

TOWNSHIP OF BYRAM
COUNTY OF SUSSEX
REPORT OF AUDIT
2023

NISIVOCCIA LLP
CERTIFIED PUBLIC ACCOUNTANTS

TOWNSHIP OF BYRAM

COUNTY OF SUSSEX

REPORT OF AUDIT

2023

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TOWNSHIP OF BYRAM

PART I

FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

YEAR ENDED DECEMBER 31, 2023

Independent Auditors' Report

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

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements – *regulatory basis* - of the various funds and account group of the Township of Byram, in the County of Sussex (the "Township") as of and for the years ended December 31, 2023 and 2022, and the related notes to the financial statements, as listed in the table of contents.

Unmodified Opinions on Regulatory Basis of Accounting

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of each fund and account group of the Township as of December 31, 2023 and 2022, and the results of operations and changes in fund balance, where applicable, of such funds and account group, thereof for the years then ended in accordance with the accounting practices prescribed or permitted, as described in Note 1, by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division").

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles section of our report, the accompanying financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of each fund and account group of the Township as of December 31, 2023 and 2022, or the changes in financial position or where applicable, cash flows thereof for the years then ended.

Basis for Opinions

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS), audit requirements prescribed by the Division and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Township, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

The Honorable Mayor and Members
of the Township Council
Township of Byram
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Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 1 of the financial statements, the financial statements are prepared by the Township on the basis of the financial reporting provisions prescribed or permitted by the Division, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of the Division's regulatory basis of accounting and the budget laws of New Jersey.

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

Responsibilities of Management for the Financial Statements

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Township's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Township's ability to continue as a going concern for a reasonable period of time.

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

The Honorable Mayor and Members
of the Township Council
Township of Byram
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Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements of the various funds and account group that collectively comprise the Township's financial statements. The supplementary data schedules listed in the table of contents and the schedules of expenditures of federal and state awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance") and New Jersey's OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the various fund and account group financial statements. The information has been subjected to the auditing procedures applied in the audit of the various fund and account group financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the various fund and account group financial statements or to the various fund and account group financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary data schedules and the schedules of expenditures of federal and state awards are fairly stated, in all material respects, in relation to the various fund and account group financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 25, 2024 on our consideration of the Township's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Township's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Township's internal control over financial reporting and compliance.

Mount Arlington, New Jersey
March 25, 2024

NISIVOCCIA LLP

Raymond A. Sarinelli

Raymond A. Sarinelli
Certified Public Accountant
Registered Municipal Accountant No. 563

TOWNSHIP OF BYRAM
COUNTY OF SUSSEX
2023
CURRENT FUND

TOWNSHIP OF BYRAM
CURRENT FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

	Ref.	December 31,	
		2023	2022
<u>ASSETS</u>			
Cash and Cash Equivalents:			
Treasurer	A-4	\$ 8,341,094.03	\$ 7,696,477.60
Change Fund		425.00	425.00
		<u>8,341,519.03</u>	<u>7,696,902.60</u>
Due From State of New Jersey			
Senior Citizen and Veterans Deductions		11,130.83	11,130.83
Receivables and Other Assets With Full Reserves:			
Delinquent Property Taxes Receivable	A-7	398,628.63	405,727.59
Tax Title Liens Receivable	A-8	711,332.44	995,826.25
Property Acquired for Taxes at Assessed Valuation		3,138,000.00	2,636,400.00
Revenue Accounts Receivable	A-9	593,528.46	373,390.09
Due from Animal Control Fund	B	2,094.93	6,888.11
Due from Health Reimbursement Account		1.01	1.01
Total Receivables and Other Assets With Full Reserves		<u>4,843,585.47</u>	<u>4,418,233.05</u>
<u>TOTAL ASSETS</u>		<u>\$ 13,196,235.33</u>	<u>\$ 12,126,266.48</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Appropriation Reserves:			
Encumbered	A-3;A-11	\$ 257,085.83	\$ 275,205.20
Unencumbered	A-3;A-11	1,332,058.96	1,116,093.23
		1,589,144.79	1,391,298.43
Prepaid Taxes		194,717.74	218,010.53
Accounts Payable		76,899.66	70,654.00
Due to State of New Jersey:			
Marriage License Fees		150.00	
DCA Training Fees			5,154.00
Tax Overpayments		4,395.49	

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

	Ref.	December 31,	
		2023	2022
<u>LIABILITIES, RESERVES AND FUND BALANCE</u> (Cont'd)			
Due to Other Trust Funds	B	\$ 199,618.84	\$ 299,971.07
Due to General Capital Fund	C	225,500.00	3,067.28
Due to County of Sussex		5,107.39	9,295.55
Due - Borough of Netcong - Construction Fees			4,630.65
Reserve for Sale of Municipal Assets		357,065.86	309,279.00
Reserve for Pending Tax Appeals		800,232.11	800,232.11
Reserve for Garden State Trust		9,702.00	
Reserve for Municipal Relief Fund Aid		60,025.27	30,019.00
Reserve for Grant Funds - Appropriated:			
Drunk Driving Enforcement Fund		21,612.77	21,612.77
Clean Communities Grant		14,612.74	4,219.69
Body Armor Replacement Fund			1,044.70
Municipal Alliance on Alcoholism and Drug Abuse		3,668.00	1,956.00
Recycling Tonnage Grant		75,203.03	80,648.92
Highlands Grants		298,698.56	227,067.31
2021 Sussex County Trails Grant			5,000.00
Radon Awareness Grant			1,245.50
PSE&G Susquehanna Roseland Agreement		42,767.48	97,896.88
FEMA Public Assistance Grant			120,057.03
ARP - Firefighter's Grant		18,045.30	
American Rescue Plan		66,900.00	
Stormwater Assistance Grant		25,000.00	
New Jersey Department of Transportation Grant		139,730.00	
NARCAN Grant		2,525.00	2,525.00
Reserve for Grant Funds - Unappropriated:			
American Rescue Plan		763,330.98	830,230.98
Body Armor Replacement Fund		1,459.82	1,305.76
		<u>4,996,112.83</u>	<u>4,536,422.16</u>
Reserve for Receivables and Other Assets	A	4,843,585.47	4,418,233.05
Fund Balance	A-1	<u>3,356,537.03</u>	<u>3,171,611.27</u>
<u>TOTAL LIABILITIES, RESERVES AND FUND BALANCE</u>		<u>\$ 13,196,235.33</u>	<u>\$ 12,126,266.48</u>

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

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

	Ref.	Year Ended December 31,	
		2023	2022
<u>Revenue and Other Income Realized</u>			
Fund Balance Utilized		\$ 1,980,000.00	\$ 1,930,000.00
Miscellaneous Revenue Anticipated		1,816,152.90	1,694,818.82
Receipts from:			
Delinquent Taxes		383,700.94	347,070.93
Current Taxes		34,427,377.34	33,455,535.07
Nonbudget Revenue		446,802.68	679,043.56
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves		620,941.85	554,157.21
Interfunds Returned		6,889.12	11,255.28
Cancellation of Accounts Payable			7,916.72
Cancellation of Tax Overpayments			124.55
Cancellation of Grant Funds Appropriated:			
Municipal Alliance on Alcoholism and Drug Abuse		26.07	
Radon Awareness		2,695.50	
Highlands Grant			500.00
Total Income		<u>39,684,586.40</u>	<u>38,680,422.14</u>
<u>Expenditures</u>			
Municipal Purposes		11,725,361.04	11,565,732.95
Local School District Taxes		12,458,668.00	12,085,564.00
County Taxes		6,121,755.35	6,143,278.42
Regional School District Taxes		7,092,910.00	6,767,168.00
Municipal Open Space		110,514.86	110,584.37
Refund of Prior Year Revenue		4,605.45	
Interfunds Advanced		2,095.94	6,889.12
Prior Year Veteran and Senior Citizen Deductions Disallowed		3,750.00	2,313.01
Total Expenditures		<u>37,519,660.64</u>	<u>36,681,529.87</u>
Statutory Excess to Fund Balance		2,164,925.76	1,998,892.27
<u>Fund Balance</u>			
Balance January 1	A	<u>3,171,611.27</u>	<u>3,102,719.00</u>
		5,336,537.03	5,101,611.27
Decreased by:			
Utilized as Anticipated Revenue		<u>1,980,000.00</u>	<u>1,930,000.00</u>
Balance December 31	A	<u>\$ 3,356,537.03</u>	<u>\$ 3,171,611.27</u>

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

TOWNSHIP OF BYRAM
CURRENT FUND
STATEMENT OF REVENUE - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2023

	Budget	Added by NJSA 40A:4-87	Realized	Excess or Deficit *
Fund Balance Anticipated	\$ 1,980,000.00		\$ 1,980,000.00	
Miscellaneous Revenue:				
Alcoholic Beverages	6,000.00		6,342.00	\$ 342.00
Fees and Permits	45,000.00		62,266.00	17,266.00
Municipal Court - Fines and Costs	40,000.00		60,461.95	20,461.95
Interest on Investments	175,000.00		766,847.16	591,847.16
Interest and Costs on Taxes	85,000.00		98,799.15	13,799.15
Energy Receipts Tax (P.L. 1998, Chapters 162 & 167)	579,453.00		579,452.88	0.12
Municipal Relief Fund Aid	30,019.00		30,019.00	
Garden State Preservation Trust Fund	41,920.00		41,920.00	
Recycling Tonnage Grant	20,711.26		20,711.26	
Clean Communities Grant		\$ 24,437.74	24,437.74	
Municipal Alliance on Alcoholism and Drug Abuse	3,918.00	5,874.00	3,918.00	5,874.00
Body Armor Replacement Fund	1,305.76		1,305.76	
Radon Awareness Grant	2,000.00		550.00	1,450.00
SIF - Risk Control Grant	2,653.00	2,758.44	2,653.00	2,758.44
New Jersey Department of Transportation Grant	139,730.00		9,569.00	139,730.00
Prior Year Anticipated Assessment Fund Balance	9,569.00			
ARP - Firefighter's Grant	29,000.00			29,000.00
Highlands Grant		182,250.00		182,250.00
Stormwater Assistance Grant		25,000.00	15,000.00	10,000.00
American Rescue Plan		66,900.00	66,900.00	
Reserve to Pay Debt Service	25,000.00		25,000.00	
	<u>1,236,279.02</u>	<u>307,220.18</u>	<u>1,816,152.90</u>	<u>272,653.70</u>

TOWNSHIP OF BYRAM
CURRENT FUND
STATEMENT OF REVENUE - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2023
(Continued)

	<u>Budget</u>	<u>Added by NJSA 40A:4-87</u>	<u>Realized</u>	<u>Excess or Deficit *</u>
Receipts from Delinquent Taxes	\$ 325,000.00		\$ 383,700.94	\$ 58,700.94
Amount to be Raised by Taxes for Support of Municipal Budget: Local Tax for Municipal Purposes	9,076,889.00		9,843,529.13	766,640.13
Budget Totals	<u>\$ 12,618,168.02</u>	<u>\$ 307,220.18</u>	<u>\$ 14,023,382.97</u>	<u>\$ 552,687.37</u>
Nonbudget Revenue			446,802.68	
	<u>\$ 12,618,168.02</u>	<u>\$ 307,220.18</u>	<u>\$ 14,470,185.65</u>	

Ref. A-3 A-3

TOWNSHIP OF BYRAM
CURRENT FUND
STATEMENT OF REVENUE - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2023
(Continued)

Allocation of Current Tax Collections:

Revenue from Collection of Current Taxes		\$ 34,427,377.34
Allocated to:		
Local School District Taxes	\$ 12,458,668.00	
Regional High School Taxes	7,092,910.00	
County Taxes	6,121,755.35	
Open Space Trust	110,514.86	
		25,783,848.21
Balance for Support of Municipal Budget		8,643,529.13
 Add: Appropriation "Reserve for Uncollected Taxes"		 1,200,000.00
Realized for Support of Municipal Budget		\$ 9,843,529.13

Receipts from Delinquent Taxes:

Delinquent Tax Collections	\$ 374,546.11	
Tax Title Liens Collections	9,154.83	
		\$ 383,700.94

Analysis of Fees and Permits:

Clerk Fees	\$ 10,924.75	
Planning/Zoning Board Fees	23,521.25	
Police Fees	12,820.00	
Board of Health Fees	11,805.00	
Septic Fees	3,195.00	
		\$ 62,266.00

Analysis of Interest on Investments:

Collected/Received by Treasurer	\$ 403,889.16	
Due from Animal Control Trust Fund	1,257.92	
Due from Assessment Trust Fund	15,601.97	
Due from Payroll Fund	3,629.55	
Due from Health Reimbursement Account	0.01	
Due from Other Trust Fund	164,580.09	
Due from General Capital Fund	177,888.46	
		\$ 766,847.16

TOWNSHIP OF BYRAM
CURRENT FUND
STATEMENT OF REVENUE - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2023
(Continued)

Analysis of Nonbudget Revenue:

Treasurer:

Cable Television Franchise Fees	\$	22,245.00	
Statewide Insurance Fund Dividend		10,116.00	
North Jersey Municipal Employer Benefit Fund Dividend		180,485.00	
Outdoor Sign Rental		3,000.00	
Prior Year Refund		4,472.54	
Payment In Lieu of Taxes		1,000.00	
Senior Citizen and Veteran Deductions Administrative Fee		960.00	
Police Outside Duty Administrative Fee		61,965.00	
Retiree Health Contributions		485.16	
Other Miscellaneous		7,946.23	
	\$		292,674.93

Prior Year Revenue Accounts Receivable Collected:

Highlands Grant		20,398.75	
Municipal Alliance Grant		1,929.93	
New Jersey Department of Transportation - Tamarack Road		47,625.00	
Local Recreation Improvement Grant		75,000.00	
Sussex County Trails Grant		5,000.00	

149,953.68

Tax Collector - Other Miscellaneous			2,079.14
Statutory Excess Due from Animal Control Trust Fund			2,094.93

\$ 446,802.68

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

TOWNSHIP OF BYRAM
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2023

	Appropriations		Expended By		Unexpended Balance Cancelled
	Budget	Budget After Modification	Paid or Charged	Reserved	
GENERAL GOVERNMENT:					
General Administration:					
Salaries & Wages	\$ 298,000.00	\$ 298,000.00	\$ 268,392.18	\$ 29,607.82	
Other Expenses	116,650.00	136,650.00	135,587.67	1,062.33	
Mayor & Council:					
Salaries & Wages	17,500.00	17,500.00	14,000.00	3,500.00	
Other Expenses	12,300.00	12,300.00	8,718.14	3,581.86	
Municipal Clerk:					
Salaries & Wages	76,000.00	76,000.00	75,949.20	50.80	
Other Expenses	18,550.00	18,550.00	7,091.61	11,458.39	
Financial Administration:					
Salaries & Wages	157,400.00	157,400.00	140,925.68	16,474.32	
Other Expenses	19,085.00	19,085.00	17,308.99	1,776.01	
Audit	46,000.00	46,000.00		46,000.00	
Tax Assessment Administration:					
Salaries & Wages	67,200.00	67,200.00	67,111.20	88.80	
Other Expenses	32,570.00	27,570.00	12,265.41	15,304.59	
Revenue Administration (Tax Collection):					
Salaries & Wages	87,200.00	87,200.00	77,775.00	9,425.00	
Other Expenses	22,259.00	24,259.00	22,610.77	1,648.23	
Legal Services and Costs:					
Other Expenses - Fees	125,000.00	125,000.00	42,982.41	82,017.59	
Environmental Commission:					
Salaries & Wages	1,000.00	1,000.00		1,000.00	
Other Expenses	2,600.00	2,600.00	2,094.09	505.91	
Engineering Services:					
Other Expenses	40,000.00	40,000.00	16,000.00	24,000.00	

TOWNSHIP OF BYRAM
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2023
(Continued)

	Appropriations		Expended By		Unexpended Balance Cancelled
	Budget	Budget After Modification	Paid or Charged	Reserved	
LAND USE ADMINISTRATION:					
Planning Board:					
Salaries and Wages	\$ 59,600.00	\$ 59,600.00	\$ 54,575.58	\$ 5,024.42	
Other Expenses	53,350.00	41,350.00	12,385.89	28,964.11	
Zoning Commission:					
Salaries & Wages	63,300.00	63,300.00	48,835.36	14,464.64	
Other Expenses	1,700.00	1,700.00	970.04	729.96	
Insurance: (P.L. 2003, C.92)					
Employee Group Insurance	1,251,000.00	1,246,000.00	1,050,053.93	195,946.07	
Workers' Compensation	74,957.00	74,957.00	74,957.00		
General Liability Insurance	208,920.00	208,920.00	208,920.00		
Unemployment Insurance	100.00	100.00	100.00		
Employee Group Insurance-Health Benefit Waiver	53,900.00	53,900.00	43,954.23	9,945.77	
PUBLIC SAFETY :					
Fire:					
Uniform Allowance	25,000.00	25,000.00	13,500.00	11,500.00	
Other Expenses	74,841.00	74,841.00	74,726.52	114.48	
Uniform Fire Safety Act (P.L. 1983, Ch. 383):					
Fire Prevention Bureau:					
Other Expenses	9,000.00	9,000.00	7,667.50	1,332.50	
Office of Emergency Management:					
Salaries & Wages	1,500.00	1,500.00		1,500.00	
Other Expenses	2,000.00	2,000.00		2,000.00	

TOWNSHIP OF BYRAM
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2023
(Continued)

