

**TOWNSHIP OF READINGTON
COUNTY OF HUNTERDON, NEW JERSEY
AUDIT REPORT FOR THE YEAR ENDED
DECEMBER 31, 2024**

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COUNTY OF HUNTERDON, NEW JERSEY
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**TOWNSHIP OF READINGTON
COUNTY OF HUNTERDON
STATE OF NEW JERSEY**

PART I

**INDEPENDENT AUDITOR'S REPORTS
FINANCIAL STATEMENTS AND SUPPLEMENTAL SCHEDULES
YEAR ENDED DECEMBER 31, 2024**

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INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members
of the Township Committee
Township of Readington
County of Hunterdon
Readington, New Jersey

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the various funds and account group of Readington Township, which comprise the statements of assets, liabilities, reserves and fund balance – regulatory basis as of December 31, 2024 and 2023, and the related statements of operations and changes in fund balance – regulatory basis for the years then ended and the statements of revenues – regulatory basis and statement of expenditures – regulatory basis for the year ended December 31, 2024, and the related notes to the financial statements.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets, liabilities, reserves and fund balance – regulatory basis of Readington Township, as of December 31, 2024 and 2023, and the results of its operations and changes in fund balance – regulatory basis for the years then ended and the statements of revenues – regulatory basis, statements of expenditures – regulatory basis for the year ended December 31, 2024, in accordance with the financial reporting provisions of the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note 1.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles section of our report, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of Readington Township, as of December 31, 2024 and 2023, or the results of its operations and changes in fund balance for the years then ended.

Basis for Opinions

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

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

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

Responsibilities of Management for the Financial Statements

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control(s) relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Readington 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 Readington 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Readington Township's basic financial statements. The accompanying supplemental schedules presented for the various funds and letter of comments and recommendations section are presented for purposes of additional analysis as required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements of each of the respective individual funds and account group taken as a whole.

Prior Period Financial Statements

The financial statements as of December 31, 2023, were audited by other auditors whose report dated May 22, 2024, expressed an adverse opinion on U.S. Generally Accepted Accounting Principles and an unmodified opinion on the regulatory basis of accounting.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 22, 2025, on our consideration of Readington 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 Readington 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 Readington Township's internal control over financial reporting and compliance.

Respectfully submitted,

HOLMAN FRENIA ALLISON, P.C.

A handwritten signature in black ink, appearing to read 'Jerry W. Conaty', with a stylized, overlapping flourish at the end.

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

Lakewood, New Jersey
October 22, 2025

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

Honorable Mayor and Members
of the Township Committee
Readington Township
County of Hunterdon
Readington, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the financial statements - regulatory basis of Readington Township, as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise Readington Township's basic financial statements, and have issued our report thereon dated October 22, 2025. Our report indicated that Readington Township's financial statements were not prepared in accordance with accounting principles generally accepted in the United States of America but rather prepared in accordance with the regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

Report on Internal Control Over Financial Reporting

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

Our consideration of internal control was for the limited purpose described in the preceding 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. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control that we consider to be material weaknesses or significant deficiencies.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as Finding No's. 2024-001 and 2024-002 to be significant deficiencies.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Readington Township's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and which are described in the accompanying schedule of findings and questioned costs as Finding No. 2024-001 and 2024-002.

Township of Readington's Response to Findings

The Township of Readington's response to the findings identified in our audit is described in the accompanying schedule of financial statement findings and questioned costs. The Township's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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 Readington Township's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey in considering the Readington Township's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.

A handwritten signature in black ink, appearing to read 'J. Conaty', is written over the printed name.

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

Lakewood, New Jersey
October 22, 2025

**TOWNSHIP OF READINGTON
CURRENT FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND
FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2024 AND 2023**

	REFERENCE	2024	2023
ASSETS			
Cash and Cash Equivalents	A-4	\$ 8,224,822.85	\$ 10,211,776.74
Change Fund	A-5	550.00	550.00
Due from State of NJ - Senior Citizens' and Veterans Dedutions	A-6	45,932.45	45,235.00
		<u>8,271,305.30</u>	<u>10,257,561.74</u>
Receivables and Other Assets With Full Reserves:			
Delinquent Property Taxes	A-7	666,913.88	801,368.67
Tax Title Liens Receivable	A-8	138,669.11	134,163.61
Revenue Accounts Receivable	A-12	5,057.54	4,805.41
Due from Animal Control Trust Fund	A-15	272.50	284.14
Due from Trust Other Fund	A-15	70,096.25	132,375.07
Due from Open Space Fund	A-15	700,863.20	32,158.98
		<u>1,581,872.48</u>	<u>1,105,155.88</u>
Deferred Charges:			
Special Emergency Authorizations (40A:4-55)	A-22	142,500.00	100,000.00
Overexpenditure of Budget Appropriations	A-3	11,876.14	-
Overexpenditure of Appropriation Reserve	A-13	8,714.82	-
Overexpenditure of Grants	A-29	8,800.00	-
		<u>171,890.96</u>	<u>100,000.00</u>
		<u>10,025,068.74</u>	<u>11,462,717.62</u>
Federal and State Grant Fund:			
Due From Current Fund	A-27	1,201,648.11	983,707.85
Grants Receivable	A-26	408,873.38	225,803.39
		<u>1,610,521.49</u>	<u>1,209,511.24</u>
Total Assets		<u>\$ 11,635,590.23</u>	<u>\$ 12,672,228.86</u>

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

**TOWNSHIP OF READINGTON
CURRENT FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND
FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2024 AND 2023**

	REFERENCE	2024	2023
LIABILITIES, RESERVES & FUND BALANCE			
Liabilities:			
Appropriation Reserves	A-3, A-13	\$ 1,711,149.09	\$ 1,188,857.37
Encumbrances Payable	A-25	376,168.65	237,039.34
Reserve for Revaluation	A-10	50,224.50	50,224.50
Prepaid Taxes	A-19	569,125.39	1,565,195.91
Miscellaneous Fees Payable	A-9	9,358.00	1,675.00
High School Taxes Payable	A-18	0.01	-
County Taxes Payable	A-17	37,723.89	75,921.28
Municipal Open Space Taxes Payable	A-21	1,696.94	-
Reserve for Tax Sale Premiums	A-14	368,340.00	367,000.00
Reserve for Tax Appeals	A-23	8,002.00	8,002.00
Tax Overpayments	A-11	53,344.66	50,764.61
Due to Federal and State Grant Fund	A-15	1,201,648.11	983,707.85
Due to Sewer Operating Fund	A-15	173,358.91	173,358.91
Due to General Capital Fund	A-15	1,604,067.89	3,240,200.64
Reserve for Municipal Relief Funds	A-24	-	148,292.56
Subtotal Regular Fund		<u>6,164,208.04</u>	<u>8,090,239.97</u>
Reserve for Receivables & Other Assets	A	1,581,872.48	1,105,155.88
Fund Balance	A-1	<u>2,278,988.22</u>	<u>2,267,321.77</u>
		<u>10,025,068.74</u>	<u>11,462,717.62</u>
Federal and State Grant Fund:			
Encumbrances Payable	A-28	842,195.22	19,165.51
Due to General Capital Fund	A-27	17,093.00	17,093.00
Reserve for State Grants:			
Appropriated	A-29	656,826.86	1,149,516.83
Unappropriated	A-30	<u>94,406.41</u>	<u>23,735.90</u>
		<u>1,610,521.49</u>	<u>1,209,511.24</u>
Total Liabilities, Reserves & Fund Balance		<u>\$ 11,635,590.23</u>	<u>\$ 12,672,228.86</u>

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

**TOWNSHIP OF READINGTON
COUNTY OF HUNTERDON, NEW JERSEY
CURRENT FUND
STATEMENTS OF OPERATIONS AND CHANGES IN FUND BALANCE -
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2024**

	Ref.	2024	2023
Revenue and Other Income Realized:			
Fund Balance Utilized	A-2	\$ 1,093,242.44	\$ 1,940,000.00
Miscellaneous Revenue Anticipated	A-2	6,560,563.16	4,138,738.44
Receipts from Delinquent Taxes	A-2	789,536.15	729,399.04
Receipts from Current Taxes	A-2	86,776,647.20	85,154,983.45
Non-Budget Revenues	A-2	414,884.97	110,217.07
Other Credits To Income:			
Unexpended Balance of Appropriation Reserves	A-13	921,666.86	318,805.78
Total Revenue and Other Income		96,556,540.78	92,392,143.78
Expenditures:			
Budget and Emergency Appropriations :			
Appropriations Within "CAP":			
Operations			
Salaries and Wages	A-3	7,753,668.00	7,385,950.00
Other Expenses	A-3	7,901,573.00	8,610,287.08
Deferred Charges and Statutory Expenditures	A-3	2,315,769.00	2,350,155.00
Appropriations Excluded From "CAP":			
Operations	A-3	963,144.59	-
Capital Improvements	A-3	702,000.00	393,590.00
Municipal Debt Service	A-3	4,584,082.50	3,859,921.61
Deferred Charges	A-3	242,500.00	-
County Taxes	A-17	14,969,277.34	14,046,900.66
Amount Due County for Added and Omitted Taxes	A-17	37,723.60	75,920.99
Local Open Space Tax	A-21	667,472.30	657,900.00
Local Open Space Added Taxes	A-21	1,696.94	3,568.23
Regional School Taxes	A-18	20,022,826.00	20,120,246.00
Local District School Taxes	A-20	34,837,861.00	33,939,660.00
Interfunds Advanced	A	606,413.76	164,818.19
Refund Prior Years	A-4	-	13,525.71
SC & Vet Disallowed	A-6	-	500.00
Unallocated Disbursement	A-4	-	54,470.79
Total Expenditures		95,606,008.03	91,677,414.26
Excess in Revenue		950,532.75	714,729.52

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

**TOWNSHIP OF READINGTON
COUNTY OF HUNTERDON, NEW JERSEY
CURRENT FUND
STATEMENTS OF OPERATIONS AND CHANGES IN FUND BALANCE -
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2024**

	<u>Ref.</u>	<u>2024</u>	<u>2023</u>
Adjustments To Income Before Fund Balance:			
Expenditures Included Above Which Are By			
Statute Deferred Charges To Budget of			
Succeeding Year:			
Special Emergency Authorizations (40A:4-55)		142,500.00	-
Overexpenditure of Budget Appropriations		<u>11,876.14</u>	<u>-</u>
Total Adjustments to Income Before Fund Balance		<u>154,376.14</u>	<u>-</u>
Statutory Excess To Fund Balance		1,104,908.89	714,729.52
Fund Balance, January 1,	A	<u>2,267,321.77</u>	<u>3,492,592.25</u>
		3,372,230.66	4,207,321.77
Decreased By:			
Utilization as Anticipated Revenue		<u>1,093,242.44</u>	<u>1,940,000.00</u>
Fund Balance, December 31,		<u><u>\$ 2,278,988.22</u></u>	<u><u>\$ 2,267,321.77</u></u>

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

**TOWNSHIP OF READINGTON
COUNTY OF HUNTERDON, NEW JERSEY
CURRENT FUND
STATEMENT OF REVENUES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2024**

	<u>Ref.</u>	<u>Anticipated Budget</u>	<u>Added by N.J.S. 40A:4-87</u>	<u>Realized</u>	<u>Excess/ (Deficit)</u>
Fund Balance Anticipated	A-1	\$ 1,093,242.44		\$ 1,093,242.44	\$ -
Miscellaneous Revenues:					
Licenses:					
Alcoholic Beverages	A-12	20,000.00	-	22,950.00	2,950.00
Fees and Permits	A-12	150,000.00	-	157,710.31	7,710.31
Fines and Costs:					
Municipal Court	A-12	75,000.00	-	96,160.96	21,160.96
Interest and Costs on Taxes	A-12	140,000.00	-	176,570.05	36,570.05
Interest on Investments and Deposits	A-12	400,000.00	-	410,174.01	10,174.01
State Aid Without Offsetting Appropriations:					
Energy Receipts Tax (P.L. 1997, Chapters 162 & 167)	A-12	1,438,664.00	-	1,438,664.00	-
Garden State Trust Fund	A-12	4,879.00	-	4,879.00	-
Municipal Relief Funds	A-24	148,292.56	-	148,292.56	-
UCC: Fees and Permits	A-12	525,000.00	-	516,983.00	(8,017.00)
Interlocal Agreement - Readington Township Board of Education - Police	A-12	200,000.00	-	122,276.48	(77,723.52)
State Revenues Offset with Appropriations:					
Recycling Tonnage Grant	A-26	12,797.00	-	12,797.00	-
County History Partnership Grant	A-26	10,000.00	-	10,000.00	-
Hunterdon County Parks Grant	A-26	-	50,000.00	50,000.00	-
Hunterdon County Main St Traffic Light	A-26	-	65,000.00	65,000.00	-
Hunterdon County Historic Preservation	A-26	-	6,430.07	6,430.07	-
Community Energy Planning Grant	A-26	-	10,000.00	10,000.00	-
Somerset County - DWI Patrols	A-26	4,770.23	-	4,770.23	-
Police Contr Defibrillator	A-26	-	4,999.00	4,999.00	-
Police Contr Special Camera	A-26	-	2,500.00	2,500.00	-
National Opioid Settlement	A-26	59,613.69	34,647.92	94,261.61	-
Body Armor Fund	A-26	2,227.68	-	2,227.68	-
Afforestation Grant	A-26	-	250,000.00	250,000.00	-
Special Items of Revenue:					
Adult Recreation Cannabis Tax	A-12	1,600,000.00	-	1,702,917.20	102,917.20
Reserve for Payment of Debt	A-12	1,250,000.00	-	1,250,000.00	-
Total Miscellaneous Revenues		6,041,244.16	423,576.99	6,560,563.16	95,742.01
Receipts From Delinquent Taxes		700,000.00	-	789,536.15	89,536.15
Amount to be Raised by Taxes for Support of Municipal Budget:					
Local Tax for Municipal Purposes		16,950,896.97	-	17,129,778.93	178,881.96
Budget Totals		24,785,383.57	423,576.99	25,573,120.68	364,160.12
Non-Budget Revenues		-	-	414,884.97	414,884.97
Total Revenue		\$ 24,785,383.57	\$ 423,576.99	\$ 25,988,005.65	\$ 779,045.09

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

**TOWNSHIP OF READINGTON
COUNTY OF HUNTERDON, NEW JERSEY
CURRENT FUND
STATEMENT OF REVENUES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2024**

Analysis of Realized Revenues

	<u>Ref.</u>	
Allocation of Current Tax Collections:		
Revenue From Collections	A-1, A-7	\$ 86,776,647.20
Allocated to:		
School, County, Regional, and Open Space Taxes	A-7	<u>70,535,160.24</u>
Balance for Support of Municipal Budget Appropriations		16,241,486.96
Add: Appropriation "Reserve for Uncollected Taxes"	A-3	<u>888,291.97</u>
Amount for Support of Municipal Budget Appropriations	A-2	<u><u>\$ 17,129,778.93</u></u>
Receipts From Delinquent Taxes:		
Delinquent Tax Collections	A-2, A-7	<u><u>\$ 789,536.15</u></u>

Analysis of Non-Budget Revenue:

Analysis of Realized Interest on Investments and Deposits

Received in Current Fund	A-12	\$ 386,524.46
Due from Animal Control Trust Fund	A-15	284.14
Due from Other Trust Fund	A-15	23,365.41
	A-2	<u><u>\$ 410,174.01</u></u>

Miscellaneous Revenue Not Anticipated:

Franchise Fees	\$ 26,075.41
Licenses - Other	10,242.00
Insurance Reimbursement	39,723.00
Tax Collector	1,020.00
Police Outside Employment - Administrative Fee	52,883.72
Police Outside Employment - Vehicle Use	59,232.50
2% Administrative Fee - Senior Citizens/Veterans Deductions	1,844.66
Payment in Lieu of Taxes	27,406.89
Credit Card Convenience Fee	7,683.27
Klein Recycling	319.60
Miscellaneous Refunds	51,299.07
LEA Rebate	39,217.74
Charlton Rental	8,040.00
Darts Mill Rental	5,400.00
Other Miscellaneous	84,497.11
	<u><u>\$ 414,884.97</u></u>

A-1, A-4

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

**TOWNSHIP OF READINGTON
COUNTY OF HUNTERDON, NEW JERSEY
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2024**

	Appropriated		Expended					
	Adopted Budget	Budget After Modification	Paid or Charged	Encumbrances	Reserved	Overexpenditures	Cancelled	
General Administration:								
Salaries and Wages	\$ 430,940.00	\$ 484,940.00	\$ 405,101.61	\$ -	\$ 79,838.39	\$ -	\$ -	
Other Expenses:								
Elections	10,500.00	10,500.00	8,955.38	-	1,544.62	-	-	
Miscellaneous Other Expenses	163,050.00	163,050.00	142,085.71	5,161.91	15,802.38	-	-	
Mayor and Township Committee:								
Salaries and Wages	48,524.00	48,524.00	46,231.12	-	2,292.88	-	-	
Other Expenses	3,000.00	3,000.00	972.97	-	2,027.03	-	-	
Revenue Administration (Tax Collection):								
Salaries and Wages	114,650.00	114,650.00	110,240.00	-	4,410.00	-	-	
Other Expenses	32,950.00	32,950.00	21,776.62	209.99	10,963.39	-	-	
Financial Administration (Treasury):								
Salaries and Wages	106,614.00	134,114.00	129,574.67	-	4,539.33	-	-	
Other Expenses	198,390.00	123,890.00	123,526.47	363.53	-	-	-	
Audit Services Other Expenses	38,100.00	38,100.00	16,625.04	-	21,474.96	-	-	
Tax Assessment Administration:								
Salaries and Wages	108,862.00	108,862.00	106,771.62	-	2,090.38	-	-	
Other Expenses								
Revision of Tax Map	5,000.00	5,000.00	637.50	447.00	3,915.50	-	-	
Miscellaneous Other Expenses	9,650.00	9,650.00	4,878.39	39.65	4,731.96	-	-	
Legal Services and Costs:								
Other Expenses	757,400.00	509,900.00	365,558.54	22,516.01	121,825.45	-	-	
Municipal Court:								
Salaries and Wages	140,238.00	149,238.00	148,189.76	-	1,048.24	-	-	
Other Expenses	24,100.00	24,100.00	8,749.16	414.43	14,936.41	-	-	
Public Defender:								
Other Expenses	17,500.00	29,500.00	11,978.50	-	17,521.50	-	-	
Engineering Services and Costs:								
Other Expenses	175,000.00	175,000.00	135,194.34	10,496.90	29,308.76	-	-	
Museum Committee								
Salaries and Wages	40,721.00	40,721.00	25,244.70	-	15,476.30	-	-	
Other Expenses:	18,455.00	18,455.00	10,756.37	2,718.77	4,979.86	-	-	
Historical Preservation Committee								
Other Expenses	5,800.00	5,800.00	93.81	-	5,706.19	-	-	
Planning Board:								
Salaries and Wages	13,556.00	13,556.00	13,394.86	-	161.14	-	-	
Other Expenses	8,650.00	8,650.00	3,480.00	11.80	5,158.20	-	-	
Board of Adjustment								
Salaries and Wages	150,556.00	150,556.00	150,308.82	-	247.18	-	-	
Other Expenses	15,960.00	15,960.00	9,380.65	-	6,579.35	-	-	
Environmental Health Services:								
Other Expenses:								
Consultants	100,000.00	84,100.00	37,033.54	11,541.91	35,524.55	-	-	
Miscellaneous Other Expenses	11,350.00	11,350.00	3,578.32	-	7,771.68	-	-	
Insurance								
General Liability	570,142.00	570,142.00	570,142.00	-	-	-	-	
Employee Group Health	2,647,800.00	3,042,800.00	2,971,369.74	50.00	71,380.26	-	-	
Workers Compensation	256,482.00	193,482.00	153,925.22	7,520.00	32,036.78	-	-	
Health Benefit Waiver	5,000.00	5,000.00	-	-	5,000.00	-	-	
Police Department:								
Salaries and Wages	3,998,392.00	4,039,892.00	3,882,954.01	-	156,937.99	-	-	
Other Expenses	247,400.00	208,000.00	194,329.11	4,193.71	9,477.18	-	-	
Office of Emergency Management:								
Salaries and Wages	10,000.00	10,000.00	7,499.96	-	2,500.04	-	-	
Other Expenses	10,000.00	10,000.00	1,513.10	3,726.70	4,760.20	-	-	
Aid To Volunteer Ambulance Companies:								
Whitehouse First Aid Organization	90,000.00	91,500.00	57,345.73	32,418.89	1,735.38	-	-	
Fire Department:								
Other Expenses:								
Aid to Volunteer Fire Co.	154,500.00	154,500.00	150,000.00	1,500.00	3,000.00	-	-	
Training Fire Department Personnel	121,500.00	120,000.00	77,980.28	34,823.23	7,196.49	-	-	
Municipal Prosecutor								
Other Expenses	52,000.00	52,000.00	43,231.07	4,437.62	4,331.31	-	-	
Road, Repair and Maintenance								
Salaries and Wages	1,003,089.00	1,043,089.00	856,541.35	-	186,547.65	-	-	
Other Expenses	474,350.00	398,850.00	256,178.54	84,010.09	58,661.37	-	-	
Waste Collection/Recycling:								
Salaries and Wages		-						
Other Expenses	182,500.00	182,500.00	156,801.96	695.00	25,003.04	-	-	

