TOWNSHIP OF GALLOWAY

REPORT OF AUDIT

FOR THE YEAR ENDED

DECEMBER 31, 2023

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TOWNSHIP OF GALLOWAY

PART I

REPORT ON EXAMINATION OF FINANCIAL STATEMENTS - REGULATORY BASIS

FOR THE YEAR ENDED

December 31, 2023

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FORD - SCOTT
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INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and
Members of Township Council
Township of Galloway, New Jersey

Report on the Financial Statements

Opinions

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

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" paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of each fund of the Township of Galloway as of December 31, 2023 and 2022, or changes in financial position for the years then ended.

Opinion on Regulatory Basis of Accounting

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

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS), the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and the audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division"), Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of Financial Statements section of our report. We are required to be independent of the Township of Galloway 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 of the financial statements, the financial statements are prepared by the Township of Galloway on the basis of the financial reporting provisions prescribed by 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 New Jersey.

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the basis of accounting prescribed by 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 misstatements, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Township of Galloway's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards* and audit requirements prescribed by the Division of Local Government Services 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 an 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 judgement made by a reasonable user based on the financial statements.

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

- exercise professional judgement 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 the internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Township of Galloway'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 judgement there are conditions or events considered in the aggregate, that raise substantial doubt about the Township of Galloway's ability to continue as a going concern for a reasonable period of time.

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Township of Galloway basic financial statements. The supplementary information listed in the table of contents and schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and the letter of comments and recommendations section are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental information listed in the table of contents, schedule of expenditures of federal awards and the schedule of state financial assistance are fairly stated, in all material respects, in relation to the regulatory basis financial statements as a whole.

The letter of comments and recommendations section has not been subject to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 29, 2024 on our consideration of the Township of Galloway'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 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Township of Galloway's internal control over financial reporting and compliance.

Ford, Scott & Associates, L.L.C.
FORD, SCOTT & ASSOCIATES, L.L.C.
CERTIFIED PUBLIC ACCOUNTANTS

Leon P. Costello
Leon P. Costello
Certified Public Accountant
Registered Municipal Accountant
No. 393

March 29, 2024

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EXHIBIT - A
CURRENT FUND

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Exhibit A
Sheet 1

CURRENT FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS
AS OF DECEMBER 31,

	2023	2022
ASSETS		
Regular Fund:		
Cash and Investments		
Cash Treasurer	$ 24,994,637.06	24,206,031.79
Cash Held in Trust	8,660.00	8,660.00
Cash - Change	1,000.00	1,000.00
Total Cash	25,004,297.06	24,215,691.79
Other Receivables:		
Due from State - Chapter 20 P.L. 1971	7,759.02	7,448.75
Total Other Receivables	7,759.02	7,448.75
Receivables and Other Assets with Full Reserves:		
Delinquent Property Taxes Receivable	29,288.75	58,321.15
Tax Title and Other Liens	2,392,698.03	2,251,406.89
Property Acquired for Taxes - at Assessed Valuation	4,035,022.87	3,953,641.74
Property Deeded to Township	4,841,323.10	3,577,723.10
Total Receivables and Other Assets	11,298,332.75	9,841,092.88
Total Regular Fund	36,310,388.83	34,064,233.42
Federal and State Grant Fund:		
Cash	1,085,511.42	2,029,715.62
Federal and State Grants Receivable	1,671,314.01	1,319,329.72
Due From Current Fund	-	-
Total Federal and State Grant Fund	2,756,825.43	3,349,045.34
Total Current Fund	$ 39,067,214.26	37,413,278.76

CURRENT FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS
AS OF DECEMBER 31,

		2023	2022
LIABILITIES, RESERVES AND FUND BALANCE			
Regular Fund:			
Liabilities:			
Appropriation Reserves	$	2,217,630.94	2,442,007.49
Reserve for Encumbrances		1,318,125.27	1,388,221.82
Accounts Payable		286,868.16	76,215.22
Prepaid Taxes		1,306,647.84	1,138,221.24
Overpaid Taxes		89,338.71	101,248.02
Regional School Tax Payable		2,391,226.85	2,467,037.05
Local School Tax Payable		1.00	-
County Added Tax Payable		85,576.38	50,681.40
Due to FEMA		8,281.36	8,281.36
Due to State:			
Marriage Licenses		3,725.00	-
DCA Training Fees		7,692.00	8,402.00
Burial Fees		65.00	25.00
Domestic Partnership		25.00	-
Interfund Payable:			
Sewer Utility Operating Fund		400.40	0.20
Tax Collector - Special		-	864.41
Other			
Lead Hazard Control Fund		1,280.00	-
Deposits for Trailer Courts		3,732.00	3,732.00
Deposits for Sale of Township Property		26,046.00	24,221.00
Reserve for Municipal Relief Fund Aid		267,684.25	133,870.38
Reserve for LOSAP Payments		207,235.21	201,085.62
Reserve for Tax Appeals		675,000.00	675,000.00
Reserve for Capital Improvements		2,583,517.91	2,583,517.91
Reserve for Proceeds on Sale of Municipal Property		341,747.53	385,421.16
Reserve for Reassessment		87,480.00	87,480.00
Reserve for Technology		1,258.88	1,258.88
Reserve for Revision and Codification of Ordinances		4,312.26	4,312.26
		11,914,897.95	11,781,104.42
Reserve for Receivables and Other Assets		11,298,332.75	9,841,092.88
Fund Balance		13,097,158.13	12,442,036.12
Total Regular Fund		36,310,388.83	34,064,233.42
Federal and State Grant Fund:			
Unappropriated Reserves		14,870.50	3,884.19
Appropriated Reserves		2,235,458.10	2,772,553.32
Encumbrances Payable		438,227.27	496,593.27
Due from Current Fund		-	-
Reserve for Small Cities Revolving Loan Fund		68,269.56	76,014.56
Total Federal and State Grant Fund		2,756,825.43	3,349,045.34
Total Current Fund	$	39,067,214.26	37,413,278.76

CURRENT FUND
COMPARATIVE STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCE - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31,

		2023	2022
Revenue and Other Income Realized			
Fund Balance	$	5,700,000.00	5,165,500.00
Miscellaneous Revenue Anticipated		8,303,001.97	9,505,075.54
Receipts from Delinquent Taxes		39,486.95	65,231.92
Receipts from Current Taxes		91,472,288.09	87,993,120.73
Non Budget Revenue		725,866.45	935,550.46
Other Credits to Income:			
Unexpended Balance of Appropriation Res.		2,583,531.48	2,453,654.09
Interfund Returned			-
Cancellation of Accounts Payable		4,033.28	79,141.77
Cancellation of Grants		6,292.71	2,048.85
Total Income		108,834,500.93	106,199,323.36
Expenditures			
Budget and Emergency Appropriations:			
Appropriations Within "CAPS"			
Operations:			
Salaries and Wages		10,834,074.00	10,391,824.00
Other Expenses		9,805,064.00	9,093,829.00
Deferred Charges & Statutory Expenditures		3,207,637.00	3,108,253.00
Appropriations Excluded from "CAPS"			
Operations:			
Salaries and Wages		32,400.00	32,400.00
Other Expenses		2,138,935.28	3,146,762.16
Capital Improvements		147,000.00	330,114.61
Debt Service		2,540,470.49	2,641,932.55
Deferred Charges		-	-
Local District School Tax		36,180,254.00	34,907,895.00
Regional District School Tax		19,559,319.00	19,713,629.00
County Tax		17,931,686.99	16,598,649.38
County Share of Added Tax		85,576.38	50,681.40
Refund of Prior Year's Revenue		-	-
Other:			
Refund of Prior Year Revenue		11,861.11	515.68
Interfund Created		-	-
Prior Year Senior Citizens Veterans Disallowed		5,100.67	6,660.40
Unknown Tax Receipt		-	-
Total Expenditures		102,479,378.92	100,023,146.18
Excess/(Deficit) in Revenue		6,355,122.01	6,176,177.18

CURRENT FUND
COMPARATIVE STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCE - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31,

	2023	2022
Adjustments to Income before Fund Balance:		
Expenditures included above which are by Statute Deferred Charges to Budgets of Succeeding Year		
Emergency Appropriation	-	-
Total Adjustments	-	-
Statutory Excess to Fund Balance	6,355,122.01	6,176,177.18
Fund Balance January 1	12,442,036.12	11,431,358.94
	18,797,158.13	17,607,536.12
Decreased by:		
Utilization as Anticipated Revenue	5,700,000.00	5,165,500.00
Fund Balance December 31	$ 13,097,158.13	12,442,036.12

Exhibit A-2

CURRENT FUND
STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2023

	Anticipated Budget	Anticipated N.J.S. 40A:4-87	Realized	Excess or (Deficit)
Fund Balance Anticipated	$ 5,700,000.00		5,700,000.00	-
Total Fund Balance Anticipated	5,700,000.00	-	5,700,000.00	-
Miscellaneous Revenues:				
Section A: Local Revenues				
Licenses:				
Alcoholic Beverages	65,000.00		73,564.00	8,564.00
Fees and Permits	150,000.00		173,140.50	23,140.50
Fines and Costs:				
Municipal Court	185,000.00		278,888.91	93,888.91
Interest and Costs on Taxes	210,000.00		190,929.94	(19,070.06)
Interest Earned on Investments	93,000.00		713,835.38	620,835.38
Planning Board - Special Application Fees	15,000.00		13,750.00	(1,250.00)
Payment in Lieu of Taxes - Brigantine Wildlife Refuge	28,000.00		28,409.00	409.00
Fire Safety Rebate	30,000.00		54,247.07	24,247.07
Fire Inspection	50,000.00		56,017.00	6,017.00
Cable TV Franchise Fee	132,000.00		135,947.98	3,947.98
Hotel Tax	550,000.00		756,416.89	206,416.89
Rental Inspections	85,000.00		96,820.00	11,820.00
Total Section A: Local Revenues	1,593,000.00	-	2,571,966.67	978,966.67
Section B: State Aid Without Offsetting Appropriations				
Energy Receipts Tax	2,584,081.00		2,584,081.46	0.46
Watershed Moratorium	7,708.00		7,708.00	-
Garden State Preservation Trust Fund	7,234.00		8,908.00	1,674.00
Municipal Relief Aid	133,870.38		133,870.38	
Total Section B: State Aid Without Offsetting Appropriations	2,732,893.38	-	2,734,567.84	1,674.46

Exhibit A-2

CURRENT FUND
STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2023

	Anticipated			
	Budget	N.J.S. 40A:4-87	Realized	Excess or (Deficit)
Section C: Uniform Construction Code Fees				
Uniform Construction Code Fees	455,000.00		472,572.00	17,572.00
Total Section C: Uniform Construction Code Fees	455,000.00	-	472,572.00	17,572.00
Section F: Special Items - Public and Private Programs				
Off-Set with Appropriations				
NJ Transportation Trust Fund Authority Act	250,000.00		250,000.00	-
Recycling Tonnage Grant	62,607.52		62,607.52	-
Drunk Driving Enforcement Fund		4,862.48	4,862.48	-
Clean Communities		103,698.43	103,698.43	
Municipal Alliance on Alcoholism & Drug Abuse	16,294.70		16,294.70	-
Community Development Block Grant		216,962.00	216,962.00	-
Safe and Secure Communities Program	32,400.00	-	32,400.00	-
Emergency Mgmt Assistance		10,000.00	10,000.00	-
Drive Sober or Get Pulled Over		8,750.00	8,750.00	-
Opiod Recovery & Remediation Grant	12,392.69	5,805.70	18,198.39	-
Automated License Plate Reader		60,325.00	60,325.00	-
Stormwater Grant		25,000.00	25,000.00	-
Spotted Lanternfly Grant		15,000.00	15,000.00	-
Local Recreation Improvement Grant		60,000.00	60,000.00	-
Body Armor	3,884.19		3,884.19	-
Bulletproof Vest Partnership	9,996.00	-	9,996.00	-
NJ Transportation Trust Fund Authority Act - Collins Road		319,085.00	319,085.00	-
Sustainable Jersey		10,000.00	10,000.00	-
Total Section F: Special Items - Public and Private Programs Off-Set with Appropriations	387,575.10	839,488.61	1,227,063.71	-

Exhibit A-2

CURRENT FUND
STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2023

	Anticipated			
	Budget	N.J.S. 40A:4-87	Realized	Excess or (Deficit)
Section G: Other Special Items				
Communications - Dispatch Agreement				-
Mullica	225,000.00		249,078.34	24,078.34
RDI Lennox Property	175,174.95		182,816.28	7,641.33
Atlantic Care - Contribution	327,251.70		333,796.73	6,545.03
Aloe Village	100,000.00		100,000.00	-
Absecon - Dispatch Services	422,686.66		431,140.40	8,453.74
Total Section G: Other Special Items	1,250,113.31	-	1,296,831.75	46,718.44
Total Miscellaneous Revenues:	6,418,581.79	839,488.61	8,303,001.97	1,044,931.57
Receipts from Delinquent Taxes	-		39,486.95	39,486.95
Amount to be Raised by Taxes for Support of Municipal Budget				
Local Tax for Municipal Purposes	17,775,291.80		19,736,708.14	1,961,416.34
Total Amount to be Raised by Taxes for Support of Municipal Budget	17,775,291.80	-	19,736,708.14	1,961,416.34
Budget Totals	29,893,873.59	839,488.61	33,779,197.06	3,045,834.86
Non- Budget Revenues:				
Other Non- Budget Revenues:			725,866.45	725,866.45
	$ 29,893,873.59	839,488.61	34,505,063.51	3,771,701.31

CURRENT FUND
STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2023

Analysis of Realized Revenues				
Allocation of Current Tax Collections:				
Revenue from Collections			$	91,472,288.09
Less: Reserve for Tax Appeals Pending				-
Net Revenue from Collections				91,472,288.09
Allocated to:				
School, County and Other Taxes				73,756,836.37
Balance for Support of Municipal Budget Appropriations				17,715,451.72
Increased by:				
Appropriation "Reserved for Uncollected Taxes"				2,021,256.42
Amount for Support of Municipal Budget Appropriations				19,736,708.14
Receipts from Delinquent Taxes:				
Delinquent Tax Collection	$	15,028.19		
Tax Title Lien Collections		24,458.76		
Total Receipts from Delinquent Taxes				39,486.95
Analysis of Non-Budget Revenue:				
Miscellaneous Revenue Not Anticipated:				
Tax Search Fees		470.00		
Mercantile License		35,555.00		
Improvement Searches		460.00		
Prior Year Reimbursements and Rebates		88,981.12		
Code Enforcement Fees		18,210.00		
Police Reports		42,683.00		
Sale of Recycling Material		12,039.10		
Sale of Municipal Assets		36,246.00		
Port Republic Communications		2,000.00		
Rental - Cell Phone Tower		56,809.61		
Payments in Lieu of Taxes		302,989.00		
Senior and Vets Administration Fee		5,047.59		
Shared Services - Tax Assessor		40,000.00		
Shared Services - Construction		8,333.33		
Police Tow Releases		14,475.00		
Property Registration		7,800.00		
Loading Fee - Wood Chips		1,650.00		
Freon Fees		60.00		
Miscellaneous		52,057.70		
Total Miscellaneous Revenue Not Anticipated:				725,866.45

CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2023

	Appropriations		Expended			(Over expended) Unexpended
	Budget	Budget After Modifications	Paid or Charged	Encumbered	Reserved	Balance Cancelled
OPERATIONS WITHIN "CAPS"						
GENERAL GOVERNMENT:						
General Administration						
Salaries and Wages	$ 138,500.00	138,500.00	99,178.40		39,321.60	-
Other Expenses	96,000.00	96,000.00	82,317.39	3,544.97	10,137.64	-
Mayor and Council						
Salaries and Wages	63,324.00	63,324.00	63,324.00		-	-
Other Expenses	21,150.00	21,150.00	15,626.84		5,523.16	-
Township Clerk						
Salaries and Wages	187,000.00	187,000.00	181,199.24		5,800.76	-
Other Expenses	96,400.00	96,400.00	62,877.95	8,474.26	25,047.79	-
Financial Administration						
Salaries and Wages	232,500.00	232,500.00	214,172.87		18,327.13	-
Other Expenses	52,500.00	52,500.00	43,516.46	2,164.15	6,819.39	-
Audit Services	27,000.00	27,000.00	27,000.00		-	-
Revenue Administration (Tax Collector)						
Salaries and Wages	148,500.00	158,500.00	154,172.68		4,327.32	-
Other Expenses	65,200.00	65,200.00	38,510.17	434.43	26,255.40	-
Tax Assessment Administration						
Salaries and Wages	169,000.00	159,000.00	138,635.34		20,364.66	-
Other Expenses	64,500.00	64,500.00	35,868.05	396.27	28,235.68	-
Legal Services						
Other Expenses	385,000.00	385,000.00	163,317.60	100,164.40	121,518.00	-
Liquidation of Tax Title Liens						
Other Expenses	100,000.00	100,000.00	50,000.00	50,000.00	-	-
Engineering Services and Costs						
Other Expenses	75,000.00	75,000.00	15,060.00	1,350.00	58,590.00	-
Municipal Court						
Contractual	390,500.00	390,500.00	371,665.26		18,834.74	-
Planning Board						
Salaries and Wages	18,000.00	18,000.00	17,334.62		665.38	-
Other Expenses	45,050.00	45,050.00	2,707.38	103.40	42,239.22	-
Zoning Board of Adjustment						
Salaries and Wages	18,000.00	18,000.00	17,338.41		661.59	-
Other Expenses	43,900.00	43,900.00	1,790.44		42,109.56	-
Code Enforcement Administration						
Other Code Enforcement Functions	15,000.00	15,000.00	3,100.00		11,900.00	-

CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2023

	Appropriations		Expended			(Over expended) Unexpended
	Budget	Budget After Modifications	Paid or Charged	Encumbered	Reserved	Balance Cancelled
Insurance						
Liability Insurance	469,866.00	469,866.00	469,866.00		-	-
Workers Compensation Insurance	627,378.00	627,378.00	627,378.00		-	-
Group Insurance Plan for Employees	2,717,000.00	2,717,000.00	2,118,377.93	598,622.07	-	(0.00)
Health Waivers						
Salaries and Wages	62,000.00	62,000.00	60,159.50		1,840.50	-
PUBLIC SAFETY						
Police						
Salaries and Wages	6,663,000.00	6,663,000.00	6,361,780.39		301,219.61	-
Other Expenses	608,550.00	608,550.00	464,003.67	44,138.68	100,407.65	-
Vehicles	438,000.00	438,000.00	423,402.54	12,313.48	2,283.98	-
Police Dispatch 911						
Salaries and Wages	1,114,500.00	1,114,500.00	1,011,822.29		102,677.71	-
Other Expenses	79,200.00	79,200.00	42,857.76	1,723.75	34,618.49	-
Office of Emergency Management						
Salaries and Wages	15,000.00	15,000.00	10,000.00		5,000.00	-
Other Expenses	15,000.00	15,000.00	14,369.12	492.13	138.75	-
Aid to Volunteer Fire Companies	190,000.00	190,000.00	190,000.00		-	-
Fire						
Salaries and Wages	99,500.00	99,500.00	83,965.09		15,534.91	-
Other Expenses	282,395.00	282,395.00	185,240.73	44,019.74	53,134.53	-
PUBLIC WORKS						
Streets and Road Maintenance						
Salaries and Wages	870,500.00	870,500.00	784,299.56		86,200.44	-
Other Expenses	308,800.00	301,800.00	189,786.87	47,918.80	64,094.33	-
Other Public Works Functions						
Salaries and Wages	148,000.00	148,000.00	116,588.40		31,411.60	-
Other Expenses	36,375.00	36,375.00	25,431.08	5,134.55	5,809.37	-
Buildings and Grounds						
Salaries and Wages	162,000.00	162,000.00	146,521.31		15,478.69	-
Other Expenses	251,200.00	238,200.00	127,843.43	30,151.49	80,205.08	-
Vehicle Maintenance						
Salaries and Wages	231,000.00	231,000.00	222,540.84		8,459.16	-
Other Expenses	441,550.00	461,550.00	382,706.90	62,311.87	16,531.23	-
Community Services Acts	33,000.00	33,000.00	28,694.76		4,305.24	-

Exhibit A - 3

CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2023

	Appropriations		Expended			(Over expended) Unexpended
	Budget	Budget After Modifications	Paid or Charged	Encumbered	Reserved	Balance Cancelled
HEALTH AND HUMAN SERVICE						
Environmental Health Services	3,000.00	3,000.00	947.50	1,250.00	802.50	-
PARKS AND RECREATION						
Maintenance of Parks						
Other Expenses	64,725.00	64,725.00	48,871.16	3,602.50	12,251.34	-
Community and Recreation Services						
Salaries and Wages	95,000.00	95,000.00	84,961.53		10,038.47	-
Other Expenses	100,600.00	100,600.00	66,658.70	13,060.18	20,881.12	-
UNIFORM CONSTRUCTION CODE						
Construction Official						
Salaries and Wages	321,750.00	321,750.00	271,717.44		50,032.56	-
Other Expenses	36,300.00	36,300.00	23,308.84	678.80	12,312.36	-
Contractual	77,500.00	77,500.00	77,500.00		-	-
Rental Inspections						
Salaries and Wages	77,000.00	77,000.00	75,524.23		1,475.77	-
UNCLASSIFIED						
Accumulated Leave of Compensation	10,000.00	10,000.00	10,000.00		-	-
Feasiblity Study	42,000.00	42,000.00	3,919.38	33,580.62	4,500.00	-
Utilities						
Electricity	230,000.00	230,000.00	187,581.35	36,677.01	5,741.64	-
Street Lighting	209,400.00	209,400.00	183,650.24	19,782.44	5,967.32	-
Telephone	57,000.00	57,000.00	45,615.20	675.38	10,709.42	-
Natural Gas	100,000.00	100,000.00	47,000.15	50,999.85	2,000.00	-
Gasoline	326,025.00	326,025.00	279,169.15	27,580.76	19,275.09	-
Water	440,000.00	440,000.00	361,004.39	52,044.56	26,951.05	-
Telecommunications	17,000.00	17,000.00	13,118.89		3,881.11	-
Landfill/Solid Waste Disposal Costs	116,000.00	116,000.00	82,421.39	13,170.08	20,408.53	-
TOTAL OPERATIONS WITHIN "CAPS"	20,639,138.00	20,639,138.00	17,749,318.81	1,266,560.62	1,623,258.57	(0.00)
Contingent	-					-
TOTAL OPERATIONS INCLUDING CONTINGENT WITHIN "CAPS"	20,639,138.00	20,639,138.00	17,749,318.81	1,266,560.62	1,623,258.57	(0.00)
Detail:						
Salaries and Wages	10,834,074.00	10,834,074.00	10,115,236.14	-	718,837.86	-
Other Expenses	9,805,064.00	9,805,064.00	7,634,082.67	1,266,560.62	904,420.71	(0.00)

CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2023

	Appropriations		Expended			(Over expended) Unexpended
	Budget	Budget After Modifications	Paid or Charged	Encumbered	Reserved	Balance Cancelled
DEFERRED CHARGES AND STATUTORY EXPENDITURES:						
Statutory Expenditures:						
Contributions to:						-
Public Employees' Retirement System	576,428.00	576,428.00	576,428.00		-	-
Social Security System (O.A.S.I.)	770,000.00	770,000.00	751,369.16		18,630.84	-
Unemployment Compensation Insurance	80,000.00	80,000.00	43,668.74		36,331.26	-
Police and Firemen's Retirement System	1,771,209.00	1,771,209.00	1,771,209.00		-	-
Defined Contribution Retirement Program	10,000.00	10,000.00	2,944.36		7,055.64	-
TOTAL DEFERRED CHARGES AND STATUTORY EXPENDITURES:	3,207,637.00	3,207,637.00	3,145,619.26	-	62,017.74	-
TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES WITHIN "CAPS"	23,846,775.00	23,846,775.00	20,894,938.07	1,266,560.62	1,685,276.31	(0.00)
OPERATIONS - EXCLUDED FROM "CAPS"						
(A) Operations - Excluded from "CAPS"						
Length of Service Award Program	157,500.00	157,500.00	130,500.00		27,000.00	-
Public Employees' Retirement System	39,322.00	39,322.00	39,317.00		5.00	-
Police and Firemen's Retirement System	204,295.00	204,295.00	204,295.00		-	-
Employee Group Health	313,000.00	313,000.00		47,380.89	265,619.11	-
Workers Comp Insurance	67,887.00	67,887.00	67,882.30		4.70	-
Gasoline	158,975.00	158,975.00			158,975.00	-
	940,979.00	940,979.00	441,994.30	47,380.89	451,603.81	-
(A) Public and Private Programs Off-Set by Revenues						
Drunk Driving Enforcement Fund		4,862.48	4,862.48		-	-
Body Armor	3,884.19	3,884.19	3,884.19		-	-
Municipal Alliance on Alcoholism and Drug Abuse						
County Share	16,294.70	16,294.70	16,294.70		-	-
Local Share	3,292.57	3,292.57	3,292.57		-	-
Bulletproof Vest Partnership	9,996.00	9,996.00	9,996.00		-	-
Opiod Recovery and Remediation	12,392.69	18,198.39	18,198.39		-	-
NJ DOT -Bikeway	250,000.00	250,000.00	250,000.00			-
Safe and Secure Program					-	
Salaries and Wages	32,400.00	32,400.00	32,400.00		-	-

CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2023

	Appropriations		Expended			(Over expended) Unexpended
	Budget	Budget After Modifications	Paid or Charged	Encumbered	Reserved	Balance Cancelled
Recycling Tonnage Grant	62,607.52	62,607.52	62,607.52		-	-
Drive Sober or Get Pulled Over		8,750.00	8,750.00		-	-
Automated License Plate Reader Grant		60,325.00	60,325.00		-	-
Sustainable Jersey Grant		10,000.00	10,000.00		-	-
Stormwater Grant		25,000.00	25,000.00		-	-
Spotted Lantern Fly		15,000.00	15,000.00		-	-
Local Recreation Improvement Grant		60,000.00	60,000.00		-	-
NJ DOT Collins Road		319,085.00	319,085.00		-	-
Community Development Block Grant		216,962.00	216,962.00		-	-
Clean Communities		103,698.43	103,698.43		-	-
Emergency Management Agency Asst Funding		10,000.00	10,000.00		-	-
		-				
Total Public and Private Programs Off-Set by Revenues	390,867.67	1,230,356.28	1,230,356.28	-	-	-
Total Operations - Excluded from "CAPS"	1,331,846.67	2,171,335.28	1,672,350.58	47,380.89	451,603.81	-
Detail:						
Salaries and Wages	32,400.00	32,400.00	32,400.00	-	-	-
Other Expenses	1,299,446.67	2,138,935.28	1,639,950.58	47,380.89	451,603.81	-
(C) Capital Improvements						
Capital Improvement Fund	1,000.00	1,000.00	1,000.00		-	-
Improvements to Municipal Buildings & Property	100,000.00	100,000.00	49,373.07	1,754.16	48,872.77	-
Computers	46,000.00	46,000.00	11,692.35	2,429.60	31,878.05	-
Total Capital Improvements	147,000.00	147,000.00	62,065.42	4,183.76	80,750.82	-
(D) Debt Service						
Payment of Bond Principal	700,000.00	700,000.00	700,000.00		-	-
Payment of Bond Anticipation Notes	1,625,000.00	1,625,000.00	1,625,000.00		-	-
Interest on Bonds	21,000.00	21,000.00	21,000.00		-	-
Interest on Notes	195,000.00	195,000.00	188,474.99		0.00	6,525.01
NJEIT Principal & Interest	5,995.50	5,995.50	5,995.50		-	-
					-	
Total Debt Service	2,546,995.50	2,546,995.50	2,540,470.49	-	0.00	6,525.01

CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2023

	Appropriations		Expended			(Over expended) Unexpended
	Budget	Budget After Modifications	Paid or Charged	Encumbered	Reserved	Balance Cancelled
TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES EXCLUDED FROM "CAPS"	4,025,842.17	4,865,330.78	4,274,886.49	51,564.65	532,354.63	6,525.01
SUBTOTAL GENERAL APPROPRIATIONS	27,872,617.17	28,712,105.78	25,169,824.56	1,318,125.27	2,217,630.94	6,525.01
(M) Reserve for Uncollected Taxes	2,021,256.42	2,021,256.42	2,021,256.42			-
TOTAL GENERAL APPRORIATIONS	$ 29,893,873.59	30,733,362.20	27,191,080.98	1,318,125.27	2,217,630.94	6,525.01

Budget	$ 29,893,873.59			Cancelled	6,525.01
Appropriations by 40A:4-87	839,488.61			Overexpended	(0.00)
	30,733,362.20				6,525.01
Reserve for Uncollected Taxes		$ 2,021,256.42			
Federal and State Grants		1,230,356.28			
Disbursements		23,939,468.28			
		27,191,080.98			

EXHIBIT - B
TRUST FUND

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TRUST FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS
AS OF DECEMBER 31,

		2023	2022
ASSETS			
Animal Control Fund			
Cash	$	1,099.04	2,005.24
		1,099.04	2,005.24
Length of Service Award Program (LOSAP)			
Investments			
Mutual Funds		2,746,723.27	2,344,701.75
		2,746,723.27	2,344,701.75
Other Funds			
Cash - Treasurer		5,561,718.95	5,738,007.55
Cash - Collector		1,180,944.41	2,204,499.24
Due from Taxpayer		855.55	855.55
Due from Current Fund		-	864.41
		6,743,518.91	7,944,226.75
		9,491,341.22	10,290,933.74

TRUST FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS
AS OF DECEMBER 31,

	2023	2022
LIABILITIES, RESERVES AND FUND BALANCE		
Animal Control Fund		
Reserve for Animal Control Expenditures	1,093.64	1,999.84
Due to State of New Jersey	5.40	5.40
Due to Trust Fund Other		-
	1,099.04	2,005.24
Length of Service Award Program (LOSAP)		
Net Assets Available for Benefits	2,746,723.27	2,344,701.75
	2,746,723.27	2,344,701.75
Other Funds		
Overpayment	50.81	50.81
Funds Held in Escrow	1,482,462.59	1,496,759.96
Premiums Received at Tax Sales	926,550.00	2,088,550.00
Deposits for Redemption of Tax Sale Certificates	251,362.15	113,781.39
Funds Held in Escrow - Developer Fees	492,376.05	419,553.40
Payroll Deductions and Taxes Payable	93,344.31	92,874.68
Reserves for:		
Community Events	299,243.38	277,310.14
Compensated Absences	535,080.71	536,753.52
General Liability Insurance Fund	977,262.73	505,870.02
Housing Trust Fund	213,643.61	962,242.34
Landfill Closure	616,468.74	609,248.99
Police Special Detail	74,433.99	99,965.29
Public Defender Fees	4,808.97	4,808.97
Special Law Enforcement Fund	40,753.57	39,892.98
Uniform Fire Safety	5,250.24	2,012.42
Utility Escrow Deposits	308,768.86	279,907.92
Snow Removal	421,658.20	414,643.92
	6,743,518.91	7,944,226.75
	$ 9,491,341.22	10,290,933.74

EXHIBIT - C
GENERAL CAPITAL FUND

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Exhibit C

GENERAL CAPITAL FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS
AS OF DECEMBER 31,

		2023	2022
ASSETS			
Cash	$	2,392,138.68	3,641,156.41
Deferred Charges to Future Taxation -			
Funded		40,894.00	746,536.00
Unfunded		7,380,950.00	6,625,000.00
		9,813,982.68	11,012,692.41
LIABILITIES, RESERVES AND FUND BALANCE			
Contracts Payable		1,146,347.44	1,460,162.19
Bond Anticipation Notes Payable		5,000,000.00	4,725,000.00
Serial Bonds Payable		-	700,000.00
Green Trust Loan Payable		-	-
NJEIT Loan Payable		40,894.00	46,536.00
Improvement Authorizations:			
Funded		751,162.19	828,853.06
Unfunded		2,208,824.03	2,480,136.14
Capital Improvement Fund		60,734.93	178,784.93
Fund Balance		606,020.09	593,220.09
	$	9,813,982.68	11,012,692.41

There were bonds and notes authorized but not issued at December 31

2022	1,900,000.00
2023	2,380,950.00

GENERAL CAPITAL FUND
COMPARATIVE STATEMENT OF FUND BALANCE - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31,

		2023	2022
Beginning Balance January 1	$	593,220.09	538,485.22
Increased by:			
Premium on Sale of Bonds/BANs		12,800.00	54,734.87
Cancellation of Funded Improvement Authorizations			
Cancellation of Grants funded by General Capital		-	-
Decreased by:			
None		-	-
Ending Balance December 31	$	606,020.09	593,220.09

EXHIBIT - D
SEWER UTILITY FUND

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Exhibit D
Sheet 1

SEWER UTILITY FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS
AS OF DECEMBER 31,

		2023	2022
ASSETS			
Operating Fund:			
Cash	$	9,576,694.76	9,316,892.63
Interfunds and Receivables			
Due from Current Fund		400.40	0.20
		9,577,095.16	9,316,892.83
Receivables and Other Assets with Full Reserves:			
Consumer Accounts Receivable		3,954.74	8,847.96
Utility Liens		13,402.37	7,128.06
		17,357.11	15,976.02
Total Operating Fund		9,594,452.27	9,332,868.85
Capital Fund:			
Cash - Treasurer		1,690,964.34	1,719,059.34
Due from State - Grants Receivable		1,400,000.00	1,400,000.00
Fixed Capital		32,461,588.24	32,461,588.24
Fixed Capital - Authorized and Uncompleted		13,531,258.00	13,531,258.00
Total Capital Fund		49,083,810.58	49,111,905.58
	$	58,678,262.85	58,444,774.43

Exhibit D
Sheet 2

SEWER UTILITY FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS
AS OF DECEMBER 31,

		2023	2022
LIABILITIES, RESERVES AND FUND BALANCE			
Operating Fund:			
Appropriation Reserves	$	1,541,183.19	1,162,132.13
Accounts Payable		24,024.00	186,535.46
Reserve for Encumbrances		525,727.47	457,969.05
Utility Overpayments		48,783.46	38,537.83
Accrued Interest on Bonds and Notes		38,465.28	49,886.11
Reserve for Maintenance of Pump Stations		3,167.00	3,167.00
Reserve for EPA Funds		14,765.00	14,765.00
Due to Utility Escrow			-
		2,196,115.40	1,912,992.58
Reserve for Receivables		17,357.11	15,976.02
Fund Balance		7,380,979.76	7,403,900.25
Total Operating Fund		9,594,452.27	9,332,868.85
Capital Fund:			
Contracts Payable		309,751.50	49,708.93
Serial Bonds Payable		-	340,000.00
N.J. E.I.T. Loans Payable		302,783.82	401,975.65
Bond Anticipation Notes		2,000,000.00	2,600,000.00
Improvement Authorizations:			
Funded		1,255,321.99	1,472,321.99
Unfunded		2,615,366.58	2,691,624.15
Reserve for Amortization		37,295,179.42	36,855,987.59
Deferred Reserve for Amortization		3,994,883.00	3,394,883.00
Reserve for Debt Service		15,070.51	15,070.51
Capital Improvement Fund		195,068.25	195,068.25
Fund Balance		1,100,385.51	1,095,265.51
Total Capital Fund		49,083,810.58	49,111,905.58
	$	58,678,262.85	58,444,774.43

There were bonds and notes authorized but not issued at December 31

2022	2,400,000.00
2023	2,400,000.00

SEWER UTILITY FUND
COMPARATIVE STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCE - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31,