	Appropriations		Expended By		Unexpended Balance Cancelled
	Budget	Budget After Modification	Paid or Charged	Reserved	
PUBLIC SAFETY :					
Police:					
Salaries & Wages	\$ 2,003,000.00	\$ 2,003,000.00	\$ 1,834,052.01	\$ 168,947.99	
Other Expenses	99,725.00	99,725.00	92,605.36	7,119.64	
First Aid Organization Contribution	6,000.00	6,000.00	6,000.00		
Police Radio & Communication and 911 - Contractual	145,000.00	145,000.00	144,850.23	149.77	
Municipal Court:					
Other Expenses	146,454.00	146,454.00	143,581.42	2,872.58	
STREETS AND ROADS:					
Road Repair and Maintenance:					
Salaries & Wages	1,003,250.00	1,003,250.00	870,917.29	132,332.71	
Other Expenses - Miscellaneous	364,650.00	364,650.00	173,471.62	191,178.38	
Other Expenses - Improvements to Streets and Roads	325,500.00	100,000.00	100,000.00		
Other Expenses - Vehicle Expenses	60,000.00	60,000.00	51,779.70	8,220.30	
Other Expenses - Fleet Maintenance	128,500.00	128,500.00	116,949.88	11,550.12	
Public Building and Grounds:					
Other Expenses	40,000.00	40,000.00	34,578.55	5,421.45	
Garbage Removal - Contractual	975,000.00	975,000.00	935,404.11	39,595.89	
Recycling:					
Other Expenses	10,000.00	10,000.00	9,219.96	780.04	

TOWNSHIP OF BYRAM
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2023
(Continued)

	Appropriations		Expended By		Unexpended Balance Cancelled
	Budget	Budget After Modification	Paid or Charged	Reserved	
HEALTH AND WELFARE:					
Animal Control:					
Other Expenses	\$ 14,000.00	\$ 14,000.00	\$ 12,500.00	\$ 1,500.00	
Board of Health:					
Other Expenses	4,900.00	4,900.00	165.68	4,734.32	
RECREATION AND EDUCATION:					
Parks and Playgrounds:					
Salaries & Wages	40,000.00	40,000.00	32,888.47	7,111.53	
Other Expenses	6,060.00	6,060.00	4,287.74	1,772.26	
Senior Citizens' Transportation:					
Salaries & Wages	9,100.00	9,100.00	5,939.37	3,160.63	
Senior Citizens' Program:					
Other Expenses	9,500.00	9,500.00	8,500.00	1,000.00	
Celebration of Public Events:					
Other Expenses	25,000.00	25,000.00	24,291.57	708.43	
UNIFORM CONSTRUCTION CODE:					
Construction Code Official:					
Other Expenses	100.00	100.00		100.00	

TOWNSHIP OF BYRAM
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2023
(Continued)

	Appropriations		Expended By		Unexpended Balance Cancelled
	Budget	Budget After Modification	Paid or Charged	Reserved	
UNCLASSIFIED:					
Utilities:					
Gasoline	\$ 200,000.00	\$ 200,000.00	\$ 122,241.00	\$ 77,759.00	
Electricity	57,000.00	57,000.00	32,865.36	24,134.64	
Heating Oil	85,000.00	85,000.00	30,914.38	54,085.62	
Street Lighting	35,000.00	35,000.00	25,874.37	9,125.63	
Telephone	20,000.00	20,000.00	15,860.48	4,139.52	
Municipal Sewer Charges	6,575.00	6,575.00	5,841.68	733.32	
Accumulated Sick and Vacation	100.00	100.00	100.00		
Total Operations Within "CAPS"	8,837,896.00	8,612,396.00	7,335,138.63	1,277,257.37	
Detail:					
Salaries & Wages	3,884,150.00	3,884,150.00	3,491,461.34	392,688.66	
Other Expenses	4,953,746.00	4,728,246.00	3,843,677.29	884,568.71	
STATUTORY EXPENDITURES:					
Public Employees' Retirement System	219,290.00	219,290.00	202,934.82	16,355.18	
Contribution to Social Security System (O.A.S.I.)	315,500.00	315,500.00	287,727.23	27,772.77	
Police and Firemen's Retirement System of NJ	606,571.00	606,571.00	606,571.00		
Defined Contribution Retirement Plan (D.C.R.P)	18,700.00	18,700.00	12,167.23	6,532.77	
Total Deferred Charges and Statutory Expenditures - Municipal Within "CAPS"	1,160,061.00	1,160,061.00	1,109,400.28	50,660.72	
Total General Appropriations for Municipal Purposes Within "CAPS"	9,997,957.00	9,772,457.00	8,444,538.91	1,327,918.09	

TOWNSHIP OF BYRAM
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2023
(Continued)

	Appropriations		Expended By		Unexpended Balance Cancelled
	Budget	Budget After Modification	Paid or Charged	Reserved	
OPERATIONS EXCLUDED FROM "CAPS":					
Musconetcong Sewer Authority Fees	\$ 44,100.00	\$ 44,100.00	\$ 44,039.97	\$ 60.03	
Recycling Tax	13,200.00	13,200.00	9,119.16	4,080.84	
STATE AND FEDERAL PROGRAMS OFFSET BY REVENUES:					
Body Armor Replacement Fund	1,305.76	1,305.76	1,305.76		
SIF - Risk Control Grant (N.J.S.A 40A:4-87, + \$2,758.44)	2,653.00	5,411.44	5,411.44		
Municipal Alliance on Alcoholism and Drug Abuse (N.J.S.A 40A:4-87, + \$5,874.00)	3,918.00	9,792.00	9,792.00		
Highlands Water Protection & Planning Council Grant (N.J.S.A 40A:4-87, + \$182,250.00)		182,250.00	182,250.00		
Radon Awareness Program (N.J.S.A 40A:4-87, + \$24,437.74)	2,000.00	2,000.00	2,000.00		
Clean Communities Grant (N.J.S.A 40A:4-87, + \$24,437.74)		24,437.74	24,437.74		
Recycling Tonnage Grant	20,711.26	20,711.26	20,711.26		
NJ Department of Transportation Grant	139,730.00	139,730.00	139,730.00		
American Rescue Plan - Firefighter's Grant	29,000.00	29,000.00	29,000.00		
Stormwater Assistance Grant (N.J.S.A 40A:4-87, + \$25,000.00)		25,000.00	25,000.00		
American Rescue Plan (N.J.S.A 40A:4-87, + \$66,900.00)		66,900.00	66,900.00		
Total Operations Excluded from "CAPS"	256,618.02	563,838.20	559,697.33	4,140.87	
Detail:					
Other Expenses	256,618.02	563,838.20	559,697.33	4,140.87	

TOWNSHIP OF BYRAM
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2023
(Continued)

	Appropriations		Expended By		Unexpended Balance Cancelled
	Budget	Budget After Modification	Paid or Charged	Reserved	
CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS":					
Capital Improvement Fund	\$ 642,573.00	\$ 868,073.00	\$ 868,073.00		
Supplement to Road Improvement Program	100,000.00	100,000.00	100,000.00		
Drainage Improvements	5,000.00	5,000.00	5,000.00		
Total Capital Improvements - Excluded from "CAPS"	747,573.00	973,073.00	973,073.00		
MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS":					
Payment of Bond Principal	200,000.00	200,000.00	200,000.00		
Payment of Bond Anticipation Notes	139,800.00	139,800.00	139,800.00		
Interest on Bonds	14,520.00	14,520.00	14,520.00		
Interest on Notes	30,600.00	30,600.00	30,581.24		\$ 18.76
Loan Repayments for Principal and Interest	31,100.00	31,100.00	31,091.60		8.40
Total Municipal Debt Service - Excluded from "CAPS"	416,020.00	416,020.00	415,992.84		27.16
Total General Appropriations - Excluded from "CAPS"	1,420,211.02	1,952,931.20	1,948,763.17	\$ 4,140.87	27.16
Subtotal General Appropriations	11,418,168.02	11,725,388.20	10,393,302.08	1,332,058.96	27.16
Reserve for Uncollected Taxes	1,200,000.00	1,200,000.00	1,200,000.00		
Total General Appropriations	\$ 12,618,168.02	\$ 12,925,388.20	\$ 11,593,302.08	\$ 1,332,058.96	\$ 27.16

Ref.

A

TOWNSHIP OF BYRAM
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2023
(Continued)

	<u>Ref.</u>	<u>Analysis of</u>	
		<u>Budget After Modification</u>	<u>Paid or Charged</u>
Adopted Budget	A-2	\$ 12,618,168.02	
Added by N.J.S.A. 40A:4-87	A-2	<u>307,220.18</u>	
		<u>\$ 12,925,388.20</u>	
Reserve for Uncollected Taxes			\$ 1,200,000.00
Reserve for Encumbrances	A		257,085.83
Reserve for Body Armor Replacement Fund			1,305.76
Reserve for SIF - Risk Control Grant			5,411.44
Reserve for Municipal Alliance on Alcoholism and Drug Abuse			9,792.00
Reserve for Highlands Water Protection & Planning Council Grant			182,250.00
Reserve for Radon Awareness Program			2,000.00
Reserve for Clean Communities Grant			24,437.74
Reserve for Recycling Tonnage Grant			20,711.26
Reserve for NJ Department of Transportation Grant			139,730.00
Reserve for American Rescue Plan - Firefighter's Grant			29,000.00
Reserve for Stormwater Assistance Grant			25,000.00
Reserve for American Rescue Plan			66,900.00
Due to General Capital Fund			225,500.00
Cash Disbursed			<u>9,455,458.58</u>
			11,644,582.61
Less: Appropriation Refunds			<u>51,280.53</u>
			<u>\$ 11,593,302.08</u>

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

TOWNSHIP OF BYRAM
COUNTY OF SUSSEX
2023
TRUST FUNDS

TOWNSHIP OF BYRAM
COMPARATIVE BALANCE SHEET - TRUST FUNDS - REGULATORY BASIS

	Ref.	December 31,	
		2023	2022
<u>ASSETS</u>			
Assessment Trust Fund:			
Cash and Cash Equivalents	B-4	\$ 245,287.87	\$ 299,920.18
Assessments Receivable	B-7	162,250.34	251,417.94
Assessments Liens Receivable	B-9	10,471.68	10,471.68
		<u>418,009.89</u>	<u>561,809.80</u>
Animal Control Fund:			
Cash and Cash Equivalents:			
Treasurer	B-4	22,603.73	26,825.71
		<u>22,603.73</u>	<u>26,825.71</u>
Other Trust Funds:			
Cash and Cash Equivalents	B-4	4,363,532.97	4,067,992.76
Due from Current Fund	A	199,618.84	299,971.07
Other Receivables - Police Outside Services		9,667.73	
		<u>4,572,819.54</u>	<u>4,367,963.83</u>
<u>TOTAL ASSETS</u>		<u>\$ 5,013,433.16</u>	<u>\$ 4,956,599.34</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Assessment Trust Fund:			
Due to Forest Lakes Club Association	B-7	\$ 53,724.60	\$ 53,724.60
N.J. Department of Environmental Protection Loan Payable	B-8	335,577.29	469,808.20
Fund Balance	B-1	28,708.00	38,277.00
		<u>418,009.89</u>	<u>561,809.80</u>
Animal Control Fund:			
Due to State of New Jersey:			
Board of Health		32.40	14.40
Due to Current Fund	A	2,094.93	6,888.11
Reserve for Animal Control Expenditures	B-6	20,476.40	19,923.20
		<u>22,603.73</u>	<u>26,825.71</u>

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

	<u>Ref.</u>	<u>December 31,</u>	
		<u>2023</u>	<u>2022</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Other Trust Funds:			
Due to State of New Jersey:			
DCA Training Fees		\$ 6,276.00	
Reserve for:			
Master Escrow		518,763.22	\$ 499,775.76
Recreation Deposits		33,382.86	35,188.34
State Unemployment Insurance		117,555.51	114,379.52
Outside Police Services			26,744.35
Public Defender		11,193.00	11,193.00
Drainage		176.48	176.48
Open Space		428,267.30	435,214.43
Open Space - Debt Service		44,331.86	88,663.73
Park Project		7,065.04	7,065.04
Housing Rehabilitation		129,847.89	170,447.89
School Diesel Agreement		14,589.93	6,789.54
Cranberry Lake		52,132.27	52,132.27
Partridge Run Detention Basin Escrow		5,600.00	5,600.00
Tax Sale Premiums		270,300.00	202,400.00
Parking Offense Adjudication Act		334.00	328.00
Fire Dedicated Penalties		500.00	500.00
Municipal Alliance		81.00	81.00
Storm Recovery		780,999.49	780,999.49
Affordable Housing		162,264.99	109,038.62
Self Insurance		795,825.47	795,825.47
Third Party Liens		3.00	3.00
Sick and Vacation Leave		831,553.14	725,417.90
Uniform Construction Code		361,777.09	300,000.00
		<u>4,572,819.54</u>	<u>4,367,963.83</u>
<u>TOTAL LIABILITIES, RESERVES AND FUND BALANCE</u>		<u>\$ 5,013,433.16</u>	<u>\$ 4,956,599.34</u>

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

TOWNSHIP OF BYRAM
ASSESSMENT TRUST FUND
STATEMENT OF FUND BALANCE - REGULATORY BASIS

Balance December 31, 2022	<u>Ref.</u> B	\$ 38,277.00
Decreased by:		
Anticipated as Budget Revenue - Current Fund		<u>9,569.00</u>
Balance December 31, 2023	B	<u>\$ 28,708.00</u>

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

TOWNSHIP OF BYRAM
ASSESSMENT TRUST FUND
STATEMENT OF REVENUE - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2023

	Anticipated	Realized	Excess or Deficit*
Assessment Cash	\$ 134,230.91	\$ 134,230.91	\$ -0-

TOWNSHIP OF BYRAM
ASSESSMENT TRUST FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2023

	Budget	Paid or Charged	Unexpended Balance Cancelled
Payment of N.J. Department of Environmental Protection Loan	\$ 134,230.91	\$ 134,230.91	\$ -0-

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

TOWNSHIP OF BYRAM
COUNTY OF SUSSEX
2023
GENERAL CAPITAL FUND

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

	Ref.	December 31,	
		2023	2022
<u>ASSETS</u>			
Cash and Cash Equivalents	C-2	\$ 3,575,572.86	\$ 3,023,304.12
Due from Current Fund	A	225,500.00	3,067.28
Deferred Charged to Future Taxation:			
Funded		492,595.20	781,165.62
Unfunded	C-4	1,102,700.00	815,500.00
<u>TOTAL ASSETS</u>		<u>\$ 5,396,368.06</u>	<u>\$ 4,623,037.02</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Bond Anticipation Notes Payable	C-7	\$ 825,700.00	\$ 815,500.00
General Serial Bonds Payable	C-8	388,000.00	648,000.00
Green Acres Loans Payable	C-9	104,595.20	133,165.62
Improvement Authorizations:			
Funded	C-5	1,419,442.73	1,382,554.83
Unfunded	C-5	433,835.60	127,700.72
Capital Improvement Fund	C-6	1,818,176.29	1,136,582.46
Reserves for:			
Drainage		26,500.00	21,500.00
Road Resurfacing		90,529.25	90,529.25
Field Irrigation		40,000.00	40,000.00
Payment of Debt Service		101,454.58	126,454.58
Fund Balance	C-1	148,134.41	101,049.56
<u>TOTAL LIABILITIES, RESERVES AND FUND BALANCE</u>		<u>\$ 5,396,368.06</u>	<u>\$ 4,623,037.02</u>

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

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

	<u>Ref.</u>	
Balance December 31, 2022	C	\$ 101,049.56
Increased by:		
Premium on Bond Anticipation Note Sale	\$	1,203.00
Cancellation of Improvement Authorizations		45,881.85
		<u>47,084.85</u>
Balance December 31, 2023	C	<u>\$ 148,134.41</u>

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

TOWNSHIP OF BYRAM
COUNTY OF SUSSEX
2023
WATER UTILITY FUND

NOT APPLICABLE

TOWNSHIP OF BYRAM
COUNTY OF SUSSEX
2023
SEWER UTILITY FUND

TOWNSHIP OF BYRAM
SEWER UTILITY FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

	Ref.	December 31,	
		2023	2022
<u>ASSETS</u>			
Operating Fund:			
Cash and Cash Equivalents	E-4	\$ 688,814.67	\$ 608,190.64
Receivables with Full Reserves:			
Consumer Accounts Receivable and Liens	E-6	2,424.68	3,434.86
Total Operating Fund		<u>691,239.35</u>	<u>611,625.50</u>
Capital Fund:			
Cash and Cash Equivalents	E-4	1,007,380.58	1,071,454.34
Fixed Capital	E-7	2,435,880.30	2,435,880.30
Fixed Capital Authorized and Uncompleted	E-8	733,000.00	683,000.00
Total Capital Fund		<u>4,176,260.88</u>	<u>4,190,334.64</u>
<u>TOTAL ASSETS</u>		<u>\$ 4,867,500.23</u>	<u>\$ 4,801,960.14</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Operating Fund:			
Appropriation Reserves:			
Unencumbered	E-3;E-9	\$ 28,927.23	\$ 13,414.83
Encumbered	E-3;E-9	1,227.32	4,175.48
Total Appropriation Reserves		<u>30,154.55</u>	<u>17,590.31</u>
Accrued Interest on Notes		1,864.81	1,071.88
Prepaid Sewer Rents		14,323.86	22,952.10
Sewer Overpayments		3,747.19	
		<u>50,090.41</u>	<u>41,614.29</u>
Reserve for Receivables	E	2,424.68	3,434.86
Fund Balance	E-1	638,724.26	566,576.35
Total Operating Fund		<u>691,239.35</u>	<u>611,625.50</u>
Capital Fund:			
Bond Anticipation Notes Payable	E-14	100,000.00	98,000.00
Improvement Authorizations:			
Funded	E-10	51,164.96	67,709.64
Unfunded	E-10	2,170.92	198,000.00
Capital Improvement Fund	E-11	954,044.70	905,744.70
Deferred Reserve for Amortization	E-12	633,000.00	485,000.00
Reserve for Amortization	E-13	2,435,880.30	2,435,880.30
Total Capital Fund		<u>4,176,260.88</u>	<u>4,190,334.64</u>
<u>TOTAL LIABILITIES, RESERVES AND FUND BALANCE</u>		<u>\$ 4,867,500.23</u>	<u>\$ 4,801,960.14</u>