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

**TOWNSHIP OF READINGTON
COUNTY OF HUNTERDON, NEW JERSEY
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2024**

	Appropriated		Expended				
	Adopted Budget	Budget After Modification	Paid or Charged	Encumbrances	Reserved	Overexpenditures	Cancelled
Snow Removal							
Other Expenses	125,500.00	106,500.00	59,879.79	11,416.22	35,203.99	-	-
Tree Care							
Other Expenses	32,500.00	32,500.00	19,718.60	-	12,781.40	-	-
Buildings and Grounds							
Salaries and Wages	206,032.00	257,432.00	244,563.47	-	12,868.53	-	-
Other Expenses	225,000.00	189,200.00	131,013.24	29,945.27	28,241.49	-	-
Board of Health							
Salaries and Wages	57,500.00	57,500.00	54,505.12	-	2,994.88	-	-
Other Expenses	40,200.00	40,200.00	19,140.35	300.00	20,759.65	-	-
Vehicle Maintenance							
Salaries and Wages	182,192.00	227,192.00	221,925.66	-	5,266.34	-	-
Other Expenses	312,500.00	262,800.00	196,155.56	14,772.51	51,871.93	-	-
Administration of Public Assistance							
Salaries and Wages	147,340.00	150,340.00	149,388.25	-	951.75	-	-
Other Expenses	9,600.00	9,600.00	2,867.73	-	6,732.27	-	-
Expense of Participation of Free County Library							
Salaries and Wages	161,279.00	161,279.00	137,072.37	-	24,206.63	-	-
Other Expenses	5,300.00	5,300.00	4,866.86	323.27	109.87	-	-
Animal Control Regulations							
Other Expenses	5,000.00	5,000.00	4,069.70	-	930.30	-	-
Senior Citizens Transportation							
Other Expenses	6,000.00	6,000.00	2,152.45	-	3,847.55	-	-
Recreation Services and Programs							
Salaries and Wages	235,533.00	253,533.00	167,026.99	-	86,506.01	-	-
Other Expenses	9,225.00	9,225.00	3,307.70	-	5,917.30	-	-
Maintenance of Parks							
Other Expenses	116,225.00	97,725.00	76,073.98	7,747.91	13,903.11	-	-
Construction Code Official							
Salaries and Wages	334,750.00	308,250.00	283,360.53	-	24,889.47	-	-
Other Expenses	206,894.00	155,694.00	118,016.64	2,968.27	34,709.09	-	-
Utility Expense and Bulk Purchases							
Fire Hydrant Service	120,000.00	122,500.00	110,425.72	10,692.99	1,381.29	-	-
Electricity	115,000.00	117,500.00	107,094.69	21,476.76	-	11,071.45	-
Street Lighting	76,500.00	76,500.00	37,316.33	-	39,183.67	-	-
Telephone	85,000.00	95,000.00	92,751.38	3,053.31	-	804.69	-
Gasoline	235,000.00	235,000.00	149,139.04	21,032.49	64,828.47	-	-
Natural Gas	20,000.00	25,100.00	21,081.78	-	4,018.22	-	-
Celebration of Public Events							
Other Expenses	7,500.00	7,500.00	5,874.92	-	1,625.08	-	-
Total Operations - Within "CAPS"	15,650,241.00	15,650,241.00	13,838,919.39	351,026.14	1,472,171.61	11,876.14	-
Contingent	5,000.00	5,000.00	960.00	-	4,040.00	-	-
Total Operations Including Contingent - Within "CAPS"	15,655,241.00	15,655,241.00	13,839,879.39	351,026.14	1,476,211.61	11,876.14	-
Detail:							
Salaries and Wages	7,490,768.00	7,753,668.00	7,139,894.87	-	613,773.13	-	-
Other Expenses (Including Contingent)	8,164,473.00	7,901,573.00	6,699,984.52	351,026.14	862,438.48	11,876.14	-
DEFERRED CHARGES & STATUTORY EXPENDITURES							
 WITHIN "CAPS"							
STATUTORY EXPENDITURES:							
Contribution To:							
Social Security System (O.A.S.I.)	719,387.00	719,387.00	600,116.41	25,142.51	94,128.08	-	-
Public Employees' Retirement System	596,382.00	596,382.00	596,382.00	-	-	-	-
Defined Contribution Retirement Program	16,000.00	16,000.00	-	-	16,000.00	-	-
Police and Firemen's Retirement System of NJ	984,000.00	984,000.00	983,915.11	-	84.89	-	-
Total Deferred Charges and Statutory Expenditures - Municipal Within "CAPS"	2,315,769.00	2,315,769.00	2,180,413.52	25,142.51	110,212.97	-	-
Total General Appropriations for Municipal Purposes - Within "CAPS"	17,971,010.00	17,971,010.00	16,020,292.91	376,168.65	1,586,424.58	11,876.14	-

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

**TOWNSHIP OF READINGTON
COUNTY OF HUNTERDON, NEW JERSEY
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2024**

	Appropriated		Expended				
	Adopted Budget	Budget After Modification	Paid or Charged	Encumbrances	Reserved	Overexpenditures	Cancelled
<u>APPROPRIATIONS EXCLUDED FROM "CAPS"</u>							
Length of Service Awards Program (LOSAP)	108,000.00	108,000.00	61,000.00	-	47,000.00	-	-
Education - Police	200,000.00	200,000.00	122,276.49	-	77,723.51	-	-
Raritan Township Fire Subcode and Fire Prevention	91,128.00	91,128.00	91,128.00	-	-	-	-
Raritan Township - Construction Code	51,030.00	51,030.00	51,030.00	-	-	-	-
Matching Funds for Grants	1.00	1.00	-	-	1.00	-	-
Recycling Tonnage Grant	12,797.00	12,797.00	12,797.00	-	-	-	-
National Opioid Settlement	59,613.69	94,261.61	94,261.61	-	-	-	-
Somerset County - Pass through DWI	4,770.23	4,770.23	4,770.23	-	-	-	-
Hunterdon County History Partnership	10,000.00	10,000.00	10,000.00	-	-	-	-
Body Armor Replacement Fund	2,227.68	2,227.68	2,227.68	-	-	-	-
Hunterdon County Parks Grant	-	50,000.00	50,000.00	-	-	-	-
Hunterdon County Main St Traffic Light	-	65,000.00	65,000.00	-	-	-	-
Hunterdon County Historic Preservation	-	6,430.07	6,430.07	-	-	-	-
Community Energy Planning Grant	-	10,000.00	10,000.00	-	-	-	-
Police Contr Defibrillator	-	4,999.00	4,999.00	-	-	-	-
Police Contr Special Camera	-	2,500.00	2,500.00	-	-	-	-
Afforestation Grant	-	250,000.00	250,000.00	-	-	-	-
Total Other Operations - Excluded From "CAPS"	539,567.60	963,144.59	838,420.08	-	124,724.51	-	-
Detail:							
Other Expenses	539,567.60	963,144.59	838,420.08	-	124,724.51	-	-
<u>CAPITAL IMPROVEMENTS</u>							
Capital Improvement Fund	102,000.00	102,000.00	102,000.00	-	-	-	-
Road Repairs and Improvements	300,000.00	300,000.00	300,000.00	-	-	-	-
Reserve for Acquisition of Fire Apparatus	300,000.00	300,000.00	300,000.00	-	-	-	-
Total Capital Improvements - Excluded from "CAPS"	702,000.00	702,000.00	702,000.00	-	-	-	-
<u>MUNICIPAL DEBT SERVICE</u>							
Payment of Bond Principal	2,920,000.00	2,920,000.00	2,920,000.00	-	-	-	-
Payment of Bond Anticipation Notes and Capital Notes	190,000.00	190,000.00	190,000.00	-	-	-	-
Interest on Bonds	1,269,684.00	1,269,684.00	1,269,683.76	-	-	-	0.24
Interest on Notes	174,654.00	174,654.00	174,653.50	-	-	-	0.50
Green Trust Loan Program:							
Loan Repayments of Principal and Interest	30,176.00	30,176.00	29,745.24	-	-	-	430.76
Total Municipal Debt Service - Excluded From "CAPS"	4,584,514.00	4,584,514.00	4,584,082.50	-	-	-	431.50
<u>DEFERRED CHARGES</u>							
Special Emergency Authorizations	100,000.00	100,000.00	100,000.00	-	-	-	-
Special Emergency Authorizations - Litigation (1 YR)	-	142,500.00	142,500.00	-	-	-	-
Total Deferred Charges - Municipal Excluded from "CAPS"	100,000.00	242,500.00	242,500.00	-	-	-	-
Total General Appropriations - Excluded from "CAPS"	5,926,081.60	6,492,158.59	6,367,002.58	-	124,724.51	-	431.50
Subtotal General Appropriations	23,897,091.60	24,463,168.59	22,387,295.49	376,168.65	1,711,149.09	11,876.14	431.50
Reserves for Uncollected Taxes	888,291.97	888,291.97	888,291.97	-	-	-	-
Total General Appropriations	<u>\$ 24,785,383.57</u>	<u>\$ 25,351,460.56</u>	<u>\$ 23,275,587.46</u>	<u>\$ 376,168.65</u>	<u>\$ 1,711,149.09</u>	<u>\$ 11,876.14</u>	<u>\$ 431.50</u>
	Ref.	Below	Below	Below	A		
Original Budget	A-2		\$ 24,785,383.57				
Increased By Chapter 159's	A-2		423,576.99				
Emergency Authorizations	A-2		142,500.00				
			<u>\$ 25,351,460.56</u>				
Cash Disbursed	A-4			\$ 21,631,809.90			
Reserve for Uncollected Taxes	A-2			888,291.97			
Transferred to Grants Fund	A-28			512,985.59			
Deferred Charges	A-22			242,500.00			
				<u>\$ 23,275,587.46</u>			

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

**TOWNSHIP OF READINGTON
TRUST FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES -
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2024**

ASSETS	REFERENCE	2024	2023
Animal Control Fund:			
Cash	B-3	\$ 272.50	\$ 17,133.23
Trust - Other Fund:			
Cash	B-3	4,116,951.61	4,681,879.92
Open Space Trust Fund:			
Cash	B-3	1,299,975.56	839,384.61
Due from General Capital Fund	B-13	-	30,883.98
		1,299,975.56	870,268.59
Length of Service Award Program Fund ("LOSAP"):			
Investments	B-14	3,178,786.27	2,757,971.43
Total Assets		<u>\$ 8,595,985.94</u>	<u>\$ 8,327,253.17</u>
LIABILITIES AND RESERVES			
Animal Control Fund:			
Due to Current Fund	B-12	\$ 272.50	\$ 284.14
Prepaid Licenses	B-5	-	8,776.80
Due to State of New Jersey	B-6	-	904.20
Reserve for Animal Control Expenditures	B-4	-	7,168.09
		272.50	17,133.23
Trust - Other Funds:			
Due to Current Fund	B-7	70,096.25	132,375.07
Miscellaneous Reserves	B-8	4,046,855.36	4,549,504.85
		4,116,951.61	4,681,879.92
Open Space Trust Fund:			
Reserve for Open Space/Parks/Recreation	B-11	523,192.88	789,319.92
Due to Current Fund	B-9	700,863.20	32,158.98
Reserve for Wildlife Management	B-10	75,919.48	48,789.69
		1,299,975.56	870,268.59
Length of Service Award Program Fund ("LOSAP"):			
Reserve for Length of Service Award Program	B-15	3,178,786.27	2,757,971.43
Total Liabilities and Reserves		<u>\$ 8,595,985.94</u>	<u>\$ 8,327,253.17</u>

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

**TOWNSHIP OF READINGTON
GENERAL CAPITAL FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND
FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2024 AND 2023**

ASSETS	REFERENCE	2024	2023
Cash and Cash Equivalents	C-2, C-3	\$ 3,308,040.36	\$ 3,488,209.20
Grants Receivable	C-4	52,432.50	104,730.00
Due from Current Fund	C-13	1,604,067.89	3,240,200.64
Due from Federal and State Grant Fund	C-18	17,093.00	17,093.00
Deferred Charges to Future Taxation:			
Funded	C-5	31,048,000.00	34,396,869.94
Unfunded	C-6	8,701,862.00	7,464,612.00
Total Assets		<u>\$ 44,731,495.75</u>	<u>\$ 48,711,714.78</u>
LIABILITIES, RESERVES & FUND BALANCE			
General Serial Bonds	C-10	\$ 31,048,000.00	\$34,368,000.00
Bond Anticipation Notes	C-15	5,102,000.00	3,892,000.00
Green Acres Loans Payable	C-16	-	28,869.94
Capital Improvement Fund	C-8	25,086.04	13,436.04
Improvement Authorizations:			
Funded	C-7	1,353,746.27	2,445,111.19
Unfunded	C-7	2,408,543.84	4,083,415.15
Contracts Payable	C-9	3,082,841.68	947,481.70
Reserve for Emergency Vehicles	C-12	4,240.00	4,240.00
Reserve for Debt Service	C-11	1,519,754.26	2,769,754.26
Reserve for Green Trust	C-17	26,338.84	25,601.22
Due to Open Space Trust Fund	C-14	-	30,883.98
Fund Balance	C-1	160,944.82	102,921.30
Total Liabilities, Reserves & Fund Balance		<u>\$ 44,731,495.75</u>	<u>\$ 48,711,714.78</u>
Bonds and Notes Authorized But Not Issued	C-19	<u>\$ 3,599,862.00</u>	<u>\$ 3,572,612.00</u>

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

TOWNSHIP OF READINGTON
COUNTY OF HUNTERDON, NEW JERSEY
GENERAL CAPITAL FUND
STATEMENT OF CHANGES IN FUND BALANCE
YEAR ENDED DECEMBER 31, 2024

	<u>Ref.</u>	
Balance, December 31, 2023	C	\$ 102,921.30
Increased By:		
Premium on Notes	C-2	<u>58,023.52</u>
Balance, December 31, 2024		<u><u>\$ 160,944.82</u></u>

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

**TOWNSHIP OF READINGTON
SEWER UTILITY FUND
SCHEDULE OF ASSETS, LIABILITIES, RESERVES AND
FUND BALANCE - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2024**

	REFERENCE	2024	2023
ASSETS			
Operating Fund:			
Cash	D-4	\$ 826,907.55	\$1,246,831.41
Due from Current Fund	D-12	173,358.91	173,358.91
Receivables with Full Reserves:			
Consumer Accounts Receivable	D-5	182,091.74	159,215.33
Sewer Utility Liens	D-10	1,430.60	950.60
		<u>1,183,788.80</u>	<u>1,580,356.25</u>
Total Assets		<u><u>1,183,788.80</u></u>	<u><u>1,580,356.25</u></u>
LIABILITIES RESERVES & FUND BALANCE			
Operating Fund:			
Liabilities:			
Appropriation Reserves	D-3, D-6	\$ 254,698.12	\$ 208,679.59
Accounts Payable	D-6, D-7	54,436.93	54,912.07
Sewer Overpayments	D-8	309.67	487.74
Prepaid Rents	D-9	5,448.16	3,759.71
Reserve for Sewer Expansion	D-11	235,941.78	226,058.56
Subtotal		<u>550,834.66</u>	<u>493,897.67</u>
Reserve for Receivables	D	183,522.34	160,165.93
Fund Balance	D-1	<u>449,431.80</u>	<u>926,292.65</u>
Total Operating Fund		<u>1,183,788.80</u>	<u>1,580,356.25</u>
Total Liabilities, Reserves & Fund Balance		<u><u>\$ 1,183,788.80</u></u>	<u><u>\$ 1,580,356.25</u></u>

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

**TOWNSHIP OF READINGTON
COUNTY OF HUNTERDON, NEW JERSEY
SEWER UTILITY FUND
SCHEDULE OF OPERATIONS AND CHANGES IN FUND BALANCE -
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2024**

	<u>Ref.</u>	<u>2024</u>	<u>2023</u>
Revenue and Other Income Realized:			
Fund Balance Utilized	D-2	\$ 830,000.00	\$469,186.00
Rents	D-2	1,678,614.05	1,521,860.52
Miscellaneous Revenue Anticipated	D-2	54,560.84	58,486.21
User Fees from Contracts	D-2	454,829.60	517,216.26
Other Credits To Income:			
Sewer Overpayments Cancelled	D-8	5,256.44	143.00
Unexpended Balance of Appropriation Reserves	D-6	137,876.33	199,341.65
		<u>3,161,137.26</u>	<u>2,766,233.64</u>
Total Revenues			
Expenditures:			
Operating	D-3	985,800.00	371,153.00
Capital Outlay	D-3	50,000.00	35,000.00
Statutory Expenditures	D-3	11,093.00	10,033.00
Service Fees	D-3	1,755,354.00	1,643,000.00
Other Debits:			
Sewer Overpayments Adjusted	D-8	5,751.11	-
		<u>2,807,998.11</u>	<u>2,059,186.00</u>
Total Expenditures			
Excess in Revenue		<u>353,139.15</u>	<u>707,047.64</u>
Statutory Excess in Revenue		353,139.15	707,047.64
Fund Balance, January 1,	D	<u>926,292.65</u>	<u>938,431.01</u>
		1,279,431.80	1,645,478.65
Decreased By:			
Utilized as Anticipated Revenue:			
Sewer Utility Operating Budget	D-1	830,000.00	469,186.00
Current Fund Budget	D-3	-	250,000.00
		<u>830,000.00</u>	<u>719,186.00</u>
Fund Balance, December 31,	D	<u>\$ 449,431.80</u>	<u>\$ 926,292.65</u>

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

**TOWNSHIP OF READINGTON
COUNTY OF HUNTERDON, NEW JERSEY
SEWER UTILITY FUND
STATEMENT OF REVENUES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2024**

	<u>Ref.</u>	<u>Anticipated Revenue</u>	<u>Realized</u>	<u>Excess/ (Deficit)</u>
Surplus Anticipated	D-1	\$ 830,000.00	\$ 830,000.00	\$ -
Sewer User Charges	D-1, D-5	1,546,452.00	1,678,614.05	132,162.05
User Fees from Other Contracts	D-1, D-4	400,000.00	454,829.60	54,829.60
Miscellaneous	D-1, D-4	25,795.00	54,560.84	28,765.84
	D-3	<u>\$ 2,802,247.00</u>	<u>\$ 3,018,004.49</u>	<u>\$ 215,757.49</u>

Analysis of Miscellaneous Revenue

Interest on Investments	\$ 41,178.17
Credit Card Fees	1,003.35
Bad Check Fees	260.00
Interest and Costs on Rents	<u>12,119.32</u>
Total	<u>\$ 54,560.84</u>

Analysis of Water/Sewer Utility Rents

Collections	\$ 1,674,296.60
Overpayments Applied	557.74
Prepayments Applied	<u>3,759.71</u>
	<u>\$ 1,678,614.05</u>

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

**TOWNSHIP OF READINGTON
COUNTY OF HUNTERDON, NEW JERSEY
SEWER UTILITY FUND
SCHEDULE OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2024**

	<u>Appropriations</u>		<u>Expended</u>	
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>
Operating:				
Salaries and Wages	\$ 715,000.00	\$ 715,000.00	\$ 711,188.86	\$ 3,811.14
Other Expenses	270,800.00	270,800.00	239,586.99	31,213.01
Service Fees - RLSA	1,445,354.00	1,445,354.00	1,410,109.52	35,244.48
Service Fees - RTMUA	310,000.00	310,000.00	186,663.51	123,336.49
Total Operating	2,741,154.00	2,741,154.00	2,547,548.88	193,605.12
Capital Improvements:				
Capital Outlay	50,000.00	50,000.00	-	50,000.00
Statutory Expenditures:				
Social Security System (O.A.S.I.)	11,093.00	11,093.00	-	11,093.00
Total Statutory Expenditures	11,093.00	11,093.00	-	11,093.00
Total Expenditures	\$ 2,802,247.00	\$ 2,802,247.00	\$ 2,547,548.88	\$ 254,698.12
	<u>Ref.</u>	<u>D-2</u>	<u>D-2</u>	<u>Below</u>
				<u>D</u>
<u>Analysis of Paid or Charged</u>				
Cash Disbursements	D-4		\$ 2,493,111.95	
Accounts Payable - Vendors	D-7		54,436.93	
			<u>\$ 2,547,548.88</u>	

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

TOWNSHIP OF READINGTON
COUNTY OF HUNTERDON, NEW JERSEY
GENERAL FIXED ASSETS ACCOUNT GROUP
STATEMENTS OF ASSETS, LIABILITIES, RESERVES
AND FUND BALANCE - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2024

	REFERENCE	<u>2024</u>	<u>2023</u>
General Fixed Assets:			
Land and Improvements	E	\$ 35,884,748.00	\$ 35,550,258.00
Buildings and Improvements	E	8,701,395.00	8,655,005.00
Machinery and Equipment	E	<u>15,405,805.00</u>	<u>15,311,896.00</u>
Total General Fixed Assets		<u>\$ 59,991,948.00</u>	<u>\$ 59,517,159.00</u>
Investment in General Fixed Assets	E	<u>\$ 59,991,948.00</u>	<u>\$ 59,517,159.00</u>

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

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**TOWNSHIP OF READINGTON
COUNTY OF HUNTERDON, NEW JERSEY**

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

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**TOWNSHIP OF READINGTON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

Note 1. Summary of Significant Accounting Policies

Description of Financial Reporting Entity

The Township of Readington, County of Hunterdon, New Jersey (hereafter referred to as the "Township") is governed by the Township form of government, with a mayor and a 5-member Township Council. Administrative responsibilities are assigned to the Township Manager. Policy is determined by Council and the Manager is responsible for carrying out such policy.