		2023	2022
Revenue and Other Income Realized			
Fund Balance	$	1,669,200.00	921,733.00
Rents		6,208,137.04	6,281,086.45
Miscellaneous Revenue Anticipated		479,296.36	1,012,086.93
Other Credits to Income:			
Cancellation of Prior Year Payables		18,630.00	27,763.55
Unexpended Balance of Appropriation Res.		1,280,332.30	1,864,741.38
Total Income		9,655,595.70	10,107,411.31
Expenditures			
Operations		5,981,000.00	5,642,500.00
Capital Improvements		650,000.00	330,000.00
Debt Service		1,146,102.94	1,085,502.94
Deferred Charges & Statutory Expenditures		228,000.00	203,833.00
Other Charges to Income:			
Refund of Prior Year Revenue		4,213.25	770.00
Total Expenditures		8,009,316.19	7,262,605.94
Excess/(Deficit) in Revenue		1,646,279.51	2,844,805.37
Adjustments to Income before Fund Balance:			
Expenditures included above which are by Statute Deferred Charges to Budgets of Succeeding Year		-	-
Total Adjustments		-	-
Excess in Operations		1,646,279.51	2,844,805.37
Fund Balance January 1		7,403,900.25	5,480,827.88
		9,050,179.76	8,325,633.25
Decreased by:			
Utilization as Anticipated Revenue		1,669,200.00	921,733.00
Fund Balance December 31	$	7,380,979.76	7,403,900.25

SEWER UTILITY CAPITAL FUND
COMPARATIVE STATEMENT OF FUND BALANCE - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31,

		2023	2022
Beginning Balance January 1	$	1,095,265.51	1,065,146.85
Increased by:			
Premium on Sale of Bond Anticipation Notes		5,120.00	30,118.66
Decreased by:			
Surplus budgeted in Current Fund		-	-
Ending Balance December 31	$	1,100,385.51	1,095,265.51

SEWER UTILITY OPERATING FUND
STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2023

	Anticipated Budget	Realized	Excess or (Deficit)
Surplus Anticipated	$ 1,669,200.00	1,669,200.00	-
Rents	6,255,000.00	6,208,137.04	(46,862.96)
Miscellaneous	125,000.00	479,296.36	354,296.36
	$ 8,049,200.00	8,356,633.40	307,433.40

Analysis of Realized Revenue:

Rents	
Consumer Accounts Receivable:	
Current Collections	6,169,599.21
Overpayments Applied	38,537.83
Liens Collected	-
Other	-
	6,208,137.04
Miscellaneous	
Interest on Rents	25,959.15
Interest on Investments	142,816.21
Connection Permits	181,200.00
Road Opening Permits	125,706.00
Miscellaneous	3,615.00
	479,296.36

SEWER UTILITY FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2023

	Appropriations		Expended			(Over expended) Unexpended Balance Cancelled
	Budget	Budget After Modifications	Paid or Charged	Encumbered	Reserved	
Operations:						
Salaries and Wages	$ 1,495,500.00	1,495,500.00	1,376,703.43		118,796.57	
Other Expenses	4,495,500.00	4,485,500.00	3,077,771.00	382,654.97	1,025,074.03	
	5,991,000.00	5,981,000.00	4,454,474.43	382,654.97	1,143,870.60	-
Capital Improvements:						
Capital Improvement Fund	-	-			-	
Capital Outlay	650,000.00	650,000.00	119,756.15	143,072.50	387,171.35	
	650,000.00	650,000.00	119,756.15	143,072.50	387,171.35	-
Debt Service:						
Payment of Bond Principal	340,000.00	340,000.00	340,000.00		-	-
Payment on Bond Anticpation Notes & Capital Notes	600,000.00	600,000.00	600,000.00		-	-
Interest on Bonds	10,200.00	10,200.00	10,200.00		-	-
Interest on Notes	115,000.00	115,000.00	103,711.11		-	11,288.89
NJEIT Loan Principal Payments	125,000.00	125,000.00	92,191.83		-	32,808.17
	1,190,200.00	1,190,200.00	1,146,102.94	-	-	44,097.06
Deferred Charges and Statutory Expenditures:						
Impovement Authorizations Unfunded		-			-	
Public Employees' Retirement System	109,000.00	109,000.00	108,661.00		339.00	
Social Security System	102,000.00	112,000.00	105,179.82		6,820.18	
Unemployment Compensation Insurance	7,000.00	7,000.00	4,017.94		2,982.06	
	218,000.00	228,000.00	217,858.76	-	10,141.24	-
	$ 8,049,200.00	8,049,200.00	5,938,192.28	525,727.47	1,541,183.19	44,097.06

Cash Disbursements	5,824,281.17
Accrued Interest	113,911.11
	5,938,192.28

EXHIBIT - E
GENERAL FIXED ASSETS ACCOUNT GROUP

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Exhibit E

GENERAL FIXED ASSETS ACCOUNT GROUP
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

		Balance December 31, 2023	Balance December 31, 2022
Assets			
Land and Land Improvements	$	1,739,341.50	1,739,341.50
Building and Building Improvements		3,745,403.89	3,745,403.89
Machinery, Equipment and Vehicles		17,270,817.40	16,854,780.49
Total General Fixed Assets		22,755,562.79	22,339,525.88
Liabilities, Reserves, and Fund Balance			
Investment in General Fixed Assets	$	22,755,562.79	22,339,525.88

NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 AND 2022

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

Except as noted below, the financial statements of the Township of Galloway include every board, body, office or commission supported and maintained wholly or in part by funds appropriated by the Township of Galloway, as required by N.J.S. 40A:5-5.

The Township of Galloway is one of the oldest municipalities in the State of New Jersey, having predated the Declaration of Independence. The original Galloway Township was established by Royal Decree on April 4, 1774. It now consists of 92.3 square miles situated approximately seven miles west of Atlantic Township along Route 30. The Township is essentially a semi-rural and residential community with some important industrial and institutional facilities. The Garden State Parkway and U.S. Route 30, which pass directly through the Township, are rapid transportation access corridors to Atlantic Township from Philadelphia, New York and Washington. The Township is governed under a Council Manager Plan E form of government with seven councilpersons elected for staggered terms. The population, according to the 2010 census, is 37,349.

Component units are legally separate organizations for which the Township is financially accountable. The Township is financially accountable for an organization if the Township appoints a voting majority of the organization’s governing board and (1) the Township is able to significantly influence the programs or services performed or provided by the organization; or (2) the Township is legally entitled to or can otherwise access the organization’s resources; the Township is legally obligated or has otherwise assumed the responsibility to finance the deficits of or provide financial support to the organization; or the Township is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the Township in that the Township approves the budget, the issuance of debt or the levying of taxes. The Township has no component units.

B. Description of Funds

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

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

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

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

Sewer Operating and Capital Funds -- account for the operations of the sewer utility and acquisition of sewer capital facilities other than those acquired in the Current and General Capital Funds.

General Fixed Assets Account Group -- All fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the general fixed assets account group, rather than in governmental funds.

C. Basis of Accounting

The accounting principles and practices prescribed for municipalities by the State of New Jersey differ in certain respects from generally accepted accounting principles applicable to local governmental units. The more significant policies in New Jersey follow.

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

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

Expenditures -- are recorded on the "budgetary" basis of accounting. Generally expenditures are recorded when an amount is encumbered for goods or services through the issuance of a purchase order in conjunction with the Encumbrance Accounting System. Outstanding encumbrances at December 31 are reported as a cash liability in the financial statements. Appropriation reserves covering unencumbered appropriation balances are automatically created at December 31st of each year and recorded as liabilities, except for amounts which may be canceled by the Governing Body. Appropriation reserves are available, until lapsed at the close of the succeeding year, to meet specific claims, commitments or contracts incurred during the preceding fiscal year. Lapsed appropriation reserves are recorded as income. Appropriations for principal payments on outstanding general capital bonds and notes are provided on the cash basis; interest on general capital indebtedness is on the cash basis; interest on utility capital indebtedness is on the accrual basis. Compensated absences are treated on a pay as you go basis with no amount charged to operations in the year incurred.

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

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

Inventories of Supplies - The cost of inventories of supplies for all funds are recorded as expenditures at the time individual items are purchased. The cost of inventories is not included on the various balance sheets.

General Fixed Assets -- The Township has developed a fixed assets accounting and reporting system, as promulgated by the Division of Local Government Services, which differs in certain respects from generally accepted accounting principles.

As required by New Jersey Statutes, foreclosed property is reported in the current operating fund of the municipality.

Fixed assets used in governmental operations (general fixed assets) are accounted for in the General Fixed Assets Account Group. Public domain ("infrastructure") general fixed assets consisting of certain improvements other than buildings, such as roads, bridges, curbs and gutters, streets and sidewalks and drainage systems are not capitalized.

All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available except for land which is valued at estimated market value on the date of acquisition. Expenditures for long lived assets with an original cost in excess of $5,000 are capitalized.

No depreciation has been provided for in the financial statements.

Expenditures for construction in progress are recorded in the Capital funds until such time as the construction is completed and put into operation.

Fixed assets acquired through grants in aid or contributed capital have not been accounted for separately.

Property and equipment purchased by the Sewer Utility Fund are recorded in the capital account at cost and are adjusted for disposition and abandonment. The amounts shown do not purport to represent reproduction costs or current value. Contributions in aid of construction are not capitalized. The balance in the Reserve for Amortization and Deferred Reserve for Amortization accounts in the utility capital fund represents charges to operations for the costs of acquisitions of property, equipment and improvements. The utility does not record depreciation on fixed assets.

Levy of Taxes -- The County Board of Taxation certifies the tax levy of the municipality each year. The tax levy is based on the assessed valuation of taxable property within the municipality. Taxes are payable on the first day of February, May, August, and November. Any taxes that have not been paid by 11th day of the 11th month in the fiscal year levied are subject to being included in the tax sale and the lien enforced by selling the property in accordance with NJSA 54:5 et. seq.

The municipality is responsible for remitting 100% of the school and county taxes to the respective agency. The loss for delinquent or uncollectible accounts is borne by the municipality and not the school district or county.

Interest on Delinquent Taxes – It is the policy of the Township of Galloway to collect interest for the nonpayment of taxes or assessments on or before the date when they would become delinquent. The Tax Collector is authorized to charge eight percent (8%) per annum on the first $1,500.00 of taxes becoming delinquent after due date and eighteen percent (18%) per annum on any amount of taxes in excess of $1,500.00 becoming delinquent after due date and if a delinquency is in excess of $10,000.00 and remains in arrears beyond December 31st, an additional penalty of six percent (6%) shall be charged against the delinquency. There is a ten day grace period.

Levy of Utility Charges – The Township operates a sewer utility fund. Rates are determined by ordinance and changed as necessary. Sewer charges are based on flat fees and usage based on the type of Township. Charges are billed semi-annually and due semi-annual installments on March 20 and September 20.

Interest on Delinquent Utility Charges -- It is the policy of the Township to collect interest for the nonpayment of utility charges on or before the date when they would become delinquent. The Utility Collector is authorized to charge eight percent (8%) per annum on the first $1,500.00 of charges becoming delinquent after due date and eighteen percent (18%) per annum on any amount of charges in excess of $1,500.00 becoming delinquent after due date.

Capitalization of Interest -- It is the policy of the Township of Galloway to treat interest on projects as a current expense and the interest is included in both the current and utility operating budgets.

Use of Estimates -- The preparation of financial statements in conformity with generally accepted accounting principles or the statutory basis of accounting requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

D. Required Financial Statements

The State of New Jersey requires the following financial statements to be presented for each fund on the regulatory basis of accounting: Balance Sheet, Statement of Operations and Changes in Fund Balance, Statement of Revenue and Statement of Expenditures. These statements differ from those presented under Generally Accepted Accounting Principles, which requires a Statement of Net Position and Statement of Activities in addition to the fund financial statements.

E. Comparative Data

Comparative total data for the prior year has been presented in the accompanying Balance Sheets and Statement of Operations in order to provide an understanding of changes in the Township's financial position. However, comparative (i.e., presentation of prior year totals by fund type) data have not been presented in the Statement of Revenue-Regulatory Basis and Statement of Expenditures-Regulatory Basis since their inclusion would make the statements unduly complex and difficult to read.

F. Recent Accounting Pronouncements Not Yet Effective

In April 2022, the Governmental Accounting Standards Board (GASB) issued Statement No. 99, "Omnibus 2022". This statement is effective for periods beginning after June 15, 2022 and June 15, 2023, and will not have any effect on the Township's financial reporting.

In June 2022, the Governmental Accounting Standards Board (GASB) issued Statement No. 100, "Accounting Changes and Error Corrections – an amendment of GASB Statement No. 62". This statement is effective for fiscal years beginning after June 15, 2023, and will not have any effect on the Township's financial reporting.

In June 2022, the Governmental Accounting Standards Board (GASB) issued Statement No. 101, "Compensated Absences". This statement is effective for fiscal years beginning after December 15, 2023, and will not have any effect on the Township's financial reporting.

Note 2: BUDGETARY INFORMATION

Under New Jersey State Statutes, the annual budget is required to be a balanced cash basis document. To accomplish this, the municipality is required to establish a reserve for uncollected taxes. The 2023 and 2022 statutory budgets included a reserve for uncollected taxes in the amount of $2,021,256.42 and $1,962,362.25. To balance the budget, the municipality is required to show a budgeted fund balance. The amount of fund balance budgeted to balance the 2023 and 2022 statutory budgets was $5,700,000.00 and $5,165,500.00. In addition, the Township operates a self-liquidating sewer utility. Under New Jersey Statutes a separate budget for the utility must be adopted concurrently with the operating budget of the Township. The utility budget must be a balanced cash basis budget with fund balance being used to balance the budget. The amount of fund balance budgeted to balance the 2023 and 2022 statutory budgets was $1,669,200.00 and $921,733.00.

The Chief Financial Officer has the discretion of approving intra department budgetary transfers throughout the year. Inter department transfers are not permitted prior to November 1. After November 1 these transfers can be made in the form of a resolution and approved by the Township Council. The following significant budget transfers were noted during 2023 and 2022:

Budget Description		2023	2022
General Administration			
Salaries and Wages	$		(22,500.00)
Revenue Administration			
Salaries and Wages		10,000.00	
Tax Assessment Administration			
Salaries and Wages		(10,000.00)	(61,000.00)
Legal Services			
Other Expenses			75,000.00
Buildings and Grounds			
Other Expenses		(13,000.00)	
Vehicle Maintenance			
Other Expenses		20,000.00	
Construction Official			
Salaries and Wages			(25,000.00)
Utilities			
Water			25,000.00

NJSA 40A:4-87 permits special items of revenue and appropriations to be inserted into the annual budget when the item has been made available by any public or private funding source and the item was not determined at the time of budget adoption. During 2023 and 2022, the following significant budget insertions were approved:

Budget Category		2023	2022
Municipal Drug Alliance Grant	$		3,124.40
Drive Sober or Get Pulled Over		8,750.00	21,000.00
Drunk Driving Enforcement Fund			19,080.82
Clean Communities		103,698.43	92,454.55
Click it or Ticket			7,000.00
Opiod Recovery & Remediation Grant		5,805.70	17,395.23
American Rescue Plan Grant			1,868,084.58
American Rescue Plan Grant - Bayview Fire			41,000.00
American Rescue Plan Grant - Pomona Fire			23,600.00
American Rescue Plan Grant - Gernania Fire			33,000.00
American Rescue Plan Grant - Oceanville Fire			37,000.00
American Rescue Plan Grant - South Egg Harbor Fire			6,030.00
NJ Transportation Trust Fund Authority Act - Chris Gaupp			313,960.00
Sustained Enforcement Grant			77,000.00
Automated License Plate Reader Grant		60,325.00	
Stormwater Assistance Grant		25,000.00	
Community Development Block Grant		216,962.00	
Spotted Lanternfly Grant		15,000.00	
Drunk Driving Enforcement Grant		4,862.48	
NJ Transportation Trust Fund Authority Act - Collins Road		319,085.00	
Sustainable Jersey Grant		10,000.00	
Emergency Management Grant		10,000.00	
Local Recreation Improvement Grant		60,000.00	

The Township may make emergency appropriations, after the adoption of the budget, for a purpose which was not foreseen at the time the budget was adopted or for which adequate provision was not made therein. This type of appropriation shall be made to meet a pressing need for public expenditure to protect or promote the public health, safety, morals or welfare or to provide temporary housing or public assistance prior to the next succeeding fiscal year. Emergency appropriations, except those classified as a special emergency, must be raised in the budgets of the succeeding year. Special emergency appropriations are permitted to be raised in the budgets of the succeeding three or five years. During 2023, the Township did not approve any emergencies.

Note 3: INVESTMENTS

Interest Rate Risk - The Township does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. However, New Jersey Statutes 40A:5-15.1(a) limits the length of time for most investments to 397 days.

Credit Risk - New Jersey Statutes 40A:5-15.1(a) limits municipal investments to those specified in the Statutes. The type of allowable investments are Bonds of the United States of America or of the local unit or school districts of which the local unit is a part of: obligations of federal agencies not exceeding 397 days; government money market mutual funds; the State of New Jersey Cash Management Plan; local government investment pools; or repurchase of fully collateralized securities.

Concentration of Credit Risk - The Township places no limit on the amount the Township can invest in any one issuer.

Investments

As more fully described in Note 22, the Township has created a Length of Service Award Program (LOSAP) for emergency service volunteers. The LOSAP investments are similar to those allowed in a deferred compensation program as specified in NJSA 43:15B-1 et. seq. except that all investments are retained in the name of the Township. All investments are valued at fair value. In accordance with NJAC 5:30-14.37 the investments are maintained by Lincoln Benefit Life, which is an authorized provider approved by the Division of Local Government Services. The balance in the account on December 31, 2023 and 2022 amounted to $2,746,723.27 and $2,344,701.75, respectively.

Note 4: CASH

Custodial Credit Risk – Deposits. Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The municipality's policy is based on New Jersey Statutes requiring cash be deposited only in New Jersey based banking institutions that participate in the New Jersey Governmental Depository Protection Act (GUDPA) or in qualified investments established in New Jersey Statutes 40A:5-15.1(a) that are treated as cash equivalents. Under the act, all demand deposits are covered by the Federal Deposit Insurance Corporation (FDIC). Public funds owned by the municipality 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 fund that may pass to the municipality relative to the happening of a future condition. As of December 31, 2023 and 2022, $13,773,525.15 and $3,957,913.16 of the municipality's bank balance of $51,647,664.55 and $54,492,434.63, respectively, was exposed to custodial credit risk.