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

TOWNSHIP OF BYRAM
SEWER UTILITY OPERATING FUND
COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE IN FUND BALANCE - REGULATORY BASIS

	Ref.	Year Ended December 31	
		2023	2022
<u>Revenue and Other Income Realized</u>			
Fund Balance Utilized		\$ 90,000.00	\$ 90,000.00
Rents		319,135.14	318,846.86
Miscellaneous Revenue Not Anticipated		120,356.29	28,890.10
Other Credits to Income:			
Sewer Overpayments Cancelled			7.08
Unexpended Balance of Appropriation Reserves		12,624.41	58,932.63
Total Income		<u>542,115.84</u>	<u>496,676.67</u>
<u>Expenditures</u>			
Budget Expenditures:			
Operating		174,600.00	169,250.00
Capital Improvements		98,300.00	129,350.00
Debt Service		102,467.93	76,871.88
Deferred Charges and Statutory Expenditures		4,600.00	4,500.00
Total Expenditures		<u>379,967.93</u>	<u>379,971.88</u>
Excess in Revenue/Statutory Excess to Fund Balance		162,147.91	116,704.79
<u>Fund Balance</u>			
Balance January 1	E	<u>566,576.35</u>	<u>539,871.56</u>
		728,724.26	656,576.35
Decreased by:			
Utilized as Anticipated Revenue		<u>90,000.00</u>	<u>90,000.00</u>
Balance December 31	E	<u><u>\$ 638,724.26</u></u>	<u><u>\$ 566,576.35</u></u>

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

TOWNSHIP OF BYRAM
SEWER UTILITY CAPITAL FUND
STATEMENT OF SEWER CAPITAL FUND BALANCE - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2023

NOT APPLICABLE

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

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

	Anticipated	Realized	Excess or Deficit *
Operating Surplus Anticipated	\$ 90,000.00	\$ 90,000.00	
Sewer Rents	290,000.00	319,135.14	\$ 29,135.14
	380,000.00	409,135.14	29,135.14
Miscellaneous Revenue Not Anticipated		120,356.29	120,356.29
	\$ 380,000.00	\$ 529,491.43	\$ 149,491.43
 <u>Sewer Rents</u>			
Sewer Rent Collections		\$ 296,183.04	
Prepaid Sewer Rents		22,952.10	
		\$ 319,135.14	
 <u>Analysis of Miscellaneous Revenue Not Anticipated</u>			
Treasurer:			
Interest on Sewer Deposits	\$ 34,033.85		
Interest on Sewer Rents	668.35		
Miscellaneous Refunds	3,055.20		
Other Sewer Fees	33,400.51		
		\$ 71,157.91	
Due from Sewer Utility Capital Fund:			
Interest on Deposits		49,198.38	
		\$ 120,356.29	

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

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

	Appropriations		Expended		Unexpended Balance Cancelled
	Budget	Budget After Modification	Paid or Charged	Reserved	
Operating:					
Salaries and Wages	\$ 55,500.00	\$ 55,500.00	\$ 44,352.96	\$ 11,147.04	
Other Expenses	53,500.00	53,000.00	36,166.85	16,833.15	
Musconetcong Sewerage Authority Fee	66,100.00	66,100.00	66,059.96	40.04	
Capital Improvements:					
Capital Improvement Fund	98,300.00	98,300.00	98,300.00		
Debt Service:					
Payment of Bond Anticipation Notes	98,000.00	98,000.00	98,000.00		
Interest on Notes	4,000.00	4,500.00	4,467.93		\$ 32.07
Deferred Charges and Statutory Expenditures:					
Statutory Expenditures:					
Contribution to:					
Public Employees' Retirement System	100.00	100.00	100.00		
Social Security System (O.A.S.I.)	4,300.00	4,300.00	3,393.00	907.00	
Unemployment Compensation Insurance	200.00	200.00	200.00		
	<u>\$ 380,000.00</u>	<u>\$ 380,000.00</u>	<u>\$ 351,040.70</u>	<u>\$ 28,927.23</u>	<u>\$ 32.07</u>
				E	
<u>Analysis of Paid or Charged</u>					
Cash Disbursed			\$ 345,345.45		
Accrued Interest on Notes			4,467.93		
Encumbered			<u>1,227.32</u>		
			<u>\$ 351,040.70</u>		

Ref.

E

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

TOWNSHIP OF BYRAM
COUNTY OF SUSSEX
2023
PUBLIC ASSISTANCE FUND

NOT APPLICABLE

TOWNSHIP OF BYRAM
COUNTY OF SUSSEX
2023
BOND AND INTEREST FUND

NOT APPLICABLE

TOWNSHIP OF BYRAM
COUNTY OF SUSSEX
2023
GENERAL FIXED ASSETS ACCOUNT GROUP

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

	December 31,	
<u>ASSETS</u>	2023	2022
Land	\$ 6,378,800.00	\$ 6,378,800.00
Buildings	5,497,095.00	5,497,095.00
Equipment and Vehicles	8,144,011.71	7,780,814.62
<u>TOTAL ASSETS</u>	<u>\$ 20,019,906.71</u>	<u>\$ 19,656,709.62</u>
<u>RESERVES</u>		
Reserve for Fixed Assets	\$ 20,019,906.71	\$ 19,656,709.62
<u>TOTAL RESERVES</u>	<u>\$ 20,019,906.71</u>	<u>\$ 19,656,709.62</u>

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

TOWNSHIP OF BYRAM
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2023

Note 1: Summary of Significant Accounting Policies

A. Reporting Entity

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

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

B. Description of Funds

The accounting policies of the Township of Byram conform to the accounting practices applicable to municipalities which have been prescribed or permitted by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division"). Such practices are designed primarily for determining compliance with legal provisions and budgetary restrictions and as a means of reporting on the stewardship of public officials with respect to public funds. Under this method of accounting, the Township of Byram 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 Fund - Receipt, 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 capital facilities, other than those acquired in the Current Fund.

TOWNSHIP OF BYRAM
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2023
 (Continued)

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

B. Description of Funds (Cont'd)

Assessment Trust Fund – Resources and expenditures for the payment of Assessment Trust Fund Debt.

Sewer Utility Operating and Capital Funds – Account for the operations and acquisition of capital facilities of the municipally owned sewer utility.

General Fixed Assets Account Group – Estimated values of land, buildings and certain fixed assets of the Township as discussed in Note 1E – “Basis of Accounting”.

C. Basis of Accounting

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

The following is a summary of the significant accounting policies.

Revenue is recorded when received in cash except for certain amounts which may be due from the State of New Jersey and for the prepayment of future years' revenue. Grant revenue is realized in the operating funds when it is budgeted and in the capital funds when improvements are authorized. The amounts recorded as property taxes and consumer accounts receivable have not been included in revenue. Amounts that are due to the municipality, which are susceptible of accrual, are recorded as receivables with offsetting reserves in the Current Fund.

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

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

Expenditures, if any, in excess of appropriations, appropriation reserves or ordinances become deferred charges which must be raised by future taxes. Outstanding encumbrances at December 31 are reported as a cash liability in the financial statements and constitute part of the statutory appropriation reserve balance. Appropriation reserves covering unexpended appropriation balances are automatically created at December 31 of each year and recorded as liabilities, except for amounts which may be cancelled by the governing body. Appropriation reserves are available, until lapsed at the close of the succeeding year, to meet specific claims, commitments or contracts incurred during the preceding fiscal year. Lapsed appropriation reserves are recorded as income.

Had the Township's financial statements been prepared under accounting principles generally accepted in the United States of America, encumbrances would not be considered as expenditures; appropriation reserves would not be recorded; revenue susceptible to accrual would have been reflected without offsetting reserves; Federal and State grants and assistance would be recognized when earned, not when awarded and inventories would not be reflected as expenditures at the time of purchase, investments would generally be stated at fair value, fixed assets purchased by the Sewer

TOWNSHIP OF BYRAM
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2023
(Continued)

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

C. Basis of Accounting (Cont'd)

Utility Capital Fund would be depreciated, and the Township's net OPEB liability and net pension liability and related deferred inflows and outflows, where applicable, would be recorded

The cash basis of accounting is followed in the Trust and Capital Funds.

D. Deferred Charges to Future Taxation

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

E. Other significant accounting policies include:

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

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

Investments – Investments are stated at cost.

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

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

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

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

Inventories of Supplies - The 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.

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

TOWNSHIP OF BYRAM
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2023
(Continued)

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

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

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

Property and equipment purchased by the Sewer Utility Fund are recorded in the capital account at cost. The amount shown does not purport to represent replacement costs or current value. Contributions in aid of construction are not capitalized. The balances in the Reserve for Amortization and Deferred Reserve for Amortization accounts in the Sewer Utility Capital Fund represent charges to operations for the costs of acquisitions of property, equipment and improvements. The Sewer Utility does not record depreciation on fixed assets.

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

Note 2: Long-Term Debt

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

TOWNSHIP OF BYRAM
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2023
(Continued)

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

Summary of Municipal Debt

	December 31,		
	2023	2022	2021
<u>Issued</u>			
General:			
Bonds, Loans and Notes	\$ 1,318,295.20	\$ 1,596,665.62	\$ 2,030,629.82
Trust Assessment:			
Loans	335,577.29	469,808.20	604,039.11
Sewer Utility:			
Notes	100,000.00	98,000.00	75,000.00
	<u>1,753,872.49</u>	<u>2,164,473.82</u>	<u>2,709,668.93</u>
<u>Authorized but not Issued:</u>			
General:			
Bonds and Notes	277,000.00		
Sewer Utility:			
Bonds and Notes		100,000.00	198,000.00
	<u>277,000.00</u>	<u>100,000.00</u>	<u>198,000.00</u>
Less:			
Open Space - Debt Service Reserve	44,331.86	88,663.73	132,995.59
Assessment Trust Cash	216,579.87	261,643.18	292,393.08
Reserve to Pay Debt Service	101,454.58	126,454.58	151,454.58
	<u>362,366.31</u>	<u>476,761.49</u>	<u>576,843.25</u>
Net Bonds and Notes Issued and			
Authorized but not Issued	<u>\$ 1,668,506.18</u>	<u>\$ 1,787,712.33</u>	<u>\$ 2,330,825.68</u>

Summary of Statutory Debt Condition - Annual Debt Statement

The summarized statement of debt condition, which follows, is prepared in accordance with the required method of setting up the Annual Debt Statement and indicates a statutory net debt of .132%.

	Gross Debt	Deductions	Net Debt
Sewer Utility Debt	\$ 100,000.00	\$ 100,000.00	
Trust Assessment Debt	335,577.29	216,579.87	\$ 118,997.42
General Debt	1,595,295.20	145,786.44	1,449,508.76
	<u>\$ 2,030,872.49</u>	<u>\$ 462,366.31</u>	<u>\$ 1,568,506.18</u>

Net Debt: \$1,568,506.18 divided by Average Equalized Valuations of \$1,186,512,130.67 Real Property = .132%.

TOWNSHIP OF BYRAM
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2023
(Continued)

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

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

3-1/2% Average Equalized Valuation of Real Property		\$ 41,527,924.57
Net Debt		<u>1,568,506.18</u>
Remaining Borrowing Power		<u><u>\$ 39,959,418.39</u></u>
<u>Calculation of "Self-Liquidating Purpose", Sewer Utility Per N.J.S.40A:2-45</u>		
Cash Receipts from Fees, Rents or Other Charges for Year		\$ 529,491.43
Deductions:		
Operating and Maintenance Cost	\$ 179,200.00	
Debt Service	<u>102,467.93</u>	
		<u>281,667.93</u>
Excess in Revenue		<u><u>\$ 247,823.50</u></u>

Footnote: If there is an "excess in revenue", all such utility debt is deductible. If there is a "deficit", then utility debt is not deductible to the extent of 20 times such deficit amount.

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

Summary of Municipal Debt Issued and Outstanding - Current Year

Fund	Balance 12/31/2022	Additions	Retirements	Balance 12/31/2023
Serial Bonds:				
General Capital Fund	\$ 528,000.00		\$ 200,000.00	\$ 328,000.00
Open Space Trust Fund	120,000.00		60,000.00	60,000.00
Bond Anticipation Notes:				
General Capital Fund	815,500.00	\$ 825,700.00	815,500.00	825,700.00
Sewer Utility Capital Fund	98,000.00	100,000.00	98,000.00	100,000.00
Loans Payable:				
General Capital				
Green Acres Loans #2	133,165.62		28,570.42	104,595.20
Assessment Trust Fund:				
Department of Environmental Protection Loan	469,808.20		134,230.91	335,577.29
	<u>\$ 2,164,473.82</u>	<u>\$ 925,700.00</u>	<u>\$ 1,336,301.33</u>	<u>\$ 1,753,872.49</u>

TOWNSHIP OF BYRAM
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2023
(Continued)

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

Summary of Municipal Debt Issued and Outstanding - Prior Year

Fund	Balance 12/31/2021	Additions	Retirements	Balance 12/31/2022
Serial Bonds:				
General Capital Fund	\$ 728,000.00		\$ 200,000.00	\$ 528,000.00
Open Space Trust Fund	180,000.00		60,000.00	120,000.00
Bond Anticipation Notes:				
General Capital Fund	955,300.00	\$ 815,500.00	955,300.00	815,500.00
Sewer Utility Capital Fund	75,000.00	98,000.00	75,000.00	98,000.00
Loans Payable:				
General Capital				
Green Acres Loans #1	6,156.74		6,156.74	
Green Acres Loans #2	161,173.08		28,007.46	133,165.62
Assessment Trust Fund:				
Department of Environmental Protection Loan				
	604,039.11		134,230.91	469,808.20
	<u>\$ 2,709,668.93</u>	<u>\$ 913,500.00</u>	<u>\$ 1,458,695.11</u>	<u>\$ 2,164,473.82</u>

Analysis of Debt Issued and Outstanding:
General Capital Serial Bonds

Purpose	Final Maturity	Interest Rate	Amount
General Improvement Bonds	9/1/2025	2.00-2.75%	<u>\$ 328,000.00</u>

Open Space Serial Bonds

Purpose	Final Maturity	Interest Rate	Amount
Open Space Bonds	10/1/2024	4.00%	<u>\$ 60,000.00</u>

General Capital Green Acres Loans Payable

Purpose	Final Maturity	Interest Rate	Amount
Acquisition of Property	5/17/2027	2.00%	<u>\$ 104,595.20</u>

TOWNSHIP OF BYRAM
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2023
(Continued)

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

General Capital - Bond Anticipation Notes Payable

<u>Purpose</u>	<u>Final Maturity</u>	<u>Interest Rate</u>	<u>Amount</u>
Various Capital Improvements	6/14/2024	4.75%	<u>\$ 825,700.00</u>

Sewer Utility Capital - Bond Anticipation Notes Payable

<u>Purpose</u>	<u>Final Maturity</u>	<u>Interest Rate</u>	<u>Amount</u>
Sewer Utility Improvements	6/14/2024	4.75%	<u>\$ 100,000.00</u>

Assessment Trust Fund - Department of Environmental Protection Loans Payable

<u>Purpose</u>	<u>Final Maturity</u>	<u>Interest Rate</u>	<u>Amount</u>
Forest Lake Club - Dam Restoration	5/2/2026	2.00%	<u>\$ 335,577.29</u>

Total Debt Issued and Outstanding \$ 1,753,872.49

Green Acres Loan Payable

On August 14, 2007, the Township of Byram entered into a loan agreement with the State of New Jersey, acting by and through the New Jersey Department of Environmental Protection Fund (the "Fund"), in the aggregate amount of \$500,000 (two separate loans for \$250,000 each) which represents direct obligations of the Township. The loan agreement was obtained to finance a portion of the C.O. Johnson Park project.

Principal payments on the Loan commenced on May 17, 2008, and will continue on an annual basis over 20 years at 2.00% interest. The Township will be responsible for all such interest and principal payments.

Department of Environmental Protection Payable

The Forest Lakes Club entered into a loan agreement with the State of New Jersey, acting by and through the New Jersey Department of Environmental Protection Fund (the "Fund"), in the aggregate amount of \$1,342,309.15 which represents direct obligations of the Forest Lakes Club. The loan agreements were obtained to finance the dam restoration in Forest Lakes. The Township of Byram established an Assessment Trust Fund to ensure collection, proper administration and repayment of the loan funds on behalf of the Forest Lakes Club.

Principal payments on the Loan commenced on November 2, 2016, and will continue on an annual basis over 10 years at 2.00% interest. The Township will be responsible for all such interest and principal payments.