Component Units - GASB Statement 14, as amended by GASB Statements 39, 61, 80, 90 and 97, establishes criteria to be used in determining the component units, which should be included in the financial statements of a primary government. The financial statements of the Township are not presented in accordance with GAAP (as discussed below). Therefore, the Township had no component units as defined by GASB Statement No. 14, as amended by GASB Statements 39, 61, 80, 90 and 97.

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

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

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

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

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

Sewer Operating – These funds accounts for utility operations that are financed through user fees. The funds are operated on a basis similar to private business enterprises where the intent is that the costs of providing the utility to the general public be financed through user fees.

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

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

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

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

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

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

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

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

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

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

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

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

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

Right to Use Leased Assets – The right to use leased assets are initially measured at an amount equal to the initial measurement of the related lease liability plus any lease payments made prior to the lease term, less lease incentives, and plus ancillary charges necessary to place the lease into service. The assets leased by the Township consist of equipment. The right to use leased assets is not recorded on the various statements of assets, liabilities, reserves and net position in accordance with the regulatory basis of accounting.

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

General Fixed Assets – Accounting for governmental fixed assets, as required by *N.J.A.C.5:30-5.6*, differs in certain respects from accounting principles generally accepted in the United States of America.

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

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

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

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

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

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

Fund Balance – Fund Balance included in the Current and Utility Operating Fund represent the amount available for anticipation as revenue in future year’s budgets, with certain restrictions.

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

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

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

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

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

**TOWNSHIP OF READINGTON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

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

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

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

Expenditures – are recorded on the “budgetary” basis of accounting. Generally, expenditures are recorded when an amount is encumbered through the issuance of a numerically controlled purchase order or when a contract is executed as required by Technical Accounting Directive No. 85-1. When an expenditure is paid, the amount encumbered is simultaneously liquidated in its original amount.

Encumbrances are offset by an account entitled reserve for encumbrances. The reserve is classified as a cash liability under New Jersey municipal accounting. At December 31, this reserve represents the portion of appropriation reserves that has been encumbered and is subject to the same statutory provisions as appropriation reserves. Appropriations for interest payments on outstanding general capital bonds and notes are provided on the cash basis. Appropriations for interest payments on outstanding utility capital bonds and notes are provided on the accrual basis.

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

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

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

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

**TOWNSHIP OF READINGTON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

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

Accounting Pronouncements Adopted in Current Year

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

- Statement No. 100, *Accounting Changes and Error Corrections – an amendment of GASB Statement No. 62*. The requirements of this Statement are effective for fiscal years beginning after June 15, 2023.
- Statement No. 101, *Compensated Absences*. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023. Implementation of this Statement resulted in additional footnote disclosures on the Township's financial statements. See Note 15.

Accounting Pronouncements Effective in Future Reporting Periods

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

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

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

Note 2. Deposits and Investments

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

Deposits

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

**TOWNSHIP OF READINGTON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

Note 2. Deposits and Investments (continued):

As of December 31, 2024, the Township's bank balance of \$20,450,486.22 was insured or collateralized as follows:

	<u>Balance, December 31, 2024</u>
Insured under FDIC and GUDPA	\$ 14,258,707.66
Uninsured and Uncollateralized	<u>6,191,778.56</u>
	<u>\$ 20,450,486.22</u>

Investments

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

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

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

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

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

Note 2. Deposits and Investments (continued):

The Township's fair value, hierarchy level and maturities of its investments at December 31, 2024 was as follows:

Fund	Carrying Value	Fair Value as of December 31, 2024		Investment Maturities (in Year)
		Level 1	Total	Less Than 1 Year
<u>Investment type</u>				
Mutual Funds	\$ 2,610,339.95	2,610,339.95	2,610,339.95	\$ 2,610,339.95
Fixed Account Investment Contract	<u>568,446.32</u>	<u>568,446.32</u>	<u>568,446.32</u>	<u>568,446.32</u>
	<u>\$ 3,178,786.27</u>	<u>3,178,786.27</u>	<u>3,178,786.27</u>	<u>3,178,786.27</u>
<u>Fund</u>				
Trust Fund - LOSAP	<u>\$ 3,178,786.27</u>	<u>3,178,786.27</u>	<u>3,178,786.27</u>	<u>3,178,786.27</u>
	<u>\$ 3,178,786.27</u>	<u>3,178,786.27</u>	<u>3,178,786.27</u>	<u>\$ 3,178,786.27</u>

Investments at Contract Value - The Township held a fully benefit-responsive investment contract with the Lincoln Financial Group (Lincoln) totaling \$568,446.32 as of December 31, 2024. Lincoln maintains the contributions in the group fixed annuity contracts (fixed accounts). The accounts are credited with earnings on the underlying investments and charged for participant withdrawals and administrative expenses. The traditional investment contracts held by the Township are guaranteed investment contracts. The contract issuer is contractually obligated to repay the principal and interest at a specified interest rates that are guaranteed to the LOSAP Plan. The Township's ability to receive amounts due in accordance with the fully benefit-responsive investment contracts is dependent on the contract issuer's ability to meet its financial obligations. The fixed accounts continue in-force until they are terminated by Lincoln or the LOSAP Plan and do not define a maturity date.

No events are probable of occurring that might limit the ability of the LOSAP Plan to transact at contract value with the contract issuer and also limit the ability of the LOSAP Plan to transact at contract value with participants. These contracts meet the fully benefit-responsive investment contract criteria and therefore are reported at contract value.

The total Trust Fund LOSAP value held by the Township at December 31, 2024 was as follows:

Trust Fund - LOSAP (Fair Value)	\$ 2,610,339.95
Trust Fund - LOSAP (Contract Value)	<u>568,446.32</u>
Total Trust Fund - LOSAP	<u>\$ 3,178,786.27</u>

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

Note 2. Deposits and Investments (continued):

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

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

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

Concentration of Credit Risk – Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. Other than the rules and regulations promulgated by N.J.S.A. 40A; 5-15.1, the Township's investment policies place no limit in the amount the Township may invest in any one issuer.

Note 3. Property Taxes

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

Comparison Schedule of Tax Rates

	<u>2024</u>	<u>2023</u>	<u>2022</u>
Tax Rate	<u>\$ 2.621</u>	<u>\$ 2.599</u>	<u>\$ 2.532</u>
Apportionment of Tax Rate:			
Municipal	0.528	0.528	0.528
County General	0.449	0.427	0.403
Local School	1.044	1.032	0.998
Regional School	0.600	0.612	0.603

**TOWNSHIP OF READINGTON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

Note 3. Property Taxes (continued):

Assessed Valuation

<u>Year</u>	<u>Amount</u>
2024	\$ 3,337,361,500.00
2023	3,289,499,800.00
2022	3,311,429,363.00

Comparison of Tax Levies and Collections

<u>Year</u>	<u>Tax Levy</u>	<u>Cash Collections</u>	<u>Percentage Of Collection</u>
2024	\$ 87,694,254.61	\$ 87,029,372.94	99.24%
2023	85,957,067.10	85,154,983.45	99.06%
2022	84,326,661.55	83,591,683.68	99.12%

Delinquent Taxes and Tax Title Liens

<u>Year</u>	<u>Tax Title Liens</u>	<u>Delinquent Taxes</u>	<u>Total Delinquent</u>	<u>Percentage Of Tax Levy</u>
2024	\$ 138,669.11	\$ 666,913.88	\$ 805,582.99	0.92%
2023	134,163.61	801,368.67	\$ 935,532.28	1.09%
2022	129,665.32	699,022.13	\$ 828,687.45	0.98%

**TOWNSHIP OF READINGTON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

Note 4. Utility Service Charges

The following is a three-year comparison of Sewer utility charges (rents) and collections for the current and previous two years.

<u>Year</u>	<u>Beginning Receivable Balance</u>	<u>Sewer Levy</u>	<u>Cash Collections</u>	<u>Percentage of Collection</u>
2024	\$ 159,215.33	\$ 1,696,343.69	\$ 1,678,614.05	90.46%
2023	118,826.22	1,562,709.63	1,515,259.76	90.11%
2022	87,928.00	2,054,214.31	2,017,770.49	94.19%

Note 5. Fund Balances Appropriated

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

<u>Year</u>	<u>Balance December 31,</u>	<u>Utilized in Budget of Succeeding Year</u>	<u>Percentage of Fund Balance Used</u>
Current Fund:			
2024	\$ 2,278,988.22	\$ 943,250.00	41.39%
2023	2,267,321.77	1,093,242.44	48.22%
2022	3,492,592.25	1,940,000.00	55.55%
Utility Operating Fund:			
2024	\$ 449,431.80	\$ 398,000.00	88.56%
2023	926,292.65	830,000.00	89.60%
2022	938,431.01	469,186.00	50.00%

**TOWNSHIP OF READINGTON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

Note 6. Interfund Receivables, Payables and Transfers

The following interfund balances were recorded in the various statements of assets liabilities, reserves and fund balances at December 31, 2024:

Fund	Interfunds Receivable	Interfunds Payable
Current Fund	\$ 771,231.95	\$ 2,979,074.91
Federal and State Grant Fund	1,201,648.11	17,093.00
Animal Control Trust	-	272.50
Trust Other Fund	-	70,096.25
Open Space Trust	-	700,863.20
General Capital Fund	1,621,160.89	-
Utility Operating Fund	173,358.91	-
	<u>\$ 3,767,399.86</u>	<u>\$ 3,767,399.86</u>

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

Fund	Transfers In	Transfers Out
Current Fund	\$ 8,781,375.33	\$ 12,115,291.17
Federal and State Grant Fund	208,129.31	409,386.11
Animal Control Trust	-	284.14
Trust Other Fund	1,903,200.19	1,012,577.08
Open Space Trust	1,553,175.42	734,474.50
General Capital Fund	8,150,786.25	6,324,653.50
Utility Operating Fund	300,000.00	300,000.00
	<u>\$ 20,896,666.50</u>	<u>\$ 20,896,666.50</u>

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

**TOWNSHIP OF READINGTON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

Note 7. Fixed Assets

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

	Balance December 31, <u>2023</u>	Additions/ <u>Adjustments</u>	Dispositions/ <u>Adjustments</u>	Balance December 31, <u>2024</u>
Land	\$ 35,550,258.00	\$ 334,490.00	\$ -	\$ 35,884,748.00
Buildings and Improvements	8,655,005.00	46,390.00	-	8,701,395.00
Machinery & Equipment	15,311,896.00	324,772.00	230,863.00	15,405,805.00
	<u>\$ 59,517,159.00</u>	<u>\$ 705,652.00</u>	<u>\$ 230,863.00</u>	<u>\$ 59,991,948.00</u>

Note 8. Pension Obligations

A. Public Employees' Retirement System (PERS)

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

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

The following represents the membership tiers for PERS:

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

**TOWNSHIP OF READINGTON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

Note 8. Pension Obligations (continued):

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

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

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

Contributions - The contribution policy for PERS is set by *N.J.S.A. 43:15A* and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount, which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For the fiscal year 2023, the State's pension contribution was less than the actuarial determined amount. The local employers' contribution amounts are based on an actuarially determined rate, which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PERS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years beginning with the payments due in fiscal year ended December 31, 2023, the Township's contractually required contribution to PERS plan was \$528,599.

Components of Net Pension Liability - At December 31, 2023, the Township's proportionate share of the PERS net pension liability was \$5,278,547. The net pension liability was measured as of June 30, 2023. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of July 1, 2022, which was rolled forward to June 30, 2023. The Township's proportion of the net pension liability was based on the Township's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2023. The Township's proportion measured as of June 30, 2023, was 0.0388469940% which was a decrease of 0.0057746922% from its proportion measured as of June 30, 2022.

**TOWNSHIP OF READINGTON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

Note 8. Pension Obligations (continued):

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

Balances at December 31, 2024 and December 31, 2023

	<u>12/31/2024</u>	<u>12/31/2023</u>
	June 30, 2024	June 30, 2023
Actuarial valuation date (including roll forward)		
Deferred Outflows of Resources	\$ 421,704	\$ 647,626
Deferred Inflows of Resources	1,266,624	818,110
Net Pension Liability	5,278,547	6,463,172
Township's portion of the Plan's total Net Pension Liability	0.03885%	0.04462%

Pension Expense and Deferred Outflows/Inflows of Resources - At December 31, 2023, the Township's proportionate share of the PERS expense/(credit), calculated by the plan as of the June 30, 2023 measurement date is \$18,411. This expense/(credit) is not recognized by the Township because of the regulatory basis of accounting as described in Note 1, but as previously mentioned the Township contributed \$528,599 to the plan in 2023.

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

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between Expected and Actual Experience	\$ 105,739	\$ 14,053
Changes of Assumptions	6,558	60,058
Net Difference between Projected and Actual Earnings on Pension Plan Investments	-	244,752
Changes in Proportion and Differences between Township Contributions and Proportionate Share of Contributions	<u>309,407</u>	<u>947,761</u>
	<u>\$ 421,704</u>	<u>\$ 1,266,624</u>

**TOWNSHIP OF READINGTON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

Note 8. Pension Obligations (continued):

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

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

<u>Year Ending December 31,</u>	<u>Amount</u>
2025	\$ (351,785)
2026	45,742
2027	(227,439)
2028	(185,266)
2029	<u>(126,172)</u>
	<u>\$ (844,920)</u>

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

Additionally, the State has no proportionate share of the PERS net pension liability attributable to the Township as of December 31, 2023. At December 31, 2023, the State's proportionate share of the PERS expense, associated with the Township, calculated by the plan as of the June 30, 2023 measurement date was \$17,018.

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

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

**TOWNSHIP OF READINGTON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

Note 8. Pension Obligations (continued):

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

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

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

Long-Term Expected Rate of Return - In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2023) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2023 are summarized in the following table:

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

**TOWNSHIP OF READINGTON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

Note 8. Pension Obligations (continued):

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

Discount Rate - The discount rate used to measure the total pension liability was 7.00% as of June 30, 2023. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be based on 78% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments to determine the total pension liability.

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

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Township's Proportionate Share of the Net Pension Liability	<u>\$ 7,072,931</u>	<u>\$ 5,278,547</u>	<u>\$ 3,833,781</u>

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

Plan Description – The State of New Jersey, Police and Firemen's Retirement System (PFRS) is a cost-sharing multiple-employer defined benefit pension plan administered by the State of New Jersey, Division of Pensions and Benefits (the Division). For additional information about PFRS, please refer to the Division's Annual Comprehensive Financial Report (ACFR) which can be found at <http://www.state.nj.us/treasury/pensions/annual-reports.shtml>.

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

The following represents the membership tiers for PFRS:

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

**TOWNSHIP OF READINGTON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

Note 8. Pension Obligations (continued)

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

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

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

Contributions - The contribution policy for PFRS is set by *N.J.S.A. 43:16A* and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's contribution amount is based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. For fiscal year 2023, the State contributed an amount more than the actuarially determined amount. The Local employers' contribution amounts are based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PFRS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law.

**TOWNSHIP OF READINGTON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

Note 8. Pension Obligations (continued)

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

This unfunded liability will be paid by the employer in level annual payments over a period of 15 years beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets. For the year ended December 31, 2023, the Township's contractually required contributions to PFRS plan was \$918,360.

Net Pension Liability and Pension Expense - At December 31, 2023 the Township's proportionate share of the PFRS net pension liability was \$6,856,034. The net pension liability was measured as of June 30, 2023. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of July 1, 2022, to the measurement date of June 30, 2023. The Township's proportion of the net pension liability was based on the Township's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2023. The Township's proportion measured as of June 30, 2023, was 0.0663919800%, which was a decrease of 0.0070058700% from its proportion measured as of June 30, 2022.

Balances at December 31, 2024 and December 31, 2023

	<u>12/31/2024</u>	<u>12/31/2023</u>
Actuarial valuation date (including roll forward)	June 30, 2024	June 30, 2023
Deferred Outflows of Resources	\$ 819,802	\$ 1,364,036
Deferred Inflows of Resources	1,702,212	1,621,292
Net Pension Liability	6,856,034	8,109,569
 Township's portion of the Plan's total Net Pension Liability	 0.06639%	 0.07340%

Pension Expense/(Credit) and Deferred Outflows/Inflows of Resources – At December 31, 2023, the Township's proportionate share of the PFRS expense/(credit), calculated by the plan as of the June 30, 2022 measurement date was \$290,109. This expense/(credit) is not recognized by the Township because of the regulatory basis of accounting as described in Note 1, but as previously mentioned the Township contributed \$918,360 to the plan in 2022.

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

**TOWNSHIP OF READINGTON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

Note 8. Pension Obligations (continued)

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

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between Expected and Actual Experience	\$ 431,925	\$ 234,712
Changes of Assumptions	10,838	201,350
Net Difference between Projected and Actual Earnings on Pension Plan Investments	-	53,661
Changes in Proportion and Differences between Township Contributions and Proportionate Share of Contributions	<u>377,039</u>	<u>1,212,489</u>
	<u>\$ 819,802</u>	<u>\$ 1,702,212</u>

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

Year Ending December 31,	Amount
2025	\$ (499,181)
2026	215,556
2027	(263,130)
2028	(211,688)
2029	(127,415)
Thereafter	<u>3,446</u>
	<u>\$ (882,410)</u>

Special Funding Situation – Under N.J.S.A. 43:16A-15, local participating employers are responsible for their own contributions based on actuarially determined amounts, except where legislation was passed which legally obligated the State if certain circumstances occurred. The legislation which legally obligates the state is as follows: Chapter 8, P.L. 2000, Chapter 318, P.L. 2001, Chapter 86, P.L. 2001, Chapter 511, P.L. 1991, Chapter 109, P.L. 1979, Chapter 247, P.L. 1993 and Chapter 201, P.L. 2001.

**TOWNSHIP OF READINGTON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

Note 8. Pension Obligations (continued)

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

The amounts contributed on behalf of the local participating employers under this legislation is considered to be a special funding situation as defined by GASB Statement No. 68 and the State is treated as a non-employer contributing entity. Since the local participating employers do not contribute under this legislation directly to the plan (except for employer specific financed amounts), there is no net pension liability to report in the financial statements of the local participating employers related to this legislation.