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NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 AND 2022

Note 5: FIXED ASSETS

The following schedules are a summarization of the changes in general fixed assets for the calendar years ended December 31, 2023 and 2022:

	Balance 12/31/2021	Additions	Retirements/ Adjustments	Balance 12/31/2022
Land	$ 1,717,624.00	21,717.50		1,739,341.50
Building	3,347,172.00	398,231.89		3,745,403.89
Equipment and Machinery	15,817,336.67	1,841,221.80	(803,777.98)	16,854,780.49
	$ 20,882,132.67	2,261,171.19	(803,777.98)	22,339,525.88

	Balance 12/31/2022	Additions	Retirements/ Adjustments	Balance 12/31/2023
Land	$ 1,739,341.50			1,739,341.50
Building	3,745,403.89			3,745,403.89
Equipment and Machinery	16,854,780.49	659,897.11	(243,860.20)	17,270,817.40
	$ 22,339,525.88	659,897.11	(243,860.20)	22,755,562.79

Note 6: SHORT-TERM OBLIGATIONS

	Balance 12/31/2021	Issued	Retired	Balance 12/31/2022
Bond Anticipation Notes payable:				
General Capital	4,525,000.00	1,425,000.00	(1,225,000.00)	4,725,000.00
Sewer Capital	3,200,000.00		(600,000.00)	2,600,000.00
	$ 7,725,000.00	1,425,000.00	(1,825,000.00)	7,325,000.00

	Balance 12/31/2022	Issued	Retired	Balance 12/31/2023
Bond Anticipation Notes payable:				
General Capital	$ 4,725,000.00	1,900,000.00	(1,625,000.00)	5,000,000.00
Sewer Capital	2,600,000.00		(600,000.00)	2,000,000.00
	$ 7,325,000.00	1,900,000.00	(2,225,000.00)	7,000,000.00

The General Capital note was issued on 8/9/22 and is due and payable on 8/8/23 with interest at 4.00%. The Sewer Capital note was issued on 8/9/22, and was due and payable on 8/8/23 with interest at 4.00%.

As of December 31, 2023, the Township has authorized but not issued bonds or notes in the amount of $2,380,950.00 and $2,400,000.00 in the General Capital Fund and Utility Capital Fund respectively.

Note 7: LONG TERM DEBT

Long-term debt as of December 31, 2023 and 2022 consisted of the following:

	Balance 12/31/2021	Issued	Retired	Balance 12/31/2022	Amounts Due Within One Year
Bonds payable:					
General	$ 2,000,000.00		1,300,000.00	700,000.00	700,000.00
Utility	680,000.00		340,000.00	340,000.00	340,000.00
Total	2,680,000.00	-	1,640,000.00	1,040,000.00	1,040,000.00
Other liabilities:					
Loans Payable	57,905.67		11,369.67	46,536.00	5,642.00
Utility Loans	501,167.48		99,191.83	401,975.65	99,191.83
PERS Pension	8,428,445.00		1,806,545.00	6,621,900.00	
PFRS Pension	18,965,838.00		8,233,423.00	10,732,415.00	
Compensated Absences Payable	1,783,806.78		174,105.72	1,609,701.06	
Total long-term liabilities	$ 32,417,162.93	-	11,964,635.22	20,452,527.71	1,144,833.83

	Balance 12/31/2022	Issued	Retired	Balance 12/31/2023	Amounts Due Within One Year
Bonds payable:					
General	$ 700,000.00		700,000.00	-	
Utility	340,000.00		340,000.00	-	
Total	1,040,000.00	-	1,040,000.00	-	-
Other liabilities:					
Loans Payable	46,536.00		5,642.00	40,894.00	5,673.00
Utility Loans	401,975.65		99,191.83	302,783.82	10,000.00
PERS Pension	6,621,900.00	2,047,305.00		8,669,205.00	
PFRS Pension	10,732,415.00	6,654,279.00		17,386,694.00	
Compensated Absences Payable	1,609,701.06	249,009.03	11,672.81	1,847,037.28	
Total long-term liabilities	$ 20,452,527.71	8,950,593.03	1,156,506.64	28,246,614.10	15,673.00

Outstanding bonds whose principal and interest are paid from the Current Fund Budget of the Township:

At December 31, 2023, bonds payable in the General Capital Fund consisted of the following individual issues:

$11,000,000 General Improvement Bonds dated September 1, 2011, due in annual installments, beginning September 1, 2013 through September 1, 2023, and bearing interest at rates varying from 2.00% to 3.00%. The balance remaining as of December 31, 2023 is $0.00.

$111,951 N.J. Environmental Infrastructure Loan dated 12/16/2011, due in semi-annual installments each March and September 1st, through 2031. The balance remaining as of December 31, 2023, is $40,874.00.

At December 31, 2023, bonds and loans payable in the Sewer Capital Fund consisted of the following individual issues:

$3,100,000 General Improvement Bonds dated September 1, 2011, due in annual installments, beginning September 1, 2013 through September 1, 2023, and bearing interest at rates varying from 2.00% to 3.00%. The balance remaining as of December 31, 2023 is $0.00.

$150,000 N.J. Environmental Infrastructure Trust Loan dated 3/10/10, due in annual installments, beginning August 1, 2013 through August 1, 2029, and bearing interest at rates varying from 3.00% to 5.00%. The balance remaining as of December 31, 2023 is $60,000.00.

$869,106 N.J. Environmental Infrastructure Loan dated 12/2/10, due in semi-annual installments, beginning August 1, 2013 through August 1, 2025, and bearing an interest rate of 0.00%. The Township received a $256,559 reduction in the loan in 2013. The balance remaining as of December 31, 2023 is $52,783.82.

$810,000 N.J. Environmental Infrastructure Loan dated 12/2/10, due in annual installments, beginning August 1, 2013 through August 1, 2027, and bearing an interest rate of 5.00%. The Township received a $200,000 reduction in the loan in 2013. The balance remaining as of December 31, 2023 is $190,000.00.

Schedule of Annual Debt Service for Principal and Interest for Green Trust and NJEIT Loans

	General Capital NJEIT	
Year	Principal	Interest
2024	5,673.00	323.26
2025	5,705.00	290.56
2026	5,741.00	255.32
2027	5,778.00	217.70
2028	5,825.00	217.70
2029-2031	12,172.00	202.36
	40,894.00	1,506.90

Schedule of Annual Debt Service for Principal and Interest for N.J Environmental Infrastructure Loans

Year Ending December 31	Sewer Capital Principal	Interest
2024	104,191.83	11,850.00
2025	68,591.99	8,950.00
2026	60,000.00	6,050.00
2027	50,000.00	1,200.00
2028	10,000.00	800.00
2029	10,000.00	400.00
	$ 302,783.82	29,250.00

As of December 31, 2023, the carrying value of the above bonds and notes approximates the fair value of the bonds. No interest was charged to capital projects during the year and the total interest charged to the current budget was $209,474.99 and to the utility budget was $113,911.11.

Summary of Municipal Debt	Year 2023	Year 2022	Year 2021
Issued:			
General - Bonds and Notes	$ 5,040,894.00	5,471,536.00	6,582,905.67
Sewer Utility - Bonds and Notes	2,302,783.82	3,341,975.65	4,381,167.48
Total Issued	7,343,677.82	8,813,511.65	10,964,073.15
Less:			
Funds Temporarily Held to Pay Bonds and Notes:			
Self-Liquidating Debt	15,070.51	15,070.51	15,070.51
Total Deductions	15,070.51	15,070.51	15,070.51
Net Debt Issued	7,328,607.31	8,798,441.14	10,949,002.64
Authorized but not issued:			
General - Bonds and Notes	2,380,950.00	1,900,000.00	1,425,000.00
Sewer Utility - Bonds and Notes	2,400,000.00	2,400,000.00	-
Total Authorized But Not Issued	4,780,950.00	4,300,000.00	1,425,000.00
Total Bonds & Notes Issued and Authorized But Not Issued	$ 12,109,557.31	13,098,441.14	12,374,002.64

Summary of Statutory Debt Condition - Annual Debt Statement

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicates a statutory net debt of .206%

	Gross Debt	Deductions	Net Debt
Local School District Debt	$ 169,000.00	169,000.00	-
Regional School District Debt	14,079,257.71	14,079,257.71	-
Sewer Utility Debt	2,302,783.82	2,302,783.82	-
General Debt	7,421,844.00	-	7,421,844.00
	$ 23,972,885.53	16,551,041.53	7,421,844.00

Net Debt $7,421,844.00 ÷ Equalized Valuation Basis per N.J.S.A. 40A:2-2 as amended, $3,607,462,034.33 = .206%.

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

3 1/2 % of Equalized Valuation Basis (Municipal)	$	126,261,171.20
Net Debt		7,421,844.00
Remaining Borrowing Power	$	118,839,327.20

The Township of Galloway School District, as a K-8 school district, is permitted to borrow up to 3% of the average equalized valuation for the past three years. State statutes allow a school district to exceed the districts limitation with voter approval. Any amount approved by the voters in excess of the limit is treated as an impairment of the municipal limit.

Note 8: FUND BALANCES APPROPRIATED

Fund balances at December 31, 2023 and 2022, which were appropriated and included as anticipated revenue in their own respective funds for the year ending December 31, 2024 and 2023 were as follows:

	2023	2022
Current Fund	$ 6,000,000.00	5,700,000.00
Sewer Utility	2,120,814.00	1,669,200.00

Note 9: DEFERRED CHARGES TO BE RAISED IN SUCCEEDING BUDGETS

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2023, the Township had no deferred charges.

Note 10: SCHOOL TAXES

The Township is responsible for levying, collecting and remitting school taxes for the Galloway Township Board of Education and the Township’s share of the Greater Egg Harbor Regional High School District.

Local District School Tax in the amounts of $36,180,254.00 and $34,907,895.00 have been raised for the 2023 and 2022 calendar years and have been remitted or are due to the school district. The school tax levy is determined by taking 50% of the prior year and 50% of the current year requirements, plus the actual amount needed for debt service. Regional High School Tax in the amounts of $19,559,319.00 and $19,713,629.00 have been raised for the 2023 and 2022 calendar years and have been remitted or are due to the school district.

Fund balance is charged for the full amount required to be raised from taxation to operate the local school district for the period from January 1 to December 31, and for the regional high school district the Township's share of the amount required to be raised by taxation for the period from July 1 to June 30, increased by the amount deferred at December 31, 2022, and decreased by the amount deferred at December 31, 2023. GAAP would require the recording of deferred revenue. The following schedule illustrates school taxes payable and school taxes deferred at December 31 for the last two years.

	12/31/2023	12/31/2022
Balance of Tax	$ 8,791,226.85	8,867,037.05
Deferred	6,400,000.00	6,400,000.00
Regional High School Tax Payable	$ 2,391,226.85	2,467,037.05

Note 11: TAXES COLLECTED IN ADVANCE

Taxes collected in advance are recorded as cash liabilities in the financial statements. Following is a comparison of the liability for the previous two years:

	Balance 12/31/2023	Balance 12/31/2022
Prepaid Taxes	$ 1,306,647.84	1,138,221.24
Cash Liability for Taxes Collected in Advance	$ 1,306,647.84	1,138,221.24

Note 12: PENSION FUNDS

Description of Plans

Substantially all of the Township's employees participate in the Public Employees' Retirement System (PERS) and Police and Fireman's Retirement System (PFRS) cost sharing multiple-employer defined benefit pension plans which have been established by State Statute and are administered by the New Jersey Division of Pensions and Benefits (Division). According to the State of New Jersey Administrative Code, all obligations of the System will be assumed by the State of New Jersey should the system terminate. The Division issues a publicly available financial report that includes the financial statements and required supplementary information for the systems. This report may be obtained by writing to the Division of Pension and Benefits, PO Box 295, Trenton, New Jersey 08625 or the report can be accessed on the internet at - http://www.state.nj.us/treasury/pensions/annrprts.shtml.

Public Employees' Retirement System

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

Police and Fireman's Retirement System

The contribution policy for the Police and Fireman's Retirement System (PFRS) is set by N.J.S.A. 43:16 and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. PFRS provides for employee contributions of 10.0% of employees' annual compensation, as defined. Employers are required to contribute to an actuarially determined rate.

Defined Contribution Retirement Program (DCRP)

The Defined Contribution Retirement Program (DCRP) was established as of July 1, 2008 under the provisions of Chapter 92, P.L. 2008 and Chapter 103, P.L. 2008 (NJSA 43:15c-1 et seq). The DCRP is a cost-sharing multiple-employer defined contribution pension fund. The DCRP provides eligible members, and their beneficiaries with a tax sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Vesting and benefit provisions are established by NJSA 43: 15c-1 et seq. Currently there are nine individuals enrolled in DCRP.

Funding Policy

The contribution policy is set by N.J.S.A. 43:15A, Chapter 62, P.L. of 1994, Chapter 115, P.L. of 1997 and N.J.S.A. 18:66, and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. PERS provided for employee contributions of 7.50% of employee's annual compensation, as defined. Employers are required to contribute to an actuarially determined rate in PERS. The Township's contributions to PERS for the years ended December 31, 2023, 2022, and 2021 were $724,406.00, $655,218.17 and $485,166.00.

The contribution policy for the PFRS is set by N.J.S.A. 43:16 and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. PFRS provides for employee contributions of 10.0% of employees' annual compensation, as defined. Employers are required to contribute at an actuarially determined rate. The Township's contributions to PFRS for the years ended December 31, 2023, 2022, and 2021 were $1,975,504.00, $1,711,313.00 and $1,639,777.00.

The total payroll for the year ended December 31, 2023, 2022 and 2021 was $12,277,621.56, $11,719,154.76 and $11,283,769.05, respectively. Payroll covered by PFRS was $5,630,129.00, $5,455,158.00, and $5,293,792.00, respectively. Payroll covered by PERS was $4,704,194.00, $4,199,805.00, and $4,260,251.00, respectively.

Significant Legislation

Chapter 78, P.L. 2011, effective June 28, 2011 made various changes to the manner in which the Public Employees' Retirement System (PERS) and the Police and Firemen's Retirement System (PFRS) operate and to the benefit provisions of those systems.

Chapter 78's provisions impacting employee pension and health benefits include:

- New members of the PERS hired on or after June 28, 2011 (Tier 5 members) will need 30 years of creditable service and age 65 for receipt of the early retirement benefit without a reduction of ¼ of 1% for each month that the member is under age 65.
- The eligibility age to qualify for a service retirement in the PERS is increased from age 63 to 65 for Tier 5 members.
- The annual benefit under special retirement for new PFRS members enrolled after June 28, 2011 (Tier 3 members), will be 60% instead of 65% of the member's final compensation plus 1% for each year of creditable service over 25 years but not to exceed 30 years.
- Increases in active member contribution rates. PERS active member rates increase from 5.5% of annual compensation to 6.5% plus an additional 1% phased-in over 7 years; PFRS active member rate increase from 8.5% to 10%. For fiscal year 2014, the member contribution rates increased in October 2011. The phase-in of the additional incremental member contribution rates for PERS members will take place in July of each subsequent fiscal year.

- The payment of automatic cost-of-living adjustment (COLA) additional increases to current and future retirees and beneficiaries is suspended until reactivated as permitted by this law.
- New employee contribution requirements towards the cost of employer-provided health benefit coverage. Employees are required to contribute a certain percentage of the cost of coverage. The rate of contribution is determined based on the employee's annual salary and the selected level of coverage. The increased employee contributions will be phased in over a 4-year period for those employed prior to Chapter 78's effective date with a minimum contribution required to be at least 1.5% of salary.
- In addition, this new legislation changes the method for amortizing the pension systems' unfunded accrued liability (from a level percent of pay method to a level dollar of pay).

Chapter 1, P.L. 2010, effective May 21, 2010, made a number of changes to the State-administered retirement systems concerning eligibility, the retirement allowance formula, the definition of compensation, the positions eligible for service credit, the non-forfeitable right to a pension, the prosecutor's part of the PERS, special retirement under the PFRS, and employer contributions to the retirement systems.

Also, Chapter 1, P.L. 2010 changed the membership eligibility criteria for new members of PERS from the amount of annual compensation to the number of hours worked weekly. Also, it returned the benefit multiplier for new members of PERS to 1/60th from 1/55th, and it provided that new members of PERS have the retirement allowance calculated using the average annual compensation for the last five years of service instead of the last three years of service. New members of PERS will no longer receive pension service credit from more than one employer. Pension service credit will be earned for the highest paid position only. For new members of the PFRS, the law capped the maximum compensation that can be used to calculate a pension from these plans at the annual wage contribution base for social security, and requires the pension to be calculated using a three year average annual compensation instead of the last year's salary. This law also closed the Prosecutors Part of the PERS to new members and repealed the law for new members that provided a non-forfeitable right to receive a pension based on the laws of the retirement system in place at the time 5 years of pension service credit is attained. The law also requires the State to make its full pension contribution, defined a 1/7th of the required amount, beginning in fiscal years 2013.

Chapter 3, P.L. 2010, effective May 21, 2010, replaced the accidental and ordinary disability retirement for new members of the PERS with disability insurance coverage similar to that provided by the State to individuals enrolled in the State's Defined Contribution Retirement Program.

Chapter 92, P.L. 2007 implemented certain recommendations contained in the December 1, 2006 report of the Joint Legislative Committee on Public Employee Benefits Reform; established a DCRP for elected and certain appointed officials, effective July 1, 2007; the new pension loan interest rate became 4.69% per year, and an $8.00 processing fee per loan was charged, effective January 1, 2008. The legislation also removed language from existing law that permits the State Treasurer to reduce employer pension contributions needed to fund the Funds and Systems when excess assets are available.

Note 13: PENSION LIABILITIES

In 2012, the Governmental Accounting Standards Board issued GASB statement 68. This statement is effective for fiscal years beginning after June 15, 2014. This statement changes the method of reporting the municipality's pension liabilities. However, due to the fact that the municipality reports on the regulatory basis of accounting, no financial statement impact will be recognized.