TOWNSHIP OF BYRAM
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2023
(Continued)

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

Schedule of Annual Debt Service for Principal and Interest for Bonded Debt and
Loans Issued and Outstanding

Current Year	General		Open Space		Assessment Trust Loan		Total
	Principal	Interest	Principal	Interest	Principal	Interest	
2024	\$ 229,144.68	\$ 10,966.92	\$ 60,000.00	\$ 2,400.00	\$ 128,354.69	\$ 5,876.23	\$ 436,742.52
2025	157,730.50	4,881.10			130,934.62	3,296.29	296,842.51
2026	30,328.08	763.52			66,450.95	664.51	98,207.06
2027	15,391.94	153.92					15,545.86
	<u>\$ 432,595.20</u>	<u>\$ 16,765.46</u>	<u>\$ 60,000.00</u>	<u>\$ 2,400.00</u>	<u>\$ 325,740.26</u>	<u>\$ 9,837.03</u>	<u>\$ 847,337.95</u>

Note 3: Fund Balances Appropriated

Fund balances at December 31, 2023 which were included in the adopted budget as appropriated and as anticipated revenue for the year ending December 31, 2024 budget were as follows:

Current Fund	\$ 1,785,000.00
Sewer Utility Operating Fund	90,000.00

Note 4: School District Taxes

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

Note 5: Pension Plans

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

Plan Description

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

TOWNSHIP OF BYRAM
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2023
(Continued)

Note 5: Pension Plans (Cont'd)

A. Public Employees' Retirement System (PERS)

Benefits Provided

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

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

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

Contributions

The contribution policy for PERS is set by N.J.S.A. 43:15A and requires contributions by active members and contributing members. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount, which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. The local employers' contribution amounts are based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PERS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years beginning with the payments due in the fiscal year ended June 30, 2012 and are adjusted by the rate of return on the actuarial value of assets. Township contributions to PERS amounted to \$203,034.82 for 2023. During the fiscal year ended June 30, 2022, the State of New Jersey contributed \$5,522 to the PERS for a normal pension benefits on behalf of the Township.

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

TOWNSHIP OF BYRAM
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2023
(Continued)

Note 5: Pension Plans (Cont'd)

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

Special Funding Situation

Under N.J.S.A. 43:15A-15, local participating employers are responsible for their own contributions based on actuarially determined amounts, except where legislation was passed that legally obligated the State if certain circumstances occurred. The legislation, which legally obligates the State, is Chapter 366, P.L. 2001 and Chapter 133, P.L. 2001. The amounts contributed on behalf of the local participating employers under the legislation is considered to be special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute under the legislation directly to the plan (except for employer specific financed amounts), there is no pension liability or deferred outflows or inflows to report in the financial statement of the local participating employers related to the legislation. However, the notes to the financial statements of the local participating employers must disclose the portion of the nonemployer contributing entity's total proportionate share of the collective net pension liability that is associated with the local participating employer. In addition, each local participating employer must disclose pension expense associated with the employers in an amount equal to the nonemployer contributing entity's total proportionate share of the collective pension expense associated with the local participating employer.

Pension Liabilities and Pension Expense

At June 30, 2022, the Township's liability was \$2,624,316 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2021 which was rolled forward to June 30, 2022. The Township's proportion of the net pension liability was based on a projection of the Township's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2022, the Township's proportion was .0174%, which was a decrease of 0.0009% from its proportion measured as of June 30, 2021. The Township has rolled forward the net pension liability as of June 30, 2022 with no adjustments. The State of New Jersey Public Employees' Retirement System (PERS)' valuation cycle is July 1 instead of December 31. The roll forward methodology puts them a year in arrears in terms of valuation. The Division of Local Government Services, Department of Community Affairs, State of New Jersey is permitting municipalities to include the June 30, 2022 pension information in the Notes to the Financial Statements as the June 30, 2023 pension information has not been released as of the date of this audit.

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

For the year ended December 31, 2023, the Township recognized actual pension expense in the amount of \$203,034.82.

Actuarial Assumptions

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

TOWNSHIP OF BYRAM
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2023
(Continued)

Note 5: Pension Plans (Cont'd)

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

Actuarial Assumptions (Cont'd)

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 a 99.7% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability retirement rates used to value disabled retirees were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 127.7% adjustment for males and 117.2% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2021.

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

Long Term Expected Rate of Return

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

TOWNSHIP OF BYRAM
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2023
(Continued)

Note 5: Pension Plans (Cont'd)

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

Long Term Expected Rate of Return (Cont'd)

Best estimates of arithmetic real rates of return for each major asset class included in PERS' target asset allocation as of June 30, 2022 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equity	27.00%	8.12%
Non-U.S. Developed Markets Equity	13.50%	8.38%
Emerging Markets Equity	5.50%	10.33%
Private Equity	13.00%	11.80%
Real Estate	8.00%	11.19%
Real Assets	3.00%	7.60%
High Yield	4.00%	4.95%
Private Credit	8.00%	8.10%
Investment Grade Credit	7.00%	3.38%
Cash Equivalents	4.00%	1.75%
U.S. Treasuries	4.00%	1.75%
Risk Mitigation Strategies	3.00%	4.91%

Discount Rate

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2022. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be based upon 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments in determining the total pension liability.

TOWNSHIP OF BYRAM
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2023
(Continued)

Note 5: Pension Plans (Cont'd)

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

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

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

	June 30, 2022		
	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Township's proportionate share of the Net Pension Liability	\$ 3,371,477	\$ 2,624,316	\$ 1,988,451
<u>Pension Plan Fiduciary Net Position</u>			

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

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

Plan Description

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

Benefits Provided

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

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

TOWNSHIP OF BYRAM
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2023
(Continued)

Note 5: Pension Plans (Cont'd)

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

Benefits Provided (Cont'd)

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

Contributions

The contribution policy for PFRS is set by N.J.S.A. 43:16A and requires contributions by active members and contributing members. State legislation has modified the amount that is contributed by the State. The State's contribution amount is based on an actuarially determined rate, which includes the normal costs and unfunded accrued liability. For fiscal year 2022, the State contributed an amount more than the actuarially determined amount.

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

Special Funding Situation

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

TOWNSHIP OF BYRAM
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2023
(Continued)

Note 5: Pension Plans (Cont'd)

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

Special Funding Situation (Cont'd)

must disclose the portion of the nonemployer contributing entities' total proportionate share of the collective net pension liability that is associated with the local participating employer.

Township contributions to PFRS amounted to \$606,571 for the year ended December 31, 2023. During the fiscal year ended June 30, 2022, the State of New Jersey contributed \$118,283 to the PFRS for normal pension benefits on behalf of the Township, which is more than the contractually required contribution of \$109,616.

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

Pension Liabilities and Pension Expense

At June 30, 2022, the Township's liability for its proportionate share of the net pension liability was \$5,338,518. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2021 which was rolled forward to June 30, 2022. The Township's proportion of the net pension liability was based on a projection of the Township's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2022, the Township's proportion was 0.0466%, which was a decrease of 0.0018% from its proportion measured as of June 30, 2021. The Township has rolled forward the net pension liability as of June 30, 2022 with no adjustments. The State of New Jersey Police and Firemen's Retirement System (PFRS)' valuation cycle is July 1 instead of December 31. The roll forward methodology puts them a year in arrears in terms of valuation. The Division of Local Government Services, Department of Community Affairs, State of New Jersey is permitting municipalities to include the June 30, 2022 pension information in the Notes to the Financial Statements as the June 30, 2023 pension information has not been released as of the date of this audit.

Additionally, the State's proportionate share of the net pension liability attributable to the Township is \$950,100 as of June 30, 2022. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2021 which was rolled forward to June 30, 2022. The State's proportionate share of the net pension liability associated with the Township was based on a projection of the Township's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2022, the State's proportion was 0.0466%, which was a decrease of 0.0018% from its proportion measured as of June 30, 2021 which is the same proportion as the Township's.

Township's Proportionate Share of the Net Pension Liability	\$ 5,338,518
State's Proportionate Share of the Net Pension Liability Associated with the Township	<u>950,100</u>
Total Net Pension Liability	<u>\$ 6,288,618</u>

For the year ended December 31, 2023, the Township recognized total pension expense of \$606,571.

TOWNSHIP OF BYRAM
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2023
(Continued)

Note 5: Pension Plans (Cont'd)

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

Actuarial Assumptions

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

Inflation Rate:	
Price	2.75%
Wage	3.25%
Salary Increases:	
Through all future years	3.25 – 16.25% based on years of service
Thereafter	Not Applicable
Investment Rate of Return	7.00%

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

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

Long Term Expected Rate of Return

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

TOWNSHIP OF BYRAM
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2023
(Continued)

Note 5: Pension Plans (Cont'd)

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

Long Term Expected Rate of Return (Cont'd)

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equity	27.00%	8.12%
Non-U.S. Developed Market Equity	13.50%	8.38%
Emerging Markets Equity	5.50%	10.33%
Private Equity	13.00%	11.80%
Real Assets	3.00%	7.60%
Real Estate	8.00%	11.19%
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 – PFRS

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2022. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be based upon 10% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments to determine the total pension liability.

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

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

TOWNSHIP OF BYRAM
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2023
(Continued)

Note 5: Pension Plans (Cont'd)

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

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

	June 30, 2022		
	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Township's proportionate share of the NPL and the State's proportionate share of the Net Pension Liability associated with the Township	\$ 8,628,664	\$ 6,288,618	\$ 4,340,519

Pension Plan Fiduciary Net Position - PFRS

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

C. Defined Contribution Retirement Program (DCRP)

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

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

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

For DCRP, the Township recognized pension expense of \$12,167.23 for the year ended December 31, 2023. Employee contributions to DCRP amounted to \$20,540.83 for the year ended December 31, 2023.

TOWNSHIP OF BYRAM
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2023
(Continued)

Note 6: Accrued Sick and Vacation Benefits

The Township permits employees to accrue a limited amount of unused vacation and sick pay, which may be taken as time off or paid at a later date at an agreed-upon rate. It is estimated that the current cost of such unpaid compensation would approximate \$825,543.13 at December 31, 2023. This amount is not reported either as an expenditure or a liability. It is expected that the cost of such unpaid compensation would be included in the Township's budget operating expenditures in the year in which it is used. This amount is reserved in the Reserve for Sick and Vacation Leave of \$831,553.14 on the Trust Fund balance sheet at December 31, 2023.

Note 7: Post-Retirement Benefits other than Pensions (OPEB)

State Health Benefit Local Government Retired Employees Plan

General Information about the OPEB Plan

Plan Description

The State Health Benefit Local Government Retired Employees Plan (the Plan) is a cost sharing multiple employer defined benefit other postemployment benefit (OPEB) plan with a special funding situation. It covers employees of local government employers that have adopted a resolution to participate in the Plan. For additional information about the Plan, please refer to the State of New Jersey (the State), Division of Pensions and Benefits' (the Division) annual financial statements, which can be found at: <https://www.state.nj.us/treasury/pensions/financial-reports.shtml>.

Benefits Provided

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

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

TOWNSHIP OF BYRAM
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2023
(Continued)

Note 7: Post-Retirement Benefits other than Pensions (OPEB) (Cont'd)

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

Contributions

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

Allocation Methodology

GASB Statement No. 75 requires participating employers in the Plan to recognize their proportionate share of the collective net OPEB liability, collective deferred outflows of resources, collective deferred inflows of resources, and collective OPEB (benefit)/expense. The special funding situation's and nonspecial funding situation's net OPEB liability, deferred outflows of resources, deferred inflows of resources, and OPEB expense are based on separately calculated total OPEB liabilities. The nonspecial funding situation's net OPEB liability, deferred outflows of resources, deferred inflows of resources, and OPEB (benefit)/expense are further allocated to employers based on the ratio of the plan members of an individual employer to the total members of the Plan's nonspecial funding situation during the measurement period July 1, 2021 through June 30, 2022. Employer and nonemployer allocation percentages were rounded for presentation purposes; therefore, amounts presented in the schedule of OPEB amounts by employer and nonemployer may result in immaterial differences.

OPEB Expense

The Township has rolled forward the net OPEB liability as of June 30, 2022 with no adjustments. The Division of Local Government Services, Department of Community Affairs, State of New Jersey, is permitting municipalities and counties to include the June 30, 2022 OPEB information in the Notes to the Financial Statements as the June 30, 2023 information has not been released as of the date of this report.

The total OPEB liability as of June 30, 2022 was determined by an actuarial valuation as of July 1, 2021, which was rolled forward to June 30, 2022.

At June 30, 2022, the Township had a liability of \$9,271,321 for its proportionate share of the net OPEB liability. At June 30, 2022, the Township's proportion was .0574% which was a decrease of .0023% from its proportion measured as of June 30, 2021.

For the year ended June 30, 2022 the Township's OPEB expense as determined by the State of New Jersey Division of Pensions and Benefits was \$1,714,342.

The Township's actual post retirement payments in 2023 for 30 retiree employees were \$503,723.64.

NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2023
(Continued)

Note 7: Post-Retirement Benefits other than Pensions (OPEB) (Cont'd)

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

Actuarial Assumptions and Other Inputs

The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement.

Salary Increases*:

Public Employees' Retirement System (PERS)

Rate for all future years 2.75% to 6.55% based on years of service

Police and Firemen's Retirement System (PFRS)

Rate for all future years 3.25% to 16.25% based on years of service

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

Mortality:

PERS Pub-2010 General classification headcount weighted mortality with fully generational mortality improvement projections from the central year using Scale MP-2022

PFRS Pub-2010 Safety classification headcount weighted mortality with fully generational mortality improvement projections from the central year using Scale MP-2022

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

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

Health Care Trend Assumptions

For pre-Medicare medical benefits, the trend rate is 6.25% for fiscal year 2023 and decreases to a 4.50% long term trend rate in 2030. For PPO post 65 medical benefits, the trend rate is -1.89% in fiscal year 2023 and increases to a 4.50% trend rate starting with fiscal year 2033 and later. For HMO Post 65 medical benefits, the trend rate is -1.99% in fiscal year 2023 and increases to a 4.50% trend rate starting with fiscal year 2033 and later. For prescription drug benefits, the trend rate is 8.00% for fiscal year 2023 and decreases to a 4.50% trend rate in 2030 and later.

Discount Rate

The discount rate for June 30, 2022 was 3.54%. This represents the municipal bond rate as chosen by the State. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

TOWNSHIP OF BYRAM
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2023
(Continued)

Note 7: Post-Retirement Benefits other than Pensions (OPEB) (Cont'd)

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

Sensitivity of the Net OPEB Liability Attributable to the Township to Changes in the Discount Rate

The following presents the net OPEB Liability of the Township as of June 30, 2022, calculated using the discount rate as disclosed in this note, as well as what the net OPEB Liability of the Township would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	June 30, 2022		
	At 1% Decrease (2.54%)	At Discount Rate (3.54%)	At 1% Increase (4.54%)
Net OPEB Liability Attributable to the Township	\$ 10,747,327	\$ 9,271,321	\$ 8,083,736

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

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

	June 30, 2022		
	1% Decrease	Healthcare Cost Trend Rate	1% Increase
Net OPEB Liability Attributable to the Township	\$ 7,865,141	\$ 9,271,321	\$ 11,072,242

Note 8: Deferred Compensation

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

Note 9: Selected Tax Information

Property taxes are levied as of January 1 on property values assessed as of the previous calendar year. The tax levy is divided into two billings. The first billing is an estimate of the current year's levy based on the prior year's taxes. The second billing reflects adjustments to the current year's actual levy. The final tax bill is usually mailed on or before June 14th, along with the first half estimated tax bills for the subsequent year. The first half estimated taxes are divided into two due dates, February 1 and May 1.

TOWNSHIP OF BYRAM
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2023
(Continued)

Note 9: Selected Tax Information (Cont'd)

The final tax bills are also divided into two due dates, August 1 and November 1. A ten-day grace period is usually granted before the taxes are considered delinquent and the imposition of interest charges. A penalty may be assessed for any unpaid taxes in excess of \$10,000 at December 31 of the current year. Unpaid taxes of the prior year may be placed in lien at a tax sale held after April 1 and through December 31. Unpaid taxes of the current year may be placed in lien at a tax sale held after December 10.

	2023	2022	2021
<u>Tax Rate</u>	\$ 3.76	\$ 3.66	\$ 3.60
<u>Apportionment of Tax Rate</u>			
Municipal	0.99	0.96	0.95
County	0.66	0.66	0.64
Local School	1.35	1.31	1.30
Regional School	0.77	0.73	0.71
<u>Assessed Valuations</u>			
2023	\$ 926,550,900.00		
2022		\$ 926,776,700.00	
2021			\$ 926,008,400.00

Comparison of Tax Levies and Collections Currently

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

<u>Year</u>	<u>Tax Levy</u>	<u>Currently</u>	
		<u>Cash Collections</u>	<u>Percentage of Collections</u>
2023	\$ 34,885,824.70	\$ 34,427,377.34	98.69%
2022	33,971,360.78	33,455,535.07	98.48%
2021	33,427,799.85	32,977,048.99	98.65%

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

Note 10: Cash and Cash Equivalents

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

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

TOWNSHIP OF BYRAM
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2023
(Continued)

Note 10: Cash and Cash Equivalents (Cont'd)

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

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

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

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

Deposits:

New Jersey statutes require that municipalities deposit public funds in public depositories located in New Jersey which are insured by the Federal Deposit Insurance Corporation, or by any other agency of the United States that insures deposits made in public depositories. Municipalities are also permitted to deposit public funds in the State of New Jersey Cash Management Fund.