Additionally, the State's proportionate share of the PFRS net pension liability attributable to the Township is \$6,856,034.00 as of December 31, 2023. The net pension liability was measured as of June 30, 2023. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of July 1, 2022, to the measurement date of June 30, 2023. The State's proportion of the net pension liability associated with the Township was based on a projection of the Township's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. The State's proportion measured as of June 30, 2023 was 0.0663919800%, which was a decrease of 0.0070058700% from its proportion measured as of June 30, 2022, which is the same proportion as the Township's. At December 31, 2023, the Township's and the State of New Jersey's proportionate share of the PFRS net pension liability were as follows:

Township's Proportionate Share of Net Pension Liability	\$ 6,856,034
State of New Jersey's Proportionate Share of Net Pension Liability Associated with the Township	<u>1,351,652</u>
	<u>\$ 8,207,686</u>

At December 31, 2023, the State's proportionate share of the PFRS expense, associated with the Township, calculated by the plan as of the June 30, 2023 measurement date was \$1,351,652.

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

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

**TOWNSHIP OF READINGTON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

Note 8. Pension Obligations (continued)

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

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, 2023 valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2021.

Long-Term Expected Rate of Return - In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2023) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return for each major asset class included in PFRS's target asset allocation as of June 30, 2023 are summarized in the following table:

**TOWNSHIP OF READINGTON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

Note 8. Pension Obligations (continued)

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

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

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

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

**TOWNSHIP OF READINGTON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

Note 8. Pension Obligations (continued)

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

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Township's Proportionate Share of the Net Pension Liability	\$ 9,795,747	\$ 6,856,034	\$ 4,407,897
State of New Jersey's Proportionate Share of Net Pension Liability associated with the Township	<u>1,931,210</u>	<u>1,351,652</u>	<u>869,007</u>
	<u><u>\$ 11,726,957</u></u>	<u><u>\$ 8,207,686</u></u>	<u><u>\$ 5,276,904</u></u>

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

Note 9. Postemployment Benefits Other Than Pensions

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

General Information about the OPEB Plan

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

**TOWNSHIP OF READINGTON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

Note 9. Postemployment Benefits Other Than Pensions (continued):

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

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

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

Basis of Presentation

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

**TOWNSHIP OF READINGTON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

Note 9. Postemployment Benefits Other Than Pensions (continued):

Allocation Methodology

GASB Statement No. 75 requires participating employers in the Plan to recognize their proportionate share of the collective net OPEB liability, collective deferred outflows of resources, collective deferred inflows of resources, and collective OPEB expense (benefit). The special funding situation's and nonspecial funding situation's net OPEB liability, deferred outflows of resources, deferred inflows of resources, and OPEB (benefit) expense are based on separately calculated total OPEB liabilities. For the special funding situation and the nonspecial funding situation, the total OPEB liabilities for the year ended June 30, 2023 were \$15,006,539,477 and \$16,149,595,478, respectively. The nonspecial funding situation's net OPEB liability, deferred outflows of resources, deferred inflows of resources, and OPEB (benefit) expense are further allocated to employers based on the ratio of the plan members of an individual employer to the total members of the Plan's nonspecial funding situation during the measurement period July 1, 2022 through June 30, 2023. Employer and nonemployer allocation percentages have been rounded for presentation purposes; therefore, amounts presented in the schedule of OPEB amounts by employer and nonemployer may result in immaterial differences.

Net OPEB Liability

The total OPEB liability as of June 30, 2023 was determined by an actuarial valuation as of July 1, 2022, which was rolled forward to June 30, 2023. 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)

Initial Fiscal Year Applied

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

Mortality:

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

PFRS generational mortality improvement projections from the central year using Scale MP-2020

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

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

Note 9. Postemployment Benefits Other Than Pensions (continued):

OPEB Obligation and OPEB Expense (benefit) – The State’s proportionate share of the total Other Post-Employment Benefits Obligations, attributable to the Township as of June 30, 2023 was \$20,069,596. The Township’s proportionate share was \$0.

The OPEB Obligation was measured as of June 30, 2023, and the total OPEB Obligation used to calculate the OPEB Obligation was determined by an actuarial valuation as of July 1, 2022, which was rolled forward to June 30, 2023. The State’s proportionate share of the OPEB Obligation associated with the Township was based on projection of the State’s long-term contributions to the OPEB plan associated with the Township relative to the projected contributions by the State associated with all participating Municipalities, actuarially determined. At June 30, 2023, the State Proportionate share of the OPEB Obligation attributable to the Township was 0.1337390011%, which was an increase of 0.0198620001% from its proportion measured as of June 30, 2022.

For the fiscal year ended June 30, 2023, the State of New Jersey recognized an OPEB expense (benefit) in the amount of \$925,506.00 for the State’s proportionate share of the OPEB expense (benefit) attributable to the Township. This OPEB expense (benefit) was based on the OPEB plans June 30, 2022 measurement date.

Actuarial assumptions used in the July 1, 2023 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 initially 6.50% and decreases to a 4.5% long-term trend rate after nine years. For post-65 medical benefits PPO, the trend is increasing to 14.8% in fiscal year 2026 and decreases to 4.50% in fiscal year 2033. For HMO, the trend is increasing to 17.4% in fiscal year 2026 and decreases to 4.50% in fiscal year 2033. For prescription drug benefits, the initial trend rate is 9.5% and decreases to a 4.50% long-term trend rate after seven years. For the Medicare Part B reimbursement, the trend rate is 5.00%.

Discount Rate

The discount rate for June 30, 2023 was 3.54%. This represents the municipal bond return 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.

Sensitivity of Net OPEB Liability to Changes in the Discount Rate

The following presents the collective net OPEB liability of the participating employers as of June 30, 2023, calculated using the discount rate as disclosed above as well as what the collective net OPEB liability would be if it was calculated using a discount rate that is 1-percentage point lower or 1-percentage-point higher than the current rate:

**TOWNSHIP OF READINGTON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

Note 9. Postemployment Benefits Other Than Pensions (continued):

	At 1% Decrease (2.65%)	At Discount Rate (3.65%)	At 1% Increase (4.65%)
State of New Jersey's Proportionate Share of Total OPEB Obligation Associated with The Township	\$ 23,246,989.26	\$ 20,069,596.00	\$ 17,513,873.21
State of New Jersey's Total Nonemployer OPEB Liability	17,382,355,978.00	15,006,539,477.00	13,095,561,553.00

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

The following presents the net OPEB liability as of June 30, 2023, calculated using the healthcare trend rate as disclosed above as well as what the net OPEB liability would be if it was calculated using a healthcare trend rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	1% Decrease	Healthcare Cost Trend Rate	1% Increase
State of New Jersey's Proportionate Share of Total OPEB Obligations Associated with The Township	\$ 17,056,795.10	\$ 20,069,596.00	\$ 23,926,901.85
State of New Jersey's Total Nonemployer OPEB Liability	12,753,792,805.00	15,006,539,477.00	17,890,743,651.00

Additional Information – The following is a summary of the collective balances of the local group at June 30, 2023:

Collective Balances at December 31, 2023 and December 31, 2022

	12/31/2023	12/31/2022
Actuarial valuation date (including roll forward)	June 30, 2023	June 30, 2022
Collective Deferred Outflows of Resources	\$ 9,133,524,491.00	\$ 7,897,070,518.00
Collective Deferred Inflows of Resources	14,817,220,551.00	13,408,600,309.00
Collective Net OPEB Liability	15,006,539,477.00	16,149,595,478.00
Township's Portion	0.133739%	0.113877%

**TOWNSHIP OF READINGTON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

Note 9. Postemployment Benefits Other Than Pensions (continued):

The collective amounts reported as a deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending June 30:	
2024	\$ (1,702,483,126.00)
2025	(1,394,440,795.00)
2026	(754,368,466.00)
2027	(353,621,247.00)
2028	(713,799,887.00)
Thereafter	<u>(764,982,539.00)</u>
	<u><u>\$ (5,683,696,060.00)</u></u>

Changes in Proportion

The previous amounts do not include employer specific deferred outflows of resources and deferred inflow of resources related to the changes in proportion. These amounts should be recognized (amortized) by each employer over the average remaining service lives of all plan members, which is 7.89, 7.82, 7.82, 7.87, 8.05, 8.14 and 8.04 years for the 2023, 2022, 2021, 2020, 2019, 2018 and 2017 amounts, respectively.

Plan Membership

At June 30, 2023, the Program membership consisted of the following:

	<u>June 30, 2023</u>
Active Plan Members	65,613
Retirees Currently Receiving Benefits	<u>34,771</u>
Total Plan Members	<u><u>100,384</u></u>

Changes in the Total OPEB Liability

The change in the State's Total OPEB liability for the fiscal year ended June 30, 2023 (measurement date June 30, 2022) is as follows:

**TOWNSHIP OF READINGTON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

Note 9. Postemployment Benefits Other Than Pensions (continued):

Service Cost	\$ 597,135,801.00
Interest on the Total OPEB Liability	581,375,849.00
Change of Benefit Terms	23,039,435.00
Differences Between Expected and Actual Experience	(2,123,324,632.00)
Changes of Assumptions	255,103,873.00
Contributions From the Employer	(431,386,179.00)
Contributions From Non-Employer Contributing Entity	(55,614,978.00)
Net Investment Income	(2,001,914.00)
Administrative Expense	<u>12,616,744.00</u>
 Net Change in Total OPEB Liability	 (1,143,056,001.00)
 Total OPEB Liability (Beginning)	 <u>16,149,595,478.00</u>
 Total OPEB Liability (Ending)	 <u><u>\$ 15,006,539,477.00</u></u>

Note 10. Municipal Debt

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

	<u>2024</u>	<u>2023</u>	<u>2022</u>
Issued:			
General:			
Bonds, Notes and Loans	\$ 36,150,000.00	\$ 38,288,869.94	\$ 38,239,787.81
 Total Debt Issued	 <u>36,150,000.00</u>	 <u>38,288,869.94</u>	 <u>38,239,787.81</u>
 Authorized but not issued:			
General:			
Bonds, Notes and Loans	3,599,862.00	3,572,612.00	2,798,312.00
 Total Authorized But Not Issued	 <u>3,599,862.00</u>	 <u>3,572,612.00</u>	 <u>2,798,312.00</u>
 Total Gross Debt	 <u><u>\$ 39,749,862.00</u></u>	 <u><u>\$ 41,861,481.94</u></u>	 <u><u>\$ 41,038,099.81</u></u>
 Deductions:			
General:			
Funds on Hand For Payment of Bonds and Notes:			
Reserve for Debt Service	\$ 1,519,754.26	\$ 2,769,754.26	\$ -
 Total Deductions	 <u>1,519,754.26</u>	 <u>2,769,754.26</u>	 <u>-</u>
 Total Net Debt	 <u><u>\$ 38,230,107.74</u></u>	 <u><u>\$ 39,091,727.68</u></u>	 <u><u>\$ 41,038,099.81</u></u>

**TOWNSHIP OF READINGTON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

Note 10. Municipal Debt (continued):

Summary of Statutory Debt Condition - Annual Debt Statement

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

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
General Debt	\$ 38,230,107.74	\$ -	\$ 38,230,107.74
Local School Debt	5,720,000.00	5,720,000.00	-
	<u>\$ 43,950,107.74</u>	<u>\$ 5,720,000.00</u>	<u>\$ 38,230,107.74</u>

Net Debt \$38,230,107.74 divided by the average Equalized Valuation Basis per N.J.S.A 40A:2-2 as amended, \$4,119,245,853.00, equals 0.928%. New Jersey statute 40A:2-6, as amended, limits the debt of a Municipality to 3.5% of the last three preceding year's average equalized valuations of real estate, including improvements and the assessed valuation of Class II Railroad Property. The remaining borrowing power in dollars at December 31, 2024 is calculated as follows:

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

4.0% of Equalized Valuation Basis (Municipal)	\$ 164,769,834.12
Net Debt	<u>38,230,107.74</u>
Remaining Borrowing Power	<u>\$ 126,539,726.38</u>

**TOWNSHIP OF READINGTON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

Note 10. Municipal Debt (continued):

General Debt

A. Serial Bonds Payable

On June 26, 2014, the Township issued \$7,945,000.00 of General Obligation Bonds. The General Obligation Bonds were issued at interest rates varying from 3.00% to 5.00% and matures on July 1, 2025.

On August 4, 2015, the Township issued \$9,573,000.00 of General Obligation Bonds. The General Obligation Bonds were issued at interest rates varying from 2.00% to 3.000% and matures on February 1, 2028.

On April 27, 2017 the Township issued \$14,184,000.00 of General Obligation Bonds. The General Obligation Bonds were issued at interest rates varying from 2.00% to 3.00% and mature on February 15, 2026.

On July 6, 2017, the Township issued \$6,750,000.00 of General Obligation Bonds. The General Obligation Bonds were issued at interest rates varying from 3.00% to 5.00% and matures on January 15, 2031.

On April 12, 2018, the Township issued \$6,278,000.00 of General Obligation Bonds. The General Obligation Bonds were issued at interest rates varying from 2.00% to 4.00% and mature on March 1, 2026.

On April 15, 2020, the Township issued \$6,121,000.00 of General Obligation Bonds. The General Obligation Bonds were issued at interest rates varying from 2.00% to 4.00% and mature on April 1, 2041.

On April 26, 2023, the Township issued \$14,410,000.00 of General Obligation Bonds. The General Obligation Bonds were issued at an interest rates varying from 3.00% to 4.00% and mature on April 15, 2043.

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

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 3,443,000.00	\$ 1,136,859.00	\$ 4,579,859.00
2026	3,590,000.00	970,144.00	4,560,144.00
2027	2,880,000.00	840,569.00	3,720,569.00
2028	2,900,000.00	726,319.00	3,626,319.00
2029	1,975,000.00	610,169.00	2,585,169.00
2030-2034	7,145,000.00	2,137,829.00	9,282,829.00
2035-2039	5,425,000.00	1,170,263.00	6,595,263.00
2040-2043	3,690,000.00	260,263.00	3,950,263.00
	<u>\$ 31,048,000.00</u>	<u>\$ 7,852,415.00</u>	<u>\$ 38,900,415.00</u>

B. Bond Anticipation Notes Payable – Short Term Debt

The following is a summary of bond anticipation notes payable accounted for in the General Capital Fund at December 31, 2024:

**TOWNSHIP OF READINGTON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

Note 10. Municipal Debt (continued):

<u>Ordinance Number</u>	<u>Description</u>	<u>Date of Issue</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Balance December 31, 2024</u>
22-13	Various Capital Improvements	10/1/2024	9/30/2025	4.250%	\$1,686,000.00
23-13	Various Capital Improvements	10/1/2024	9/30/2025	4.250%	2,016,000.00
23-05	Tax Appeal Refunding	10/1/2024	9/30/2025	4.250%	1,400,000.00
					<u>\$5,102,000.00</u>

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

C. Bonds and Notes Authorized But Not Issued

As of December 31, 2024, the Township had \$3,599,862.00 in various General Capital bonds and notes authorized but not issued.

Summary of Principal Debt

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

	<u>Balance December 31, 2023</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance December 31, 2024</u>	<u>Balance Due Within One Year</u>
General Capital:					
General Serial Bonds	\$34,368,000.00	\$ -	\$ 3,320,000.00	\$ 31,048,000.00	\$ 3,443,000.00
Bond Anticipation Notes	3,892,000.00	5,102,000.00	3,892,000.00	5,102,000.00	5,102,000.00
Authorized But Not Issued	3,572,612.00	1,427,250.00	1,400,000.00	3,599,862.00	-
	<u>\$ 41,832,612.00</u>	<u>\$ 6,529,250.00</u>	<u>\$ 8,612,000.00</u>	<u>\$ 39,749,862.00</u>	<u>\$ 8,545,000.00</u>

Note 11. Deferred Compensation Salary Account

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

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

Note 12. Accrued Sick, Vacation and Compensation Time

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

As discussed in Note 1 and in accordance with accounting principles prescribed by the State of New Jersey, the cash basis of accounting is followed for recording the Township's liability related to unused vacation, sick pay and compensation time. The Township permits certain employees, within limits, to accumulate unused vacation, sick pay and compensation time, which may be taken as time off or paid at a later date at an agreed upon rate. In accordance with New Jersey accounting principles, this unused accumulated absence amount is not reported as a liability in the accompanying financial statements.

Under current policies and in accordance with N.J.S.A. 40A:9-10.2, unused sick leave is paid at an agreed upon rate upon separation of employment. Excess unused sick leave above the statutory cap is not paid out upon separation and lapses unless used. However, a liability is recognized under GASB 101 to the extent such leave is expected to be used as time off. It is estimated that accrued benefits for compensated absences, in accordance with GASB Statement No. 101, are valued at \$1,584,780.09 at December 31, 2024.

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

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

Note 13. Risk Management

New Jersey Unemployment Compensation Insurance

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

<u>Year</u>		<u>Contributions</u>		<u>Reductions</u>		<u>Ending Balance</u>
2024	\$	14,778.26	\$	7,940.01	\$	92,340.64
2023		1,255.52		819.90		85,502.39
2022		10,737.64		890.87		85,066.77

**TOWNSHIP OF READINGTON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

Note 14. Contingencies

Grantor Agencies

The Township receives financial assistance from the State of New Jersey and the U.S. government in the form of grants. Entitlement to the funds is generally conditional upon compliance with terms and conditions of the grant agreements and applicable regulations, including the expenditure of the funds for eligible purposes. Substantially all grants, entitlements and cost reimbursements are subject to financial and compliance audits by grantors. As a result of these audits, costs previously reimbursed could be disallowed and require repayment to the grantor agency. As of December 31, 2024 the Township estimates that no material liabilities will result from such audits.

Litigation

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

Tax Appeals

Losses arising from tax appeals are recognized at the time a decision is rendered by an administrative or judicial body; however, municipalities may establish reserves transferred from tax collections or by budget appropriation for future payments of tax appeal losses. There are no significant pending tax appeals as of December 31, 2024.

Note 15. Length of Service Awards Program

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

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

Contributions - If an active member meets the year of active service requirement, a length of service awards program must provide a benefit between the minimum contribution of \$100 and a maximum contribution of \$1,000.00 per year. While the maximum amount is established by statute, it is subject to periodic increases that are related to the consumer price index (N.J.S.A. 40A:14-185(f)). The Division of Local Government Services of the State of New Jersey will issue the permitted maximum annually. The Township elected to contribute \$1,000.00 for the year ended December 31, 2024 per eligible volunteer, into the Plan, depending on how many years the volunteer has served. During the year ended December 31, 2024, the Township contributed a total of \$60,000.00 to the plan. Participants direct the investment of the contributions into various investment options offered by the Plan. The Township has no authorization to direct investment contributions on behalf of eligible volunteers nor has the ability to purchase or sell investment options offered by the Plan. The types of investment options, and the administering of such investments, rests solely with the plan administrator.

**TOWNSHIP OF READINGTON
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

Note 15. Length of Service Awards Program (continued):

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

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

Payment of Benefits - Upon retirement or disability, participants may select various payout options, which include lump sum, periodic, or annuity payments. In the case of death, with certain exceptions, any amount invested under the participant's account is paid to the beneficiary or the participant's estate. In the event of an unforeseeable emergency, as outlined in the Plan document, a participant or a beneficiary entitled to vested accumulated deferrals may request the local plan administrator to payout a portion of vested accumulated deferrals. During the year ended December 31, 2024 payouts of \$120,570.03 were made to vested participants.

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

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

Note 16. Deferred Charges to be Raised in Succeeding Budgets

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2024, the following deferred charges are shown on the Statement of Assets, Liabilities, Reserves and Fund Balances of the following funds:

<u>Description</u>	Balance December 31, <u>2024</u>	2025 <u>Appropriation</u>	Balance to Succeeding <u>Budgets</u>
Current Fund:			
Special Emergency Authorizations (40A:4-55)	\$ 142,500.00	\$ 142,500.00	\$ -
Overexpenditure of Budget Appropriations	11,876.14	11,876.14	-
Overexpenditure of Appropriation Reserve	8,714.82	8,714.82	-
Overexpenditure of Grants	8,800.00	8,800.00	-

Note 17. Subsequent Events

Management has reviewed and evaluated all events and transactions that occurred between December 31, 2024 and October 22, 2025, the date that the financial statements were available for issuance, for possible disclosure and recognition in the financial statements.