The following represents the municipality's pension liabilities as June 30, 2022:

Public Employees' Retirement System

The Municipality has a liability of $8,669,205.00 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2021 that was rolled forward to June 30, 2022. The Municipality's proportion of the net pension liability was based on a projection of the Municipality's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2022, the Municipality's proportion would be .05744475920%, which would be an increase of 2.77% from its proportion measured as of June 30, 2021.

For the year ended December 31, 2022, the Municipality would have recognized pension expense of $(352,306.00). At December 31, 2022, the Municipality would report deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected & actual experience	$ 62,570	$ (55,178)
Changes of assumptions	26,860	(1,298,123)
Changes in proportion	914,307	(289,464)
Net difference between projected and actual earnings on pension plan investments	358,811	
Total	$ 1,362,548	$ (1,642,765)

Amounts that would be reported as deferred outflows of resources and deferred inflows of resources related to pensions would be recognized in pension expense as follows:

Year ended June 30,	
2023	$ (256,134)
2024	(94,333)
2025	(6,628)
2026	77,480
2027	(602)
Total	$ (280,217)

Actuarial Assumptions

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

Inflation rate	
Price	2.75%
Wage	3.25%
Salary increases:	2.75% – 6.55% (based on years of service)
Investment rate of return:	7.00%

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 disable 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 generational basis. Mortality improvement is based on Scale MP-2021.

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

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
US equity	27.00%	8.12%
Non-U.S. developed markets equity	13.50%	8.38%
Emerging markets equity	5.50%	10.33%
Private equity	13.00%	11.80%
Real estate	8.00%	11.19%
Real assets	3.00%	7.60%
High yield	4.00%	4.95%
Private Credit	8.00%	8.10%
Investment grade credit	7.00%	3.38%
Cash equivalents	4.00%	1.75%
U.S. Treasuries	4.00%	1.75%
Risk mitigation strategies	3.00%	4.91%

Discount Rate

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2022. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made 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 in determining the total pension liability.

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

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

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Municipality's proportionate share of the net pension liability	$ 10,396,155	8,669,205	7,201,135

Pension plan fiduciary net position.

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

Police and Firemen's Retirement System

The Municipality has a liability of $17,836,694.00 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as July 1, 2021 that was rolled forward to June 30, 2022. The Municipality's proportion of the net pension liability was based on a projection of the Municipality's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2022, the Municipality's proportion would be .15189719000%, which would be an increase of 3.45% from its proportion measured as of June 30, 2021.

For the year ended December 31, 2022, the Municipality would have recognized pension expense of $258,539.00. At December 31, 2022, the Municipality would have reported deferred outflows of resources and deferred inflows of resources related to PFRS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected & actual experience	$ 786,968.00	(1,065,171.00)
Changes of assumptions	47,650.00	(2,188,641.00)
Changes in proportion	794,525.00	(62,976.00)
Net difference between projected and actual earnings on pension plan investments	1,592,110.00	
Total	$ 3,221,253.00	(3,316,788.00)

Amounts that would be reported as deferred outflows of resources and deferred inflows of resources related to pensions would be recognized in pension expense as follows:

Year ended June 30,		
2023	$	(100,447)
2024		(64,192)
2025		(61,150)
2026		127,733
2027		1,231
Thereafter		1,290
Total	$	(95,535)

Actuarial Assumptions

The total pension liability for the June 30, 2022 measurement date was determined by an actuarial valuation of July 1, 2020, which was rolled forward to June 30, 2022. This actuarial valuation used the following assumptions, applied to all periods in the measurement:

Inflation rate	
Price	2.75%
Wage	3.25%
Salary increases:	3.25% - 16.25% (based on years of service)
Investment rate of return:	7.00%

Employee mortality rates were based on the Pub-2010 Safety Employee 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% adjustment for females. Disability rates were based on the Pub-2010 amount-weighted mortality table with a 152% adjustment for males and 109.3% adjustment for females. Mortality improvement is based on Scale MP-2021.

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

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
US equity	27.00%	8.12%
Non-U.S. developed markets equity	13.50%	8.38%
Emerging markets equity	5.50%	10.33%
Private equity	13.00%	11.80%
Real estate	8.00%	11.19%
Real assets	3.00%	7.60%
High yield	4.00%	4.95%
Private credit	8.00%	8.10%
Investment grade credit	7.00%	3.38%
Cash equivalents	4.00%	1.75%
U.S. Treasuries	4.00%	1.75%
Risk mitigation strategies	3.00%	4.91%

Discount Rate

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2022. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the non-employer contributing entity will be made based on 100% of the actuarially determine 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 Municipality's proportionate share of the net pension liability to changes in the discount rate.

The following presents the collective net pension liability of the participating employers as of June 30, 2021, calculated using the discount rate as disclosed above as well as what the collective net pension liability would be if it was calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Municipality's proportionate share of the net pension liability	24,569,635.63	17,386,694.00	11,407,561.57

In addition to the PFRS liabilities listed above, a special funding situation exists for the Local employers of the Police and Fire Retirement System of New Jersey. The State of New Jersey, as a non-employer, is required to pay the additional costs incurred by Local employers under 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 June 30, 2022 State special funding situation net pension liability amount of $2,037,115,833.00 is the accumulated differences between the annual actuarially determined State obligation under the special funding situation and the actual State contribution through the valuation date. The fiscal year ending June 30, 2022 State special funding situation pension expense of $235,029,281.00 is the actuarially determined contribution amount that the State owes for the fiscal year ending June 30, 2022. The pension expense is deemed to be a State administrative expense due to the special funding situation.

The contribution policy for PFRS is set by N.J.S.A. 43:16A and required 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 2022, the State contributed an amount more than the actuarially determined amount.

Although the liabilities related to the special funding situation are the liabilities of the State of New Jersey, the proportionate share of the statewide liability allocated to the Municipality was 0.15189719000% for 2022. The net pension liability amount allocated to the Municipality was $3,094,322.00. For the fiscal year ending June 30, 2022 State special funding situation pension expense of $357,003.00 is allocated to the Municipality.

Pension plan fiduciary net position.

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

Note 14: POST-RETIREMENT BENEFITS

General Information about the Plan:

The Municipality offers Other Post-Retirement Benefits (OPEB) to its employees through the State Health Benefit Local Government Retired Employees Plan (the Plan) a cost-sharing multiple employer defined benefit other postemployment benefit 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.

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

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

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 expense, however under the Regulatory Basis of Accounting followed by the Municipality these amounts are not accrued or recorded in the financial statements and the information listed in this note is for disclosure purposes only. Statewide across all member employers, the special funding situation's and nonspecial funding situation's net OPEB liability, deferred outflows of resources, deferred inflows of resources, and OPEB expense are based on separately calculated total OPEB liabilities. For the special funding situation and the nonspecial funding situation, the Collective Total OPEB liabilities for the year ended June 30, 2022 were $3,361,552,823 and $3,872,142,278, respectively. The nonspecial funding situation's net OPEB liability, deferred outflows of resources, deferred inflows of resources, and OPEB expense are further allocated to employers based on the ratio of the plan members of an individual employer to the total members of the Plan's non special funding situation during the measurement period July 1, 2021 through June 30, 2022. Employer and non-employer allocation percentages have been rounded for presentation purposes.

Special Funding Situation:

Under Chapter 330, P.L. 1997, the State shall pay the premium or periodic charges for the qualified local police and firefighter retirees and dependents equal to 80 percent of the premium or periodic charge for the category of coverage elected by the qualified retiree under the State managed care plan or a health maintenance organization participating in the program providing the lowest premium or periodic charge. The State also provides funding for retiree health benefits to survivors of local police officers and firefighters who die in the line of duty under Chapter 271, P.L.1989.

Therefore, these employers are considered to be in a special funding situation as defined by GASB Statement No. 75 and the State is treated as a non-employer 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 non-employer contributing entities' total proportionate share of the collective net OPEB liability that is associated with the local participating employer.

Net OPEB Liability:

Components of Net OPEB Liability

The components of the collective net OPEB liability of the participating employers in the Plan as of June 30, 2021 is as follows:

		June 30, 2022 Collective Total
Total OPEB Liability	$	16,090,925,144.00
Plan Fiduciary Net Position		(58,670,334.00)
Net OPEB Liability	$	16,149,595,478.00
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability		-0.36%

At June 30, 2022, the State's proportionate share for the Special Funding Situation that is associated with the Municipality is $18,059,328. The State's proportionate share attributable to the Municipality of the Collective Net OPEB Liability for the Special Funding Situation was .0535280% which was an increase from the prior year of 3.99%.

For the Year ended June 30, 2022, the State of New Jersey realized Total OPEB Expense in the amount of $(2,962,109) for its proportionate share of Total OPEB Expense that is associated with the Municipality.

The total OPEB liability as of June 30, 2022 was determined by an actuarial valuation as of June 30, 2021, which was rolled forward to June 30, 2022. The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

Investment Rate of Return
Including Inflation rate 3.54%

Salary increases*:

PERS

Completed Years of Service	Annual Rate of Increase (%)
0	6.55
5	5.75
10	4.75
15	3.75
20	3.15
25	2.85
>=29	2.75

PFRS

Completed Years of Service	Annual Rate of Increase (%)
0	16.25
5	11.00
10	6.00
15	4.00
>=17	3.25

Mortality:

Pre-Retirement Healthy Mortality:

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

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

Post-Retirement Healthy Mortality

Chapter 330 Retirees: PUB-2010 “Safety” classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021.

Other Retirees: PUB-2010 “General” classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021.

Disable Retiree Mortality:

PERS Future Disabled Retirees: PUB-2010 “General” classification headcount-weighted disabled mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021.

PFRS Future Disabled Retirees: PUB-2010 “Safety” classification headcount-weighted disabled mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021.

Chapter 330 Current Retirees: PUB-2010 “Safety” classification headcount-weighted disabled mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021.

Other Current Retirees: PUB-2010 “General” classification headcount-weighted disabled mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021.

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

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

Discount Rate

The discount rate for June 30, 2022 was 3.54%. The discount rate will change each year based on the Bond Buyer Go 20-Bond Municipal Bond Index each year.

Sensitivity of Net OPEB Liability to Changes in the Discount Rate

The following presents the Net OPEB liability as of June 30, 2022, calculated using the discount rate as disclosed above as well as what the Net OPEB liability would be if it was calculated using a discount rate that is 1-percentage point lower or 1-percentage-point higher than the current rate:

	1% Decrease (2.54%)	Discount Rate (3.54%)	1% Increase (4.54%)
Collective			
Net OPEB Liability	$ 18,720,632,230	16,149,595,478	14,080,955,857

Sensitivity of Net OPEB Liability to Changes in the Healthcare Trend Rate

The following presents the net OPEB liability as of June 30, 2022, calculated using the healthcare trend rate as disclosed above as well as what the net OPEB liability would be if it was calculated using a healthcare trend rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	1% Decrease	Healthcare Cost Trend Rate	1% Increase
Collective			
Net OPEB Liability	$ 13,700,188,049.00	$ 16,149,595,478.00	$ 19,286,596,671.00

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

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

		Collective Totals	
		Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$	833,982,363	(2,993,448,535)
Changes of assumptions		2,155,230,462	(5,511,545,572)
Net difference between projected and actual earnings on OPEB plan investments		4,251,491	
Changes in proportion and differences between contributions and proportionate share of contributions			
Total	$	2,993,464,316	(8,504,994,107)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to retired employees' OPEB will be recognized in OPEB expense as follows:

Year ended June 30,		Collective Totals
2023	$	(1,463,380,541)
2024		(1,464,672,406)
2025		(1,156,630,075)
2026		(516,557,746)
2027		(115,810,526)
Thereafter		(794,478,497)
Total	$	(5,511,529,791)

Detailed information about the plan's fiduciary net position is available in the separately issued OPEB financial report.

Collective OPEB Expenses reported by the State of New Jersey.

The components of allocable OPEB Expense related to specific liabilities of individual employers for the year ending June 30, 2022 are as follows:

Service cost	$	796,654,029
Interest on Total OPEB Liability		401,372,615
Expected Investment Return		86,955
Administrative Expenses		12,334,441
Changes of Benefit Terms		402,474,416
Current Period Recognition (Amortization) of Deferred Inflows/ Outflows of Resources:		
Differences between Expected and Actual Experience		(630,413,303)
Changes in Assumptions		(835,585,441)
Differences between Projected and Actual Investment Earnings on OPEB Plan Investments		4,032,008
Total Collective OPEB Expense	$	150,955,720

Note 15: ACCRUED SICK AND VACATION BENEFITS

The Township has permitted employees to accrue unused sick time, which may be taken as time off or paid at a later date at an agreed upon rate. It is estimated that the cost for the most current calendar year of such unpaid compensation would approximate $1,847,037.28 in 2023 and $1,609,701.06 in 2022. This amount is not reported either as an expenditure or liability due to the likelihood of all employees terminating in one fiscal year being improbable. Township employees are entitled to fifteen sick leave days each year. Vacation days are earned based on years of service. Employees are entitled to 10 vacation days for the first year of employment, 11 days for 2 through 5 years of service, 13 days for 6 through 10 years of service, 18 days for 11 through 19 years of service, and 20 days for 20 years or more of service. Sick and vacation days accumulated through December 31, 1991 have been credited to the employees and will be reimbursed at 100% of the employees' daily rate of pay upon retirement. Beginning January 1, 1992, unused sick leave may be accumulated and carried forward to subsequent years, and at retirement the employee will be reimbursed up to fifty percent of days not used, not to exceed the amount of $10,000. Vacation days earned on or after January 1, 1992 may be carried over for one year only, unless extended by the Township Manager with the recommendation of the department head.

The Township has established a Compensated Absences Trust Fund to set aside funds for future payments of compensated absences. The balance of the fund was $535,080.71 at December 31, 2023, and $536,753.52 at December 31, 2022.

The policy of not reflecting the accrued benefit is not in agreement with GASB Statement No. 12 but is required by the State of New Jersey. Effective January 1, 2002 the State of New Jersey is allowing municipalities to accrue a compensated absences liability. The Township does not accrue the liability.

Note 16: ECONOMIC DEPENDENCY

The Township of Galloway is not economically dependent on any one business or industry as a major source of tax revenue for the Township.

Note 17: RISK MANAGEMENT

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

Property and Liability Insurance - The Township maintains commercial insurance coverage for property, liability. During the year ended December 31, 2023 and 2022 the Township did not incur claims in excess of their coverage and the amount of coverage did not significantly decrease.

The Township is a member of the Statewide Joint Insurance Fund (JIF) which also includes other municipalities throughout the region. The Township is obligated to remit insurance premiums into these funds for sufficient insurance coverage. The Township has a general liability limit of $10,000,000 under JIF, and excess coverage which increases an additional $5,000,000 under auto and general Liability.

Note 18: DEFERRED COMPENSATION

Employees of the Township of Galloway may participate in a deferred compensation plan adopted under the provisions of Internal Revenue Code Section 457 (Deferred Compensation Plans with Respect to Service for State and Local Governments). The deferred compensation plan is available to all employees of the Township. Under the plan, employees may elect to defer a portion of their salaries and avoid paying taxes on the deferred portion until the withdrawal date. The deferred compensation amount is not available for withdrawal by employees until termination, retirement, death, or unforeseeable emergency.

Two unrelated financial institutions administer the deferred compensation plan. Under the terms of an IRC Section 457 deferred compensation plan, all deferred compensation and income attributable to the investment of the deferred compensation amounts held by the financial institution, until paid or made available to the employees or beneficiaries, are the property of the employees.

As part of its fiduciary role, the Township has an obligation of due care in selecting the third party administrator. In the opinion of the Township's legal counsel, the Township has acted in a prudent manner and is not liable for losses that may arise from the administration of the plan.

The plans are administered by AXA Equitable and Empower Retirement.

Note 19: CONTINGENT LIABILITIES

From time to time, the Township is a defendant in legal proceedings relating to its operations as a municipality. In the best judgment of the Township's management, the outcome of any present legal proceedings will not have any adverse material effect on the accompanying financial statements.

Note 20: INTERFUND BALANCES

During the most current calendar year ended December 31, 2023, the following interfunds were included on the balance sheets of the various funds of the Township of Galloway and are expected to be returned within one year:

		Due From	Due To
Current Fund:			
Sewer Utility Operating Fund	$		400.40
Sewer Utility Operating:			
Current Fund		400.40	
	$	400.40	400.40

The amounts due to the various funds relate to year end activity from the tax office not transferred over to the appropriate funds as of year end and the Current Fund providing funding for grants that are on the reimbursement basis but funds have not been received as of year end.

Note 21: SANITARY LANDFILL CLOSURE FUND

The Township of Galloway owned and operated a municipal landfill until December 31, 1991, at which time the site was effectively closed for all operations. The Sanitary Landfill Facility Closure and Contingency Act Fund of 1981 was enacted to provide funding, during the life of the landfill, of costs associated with the closure of sanitary landfills. The Act requires the owner or operator of every sanitary landfill to establish an escrow account for closure and deposit, on a monthly basis, an amount equal to $1.00 per ton of solid waste accepted for disposal. No withdrawals may be made from the fund without written approval from the State Department of Environmental Protection and Energy.

At December 31, 2023, the Township had $616,468.74 on deposit in a trust fund to comply with the aforementioned act. In addition, the Township also adopted a capital ordinance to provide additional funding for the closure plan. However, the escrow closure fund balance at year-end does not necessarily represent the estimated cost of closure as of that date. The required balance of the fund merely represents the amount required to be escrowed in accordance with the statute. Actual costs associated with the closure are not known.

Note 22: LENGTH OF SERVICE AWARD PROGRAM

During the 2000 calendar year, the voters of the Township of Galloway approved the establishment of a Length of Service Awards Program (LOSAP) Deferred Compensation Plan. This plan is made available to all bona fide eligible volunteers who are performing qualified services which are defined as firefighting and prevention services, emergency medical services and ambulance services pursuant to Section 457 of the Internal Revenue Code of 1986, as amended, except for provisions added by reason of the LOSAP as enacted into federal law in 1997. The establishment of this LOSAP will also comply with New Jersey Public Law 1997, Chapter 388 and the LOSAP Document. The Township appropriated $157,500 in the 2023 budget and $135,000.00 in the 2022 budget, for contributions to the LOSAP for volunteers who have met the established criteria.