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

The market value of the collateral must equal 5% of the average daily balance of public funds on deposit, and

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

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

Investments

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

- (1) Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;
- (2) Government money market mutual funds;
- (3) Any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligation bears a fixed rate of interest not dependent on any index or other external factor;

TOWNSHIP OF BYRAM
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2023
(Continued)

Note 10: Cash and Cash Equivalents (Cont'd)

Investments (Cont'd)

- (4) Bonds or other obligations of the local unit or bonds or other obligations of school districts of which the local unit is a part or within which the school district is located;
- (5) Bonds or other obligations, having a maturity date not more than 397 days from the date of purchase, issued by New Jersey school districts, municipalities, counties, and entities subject to the “Local Authorities Fiscal Control Law” P.L. 1983, c. 313 (C.40A:5A-1 et seq.) Other bonds or obligations having a maturity date not more than 397 days from the date of purchase may be approved by the Division of Local Government Services in the Department of Community Affairs for investment by local units;
- (6) Local government investment pools;
- (7) Deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281 (C.52:18A-90.4); or
- (8) Agreements for the repurchase of fully collateralized securities if:
 - (a) the underlying securities are permitted investments pursuant to paragraphs (1) and (3) of this subsection a. or are bonds or other obligations, having a maturity date not more than 397 days from the date of purchase, issued by New Jersey school districts, municipalities, counties and entities subject to the “Local Authorities Fiscal Control Law”, P.L. 1983 c.313 (C.40A:5A-1 et seq.);
 - (b) the custody of collateral is transferred to a third party;
 - (c) the maturity of the agreement is not more than 30 days;
 - (d) the underlying securities are purchased through a public depository as defined in section 1 of P.L. 1970, c.236 (C.17:9-41); and
 - (e) a master repurchase agreement providing for the custody and security of collateral is executed.

As of December 31, 2023, cash and cash equivalents of the Township consisted of the following:

<u>Fund</u>	<u>Change Funds</u>	<u>Checking Accounts</u>	<u>NJ Cash Management Fund</u>	<u>Total</u>
Current Fund	\$ 425.00	\$ 8,312,715.16	\$ 28,378.87	\$ 8,341,519.03
Other Trust Fund		4,363,532.97		4,363,532.97
Assessment Trust Fund		245,287.87		245,287.87
Animal Control Trust Fund		22,603.73		22,603.73
General Capital Fund		3,575,572.86		3,575,572.86
Sewer Utility Operating Fund		688,814.67		688,814.67
Sewer Utility Capital Fund		1,007,380.58		1,007,380.58
	<u>\$ 425.00</u>	<u>\$ 18,215,907.84</u>	<u>\$ 28,378.87</u>	<u>\$ 18,244,711.71</u>

TOWNSHIP OF BYRAM
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2023
(Continued)

Note 10: Cash and Cash Equivalents (Cont'd)

Investments (Cont'd)

During the period ended December 31, 2023, the Township did not hold any investments. The carrying amount of the Township's cash and cash equivalents at December 31, 2023, was \$18,244,711.71 and the bank balance was \$18,350,594.02. The \$28,378.87 invested with the State of New Jersey Cash Management Fund is uninsured and/or unregistered.

During the period ended December 31, 2022, the Township did not hold any investments. The carrying amount of the Township's cash and cash equivalents at December 31, 2022, was \$16,794,590.35 and the bank balance was \$16,856,260.81. The \$27,013.63 invested with the State of New Jersey Cash Management Fund was uninsured and/or unregistered.

Note 11: 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.

The Township of Byram is a member of the Statewide Insurance Fund, (the "Fund"). The Fund is a risk-sharing public entity risk pool that is both an insured and self-administered group of municipalities established for the purpose of providing low-cost insurance coverage for their members in order to keep local property taxes at a minimum.

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

- a.) Workers' Compensation and Employers' Liability
- b.) General Liability and Auto Liability
- c.) Property Damage
- d.) Boiler and Machinery
- e.) Law Enforcement Liability
- f.) Public Officials' Liability
- g.) Employment Practice Liability
- h.) Crime
- i.) Umbrella Liability
- j.) Environmental Impairment Liability
- k.) Excess Liability

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

The fund can declare and distribute dividends to members upon approval of the State of New Jersey Department of Banking and Insurance. These distributions are divided amongst the members in the same ratio as their individual assessment relates to the total assessment of the membership body.

TOWNSHIP OF BYRAM
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2023
(Continued)

Note 11: Risk Management (Cont'd)

The December 31, 2023 audit report of the Statewide Insurance Fund is not filed as of the date of this audit. Selected financial information for the Fund as of December 31, 2022 is as follows:

	<u>Statewide Insurance Fund</u>
Total Assets	<u>\$ 47,188,767.00</u>
Net Position	<u>\$ 12,401,193.00</u>
Total Revenue	<u>\$ 30,020,936.00</u>
Total Expenses	<u>\$ 32,801,506.00</u>
Change in Net Position	<u>\$ (3,143,024.00)</u>
Members Dividends	<u>\$ 362,454.00</u>

Statements for this fund are available at the Office of the Executive Director:

Statewide Insurance Fund
One Sylvan Way
Parsippany, New Jersey 07054
(862) 260-2050

The Fund can declare and distribute dividends to members upon approval of the State of New Jersey Department of Banking and Insurance. These distributions are divided amongst the members in the same ratio as their individual assessment relates to the total assessment of the membership body.

New Jersey Unemployment Compensation Insurance

The Township has elected to fund its New Jersey Unemployment Compensation Insurance under the “Benefit Reimbursement Method”. Under this plan, the Township is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The Township is billed quarterly for amounts due to the State.

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

<u>Year</u>	<u>Township Contributions</u>	<u>Interest Earned</u>	<u>Employees Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2023	\$ 100.00	\$ 6,004.73	\$ 5,884.40	\$ 8,813.14	\$ 117,555.51
2022	100.00	1,917.14	5,560.20	1,635.25	114,379.52
2021	100.00	428.54	5,141.99	1,019.49	108,437.43

TOWNSHIP OF BYRAM
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2023
 (Continued)

Note 12: Interfund Receivables and Payables

The following interfund balances remain on the various balance sheets at December 31, 2023:

<u>Fund</u>	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
Current Fund	\$ 2,095.94	\$ 425,118.84
General Capital Fund	225,500.00	
Animal Control Fund		2,094.93
Other Trust Funds	199,618.84	
Payroll - Health Reimbursement Account		1.01
	<u>\$ 427,214.78</u>	<u>\$ 427,214.78</u>

The Township’s interfund receivable in Current Fund is a result of the statutory excess in the Animal Control Fund of \$2,094.93 and for interest earned in the Payroll Health Reimbursement Account of \$1.01 not turned over at year end. The interfund payable from Current Fund of \$199,618.84 to the Other Trust Funds is for the Reserve for Sick and Vacation Leave. The interfund receivable in General Capital Fund is a of result of fully charging off the budgeted Capital Improvement Fund.

Note 13: Economic Dependency

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

Note 14: Contingent Liabilities

The Township is periodically involved in various lawsuits arising in the normal course of business, including claims for property damage, personal injury, and various contract disputes. The Township vigorously contests all lawsuits and believes the ultimate resolution would not have a material adverse effect on its financial position.

Various tax appeals on assessed valuations have been filed against the Township. The ultimate outcome and effect of such appeals have not been determined; however, the Township Tax Assessor will aggressively defend the Township’s assessments. The Township has established a reserve in the amount of \$800,232.11 which it feels should be sufficient to cover these tax appeals.

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

TOWNSHIP OF BYRAM
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2023
(Continued)

Note 15: Open Space Trust Reserve

The Township created an Open Space Trust Fund with a tax levy of \$.02 per \$100 of assessed valuation in 1999. The funds collected are used to acquire and maintain open space property in the Township. The 2023 Open Space tax levy was \$110,514.86. The balance of the Open Space Trust Fund as of December 31, 2023 was \$428,267.30.

The Township of Byram also received grants for the acquisition of open space land previously purchased by the municipality. The intention of the municipality is to use this funding to offset the debt issued to acquire these properties. These funds are being held in a Reserve for Open Space – Debt Service on the Other Trust Fund balance sheet. The reserve disbursed \$44,331.87 during the current year to fund the debt service payments of the current year. The balance of the Open Space Trust Fund – Debt Service as of December 31, 2023 was \$44,331.86.

Note 16: Fixed Assets

The following schedule is a summary of general fixed assets for the years ended December 31, 2023 and 2022:

	Balance December 31, 2022	Additions	Deletions	Balance December 31, 2023
Land	\$ 6,378,800.00			\$ 6,378,800.00
Buildings	5,497,095.00			5,497,095.00
Equipment and Vehicles	7,780,814.21	\$ 712,211.00	\$ 349,014.00	8,144,011.21
	<u>\$ 19,656,709.21</u>	<u>\$ 712,211.00</u>	<u>\$ 349,014.00</u>	<u>\$ 20,019,906.21</u>
	Balance December 31, 2021	Additions	Deletions	Balance December 31, 2022
Land	\$ 6,378,800.00			\$ 6,378,800.00
Buildings	5,497,095.00			5,497,095.00
Equipment and Vehicles	7,839,791.51	\$ 477,578.80	\$ 536,556.10	7,780,814.21
	<u>\$ 19,715,686.51</u>	<u>\$ 477,578.80</u>	<u>\$ 536,556.10</u>	<u>\$ 19,656,709.21</u>

Note 17: Self-Insurance

The Reserve for Self-Insurance was established in the Other Trust Funds to fund the Township’s self-insured retention for Employment Practices Liability (“EPL”) and Public Officials Liability (“POL”) claims should they occur. The Township’s obligation or exposure on an EPL/POL claim is the first \$10,000 of the claim.

TOWNSHIP OF BYRAM

SUPPLEMENTARY DATA

TOWNSHIP OF BYRAM
OFFICIALS IN OFFICE AND SURETY BONDS
YEAR ENDED DECEMBER 31, 2023

Name	Title	Amount of Bond
Alexander Rubenstein	Mayor	
Raymond Bonker	Deputy Mayor	
Harvey Roseff	Councilman	
Cris Franco	Councilwoman	
Jack Gallagher	Councilman	
Joseph W. Sabatini	Township Manager	(A)
Ashleigh Frueholz	Chief Financial Officer/Deputy Tax Collector	(A)
Michele McElroy	Tax/Sewer Collector	(A)
Peter Karcher	Building Inspector	(A)
Penny Holenstein	Tax Assessor	(A)
Cynthia Church	Township Clerk	(A)

All bonds were examined and were properly executed.

(A) A Blanket Position Bond for \$1,000,000 was issued by Statewide Insurance Fund and covers those noted above and also covers the Road Superintendent and Environmental Commission.

TOWNSHIP OF BYRAM
COUNTY OF SUSSEX
2023
CURRENT FUND

TOWNSHIP OF BYRAM
CURRENT FUND
SCHEDULE OF CASH

	<u>Ref.</u>	
Balance December 31, 2022	A	\$ 7,696,477.60
Increased by Receipts:		
Tax Collector		\$ 34,963,557.05
Revenue Accounts Receivable		1,406,124.67
Miscellaneous Revenue Not Anticipated		292,674.93
Due Animal Control Trust Fund:		
Prior Year Interfund Returned		6,888.11
Interest Due Current Fund		1,257.92
Due Other Trust Fund:		
Tax Sale Premium		141,800.00
Interest Due Current Fund		164,227.86
Due General Capital Fund:		
Interest Due Current Fund		177,888.46
Due Special Assessment Trust Fund:		
Interest Due Current Fund		15,601.97
Due Payroll Fund:		
Interest Due Current Fund		3,629.55
Due Health Reimbursement Account:		
Interest Due Current Fund		0.01
Due State of New Jersey:		
Marriage License Fees		475.00
Lead-Based Paint Hazard Fees		60.00
Veterans and Senior Citizens' Deductions		45,000.00
Appropriation Refunds		51,280.53
Unappropriated Grants:		
Body Armor Replacement Fund		1,459.82
Reserve for Municipal Relief Fund aid		60,025.27
Reserve for Sale of Municipal Assets		47,786.86
Reserve for Garden State Preservation Trust		9,702.00
		37,389,440.01
		45,085,917.61

TOWNSHIP OF BYRAM
CURRENT FUND
SCHEDULE OF CASH
(Continued)

	<u>Ref.</u>	
Decreased by Disbursements:		
2023 Appropriation Expenditures	\$	9,455,458.58
2022 Appropriation Reserves		563,456.92
Local School Taxes		12,458,668.00
Regional High School Taxes		7,092,910.00
County Taxes		6,125,943.51
Due Other Trust Funds:		
Open Space Tax Levy		110,514.86
Prior Year Interfund Returned		300,000.00
Tax Sale Premiums		141,800.00
Due General Capital Fund:		
Prior Year Interfund Returned		3,067.28
Redemption of Outside Liens		98,635.36
Due State of New Jersey:		
DCA Training Fees		5,154.00
Marriage License Fees		325.00
Lead-Based Paint Hazard Fees		60.00
Due Borough of Netcong:		
Construction Fees		4,630.65
Appropriated Grant Reserves:		
Recycling Tonnage Grant		26,157.15
Municipal Alliance on Alcoholism and Drug Abuse		8,053.93
Body Armor Replacement Fund		2,350.46
Sussex Trail		5,000.00
Clean Communities		14,044.69
Highlands Grant		110,618.75
PSE&G Susquehanna Roseland Agreement		55,129.40
Risk Control Grant		5,411.44
Radon Awareness Grant		550.00
ARP: Firefighter's Grant		10,954.70
FEMA Public Assistance Grant		120,057.03
Accounts Payable		654.00
Refund of Prior Year Revenue		4,605.45
Tax Overpayments		20,612.42
		\$ 36,744,823.58
Balance December 31, 2023	A	\$ 8,341,094.03

TOWNSHIP OF BYRAM
CURRENT FUND
SCHEDULE OF CASH - COLLECTOR
YEAR ENDED DECEMBER 31, 2023

Increased by Receipts:	
Taxes Receivable	\$ 34,535,162.92
Tax Title Liens	9,154.83
Interest and Costs on Taxes	98,799.15
2024 Prepaid Taxes	194,717.74
Tax Overpayments	25,007.91
Outside Liens	98,635.36
Other Miscellaneous	2,079.14
	<hr/>
	\$ 34,963,557.05
Decreased by:	
Disbursed to Municipal Treasurer	<u><u>\$ 34,963,557.05</u></u>

TOWNSHIP OF BYRAM
SCHEDULE OF CASH - GRANT FUNDS
YEAR ENDED DECEMBER 31, 2023

NOT APPLICABLE

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

Year	Balance Dec. 31, 2022	Collections		State of NJ Veterans' and Senior Citizens' Deductions	Cancelled	Transferred to Tax Title Liens	Transferred to Foreclosures	Balance Dec. 31, 2023
		2022	2023					
2012	\$ 2,922.84							\$ 2,922.84
2013	3,010.24							3,010.24
2014	3,055.32			\$ (250.00)				3,305.32
2015	3,071.88			(250.00)				3,321.88
2016	3,151.00			(250.00)				3,401.00
2017	3,204.36			(250.00)				3,454.36
2018	3,261.40			(250.00)				3,511.40
2019	3,283.48			(250.00)				3,533.48
2020	3,288.08			(250.00)				3,538.08
2021	3,315.68			(250.00)				3,565.68
2022	374,163.31		\$ 374,546.11	(1,750.00)				1,367.20
	405,727.59		374,546.11	(3,750.00)				34,931.48
2023	\$ 34,885,824.70	\$ 218,010.53	34,160,616.81	48,750.00	\$ 40,325.35	\$ 45,245.58	\$ 9,179.28	\$ 363,697.15
	\$ 405,727.59	\$ 34,885,824.70	\$ 34,535,162.92	\$ 45,000.00	\$ 40,325.35	\$ 45,245.58	\$ 9,179.28	\$ 398,628.63

Ref. A

Analysis of 2023 Property Tax Levy:

Tax Yield:	
General Purpose Tax	\$ 34,856,844.77
Added and Omitted Taxes	28,979.93
	<u>\$ 34,885,824.70</u>
Tax Levy:	
Local School District Taxes	\$ 12,458,668.00
Regional High School District Taxes	7,092,910.00
County Taxes	\$ 6,116,647.96
County Added and Omitted Taxes	5,107.39
	<u>6,121,755.35</u>
Local Tax for Open Space - Due Other Trust Funds	110,514.86
	<u>25,783,848.21</u>
Local Tax for Municipal Purposes Levied	9,076,889.00
Add: Additional Tax Levied	25,087.49
	<u>9,101,976.49</u>
	<u>\$ 34,885,824.70</u>

A

TOWNSHIP OF BYRAM
CURRENT FUND
SCHEDULE OF TAX TITLE LIENS

	<u>Ref.</u>		
Balance December 31, 2022	A		\$ 995,826.25
Increased by:			
Transfer from Current Year Taxes Receivable		<u>\$ 45,245.58</u>	<u>45,245.58</u>
			1,041,071.83
Decreased by:			
Transferred to Foreclosure		320,584.56	
Redeemed		<u>9,154.83</u>	
			<u>329,739.39</u>
Balance December 31, 2023	A		<u><u>\$ 711,332.44</u></u>

TOWNSHIP OF BYRAM
CURRENT FUND
SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE

