Improvements and Acquisitions	39,280.00
5-2022 / 8-2024	Various Capital Improvements and Acquisitions	537,930.46
10-2023	Various Capital Improvements and Acquisitions	22,000.00
13-2024	2024 Road Improvement Program	(609,191.38)
		$ 1,185,789.11

EXHIBIT C-4

CITY OF ABSECON
COUNTY OF ATLANTIC, NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF GRANTS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2024

Balance, December 31, 2024 & 2023	$ 320,000.00

EXHIBIT C-5

CITY OF ABSECON
COUNTY OF ATLANTIC, NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - FUNDED
FOR THE YEAR ENDED DECEMBER 31, 2024

Balance, December 31, 2023	$ 15,970,000.00
Decreased By:	
Budget Appropriation to Pay Bonds	635,000.00
Balance, December 31, 2024	$ 15,335,000.00

EXHIBIT C-6

CITY OF ABSECON
COUNTY OF ATLANTIC, NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED
FOR THE YEAR ENDED DECEMBER 31, 2024

Ordinance Number	Ordinance Date	Improvement Description	Balance December 31, 2023	2024 Authorizations	Decreases	Balance December 31, 2024	Analysis of Balance: Unexpended Improvement Authorizations	Analysis of Balance: Expenditures
13-2024	05/02/24	2024 Road Improvement Program	$ -	$ 950,000.00	$ -	$ 950,000.00	$ 340,808.62	$ 609,191.38

EXHIBIT C-7

CITY OF ABSECON
COUNTY OF ATLANTIC, NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF SERIAL BONDS
FOR THE YEAR ENDED DECEMBER 31, 2024

Purpose	Date of Issue	Original Issue	Outstanding December 31, 2024 Date	Outstanding December 31, 2024 Amount	Interest Rate	Balance December 31, 2023	Decreased	Balance December 31, 2024
General Obligation Bonds	7/30/2020	$ 11,455,000.00	7/15/2025	$ 340,000.00	4.000%	$ 10,625,000.00	$ 315,000.00	$ 10,310,000.00
			7/15/2026	365,000.00	4.000%			
			7/15/2027	390,000.00	4.000%			
			7/15/2028	415,000.00	4.000%			
			7/15/2029	440,000.00	4.000%			
			7/15/2030	460,000.00	3.000%			
			7/15/2031	485,000.00	3.000%			
			7/15/2032	500,000.00	2.000%			
			7/15/2033	515,000.00	2.000%			
			7/15/2034	525,000.00	2.000%			
			7/15/2035	535,000.00	2.000%			
			7/15/2036	535,000.00	2.000%			
			7/15/2037	535,000.00	2.000%			
			7/15/2038	535,000.00	2.000%			
			7/15/2039	535,000.00	2.000%			
			7/15/2040	535,000.00	2.125%			
			7/15/2041	535,000.00	2.125%			
			7/15/2042	535,000.00	2.125%			
			7/15/2043	535,000.00	2.250%			
			7/15/2044	535,000.00	2.250%			
			7/15/2045	525,000.00	2.250%			
General Obligation Bonds	9/12/2023	5,345,000.00	9/15/2025	445,000.00	4.000%	5,345,000.00	320,000.00	5,025,000.00
			9/15/2026	490,000.00	4.000%			
			9/15/2027	500,000.00	4.000%			
			9/15/2028	515,000.00	4.000%			
			9/15/2029	565,000.00	4.000%			
			9/15/2030	590,000.00	4.000%			
			9/15/2031	640,000.00	4.000%			
			9/15/2032	640,000.00	4.000%			
			9/15/2033	640,000.00	4.000%			
						$ 15,970,000.00	$ 635,000.00	$ 15,335,000.00

CITY OF ABSECON
COUNTY OF ATLANTIC, NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS
FOR THE YEAR ENDED DECEMBER 31, 2024