The LOSAP is administered by an unrelated financial institution. Under the terms of an IRC Section 457 deferred compensation plan, all deferred compensation and income attributable to the investment of the deferred compensation amounts held by the financial institution, until paid or made available to the employees or beneficiaries, are the property of the Township subject only to the claims of the Township's general creditors. In addition, the participants in the plan have rights equal to those of the general creditors of the Township, and each participant's rights are equal to his or her share of the fair market value of the plan assets. The Township believes that it is unlikely that plan assets will be needed to satisfy claims of general creditors that might arise.

As part of its fiduciary role, the Township has an obligation of due care in selecting the third party administrator. In the opinion of the Township's legal counsel, the Township has acted in a prudent manner and is not liable for losses that may arise from the administration of the plan.

The Township of Galloway issues a separate unaudited financial report that includes the statement of net assets available for benefits for the LOSAP. The financial report may be obtained by contacting the Township of Galloway, 300 E. Jimmie Leeds Road, Galloway Township, New Jersey.

Note 23: SUBSEQUENT EVENTS

The Township has evaluated subsequent events through March 29, 2024, the date which the financial statements were available to be issued and identified no events requiring disclosure.

SUPPLEMENTARY INFORMATION

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

The Honorable Mayor and
Members of Township Council
Township of Galloway, New Jersey

We have audited, in accordance with the 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, the financial statements – regulatory basis, as listed in the accompanying table of contents, of the Township of Galloway, State of New Jersey, as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements, and have issued our report thereon dated March 29, 2024, which was adverse due to being presented in accordance with the New Jersey Regulatory Basis of Accounting. Our report disclosed that, as described in Note 1 to the financial statements, the Township of Galloway prepares its financial statements on a basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division"), that demonstrates compliance with a modified accrual basis of accounting and the budget laws of the State of New Jersey.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Township's 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 Township's internal control. Accordingly, we do not express an opinion on the effectiveness of the Township's internal control.

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Township's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards.*

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Ford, Scott & Associates, L.L.C.
FORD, SCOTT & ASSOCIATES, L.L.C.
CERTIFIED PUBLIC ACCOUNTANTS

Leon P. Costello
Leon P. Costello
Certified Public Accountant
Registered Municipal Accountant
No. 393

March 29, 2024

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

The Honorable Mayor and
Members of Township Council
Township of Galloway, New Jersey

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal Program

We have audited the Township of Galloway's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of Galloway Township's major federal and state programs for the year ended December 31, 2023. The Township of Galloway's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Township of Galloway complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended December 31, 2023.

Basis for Opinion on Each Major Federal and State Program

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

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

Auditor's Responsibilities for the Audit of Compliance

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

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Township of Galloway's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Township of Gallowy's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Township of Galloway'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.

Other Matters

The results of our auditing procedures disclosed no instances of noncompliance which are required to be reported in accordance with the Uniform Guidance.

Report on Internal Control Over Compliance

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

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

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

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

Ford, Scott & Associates, L.L.C.

FORD, SCOTT & ASSOCIATES, L.L.C.
CERTIFIED PUBLIC ACCOUNTANTS

Leon P. Costello

Leon P. Costello
Certified Public Accountant
Registered Municipal Accountant
No. 393

March 29, 2024

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2023

Federal or State Grantor/Pass - Through Grantor/Program Title	Grant Period	CFDA # or Pass-Through Grantor's #	Program or Award Amount	Balance Dec. 31, 2022	Receipts or Revenue Recognized	Disbursements/ Expenditures	Balance Dec. 31, 2023
Federal:							
U. S. Department of Justice							
Bulletproof Vest Partnership Program	1/1/23 - 12/31/23	16.607	9,996.00	-	9,996.00	6,878.28	3,117.72
				-	9,996.00	6,878.28	3,117.72
U.S. Department of Housing and Urban Development							
Community Development Block Grant	1/1/23 - 12/31/23	14.218	216,962.00	-	216,962.00	129,231.00	87,731.00
Community Development Block Grant	1/1/22 - 12/31/22	14.218	110,556.00	110,556.00			110,556.00
Community Development Block Grant	1/1/21 - 12/31/21	14.218	114,709.00	114,709.00			114,709.00
Community Development Block Grant	1/1/20 - 12/31/20	14.218	117,052.94	117,052.94			117,052.94
Community Development Block Grant	1/1/19 - 12/31/19	14.218	118,568.00	84,458.48			84,458.48
				426,776.42	216,962.00	129,231.00	514,507.42
U.S. Department of the Treasury							
American Rescue Plan	1/1/21 - 12/31/23	21.027	1,868,084.58	1,743,277.08		1,035,090.00	708,187.08
American Rescue Plan - Bayview Fire	1/1/22 - 12/31/23	21.027	41,000.00	41,000.00		41,000.00	-
American Rescue Plan - Pomona Fire	1/1/22 - 12/31/23	21.027	23,600.00	23,600.00		23,600.00	-
American Rescue Plan - Germania Fire	1/1/22 - 12/31/23	21.027	33,000.00	33,000.00		33,000.00	-
American Rescue Plan - Oceanville Fire	1/1/22 - 12/31/23	21.027	37,000.00	37,000.00		37,000.00	-
American Rescue Plan - South Egg Harbor Fire	1/1/22 - 12/31/23	21.027	6,030.00	6,030.00		6,030.00	-
				1,883,907.08	-	1,175,720.00	708,187.08
Total Federal Awards				$ 2,310,683.50	226,958.00	1,311,829.28	1,225,812.22

The Accompanying Notes To The Schedule of Expenditures of Federal Awards and State Financial Assistance Are An Integral Part of This Statement

Notes to Schedule of Expenditures of Federal and State Awards
December 31, 2023

Note 1: BASIS OF PRESENTATION

The accompanying schedule of federal and state awards includes the federal and state grant activity of the Township of Galloway, State of New Jersey and is presented on the basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which is a comprehensive basis of accounting other than generally accepted accounting principles. Encumbrances are considered in determining single audit threshold on major programs. The Township has elected not to use the 10% de minimis indirect cost rate.

Note 2: RELATIONSHIP TO GENERAL PURPOSE FINANCIAL STATEMENTS

Amounts reported in the accompanying schedule do not agree with amounts reported in the Township's financial statements. Receipts from Federal and State grants are realized as revenue when anticipated in the Township's budget. Expenditures are recognized when they become payable. Following is a reconciliation of expenditures:

Expenditures per Schedule of Federal Awards	$	1,311,829.28
Expenditures reported on Schedule A-12	$	1,311,829.28

TOWNSHIP OF GALLOWAY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2023

Part I – Summary of Auditor's Results

Financial Statement Section

A) Type of auditor's report issued: Adverse under GAAP/Unmodified under Regulatory

B) Internal control over financial reporting:

1) Material weakness(es) identified? ____ yes __X__ no

2) Significant Deficiencies identified that are not considered to be material weaknesses? ____ yes __X__ no

C) Noncompliance material to general-purpose financial statements noted? ____ yes __X__ no

Federal Awards Section

D) Dollar threshold used to determine type A programs: $ 750,000

E) Auditee qualified as low-risk auditee? ____ yes __X__ no

F) Type of auditor's report on compliance for major programs: Unmodified

G) Internal control over major programs:

1) Material weakness(es) identified? ____ yes __X__ no

2) Significant Deficiencies identified that are not considered to be material weaknesses? ____ yes __X__ no

H) Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance? ____ yes __X__ no

I) Identification of major programs:

CFDA Number(s)	Name of Federal Program or Cluster
21.027	Coronavirus - American Rescue Plan

TOWNSHIP OF GALLOWAY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2023

Part I – Summary of Auditor's Results

<u>State Awards Section N/A</u>

J) Dollar threshold used to determine Type A programs: ________________________

K) Auditee qualified as low-risk auditee? _________yes __________no

L) Type of auditor's report issued on compliance
for major programs: ________

M) Internal Control over major programs:

1) Material weakness(es) identified? _____________yes _________no

2) Significant Deficiencies identified that are
not considered to be material weaknesses? _____________yes _________no

N) Any audit findings disclosed that are required to be
reported in accordance with NJOMB Circular
Letter 15-08? _____________yes _________no

O) Identification of major programs:

GMIS Number(s)	Name of State Program

Part 2 -- Schedule of Financial Statement Findings

NONE

Part 3 – Schedule of Federal Award Findings and Questioned Costs

NONE

CURRENT FUND
SCHEDULE OF CASH - TREASURER

		Regular Fund		Grant Fund	
Balance December 31, 2022	$		24,206,031.79		2,029,715.62
Increased by Receipts:					
Tax Collector		91,422,411.23			
Revenue Accounts Receivable		6,942,067.88			
Miscellaneous Revenue		725,866.45			
Due from State of N.J. Seniors/Veterans		252,379.47			
Due to State of N.J. -Marriage Licenses		3,987.50			
Due to State of N.J. - DCA Fees		36,241.00			
Due to State of N.J. - Domestic Parnership		25.00			
Due to State of N.J.- Burial Permits		115.00			
Due to State of N.J.- Lead Hazard Control		1,280.00			
Deposits on Sale of Municipal Property		1,825.00			
Reserve for LOSAP		6,149.59			
Municipal Relief Aid		267,684.25			
Due to Utility Operating		400.20			
Revolving Loan Fund				7,745.00	
Federal and State Unallocated				14,870.50	
Federal and State Receivables				867,457.79	
			99,660,432.57		890,073.29
			123,866,464.36		2,919,788.91
Decreased by Disbursements:					
Current Year Appropriation		23,939,468.28			
Prior Year Appropriations		977,847.83			
County Taxes		18,017,263.37			
Local District School Taxes		36,180,253.00			
Regional School Taxes		19,635,129.20			
Refunds		29,558.93			
Due to State of N.J. -Marriage Licenses		262.50			
Due to State of N.J.- Burial Permits		65.00			
Due to State of N.J. - DCA Fees		36,951.00			
Accounts Payable		54,163.78			
Due to Tax Collector		864.41			
Due to Current Fund				18,490.14	
Federal and State Disbursements				1,815,787.35	
			98,871,827.30		1,834,277.49
Balance December 31, 2023	$		24,994,637.06		1,085,511.42

CURRENT FUND
SCHEDULE OF CURRENT CASH - COLLECTOR

Balance December 31, 2022		$ -
Increased by Receipts:		
Prepaid Taxes	$ 1,306,647.84	
Taxes Receivable	90,091,304.63	
Tax Title and Other Liens	24,458.76	
		91,422,411.23
		91,422,411.23
Payments to Treasurer		91,422,411.23
Balance December 31, 2023		$ -

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

Year		Balance Dec. 31, 2022	Current Year Levy	Added Taxes	Collections by Cash 2022	Collections by Cash 2023	Adjustments	Transferred To Tax Title Lien	Balance Dec. 31, 2023
Arrears	$	58,321.15		14,380.29		15,028.19	2,566.45	25,818.05	29,288.75
2022		-							-
		58,321.15	-	14,380.29	-	15,028.19	2,566.45	25,818.05	29,288.75
2023		-	91,858,573.28		1,138,221.24	90,334,066.85	159,539.05	226,746.14	0.00
	$	58,321.15	91,858,573.28	14,380.29	1,138,221.24	90,349,095.04	162,105.50	252,564.19	29,288.75

90,091,304.63	Cash Receipts	
257,790.41	Senior Citizens and Veterans	
90,349,095.04		

Analysis of Current Year Tax Levy

Tax Yield:		
General Property Tax	91,858,573.28	
Added Taxes (54:4-63.1 et. Seq.)	-	
		91,858,573.28
Tax Levy:		
General County Taxes	15,885,238.27	
County Library Taxes	1,124,884.37	
County Open Space Taxes	182,159.71	
County Health Taxes	739,404.64	
County Added and Omitted Taxes	85,576.38	
Total County Taxes		18,017,263.37
Local School District Tax	36,180,254.00	36,180,254.00
Additional Local School District Tax		-
Regional School District Tax		19,559,319.00
Local Tax for Municipal Purposes	17,775,291.80	
Add: Additional Tax Levied	326,445.11	
		18,101,736.91
		91,858,573.28

CURRENT FUND
SCHEDULE OF TAX TITLE AND OTHER LIENS

Balance December 31, 2022			$	2,251,406.89
Increased by:				
Transfers from Taxes Receivable	$	252,564.19		
Interest and Costs Accrued by Sale of December 20, 2023		13,443.30		
				266,007.49
				2,517,414.38
Decreased by:				
Collections		24,458.76		
Other - Foreclosed		100,257.59		
				124,716.35
Balance December 31, 2023			$	2,392,698.03

Exhibit A - 8

CURRENT FUND
SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE

	Balance Dec. 31, 2022	Accrued in 2022	Collected	Balance Dec. 31, 2023
Licenses:				
Alcoholic Beverages	$ -	73,564.00	73,564.00	-
Fees and Permits	-	173,140.50	173,140.50	-
Fines and Costs:				
Municipal Court	-	278,888.91	278,888.91	-
Interest and Costs on Taxes	-	190,929.94	190,929.94	-
Interest Earned on Investments	-	713,835.38	713,835.38	-
Planning Board - Special Application Fees	-	13,750.00	13,750.00	-
Fire Subcode Official:				
Fire Safety Rebate	-	54,247.07	54,247.07	-
Fire Inspections	-	56,017.00	56,017.00	-
Cable Franchise Fees	-	135,947.98	135,947.98	-
Hotel Tax	-	756,416.89	756,416.89	-
Rental Inspections	-	96,820.00	96,820.00	-
Energy Receipts Tax (P.L. 1997, Ch. 162 & 167)	-	2,584,081.46	2,584,081.46	-
Payments in Lieu of Taxes - Wildlife Refuge	-	28,409.00	28,409.00	-
Watershed Moratorium Offset	-	7,708.00	7,708.00	-
Garden State Preservation Trust Fund	-	8,908.00	8,908.00	-
Municipal Relief Aid	-	133,870.38	133,870.38	-
Uniform Construction Code Fees	-	472,572.00	472,572.00	-
Communications - Dispatch Agreement	.		.	
Mullica	-	249,078.34	249,078.34	-
Atlanticare Contribution	-	333,796.73	333,796.73	-
Aloe Village Contribution	-	100,000.00	100,000.00	-
RDI Lennox Property	-	182,816.28	182,816.28	-
Absecon Dispatch Services	-	431,140.40	431,140.40	-
	$ -	7,075,938.26	7,075,938.26	-

CURRENT FUND
SCHEDULE OF APPROPRIATION RESERVES - PRIOR YEAR

	Balance Dec. 31, 2022	Balance After Transfers	Paid or Charges	Balance Lapsed	Over-Expended
OPERATIONS WITHIN "CAPS"					
GENERAL GOVERNMENT:					
General Administration					
Other Expenses	$ 24,916.93	24,916.93	1,204.02	23,712.91	-
Township Clerk					
Other Expenses	12,834.39	12,834.39	300.00	12,534.39	-
Financial Administration					
Other Expenses	15,758.13	15,758.13	1,150.00	14,608.13	-
Revenue Administration (Tax Collection)					
Other Expenses	47,063.24	47,063.24	21,686.96	25,376.28	-
Tax Assessment Administration					
Other Expenses	23,354.09	23,354.09	540.80	22,813.29	-
Legal Services					
Other Expenses	129,773.65	129,773.65	15,455.45	114,318.20	-
Planning Board					
Other Expenses	29,705.10	29,705.10	775.20	28,929.90	-
Zoning Board of Adjustment					
Other Expenses	39,101.96	39,101.96	19.20	39,082.76	-
Code Enforcement Administration					
Other Expenses	12,340.00	12,340.00	589.98	11,750.02	-
INSURANCE					
Liability Insurance	109,348.00	109,348.00	109,348.00	-	-
Group Insurance	876,118.69	876,118.69	466,300.13	409,818.56	
Health Wavers	4,724.82	4,724.82	2,250.00	2,474.82	-
PUBLIC SAFETY					
Police Department					
Other Expenses	135,158.55	135,158.55	47,657.99	87,500.56	-
Vehicles	314,834.51	314,834.51	275,257.68	39,576.83	-
Police 911					
Other Expenses	19,169.98	19,169.98	247.85	18,922.13	-
Office of Emergency Management					
Other Expenses	4,639.23	4,639.23	2,610.12	2,029.11	-
Fire Official					
Other Expenses	11,920.04	11,920.04	175.00	11,745.04	-
Fire Department					
Other Expenses	59,209.91	59,209.91	25,974.51	33,235.40	-

Exhibit A - 9

CURRENT FUND
SCHEDULE OF APPROPRIATION RESERVES - PRIOR YEAR

	Balance Dec. 31, 2022	Balance After Transfers	Paid or Charges	Balance Lapsed	Over-Expended
PUBLIC WORKS					
Streets and Road Maintenance					
Salaries and Wages	141,685.36	141,685.36	7,014.28	134,671.08	-
Other Expenses	125,643.57	125,643.57	37,438.68	88,204.89	-
Other Public Works Functions					
Other Expenses	15,651.36	15,651.36	1,109.09	14,542.27	-
Buildings and Grounds					
Other Expenses	76,145.29	76,145.29	6,412.51	69,732.78	-
Vehicle Maintenance					
Other Expenses	103,662.43	103,662.43	51,433.01	52,229.42	-
OTHER COMMON OPERATING FUNCTIONS					
Community and Recreation Services					
Other Expenses	37,342.11	37,342.11	317.00	37,025.11	-
UTILITY EXPENSES AND BULK PURCHASES					
Electric	25,116.53	25,116.53	17,423.68	7,692.85	-
Street Lighting	22,413.24	22,413.24	16,212.80	6,200.44	-
Telephone	18,813.90	18,813.90	273.10	18,540.80	-
Natural Gas	17,388.25	17,388.25	9,336.01	8,052.24	-
Gasoline	97,968.01	97,968.01	11,832.63	86,135.38	-
Water	40,017.15	40,017.15	35,476.47	4,540.68	-
Landfill/Solid Waste Disposal Costs	33,089.23	33,089.23	5,687.65	27,401.58	-
STATUTORY EXPENDITURES					
Contributions to:					
Social Security System (O.A.S.I.)	19,658.70	19,658.70	33.09	19,625.61	-
CAPITAL IMPROVEMENTS					
Improvement to Municipal Buildings/Property	72,055.19	72,055.19	9,166.48	62,888.71	-
Purchase of Fire Equipment	66,735.28	66,735.28	65,988.46	746.82	-
Drainage Improvements		-		-	-
Sewer Extension		-		-	-
Skid Steer		-		-	-
All Other Accounts - No Change	1,046,872.49	1,046,872.49	-	1,046,872.49	
	$ 3,830,229.31	3,830,229.31	1,246,697.83	2,583,531.48	-