	Balance Dec. 31, 2022	Accrued In 2023	Collected by Treasurer	Cancelled	Balance Dec. 31, 2023
Municipal Clerk:					
Alcoholic Beverage Licenses		\$ 6,342.00	\$ 6,342.00		
Fees and Permits		10,924.75	10,924.75		
Planning/Zoning Board Fees:					
Fees and Permits		23,521.25	23,521.25		
Police:					
Fees and Permits		12,820.00	12,820.00		
Board of Health:					
Fees and Permits		11,805.00	11,805.00		
Septic Fees		3,195.00	3,195.00		
Municipal Court:					
Fines and Costs	\$ 7,610.98	62,213.13	60,461.95		\$ 9,362.16
Interest on Deposits		403,889.16	403,889.16		
Garden State Preservation		41,920.00	41,920.00		
Municipal Relief Fund Aid		30,019.00	30,019.00		
Energy Receipts Taxes		579,452.88	579,452.88		
Clean Communities Grant		24,437.74	24,437.74		
Highlands Grant	232,914.61	182,250.00	20,398.75		394,765.86
Reserve to Pay Debt Service		25,000.00	25,000.00		
Prior Year Anticipated Assessment Fund Balance		9,569.00	9,569.00		
Recycling Tonnage Grant		20,711.26	20,711.26		
Local Recreation Improvement Grant	75,000.00		75,000.00		
Sussex County Trails Grant	5,000.00		5,000.00		
Municipal Alliance Grant	1,956.00	9,792.00	5,847.93	\$ 26.07	5,874.00
Risk Control Grant		5,411.44	2,653.00		2,758.44

TOWNSHIP OF BYRAM
CURRENT FUND
SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE

	Balance Dec. 31, 2022	Accrued In 2023	Collected by Treasurer	Cancelled	Balance Dec. 31, 2023
Body-Worn Camera Grant	\$ 2,038.00				\$ 2,038.00
Body Armor Replacement		\$ 1,305.76	\$ 1,305.76		
New Jersey Department of Transportation - Tamarack Road	47,625.00		47,625.00		
New Jersey Department of Transportation		139,730.00			139,730.00
Radon Awareness Grant	1,245.50	2,000.00	550.00	\$ 2,695.50	
American Rescue Plan		66,900.00	66,900.00		
ARP: Firefighter's Grant		29,000.00			29,000.00
Stormwater Assistance Grant		25,000.00	15,000.00		10,000.00
	<u>\$ 373,390.09</u>	<u>\$ 1,727,209.37</u>	<u>\$ 1,504,349.43</u>	<u>\$ 2,721.57</u>	<u>\$ 593,528.46</u>

Ref. A

A

	Realized in Cash	\$ 1,406,124.67
	Reserve for Municipal Relief Fund Aid	30,019.00
	Reserve for Grant Funds - Unappropriated: American Rescue Plan	66,900.00
	Reserve for Grant Funds - Unappropriated: Body Armor Replacement Fund	1,305.76
		<u>1,504,349.43</u>

TOWNSHIP OF BYRAM
CURRENT FUND
SCHEDULE OF CONSUMER ACCOUNTS RECEIVABLE
YEAR ENDED DECEMBER 31, 2023

NOT APPLICABLE

TOWNSHIP OF BYRAM
CURRENT FUND
SCHEDULE OF 2022 APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2023

	<u>Balance</u> <u>Dec. 31, 2022</u>	<u>Balance After</u> <u>Modification</u>	<u>Paid or</u> <u>Charged</u>	<u>Balance</u> <u>Lapsed</u>
GENERAL GOVERNMENT:				
General Administration:				
Salaries & Wages	\$ 32,678.81	\$ 32,678.81	\$ 1,036.85	\$ 31,641.96
Other Expenses	28,117.46	28,117.46	11,437.06	16,680.40
Mayor & Council:				
Salaries & Wages	3,500.00	3,500.00		3,500.00
Other Expenses	6,380.51	6,380.51	3,151.75	3,228.76
Municipal Clerk:				
Salaries & Wages	40.00	40.00		40.00
Other Expenses	13,135.33	13,135.33	116.70	13,018.63
Financial Administration:				
Salaries & Wages	16,101.25	16,101.25	474.50	15,626.75
Other Expenses	10,705.69	10,705.69	176.14	10,529.55
Audit Fees	46,000.00	46,000.00	43,003.00	2,997.00
Assessment of Taxes:				
Salaries & Wages	4.72	4.72		4.72
Other Expenses	27,705.59	27,705.59	5,232.29	22,473.30
Revenue Administration (Tax Collection):				
Salaries & Wages	16,678.51	16,678.51	407.50	16,271.01
Other Expenses	13,050.29	13,050.29	1,661.70	11,388.59
Legal Services and Costs:				
Other Expenses - Fees	56,852.86	36,852.86	12,863.90	23,988.96
Environmental Commission:				
Salaries & Wages	1,000.00	1,000.00		1,000.00
Other Expenses	1,897.67	1,897.67	1,809.60	88.07
Engineering Services:				
Other Expenses	23,535.18	13,535.18	10,152.30	3,382.88
LAND USE ADMINISTRATION:				
Planning Board:				
Salaries & Wages	6,560.00	6,560.00		6,560.00
Other Expenses	26,570.37	26,570.37	4,638.17	21,932.20
Zoning Commission:				
Salaries & Wages	2,020.04	2,020.04		2,020.04
Other Expenses	196.08	196.08	38.01	158.07
Insurance: (P.L. 2003, C.92)				
Employee Group Insurance	125,949.26	125,949.26	12.00	125,937.26
Employee Group Insurance-Health Benefit Waiver	10,661.82	10,661.82		10,661.82
PUBLIC SAFETY				
Uniform Fire Safety Act:				
Fire Prevention Bureau:				
Other Expenses	595.50	595.50	525.00	70.50

TOWNSHIP OF BYRAM
CURRENT FUND
SCHEDULE OF 2022 APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2023

(Continued)

	<u>Balance</u> <u>Dec. 31, 2022</u>	<u>Balance After</u> <u>Modification</u>	<u>Paid or</u> <u>Charged</u>	<u>Balance</u> <u>Lapsed</u>
PUBLIC SAFETY				
Fire:				
Uniform Allowance	\$ 49,522.73	\$ 49,522.73	\$ 46,338.09	\$ 3,184.64
Other Expenses	10,500.00	10,500.00		10,500.00
Office of Emergency Management:				
Salaries & Wages	1,500.00	1,500.00		1,500.00
Other Expenses	2,000.00	2,000.00		2,000.00
Police:				
Salaries & Wages	146,712.44	146,712.44	146,390.57	321.87
Other Expenses	40,808.79	40,808.79	16,263.63	24,545.16
Other Expenses - Radio & Comm. 911	3,012.59	3,012.59	308.93	2,703.66
Municipal Court:				
Other Expenses	5,687.90	5,687.90		5,687.90
STREETS AND ROADS:				
Road Repairs and Maintenance:				
Salaries & Wages	114,262.58	114,262.58	64,019.79	50,242.79
Other Expenses - Miscellaneous	54,265.36	24,265.36	15,600.33	8,665.03
Other Expenses - Improvements to Streets & Roads	153,670.51	23,670.51	16,713.35	6,957.16
Other Expenses - Purchase of Vehicles	36,610.00	36,610.00	36,610.00	
Other Expenses - Vehicle Expenses				
Other Expenses - Fleet Maintenance	39,971.48	39,971.48	32,796.45	7,175.03
Public Building and Grounds:				
Other Expenses	4,210.97	4,210.97	1,747.21	2,463.76
Garbage Removal - Contractual	85,376.30	85,376.30	57,698.08	27,678.22
Recycling:				
Other Expenses	9,194.00	9,194.00		9,194.00
HEALTH AND WELFARE:				
Board of Health:				
Other Expenses	4,731.76	4,731.76	144.63	4,587.13
Animal Control:				
Other Expenses	6,500.00	6,500.00		6,500.00
RECREATION AND EDUCATION:				
Parks and Playground:				
Salaries & Wages	10,425.10	10,425.10	571.20	9,853.90
Other Expenses	4,612.25	4,612.25	189.44	4,422.81
Senior Citizens Transportation:				
Salaries & Wages	3,969.93	3,969.93	51.00	3,918.93
Celebration of Public Events:				
Other Expenses	1,600.73	1,600.73		1,600.73

TOWNSHIP OF BYRAM
CURRENT FUND
SCHEDULE OF 2022 APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2023
(Continued)

	Balance Dec. 31, 2022	Balance After Modification	Paid or Charged	Balance Lapsed
UNIFORM CONSTRUCTION CODE:				
Construction Code Official:				
Salaries & Wages	\$ 22,455.49	\$ 22,455.49	\$ 2,098.74	\$ 20,356.75
Other Expenses	3,564.43	3,564.43	1,109.76	2,454.67
UNCLASSIFIED:				
Utilities:				
Heating Oil	22,907.71	22,907.71	11,880.46	11,027.25
Street Lighting	11,632.00	11,632.00	8,183.02	3,448.98
Electricity	12,575.42	12,575.42	2,745.76	9,829.66
Gasoline	26,085.03	16,085.03	11,365.00	4,720.03
Telephone	5,998.71	5,998.71	126.99	5,871.72
Municipal Sewer Charges	733.32	733.32		733.32
Public Employee's Retirement System	19,778.86	19,778.86		19,778.86
Defined Contribution Retirement Plan	1,190.25	1,190.25		1,190.25
Musconetcong Sewer Authority Fees	437.55	437.55		437.55
Recycling Tax Appropriation	4,857.30	4,857.30	667.68	4,189.62
CAPITAL IMPROVEMENTS:				
Capital Improvement Fund		200,000.00	200,000.00	
	<u>\$ 1,391,298.43</u>	<u>\$ 1,391,298.43</u>	<u>\$ 770,356.58</u>	<u>\$ 620,941.85</u>
<u>Ref.</u>				
<u>Analysis of Balance @ 12/31/2022</u>				
Unencumbered	A \$ 1,116,093.23			
Encumbered	A 275,205.20			
	<u>\$ 1,391,298.43</u>			
<u>Analysis of Paid or Charged</u>				
Cash Disbursed			\$ 563,456.92	
Accounts Payable			6,899.66	
Due to Other Trust Fund - Reserve for Sick and Vacation Leave			200,000.00	
			<u>\$ 770,356.58</u>	

TOWNSHIP OF BYRAM
CURRENT FUND
SCHEDULE OF LOCAL SCHOOL DISTRICT TAXES PAYABLE
YEAR ENDED DECEMBER 31, 2023

Increased by:		
Levy - Calendar Year 2023		<u>\$ 12,458,668.00</u>
Decreased by:		
Payments to Local School District		<u><u>\$ 12,458,668.00</u></u>

CURRENT FUND
SCHEDULE OF REGIONAL HIGH SCHOOL DISTRICT TAXES PAYABLE
YEAR ENDED DECEMBER 31, 2023

Increased by:		
Levy - Calendar Year 2023		<u>\$ 7,092,910.00</u>
Decreased by:		
Payments to Regional High School District		<u><u>\$ 7,092,910.00</u></u>

TOWNSHIP OF BYRAM
CURRENT FUND
SCHEDULE OF SPECIAL EMERGENCY NOTES PAYABLE
YEAR ENDED DECEMBER 31, 2023

NOT APPLICABLE

TOWNSHIP OF BYRAM
COUNTY OF SUSSEX
2023
TRUST FUNDS

TOWNSHIP OF BYRAM
TRUST FUNDS
SCHEDULE OF CASH - TREASURER

Ref.	Animal Control Fund	Assessment Trust Fund	Other Trust Funds
Balance December 31, 2022	\$ 26,825.71	\$ 299,920.18	\$ 4,067,992.76
Increased by Receipts:			
Due Current Fund:			
Interest on Investments	\$ 1,257.92	\$ 15,601.97	\$ 164,580.09
Prior Year Interfund Returned			300,000.00
Dog License Fees	8,025.00		
State Registration Fees	1,230.00		
Miscellaneous Fees	1,285.00		
Trust Assessment Collections		89,167.60	
DCA Training Fees			20,959.00
Master Escrow Deposits			161,786.95
Tax Sale Premiums			141,800.00
Parking Offense Adjudication Act			6.00
Unemployment Insurance Deposits			11,989.13
Reserve for School Diesel Agreement			44,756.23
Reserve for Outside Police Services			532,426.00
Uniform Construction Costs			377,027.00
Open Space Trust:			
Interest on Investments			26,266.00
Tax Levy			110,514.86
Reserve for Sick and Vacation Leave			100.00
Recreation Deposits			6,248.00
Affordable Housing Deposits			53,226.37
	<u>11,797.92</u>	<u>104,769.57</u>	<u>1,951,685.63</u>
	38,623.63	404,689.75	6,019,678.39

TOWNSHIP OF BYRAM
TRUST FUNDS
SCHEDULE OF CASH - TREASURER

Ref.	Animal Control Fund	Assessment Trust Fund	Other Trust Funds
Decreased by Disbursements:			
Due Current Fund:			
Prior Year Interfund Returned	\$ 6,888.11		
Interest Earned	1,257.92	\$ 15,601.97	\$ 164,227.86
Fund Balance anticipated as Current Fund Revenue		9,569.00	
State of New Jersey Board of Health	1,212.00		
Expenditures Under R.S. 4:19-15.11	6,661.87		
Department of Environmental:			
Protection Loan Payment		134,230.91	
DCA Training Fees			14,683.00
Master Escrow Expenditures			142,799.49
Tax Sale Premiums			73,900.00
Unemployment Insurance Expenditures			8,813.14
Reserve for Sick and Vacation Leave			93,964.76
Open Space Trust:			
Open Space Expenditures			143,727.99
Debt Service Expenditures			44,331.87
Reserve for School Diesel Agreement			36,955.84
Reserve for Outside Police Services			568,838.08
Reserve for Uniform Construction Code			315,249.91
Housing Rehabilitation Expenditures			40,600.00
Recreation Expenditures			8,053.48
	\$ 16,019.90	\$ 159,401.88	\$ 1,656,145.42
Balance December 31, 2023	\$ 22,603.73	\$ 245,287.87	\$ 4,363,532.97

TOWNSHIP OF BYRAM
ANIMAL CONTROL TRUST FUND
SCHEDULE OF ANIMAL CONTROL FUND CASH - COLLECTOR
YEAR ENDED DECEMBER 31, 2023

NOT APPLICABLE

TOWNSHIP OF BYRAM
ASSESSMENT TRUST FUND
ANALYSIS OF CASH

	Receipts		Disbursements		Balance Dec. 31, 2023
	Balance Dec. 31, 2022	Assessments Receivable	Miscellaneous	N.J. Department of Environmental Protection Loan	
Fund Balance	\$ 38,277.00		\$ 9,569.00		\$ 28,708.00
Due Current Fund		\$ 15,601.97	15,601.97		
Assessments Loans:					
Ord.					
No.	Improvement Description				
12-16	Improvement for Forest Lake Club Association	\$ 89,167.60		\$ 134,230.91	216,579.87
		\$ 89,167.60	\$ 25,170.97	\$ 134,230.91	\$ 245,287.87

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

	<u>Ref.</u>	
Balance December 31, 2022	B	\$ 19,923.20
Increased by:		
Dog License Fees:		
Collected in Current Year		\$ 8,025.00
Miscellaneous Fees		1,285.00
		9,310.00
		29,233.20
Decreased by:		
Expenditures Under R.S. 4:19-15.11		6,661.87
Statutory Excess Due to Current Fund		2,094.93
		8,756.80
Balance December 31, 2023	B	\$ 20,476.40

<u>License Fees Collected</u>	<u>Amount</u>
<u>Year</u>	
2021	\$ 11,105.60
2022	9,370.80
	20,476.40
Maximum Allowable Reserve	\$ 20,476.40

TOWNSHIP OF BYRAM
 ASSESSMENT TRUST FUND
SCHEDULE OF ASSESSMENT RECEIVABLE

Ord. No.	Improvement Description	Balance		Collected	Balance Dec. 31, 2023	Balance Pledged to	
		Dec. 31, 2022				N.J. Department of Environmental Protection Loan	Forest Lakes Club Association
12-16	Improvement to Forest Lake Club Association	\$ 251,417.94	\$ 89,167.60	\$ 89,167.60	\$ 162,250.34	\$ 108,525.74	\$ 53,724.60
		<u>\$ 251,417.94</u>	<u>\$ 89,167.60</u>	<u>\$ 89,167.60</u>	<u>\$ 162,250.34</u>	<u>\$ 108,525.74</u>	<u>\$ 53,724.60</u>

Ref.