Ordinance Number	Ordinance Date	Improvement Description	Ordinance Amount	Balance December 31, 2023 Funded	Balance December 31, 2023 Unfunded	2024 Authorizations	Transfer from Encumbrance Payable	Expended: Expended	Expended: Encumbered	Balance December 31, 2024 Funded	Balance December 31, 2024 Unfunded
6-2018 / 12-2018	4/19/2018; 10/18/2018	Various Capital Improvements	$ 1,040,000.00	$ 8,738.66	$ -	$ -	$ -	$ 8,738.66	$ -	$ -	$ -
2-2019 / 11-2019 / 5-2020	2/21/2019; 8/15/2019; 5/21/2020	Acquisition of Property and Construction of a New Firehouse Building	7,278,000.00	7,231.62	-	-	23,529.62	23,870.78	1,350.00	5,540.46	-
6-2019 / 6-2020	04/18/19	Various Capital Improvements	18,282,000.00	-	-	-	36,045.78	4,451.00	29,903.62	1,691.16	-
7-2021 / 4-2022	4/15/2021; 4/7/2022	Various Capital Improvements and Acquisitions	2,245,000.00	157,684.28	-	-	113,808.44	124,237.52	107,975.20	39,280.00	-
5-2022 / 8-2024	4/21/2022	Various Capital Improvements and Acquisitions	1,755,000.00	1,108,753.02	-	-	153,163.75	387,062.47	336,923.84	537,930.46	-
10-2023	05/04/23	Various Capital Improvements and Acquisitions	1,245,000.00	543,200.00	-	-	292,778.29	487,464.18	326,514.11	22,000.00	-
13-2024	05/02/24	2024 Road Improvement Program	1,000,000.00	-	-	1,000,000.00	-	865.00	658,326.38	-	340,808.62
				$ 1,825,607.58	$ -	$ 1,000,000.00	$ 619,325.88	$ 1,036,689.61	$ 1,460,993.15	$ 606,442.08	$ 340,808.62

Capital Improvement Fund	$ 50,000.00
Deferred Charges Unfunded	950,000.00
	$ 1,000,000.00

EXHIBIT C-9

CITY OF ABSECON
COUNTY OF ATLANTIC, NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF CAPITAL IMPROVEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2024

Balance, December 31, 2023	$ 9,350.00
Increased By:	
Current Fund Appropriation	50,000.00
	59,350.00
Decreased By:	
Improvement Authorizations	50,000.00
Balance, December 31, 2024	$ 9,350.00

EXHIBIT C-10

CITY OF ABSECON
COUNTY OF ATLANTIC, NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED
FOR THE YEAR ENDED DECEMBER 31, 2024

Ordinance Number	Ordinance Date	Improvement Description	Balance December 31, 2023	2024 Authorizations	Balance December 31, 2024
13-2024	05/02/24	2024 Road Improvement Program	$ -	$ 950,000.00	$ 950,000.00

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SEWER UTILITY FUND

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EXHIBIT D-5

CITY OF ABSECON
COUNTY OF ATLANTIC, NEW JERSEY
SEWER UTILITY FUND
SCHEDULE OF CASH - TREASURER
FOR THE YEAR ENDED DECEMBER 31, 2024

	Operating		Capital	
Balance, December 31, 2023		$ 1,070,415.41		$ 29,917.40
Increased By Receipts:				
Consumer Accounts Receivable	$ 1,620,172.37		$ -	
Prepaid Rents	442,648.11		-	
Customer Overpayments	11,328.37		-	
Miscellaneous Revenues Not Anticipated	74,079.29		-	
		2,148,228.14		-
		3,218,643.55		29,917.40
Decreased By Disbursements:				
2024 Budget Appropriations	1,846,171.65		-	
2023 Appropriation Reserves	69,318.08		-	
Overpayment Refund	98.31			
		1,915,588.04		-
Balance, December 31, 2024		$ 1,303,055.51		$ 29,917.40

EXHIBIT D-6

CITY OF ABSECON
COUNTY OF ATLANTIC, NEW JERSEY
SEWER UTILITY CAPITAL FUND
SCHEDULE OF ANALYSIS OF SEWER UTILITY CAPITAL CASH
FOR THE YEAR ENDED DECEMBER 31, 2024

	Balance December 31, 2024
Capital Improvement Fund	$ 27,814.11
Fund Balance	2,103.29
	$ 29,917.40

CITY OF ABSECON
COUNTY OF ATLANTIC, NEW JERSEY
SEWER UTILITY OPERATING FUND
SCHEDULE OF CONSUMER ACCOUNTS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2024

Balance, December 31, 2023		$ 47,378.93
Increased By:		
Sewer Rents Levied	$ 2,050,500.00	
Adjustment	6,745.49	
		2,057,245.49
		2,104,624.42
Decreased By:		
Collections	1,620,172.37	
Prepaid Rents Applied	421,769.51	
Overpayments Applied	11,329.06	
		2,053,270.94
Balance, December 31, 2024		$ 51,353.48