CURRENT FUND
SCHEDULE OF REGIONAL DISTRICT SCHOOL TAX

Balance December 31, 2022		
School Tax Payable	$ 2,467,037.05	
School Tax Deferred	6,400,000.00	
		$ 8,867,037.05
Increased by:		
Levy - School Year July 1, 2021 to June 30, 2022		19,559,319.00
		28,426,356.05
Decreased by:		
Payments		19,635,129.20
Balance December 31, 2023		
School Tax Payable	2,391,226.85	
School Tax Deferred	6,400,000.00	
		8,791,226.85
Current Year Liability for Regional School District School Tax:		
Tax Paid		19,635,129.20
Tax Payable Ending		2,391,226.85
		22,026,356.05
Less: Tax Payable Beginning		2,467,037.05
Amount charged to Current Year Operations		$ 19,559,319.00

Exhibit A - 10b

CURRENT FUND
SCHEDULE OF LOCAL DISTRICT SCHOOL TAX

Balance December 31, 2022		
School Tax Payable	$ -	
School Tax Deferred	-	
		$ -
Increased by:		
Levy - School Year July 1, 2021 to June 30, 2022		36,180,254.00
		36,180,254.00
Decreased by:		
Payments		36,180,253.00
Balance December 31, 2023		
School Tax Payable	-	
School Tax Deferred	-	
		1.00
Current Year Liability for Local School District School Tax:		
Tax Paid		36,180,253.00
Tax Payable Ending		1.00
		36,180,254.00
Less: Tax Payable Beginning		-
Amount charged to Current Year Operations		$ 36,180,254.00

CURRENT FUND
SCHEDULE OF FEDERAL AND STATE GRANTS RECEIVABLE

Purpose	Balance Dec. 31, 2022	Transferred From 2023 Revenues	Received	Canceled	Balance Dec. 31, 2023
FEDERAL GRANTS:					
Bulletproof Vest Partnership	$ 25,100.16	9,996.00	20,968.20		14,127.96
American Rescue Plan Grant - Bayview Fire	41,000.00				41,000.00
American Rescue Plan Grant - Pomona Fire	23,600.00		23,600.00		-
American Rescue Plan Grant - Germania Fire	33,000.00				33,000.00
American Rescue Plan Grant - Oceanville Fire	37,000.00				37,000.00
American Rescue Plan Grant - South Egg Harbor Fire	6,030.00				6,030.00
Community Development Block Grant	426,776.42	216,962.00			643,738.42
Total Federal	592,506.58	226,958.00	44,568.20	-	774,896.38
STATE GRANTS:					
Safe and Secure Communities Program	10,800.00	32,400.00	32,400.00		10,800.00
Municipal Alliance Program	19,187.14	16,294.70	15,618.25	3,567.44	16,296.15
Body Armor Fund	-	3,884.19	3,884.19		-
Clean Communities	-	103,698.43	103,698.43		-
Drunk Driving Enforcement Program	-	4,862.48			4,862.48
Recycling Tonnage Grant	-	62,607.52	62,607.52		-
Drive Sober or Get Pulled Over	12,370.00	8,750.00	12,250.00	120.00	8,750.00
Automated License Plate Reader	-	60,325.00		-	60,325.00
Opioid Recovery and Remediation Grant	-	18,198.39	18,198.39		-
NJ Transportation Trust Fund					-
2022 - Leipzig Avenue	230,956.00		173,217.00		57,739.00
2022 - Chris Gaupp Drive Phase I	313,960.00		235,470.00		78,490.00
2023 - Collins Road	-	319,085.00		-	319,085.00
Resurfacing of Second Ave Phase 2	62,500.00		62,500.00	-	-
Bikeway		250,000.00			250,000.00
Pedestrian Safety Enforcement Grant	50.00			50.00	-
Sustained Enforcement Grant	77,000.00		76,930.00		70.00
Sustainability Jersey Cap Grant	-	10,000.00	5,000.00		5,000.00
Emergency Management Assistance-EMAA	-	10,000.00	10,000.00	-	-
Stormwater Management		25,000.00	15,000.00		10,000.00
Spotted Lanternfly		15,000.00			15,000.00
Local Recreation Improvement Grant		60,000.00			60,000.00
Total State	726,823.14	1,000,105.71	826,773.78	3,737.44	896,417.63
	$ 1,319,329.72	1,227,063.71	871,341.98	3,737.44	1,671,314.01

Cash	$	867,457.79
Unappropriated Reserves		3,884.19
	$	871,341.98

CURRENT FUND
SCHEDULE OF APPROPRIATED RESERVES FOR FERERAL AND STATE GRANTS

	Balance December 31, 2022						
	Appropriated	Reserve for Encumbrances	2023 Appropriations	Disbursed	Encumbrances	Other/ Canceled	Balance Dec. 31, 2023
FEDERAL GRANTS:							
Community Development Block Grant	$ 426,776.42		216,962.00		129,231.00		514,507.42
American Rescue Plan	1,496,124.58	247,152.50		929,943.02	105,146.98		708,187.08
American Rescue Plan Grant - Bayview Fire	41,000.00				41,000.00		-
American Rescue Plan Grant - Pomona Fire	23,600.00			23,600.00			-
American Rescue Plan Grant - Germania Fire	33,000.00				33,000.00		-
American Rescue Plan Grant - Oceanville Fire	37,000.00				37,000.00		-
American Rescue Plan Grant - South Egg Harbor Fire	6,030.00				6,030.00		-
Bulletproof Vest Partnership	-		9,996.00	5,731.90	1,146.38		3,117.72
Total Federal	2,063,531.00	247,152.50	226,958.00	959,274.92	352,554.36	-	1,225,812.22
STATE GRANTS:							
New Jersey Transportation Trust Fund							
2022 - Leipzig Avenue	-	230,956.00		228,131.34	2,824.66		0.00
2022 - Chris Gaupp Drive Phase I	313,960.00			313,960.00			-
Bikeway Grant	-		250,000.00				250,000.00
Collins Road			319,085.00	-			319,085.00
Opioid Recovery and Remediation Grant	8,893.08	8,502.15	18,198.39	9,099.00			26,494.62
Sustained Enforcement Grant	77,000.00			77,000.00			-
Pedestrian Safety Enforcement Grant	50.00					50.00	-
Recycling Tonnage Grant	47,925.48	2,097.56	62,607.52	32,236.80	24,589.22		55,804.54
Drunk Driving Enforcement Program	19,286.71		4,862.48	19,075.53	250.90		4,822.76
Clean Communities Program	140,859.56		103,698.43	104,015.51			140,542.48
Safe and Secure Program	-		32,400.00	32,400.00			-
Body Armor Fund	(0.00)		3,884.19	3,439.14	321.42		123.63
Municipal Drug Alliance Program	-						-
County Share	12,884.00	5,781.81	16,294.70	15,977.92		3,567.44	15,415.15
Local Share	6,776.04	2,103.25	3,292.57	3,455.87	1,355.71	6,292.71	1,067.57
Stormwater Management	202.04			202.04			0.00
Stormwater Assistance	-		25,000.00		25,000.00		-
Local Recreation Grant	-		60,000.00		30,453.00		29,547.00
Enhanced 911 General Assistance Grant	29,837.80						29,837.80
Driver Sober or Get Pulled Over	6,490.00		8,750.00	10,570.00		120.00	4,550.00
Spotted Lanternfly	-		15,000.00				15,000.00
Sustainable Jersey	-		10,000.00	6,949.28	878.00		2,172.72
Automated License Plate Reader	-		60,325.00				60,325.00
Emergency Management Assistance	44,857.61		10,000.00				54,857.61
Total State	709,022.32	249,440.77	1,003,398.28	856,512.43	85,672.91	10,030.15	1,009,645.88
	$ 2,772,553.32	496,593.27	1,230,356.28	1,815,787.35	438,227.27	10,030.15	2,235,458.10

Disbursed	1,815,787.35
Current year encumbrances	438,227.27
Prior year encumbrances	(496,593.27)
Current year expenditures	1,757,421.35

CURRENT FUND
SCHEDULE OF FEDERAL AND STATE GRANTS - UNAPPROPRIATED RESERVES

Purpose		Balance Dec. 31, 2022	Transferred To 2022 Appropropriations	Received	Canceled	Balance Dec. 31, 2023
FEDERAL GRANTS:						
Bulletproof Vest Partnership	$	-		10,339.25		10,339.25
Total Federal		-	-	10,339.25	-	10,339.25
STATE GRANTS:						
American Rescue Plan		-				-
Body Armor		3,884.19	3,884.19	4,531.25		4,531.25
Total State		3,884.19	3,884.19	4,531.25	-	4,531.25
	$	3,884.19	3,884.19	14,870.50	-	14,870.50

TRUST FUND
SCHEDULE OF ANIMAL CONTROL CASH - TREASURER

Balance December 31, 2022			$	2,005.24
Increased By Receipts:				
Dog Licenses Fees	$	9,164.80		
State License Fees		1,186.20		
Kennel License/Replacement Tags		50.00		
Late Fees		215.00		
				10,616.00
				12,621.24
Decreased By Disbursements:				
Animal Control Expenditures		10,336.00		
Due to State of New Jersey		1,186.20		
Due to Trust Fund Other				
				11,522.20
Balance December 31, 2023			$	1,099.04

Exhibit B-2

TRUST FUND
SCHEDULE OF OTHER TRUST CASH - TREASURER

			Other
Balance December 31, 2022 - Treasurer		$	5,738,007.55
Balance December 31, 2022 - Collector			2,204,499.24
			7,942,506.79
Increased By Receipts:			
Insurance Funds:			
General Liability Insurance Fund	$ 686,457.09		
Reserve for Outside Lien Redemptions	2,621,021.32		
Reserve for Tax Premiums	168,700.00		
Funds Held in Escrow - Inspection Fees	136,334.06		
Funds Held in Escrow - Developer Escrow Fees	236,024.85		
Payroll Deductions	15,918,055.02		
Reserve for Compensated Absences	10,000.00		
Reserve for Special Law Enforcement	5,374.35		
Reserve for Housing Trust Fund	418,982.28		
Reserve for Utility Escrow Deposits	50,733.22		
Reserve for Community Events	116,472.51		
Reserve for Police Special Detail	407,592.93		
Reserve for Uniform Fire Safety	3,238.25		
Reserve for Snow Removal	7,014.28		
Reserve for Landfill Closure	7,219.75		
Due to Dog Fund			
Assessments Receivable			
Due from Current Fund	864.41		
			20,794,084.32
			28,736,591.11
Decreased By Disbursements:			
Reserve for Escrow - Inspection Fees	150,631.43		
Developer Escrow Funds	163,202.20		
Payroll Deductions	15,917,585.39		
Insurance Funds:			
General Liability Insurance Fund	215,064.38		
Reserve for Outside Lien Redemptions	2,483,440.56		
Reserve for Tax Premiums	1,330,700.00		
Reserve for Compensated Absences	11,672.81		
Reserve for Housing Trust Fund	1,167,581.01		
Reserve for Special Law Enforcement	4,513.76		
Reserve for Utility Escrow Deposits	21,872.28		
Reserve for Uniform Fire Safety Trust	0.43		
Reserve for Community Events	94,539.27		
Reserve for Snow Removal	-		
Reserve for Landfill Closure	-		
Reserve for Police Special Detail	433,124.23		
Refund Excess Proceeds from Tax Sale			
Due to Utility			
Due to Current Fund			
			21,993,927.75
Balance December 31, 2023		$	6,742,663.36
Balance December 31, 2023 - Treasurer		$	5,561,718.95
Balance December 31, 2023 - Collector			1,180,944.41
		$	6,742,663.36

Exhibit B-3

TRUST FUND
SCHEDULE OF RESERVE FOR ANIMAL CONTROL EXPENDITURES

Balance December 31, 2022			$	1,999.84
Increased By:				
Dog Licenses Fees Collected	$	9,164.80		
Kennel License/Replacement Tags		50.00		
Late Fees Collected		215.00		
				9,429.80
				11,429.64
Decreased By Disbursements:				
Animal Control Expenditures		10,336.00		
				10,336.00
Balance December 31, 2023			$	1,093.64

License Fees Collected	Year		
	2021		9,190.40
	2022		9,689.60
		$	18,880.00

Exhibit B-4

TRUST FUND
SCHEDULE OF DUE TO CURRENT FUND - ANIMAL CONTROL FUND

	Ref.		
Balance December 31, 2022	B		$ -
Increased By:			
No current year activitiy		$ -	
			-
			-
Decreased By:			
No current year activitiy		-	
			-
Balance December 31, 2023	B		$ -

Exhibit B-5

TRUST FUND
SCHEDULE OF AMOUNT DUE TO STATE OF NEW JERSEY

Balance December 31, 2022		$ 5.40
Increased By:		
Collected in 2022	$ 1,186.20	
		1,186.20
		1,191.60
Decreased By:		
Paid to State of New Jersey	1,186.20	
		1,186.20
Balance December 31, 2023		$ 5.40

GENERAL CAPITAL FUND
SCHEDULE OF CASH - TREASURER

Balance December 31, 2022		$ 3,641,156.41
Increased by:		
Bond Anticipation Notes	$ 1,900,000.00	
Capital Improvement Fund	1,000.00	
Premium on Sale of Bond Anticipation Notes	12,800.00	
Reimbursements	58,312.74	
		1,972,112.74
		5,613,269.15
Decreased by:		
Improvement Authorization	3,221,130.47	
		3,221,130.47
Balance December 31, 2023		$ 2,392,138.68

Exhibit C - 3

GENERAL CAPITAL FUND
ANALYSIS OF CASH

	Balance Dec. 31, 2022	Receipts Miscellaneous	Receipts Debt Issued	Disbursements Improvement Authorizations	Disbursements Miscellaneous	Transfers From	Transfers To	Balance Dec. 31, 2023
Fund Balance	$ 593,220.09	12,800.00						606,020.09
Capital Improvement Fund	278,784.93	1,000.00				219,050.00		60,734.93
Contracts Payable	1,460,162.19					1,460,162.19	1,146,347.44	1,146,347.44
Improvement Authorizations:								
1032 Closure/Expansion of Landfill	302,552.09			36,132.77		4,612.24	17,527.00	279,334.08
1611 Various Capital Improvements	310.50							310.50
1880 Tax Appeal Refunding	85,422.80							85,422.80
1897 Various Capital Improvements	178,794.36			42,192.50		14,600.00	11,482.39	133,484.25
1945 Various Capital Improvements	217,331.06			690.50		3,203.00	16,730.75	230,168.31
1990 Various Capital Improvements	44,442.25					22,000.00		22,442.25
2011 Various Capital Improvements	613,670.06			29,190.31				584,479.75
2036 Various Capital Improvements	355,335.97			97,199.50		30,023.98	33,309.05	261,421.54
2053 Various Capital Improvements	150,992.11			782,227.51		2,792.50	830,495.50	196,467.60
2085 Various Capital Improvements	(639,862.00)		1,900,000.00	1,504,405.01		52,439.06	650,617.50	353,911.43
2104 Various Capital Improvements				670,779.63		1,016,676.66	119,050.00	(1,568,406.29)
	$ 3,641,156.41	13,800.00	1,900,000.00	3,162,817.73	-	2,825,559.63	2,825,559.63	2,392,138.68

GENERAL CAPITAL FUND
SCHEDULE OF CAPITAL IMPROVEMENT FUND

Balance December 31, 2022			$	178,784.93
Increased by:				
Current Fund Budget Appropriation	$	1,000.00		
				1,000.00
				179,784.93
Decreased by:				
Financed Improvement Authorization		119,050.00		
				119,050.00
Balance December 31, 2023			$	60,734.93

GENERAL CAPITAL FUND
SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - FUNDED

Balance December 31, 2022			$	746,536.00
Increased by:				
None	$	-		
				-
				746,536.00
Decreased by:				
Serial Bonds Paid		700,000.00		
NJ Environmental Infrastructure Loan Paid		5,642.00		
				705,642.00
Balance December 31, 2023			$	40,894.00

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

							Analysis of Balance		
Ord #	Improvement Description		Balance Dec. 31, 2022	2023 Authorizations	Raised in 2023 Budget	Balance Dec. 31, 2023	Bond Anticipation Notes	Expenditures	Unexpended Improvement Authorizations
2011	Various Capital Improvements	$	1,875,000.00		1,625,000.00	250,000.00	250,000.00		
2036	Various Capital Improvements		1,425,000.00			1,425,000.00	1,425,000.00		
2053	Various Capital Improvements		1,425,000.00	-		1,425,000.00	1,425,000.00		
2085	Various Capital Improvements		1,900,000.00			1,900,000.00	1,900,000.00		
2104	Various Capital Improvements			2,380,950.00		2,380,950.00		1,568,406.29	812,543.71
		$	6,625,000.00	2,380,950.00	1,625,000.00	7,380,950.00	5,000,000.00	1,568,406.29	812,543.71

Improvement Authorizations Unfunded		2,208,824.03	
Less:			
Unexpended Proceeds of Bond Anticipation Notes Issued:			
Ord. Number			
2011	Various Capital Improvements	584,479.75	
2036	Various Capital Improvements	261,421.54	
2053	Various Capital Improvements	196,467.60	
2085	Various Capital Improvements	353,911.43	
			1,396,280.32
			812,543.71