B

B

B

TOWNSHIP OF BYRAM
ASSESSMENT TRUST FUND
SCHEDULE OF N.J. DEPARTMENT OF ENVIRONMENTAL PROTECTION LOAN PAYABLE

Ord. No.	Improvement Description	Balance Dec. 31, 2022	Matured	Balance Dec. 31, 2023
12-16	Forest Lake Club Association	\$ 469,808.20	\$ 134,230.91	\$ 335,577.29
	<u>Ref.</u>	B		B
	<u>Date</u>	<u>Payment</u>		<u>Balance of Loan</u>
				\$ 335,577.29
	5/2/2024	\$ 67,115.46		268,461.83
	11/2/2024	67,115.45		201,346.38
	5/2/2025	67,115.45		134,230.92
	11/2/2025	67,115.46		67,115.46
	5/2/2026	67,115.46		-0-
		<u>\$ 335,577.29</u>		

TOWNSHIP OF BYRAM
ASSESSMENT TRUST FUND
SCHEDULE OF ASSESSMENT LIENS RECEIVABLE

<u>Ord.</u> <u>No.</u>	<u>Improvement Description</u>	<u>Balance</u> <u>Dec. 31, 2022</u>	<u>Balance</u> <u>Dec. 31, 2023</u>	<u>Balance Pledged to</u> <u>N.J. Department of</u> <u>Environmental</u> <u>Protection Loan</u>
12-16	Improvement to Forest Lake Club Association	\$ 10,471.68	\$ 10,471.68	\$ 10,471.68
		<u>\$ 10,471.68</u>	<u>\$ 10,471.68</u>	<u>\$ 10,471.68</u>
	<u>Ref.</u>	B	B	

TOWNSHIP OF BYRAM
COUNTY OF SUSSEX
2023
GENERAL CAPITAL FUND

TOWNSHIP OF BYRAM
GENERAL CAPITAL FUND
SCHEDULE OF CASH

	<u>Ref.</u>	
Balance December 31, 2022	C	\$ 3,023,304.12
Increased by:		
Budget Appropriation:		
Capital Improvement Fund	\$	842,573.00
Reserve for Drainage		5,000.00
Reserve for Road Resurfacing		100,000.00
Premium on Note Sale		1,203.00
Bond Anticipation Notes Issued		150,000.00
Due Current Fund:		
Interfund Returned		3,067.28
Interest		177,888.46
		1,279,731.74
		4,303,035.86
Decreased By:		
Improvement Authorizations		524,574.54
Reserve to Pay Debt Service Anticipated in Budget		25,000.00
Due Current Fund:		
Interest		177,888.46
		727,463.00
Balance December 31, 2023	C	\$ 3,575,572.86

TOWNSHIP OF BYRAM
GENERAL CAPITAL FUND
SCHEDULE OF DEFERRED CHARGED TO FUTURE TAXATION - UNFUNDED

Ord. No.	Improvement Description	Balance	2023	Funded by	Balance	Analysis of Balance	
		December 31, 2022	Authorizations	Budget Appropriation	December 31, 2023	Bond Anticipation Notes	Unexpended Improvement Authorizations
18-16	Various Capital Improvements	\$ 106,000.00		\$ 40,500.00	\$ 65,500.00	\$	\$ 65,500.00
09-18	Fire Fighting Equipment	313,200.00		52,200.00	261,000.00		261,000.00
11-19	Prelim Expenses - New Municipal Building	255,500.00		29,500.00	226,000.00		226,000.00
14-19	Acquisition of New and Additional Equipment	140,800.00		17,600.00	123,200.00		123,200.00
12-23	DPW Facilities		\$ 427,000.00		427,000.00		\$ 277,000.00
		<u>\$ 815,500.00</u>	<u>\$ 427,000.00</u>	<u>\$ 139,800.00</u>	<u>\$ 1,102,700.00</u>	<u>\$ 825,700.00</u>	<u>\$ 277,000.00</u>

Improvement Authorizations - Unfunded		\$	433,835.60
Less: Unexpended Proceeds of Bond Anticipation Notes Issued:			
18-16 Various Capital Improvements		(65,500.00)	
09-18 Fire Fighting Equipment		(8,339.21)	
11-19 Prelim Expenses - New Municipal Building		(6,575.00)	
14-19 Acquisition of New and Additional Equipment		(2,046.69)	
12-23 DPW Facilities		(74,374.70)	
		<u>\$ 277,000.00</u>	

TOWNSHIP OF BYRAM
GENERAL CAPITAL FUND
SCHEDULE OF CAPITAL IMPROVEMENT FUND

Balance December 31, 2022	<u>Ref.</u> C	\$ 1,136,582.46
Increased by:		
2022 Budget Appropriation Reserves	\$ 200,000.00	
2023 Budget Appropriation	868,073.00	
Improvement Authorizations Cancelled	<u>55,520.83</u>	
		<u>1,123,593.83</u>
		2,260,176.29
Decreased by:		
Appropriated to Finance Improvement Authorizations		<u>442,000.00</u>
Balance December 31, 2023	C	<u><u>\$ 1,818,176.29</u></u>

TOWNSHIP OF BYRAM
GENERAL CAPITAL FUND
SCHEDULE OF BOND ANTICIPATION NOTES PAYABLE

Ord. No.	Improvement Description	Date of			Interest Rate	Balance		Matured	Balance Dec. 31, 2023
		Original Issue	Issue	Maturity		Dec. 31, 2022	Issued		
18-16	Various Capital Improvements	09/22/16	09/15/22 09/14/23	09/15/23 06/14/24	3.75% 4.75%	\$ 106,000.00	\$ 106,000.00	\$ 65,500.00	
09-18	Fire Fighting Equipment	09/20/18	09/15/22 09/14/23	09/15/23 06/14/24	3.75% 4.75%	313,200.00	313,200.00	261,000.00	
11-19	Preliminary Expenses - New Municipal Building	09/17/20	09/15/22	09/15/23	3.75%	80,000.00	80,000.00	70,000.00	
14-19	Various Capital Improvements	09/16/21	09/15/22 09/14/23	06/14/24 06/14/24	4.75% 3.75%	175,500.00	175,500.00	156,000.00	
12-23	DPW Facilities	09/17/20	09/15/22 09/14/23	09/15/23 06/14/24	3.75% 4.75%	140,800.00	140,800.00	123,200.00	
		09/14/23	09/14/23	06/14/24	4.75%	150,000.00	150,000.00	150,000.00	
					<u>Ref.</u>	\$ 815,500.00	\$ 815,500.00	\$ 825,700.00	
						C		C	
					Issued for Cash	\$ 150,000.00			
					Renewed	675,700.00	\$ 675,700.00		
					Paid By Budget Appropriation		139,800.00		
						\$ 825,700.00	\$ 815,500.00	\$ 815,500.00	

TOWNSHIP OF BYRAM
 GENERAL CAPITAL FUND
SCHEDULE OF SERIAL BONDS PAYABLE

Purpose	Date of Issue	Original Issue	Maturity of Bonds		Interest Rate	Balance		
			Date	Outstanding December 31, 2023 Amount		Dec. 31, 2022	Matured	Dec. 31, 2023
Open Space Bonds	10/01/05	\$ 1,140,000.00	10/01/24	\$ 60,000.00	4.000%	\$ 120,000.00	\$ 60,000.00	\$ 60,000.00
General Improvement Bonds	09/24/15	1,928,000.00	09/01/24	200,000.00	2.750%	528,000.00	200,000.00	328,000.00
			09/01/25	128,000.00	2.750%			
					<u>Ref.</u>			
						\$ 648,000.00	\$ 260,000.00	\$ 388,000.00
						<u>C</u>		<u>C</u>

TOWNSHIP OF BYRAM
GENERAL CAPITAL FUND
SCHEDULE OF GREEN ACRES LOAN PAYABLE

Balance December 31, 2022	<u>Ref.</u> C	\$ 133,165.62
Decreased by:		
Loan Payments		28,570.42
Balance December 31, 2023	C	\$ 104,595.20

SCHEDULE OF PRINCIPAL AND INTEREST PAYMENTS
OUTSTANDING DECEMBER 31, 2023

Payment Number	Maturity Date	Interest Rate	Payment of		Balance of Loan
			Interest	Principal	
					\$ 52,297.60
33	05/17/24	2.0%	\$ 522.98	\$ 7,249.92	45,047.68
34	11/17/24	2.0%	450.48	7,322.42	37,725.26
35	05/17/25	2.0%	377.25	7,395.65	30,329.61
36	11/17/25	2.0%	303.30	7,469.60	22,860.01
37	05/17/26	2.0%	228.60	7,544.30	15,315.71
38	11/17/26	2.0%	153.16	7,619.74	7,695.97
39	05/17/27	2.0%	76.96	7,695.97	-0-
			\$ 2,112.73	\$ 52,297.60	

TOWNSHIP OF BYRAM
GENERAL CAPITAL FUND
SCHEDULE OF GREEN ACRES LOAN PAYABLE
(Continued)

SCHEDULE OF PRINCIPAL AND INTEREST PAYMENTS
OUTSTANDING DECEMBER 31, 2023

Payment Number	Maturity Date	Interest Rate	Payment of		Balance of Loan
			Interest	Principal	
					\$ 52,297.60
33	05/17/24	2.0%	\$ 522.98	\$ 7,249.92	45,047.68
34	11/17/24	2.0%	450.48	7,322.42	37,725.26
35	05/17/25	2.0%	377.25	7,395.65	30,329.61
36	11/17/25	2.0%	303.30	7,469.60	22,860.01
37	05/17/26	2.0%	228.60	7,544.30	15,315.71
38	11/17/26	2.0%	153.16	7,619.74	7,695.97
39	05/17/27	2.0%	76.96	7,695.97	-0-
			<u>\$ 2,112.73</u>	<u>\$ 52,297.60</u>	

TOWNSHIP OF BYRAM
GENERAL CAPITAL FUND
SCHEDULE OF BONDS & NOTES AUTHORIZED BUT NOT ISSUED

<u>Ord. Number</u>	<u>Ord. Date</u>	<u>Improvement Description</u>	<u>2023 Authorizations</u>	<u>Bond Anticipation Notes Issued</u>	<u>Balance Dec. 31, 2023</u>
12-23	06/07/23	DPW Facilities	\$ 427,000.00	\$ 150,000.00	\$ 277,000.00
			<u>\$ 427,000.00</u>	<u>\$ 150,000.00</u>	<u>\$ 277,000.00</u>

TOWNSHIP OF BYRAM
COUNTY OF SUSSEX
2023
WATER UTILITY FUND

NOT APPLICABLE

TOWNSHIP OF BYRAM
COUNTY OF SUSSEX
2023
SEWER UTILITY FUND

TOWNSHIP OF BYRAM
SEWER UTILITY FUND
SCHEDULE OF CASH - TREASURER

	<u>Ref.</u>	<u>Operating</u>	<u>Capital</u>
Balance December 31, 2022	E	\$ 608,190.64	\$ 1,071,454.34
Increased by Receipts:			
Consumer Accounts Receivable		\$ 296,183.04	
Sewer Overpayments		3,747.19	
Prepaid Sewer Rents		14,323.86	
Miscellaneous Revenue not Anticipated:			
Interest on Sewer Deposits		34,033.85	
Interest on Sewer Rents		668.35	
Other Sewer Fees		33,400.51	
Miscellaneous Refunds		3,055.20	
Due Sewer Utility Capital Fund		49,198.38	
Due Sewer Utility Operating Fund:			
Interest Earned			\$ 49,198.38
Bond Anticipation Notes Issued			100,000.00
Budget Appropriation:			
Capital Improvement Fund		434,610.38	247,498.38
		<u>1,042,801.02</u>	<u>1,318,952.72</u>
Decreased by Disbursements:			
2023 Budget Appropriations		345,345.45	
2022 Appropriation Reserves		4,965.90	
Interest on Bond Anticipation Notes		3,675.00	
Improvement Authorizations			262,373.76
Due Sewer Utility Operating Fund			49,198.38
		<u>353,986.35</u>	<u>311,572.14</u>
Balance December 31, 2023	E	<u>\$ 688,814.67</u>	<u>\$ 1,007,380.58</u>

TOWNSHIP OF BYRAM
SEWER UTILITY OPERATING FUND
SCHEDULE OF CASH - COLLECTOR
FOR THE YEAR ENDED DECEMBER 31, 2023

NOT APPLICABLE

TOWNSHIP OF BYRAM
SEWER UTILITY CAPITAL FUND
ANALYSIS OF SEWER CAPITAL CASH

Ord. No.	Improvement Description	Balance Dec. 31, 2022	Receipts			Disbursements			Transfers From To	Balance Dec. 31, 2023
			Budget Appropriation	Bond Anticipation Notes	Miscellaneous	Improvement Authorizations	Miscellaneous			
	Capital Improvement Fund	\$ 905,744.70	\$ 98,300.00							\$ 954,044.70
	Due Sewer Utility Operating Fund			\$ 49,198.38		\$ 49,198.38				
06-12	Sewer Utility Improvements	21,134.96								21,134.96
19-16	Sewer Utility Improvements	144,574.68	\$ 100,000.00		\$ 242,403.76					2,170.92
08-23	Sewer Utility Improvements				19,970.00			\$ 50,000.00		30,030.00
		\$ 1,071,454.34	\$ 98,300.00	\$ 100,000.00	\$ 49,198.38	\$ 262,373.76	\$ 49,198.38	\$ 50,000.00	\$ 50,000.00	\$ 1,007,380.58

TOWNSHIP OF BYRAM
SEWER UTILITY OPERATING FUND
SCHEDULE OF CONSUMER ACCOUNTS RECEIVABLE

	<u>Ref.</u>	
Balance December 31, 2022	E	\$ 3,434.86
Increased by:		
Sewer Rents Levied		318,124.96
		321,559.82
Decreased by Collections:		
Sewer Rents	\$ 296,183.04	
Prepaid Sewer Rents Applied	22,952.10	
		319,135.14
Balance December 31, 2023	E	\$ 2,424.68

TOWNSHIP OF BYRAM
SEWER UTILITY OPERATING FUND
SCHEDULE OF LIENS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2023

NOT APPLICABLE

TOWNSHIP OF BYRAM
SEWER UTILITY CAPITAL FUND
SCHEDULE OF FIXED CAPITAL

	<u>Balance</u> <u>Dec. 31, 2022</u>	<u>Balance</u> <u>Dec. 31, 2023</u>
Sewer Plant	<u>\$ 2,435,880.30</u>	<u>\$ 2,435,880.30</u>
	<u>Ref.</u> E	E

TOWNSHIP OF BYRAM
SEWER UTILITY CAPITAL FUND
SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED

Improvement Description	Ordinance Date	Amount	Balance Dec. 31, 2022	2023 Authorizations	Balance Dec. 31, 2023
Sewer Utility Improvements	09/27/12	\$ 158,000.00	\$ 158,000.00		\$ 158,000.00
Sewer Utility Improvements	05/17/16	525,000.00	525,000.00		525,000.00
Sewer Utility Improvements	04/18/23	50,000.00		\$ 50,000.00	50,000.00
			\$ 683,000.00	\$ 50,000.00	\$ 733,000.00
		<u>Ref.</u>	E		E

TOWNSHIP OF BYRAM
SEWER UTILITY OPERATING FUND
SCHEDULE OF 2022 APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>Balance</u> <u>Dec. 31, 2022</u>	<u>Balance After</u> <u>Transfers</u>	<u>Paid or</u> <u>Charged</u>	<u>Balance</u> <u>Lapsed</u>
Operating:				
Salaries and Wages	\$ 8,933.38	\$ 8,933.38		\$ 8,933.38
Other Expenses	7,702.59	7,702.59	\$ 4,965.90	2,736.69
Musconetcong Sewerage Authority Fee	6.32	6.32		6.32
Statutory Expenditures:				
Contribution to:				
Public Employees' Retirement System	100.00	100.00		100.00
Social Security System (O.A.S.I.)	848.02	848.02		848.02
	<u>\$ 17,590.31</u>	<u>\$ 17,590.31</u>	<u>\$ 4,965.90</u>	<u>\$ 12,624.41</u>

Ref.