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CURRENT FUND

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**TOWNSHIP OF READINGTON
COUNTY OF HUNTERDON, NEW JERSEY
CURRENT FUND
SCHEDULE OF CASH AND INVESTMENTS
YEAR ENDED DECEMBER 31, 2024**

Balance, December 31, 2023	<u>Ref.</u> A		\$ 10,211,776.74
Increased By Receipts:			
Non-Budget Revenue	A-2	\$ 414,884.97	
NJ Senior Citizens' and Veterans' Deductions	A-6	92,232.88	
Tax Collections	A-7	85,908,057.11	
Tax Overpayments	A-11	304,334.22	
Revenue Accounts Receivable	A-12	5,899,285.01	
Tax Title Liens	A-16	176,857.72	
Prepaid Taxes	A-19	569,125.39	
Tax Sale Premiums	A-14	107,400.00	
Miscellaneous Fees Payable	A-9	54,166.00	
Interfunds	A-15	<u>7,432,527.35</u>	
			<u>100,958,870.65</u>
			111,170,647.39
Decreased By Disbursements:			
2024 Budget Appropriations	A-3	21,643,686.04	
2023 Appropriation Reserves	A-13	512,944.91	
Regional School Taxes Payable	A-18	20,022,825.99	
School Taxes Payable	A-20	34,837,861.00	
County Tax Payable	A-17	15,045,198.33	
Tax Title Liens	A-16	176,857.72	
Tax Overpayments Refunded	A-11	49,028.43	
Tax Sale Premiums	A-14	106,060.00	
Miscellaneous Fees Payable	A-9	46,483.00	
Interfunds	A-15	<u>10,504,879.12</u>	
			<u>102,945,824.54</u>
Balance, December 31, 2024	A		<u><u>\$ 8,224,822.85</u></u>

**TOWNSHIP OF READINGTON
COUNTY OF HUNTERDON, NEW JERSEY
CURRENT FUND
SCHEDULE OF CHANGE FUNDS
YEAR ENDED DECEMBER 31, 2024**

	Balance December 31, <u>2024 & 2023</u>
<u>Office</u>	
Tax Collector	\$ 150.00
Municipal Court	200.00
Township Clerk/Animal Control	100.00
Department of Public Works	<u>100.00</u>
	<u>\$ 550.00</u>
<u>Ref.</u>	<u>A</u>

TOWNSHIP OF READINGTON
COUNTY OF HUNTERDON, NEW JERSEY
CURRENT FUND
SCHEDULE OF DUE FROM STATE OF NEW JERSEY -
SENIOR CITIZENS' AND VETERANS' DEDUCTIONS
YEAR ENDED DECEMBER 31, 2024

Balance, December 31, 2023	<u>Ref.</u> A		\$ 45,235.00
Increased By:			
Senior Citizens' and Veterans' Deductions Per Tax Billings	A-7	\$ 90,500.00	
Senior Citizens' and Veterans' Deductions Allowed by Tax Collector	A-7	<u>3,000.00</u>	
			<u>93,500.00</u>
			138,735.00
Decreased By:			
Deductions Disallowed By Tax Collector:			
Current Year	A-7	569.67	
Collections	A-4	<u>92,232.88</u>	
			<u>92,802.55</u>
Balance, December 31, 2024	A		<u><u>\$ 45,932.45</u></u>

TOWNSHIP OF READINGTON
COUNTY OF HUNTERDON, NEW JERSEY
CURRENT FUND
SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY
YEAR ENDED DECEMBER 31, 2024

Year	Balance December 31, 2023	Collections						Transferred December 31, 2024
		Levy	Added Taxes	2023	2024	Transferred to Tax Title Liens	Cancellations & Adjustments	Veterans' and Senior Citizens'
2023	\$ 801,368.67	\$ -	\$ -	\$ -	\$ 789,536.15	\$ -	\$ -	\$ -
2024	-	87,472,247.95	222,006.66	1,565,195.91	85,371,246.70	4,505.50	5,294.81	92,930.33
	\$ 801,368.67	\$ 87,472,247.95	\$ 222,006.66	\$ 1,565,195.91	\$ 86,160,782.85	\$ 4,505.50	\$ 5,294.81	\$ 92,930.33
Ref.	A	Below	Below	A-19	A-4	A-8	A-6	A

Cash Receipts 85,908,057.11
Overpayments Applied 252,725.74

Total 86,160,782.85

Ref. Analysis of 2024 Property Tax Levy

Tax Yield:

General Purpose Tax
Added Taxes (54.4-63.1 et seq.)

\$ 87,472,247.95
222,006.66

\$ 87,694,254.61

Tax Levy

Regional School Tax A-18 \$ 20,022,826.00
Local District School Tax A-20 34,837,861.00
County Taxes
County Tax - General A-17 12,500,689.65
Open Space Tax A-17 1,217,140.04
County Library Taxes A-17 1,251,447.65
Due County for Added Tax A-17 37,723.60

Local Tax for Municipal Purposes
Municipal Open Space
Add: Additional Tax Levied

A-2 16,950,896.97
A-21 667,472.30
A-2 70,075,885.34

87,694,254.61

\$ 87,694,254.61

**TOWNSHIP OF READINGTON
COUNTY OF HUNTERDON, NEW JERSEY
CURRENT FUND
SCHEDULE OF TAX TITLE LIENS RECEIVABLE
YEAR ENDED DECEMBER 31, 2024**

	<u>Ref.</u>	
Balance, December 31, 2023	A	\$ 134,163.61
Increased by:		
Transfers from Current Year Taxes Receivable		<u>4,505.50</u>
Balance, December 31, 2024	A	<u><u>\$ 138,669.11</u></u>

**TOWNSHIP OF READINGTON
COUNTY OF HUNTERDON, NEW JERSEY
CURRENT FUND
SCHEDULE OF MISCELLANEOUS FEES PAYABLE
YEAR ENDED DECEMBER 31, 2024**

	Balance December 31, <u>2023</u>	Cash <u>Receipts</u>	Cash <u>Disbursements</u>	Balance December 31, <u>2024</u>
Due to State - Marriage License Fees	\$ 525.00	\$ 2,330.00	\$ 2,525.00	\$ 330.00
Due to State - DCA Training Fees	-	33,061.00	24,033.00	9,028.00
Due to County - Food Inspections	1,150.00	18,775.00	19,925.00	-
	<u>\$ 1,675.00</u>	<u>\$ 54,166.00</u>	<u>\$ 46,483.00</u>	<u>\$ 9,358.00</u>
<u>Ref.</u>	A	A-4	A-4	A

TOWNSHIP OF READINGTON
COUNTY OF HUNTERDON, NEW JERSEY
CURRENT FUND
SCHEDULE OF RESERVE FOR REVALUATION
YEAR ENDED DECEMBER 31, 2024

Ref.

Balance, December 31, 2024 & 2023

A \$ 50,224.50

**TOWNSHIP OF READINGTON
COUNTY OF HUNTERDON, NEW JERSEY
CURRENT FUND
SCHEDULE OF TAX OVERPAYMENTS
YEAR ENDED DECEMBER 31, 2024**

	<u>Ref.</u>		
Balance, December 31, 2023	A	\$	50,764.61
Increased By:			
Overpayments Created	A-4		304,334.22
			<u>355,098.83</u>
Decreased By:			
Applied to Current Year Taxes	A-7	\$	252,725.74
Cash Disbursements	A-4		49,028.43
			<u>301,754.17</u>
Balance, December 31, 2024	A	\$	<u><u>53,344.66</u></u>

**TOWNSHIP OF READINGTON
COUNTY OF HUNTERDON, NEW JERSEY
CURRENT FUND
SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE
YEAR ENDED DECEMBER 31, 2024**

	Balance December 31, <u>2023</u>	<u>Accrued</u>	Cash <u>Receipts</u>	Balance December 31, <u>2024</u>
Licenses:				
Alcoholic Beverages	\$ -	\$ 22,950.00	\$ 22,950.00	\$ -
Fees and Permits	-	157,710.31	157,710.31	-
Municipal Court - Fines and Costs	-	96,160.96	96,160.96	-
Interest and Costs on Taxes	4,805.41	176,822.18	176,570.05	5,057.54
Interest on Investments and Deposits	-	410,174.01	410,174.01	-
Garden State Trust Fund	-	4,879.00	4,879.00	-
Energy Receipts Tax	-	1,438,664.00	1,438,664.00	-
Uniform Construction Code Fees	-	516,983.00	516,983.00	-
Municipal Relief Fund	-	148,292.56	148,292.56	-
Reserve for Payment of Debt Service	-	1,250,000.00	1,250,000.00	-
Interlocal Agreement -Readington Twp. Board of Education	-	122,276.48	122,276.48	-
Adult Recreation Cannabis Tax	-	1,702,917.20	1,702,917.20	-
	<u>\$ 4,805.41</u>	<u>\$ 6,047,829.70</u>	<u>\$ 6,047,577.57</u>	<u>\$ 5,057.54</u>
Ref.	A	A-2	A-4	A

**TOWNSHIP OF READINGTON
COUNTY OF HUNTERDON, NEW JERSEY
CURRENT FUND
SCHEDULE OF 2023 APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2024**

<u>Appropriation</u>	<u>Balance December 31, 2023 Reserved</u>	<u>Transfers</u>	<u>Balance After Modification</u>	<u>Paid or Charged</u>	<u>Overexpenditure</u>	<u>Balance Lapsed</u>
GENERAL GOVERNMENT:						
General Administration:						
Salaries and Wages	\$ 3.86	\$ -	\$ 3.86	\$ -	\$ -	\$ 3.86
Other Expenses:						
Elections	746.19	-	746.19	-	-	746.19
Other Expenses	391.74	8,000.00	8,391.74	7,564.65	-	827.09
Mayor and Township Committee:						
Salaries and Wages	768.88	-	768.88	-	-	768.88
Financial Administration:						
Salaries and Wages	17,450.66	(17,000.00)	450.66	-	-	450.66
Other Expenses	843.35	9,000.00	9,843.35	7,617.25	-	2,226.10
Revenue Administration (Tax Collection):						
Other Expenses	1,257.02	-	1,257.02	1,250.00	-	7.02
Tax Assessment Administration:						
Salaries and Wages	1,979.37	-	1,979.37	-	-	1,979.37
Other Expenses:						
Revision of Tax Map	2,061.00	-	2,061.00	-	-	2,061.00
Miscellaneous Other Expenses	1,022.90	-	1,022.90	7.02	-	1,015.88
Legal Services and Costs:						
Other Expenses	52,004.93	20,000.00	72,004.93	62,955.98	-	9,048.95
Engineering Services and Costs:						
Other Expenses	24,290.86	-	24,290.86	6,774.00	-	17,516.86
Museum Committee:						
Salaries and Wages	2,846.00	-	2,846.00	-	-	2,846.00
Other Expenses	958.42	-	958.42	715.72	-	242.70
Historic Preservation Commission:						
Other Expenses	2,815.14	-	2,815.14	2,541.24	-	273.90
Planning Board:						
Other Expenses	63.10	-	63.10	32.34	-	31.00
Board of Adjustment:						
Salaries and Wages	1,643.96	-	1,643.96	-	-	1,643.96
Other Expenses	1,207.83	-	1,207.83	553.61	-	654.22
Environmental Health Commission:						
Other Expenses:						
Consultants	15,304.48	-	15,304.48	5,041.16	-	10,263.32
Miscellaneous Other Expenses	1,432.27	-	1,432.27	40.85	-	1,391.42
Administration of Public Assistance:						
Salaries and Wages	67.60	-	67.60	-	-	67.60
Other Expenses	2,847.37	-	2,847.37	-	-	2,847.37
Insurance:						
Other	237.00	-	237.00	-	-	237.00
Employee Group Health	17,245.74	-	17,245.74	-	-	17,245.74
Health Benefit Waiver	37.00	-	37.00	-	-	37.00
PUBLIC SAFETY:						
Aid to Volunteer Ambulance Company						
Fire:						
Other Expenses:						
Purchase of Equipment Volunteer Fire Co.	19,943.19	-	19,943.19	15,144.00	-	4,799.19
Training Fire Department Personnel	2,624.44	-	2,624.44	738.53	-	1,885.91
Municipal Prosecutor:						
Other Expenses	8,776.43	-	8,776.43	8,019.93	-	756.50
Police:						
Salaries and Wages	35,014.73	(40,000.00)	(4,985.27)	-	4,985.27	-
Other Expenses	48,402.61	-	48,402.61	46,158.59	-	2,244.02
Emergency Management Services:						
Salaries and Wages	576.94	-	576.94	-	-	576.94
Other Expenses	5,132.20	-	5,132.20	744.49	-	4,387.71
Whitehouse First Aid Organization						
Other Expenses	8,597.90	-	8,597.90	7,223.09	-	1,374.81
Uniform Fire Safety						
Salaries and Wages	3,050.40	-	3,050.40	-	-	3,050.40
Supplemental Fire Services Program:						
Other Expenses	4,904.86	-	4,904.86	1,741.68	-	3,163.18

**TOWNSHIP OF READINGTON
COUNTY OF HUNTERDON, NEW JERSEY
CURRENT FUND
SCHEDULE OF 2023 APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2024**

<u>Appropriation</u>	<u>Balance December 31, 2023 Reserved</u>	<u>Transfers</u>	<u>Balance After Modification</u>	<u>Paid or Charged</u>	<u>Overexpenditure</u>	<u>Balance Lapsed</u>
PUBLIC WORKS:						
Road Repair and Maintenance:						
Salaries and Wages	68,093.93	(23,000.00)	45,093.93	-		45,093.93
Other Expenses	82,308.58	(22,000.00)	60,308.58	64,038.13	3,729.55	0.00
Snow Removal:						
Other Expenses	51,829.51	(44,000.00)	7,829.51	7,080.17	-	749.34
Tree Care:						
Other Expenses	9,268.33	-	9,268.33	-	-	9,268.33
Waste Collection/Recycling:						
Other Expenses	147,312.21	95,000.00	242,312.21	166,108.70	-	76,203.51
Buildings and Grounds:						
Salaries and Wages	445.11	-	445.11	-	-	445.11
Other Expenses	6,077.19	5,000.00	11,077.19	7,713.41	-	3,363.78
Public Defender:						
Other Expenses	253.50	4,000.00	4,253.50	4,152.00	-	101.50
Municipal Court:						
Salaries and Wages	141.79	-	141.79	-	-	141.79
Other Expenses	1,628.22	1,500.00	3,128.22	2,720.85	-	407.37
Vehicle Maintenance						
Salaries and Wages	139,038.98	-	139,038.98	-	-	139,038.98
Other Expenses	16,716.30	-	16,716.30	16,576.63	-	139.67
HEALTH AND HUMAN SERVICES:						
Board of Health:						
Salaries and Wages	3,331.45	-	3,331.45	-	-	3,331.45
Other Expenses	1,875.26	-	1,875.26	40.85	-	1,834.41
Testing	9,900.00	-	9,900.00	3,300.00	-	6,600.00
Animal Control:						
Other Expenses	2,020.00	-	2,020.00	-	-	2,020.00
RECREATION AND EDUCATION:						
Recreations:						
Salaries and Wages	28,373.26	-	28,373.26	-	-	28,373.26
Other Expenses	2,508.50	-	2,508.50	-	-	2,508.50
Maintenance of Parks - OE	21,043.42	-	21,043.42	10,017.61	-	11,025.81
Celebration of Public Events:						
Other Expenses	5,614.86	-	5,614.86	-	-	5,614.86
Senior Citizens Transportation:						
Other Expenses	1,849.08	-	1,849.08	-	-	1,849.08
Expense in Participation of Free County Library						
Salaries and Wages	14,546.98	-	14,546.98	-	-	14,546.98
Other Expenses	550.87	-	550.87	447.27	-	103.60
UTILITIES:						
Fire Hydrant Services	9,722.18	500.00	10,222.18	9,882.00	-	340.18
Electricity	2,138.44	6,000.00	8,138.44	7,534.20	-	604.24
Street Lighting	10,137.63	-	10,137.63	4,133.19	-	6,004.44
Kelly Bill		-	-		-	-
Telephone	4,587.09	-	4,587.09	4,515.61	-	71.48
Natural Gas	7,993.72	-	7,993.72	3,277.28	-	4,716.44
Gasoline	95,998.40	-	95,998.40	25,118.43	-	70,879.97
Contingent	3,620.00	-	3,620.00	-	-	3,620.00

**TOWNSHIP OF READINGTON
COUNTY OF HUNTERDON, NEW JERSEY
CURRENT FUND
SCHEDULE OF 2023 APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2024**

<u>Appropriation</u>	<u>Balance December 31, 2023 Reserved</u>	<u>Transfers</u>	<u>Balance After Modification</u>	<u>Paid or Charged</u>	<u>Overexpenditure</u>	<u>Balance Lapsed</u>
UNIFORM CONSTRUCTION CODE:						
Construction Official:						
Salaries and Wages	3,261.63	(3,000.00)	261.63	-	-	261.63
Other Expenses	3,756.29	-	3,756.29	713.00	-	3,043.29
Social Security System (O.A.S.I.)	67,134.89	-	67,134.89	711.45	-	66,423.44
Unemployment	6,422.99	-	6,422.99	-	-	6,422.99
Defined Contribution Retirement Contribution	20,000.00	-	20,000.00	-	-	20,000.00
Total Deferred Charges and Statutory Expenditures	93,557.88	-	93,557.88	711.45	-	92,846.43
Total Operations Within "CAPS"	\$ 1,136,050.96	\$ -	\$ 1,136,050.96	\$ 512,944.91	\$ 8,714.82	\$ 631,821.11
LOSAP	8,000.00	-	8,000.00	-	-	8,000.00
Matching Funds for Grants	1.00	-	1.00	-	-	1.00
Interlocal Agreement - Readington Township Board of Education - Police	200,000.00	-	200,000.00	-	-	200,000.00
Interlocal Agreement - Raritan Township Fire Subcode and Fire Prevention	81,844.75	-	81,844.75	-	-	81,844.75
Total Operations Excluded from "CAPS"	\$ 289,845.75	\$ -	\$ 289,845.75	\$ -	\$ -	\$ 289,845.75
Total General Appropriations	\$ 1,425,896.71	\$ -	\$ 1,425,896.71	\$ 512,944.91	\$ 8,714.82	\$ 921,666.86
Appropriation Reserves	\$ 1,188,857.37					
Reserve for Encumbrances	237,039.34					
	<u>\$ 1,425,896.71</u>					

TOWNSHIP OF READINGTON
COUNTY OF HUNTERDON, NEW JERSEY
CURRENT FUND
SCHEDULE OF RESERVE FOR TAX SALE PREMIUMS
YEAR ENDED DECEMBER 31, 2024

	<u>Ref.</u>	
Balance, December 31, 2023	A	\$ 367,000.00
Increased By:		
Cash Receipts	A-4	<u>107,400.00</u> 474,400.00
Decreased By:		
Cash Disbursements	A-4	<u>106,060.00</u>
Balance, December 31, 2024	A	<u><u>\$ 368,340.00</u></u>

TOWNSHIP OF READINGTON
COUNTY OF HUNTERDON, NEW JERSEY
CURRENT FUND
SCHEDULE OF INTERFUNDS
YEAR ENDED DECEMBER 31, 2024

Ref.	TOTAL	FEDERAL & STATE GRANT FUND	SEWER OPERATING	OPEN SPACE TRUST	ANIMAL CONTROL TRUST	OTHER TRUST FUND	GENERAL CAPITAL
Balance, December 31, 2023							
Interfunds Receivable (Payable)	\$ (4,232,449.21)	\$ (983,707.85)	\$ (173,358.91)	\$ 32,158.98	\$ 284.14	\$ 132,375.07	\$ (3,240,200.64)
Increased by:							
Cash Disbursements	\$ 10,504,879.12	\$ 191,445.85	\$ 300,000.00	\$ 1,370,032.44	\$ -	\$ 1,903,200.19	\$ 6,740,200.64
Interest Earned	208,215.35	-	-	-	531.67	47,098.07	160,585.61
Subtotal	\$ 10,713,094.47	\$ 191,445.85	\$ 300,000.00	\$ 1,370,032.44	\$ 531.67	\$ 1,950,298.26	\$ 6,900,786.25
Decreased by:							
Cash Receipts	\$ 6,032,527.35	\$ 400,586.11	\$ 300,000.00	\$ 32,158.98	\$ -	\$ 1,848,466.56	\$ 3,451,315.70
Cash Received for Tax Appeal BAN	1,400,000.00	-	-	-	-	-	1,400,000.00
Municipal Open Space Tax	669,169.24	-	-	669,169.24	-	-	-
Other Disbursements	586,791.63	8,800.00	-	-	543.31	164,110.52	413,337.80
Subtotal	\$ 8,688,488.22	\$ 409,386.11	\$ 300,000.00	\$ 701,328.22	\$ 543.31	\$ 2,012,577.08	\$ 5,264,653.50
Balance, December 31, 2024							
Interfunds Receivable (Payable)	\$ (2,207,842.96)	\$ (1,201,648.11)	\$ (173,358.91)	\$ 700,863.20	\$ 272.50	\$ 70,096.25	\$ (1,604,067.89)