EXHIBIT D-8

CITY OF ABSECON
COUNTY OF ATLANTIC, NEW JERSEY
SEWER UTILITY CAPITAL FUND
SCHEDULE OF FIXED CAPITAL
FOR THE YEAR ENDED DECEMBER 31, 2024

Improvement Description		Balance December 31, 2024 & 2023
Installation of Sewer Line	$	196,292.55
Improvements to Pumping Station		296,168.41
Vehicles		176,167.00
General Equipment		505,446.40
Sewer Line Video System		8,900.00
Improvements to Sanitary Sewer Line		976,333.00
Control Panels		1,800,000.00
	$	3,959,307.36

EXHIBIT D-9

CITY OF ABSECON
COUNTY OF ATLANTIC, NEW JERSEY
SEWER UTILITY FUND
SCHEDULE OF 2023 APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2024

	Balance December 31, 2023	Reserve for Encumbrances	Balance After Modifications	Paid or Charged	Lapsed
Operating:					
Salaries and Wages	$ 1,633.41	$ -	$ 1,633.41	$ -	$ 1,633.41
Other Expenses	95,651.24	2,006.83	97,658.07	69,318.08	28,339.99
Total Operating	97,284.65	2,006.83	99,291.48	69,318.08	29,973.40
Capital Improvements:					
Televise Sanitary Sewer	4,000.00	43,900.00	47,900.00	-	47,900.00
Total Capital Improvements	4,000.00	43,900.00	47,900.00	-	47,900.00
Statutory Expenditures:					
Contributions To:					
Social Security	2,525.00	-	2,525.00	-	2,525.00
Total Statutory Expenditures	2,525.00	-	2,525.00	-	2,525.00
Total Water Utility Fund Appropriations	$ 103,809.65	$ 45,906.83	$ 149,716.48	$ 69,318.08	$ 80,398.40

Cash Expended		$ 69,318.08

EXHIBIT D-10

CITY OF ABSECON
COUNTY OF ATLANTIC, NEW JERSEY
SEWER UTILITY OPERATING FUND
SCHEDULE OF SEWER RENT OVERPAYMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Balance, December 31, 2023		$ 12,312.71
Increased By:		
Receipts - Collector	$ 11,328.37	
Adjustments	27.16	
		11,355.53
		23,668.24
Decreased By:		
Overpayments Applied	11,329.06	
Rent Overpayments Refunded	98.31	
		11,427.37
Balance, December 31, 2024		$ 12,240.87

EXHIBIT D-11

CITY OF ABSECON
COUNTY OF ATLANTIC, NEW JERSEY
SEWER UTILITY OPERATING FUND
SCHEDULE OF PREPAID SEWER RENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Balance, December 31, 2023	$	421,769.51
Increased By:		
Receipts - Collector		442,648.11
		864,417.62
Decreased By:		
Prepayments Applied		421,769.51
Balance, December 31, 2024	$	442,648.11

CITY OF ABSECON
COUNTY OF ATLANTIC, NEW JERSEY
SEWER UTILITY CAPITAL FUND
SCHEDULE OF CAPITAL IMPROVEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2024

Balance, December 31, 2024 & 2023	$ 27,814.11

EXHIBIT D-13

CITY OF ABSECON
COUNTY OF ATLANTIC, NEW JERSEY
WATER/SEWER UTILITY CAPITAL FUND
SCHEDULE OF RESERVE FOR AMORTIZATION
FOR THE YEAR ENDED DECEMBER 31, 2024

Balance, December 31, 2024 & 2023	$	3,959,307.36

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GENERAL FIXED ASSETS ACCOUNT GROUP

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EXHIBIT G-1

CITY OF ABSECON
COUNTY OF ATLANTIC, NEW JERSEY
GENERAL FIXED ASSETS ACCOUNT GROUP
SCHEDULE OF GENERAL FIXED ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2024

	Balance, December 31, 2023	Additions	Balance December 31, 2024
Land & Land Improvements	$ 30,401,300.00	$ -	$ 30,401,300.00
Buildings & Improvements	12,173,575.69	-	12,173,575.69
Machinery, Vehicles & Equipment	4,722,002.60	141,558.99	4,863,561.59
	$ 47,296,878.29	$ 141,558.99	$ 47,438,437.28

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CITY OF ABSECON

PART II

SINGLE AUDIT SECTION

FOR THE YEAR ENDED DECEMBER 31, 2024

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

The Honorable Mayor and Members
of the City Council
City of Absecon
Absecon, New Jersey 07739

Report on Compliance for Each Major State Program

Opinion on Each State Program

We have audited the City of Absecon's compliance with the types of compliance requirements identified as subject to audit in the *New Jersey State Aid/Grant Compliance Supplement* that could have a direct and material effect on each of City of Absecon's major state programs for the year ended December 31, 2024. The City of Absecon's major state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City of Absecon complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major state programs for the year ended December 31, 2024.