Analysis of Balance @ 12/31/2022:

Unencumbered	E \$ 13,414.83
Encumbered	E <u>4,175.48</u>
	<u>\$ 17,590.31</u>

TOWNSHIP OF BYRAM
SEWER UTILITY CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

Ord. No.	Improvement Description	Date	Ordinance Amount	Balance December 31, 2022		Paid or Charged	2023 Authorizations Capital Improvement Fund		Balance December 31, 2023	
				Funded	Unfunded		Funded	Unfunded	Funded	Unfunded
06-12	Sewer Utility Improvements	09/27/12	\$ 158,000.00	\$ 21,134.96			\$ 21,134.96			
19-16	Sewer Utility Improvements	05/17/16	525,000.00	46,574.68	\$ 198,000.00	\$ 242,403.76		\$ 2,170.92		
08-23	Sewer Utility Improvements	04/18/23	50,000.00			19,970.00		30,030.00		
				\$ 67,709.64	\$ 198,000.00	\$ 262,373.76		\$ 51,164.96		\$ 2,170.92
				E	E	E		E		E

TOWNSHIP OF BYRAM
SEWER UTILITY CAPITAL FUND
SCHEDULE OF CAPITAL IMPROVEMENT FUND

	<u>Ref.</u>	
Balance December 31, 2022	E	\$ 905,744.70
Increased by:		
2023 Budget Appropriation		<u>98,300.00</u>
		1,004,044.70
Decreased by:		
Appropriated to Finance Improvement Authorizations		<u>50,000.00</u>
Balance December 31, 2023	E	<u><u>\$ 954,044.70</u></u>

TOWNSHIP OF BYRAM
SEWER UTILITY CAPITAL FUND
SCHEDULE OF DEFERRED RESERVE FOR AMORTIZATION

<u>Improvement Description</u>	<u>Ordinance Date</u>	<u>Balance Dec. 31, 2022</u>	<u>2023 Authorizations</u>	<u>Funded by Budget Appropriation</u>	<u>Balance Dec. 31, 2023</u>
Sewer Utility Improvements	09/27/12	\$ 158,000.00			\$ 158,000.00
Sewer Utility Improvements	05/17/16	327,000.00		\$ 98,000.00	425,000.00
Sewer Utility Improvements	04/18/23		\$ 50,000.00		50,000.00
		<u>\$ 485,000.00</u>	<u>\$ 50,000.00</u>	<u>\$ 98,000.00</u>	<u>\$ 633,000.00</u>
	<u>Ref.</u>	E			E

TOWNSHIP OF BYRAM
SEWER UTILITY CAPITAL FUND
SCHEDULE OF RESERVE FOR AMORTIZATION

	<u>Ref.</u>	
Balance December 31, 2022	E	\$ 2,435,880.30
Balance December 31, 2023	E	<u>\$ 2,435,880.30</u>

TOWNSHIP OF BYRAM
SEWER UTILITY CAPITAL FUND
SCHEDULE OF BOND ANTICIPATION NOTES PAYABLE

Ord. No.	Improvement Description	Date of		Interest Rate	Balance Dec. 31, 2022	Issued	Matured	Balance Dec. 31, 2023
		Original Issue	Issue					
19-16	Sewer Utility Improvements	09/15/22	09/15/22	09/15/23	3.75%	\$ 98,000.00	\$ 98,000.00	\$ 100,000.00
19-16	Sewer Utility Improvements	09/14/23	09/14/23	06/14/24	4.75%	\$ 100,000.00	\$ 98,000.00	\$ 100,000.00
					<u>Ref.</u>	<u>\$ 98,000.00</u>	<u>\$ 98,000.00</u>	<u>\$ 100,000.00</u>
						<u>\$ 100,000.00</u>		<u>\$ 100,000.00</u>
						<u>\$ 100,000.00</u>	<u>\$ 98,000.00</u>	<u>\$ 100,000.00</u>
						<u>\$ 100,000.00</u>	<u>\$ 98,000.00</u>	<u>\$ 100,000.00</u>
						<u>\$ 100,000.00</u>	<u>\$ 98,000.00</u>	<u>\$ 100,000.00</u>

TOWNSHIP OF BYRAM
SEWER UTILITY CAPITAL FUND
SCHEDULE OF SERIAL BONDS PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2023

NOT APPLICABLE

TOWNSHIP OF BYRAM
SEWER UTILITY CAPITAL FUND
SCHEDULE OF NEW JERSEY WASTEWATER TREATMENT LOAN PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2023

NOT APPLICABLE

TOWNSHIP OF BYRAM
SEWER UTILITY CAPITAL FUND
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

Improvement Description	Ordinance Date	Balance Dec. 31, 2022	Bond Anticipation Notes Issued	Balance Dec. 31, 2023
Sewer Utility Improvements	05/17/16	\$ 100,000.00	\$ 100,000.00	\$ -0-
		<u>\$ 100,000.00</u>	<u>\$ 100,000.00</u>	<u>\$ -0-</u>

TOWNSHIP OF BYRAM
COUNTY OF SUSSEX
2023
PUBLIC ASSISTANCE FUND

NOT APPLICABLE

TOWNSHIP OF BYRAM

PART II

SINGLE AUDIT

YEAR ENDED DECEMBER 31, 2023

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

Federal Funding Department	Federal Program	Assistance Listing Number	Pass Through Entity ID	Grant Name	Grant Period		Grant Award Amount	Grant Receipts	Amount of Expenditures	Cumulative Expenditures	Amounts Provided to Subrecipients
					From	To					
U.S. Department of Homeland Security	Disaster Grants - Public Assistance	97.036	100-066-1200-C73-069820	Tropical Storm Isaias	08/04/20	12/11/20	\$ 39,272.76		\$ 39,272.76	\$ 39,272.76	
	Disaster Grants - Public Assistance	97.036	100-066-1200-C80-066290	Winter Storm Orlena	01/31/21	02/03/21	80,784.27		80,784.27	80,784.27	
Total Department of Homeland Security											
U.S. Environmental Protection Agency											
	Performance Partnership Grant Consolidated	66.605	100-042-4820-047-017200	Radon Program	01/01/21	12/31/23	1,304.50	\$ 550.00	550.00	1,304.50	
Total Environmental Protection Agency								550.00	550.00	1,304.50	
U.S. Department of Treasury (Passed through New Jersey	COVID 19: American Rescue Plan	21.027	100-022-8030-689-04618	American Rescue Plan Firefighter Grant	01/01/23	12/31/24	29,000.00		10,954.70	10,954.70	
Total Department of Treasury								10,954.70	10,954.70	10,954.70	
TOTAL FEDERAL AWARDS								\$ 550.00	\$ 131,561.73	\$ 132,316.23	\$ -0-

SEE NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS

TOWNSHIP OF BYRAM
SCHEDULE OF EXPENDITURES OF STATE AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2023

New Jersey Agency or Department	Name of Program	State Grant Award Number	Grant Period		Grant Award	Amount Received	Amount of Expenditures	Cumulative Expenditures
			From	To				
Department of Environmental Protection	Clean Communities Act	765-042-4900-004-178910	01/01/22	12/31/23	\$ 21,788.01	\$ 4,219.69	\$ 21,788.01	
		765-042-4900-004-178910	01/01/23	12/31/24	24,437.74	9,825.00	9,825.00	
	Recycling Tonnage Grant	100-042-4910-224-238490	01/01/22	12/31/23	14,753.82	26,157.15	14,753.82	
		100-042-4910-224-238490	01/01/23	12/31/24	20,711.26		11,403.33	
	Stormwater Assistance Grant	100-042-4850-099-290400	01/01/23	12/31/24	25,000.00			
Subtotal - Department of Environmental Protection								
Department of the Treasury								
Passed through Sussex County								
	Governor's Council on Alcoholism and Drug Abuse	N/A	07/01/22	12/31/23	1,956.00	1,956.00	1,956.00	
			07/01/23	12/31/24	9,792.00	6,097.93	6,097.93	
Subtotal - Department of the Treasury								
Highlands Council								
	Regional Master Plan	100-082-2078-033-290220	01/01/20	12/31/24	95,041.45	67,807.31	94,541.45	
	Wastewater Management Plan	100-082-2078-033-290220	01/01/21	12/31/23	9,260.00	9,260.00	9,260.00	
	Stormwater Management Planning	100-082-2078-033-290220	01/01/22	12/31/24	150,000.00	33,551.44	33,551.44	
Subtotal - Highlands Council								
Department of Law and Public Safety								
	Body Armor Replacement Fund	718-066-1020-001-090160	01/01/22	12/31/23	1,044.70	1,044.70	1,044.70	
		718-066-1020-001-090160	01/01/23	12/31/23	1,305.76	1,305.76	1,305.76	
		718-066-1020-001-090160	01/01/23	12/31/24	1,459.82			
Subtotal - Department of Law and Public Safety								
Department of Transportation								
	State Aid Highway Projects: 2022 Municipal Road	480-078-6320-AO1-606282	01/01/22	12/31/23	190,500.00	47,625.00	190,500.00	
Subtotal - Department of Transportation								
TOTAL STATE AWARDS								
						\$ 135,454.43	\$ 161,224.98	\$ 396,027.44

N/A- Not Available

TOWNSHIP OF BYRAM
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS
YEAR ENDED DECEMBER 31, 2023

Note 1. BASIS OF PRESENTATION

The accompanying schedules of expenditures of federal and state awards (the “Schedules”) include the federal and state grant activity of the Township of Byram under programs of the federal and state governments for the year ended December 31, 2023. The information in these schedules is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (“Uniform Guidance”) and New Jersey's OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Because the schedules present only a selected portion of the operations of the Township, they are not intended to and do not present the financial position, changes in fund balance or cash flows of the Township.

Note 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Note 3. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

Note 4. STATE LOANS OUTSTANDING

The Township of Byram has the following loans outstanding as of December 31, 2023:

New Jersey Department of Environmental Protection:

Green Acres	\$ 104,595.20
Forest Lake Club Association	335,577.29

Currently the Township is in the process of repaying these loan balances. There were no loan receipts or expenditures in the current year. The projects which relate to the loans are complete.



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

Independent Auditors' Report

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

We have audited, in accordance with auditing standards generally accepted in the United States of America, audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey ("the Division"), and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements - *regulatory basis* - of the various funds of the Township of Byram, in the County of Sussex (the "Township") as of and for the years ended December 31, 2023 and 2022, and the related notes to the financial statements and have issued our report thereon dated March 25, 2024. These financial statements have been prepared in accordance with accounting practices prescribed or permitted by the Division to demonstrate compliance with the Division's regulatory basis of accounting, and the budget laws of New Jersey, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

Report on Internal Control Over Financial Reporting

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

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

Our consideration of the internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified a certain deficiency in internal control, described in the accompanying Schedule of Findings and Responses as Finding 2023-001, that we consider to be a significant deficiency.

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

Report on Compliance and Other Matters

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

The Township's Response to the Finding

Government Auditing Standards requires the auditor to perform limited procedures on the Township's response to the finding identified in our audit and described in the accompanying Schedule of Findings and Responses. The Township's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

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

Mount Arlington, New Jersey
March 25, 2024

NISIVOCCIA LLP

Raymond A. Sarinelli

Raymond A. Sarinelli

Certified Public Accountant

Registered Municipal Accountant No. 563

TOWNSHIP OF BYRAM
SCHEDULE OF FINDINGS AND RESPONSES
YEAR ENDED DECEMBER 31, 2023

Summary of Auditors' Results:

- The Independent Auditors' Report expresses an unmodified opinion on the Township's financial statements, prepared in accordance with accounting practices prescribed or permitted by the Division of Local Government Services, Department of Community Affairs, State of New Jersey to demonstrate compliance with the Division's regulatory basis of accounting and the budget laws of New Jersey.
- A significant deficiency disclosed during the audit of the financial statements is reported in the *Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards*. No material weaknesses are reported.
- No instances of noncompliance material to the financial statements of the Township which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
- The Township was not subject to the single audit provisions of the Uniform Guidance and New Jersey's OMB Circular 15-08 for the year ended December 31, 2023 as both state and federal grant expenditures were less than the single audit thresholds of \$750,000 identified in the Uniform Guidance and NJOMB 15-08.

Findings Relating to the Financial Statements which are required to be Reported in Accordance with Generally Accepted Government Auditing Standards:

- The audit disclosed the following significant deficiency required to be reported under Generally Accepted Government Auditing Standards:

Finding 2023-001

Segregation of Duties

Criteria

Concentration of duties and responsibilities in a limited number of individuals is not desirable from a control point of view.

Condition

The Township does not maintain an adequate segregation of duties with respect to the recording and treasury functions.

The various departments/offices of the Township are responsible for the issuance of permits and licenses; collections of taxes and permit and license fees; and recording of collections. Also, the reconciliation of bank accounts, and the preparation of the general ledger for the various funds are performed by one person, the Chief Financial Officer.

Cause

This is due, in part, to the limited number of personnel of the Township and the decentralized nature of governmental collection procedures.

TOWNSHIP OF BYRAM
SCHEDULE OF FINDINGS AND RESPONSES
YEAR ENDED DECEMBER 31, 2023
(Continued)

Findings Relating to the Financial Statements which are required to be Reported in Accordance with Generally Accepted Government Auditing Standards: (Cont'd)

Finding 2023-001 (Cont'd)

Segregation of Duties (Cont'd)

Effect or Potential Effect

Segregation of duties refers to separating those functions that place too much control over a transaction or class of transactions that would enable a person to perpetuate errors and prevent detection within a reasonable period of time.

Recommendation

It is recommended that an adequate segregation of duties be maintained with respect to the recording and treasury functions.

Management's Response

The finding was evaluated, however, due to budgetary constraints, no resolution can be made at this time.

Findings and Questioned Costs for Federal Awards:

- Not applicable since federal expenditures were below the single audit threshold.

Findings and Questioned Costs for State Awards:

- Not Applicable since State expenditures were below the single audit threshold.

TOWNSHIP OF BYRAM
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2023

The Township's prior year audit finding 2022-001 regarding segregation of duties has not been resolved due to budgetary constraints and is included as finding 2023-001.

TOWNSHIP OF BYRAM

PART III

COMMENTS AND RECOMMENDATIONS

YEAR ENDED DECEMBER 31, 2023

TOWNSHIP OF BYRAM
COMMENTS AND RECOMMENDATIONS

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

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

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

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

c. The Governor, in consultation with the Department of the Treasury, shall, no later than March 1 of every fifth year beginning in the fifth year after the year in which P.L.1999 c.440 takes effect, adjust the threshold amount and the higher threshold amount which the governing body is permitted to establish, as set forth in subsection a. of this section, or the threshold amount resulting from any adjustment under this subsection, in direct proportion to the rise or fall of the index rate as that term is defined in section 2 of P.L.1971, c.198 (C.40A11-2), and shall round the adjustment to the nearest \$1,000. The Governor shall, no later than June 1 of every fifth year, notify each governing body of the adjustment. The adjustment shall become effective on July 1 of the year in which it is made."

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

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

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

TOWNSHIP OF BYRAM
COMMENTS AND RECOMMENDATIONS
 (Continued)

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

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

Inasmuch as the system of records did not provide for an accumulation of payments for categories for the performance of any work or the furnishing or hiring of any materials or supplies, the results of such an accumulation could not reasonably be ascertained. Disbursements were reviewed, however, to determine whether any clear-cut violations existed. None were noted.

Collection of Interest on Delinquent Taxes and Assessments

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

On January 3, 2023, the governing body adopted the following resolution authorizing interest to be charged on delinquent taxes charges:

BE IT RESOLVED by the Mayor and Council of the Township of Byram, Sussex County, New Jersey, that the rate of interest charges on delinquent taxes in this Township shall be as follows:

On all delinquents to and including December 31, 2023, at the rate or rates heretofore governing, and on all delinquents on and after January 1, 2023 at the rate of 8% per annum for and upon the first \$1,500 of the delinquency, the rate of 18% per annum for and upon any amount of the delinquency in excess of \$1,500, and the rate of 6% per annum for and upon any amount in excess of \$10,000; and that a grace period of 10 days will be allowed on taxes due February 1, May 1, August 1, and November 1. If taxes are not paid by the 10th, interest shall be charged from the due date.

BE IT RESOLVED, that the collector of the Township be and hereby directed to collect interest on all taxes accordingly.

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

Delinquent Taxes and Tax Title Liens

A tax sale was held in 2023 and included all items which were eligible for sale.

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

<u>Year</u>	<u>Tax Title Liens</u>
2023	51
2022	65
2021	71

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

TOWNSHIP OF BYRAM
COMMENTS AND RECOMMENDATIONS
(Continued)

Verification of Delinquent Taxes and Other Charges

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

<u>Type</u>	<u>Number Mailed</u>
Payment of 2024 Taxes	20
Payment of 2023 Taxes	20
Delinquent Taxes	15
Tax Title Liens	5
Payment of 2024 Sewer Rents	10
Payment of 2023 Sewer Rents	10
Delinquent Sewer Rents	3

New Jersey Administrative Code Accounting Requirements

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

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

The Township maintains an encumbrance accounting system, a fixed assets accounting and reporting system and a general ledger accounting system.

Segregation of Duties

The Township does not maintain an adequate segregation of duties with respect to the recording and treasury functions. Segregation of duties refers to separating those functions that place too much control over a transaction or class of transactions that would enable a person to perpetuate errors and prevent detection within a reasonable period of time. The various departments/offices of the Township are responsible for the issuance of permits and licenses; collections of taxes and permit and license fees; and recording of collections. Also, the reconciliation of bank accounts, and the preparation of the general ledger for the various funds are performed by one person, the Chief Financial Officer. This is due, in part, to the limited number of personnel of the Township and the decentralized nature of governmental collection procedures. Accordingly, management and the Township Committee should be aware of this situation and realize that the concentration of duties and responsibilities in a limited number of individuals is not desirable from a control point of view. It is recommended that an adequate segregation of duties be maintained with respect to the recording and treasury functions.

Management’s Response

The finding was evaluated, however due to budgetary constraints no resolution can be made at this time.

TOWNSHIP OF BYRAM
COMMENTS AND RECOMMENDATIONS
(Continued)

Management Suggestions

Governmental Accounting Standards Board (GASB) Statements

GASB Statement No. 101, *Compensated Absences*, is effective for the year ended December 31, 2024. This statement requires that the liability for compensated absences to be calculated for 1 – leave that has not been used and 2 – leave that has been used but not yet paid. The liability should be recognized for leave that has not been used if (a) – the leave is attributable to services already rendered, (b) the leave accumulates and (c) the leave is more likely than not to be used for time off or otherwise paid. In estimating the leave that is more likely than not to be used or otherwise paid or settled, a government should consider relevant factors such as employment policies related to compensated absences and historical information about the use or payment of compensated absences. Leave that is more likely than not to be settled through conversion to defined benefit postemployment benefits should not be included in the liability for compensated absences. The Statement directs that for leave that has not been used the calculation should generally use an employee’s pay rate as of the date of the financial statements.

COVID-19 Federal Funding

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

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

The American Rescue Plan funding must be obligated by December 31, 2024 and the liquidation of the obligation must be completed by December 31, 2026.

Tax Collector/Tax Assessor

During our review of the tax collector’s account, it was noted that a property has remained uncollected for several years, it was also noted that the property is a leasehold agreement on state property, therefore it is suggested that the Township review the collection procedures on leasehold agreements and pursue collection or cancellation of the outstanding balance, it is also suggested that the Township make a determination on the property’s inclusion in the tax assessment roll.

Status of Prior Year Recommendations

The Township has initiated a corrective action plan to resolve comments and recommendations from the 2022 audit report. The prior year recommendation was not resolved and is included as a current year recommendation.

TOWNSHIP OF BYRAM
SUMMARY OF RECOMMENDATIONS

It is recommended that:

1. An adequate segregation of duties be maintained with respect to the recording and treasury functions.