GENERAL CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

				Balance December 31, 2022		Authorizations				Balance December 31, 2023	
		Ord.				Other	Deferred Charges to Future	Paid or	Refunds/		
Ord #	Improvement Description	Date	Amount	Funded	Unfunded	Funding	Taxation	Charged	Transfers	Funded	Unfunded
1032	Closure and Expansion of Landfill	2/26/1991	7,625,000	$ 302,552.09				23,218.01		279,334.08	
1611	Drainage Improvements and Pedestrian Paths	8/9/2005	79,570	310.50						310.50	
1880	Tax Appeal Refunding	10/8/2013	1,580,000	85,422.80						85,422.80	
1897	Various Capital Improvements	11/12/2014	4,470,000	178,794.36				45,310.11		133,484.25	
1945	Various Capital Improvements	8/16/2016	1,392,261	217,331.06					(12,837.25)	230,168.31	
1990	Various Capital Improvements	5/22/2018	1,600,000	44,442.25	-			22,000.00		22,442.25	-
2011	Various Capital Improvements	4/9/2019	2,000,000		613,670.06			29,190.31			584,479.75
2036	Various Capital Improvements	5/12/2020	1,500,000	-	355,335.97			93,914.43		-	261,421.54
2053	Various Capital Improvements	8/10/2021	1,500,000	-	150,992.11				(45,475.49)	-	196,467.60
2085	Various Capital Improvements		2,000,000		1,360,138.00			1,006,226.57			353,911.43
2104	Various Capital Improvements	3/28/2023	2,500,000			119,050.00	2,380,950.00	1,687,456.29			812,543.71
				$ 828,853.06	2,480,136.14	119,050.00	2,380,950.00	2,907,315.72	(58,312.74)	751,162.19	2,208,824.03
							Cash Disbursements	3,221,130.47			
							Contract Payable PY	(1,460,162.19)			
							Contract Payable CY	1,146,347.44			
								2,907,315.72			

GENERAL CAPITAL FUND
SCHEDULE OF GENERAL SERIAL BONDS

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding December 31, 2023		Interest Rate	Balance Dec. 31, 2022	Increased	Decreased	Balance Dec. 31, 2023
			Date	Amount					
General Obligation Bonds of 2011	9/1/2011	11,000,000	9/1/2023	700,000.00	3.000%	$ 700,000.00		700,000.00	-
						$ 700,000.00	-	700,000.00	-

GENERAL CAPITAL FUND
SCHEDULE OF NJ ENVIRONMENTAL INFRASTRUCTURE LOANS PAYABLE

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding December 31, 2023 Date	Maturities of Bonds Outstanding December 31, 2023 Amount	Interest Rate	Balance Dec. 31, 2022	Increased	Decreased	Balance Dec. 31, 2023
Wrangleboro Road Fund Loan	12/16/2011	$ 81,951	2024-2029	$ 4,167.00	0.000%	$ 33,293.00		4,167.00	29,126.00
			2030	4,124.00					
Wrangleboro Road Trust Loan	12/16/2011	30,000	2024	1,506.00	2.170%	13,243.00		1,475.00	11,768.00
			2025	1,538.00	2.290%				
			2026	1,574.00	2.390%				
			2027	1,611.00	2.920%				
			2028	1,658.00	3.000%				
			2029	1,708.00	3.080%				
			2030	1,760.00	3.130%				
			2031	413.00	3.190%				
						$ 46,536.00	-	5,642.00	40,894.00

Exhibit C - 9

GENERAL CAPITAL FUND
SCHEDULE OF BOND ANTICIPATION NOTES

Improvement Description	Ordinance Number	Date of Original Issue	Date of Issue	Date of Maturity	Interest Rate	Balance Dec. 31, 2022	Increased	Decreased	Balance Dec. 31, 2023
Various Capital Improvements	2011	8/12/2020	8/7/2023	4/30/2024	4.250%	1,875,000.00		1,625,000.00	250,000.00
Various Capital Improvements	2036	8/11/2021	8/7/2023	4/30/2024	4.250%	1,425,000.00			1,425,000.00
Various Capital Improvements	2053	8/9/2022	8/7/2023	4/30/2024	4.250%	1,425,000.00			1,425,000.00
Various Capital Improvements	2085	8/7/2023	8/7/2023	4/30/2024	4.250%	-	1,900,000.00		1,900,000.00
						$ 4,725,000.00	1,900,000.00	1,625,000.00	5,000,000.00

Exhibit C - 10

GENERAL CAPITAL FUND
SCHEDULE OF BOND AND NOTES AUTHORIZED BUT NOT ISSUED

Ordinance Number	Improvement Description	Balance Dec. 31, 2022	2023 Authorizations	Debt Issued	Raised in Budget	Balance Dec. 31, 2023
2085	Various Capital Improvements	1,900,000.00		1,900,000.00		-
2104	Various Capital Improvements	-	2,380,950.00			2,380,950.00
		$ 1,900,000.00	2,380,950.00	1,900,000.00	-	2,380,950.00

SEWER UTILITY FUND
SCHEDULE OF CASH - TREASURER

		Operating Fund		Capital Fund	
Balance December 31, 2022	$		9,316,892.63		1,719,059.34
Increased by Receipts:					
Collector		6,169,599.21			
Miscellaneous Revenue		479,296.36		5,120.00	
Utility Overpayments		48,783.46			
			6,697,679.03		5,120.00
			16,014,571.66		1,724,179.34
Decreased by Disbursements:					
Current Year Appropriation		5,824,281.17			
Prior Year Appropriations		315,044.61			
Accrued Interest on Bonds and Notes		125,331.94			
Accounts Payable		167,905.46			
Refunds		5,313.72			
Due from Current Fund					
Improvement Authorizations				33,215.00	
			6,437,876.90		33,215.00
Balance December 31, 2023	$		9,576,694.76		1,690,964.34

SEWER UTILITY CAPITAL FUND
ANALYSIS OF CASH

	Balance Dec. 31, 2022	Receipts: Miscellaneous	Receipts: Debt Issued	Disbursements: Improvement Authorizations	Disbursements: Miscellaneous	Transfers: From	Transfers: To	Balance Dec. 31, 2023
Fund Balance	$ 1,095,265.51	5,120.00						1,100,385.51
Capital Improvement Fund	195,068.25							195,068.25
Contracts Payable	49,708.93					49,708.93	309,751.50	309,751.50
Reserve for Payment of Bonds/Notes	15,070.51							15,070.51
Improvement Authorizations:								
1840 Various Sewer Improvements	13,414.99							13,414.99
1898 Various Sewer Improvements	1,969.35					3,546.50	3,546.50	1,969.35
1919 Various Sewer Improvements	93,007.65						-	93,007.65
1936 George St. Manhole Replacement	3,930.00			-				3,930.00
1964 Various Sewer Improvements	(964,082.95)							(964,082.95)
2012 Various Sewer Improvements	1,255,707.10		-	33,215.00		49,205.00	6,162.43	1,179,449.53
2094 Pinehurst Area Sanitary Sewer Project	(40,000.00)					257,000.00	40,000.00	(257,000.00)
	$ 1,719,059.34	5,120.00	-	33,215.00	-	359,460.43	359,460.43	1,690,964.34

Exhibit D - 7

SEWER UTILITY OPERATING FUND
SCHEDULE OF CONSUMER ACCOUNTS RECEIVABLE

Balance December 31, 2022			$	8,847.96
Increased by:				
Consumer Accounts Charges and Levies	$	6,216,502.88		
Other				
				6,216,502.88
				6,225,350.84
Decreased by:				
Collections		6,169,599.21		
Overpayments Applied		38,537.83		
Transfers to Liens		4,812.50		
Other		8,446.56		
				6,221,396.10
Balance December 31, 2023			$	3,954.74

Exhibit D - 8

SEWER UTILITY OPERATING FUND
SCHEDULE OF UTILITY LIENS

Balance December 31, 2022			$	7,128.06
Increased by:				
Transferred from Consumer Accounts Receivable	$	4,812.50		
Penalties and Costs		1,461.81		
				6,274.31
				13,402.37
Decreased by:				
Collections				
Other				
				-
Balance December 31, 2023			$	13,402.37

SEWER UTILITY OPERATING FUND
SCHEDULE OF APPROPRIATION RESERVES - PRIOR YEAR

	Balance Dec. 31, 2022	Balance After Transfers	Paid or Charged	Balance Lapsed	Over-Expended
Operating:					
Salaries and Wages	$ 104,000.68	104,000.68	-	104,000.68	-
Other Expenses	1,200,227.75	1,200,227.75	149,313.11	1,050,914.64	-
Capital Improvements:					
Capital Outlay	311,162.00	311,162.00	189,755.50	121,406.50	-
Statutory Expenditures					
Contribution to:					
Public Employees' Retirement System	700.27				
Social Security System (O.A.S.I.)	871.71	871.71	-	871.71	-
Unemployment Compensation Insurance	3,138.77	3,138.77	-	3,138.77	-
	$ 1,620,101.18	1,619,400.91	339,068.61	1,280,332.30	-

SEWER UTILITY OPERATING FUND
SCHEDULE OF ACCRUED INTEREST ON BONDS AND NOTES

Balance December 31, 2022			$	49,886.11
Increased by:				
Accrued interest charged to 2023 budget appropriation - interest on bonds and notes	$	113,911.11		
				113,911.11
				163,797.22
Decreased By:				
Disbursements		125,331.94		
				125,331.94
Balance December 31, 2023			$	38,465.28

Analysis of Accrued Interest December 31, 2023

Principal Outstanding December 31, 2023	Interest Rate	From	To	Days	Amount
NJEIT Loans					
10,000	3.50%	08/01/23	12/31/23	150	145.83
50,000	4.00%	08/01/23	12/31/23	150	833.33
190,000	5.00%	08/01/23	12/31/23	150	3,958.33
250,000					4,937.50
Bond Anticipation Notes					
2,000,000.00	4.25%	8/8/2023	12/31/23	142	33,527.78
Total Accrued Interest at December 31, 2023					38,465.28

SEWER UTILITY CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

Ord #	Improvement Description	Ord. Date	Amount	Balance December 31, 2022 Funded	Balance December 31, 2022 Unfunded	Authorizations Other Funding	Authorizations Deferred Charges to Future Taxation	Paid or Charged	Other/ Reimbursement	Balance December 31, 2023 Funded	Balance December 31, 2023 Unfunded
1840-11	Various Sewer Improvements	6/28/2011	250,000.00	$ 13,414.99						13,414.99	
1898-14	Various Sewer Improvements	11/12/2014	2,020,000.00	1,969.35						1,969.35	
1919-15	Various Sewer Improvements	9/22/2015	510,908.89	93,007.65						93,007.65	
1936-16	George St. Manhole Replacement	3/8/2016	30,000.00	3,930.00						3,930.00	
1964-17	Various Sewer Improvements	5/9/2017	1,000,000.00		35,917.05						35,917.05
2012-19	Various Sewer Improvements	4/9/2019	2,000,000.00		255,707.10			76,257.57			179,449.53
2094-22	Pinehurst Area Sanitary Sewer	12/13/2022		1,360,000.00	2,400,000.00			217,000.00		1,143,000.00	2,400,000.00
				$ 1,472,321.99	2,691,624.15	-	-	293,257.57	-	1,255,321.99	2,615,366.58

Cash Disbursements	33,215.00
Contract Payable PY	(49,708.93)
Contract Payable CY	309,751.50
	293,257.57

SEWER UTILITY CAPITAL FUND
SCHEDULE OF GENERAL SERIAL BONDS

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding December 31, 2023		Interest Rate	Balance Dec. 31, 2022	Increased	Decreased	Balance Dec. 31, 2023
			Date	Amount					
Sewer Bonds of 2011	9/1/2011	3,100,000	9/1/2023	340,000.00	3.000%	$ 340,000.00		340,000.00	-
						$ 340,000.00	-	340,000.00	-

SEWER UTILITY CAPITAL FUND
SCHEDULE OF N.J ENVIRONMENTAL INFRASTRUCTURE TRUST LOANS

Ord. Number	Purpose	Date of Issue	Amount of Original Issue*	Maturities of Bonds Outstanding December 31, 2023 Date	Maturities of Bonds Outstanding December 31, 2023 Amount	Interest Rate	Balance Dec. 31, 2022	Increased	Decreased	Balance Dec. 31, 2023
1785	Sanitary Sewer Improvements (Trust Loan)	3/10/2010	150,000	2023-2025	10,000.00	4.000%	$ 70,000.00		10,000.00	60,000.00
				2026	10,000.00	3.500%				
				2027-2029	10,000.00	4.000%				
1785/1806	Sanitary Sewer Improvements (Fund Loan)	12/2/2010	869,106	2023-2024	44,191.83	0.000%	96,975.65		44,191.83	52,783.82
				2025	8,591.99					
1785/1806	Sanitary Sewer Improvements (Trust Loan)	12/2/2010 (due 8/1)	810,000	2024-2026	50,000.00	5.000%	235,000.00		45,000.00	190,000.00
				2027	40,000.00	5.000%				
							$ 401,975.65	-	99,191.83	302,783.82

* Amounts may have had loan reductions during the course of its maturities

Loan payments	$	99,191.83
Loan Reduction		
	$	99,191.83

SEWER UTILITY CAPITAL FUND
SCHEDULE OF BOND AND NOTES AUTHORIZED BUT NOT ISSUED

Ordinance Number	Improvement Description	Balance Dec. 31, 2022	2023 Authorizations	Raised in Budget	Debt Issued	Balance Dec. 31, 2023
2094	Pinehurst Area Sanitary Sewer Project	$ 2,400,000.00			-	2,400,000.00
		$ 2,400,000.00	-	-	-	2,400,000.00

SEWER UTILITY CAPITAL FUND
SCHEDULE OF BOND ANTICIPATION NOTES

Improvement Description	Ordinance Number	Date of Original Issue	Date of Issue	Date of Maturity	Interest Rate	Balance Dec. 31, 2022	Increased	Decreased	Balance Dec. 31, 2023
Various Sewer Improvements	1898	8/23/2016				$ -			-
Various Sewer Improvements	1964	8/14/2019	8/9/2022	8/8/2023	4.000%	600,000.00		600,000.00	-
Various Sewer Improvements	2012	8/14/2019	8/9/2022	8/8/2023	4.000%	2,000,000.00			2,000,000.00
						$ 2,600,000.00	-	600,000.00	2,000,000.00

TOWNSHIP OF GALLOWAY

PART II

GENERAL COMMENTS AND RECOMMENDATIONS

FOR THE YEAR ENDED

December 31, 2023

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GENERAL COMMENTS

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

N.J.S.A. 40A:11-4 states, "Every contract awarded by the contracting agent for the provision or performance of any goods or services, the cost of which in the aggregate exceeds the bid threshold, shall be awarded only by resolution of the governing body of the contracting unit to the lowest responsible bidder after public advertising for bids and bidding therefore, except as is provided otherwise in this act or specifically by any other law. Due to the Township having a Qualified Purchasing Agent, pursuant to N.J.S.A. 40A:11-3(a), the maximum bid threshold is $44,000.

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

Our examination of expenditures did not reveal any payments in excess of the bid threshold for the provision or performance of any goods or services, other than those where bids had been previously sought by public advertisement, awarded under state or county cooperative purchasing agreements, or awarded in compliance with other provisions of the "Local Public Contracts Law," N.J.S.A. 40A:11.

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

Sanitary Sewer Repairs
2023 Basin Improvement Project

Collection of Interest on Delinquent Taxes and Assessments

The statutes provide 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 adopted the following resolution authorizing interest to be charged on delinquent taxes:

BE IT RESOLVED by the Council of the Township of Galloway, in accordance with Chapter 75, New Jersey Laws of 1991, and N.J.S.A. 54:4-67, 54:5-32, 54:5-34 and 54:5-35, which authorizes the governing body inter alia to fix the rate of interest to be charged, in the Township of Galloway, for the nonpayment of taxes, assessments and municipal charges, said rate of interest shall be and is hereby fixed at 8 per cent per annum on the first $1,500 of delinquency and 18 per cent per annum on any amount in excess of $1,500 to be calculated from the date when the taxes, assessments and charges become delinquent.

BE IT FURTHER RESOLVED by the Council of the Township of Galloway, in accordance with N.J.S.A. 54:4-67, Chapter 75, New Jersey Laws of 1991, and Chapter 32, New Jersey Laws of 1994, which permits a 6 per cent penalty on taxes and municipal charges greater than $10,000 as of the close of the fiscal year, that said end-of-year penalty shall be fixed for the year 2023.

This Resolution shall take effect January 3, 2023.

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

Delinquent Taxes and Tax Title Liens

The tax sale was held and was complete.

Inspection of tax sale certificates on file revealed that all tax sale certificates were available for audit.

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

Year	Tax Liens	Utility Liens
2023	1437	86
2022	1426	80
2021	1679	81

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

Verification of Delinquent Taxes and Other Charges

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

Type	Number Mailed
Payments of 2023 and 2024 Taxes	5
Payment of 2023 and 2024 Sewer Charges	5
Total	10

Deposit of Municipal Funds

N.J.S.A. 40A:5-15 states:

> "All moneys, including moneys collected by taxation, received from any source by or on behalf of any local unit or any board or department thereof shall, within 48 hours after the receipt thereof, either
>
> a. be paid to the officer charged with the custody of the general funds of the local unit, who shall deposit all such funds within 48 hours after the receipt thereof to the credit of the local unit in its designated legal depository, or
> b. be deposited to the credit of the local unit in its designated legal depository."

Our examination revealed that municipal funds were deposited within the mandated time.

FINDINGS AND RECOMMENDATIONS

None

STATUS OF PRIOR RECOMMENDATIONS

None

FINDINGS

None

The problems and weaknesses noted in my review were not of such magnitude that they would affect my ability to express an opinion on the financial statements taken as a whole.

Should any questions arise as to my comments or recommendations, or should you desire assistance in implementing my recommendations, please do not hesitate to call.

Ford, Scott & Associates, L.L.C.
FORD, SCOTT & ASSOCIATES, L.L.C.
CERTIFIED PUBLIC ACCOUNTANTS

Leon P. Costello
Leon P. Costello
Certified Public Accountant
Registered Municipal Accountant
No. 393

March 29, 2024