Basis for Opinion on Each State Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid;* and audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Our responsibilities under those standards and New Jersey OMB's Circular 15-08 are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and New Jersey OMB's Circular 15-08, we:

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

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

Report on Internal Control over Compliance

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

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

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

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

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.

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

Lakewood, New Jersey
August 7, 2025

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CITY OF ABSECON
COUNTY OF ATLANTIC, NEW JERSEY
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED DECEMBER 31, 2024

State Grantor/Pass-Through Grantor/Program Title	State Account Number	Grant Period	Grant Award State Share	Program Expenditures	Pass-Through to Subrecipient	Cumulative Expenditures
New Jersey Department of Community Affairs						
N.J. DCA - LEAP Implementation Program	8030-495-667	N/A	$ 201,364.00	$ 13,834.50	$ -	$ 24,965.28
Local Recreation Improvement Grant	Unavailable	N/A	71,000.00	71,000.00	-	71,000.00
Total New Jersey Department of Consumer Affairs				84,834.50	-	95,965.28
New Jersey Department of Environmental Protection						
Clean Communities Grant - 2024	765-042-4900-004	2024	27,025.54	11,397.38	-	11,397.38
Clean Communities Grant -2023	765-042-4900-004	2023	23,793.86	22,930.72	-	23,793.86
Clean Communities Grant - 2022	765-042-4900-004	2022	24,213.84	245.00	-	21,213.84
Recycling Tonnage Grant	100-042-4910-224	2024	12,444.72	1,119.45	-	1,119.45
Recycling Tonnage Grant	100-042-4910-224	2023	12,240.49	12,240.49	-	12,240.49
Recycling Tonnage Grant	100-042-4910-224	2022	122,828.09	8,567.06	-	12,828.09
Total New Jersey Department of Environmental Protection Development				56,500.10	-	82,593.11
Department of Law and Public Safety						
U Drive/Text/Pay	Unavailable	2024	5,600.00	5,145.00	-	5,145.00
Fire Grant SCBA	Unavailable	2024	21,000.00	21,000.00	-	21,000.00
Speed/Aggressive Driving Enforcement Mobilization	Unavailable	2024	8,400.00	7,875.00	-	7,875.00
New Jersey Body Worn Camera Grant	1020-100-495	2024	42,420.00	4,980.00	-	4,980.00
New Jersey Body Armor Replacement Fund - 2024	1020-718-001	2024	4,671.08	1,865.28	-	1,865.28
New Jersey Body Armor Replacement Fund - 2023	1020-718-001	2023	2,004.08	1,000.67	-	2,004.08
Drunk Driving Enforecement Grant	Unavailable	2024	14,088.36	14,088.36	-	14,088.36
Total Department of Law and Public Safety				55,954.31	-	56,957.72
Department of Transportation						
N.J. DOT Trust Fund Authority Act	6320-480-078	2023/2024	1,508,493.00	236,125.00	-	236,125.00
Streetscape Improvements Phase 4	6200-100-078	2024	525,000.00	471,200.00	-	519,800.00
Pedestrian Safety Improvements	Unavailable	2024	619,000.00	619,000.00	-	619,000.00
Total Department of Transportation				1,326,325.00	-	1,374,925.00
Total Expenditures of State Financial Assistance				$ 1,523,613.91	$ -	$ 1,610,441.11

The Accompanying Notes to the Schedule of Expenditures of State Financial Assistance are an Integral Part of this Statement.

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CITY OF ABSECON
COUNTY OF ATLANTIC, NEW JERSEY
NOTES TO SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED DECEMBER 31, 2024

Note 1. Basis of Presentation

The accompanying schedule of expenditures of state financial assistance present the activity of all state financial assistance programs of the City of Absecon. The City is defined in Note 1 of the basic financial statements. The information in this schedule is presented in accordance with the requirements of New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. All state awards received directly from state agencies, as well as state financial assistance passed through other government agencies is included on the schedule of expenditures of state financial assistance.