TOWNSHIP OF READINGTON
COUNTY OF HUNTERDON, NEW JERSEY
CURRENT FUND
SCHEDULE OF RESERVE FOR OUTSIDE TAX LIENS
YEAR ENDED DECEMBER 31, 2024

Balance, December 31, 2023	<u>Ref.</u> A	\$ -
Increased By:		
Cash Receipts	A-4	<u>176,857.72</u>
		176,857.72
Decreased By:		
Cash Disbursements	A-4	<u>176,857.72</u>
Balance, December 31, 2024	A	<u>\$ -</u>

**TOWNSHIP OF READINGTON
COUNTY OF HUNTERDON, NEW JERSEY
CURRENT FUND
SCHEDULE OF COUNTY TAXES PAYABLE
YEAR ENDED DECEMBER 31, 2024**

	<u>Ref.</u>		
Balance, December 31, 2023	A		\$ 75,921.28
Increased By:			
Levy-Calendar Year 2024	A-7	\$ 12,500,689.65	
Library Taxes	A-7	1,251,447.65	
Open Space Tax Levy	A-7	1,217,140.04	
Due County for Added Taxes	A-1, A-7	<u>37,723.60</u>	
			<u>15,007,000.94</u>
			15,082,922.22
Decreased By:			
Cash Disbursements	A-4		<u>15,045,198.33</u>
Balance, December 31, 2024	A		<u><u>\$ 37,723.89</u></u>

TOWNSHIP OF READINGTON
COUNTY OF HUNTERDON, NEW JERSEY
CURRENT FUND
SCHEDULE OF REGIONAL SCHOOL TAXES PAYABLE
YEAR ENDED DECEMBER 31, 2024

	<u>Ref.</u>	
Balance, December 31, 2023	A	\$ -
Increased By:		
School Tax Levy:		
January 1, 2024 to December 31, 2024	A-1, A-7	<u>20,022,826.00</u> 20,022,826.00
Decreased By:		
Cash Disbursements	A-4	<u>20,022,825.99</u>
Balance, December 31, 2024	A	<u><u>\$ 0.01</u></u>

**TOWNSHIP OF READINGTON
COUNTY OF HUNTERDON, NEW JERSEY
CURRENT FUND
SCHEDULE OF PREPAID TAXES
YEAR ENDED DECEMBER 31, 2024**

	<u>Ref.</u>	
Balance, December 31, 2023	A	\$ 1,565,195.91
Increased By:		
Collection of 2024 Taxes		
Total Increases	A-4	569,125.39 2,134,321.30
Decreased By:		
Applied To 2024 Taxes	A-7	1,565,195.91
Balance, December 31, 2024	A	\$ 569,125.39

**TOWNSHIP OF READINGTON
COUNTY OF HUNTERDON, NEW JERSEY
CURRENT FUND
SCHEDULE OF LOCAL DISTRICT SCHOOL TAXES PAYABLE
YEAR ENDED DECEMBER 31, 2024**

	<u>Ref.</u>	
Balance, December 31, 2023	A	\$ -
Increased By:		
School Tax Levy:		
January 1, 2024 to December 31, 2024	A-1, A-7	<u>34,837,861.00</u> 34,837,861.00
Decreased By:		
Cash Disbursements	A-4	<u>34,837,861.00</u>
Balance, December 31, 2024	A	<u><u>\$ -</u></u>

**TOWNSHIP OF READINGTON
COUNTY OF HUNTERDON, NEW JERSEY
CURRENT FUND
SCHEDULE OF MUNICIPAL OPEN SPACE TAXES PAYABLE
YEAR ENDED DECEMBER 31, 2024**

	<u>Ref.</u>		
Balance, December 31, 2023	A	\$	-
Increased by:			
2024 Tax Levy	A-7	\$	667,472.30
2024 Added Taxes (54:4-63.1 et seq.)	A-7	<u>1,696.94</u>	
			<u>669,169.24</u>
Decreased by:			
Transferred to Open Space Trust Fund	A-15		<u>667,472.30</u>
Balance, December 31, 2024	A	<u>\$</u>	<u>1,696.94</u>

**TOWNSHIP OF READINGTON
COUNTY OF HUNTERDON, NEW JERSEY
CURRENT FUND
SCHEDULE OF DEFERRED CHARGES - SPECIAL EMERGENCY AUTHORIZATION
YEAR ENDED DECEMBER 31, 2024**

<u>Date Authorized</u>	<u>Purpose</u>	<u>Net Amount Authorized</u>	<u>Balance December 31, 2023</u>	<u>Increased</u>	<u>Raised in 2024 Budget</u>	<u>Balance December 31, 2024</u>
12/2/2024	Litigation (1 Yr)	\$ 142,500.00	\$ -	\$ 142,500.00	\$ -	\$ 142,500.00
2/4/2019	Revaluation of Real Property	500,000.00	100,000.00	-	100,000.00	-
Total			<u>\$ 100,000.00</u>	<u>\$ 142,500.00</u>	<u>\$ 100,000.00</u>	<u>\$ 142,500.00</u>
	<u>Ref.</u>		A	A-3	A-3	A

**TOWNSHIP OF READINGTON
COUNTY OF HUNTERDON, NEW JERSEY
CURRENT FUND
SCHEDULE OF RESERVE FOR TAX APPEALS
YEAR ENDED DECEMBER 31, 2024**

Balance, December 31, 2024 and 2023	A	<u>\$ 8,002.00</u>
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**TOWNSHIP OF READINGTON
COUNTY OF HUNTERDON, NEW JERSEY
CURRENT FUND
SCHEDULE OF RESERVE FOR MUNICIPAL RELIEF FUNDS
YEAR ENDED DECEMBER 31, 2024**

	<u>Ref.</u>	
Balance, December 31, 2023	A	\$ 148,292.56
Decreased by:		
Appropriated as Current Year Revenue	A-2	<u>148,292.56</u>
Balance, December 31, 2024	A	<u><u>\$ -</u></u>

**TOWNSHIP OF READINGTON
COUNTY OF HUNTERDON, NEW JERSEY
CURRENT FUND
SCHEDULE OF RESERVE FOR ENCUMBRANCES
YEAR ENDED DECEMBER 31, 2024**

	<u>Ref.</u>	
Balance, December 31, 2023	A	\$ 237,039.34
Increased by:		
Charges to 2024 Budget	A-3	<u>376,168.65</u>
Decreased by:		
Transferred to Appropriation Reserves	A-13	<u>237,039.34</u>
Balance, December 31, 2024	A	<u><u>\$ 376,168.65</u></u>

**TOWNSHIP OF READINGTON
COUNTY OF HUNTERDON, NEW JERSEY
FEDERAL AND STATE GRANT FUND
SCHEDULE OF FEDERAL AND STATE GRANTS RECEIVABLE
YEAR ENDED DECEMBER 31, 2024**

	Balance December 31, <u>2023</u>	2024 Budget Revenue <u>Realized</u>	<u>Received</u>	Transfer From Unappropriated <u>Reserves</u>	Balance December 31, <u>2024</u>
Sustainable New Jersey - Roots to Rivers	\$ 201.00	\$ -	\$ -	\$ -	\$ 201.00
Local Recreational Improvement Grant	105,000.00	-	55,000.00	-	50,000.00
Somerset County Pass Thru DWI	-	4,770.23	-	4,770.23	-
PSE&G Foundation	5,000.00	-	-	-	5,000.00
Hunterdon County History Partnership Grant	760.00	10,000.00	8,260.00	-	2,500.00
NJ Environmental Commission - ANJEC	130.00	-	-	-	130.00
NJ Historical Commission - Museum	5,698.00	-	-	-	5,698.00
NJ DEP NJUCF Stewardship Grant	50,000.00	-	-	-	50,000.00
391-H Grant Watershed	59,014.39	-	34,730.50	-	24,283.89
Recycling Tonnage Grant	-	12,797.00	12,797.00	-	-
National Opioid Settlement	-	94,261.61	81,693.20	7,937.99	4,630.42
Police Defibrillator	-	4,999.00	4,999.00	-	-
Police Cameras	-	2,500.00	2,500.00	-	-
HC Infrastructure	-	65,000.00	65,000.00	-	-
HC Historic Preservation	-	6,430.07	-	-	6,430.07
HC Parks	-	50,000.00	50,000.00	-	-
Afforestation Grant	-	250,000.00	-	-	250,000.00
Community Energy Planning	-	10,000.00	-	-	10,000.00
Body Armor Fund	-	2,227.68	-	2,227.68	-
	<u>\$ 225,803.39</u>	<u>\$ 512,985.59</u>	<u>\$ 314,979.70</u>	<u>\$ 14,935.90</u>	<u>\$ 408,873.38</u>
<u>Ref</u>	A	A-2, A-30	A-15	A-30	A

**TOWNSHIP OF READINGTON
COUNTY OF HUNTERDON, NEW JERSEY
FEDERAL AND STATE GRANT FUND
SCHEDULE OF DUE FROM CURRENT FUND
YEAR ENDED DECEMBER 31, 2024**

	<u>Ref.</u>	<u>Total</u>	<u>Current Fund</u>	<u>General Capital Fund</u>
Balance December 31, 2022				
From (To)	A	\$ 966,614.85	\$ 983,707.85	\$ (17,093.00)
Increased by:				
Cash Receipts - Grants Receivable	A-26	314,979.70	314,979.70	-
Cash Receipts - Unappropriated Reserve	A-30	85,606.41	85,606.41	-
Overexpenditure - Appropriated Reserve	A-29	8,800.00	8,800.00	
		<u>1,376,000.96</u>	<u>1,393,093.96</u>	<u>(17,093.00)</u>
Decreased by:				
Cash Disbursements - Grants Appropriated	A-29	191,445.85	191,445.85	-
		<u>191,445.85</u>	<u>191,445.85</u>	<u>-</u>
Balance December 31, 2023				
From (To)	A	<u>1,184,555.11</u>	<u>1,201,648.11</u>	<u>(17,093.00)</u>

**TOWNSHIP OF READINGTON
COUNTY OF HUNTERDON, NEW JERSEY
FEDERAL AND STATE GRANT FUND
SCHEDULE OF ENCUMBRANCES PAYABLE
YEAR ENDED DECEMBER 31, 2024**

	<u>Ref.</u>	
Balance, December 31, 2023	A	\$ 19,165.51
Increased by:		
Charges to Appropriated Grant Reserves	A-29	<u>842,195.22</u>
		861,360.73
Decreased by:		
Transferred to Appropriated Grant Reserves	A-29	<u>19,165.51</u>
Balance, December 31, 2024	A	<u><u>\$ 842,195.22</u></u>

**TOWNSHIP OF READINGTON
COUNTY OF HUNTERDON, NEW JERSEY
FEDERAL AND STATE GRANT FUND
SCHEDULE OF RESERVE FOR FEDERAL AND STATE GRANTS - APPROPRIATED
YEAR ENDED DECEMBER 31, 2024**

	Balance December 31, 2023	Appropriated	Prior Year Encumbrances	Paid or Charged	Current Year Encumbrances	Overexpended	December 31, 2024
Clean Communities Program	\$ 94,640.55	\$ -	\$ 3,738.11	\$ 69,443.11	\$ 5,984.37	\$ -	\$ 22,951.18
Drunk Driving Enforcement Fund	24,130.97	-	-	7,468.44	-	-	16,662.53
Body Armor Grant	3,196.24	2,227.68	-	-	-	-	5,423.92
Alcohol Education & Rehabilitation	29,055.03	-	-	1,609.83	-	-	27,445.20
NJ DEP NJUCF Stewardship Grant	49,885.00	-	-	49,885.00	-	-	-
Sustainable New Jersey - Roots to Rivers	201.00	-	-	-	-	-	201.00
National Opioid Settlement	38,188.09	94,261.61	-	421.44	38.09	-	131,990.17
PSEG& Foundation	1,000.00	-	-	-	-	-	1,000.00
New Jersey American Water Environmental Grant Program	100.00	-	-	-	-	-	100.00
Stormwater Assistance Grant	15,000.00	-	-	15,000.00	-	-	-
Hunterdon County Rediscover Hunterdon	5,000.00	-	-	-	-	-	5,000.00
Hunterdon County History Partnership Grant	13,720.00	10,000.00	-	-	-	-	23,720.00
Local Recreational Improvement Grant	41,055.00	-	8,945.00	5,746.00	9,640.00	-	34,614.00
Recycling Tonnage Grant	33,481.72	12,797.00	6,482.40	6,297.40	1,021.00	-	45,442.72
Somerset County Pass Thru DWI	-	4,770.23	-	4,770.23	-	-	-
Lead Grant	-	-	-	8,800.00	-	8,800.00	-
Police Defibrillator	-	4,999.00	-	4,999.00	-	-	-
Police Camera	-	2,500.00	-	-	-	-	2,500.00
Community Energy Planning	-	10,000.00	-	-	-	-	10,000.00
HC Infrastructure Grant	-	65,000.00	-	-	-	-	65,000.00
Afforestation Grant	-	250,000.00	-	-	42,086.76	-	207,913.24
HC Historic Preservation	-	6,430.07	-	-	-	-	6,430.07
HC Parks	-	50,000.00	-	-	-	-	50,000.00
American Rescue Plan	800,863.23	-	-	17,005.40	783,425.00	-	432.83
	<u>\$ 1,149,516.83</u>	<u>\$ 512,985.59</u>	<u>\$ 19,165.51</u>	<u>\$ 191,445.85</u>	<u>\$ 842,195.22</u>	<u>\$ 8,800.00</u>	<u>\$ 656,826.86</u>
Ref.	A	A-3	A-27		A-28	A	A

**TOWNSHIP OF READINGTON
COUNTY OF HUNTERDON, NEW JERSEY
FEDERAL AND STATE GRANT FUND
SCHEDULE OF RESERVE FOR FEDERAL AND STATE GRANTS - UNAPPROPRIATED
YEAR ENDED DECEMBER 31, 2024**

	Balance December 31, <u>2023</u>	Grants <u>Received</u>	Transfer to Grants <u>Appropriated</u>	Balance December 31, <u>2024</u>
Body Armor Fund	\$ 2,227.68	\$ 2,782.14	\$ 2,227.68	\$ 2,782.14
Lead Grant	8,800.00	-	-	8,800.00
Somerset County Pass Thru DWI	4,770.23	5,589.49	4,770.23	5,589.49
National Opioid Settlement	7,937.99	-	7,937.99	-
Clean Communities	-	72,698.84	-	72,698.84
Alcohol Education Rehabilitation	-	4,535.60	-	4,535.60
Recycling Tonnage Grant	-	0.34	-	0.34
	<u>\$ 23,735.90</u>	<u>\$ 85,606.41</u>	<u>\$ 14,935.90</u>	<u>\$ 94,406.41</u>
Ref.	A	A-15	A-26	A

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TRUST FUND SCHEDULES

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TOWNSHIP OF READINGTON
COUNTY OF HUNTERDON, NEW JERSEY
OPEN SPACE TRUST FUND
STATEMENT OF REVENUES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2024

	<u>Reference</u>	2024 <u>Budget</u>	2024 <u>Realized</u>	<u>Variance</u>
Amount to be Raised by Taxation	B-1	\$ 667,472.30	669,169.24	\$ 1,696.94
Non-Budget Revenue - Interest		-	31,605.14	31,605.14
	B-1, B-11	<u>\$ 667,472.30</u>	<u>\$ 700,774.38</u>	<u>\$ 33,302.08</u>

**TOWNSHIP OF READINGTON
COUNTY OF HUNTERDON, NEW JERSEY
OPEN SPACE TRUST FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2024**

	2024 <u>Budget</u>	2024 <u>Paid or Charged</u>	<u>Variance</u>
Debt Service:			
Payment of Bond Principal	\$ 400,000.00	\$ 400,000.00	\$ -
Reserve for Future Use	267,472.30	264,341.28	(3,131.02)
	<u>\$ 667,472.30</u>	<u>\$ 664,341.28</u>	<u>\$ (3,131.02)</u>

TOWNSHIP OF READINGTON
COUNTY OF HUNTERDON, NEW JERSEY
TRUST FUND
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS COLLECTOR - TREASURER
YEAR ENDED DECEMBER 31, 2024

	Ref.	Open Space Trust Fund	Animal Control Trust Fund	Trust Other Fund
Balance, December 31, 2023	B	\$ 839,384.61	\$ 17,133.23	\$ 4,681,879.92
Increased By:				
Interest Earned	B-1	\$ 31,605.14	\$ 531.67	\$ -
Hunting Fees Collected	B-10	27,129.79	-	-
Special Deposits	B-8	-	-	1,551,557.85
State Fees Collected	B-6	-	2,420.40	-
Interfunds	B-7, B-9, B-13	698,356.28	-	71,305.75
Dog License Fees	B-4, B-5	-	30,788.74	-
		757,091.21	33,740.81	1,622,863.60
		1,596,475.82	50,874.04	6,304,743.52
Decreased By:				
Paid to State of New Jersey	B-6	-	3,324.60	-
Open Space Expenditures	B-11	264,341.28	-	-
Special Deposits	B-8	-	-	2,054,207.34
Expenditures Under R.S. 41:19-15.11	B-4	-	47,276.94	-
Interfunds	B-7, B-9, B-13	32,158.98	-	133,584.57
		296,500.26	50,601.54	2,187,791.91
Balance, December 31, 2024	B	\$ 1,299,975.56	\$ 272.50	\$ 4,116,951.61

**TOWNSHIP OF READINGTON
COUNTY OF HUNTERDON, NEW JERSEY
ANIMAL CONTROL TRUST FUND
SCHEDULE OF RESERVE FOR ANIMAL CONTROL EXPENDITURES
YEAR ENDED DECEMBER 31, 2024**

	<u>Ref.</u>		
Balance, December 31, 2023	B	\$	7,168.09
Increased By:			
License Fees:			
2024 Collections	B-3	\$	30,788.74
Interfunds	B-12		543.31
Prepaid Licenses Applied	B-5		8,776.80
			<u>40,108.85</u>
			47,276.94
Decreased By:			
Expenditures Under R.S. 4:19-15.11	B-3		<u>47,276.94</u>
Balance, December 31, 2024	B	\$	<u><u>-</u></u>

License Fees Collected

<u>Year</u>	<u>Amount</u>
2022	\$ 38,024.20
2023	<u>34,825.80</u>
	<u><u>\$ 72,850.00</u></u>

**TOWNSHIP OF READINGTON
COUNTY OF HUNTERDON, NEW JERSEY
ANIMAL CONTROL TRUST FUND
SCHEDULE OF PREPAID LICENSES
YEAR ENDED DECEMBER 31, 2024**

	<u>Ref.</u>	
Balance, December 31, 2023	B	\$ 8,776.80
Decreased By:		
Applied in 2024	B-4	<u>8,776.80</u>
Balance, December 31, 2024	B	<u><u>\$ -</u></u>

TOWNSHIP OF READINGTON
COUNTY OF HUNTERDON, NEW JERSEY
ANIMAL CONTROL TRUST FUND
SCHEDULE OF DUE TO/(FROM) STATE OF NEW JERSEY
YEAR ENDED DECEMBER 31, 2024

	<u>Ref.</u>	
Balance, December 31, 2023	B	\$ 904.20
Increased By:		
State Fees Collected in 2024	B-3	<u>2,420.40</u>
		3,324.60
Decreased By:		
Payments to the State of New Jersey	B-3	<u>3,324.60</u>
Balance, December 31, 2024	B	<u><u>\$ -</u></u>