Note 2. Summary of Significant Accounting Policies

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

The amounts shown as current year expenditures represent only the state grant portion of the program costs. Such expenditures are recognized following the cost principles contained in State of New Jersey OMB Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

The City did not elect the applicable de minimum indirect cost rate as discussed in 2 CFR 200.414.

Note 3. Relationship to Basic Financial Statements

Amounts reported in the accompanying schedule agree with amounts reported in the City's financial statements. Expenditures from awards were made in current and prior years and are reported in the City's financial statements as follows:

	State
State & Federal Grant Fund	$ 1,523,613.91
Total	$ 1,523,613.91

Note 4. Relationship to State Financial Reports

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

Note 5. State Loans Outstanding

The City had no loan balances outstanding at December 31, 2024.

Note 6. Contingencies

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

Note 7. Major Programs

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

CITY OF ABSECON
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Section I - Summary of Auditor's Results

Financial Statements

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

Federal Awards - Not Applicable

State Financial Assistance

Internal control over major programs:	
1) Material weakness(es) identified?	___ yes X no
2) Significant deficiency(ies) identified?	___ yes X no
Type of auditor's report issued on compliance for major programs	Unmodified
Any audit findings disclosed that are required to be reported in accordance with New Jersey OMB's Circular 15-08?	___ yes X no

Identification of major programs:

State Grant/Project Number(s)	Name of State Program
6320-480-078/6200-100-078	NJ DOT - Municipal Aid

Dollar threshold used to determine Type A programs	$750,000.00
Auditee qualified as low-risk auditee?	___ yes X no

CITY OF ABSECON
SCHEDULE OF FINANCIAL STATEMENT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2024

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 2024-001

Criteria or specific requirement:
N.J.A.C. 5:30-5.2 states that all municipalities shall maintain an encumbrance accounting system "in such a way to record charges against amounts appropriated at the time the charges are authorized so that the funds allocated for such purposes are reserved and cannot be used for other charges within that line item".

Condition:
A sample of twenty-five (25) purchase orders revealed that charges for amounts appropriated were not recorded or authorized prior to the goods or services being provided.

Cause:
The City did not create a purchase order until after the good or service was provided.

Effect or potential effect:
The City creates the potential for the over-expenditure of appropriations.

Recommendation:
That the City implement controls to ensure that charges against amounts appropriated are recorded at the time the charges are authorized so that funds are reserved and line items are not over-expended.

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

CITY OF ABSECON
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2024

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 Principals, and Audit Requirements for Federal Awards* (Uniform Guidance), and New Jersey OMB's Circular 15-08.

FINANCIAL STATEMENT FINDINGS:

None

FEDERAL AWARDS

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

STATE FINANCIAL ASSISTANCE

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

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CITY OF ABSECON

PART III

LETTER OF COMMENTS AND RECOMMENDATIONS – REGULATORY BASIS

FOR THE YEAR ENDED DECEMBER 31, 2024

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Honorable Mayor and Members
of the City Council
City of Absecon
County of Atlantic
Absecon, 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, 2024.

GENERAL COMMENTS:

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

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

The bid threshold in accordance with N.J.S.A. 40A:11-4 was $44,000 for the year ended December 31, 2024.

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 4, 2024 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 Council of the City of Absecon, 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 Council of the City of Absecon, 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 2024-001 *(Finding 2024-001 in the Schedule of Findings and Recommendations section)*

A sample of twenty-five (25) purchase orders revealed that charges for amounts appropriated were not recorded or authorized prior to the goods or services being provided.

RECOMMENDATIONS:

Finding 2024-001

That the City implement controls to ensure that charges against amounts appropriated are recorded at the time the charges are authorized so that funds are reserved and line items are not over-expended.

OFFICIALS IN OFFICE AND SURETY BONDS

The following officials were in office at December 31, 2024:

Name	**Title**
Kimberly Horton	Mayor
Nicholas LaRotonda	Council President
Alex Clark	Councilmember
Sandy Cain	Councilmember
Christine Parker	Councilmember
Steve Light	Councilmember
Tommy Marrone	Councilmember
Richard DeRose	Councilmember
Jessica Thompson	Administrator / CFO
Carie Crone	Municipal Clerk
Jessica Snyder	Tax Collector
Carl Tripician	Municipal Court Judge
Merrilee Carlson	Court Administrator
William Blaney, Esq.	Solicitor

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
August 7, 2025