**TOWNSHIP OF READINGTON
COUNTY OF HUNTERDON, NEW JERSEY
OTHER TRUST FUND
SCHEDULE OF DUE TO/(FROM) CURRENT FUND
YEAR ENDED DECEMBER 31, 2024**

	<u>Ref.</u>		
Balance, December 31, 2023 (Due To)	B	\$	132,375.07
Increased By:			
Recreation Expenditures	B-8	\$	24,277.18
Interest Earned	B-3, B-8	<u>47,028.57</u>	
			<u>71,305.75</u>
			203,680.82
Decreased By:			
Cash Disbursed to Current Fund	B-3	<u>133,584.57</u>	
Balance, December 31, 2024		<u><u>\$</u></u>	<u>70,096.25</u>

**TOWNSHIP OF READINGTON
COUNTY OF HUNTERDON, NEW JERSEY
OTHER TRUST FUND
SCHEDULE OF SPECIAL DEPOSITS
YEAR ENDED DECEMBER 31, 2024**

	Balance December 31, <u>2023</u>	<u>Increases</u>	<u>Decreases</u>	Balance December 31, <u>2024</u>
Unemployment	\$ 85,502.39	\$ 14,778.26	\$ 7,940.01	\$ 92,340.64
General:				
Police Escrow	99,576.92	516,573.60	492,687.83	123,462.69
Public Defender	400.00	2,810.00	-	3,210.00
Parking Offenses Adjudication Act	82.00	-	-	82.00
Library	20,628.85	2,500.00	1,372.97	21,755.88
Museum	54,200.99	1,747.26	-	55,948.25
Rent Security	900.00	-	-	900.00
Fire Penalties	33,699.06	20,100.00	962.75	52,836.31
Snow & Storm	8,688.84	-	960.00	7,728.84
Reserve for Tree	-	4,000.00	-	4,000.00
Housing:				
Deposits	2,069,893.10	388,001.92	1,045,219.44	1,412,675.58
Developers/Driveway/Health Escrows	1,983,253.33	121,013.85	12,980.00	2,091,287.18
Recreation	136,133.74	439,253.00	470,845.62	104,541.12
Payroll Deduction	55,795.98	25,869.95	7,558.90	74,107.03
Flexible Spending	728.64	14,910.00	13,679.82	1,958.82
Forfeited Funds	21.01	0.01	-	21.02
	<u>\$ 4,549,504.85</u>	<u>\$ 1,551,557.85</u>	<u>\$ 2,054,207.34</u>	<u>\$ 4,046,855.36</u>
<u>Ref.</u>	B	B-3		

**TOWNSHIP OF READINGTON
COUNTY OF HUNTERDON, NEW JERSEY
OPEN SPACE TRUST FUND
SCHEDULE OF DUE TO/(FROM) CURRENT FUND
YEAR ENDED DECEMBER 31, 2024**

	<u>Ref.</u>		
Balance, December 31, 2023	B		\$ (32,158.98)
Increased by:			
Cash Disbursements	B-1	\$ 32,158.98	
2024 Tax Levy	B-1	667,472.30	
Added and Omitted Taxes	B-1	<u>1,696.94</u>	
			<u>701,328.22</u>
Decreased by:			
Payments made by Current Fund	B-11	702,560.14	
Cash Receipts	B-3	<u>667,472.30</u>	
			<u>1,370,032.44</u>
Balance, December 31, 2024	B		<u><u>\$ (700,863.20)</u></u>

**TOWNSHIP OF READINGTON
COUNTY OF HUNTERDON, NEW JERSEY
OPEN SPACE TRUST FUND
SCHEDULE OF RESERVE FOR WILDLIFE MANAGEMENT
YEAR ENDED DECEMBER 31, 2024**

	<u>Ref.</u>		
Balance, December 31, 2023	B		\$ 48,789.69
Increased by:			
Hunting Fees Collected	B-3		<u>27,129.79</u>
Balance, December 31, 2024	B		<u><u>\$ 75,919.48</u></u>

**TOWNSHIP OF READINGTON
COUNTY OF HUNTERDON, NEW JERSEY
OPEN SPACE TRUST FUND
SCHEDULE OF RESERVE FOR OPEN SPACE
YEAR ENDED DECEMBER 31, 2024**

	<u>Ref.</u>		
Balance, December 31, 2023	B		\$ 789,319.92
Increased by:			
Tax Levy	B-1	\$ 667,472.30	
Added Taxes	B-1	1,696.94	
Interest	B-1	<u>31,605.14</u>	
			<u>1,490,094.30</u>
Decreased by:			
Expenditures Made by Current Fund	B-9	702,560.14	
Expenditures - Current Year	B-2	<u>264,341.28</u>	
			<u>966,901.42</u>
Balance, December 31, 2024	B		<u><u>\$ 523,192.88</u></u>

TOWNSHIP OF READINGTON
COUNTY OF HUNTERDON, NEW JERSEY
ANIMAL CONTROL TRUST FUND
SCHEDULE OF DUE TO/(FROM) CURRENT FUND
YEAR ENDED DECEMBER 31, 2024

	<u>Ref.</u>	
Balance, December 31, 2023	B	\$ 284.14
Increased By:		
Interest Earned	B-3	<u>531.67</u> 815.81
Decreased By:		
Expenditures paid by Current Fund	B-3	<u>543.31</u>
Balance, December 31, 2024	B	<u><u>\$ 272.50</u></u>

TOWNSHIP OF READINGTON
COUNTY OF HUNTERDON, NEW JERSEY
OPEN SPACE TRUST FUND
SCHEDULE OF DUE FROM/(TO) GENERAL CAPITAL FUND
YEAR ENDED DECEMBER 31, 2024

	<u>Ref.</u>		
Balance, December 31, 2023	B	\$	30,883.98
Decreased By:			
Cash Receipt	B-1		<u>30,883.98</u>
Balance, December 31, 2024	B	\$	<u><u>-</u></u>

TOWNSHIP OF READINGTON
COUNTY OF HUNTERDON, NEW JERSEY
LENGTH OF SERVICE AWARD PROGRAM FUND ("LOSAP")
SCHEDULE OF INVESTMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Balance, December 31, 2023		\$ 2,757,971.43
Increased By:		
Township Contribution	\$ 60,000.00	
Increase in Value of Investments	<u>486,659.87</u>	<u>546,659.87</u>
		3,304,631.30
Decreased By:		
Account Charges	5,275.00	
Withdrawals	<u>120,570.03</u>	<u>125,845.03</u>
Balance, December 31, 2024		<u><u>\$ 3,178,786.27</u></u>

TOWNSHIP OF READINGTON
COUNTY OF HUNTERDON, NEW JERSEY
LENGTH OF SERVICE AWARD PROGRAM FUND ("LOSAP")
SCHEDULE OF RESERVE FOR LENGTH OF SERVICE AWARD PROGRAM
FOR THE YEAR ENDED DECEMBER 31, 2024

Balance, December 31, 2023		\$ 2,757,971.43
Increased By:		
Township Contribution	\$ 60,000.00	
Increase in Value of Investments	<u>486,659.87</u>	<u>546,659.87</u>
		3,304,631.30
Decreased By:		
Account Charges	5,275.00	
Withdrawals	<u>120,570.03</u>	<u>125,845.03</u>
Balance, December 31, 2024		<u><u>\$ 3,178,786.27</u></u>

GENERAL CAPITAL FUND

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**TOWNSHIP OF READINGTON
COUNTY OF HUNTERDON, NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF CASH - TREASURER
YEAR ENDED DECEMBER 31, 2024**

	<u>Ref.</u>		
Balance, December 31, 2023	C		\$ 3,488,209.20
Increased By:			
Premium on Notes	C-1	\$ 58,023.52	
Bond Anticipation Notes	C-15	1,400,000.00	
Capital Improvement Fund	C-8	102,000.00	
Reserve for Insurance Proceeds	C-20	27,500.00	
Reserve for Fire Apparatus	C-21	300,000.00	
Grants Receivable	C-4	52,297.50	
Reserve for Green Trust	C-17	737.62	
Received by Current Fund	C-13	<u>6,900,786.25</u>	
			<u>8,841,344.89</u>
			12,329,554.09
Decreased By:			
Improvement Authorizations	C-7	2,475,976.25	
Reserve for Debt Service Utilized			
In Current Fund Budget	C-11	1,250,000.00	
Paid to Open Space	C-14	30,883.98	
Payments Due from Current Fund	C-13	<u>5,264,653.50</u>	
			<u>9,021,513.73</u>
Balance, December 31, 2024	C		<u><u>\$ 3,308,040.36</u></u>

**TOWNSHIP OF READINGTON
COUNTY OF HUNTERDON, NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF ANALYSIS OF GENERAL CAPITAL FUND CASH
DECEMBER 31, 2024**

	<u>Ref</u>	Balance December 31, <u>2024</u>
Fund Balance	C-1	\$ 160,944.82
Grants Receivable	C-4	(52,432.50)
Capital Improvement Fund	C-8	25,086.04
Reserve for Debt Service	C-12	1,519,754.26
Contracts Payable	C-9	3,082,841.68
Reserve for Emergency Vehicles	C-13	4,240.00
Due from Current Fund	C-14	(1,604,067.89)
Due from Federal and State Grant Fund	C-19	(17,093.00)
Reserve for Green Trust	C-18	26,338.84

Improvement Authorizations:

<u>Ordinance Number</u>	<u>Improvement Description</u>	
03-24/04-27	Acquisition of Property - D'Urso	(772,224.00)
14-11	Various Capital Improvements	0.48
15-10	Acquisition of Affordable Housing Unit	134,215.19
17-09	Acquisition of Sewer Capacity	512,886.69
17-10	Acquisition of Property	152,110.55
18-5	Various Improvements	6.00
20-20	Various Capital Improvements	10,604.83
20-31	Market Affordable Housing	85,531.62
21-07	Various Improvements	123,713.08
21-08	Acquisition of Various Equipment and Improvements	20,000.00
21-29	Acquisition of Property	2,180.45
21-37	Various Improvements	139,460.68
22-13	Various Capital Improvements	195,097.27
22-34	Acq. Of Police Administrative SUV's	14,512.66
23-05	Refunding Tax Appeals	43,176.07
23-13	Various Capital Improvements	528,018.66
23-23	HVAC to the Municipal Building	27,014.78
24-20	Acquisition of a Fire Truck	(1,185,386.16)
24-24	Reappropriation for Various Capital Improvements	106,968.43
24-29	Various Police Vehicles and Equipment	24,540.83
		<u>\$ 3,308,040.36</u>
	<u>Ref.</u>	C

**TOWNSHIP OF READINGTON
COUNTY OF HUNTERDON, NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF GRANTS RECEIVABLE
YEAR ENDED DECEMBER 31, 2024**

<u>Agency</u>	Balance December 31, <u>2023</u>	<u>Receipts</u>	Balance December 31, <u>2024</u>
New Jersey Department of Transportation	\$ 69,730.00	\$ 52,297.50	\$ 17,432.50
Hunterdon County Historic Preservation	35,000.00	-	35,000.00
	<u>\$ 104,730.00</u>	<u>\$ 52,297.50</u>	<u>\$ 52,432.50</u>
<u>Ref.</u>	C	C-2	Below
		Ord. #22-13	\$ 35,000.00
		Ord. #23-13	<u>17,432.50</u>
		Above	<u>\$ 52,432.50</u>
			C

**TOWNSHIP OF READINGTON
COUNTY OF HUNTERDON, NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - FUNDED
YEAR ENDED DECEMBER 31, 2024**

	<u>Ref.</u>	
Balance, December 31, 2023	C	\$34,396,869.94
Decreased By:		
2024 Budget Appropriation to Pay Serial Bonds	C-10	\$ 3,320,000.00
2024 Budget Appropriation to Pay Loans	C-17	<u>28,869.94</u>
		<u>3,348,869.94</u>
Balance, December 31, 2024	C	<u><u>\$31,048,000.00</u></u>

TOWNSHIP OF READINGTON
COUNTY OF HUNTERDON, NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED
YEAR ENDED DECEMBER 31, 2024

Ordinance Number	Improvement Description	Analysis of Balance December 31, 2024					
		Balance December 31, 2023	2024 Authorizations	Notes Paid by Budget Appropriation	Balance December 31, 2024	Bond Anticipation Notes	Unexpended Improvement Authorization
03-24/04-27	Acquisition of Property - D'Urso	\$ 772,224.00	\$ -	\$ -	\$ 772,224.00	\$ -	\$ -
22-13	Various Capital Improvements	1,876,088.00	-	190,000.00	1,686,088.00	1,686,000.00	88.00
23-05	Refunding Tax Appeals	2,800,000.00	-	-	2,800,000.00	1,400,000.00	1,400,000.00
23-13	Various Capital Improvements	2,016,300.00	-	-	2,016,300.00	2,016,000.00	300.00
24-20	Acquisition of a Fire Truck	-	1,186,750.00	-	1,186,750.00	-	1,363.84
24-29	Various Police Vehicles and Equipment	-	240,500.00	-	240,500.00	-	240,500.00
		\$ 7,464,612.00	\$ 1,427,250.00	\$ 190,000.00	\$ 8,701,862.00	\$ 5,102,000.00	\$ 1,957,610.16
REF.	C	C-7, C-20	C-16, C-14	C	C-3		
		Improvement Authorizations - Unfunded					
		Less: Unexpended Proceeds of BANs					
						Ord. 22-13	\$ 195,097.27
						Ord. 23-05	43,176.07
						Ord. 23-13	528,018.66
							766,292.00
						Above	\$ 1,642,251.84

TOWNSHIP OF READINGTON
COUNTY OF HUNTERDON, NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS
YEAR ENDED DECEMBER 31, 2024

Ordinance Number	Improvement Description	2024 Authorizations									
		Balance December 31, 2023		Deferred Charges to Future Taxation		Insurance Proceeds		Reserve for Fire Apparatus		Capital Improvement Fund	
		Funded	Unfunded	Unfunded	Funded	Unfunded	Funded	Unfunded	Funded	Unfunded	Unfunded
05-22/14-19	Various Capital Improvements	\$ 9,539.14	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
14-11	Various Capital Improvements	92,890.84	-	-	-	-	-	-	-	-	-
15-10	Acquisition of Affordable Housing Unit	134,215.19	-	-	-	-	-	-	-	-	0.48
17-09	Acquisition of Sewer Capacity	512,886.69	-	-	-	-	-	-	-	-	134,215.19
17-10	Acquisition of Property	152,110.55	-	-	-	-	-	-	-	-	512,886.69
18-5	Various Improvements	1,006.03	-	-	-	-	-	-	-	-	152,110.55
19-09	Various Capital Improvements	227,729.15	-	-	-	-	-	-	-	-	6,000
19-23	Stumps Property	63,900.67	-	-	-	-	-	-	-	-	-
20-20	Various Capital Improvements	139,483.68	-	-	-	-	-	-	-	-	-
20-31	Market Affordable Housing	335,531.62	-	-	-	-	-	-	-	-	10,604.83
21-07	Various Improvements	401,911.88	-	-	-	-	-	-	-	-	85,531.62
21-08	Acquisition of Various Equipment and Improvements	106,161.67	-	-	-	-	-	-	-	-	123,713.08
21-29	Acquisition of Property	2,180.45	-	-	-	-	-	-	-	-	20,000.00
21-37	Various Improvements	139,460.68	-	-	-	-	-	-	-	-	2,180.45
22-13	Various Capital Improvements	-	\$75,155.18	-	-	-	-	-	-	-	19,460.68
22-14	Various Capital Improvements	70,189.00	-	-	-	-	-	-	-	-	195,185.27
22-29	Pur. Of Self-Contained Breathing Apparatus	3,188.30	-	-	-	-	-	-	-	-	-
22-34	Acq. Of Police Administrative SUV's	14,512.66	-	-	-	-	-	-	-	-	-
22-35	Pur. Of DPW Administrative SUV	1,323.21	-	-	-	-	-	-	-	-	14,512.66
23-05	Refunding Tax Appeals	-	2,791,248.05	-	-	-	-	-	-	-	-
23-13	Various Capital Improvements	-	717,011.92	-	-	-	-	-	-	-	-
23-23	HVAC to the Municipal Building	36,889.78	-	-	-	-	-	-	-	-	1,443,176.07
24-20	Acquisition of a Fire Truck	-	-	1,186,750.00	-	-	-	-	-	-	528,318.66
24-24	Reappropriation for Various Capital Improvements	-	-	-	-	-	-	-	-	-	27,014.78
24-29	Various Police Vehicles and Equipment	-	-	-	-	-	-	-	-	-	1,363.84
				240,500.00	-	27,500.00	-	300,000.00	-	12,100.00	106,968.43
											24,540.83
											240,500.00
		\$ 2,445,111.19	\$ 4,083,415.15	\$ 1,427,250.00	\$ 27,500.00	\$ 300,000.00	\$ 90,350.00	\$ -	\$ 947,481.70	\$ 1,353,746.27	\$ 2,408,543.84
		C	C	C-6, C-20	C-21	C-22	C-8	C-12	C-9	C	C-C-6
	Ref										

TOWNSHIP OF READINGTON
COUNTY OF HUNTERDON, NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF CAPITAL IMPROVEMENT FUND
YEAR ENDED DECEMBER 31, 2024

	<u>Ref.</u>	
Balance, December 31, 2023	C	\$ 13,436.04
Increased By:		
Current Fund Budget Appropriation	C-2	<u>102,000.00</u> 115,436.04
Decreased By:		
Appropriated to Finance Authorizations	C-7	<u>90,350.00</u>
Balance, December 31, 2024	C	<u><u>\$ 25,086.04</u></u>

**TOWNSHIP OF READINGTON
COUNTY OF HUNTERDON, NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF ENCUMBRANCES PAYABLE
YEAR ENDED DECEMBER 31, 2024**

	<u>Ref.</u>	
Balance, December 31, 2023	C	\$ 947,481.70
Increased By:		
Charges to Improvement Authorizations	C-7	<u>3,082,841.68</u>
		4,030,323.38
Decreased By:		
Transferred to Improvement Authorizations	C-7	<u>947,481.70</u>
Balance, December 31, 2024	C	<u><u>\$ 3,082,841.68</u></u>

**TOWNSHIP OF READINGTON
COUNTY OF HUNTERDON, NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF GENERAL SERIAL BONDS
YEAR ENDED DECEMBER 31, 2024**

<u>Purpose</u>	<u>Issue Date</u>	<u>Amount</u>	<u>Date</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Balance December 31, 2023</u>	<u>Decreased</u>	<u>Balance December 31, 2024</u>
Refunding Bonds of 2014	6/26/2014	\$ 7,945,000.00	7/1/2025	\$ 935,000.00	5.00%	\$ 1,875,000.00	\$ 940,000.00	\$ 935,000.00
General Obligation Bonds of 2015	8/4/2015	9,573,000.00	2/1/2025	798,000.00	3.00	4,548,000.00	750,000.00	3,798,000.00
			2/1/2026	1,000,000.00	3.00			
			2/1/2027	1,000,000.00	3.00			
			2/1/2028	1,000,000.00	3.00			
General Obligation Bonds of 2017	4/27/2017	14,184,000.00	2/15/2025	350,000.00	5.00	1,150,000.00	350,000.00	800,000.00
			2/15/2026	450,000.00	5.00			
Refunding Bonds of 2017	7/6/2017	6,750,000.00	1/15/2025	485,000.00	5.00	6,060,000.00	425,000.00	5,635,000.00
			1/15/2026	150,000.00	4.00			
			1/15/2026	720,000.00	5.00			
			1/15/2027	865,000.00	5.00			
			1/15/2028	865,000.00	5.00			
			1/15/2029	865,000.00	5.00			
			1/15/2030	850,000.00	3.00			
			1/15/2031	835,000.00	3.00			
General Improvement Bonds of 2018	4/12/2018	6,278,000.00	3/1/2025	250,000.00	4.00	795,000.00	245,000.00	550,000.00
			3/1/2026	300,000.00	4.00			
General Improvement Bonds of 2020	4/15/2020	6,121,000.00	4/1/2025	235,000.00	4.00	5,530,000.00	225,000.00	5,305,000.00
			4/1/2026	250,000.00	4.00			
			4/1/2027	260,000.00	4.00			
			4/1/2028	275,000.00	4.00			
			4/1/2029	350,000.00	4.00			
			4/1/2030	350,000.00	3.00			
			4/1/2031	335,000.00	2.00			
			4/1/2032	325,000.00	2.00			
			4/1/2033	325,000.00	2.13			
			4/1/2034	325,000.00	2.25			
			4/1/2035	325,000.00	2.38			
			4/1/2036	325,000.00	2.38			
			4/1/2037	325,000.00	2.50			
			4/1/2038	325,000.00	2.50			
			4/1/2039	325,000.00	2.50			
			4/1/2040	325,000.00	2.63			
			4/1/2041	325,000.00	2.63			
General Improvement Bonds of 2023	4/26/2023	14,410,000.00	4/15/2025	390,000.00	4.00	14,410,000.00	385,000.00	14,025,000.00
			4/15/2026	720,000.00	4.00			
			4/15/2027	755,000.00	4.00			
			4/15/2028	760,000.00	4.00			
			4/15/2029	760,000.00	4.00			
			4/15/2030	760,000.00	4.00			
			4/15/2031	760,000.00	4.00			
			4/15/2032	760,000.00	4.00			
			4/15/2033	760,000.00	4.00			
			4/15/2034	760,000.00	4.00			
			4/15/2035	760,000.00	3.00			
			4/15/2036	760,000.00	4.00			
			4/15/2037	760,000.00	4.00			
			4/15/2038	760,000.00	4.00			
			4/15/2039	760,000.00	4.00			
			4/15/2040	760,000.00	4.00			
			4/15/2041	760,000.00	4.00			
			4/15/2042	760,000.00	4.00			
			4/15/2043	760,000.00	4.00			

\$ 34,368,000.00	\$ 3,320,000.00	\$ 31,048,000.00
------------------	-----------------	------------------

C

C-5

C

Paid by Current Fund

\$ 2,920,000.00

Paid by Open Space Trust Fund

400,000.00

\$ 3,320,000.00

**TOWNSHIP OF READINGTON
COUNTY OF HUNTERDON, NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF RESERVE FOR DEBT SERVICE
YEAR ENDED DECEMBER 31, 2024**

	<u>Ref.</u>	
Balance, December 31, 2023	C	\$ 2,769,754.26
Decreased By:		
Amount Anticipated in Current Fund Budget		<u>1,250,000.00</u>
Balance, December 31, 2024	C	<u>\$ 1,519,754.26</u>

**TOWNSHIP OF READINGTON
COUNTY OF HUNTERDON, NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF RESERVE FOR EMERGENCY VEHICLES
YEAR ENDED DECEMBER 31, 2024**

	<u>Ref.</u>	
Balance, December 31, 2024 and 2023	C	<u>\$ 4,240.00</u>

**TOWNSHIP OF READINGTON
COUNTY OF HUNTERDON, NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF DUE (TO)/FROM CURRENT FUND
YEAR ENDED DECEMBER 31, 2024**

	<u>Ref.</u>		
Balance, December 31, 2023	C		\$ 3,240,200.64
Increased By:			
Budget Appropriation - Deferred Charges Unfunded	C-6	\$ 190,000.00	
Payment of Bond Anticipation Note Interest	C-15	174,653.50	
Cash Disbursed by Current Fund on Behalf of General Capital	C-2	1,400,000.00	
Cash Disbursements to Current Fund	C-2	<u>3,500,000.00</u>	
			<u>5,264,653.50</u>
			8,504,854.14
Decreased By:			
Interest Earned	C-2	160,585.61	
Cash Received from Current Fund	C-2	<u>6,740,200.64</u>	
			<u>6,900,786.25</u>
Balance, December 31, 2024	C		<u><u>\$ 1,604,067.89</u></u>

**TOWNSHIP OF READINGTON
COUNTY OF HUNTERDON, NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF DUE (TO)/FROM OPEN SPACE TRUST
YEAR ENDED DECEMBER 31, 2024**

Balance, December 31, 2023		\$ 30,883.98
Decreased By:		
Cash Disbursed to Open Space Trust		<u>30,883.98</u>
Balance, December 31, 2024		<u><u>\$ -</u></u>

TOWNSHIP OF READINGTON
COUNTY OF HUNTERDON, NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF BOND ANTICIPATION NOTES PAYABLE
YEAR ENDED DECEMBER 31, 2024

Ordinance Number	Improvement Description	Date of Original Issue	Date of Issue	Date of Maturity	Interest Rate	Balance	
						December 31, 2023	December 31, 2024
22-13	Various Capital Improvements	10/3/2023	10/1/2024	9/30/2025	4.250%	\$ 1,876,000.00	\$ 1,876,000.00
23-13	Various Capital Improvements	10/3/2023	10/1/2024	9/30/2025	4.250%	2,016,000.00	2,016,000.00
23-05	Tax Appeal Refunding	10/1/2024	10/1/2024	9/30/2025	4.250%	-	-
						<u>1,400,000.00</u>	<u>1,400,000.00</u>
						<u>\$ 3,892,000.00</u>	<u>\$ 5,102,000.00</u>
						<u>\$ 3,892,000.00</u>	<u>\$ 3,892,000.00</u>
						<u>\$ 5,102,000.00</u>	<u>\$ 5,102,000.00</u>

TOWNSHIP OF READINGTON
COUNTY OF HUNTERDON, NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF GREEN ACRES LOAN PAYABLE
YEAR ENDED DECEMBER 31, 2024

	<u>Ref.</u>	
Balance, December 31, 2023	C	\$ 28,869.94
Loans Paid by Budget Appropriation	C-5	<u>28,869.94</u>
Balance, December 31, 2024	C	<u><u>\$ -</u></u>

TOWNSHIP OF READINGTON
COUNTY OF HUNTERDON, NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF RESERVE FOR GREEN TRUST
YEAR ENDED DECEMBER 31, 2024

	<u>Ref.</u>	
Balance, December 31, 2023	C	\$ 25,601.22
Increased By:		
Cash Receipts	C-2	<u>737.62</u>
Balance, December 31, 2024	C	<u><u>\$ 26,338.84</u></u>

**TOWNSHIP OF READINGTON
COUNTY OF HUNTERDON, NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF DUE (TO)/FROM FEDERAL AND STATE GRANT FUND
YEAR ENDED DECEMBER 31, 2024**

	<u>Ref.</u>	
Balance, December 31, 2024 and 2023	C	<u>\$ 17,093.00</u>

TOWNSHIP OF READINGTON
COUNTY OF HUNTERDON, NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED
YEAR ENDED DECEMBER 31, 2024

<u>Ordinance Number</u>	<u>Improvement Description</u>	Balance December 31, <u>2023</u>	2024 <u>Authorizations</u>	<u>Notes Issued</u>	Balance December 31, <u>2024</u>
03-24/04-27	Acquisition of Property - D'Urso	\$ 772,224.00	\$ -	\$ -	\$ 772,224.00
22-13	Various Capital Improvements	88.00	-	-	88.00
23-05	Refunding Tax Appeals	2,800,000.00	-	1,400,000.00	1,400,000.00
23-13	Various Capital Improvements	300.00	-	-	300.00
24-20	Fire Truck	-	1,186,750.00	-	1,186,750.00
24-29	Police Vehicles	-	240,500.00	-	240,500.00
		<u>\$3,572,612.00</u>	<u>\$ 1,427,250.00</u>	<u>\$1,400,000.00</u>	<u>\$3,599,862.00</u>

**TOWNSHIP OF READINGTON
COUNTY OF HUNTERDON, NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF RESERVE FOR INSURANCE PROCEEDS
YEAR ENDED DECEMBER 31, 2024**

	<u>Ref.</u>	
Balance, December 31, 2023	C	\$ -
Increased By:		
Cash Receipts - Insurance Proceeds	C-2	27,500.00 27,500.00
Decreased By:		
Appropriated to Finance Ordinance #2024-29	C-7	27,500.00
Balance, December 31, 2024	C	\$ -
		-
		-

**TOWNSHIP OF READINGTON
COUNTY OF HUNTERDON, NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF RESERVE FOR FIRE APPARATUS
YEAR ENDED DECEMBER 31, 2024**

	<u>Ref.</u>	
Balance, December 31, 2023	C	\$ -
Increased By:		
Cash Receipts - Fire Truck	C-2	300,000.00 300,000.00
Decreased By:		
Appropriated to Finance Ordinance #2024-20	C-7	300,000.00
Balance, December 31, 2024	C	\$ -

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SEWER UTILITY FUND

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TOWNSHIP OF READINGTON
COUNTY OF HUNTERDON, NEW JERSEY
SEWER UTILITY FUND
SCHEDULE OF SEWER UTILITY
OPERATING FUND CASH
YEAR ENDED DECEMBER 31, 2024

	<u>Ref.</u>		
Balance, December 31, 2023	D		\$ 1,246,831.41
Increased By:			
Consumer Accounts Receivable	D-5	\$ 1,674,296.60	
User Fees from Other Contracts	D-2	454,829.60	
Miscellaenous	D-12	54,560.84	
Reserve for Sewer Expansion	D-11	9,883.22	
Prepaid Rents	D-9	<u>5,448.16</u>	
			<u>2,199,018.42</u>
			3,445,849.83
Decreased By:			
2024 Appropriation Expenditures	D-3	2,493,111.95	
2023 Appropriation Reserve Expenditures	D-6	125,715.33	
Overpayments Refunded	D-8	<u>115.00</u>	
			<u>2,618,942.28</u>
Balance, December 31, 2024	D		<u><u>\$ 826,907.55</u></u>

TOWNSHIP OF READINGTON
COUNTY OF HUNTERDON, NEW JERSEY
SEWER UTILITY FUND
SCHEDULE OF SEWER UTILITY
STATEMENTS OF CONSUMER ACCOUNTS RECEIVABLE
YEAR ENDED DECEMBER 31, 2024

	<u>Ref.</u>	
Balance, December 31, 2023	D	\$ 159,215.33
Increased By:		
Sewer Use Charges Levied	D-1	\$ 1,696,343.69
Overpayments Created	D-8	<u>5,751.11</u>
		<u>1,861,310.13</u>
Decreased By:		
Sewer Overpayments Applied	D-8	557.74
Prepaid Sewer Rents Applied	D-9	3,759.71
Transfers to Sewer Utility Liens	D-10	480.00
Cancelled	D-1	124.34
Collections - Prior Year	D-4	159,215.33
Collections - Current Year	D-4	<u>1,515,081.27</u>
		<u>1,679,218.39</u>
Balance, December 31, 2024	D	<u><u>\$ 182,091.74</u></u>

**TOWNSHIP OF READINGTON
COUNTY OF HUNTERDON, NEW JERSEY
SEWER UTILITY FUND
SCHEDULE OF 2023 APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2024**

	Balance December 31, 2023				
	<u>Reserved</u>	<u>Prior Year Encumbrances</u>	<u>Balance After Transfers</u>	<u>Paid or Charged</u>	<u>Balance Lapsed</u>
Operating:					
Salaries and Wages	\$ 57,520.06	\$ -	\$ 47,520.06	\$ -	\$ 47,520.06
Other Expenses	445.14	54,912.07	65,357.21	65,357.07	0.14
Service Fees - RLSA	1,838.00	-	1,838.00	-	1,838.00
Service Fees - RTMUA	120,428.69	-	120,428.69	60,358.26	60,070.43
Total Operating	180,231.89	54,912.07	235,143.96	125,715.33	109,428.63
Capital Improvements:					
Capital Outlay	24,047.62	-	24,047.62	-	24,047.62
Statutory Expenditures					
Social Security System (O.A.S.I)	4,400.08	-	4,400.08	-	4,400.08
Total Expenditures	\$ 208,679.59	\$ 54,912.07	\$ 263,591.66	\$ 125,715.33	\$ 137,876.33
<u>Ref.</u>	D, D-7	D-7		D-4	D-1

**TOWNSHIP OF READINGTON
COUNTY OF HUNTERDON, NEW JERSEY
SEWER UTILITY FUND
SCHEDULE OF ACCOUNTS PAYABLE
YEAR ENDED DECEMBER 31, 2024**

	<u>Ref.</u>	
Balance, December 31, 2023	D	\$ 54,912.07
Increased By:		
Charges to 2024 Budget	D-3	54,436.93 109,349.00
Decreased By:		
Restored to 2023 Appropriation Reserves	D-6	54,912.07
Balance, December 31, 2024	D	\$ 54,436.93

**TOWNSHIP OF READINGTON
COUNTY OF HUNTERDON, NEW JERSEY
SEWER UTILITY FUND
SCHEDULE OF RENT OVERPAYMENTS
YEAR ENDED DECEMBER 31, 2024**

	<u>Ref.</u>	
Balance, December 31, 2023	D	\$ 487.74
Increased By:		
Overpayment Created	D-5	5,751.11 6,238.85
Decreased By:		
Cancelled	D-1	\$ 5,256.44
Overpayments Refunded	D-1	115.00
Applied to Consumer Accounts Receivable	D-5	557.74 5,929.18
Balance, December 31, 2024	D	\$ 309.67

**TOWNSHIP OF READINGTON
COUNTY OF HUNTERDON, NEW JERSEY
SEWER UTILITY FUND
SCHEDULE OF PREPAID RENTS
YEAR ENDED DECEMBER 31, 2024**

	<u>Ref.</u>	
Balance, December 31, 2023	D	\$ 3,759.71
Increased By:		
Cash Receipts	D-4	<u>5,448.16</u>
		9,207.87
Decreased By:		
Prepays Applied	D-5	<u>3,759.71</u>
Balance, December 31, 2024	D	<u><u>\$ 5,448.16</u></u>

TOWNSHIP OF READINGTON
COUNTY OF HUNTERDON, NEW JERSEY
SEWER UTILITY FUND
SCHEDULE OF SEWER UTILITY LIENS
YEAR ENDED DECEMBER 31, 2024

	<u>Ref.</u>	
Balance, December 31, 2023	D	\$ 950.60
Increased By:		
Transfer to Tax Title Liens	D-5	<u>480.00</u>
Balance, December 31, 2024	D	<u><u>\$ 1,430.60</u></u>

TOWNSHIP OF READINGTON
COUNTY OF HUNTERDON, NEW JERSEY
SEWER UTILITY FUND
SCHEDULE OF RESERVE FOR SEWER EXPANSION
YEAR ENDED DECEMBER 31, 2024

	<u>Ref.</u>	
Balance, December 31, 2023	D	\$ 226,058.56
Increased By:		
Interest	D-4	<u>9,883.22</u>
Balance, December 31, 2024	D	<u><u>\$ 235,941.78</u></u>

**TOWNSHIP OF READINGTON
COUNTY OF HUNTERDON, NEW JERSEY
SEWER UTILITY FUND
STATEMENT OF DUE FROM CURRENT FUND
YEAR ENDED DECEMBER 31, 2024**

	<u>Ref.</u>	
December 31, 2024 and 2023	D	<u><u>\$ 173,358.91</u></u>

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TOWNSHIP OF READINGTON

PART II

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

FOR THE YEAR ENDED DECEMBER 31, 2024

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**TOWNSHIP OF READINGTON
SCHEDULE OF FINANCIAL STATEMENT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2024**

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

Finding No. 2024-001

Criteria or specific requirement:

In accordance with maintaining an internal control environment that is effective in prevention and/or identification of potential financial statement misstatement and/or misclassifications, the Township should maintain a complete and accurate general ledger system.

Additionally, in accordance with requirements promulgated by the State of New Jersey, Division of Local Government Services, interfund balances should be paid and closed out by the end of the current year.

Condition:

The general ledger was not timely maintained in the Township's financial reporting system. Multiple funds reflected interfund balances at year end.

Cause:

The Township did not and timely maintain accurate subsidiary records.

Effect or potential effect:

The Township did not have timely support for general ledger balances and transactions and Non Compliance with N.J.A.C. 5:30-5.7. Significant interfund balances were reflected on various balance sheets as of year end.

Recommendation:

That internal control policies and procedures should be developed to properly maintain a timely and accurate general ledger system.

View of responsible official:

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

Finding No. 2024-002

Criteria or specific requirement:

N.J.S.A. 40A:4-57 states that no officer, board, body or commission shall, during any fiscal year, expend any money, incur any liability, or enter into any contract which by its terms involved the expenditure of money for any purpose for which no appropriation is provided, or in excess of the amount appropriated for such service.

Condition:

The Township's Current and Grant Funds reflect over expenditures.

**TOWNSHIP OF READINGTON
SCHEDULE OF FINANCIAL STATEMENT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2024**

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

Finding No. 2024-002 (continued)

Cause:

Management Oversight.

Effect or potential effect:

Non-compliance with N.J.S.A. 40A:4-57

Recommendation:

The Township raise the deferred charges in the respective funds in the subsequent budget.

View of responsible official:

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

**TOWNSHIP OF READINGTON
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
AS PREPARED BY MANAGEMENT
FOR THE YEAR ENDED DECEMBER 31, 2024**

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

Financial Statement Findings

Finding No. 2023-001

Criteria or specific requirement:

Financial reporting requirements promulgated by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

Condition:

The audit indicated the Township did not properly maintain the books of original entry and general ledgers for the calendar year 2023.

Cause:

Management Oversight.

Effect or potential effect:

The records provided for the audit did not properly represent the Current Fund financial transactions of the Township for the calendar year 2023. Numerous reconciliations and significant adjusting journal entries were required to adjust the financial records to properly state the 2023 financial operations and the December 31, 2023 balances.

Recommendation:

The Township properly maintain the books of original entry and general ledger, prepare monthly bank reconciliations and reconcile all general ledger balances to subsidiary records for the Current Fund.

View of responsible official:

Management has reviewed this finding and has indicated that corrective action will be taken.

Federal Single Audit Findings

N/A – No Federal single audit performed in the prior year.

State Single Audit Findings

N/A – No State single audit performed in the prior year.

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TOWNSHIP OF READINGTON

PART III

**LETTER OF COMMENTS AND RECOMMENDATIONS – REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2024**

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OFFICIALS IN OFFICE AND SURETY BONDS

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

<u>Name</u>	<u>Title</u>
Adam Mueller	Mayor/Committee Member
Vincent Panico	Deputy Mayor
John Albanese	Committee Member
Jonathan Heller	Committee Member
Juergen Hulsebusch	Committee Member
Vincent Panico	Committee Member
Richard Sheola	Chief Financial Officer
Karin Parker	Acting Municipal Clerk
Michael Balogh	Tax & Water/Sewer Collector
Julie Kosakowski	Court Administrator
Richard Sheola	Township Administrator

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Honorable Mayor and Members
of the Township Committee
Township of Readington
County of Hunterdon
Readington, New Jersey

In accordance with requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the following are the *General Comments* and *Recommendations* for the year ended December 31, 2024.

GENERAL COMMENTS:

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

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

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

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

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

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

Collection of Interest on Delinquent Taxes and Assessments

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

The governing body on January 1, 2024 adopted the following resolution authorizing interest to be charged on delinquent taxes:

1. That the Tax Collector is hereby authorized and directed to charge 8% per annum on the first \$1,500.00 of any amount of taxes becoming delinquent after due date and 18% per annum on any amount of taxes in excess of \$1,500.00 becoming delinquent after due date, subject to any abatement or discount for the late payment of taxes as provided by law; and, if a delinquency is in excess of \$10,000.00 and remains in arrears beyond December 31st of the tax year, an additional penalty of 6% shall be charged against the delinquency.
2. There will be a (10) ten-day grace period for payment of quarterly tax payments made by cash, check or money order.”

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

OTHER COMMENTS (FINDINGS):

Finding No. 2024-001

The general ledger was not timely maintained in the Township’s financial reporting system. Multiple funds reflected interfund balances at year end.

Finding No. 2024-002

The Township’s Current and Grant Funds reflect over expenditures.

RECOMMENDATIONS:

Finding No. 2024-001

That internal control policies and procedures should be developed to properly maintain a timely and accurate general ledger system.

Finding No. 2024-002

The Township raise the deferred charges in the respective funds in the subsequent budget.

Appreciation

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

Respectfully submitted,

HOLMAN FRENIA ALLISON, P. C.

A handwritten signature in black ink, appearing to read 'J. Conaty', with a stylized, overlapping flourish extending to the right.

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

Lakewood, New Jersey
October 22, 2025